



10 Things To Know About Design

4. Understanding the Benefits of Historic Designation



FRAZIER ASSOCIATES
213 N. Augusta Street
Staunton, Virginia



Questions

Have your historic resources been identified?

Are your historic resources designated?

Are incentives being used?

Is it time for local regulation?



Historic Preservation Basics

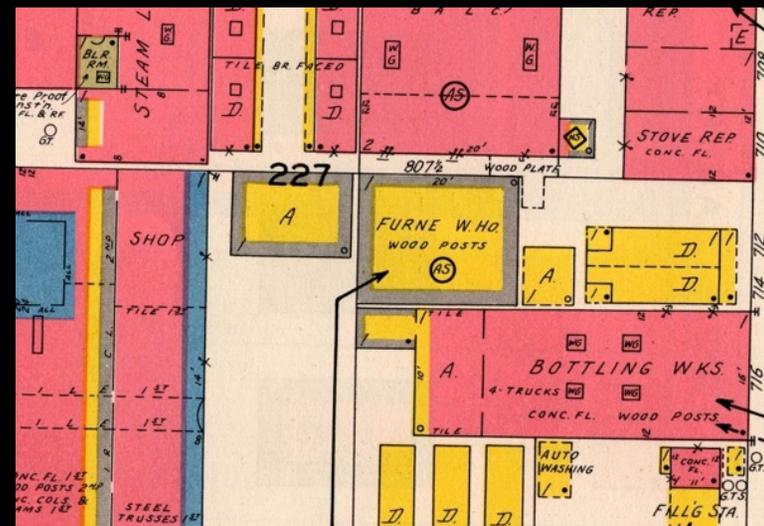
- Identify
- Designate
- Protect





Resources

- Architectural survey
 - Photographs
 - Research
- Old photographs
- Sanborn maps
- Brochures, newspapers, journals from the past
- Books - past and present





Historic Registers

- National Register of Historic Places
- Virginia Landmarks Register
- Local Historic District Designation and ordinance





Protect Your Historic Resources: Incentives vs. Regulation

- National
 - Honorific
 - Regulation: Section 106 Review for Federally funded projects
 - **Incentive:** Historic Tax Credits – 20%
 - Income producing projects

National Park Service

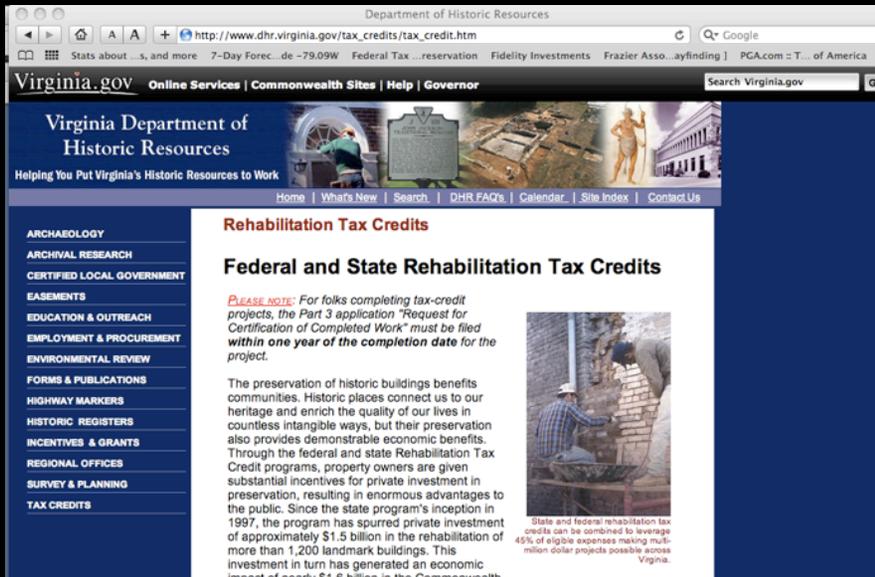
National Park Service
U.S. Department of the Interior

Historic
Preservation
Tax Incentives

Technical Preservation Services



Protect Your Historic Resources: Incentives vs. Regulation



- State
 - Honorific
 - Regulation: Review of State-funded projects
 - **Incentive**: 25% State Tax Credit
 - Income producing
 - Residential



Protect Your Historic Resources: Incentives vs. Regulation

- Local
 - **Incentive:** Local Tax Abatement – State enabling legislation 58.1-3219.4. Partial exemption for structures in redevelopment or conservation areas or rehabilitation districts.
 - Regulation: Historic District ordinance with design review
 - Local historic district designation – not necessarily tied to NR





