

historic property renovation

by Steve Kimball



historic building assessment

Identifying the appropriate treatment for historic buildings is a crucial first step in evaluating and implementing measures that preserve, repair, and sustain the structure for future use. The initial assessment should consider the following criteria:

- National Register: Included on or is eligible for listing on the National Register of Historic Places.
- Preservation: Maintenance & repair of historic materials and retention of the building's form.
- Rehabilitation: Need for alteration and/or addition to the property while retaining its historic character.
- Reconstruction: Re-creation of non-surviving portions of the building.

PRESERVATION

Preservation is typically applied to buildings listed in the National Register or buildings that have historic elements, materials, and spaces that have survived intact and represent the buildings historic significance.

REHABILITATION

Rehabilitation is most appropriate for buildings that are located in and contribute to a historic district but are not listed in the National Register.

RECONSTRUCTION

As the term indicates, reconstruction is utilized where some, or all of an existing structure no longer exists, but visual and/or written documentation is available in sufficient detail to recreate significant aspects and/or details of the building with historically appropriate materials.

Most historic renovations take the form of repurposing the building from its original use to a new program and expanded function.

The selection of appropriate treatment for a historic building is dependent on the building's historical significance, proposed use, and physical condition. Key factors to consider include building code application, energy code, potential environmental abatement issues, accessibility in accordance with the ADA, and space plan application constraints / opportunities.

Building systems in historic structures require striking a balance between retaining original building features while accommodating modern technology and space requirements. Building systems updates will require creativity to respect the original design and materials while meeting applicable codes and occupancy needs. The design should address life safety, accessibility, seismic, security space, and building system requirements with innovative approaches to preserve historic spaces and features.

historic tax credits

Federal and state preservation tax incentives can make investment in historic properties attractive by significantly improving the return on investment.

The Federal Historic Tax Credit (HTC) program provides a 20% credit over five years, beginning in the tax year in which the building is placed in service. It provides a dollar-for-dollar reduction of federal income tax liability, unlike a tax deduction, which only lowers taxable income. The dollar value is calculated as a percentage of the qualified rehabilitation expenditures (QREs) incurred during the course of the tax credit project's work.

To qualify for the tax credit, the work must be certified as complying with the Secretary of Interior's Standards for the Treatment of Historic Properties. The certification is achieved through an application process, first reviewed by the State Historic Preservation office (SHPO) and then by the National Park Service (NPS). The State Historic Preservation Office (SHPO) serve as the first point of contact for property owners.

In addition to the Federal Tax Credit (HTC) program, many states offer historic tax credits as an incentive to spur private investment in older neighborhoods, providing a significant investment opportunity for eligible properties. Currently, thirty-five states offer historic tax credits in the range of 20% to 30% of the qualified rehabilitation expenditures. State historic tax credits are typically competitive and are subject to an annual state cap on the total dollars available. By way of example, the basic elements of the tax credit in Ohio are as follows:

- Annual Cap: \$60 million
- Transaction Cap: \$5 million
- Credit Amount: 25%
- Credit Period: 5 years

It is important to consult your individual state's requirements for the application and award of historic tax credits.



historic tax credit application process

NHPA Section 106 requires federal agencies to consider how their undertakings affect historic properties and to allow the Advisory Council on Historic Preservation to comment. The three-part application process follows:

- **Part 1:** Presents information about the significance and appearance of the building.
- **Part 2:** Describes the condition of the building and the planned rehabilitation work. The proposed work will be evaluated based upon the Secretary of the Interior's Standards for Rehabilitation, which include a set of ten rules of practice.
- **Part 3:** Is submitted after the project is complete and documents that the work was completed as proposed. National Park Service approval of the Part 3 certifies that the project meets the Standards and is a "certified rehabilitation."

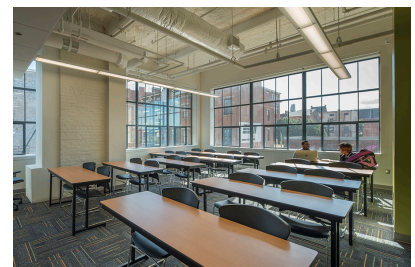
Application Submission: All parts of the application are submitted to the State Historic Preservation Office (SHPO), which reviews it for completeness and accuracy, and may request additional information. The SHPO then forwards it to the NPS with a recommendation as to whether the project meets the Standards for Rehabilitation.

Application Review: NPS reviews the application and gives their decision to the Owner. The NPS decision may differ from that of the SHPO. By law, final certification decisions are made by the NPS.

Scope: Includes the entire building plus any historically associated property under the same ownership. The review includes the site and environment, and any buildings that were functionally related historically. Any new construction and site improvements occurring on the property are considered part of the project for purposes of the tax credit.

Benefits of state and federal historic tax credits:

- Reduced cost
- Less time to complete
- Reuse of higher quality materials
- Durability
- Infrastructure reuse
- Redevelopment tax credits
- Increased commercial value
- Location preference
- Unique building identity
- Positive community engagement
- Environmentally sustainable
- Good for the economy
- Preservation of culture & history



experience

Our historic property experience includes a broad variety of project types ranging in size from less than 10,000 SF to over 200,000 SF.

HISTORIC RENOVATION EXPERIENCE			
PROJECT	SIZE (SF)	DATE	BUILDING TYPE
Foulois House Renovation	6,500	1870s	Residence
Pepper Construction, Cincinnati HQ	30,000	1912	Office
Cinti Art Museum, Longworth Hall	30,000	1887	Office & Library
Cinti Art Museum, Hanna Gallery	3,000	1930	Museum
Cinti Art Museum, Schmidlapp Gallery	4,000	1907	Museum
USAF Advanced Power & Thermal Lab	58,000	1934	Research & Dev.
USAF Energy Tech. Systems Lab	17,000	1922	Research & Dev.
USAF Historic Wind Tunnel Design	NA	1920'S	Historic Archive
Cincinnati Art Museum, Lobby Reno.	6,000	1886	Museum
Optics Laboratory Reno / Add	37,000	1928	Research & Dev.
Veteran's Admin Fire Station	4,100	1939	Fire Station
U.S. Army Black Officer's Club	4,120	1942	Club
Chatfield College	17,600	1870, 1922	Academic
U.S. Navy, Command Communications Ctr	10,000	1940'S	Office
Bethany School Cottages	11,000	1927	Academic
Miami University Sawyer Hall	11,100	1914	Recreation Center
USAF Life Cycle Mgt Center	290,600	1927	Office
Over-The-Rhine Historic Preservation Study	4 Structures	1800'S	Multifamily
Procter Hall, Univ. of Cinti	86,000	1968	Academic
USAF Sr Officer's Residences	26 Homes	1930'S	Residence
USAF Bio-Communications Labs	60,000	1955	Research & Dev.
Nat'l Air & Space Intelligence Ctr Annex	14,200	1943	Office
USAF Sensors Technology Complex	148,000	1960'S	Lab & Office
Nat'l Air & Space Intelligence Ctr Add.	140,000	1945	Data Ctr & Office
Oakwood Schools Historic Master Plan	--	1908	Master Plan
Cinti Art Museum, Main Entrance	--	1887	Museum

about the author



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