

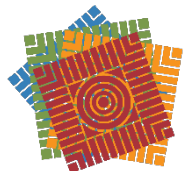


What's In Your Preservation Toolkit?

Lizzie Morrison, Executive Director of Mount Airy Downtown, Inc.

Kristi Brantley, CLG/Local Government Coordinator, NC State Historic Preservation Office

Connie Kincaid, Business Development Manager, Alexander County EDC



North Carolina
MAIN STREET
Community



NC DEPARTMENT OF
NATURAL AND CULTURAL RESOURCES

Preservation Toolkit Outline:

- Pursuing Private Development: Understanding & Guiding Developers through Historic Tax Credits
- Preservation's BIG Economic & Community Development Impact
- Historic Preservation Commissions & Certified Local Governments: Preservation Through Partnerships
- Knowing Your Resources: Funding & Technical Assistance



Understanding & Guiding Developers Through Historic Tax Credits

North Carolina Credit for Rehabilitating Income-Producing Historic Structure:

- 15 percent of qualified rehabilitation costs of up to \$10 million for historic income-producing properties; 10 percent for \$10 million to \$20 million; no credit for more than \$20 million.
- 5 percent additional credit with \$20 million project cap for projects located in either Tier One or Tier Two areas or on an eligible targeted investment site on expenditures made prior to Dec 31, 2016.
- Transaction Cap: \$4.5 million, based on \$20 million project of vacant mill in distressed county.

North Carolina Mill Tax Credit for Rehabilitating Income-Producing Historic Mills:

- The mill rehabilitation credit allows a state credit of 40% for a taxpayer who is allowed a federal HTC on QREs of at least \$10 million with respect to the certified rehabilitation of an eligible railroad station. That credit also has a Jan. 1, 2030, sunset date.

North Carolina Historic Preservation State Tax Credits for Non-Income Producing Properties:

- The state offers an income tax credit equal to 15 percent of eligible rehabilitation expenses for properties on National Register or contributing to a National Register-listed Historic District.
- These properties do not qualify for the federal credit. You must apply only for the state credit.
- Transaction Cap: \$22,500

Federal Credit for Rehabilitating Income-Producing Historic Structure:

- To qualify for the 20 percent credit, a building must be a certified historic structure (buildings individually listed on the National Register of Historic Places or listed as a contributing building in a National Register or state or local historic district certified by the Secretary of the Interior.
- The National Park Service determines if a building is a certified historic structure by approving Part 1 of the application.

Understanding & Guiding Development through Tax Credits

North Carolina Credit for Rehabilitation

- 15 percent of qualified rehabilitation expenses for \$10 million to \$20 million; no credit for more than \$20 million
- 5 percent additional credit for targeted investment
- Transaction Cap: \$4.3 million

North Carolina Millage

- The millage rate is determined with respect to the value of the property

North Carolina Historic

- The state offers a credit for contributing to the historic character of the property
- These properties are listed on the National Register of Historic Places
- Transaction Cap: \$4.3 million

Federal Credit for Rehabilitation

- To qualify for the 20% credit, the property must be listed on the National Register of Historic Places or be a contributing property in a historic district certified by the Secretary of the Interior.
- The National Park Service determines the eligibility of the property.

The HTC State & Federal programs encourage private sector investment in the rehabilitation and re-use of historic buildings.

State Tax Credit = 15% of qualified rehabilitation expenses. Tier 1 & Tier 2 Counties get additional 5%.

Federal Tax Credit = 20% of qualified rehabilitation expenses.

for \$10 million to \$20 million; no credit for more than \$20 million

on eligible

\$10 million

register or

ly listed on the National Register of Historic Places or be a contributing property in a historic district certified by the Secretary of the Interior.

by approving Part 1 of the application.

- ★ = HTC Projects
- ★ = Non-HTC Building Rehabs
- ★ = Projects In Process
- ★ = Public Improvements

Since 2013, Mount Airy Downtown has seen more than \$34 million in private investment tracked, and 55% percent growth in taxable building and property value of the Municipal Service District (\$33.7 million to \$55.3 million).

