

AN ORDINANCE ESTABLISHING A TAX ABATEMENT PROGRAM FOR THE HISTORIC DISTRICTS OF THE CITY OF CLEVELAND, MISSISSIPPI.

WHEREAS, Section 17-21-5 of the Mississippi Code Annotated grants “municipalities the authority to exempt from any or all municipal *ad valorem* taxes excluding *ad valorem* taxes for school district purposes, for a period of not more than seven (7) years, any privately owned new structures and any renovations of and improvements to existing structures lying within a designated central business district or historic preservation district...,” and

WHEREAS, the Mayor and Board of Aldermen of The City of Cleveland, Mississippi wish to stimulate private investment by providing for a tax abatement program by exempting from any and all municipal *ad valorem* taxes, excluding *ad valorem* taxes for school district purposes, for a period of not more than seven (7) years, certain renovations of and improvements to existing structures and new structures lying within the historic preservation districts as designated by ordinance of the Mayor and Board of Aldermen of The city of Cleveland, Mississippi or such renovation or new construction at any other officially designated historic landmark site; and

WHEREAS, certain areas of the City of Cleveland have been designated historic preservation districts or historic landmark sites by ordinances and orders of the Mayor and Board of Aldermen of The City of Cleveland, Mississippi; and

WHEREAS, it is the policy of the Mayor and Board of Aldermen of The City of Cleveland, Mississippi to promote historic preservation within the City’s historic preservation districts and officially designated historic landmark sites; and now,

THEREFORE, BE IT ORDAINED BY THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF CLEVELAND, MISSISSIPPI:

SECTION I. TITLE

This Ordinance shall hereby be entitled the “Historic Preservation Districts Tax Abatement Ordinance” and shall hereafter be referred to and known under such title.

SECTION II. PURPOSE

There is hereby established a tax abatement program within those areas of the City of Cleveland designated by ordinance of the Mayor and Board of Aldermen as the Crosstie Historic District or historic landmark site for historic preservation, the application of which shall be pursuant to the requirements of this Ordinance.

SECTION III. GENERAL

The Mayor and Board of Aldermen of the City of Cleveland, Mississippi may, in their discretions, exempt from any or all municipal *ad valorem* taxes, excluding *ad valorem* taxes for school district purposes, for a period of not more than seven (7) years, any certain new renovations of, and improvements to, existing structures and for certain new structures lying within the areas designated by the ordinances of the Mayor and Board of Aldermen of the City of Cleveland as the Crosstie Historic District or historic landmark site, but only in the event that such structures shall have been constructed, renovated or improved pursuant to the requirements as set forth in this ordinance.

SECTION IV. APPLICATION PROCEDURES

- A. Any person, firm, or corporation seeking a tax abatement under the provisions of this ordinance shall be and are hereby required to submit a written application for tax abatement on forms provided for such purpose. Such application shall accompany the application for a Certificate of Appropriateness for the desired construction, renovation or improvement which is required by that Ordinance of said City entitled “**AN ORDINANCE TO CREATE A PRESERVATION COMMISSION; TO ESTABLISH, THE MEMBERSHIP, OFFICERS, TERMS OF OFFICE OF ITS MEMBERS AND DUTIES OF SUCH COMMISSION; PROVIDING A PROCEDURE FOR ADOPTION OF ORDINANCES TO ESTABLISH**

