

## What is the Tax Incentive Program?

The owner of a historic residential building which is either land-marked or located in the Historic Neighborhood Investment Zone (HNIZ) and is 50 years old would receive a prescribed tax abatement on qualifying expenses for up to ten (10) years when restoration/rehabilitation costs equal or exceed a select % of the value of the building.

The owner may qualify for one of the following:

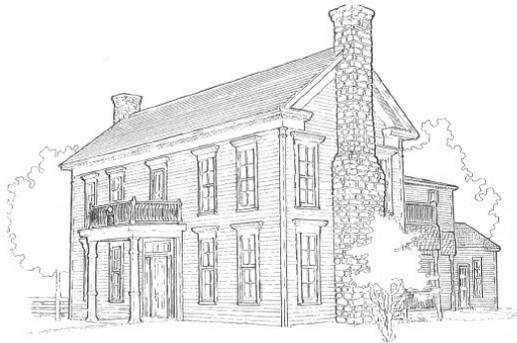
- Level 1; 100% local tax abatement on the appraised value of the house for local landmarked structures;
- Level 2; 70% abatement off of the appraised value of the house for residential structures for qualified major improvements over \$40,000, or;
- Level 3; 40% abatement off of the appraised value of the house for residential structures for qualified minor improvements over \$15,000

The tax incentive goes with the house. If you sell the house, the incentive is tied to the house provided that the house is maintained by the owner.

For more information, please contact the Community Development Department at 817-573-1114. Information is also available online at [www.granbury.org](http://www.granbury.org)

## Goal of Financial Incentives

To encourage restoration, rehabilitation and preventative maintenance on landmarked homes or homes over fifty years within the 'HNIZ' Historic Neighborhood Investment Zone through the usage of a historic tax incentive program .



## Focus of Financial Incentives

Additionally, the City of Granbury has created a Neighborhood Empowerment Zone (NEZ) whereby owners who qualify for the HNIZ tax incentive program may receive city permit fee waivers.

## Granbury Historic Tax Incentive Program



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## ***What are the Qualifying Criteria for the Tax Incentive Program?***

Applicants must meet the qualifying criteria listed below (A – D).

A. All work must fall into one or more of the following categories:

**Preservation** – The act or process of applying measures to sustain the existing form, integrity, and material of a building or structure.

**Restoration** – The act or process of accurately recovering the form and details of a property and its setting as it appeared at a particular period of time by means of the removal of later work or by the replacement of earlier work.

**Rehabilitation** – The act or process of returning a property to a state of utility through repair or alteration which makes possible an efficient contemporary use while preserving those portions or features of the property which are significant to its historical, architectural, and cultural values.

**Reconstruction** – The act or process of recreating a portion of a building, in all new materials based on factual evidence such as photographs.

B. **Qualifying costs** must equal or exceed a formula rate of the taxable value of the home as determined by the Hood County Appraisal District (HCAD) at the time of application for a Certificate of Eligibility. Qualified costs are those costs that are directly related to correcting and preventing structural defects and/or extending the life of the structure.

C. The property must be a residential structure either landmarked by the local Historic commission or at least fifty years old, and located within Granbury's "HNIZ" Historic Neighborhood Investment Zone.

D. Preservation, restoration, rehabilitation, or reconstruction projects that require a Certificate of Appropriateness will need the approved COA prior to any financial incentive being approved.

## ***Qualifying Criteria—continued.***

**Structural work** – Only projects that retain or restore the historic integrity of the home through the use of proper de-

## ***A Few Examples of Qualifying Cost***

sign qualify for the incentive. Example: Foundation repair, original frame and beam repair.

**Restoration, repair, or replacement** of siding and/or trim, windows and/or doors (painting included) with like materials – Only projects that retain or restore the historic integrity of the home through the use of proper materials and design qualify for the incentive. Example: replacing wood siding with aluminum or vinyl siding or the replacement of historic wood windows with vinyl or metal windows would not qualify.

**Restoration of existing historic porches** and porticos – However, rebuilding a porch that was original on the house but has since been removed would qualify for the incentive.

**Plumbing and electrical repairs** associated with structural work

**Labor costs**—this can include sweat equity.

**Donated materials and services** as long as all of said materials and labor are documented.

**Design costs**

**Roof replacement** associated with structural work or major rehabilitation projects.

**Exterior painting** – Large scale painting of historic homes would qualify so long as they meet the threshold amount.

## ***A Few Examples of Non-Qualifying Cost***

**Renovation** – A modernization of a historic building in which alterations are made and important features and details are eliminated.

Acquisition costs  
Additions  
Appliances  
Cabinets  
Carpeting  
Decks (not part of original building)  
Demolition costs  
Enlargement costs  
Fencing  
Feasibility studies  
Financing fees  
Furniture  
Landscaping  
Leasing Expenses  
Moving (building) costs (if part of acquisition)  
Outdoor lighting remote from building  
Parking lot  
Paving  
Planters  
Porches and Porticos additions (not part of original building)  
Retaining walls  
Sidewalks  
Signage  
Storm sewer construction costs  
Window treatments  
Other features which the Historic Commission believes to be similar in nature

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## ***Frequently Asked Questions***

### **1. Does this tax incentive affect my school taxes?**

Answer: No, the tax exemption program is for city taxes only and does not include the value of the land.