

HISTORIC DESIGNATIONS

A Comparison of Different Types

The National Register of Historic Places is one type of designation and is different from local historic property designation. In both cases the designation is an honor and means that the site, or area, is important enough to try to preserve. In both cases the designation can apply to a single property or to a district, or neighborhood.

Listing on the National Register of Historic Places is a federal program administered by the state. The National Register designation is conferred after intensive review in Raleigh and Washington, DC. It affords some protection from state or federally funded projects, such as highways and urban renewal. There are federal tax advantages if the property is income-producing. Legislation is pending to extend this to non-income-producing places as well. There is no correlation between National Register listing and local designation, though a property can carry both.

Local designation for an individual property (as opposed to a district) means that the owner is eligible to apply for a 50% property tax deferral. Historic district designation is a type of zoning and has no effect on property tax deferral. It can help to stabilize property values and improve the character of the neighborhood. In the case of both of these local designations, individual and district, the properties may not be materially altered, moved, or demolished unless the owner has submitted a Certificate of Appropriateness to the Commission. The Historic Properties Commission acts on these Certificates for individual places, while the Historic District Commission takes care of those within a District. Minor repairs do not require a Certificate of Appropriateness. The Secretary of Interior guidelines are the basis for when a Certificate is needed and may be granted. Historic zoning for a district protects the owner from inappropriate changes of other owners that might destroy the best qualities of the neighborhood. It can help stabilize the best characteristics of the area and thus would help to improve everyone's property values.

For more information, contact The Heritage Room, P.O. Box 397, Monroe, NC 28111; phone 704-289-6737.

HISTORIC DESIGNATIONS. WHAT THEY ARE AND WHAT THEY MEAN

THE NATIONAL PROGRAM. One type of designation.

THE NATIONAL REGISTER OF HISTORIC PLACES

an apply to (1) individual properties or (2) entire districts or neighborhoods meaning:

- It is an honor. The site or district is officially recognized as having architectural, historical or cultural value and being worthy of preservation. This designation comes about only after intensive study and review in Raleigh and Washington, DC.
- Protection. The site or district has a degree of protection from state and federally funded or licensed projects (highways, urban renewal etc.) that might destroy or compromise the property. This does not affect private owners using private money with the possible exception mentioned in 3a below.
- Financial incentives. These are of two types.

a. Possible income tax incentives. This applies only to income-producing (rental or commercial) property, not private residential property. The amount of tax savings, if any, will depend on the nature and cost of rehabilitation, the owner's tax bracket and other factors. There are income tax disincentives to discourage demolition. (These tax incentives and disincentives may also apply to a local historic district designation (column IIB) even if the area is not listed in the National Register provided the local ordinance establishing the district is certified by the Secretary of the Interior.

b. Possible (not guaranteed) grant assistance. Limited federal money is available for preservation grants, but these are highly competitive. National Register listing does not guarantee a grant.

II. THE LOCAL PROGRAM. Two types of designations.

A. HISTORIC PROPERTIES COMMISSION

A local historic property designation.

This applies only to individual historic properties studied by the Commission and designated "historic" by an ordinance passed by the local governing body.

Its meaning:

1. It is also an honor meaning the community believes the property is important enough to try to preserve.
2. The owner is entitled to apply for a 50% property tax deferral. This is to encourage reinvestment in maintenance of the property. The owner loses the deferral and may be required to pay up to 3 years of back taxes plus interest if he does anything to cause the property to lose its value to the community.

3. A property designated as an "historic property" may not be materially altered, restored, moved or demolished unless the owner has been issued a certificate of appropriateness by the Historic Properties Commission. A certificate to demolish the property may not be denied but its effective date may be delayed for a period up to 180 days from the date of approval. This delay gives the Commission time to negotiate with the owner and seek a practical alternative to its destruction. If no solution is found within 180 days, the owner may proceed with demolition although he may become liable for back taxes.

B. HISTORIC DISTRICT COMMISSIONS

Local historic district zoning

This applies only to entire neighborhoods or other districts that include many properties. It is a type of zoning which provides controls on the appearance and in some cases on the use of existing and proposed neighborhood buildings.

Its meaning:

1. It is also an honor. It means the community believes the architecture, history, and overall integrity of the area are worthy of preservation.
2. It has absolutely no effect on property tax evaluations or payments. It can help improve property values by stabilizing and improving the character of the neighborhood.

3. Just as with individual designations, an owner of property within the district is required to obtain a certificate of appropriateness from the Commission before beginning any significant exterior (not interior) changes or additions to his property or before building a new structure within the area. This is to insure that all work done to property in the neighborhood is appropriate to the overall historic character of the area. However, in the case of new construction these controls should not preclude good contemporary design.

4. A certificate is also required for demolition but may not be denied. This process can be delayed up to 180 days.

5. Historic zoning benefits the owner by protecting him from the inappropriate changes of other owners that might destroy the best qualities of the neighborhood. It can help stabilize the best characteristics of the area and thus help improve everyone's property values.



MONROE UNION HISTORIC PROPERTIES COMMISSION

POST OFFICE BOX 202

MONROE, NORTH CAROLINA 28110

RESULTS OF HAVING PROPERTY DESIGNATED AS "HISTORIC PROPERTY"

1. A suitable sign may be placed on "historic property" or, if the owner objects, upon a nearby public right-of-way. This sign states that the property is "historic property". GS160A-399.4.
2. The owner of "historic property" may apply for an automatic deferral of 50% of the Ad Valorem taxes on "historic property". This deferral persists as long as the property retains its status as "historic property". GS105-278.
3. The owner of "historic property" must secure a Certificate of Appropriateness from the Historic Properties Commission before any material alteration, restoration, removal, or demolition of "historic property" may occur. A Certificate of Appropriateness for demolition may not be denied. However, the effective date of a certificate for demolition may be delayed for a period of up to 180 days from the date of approval. GS160A-399.6.