PRESERVATION DISTRICTS AND TO DESIGNATE ARCHAEOLOGICAL, ARCHITECTURAL, CULTURAL AND HISTORICAL LANDMARKS AND LANDMARK SITES; PROVIDING THAT THE PRESERVATION COMMISSION SHALL BE NAMED THE ‘CLEVELAND HERITAGE COMMISSION’ AND SHALL SERVE AS A REVIEW BODY TO REVIEW PROPOSED WORK IN PRESERVATION DISTRICTS AND ON LANDMARKS AND LANDMARK SITES; PROVIDING THE CRITERIA FOR EVALUATING A PROPOSED ACTIVITY; PROVIDING STANDARDS AND A PROCEDURE TO PREVENT DEMOLITION OF LANDMARKS BY INTENT OR NEGLIGENCE; PROVIDING A PROCEDURE FOR THE ISSUANCE OF CERTIFICATES OF APPROPRIATENESS AND RELATED PURPOSES,” dated June 6, 1995, and that Ordinance establishing the Crosstie Historic District of said City, entitled **“AN ORDINANCE TO ESTABLISH A HISTORIC PRESERVATION DISTRICT TO BE KNOWN AS THE CROSSTIE HISTORIC DISTRICT; TO DESIGNATE THE BOUNDARIES OF SUCH DISTRICT; AND TO PROVIDE FOR THE PRESERVATIONS, PROMOTION, AND DEVELOPMENT OF SAID DISTRICT BY REQUIRING THE ERECTION, ALTERATION, RESTORATION, DEMOLITION, OR MOVING OF ANY STRUCTURE WITHIN SAID HERITAGE DISTRICT SHALL BE APPROVED UNTIL REVIEWED AND APPROVED BY THE CLEVELAND HERITAGE COMMISSION, TO CONFIRM INCLUSION CERTAIN PROPERTY OF THE CITY OF CLEVELAND, MISSISSIPPI WITHIN THE DISTRICT THEREIN DESCRIBED”** dated December 1, 1998, and as amended.

- B. Applications shall be filed with the Building Official and a copy shall be presented to the Bolivar County Tax Assessor. Upon receipt of the application for tax abatement, the Building Official shall forward such application for tax abatement to the City Clerk for review to ensure that it is in proper form and complete. Upon receipt of the application for a Certificate of Appropriateness, the Building Official shall review such application to ensure that it is in proper form and complete and shall immediately forward the application for a Certificate of Appropriateness along with a copy of the application for tax abatement to the chairman of the Heritage Commission. Thereafter the application for a Certificate of Appropriateness shall be reviewed in accordance with the procedures for the historic preservation district in which the property to be renovated or improved or constructed is situated.
- C. Interior renovations or improvements may qualify for such tax abatement provided that they make possible the use of interior space that was previously economically unusable or under utilized because of its poor or dilapidated condition, i.e., routine maintenance or changes made from one business use to another may not qualify.
- D. Upon application of tax abatement for interior improvements within a structure otherwise eligible, the Heritage Commission shall review such interior renovations, improvements or construction to determine if it complies with the guidelines for the exterior appearance of the structure.

SECTION V. DENIAL OF AN APPLICATION FOR CERTIFICATE OF APPROPRIATENESS – APPEALS

Denial of an application for a Certificate of Appropriateness and appeals shall be governed by the provisions of said preservation Ordinances of the City of Cleveland, Mississippi.

SECTION VI. FORMULA FOR DETERMINATION OF TAX ABATEMENT

- A. The term “building value” in this formula shall represent the appraised (or true) value of a property, minus the true value of the land, as shown on the records of the Bolivar County Tax Assessor.
- B. The minimum project investment shall be \$35,000 or 35% of the building value, whichever is greater.

- C. A tax abatement of up to seven (7) years may be granted to projects which effect renovation of or improvements to a structure which converts unused or underutilized second or subsequent floor space to residential occupancy.
- D. A tax abatement of up to seven (7) years may be granted to projects which effect renovation of or improvements to a structure which, I the written opinion of the Heritage Commission, result in the material removal of an inappropriate feature(s) and the material restoration or replacement of an architectural feature(s) which is historically appropriate to the structure.
- E. A tax abatement of up to seven (7) years may be granted to projects of new construction or projects which effect renovations of or improvement to a structure if the effect of such construction, renovation or improvement increases the appraised (or true) value of the structure as determined by the Bolivar County Tax Assessor as provided herein, with the limitation that any abatement shall apply only to the increase in assessed value due to specified construction or revocations and improvements to such property authorized in these Sections 6 (a) through (e).