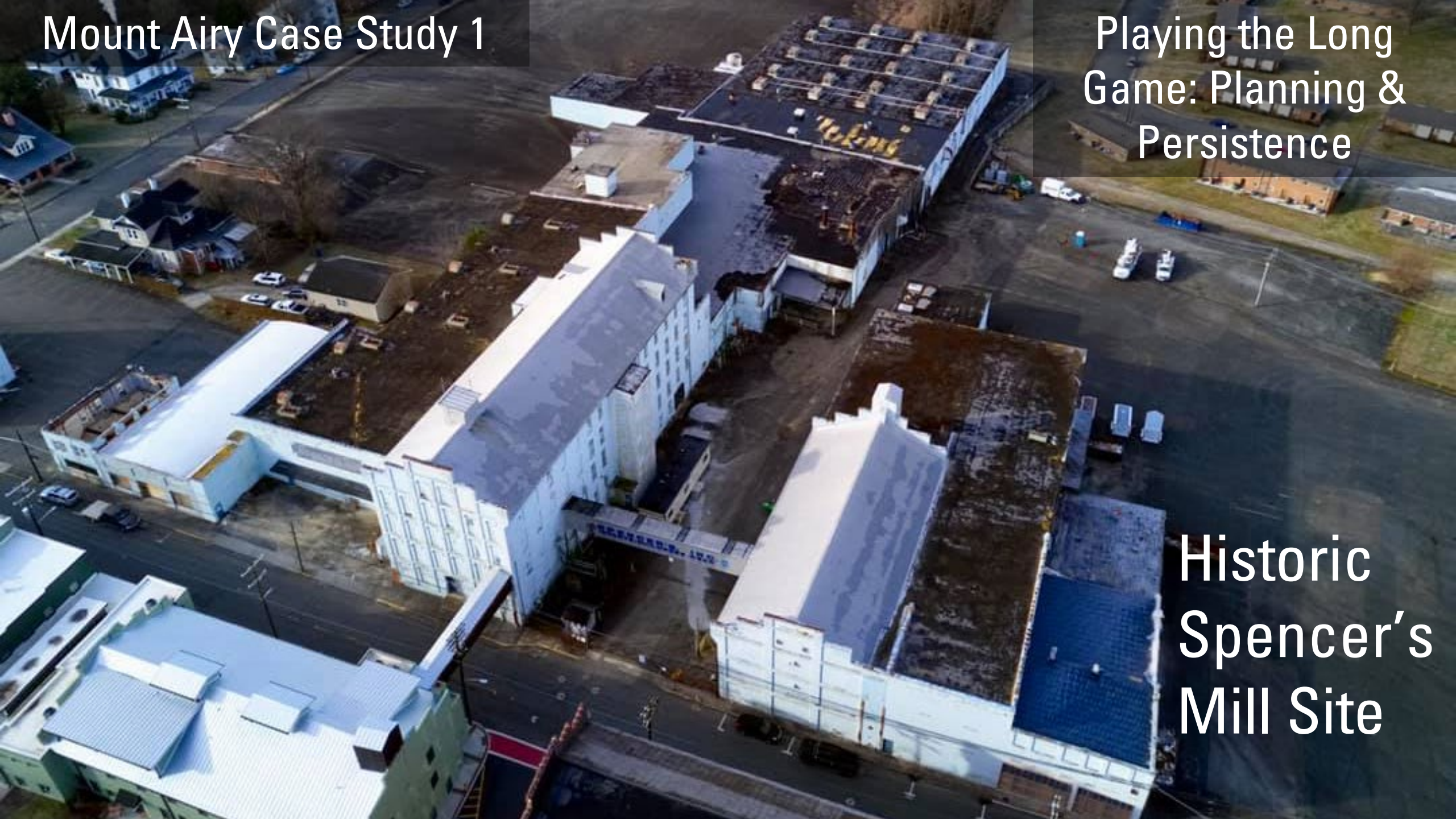
The MSD has seen 96 façade improvements, 37 building rehabilitations, 26 public improvement projects, 43 businesses created, 17 business expansions, a current occupancy rate of 96 percent

- Legend
- NRHP District
 - Local Historic District
 - Municipal Service District
 - Tax Parcels