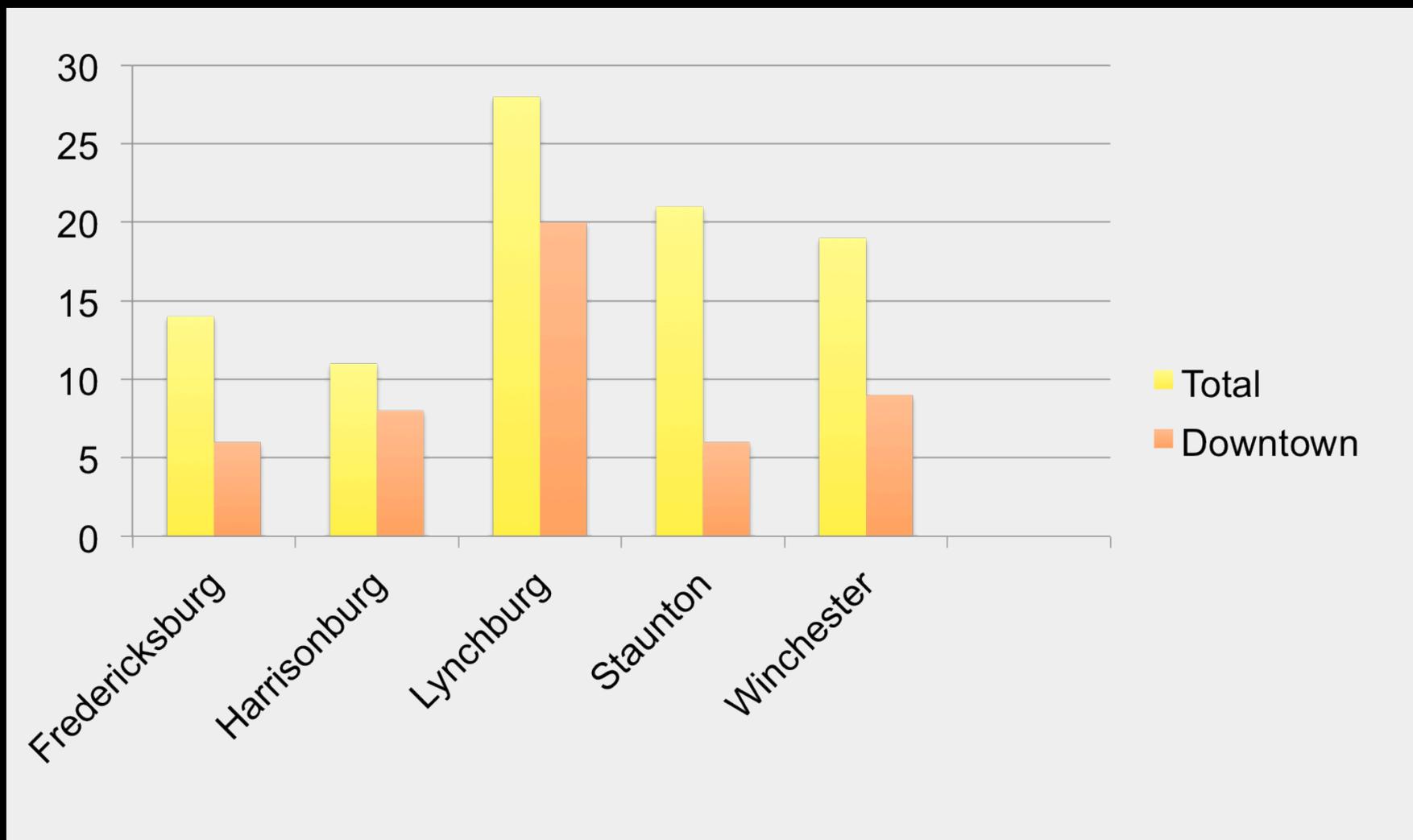
What VMS Communities are Using the Credits?

- 42% of the 26 active communities have had no tax credit projects in last 7 years
- 50% of the projects in all the communities are downtown





Top VMS Communities Using Historic Tax Credits





The Economics – Staunton (2008 stats)

- \$42 million in private investment on 92 historic tax credit projects since 1982.
- The assessed value tripled from 1990 to 2007 from \$25 million to \$75 million.
- \$23 million spent on public investment.
 - Streetscape improvements, the parking deck and conference center spurred a variety of privately funded economic development projects, most notably the Stonewall Jackson Hotel.



Why and How to Use the Credits

- Large rehabilitation projects – helps to bridge the funding gap
- Must be on the National and State Registers
- Meet qualifying expenditures
- All work must meet *The Secretary of the Interior's Standards for Rehabilitation*
- Complete a three-part application process
- See:
http://www.dhr.virginia.gov/tax_credits/tax_credit.htm



What are *The Secretary of the Interiors Standards*?

- Preserve
 - Restore
 - Reconstruct
 - Rehabilitate
1. Use
 2. Historic character
 3. False Historicism
 4. Changes over time
 5. Materials and Craft
 6. Repair rather than replace
 7. Gentlest means
 8. Archeology
 9. New additions
 10. Related new construction



Key Historic Tax Credit **Issues**



- Preserve CHARACTER DEFINING spaces and features on the INTERIOR and EXTERIOR
- Exterior elevations:
 - WINDOWS
 - MATERIALS
 - DOORS
 - STOREFRONTS
- Do not begin construction before the tax credit application is approved.



Before Beginning a Tax Credit Project



- Photograph the entire building - inside and out
- Understand *The Secretary's Standards*
- Submit Parts 1 and 2 of tax credit application
- Do not start demolition and construction prior to Part 2 Approval
- **It takes time but it is worth it!**



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