SECTION VII. CONDITIONAL APPROVAL OF TAX ABATEMENT

Upon receipt of a Certificate of Appropriateness, and prior to the commencement of any work for which the tax abatement is sought, any person, firm or corporation seeking to apply for tax abatement from the Mayor and Board of Aldermen of The City of Cleveland, Mississippi shall file with the City Clerk a copy of such Certificate of Appropriateness along with a written request that the Mayor and Board of Aldermen of The City of Cleveland, Mississippi consider conditional approval of the application for tax abatement contingent upon all work being performed in compliance with the Certificate of Appropriateness and all other City codes and ordinances. The disposition of such application shall be expressed in the form of a resolution by the Mayor and Board of Aldermen of The City of Cleveland, Mississippi to grant or deny conditional approval of a tax abatement from any or all municipal *ad valorem* taxes, excluding *ad valorem* taxes for school district purposes, for a specified period, not to exceed seven (7) years, for any new structures or new renovations of, and improvements to, existing structures, contingent upon such work being performed in compliance with the Certificate of Appropriateness and all other City codes and ordinances.

SECTION VIII. FINAL APPROVAL OF TAX ABATEMENT – FINDING

- A. The Building Official shall monitor the project for compliance with the terms of the Certificate of Appropriateness and all other appropriate City codes and ordinances. Upon final inspection of the project, and if the project is in compliance with such terms and other codes and ordinances of the City, the Building Official shall so notify the applicant, the Heritage Commission and the City Clerk in writing. The applicant shall then forward to the Bolivar County Tax Assessor detailed information as Tax Assessor may require in order for the Tax Assessor to determine the increase in appraised (or true) value of the structure as a result of the new construction or renovations of, and improvements to, the structure performed under the application for tax abatement.
- B. At such time as the Bolivar County Tax Assessor makes final determination of the increase in appraised (or true) value as a result of the renovations of, and improvement to, the structure performed under the application for tax abatement, the applicant shall present proof of such determination in a form acceptable to the City Clerk.
- C. Final approval of tax abatement shall be expressed in the form of resolution by the Mayor and Board of Aldermen of the City of Cleveland, to exempt from any or all municipal *ad valorem* taxes, excluding *ad valorem* taxes for school district purposes, for a specific period, not to exceed seven (7) years, such new renovations of and improvements to existing structures or new construction in compliance with the Certificate of Appropriateness and all other appropriate City codes and ordinances for the purpose of the promotion of historic preservation of the property is located in a designated historic district or other historic landmark site.

- D. For approval of the application for tax abatement by the Bolivar County Board of Supervisors pursuant to Sections 17-21-7 et al of said Code, applicant shall make the application provided therein and present a copy of the resolution of the Mayor and Board of Aldermen of the City of Cleveland as it may have been granted pursuant to this ordinance.

SECTION IX. APPLICATION FOR TAX ABATEMENT – APPEALS

Any person, firm or corporation aggrieved at the findings of the Mayor and Board of Aldermen of the City of Cleveland, Mississippi shall have the right to appeal from the findings of the Mayor and Board of Aldermen in the form and manner and as required by the laws of Mississippi.

SECTION X. CONSTRUCTION AND SEVERABILITY

Severability is intended through and within the provisions of the tax abatement ordinance. If any provision, including *inter alia* any exception, part, phrase, or term or the application thereof to any person or circumstances is held invalid, the application to other persons or circumstances shall not be affected thereby and the validity of this ordinance in any and all other respects shall not be affected thereby. The Board of Aldermen does not intend a result that is absurd, impossible to execute, or unreasonable. It is intended that this ordinance be held inapplicable in such cases, if any, where its application would be unconstitutional. A constitutional construction is intended and shall be given. Said Board does not intend to violate the Constitution of the State of Mississippi or the Constitution of the United States of America.

SECTION XI. ORDINANCE CUMULATIVE

This ordinance shall be cumulative and in addition to any other laws in force and effect.

SECTION XII. EFFECTIVE DATE

This shall be and is effective one month from and after its passage and adoption on this date.

ORDAINED, ADOPTED, AND APPROVED this July 17, 2001.

MARTIN T. KING, JR., Mayor

Attest:

LYNN C. BUTRUM, City Clerk