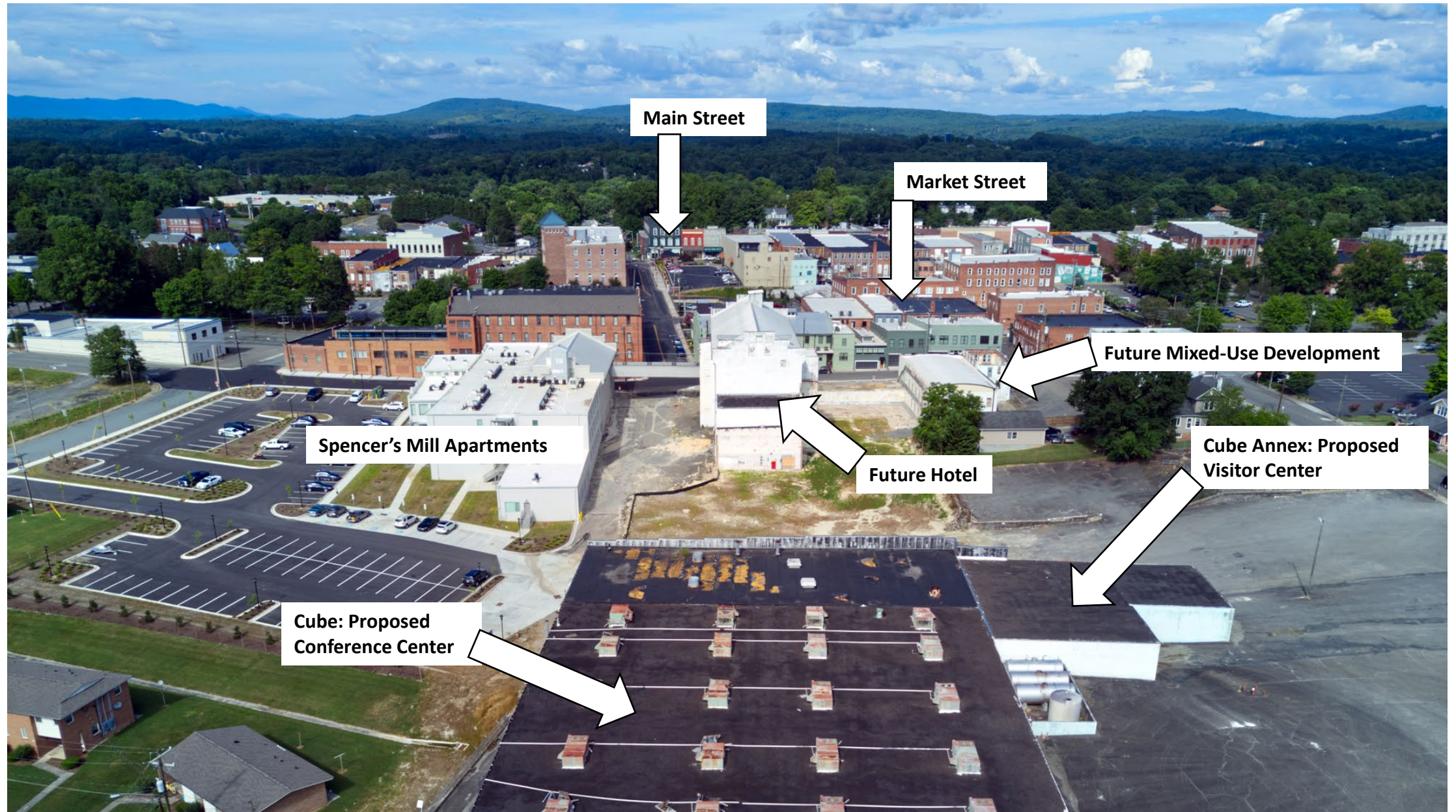
Mount Airy Case Study 1

Playing the Long
Game: Planning &
Persistence

Historic
Spencer's
Mill Site



Aerial of Spencer's Mill Looking East to Main Street



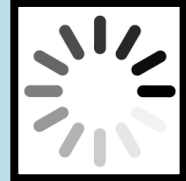
SPENCER'S MILL REDEVELOPMENT INITIATIVE



Phase I: Downtown Residential



Phase II: Hotel & Market Center



Phase III: Visitor & Conference Center

Phase 1: Before



Phase 1: After

Spencer's Loft Condominiums,
Completed November 2017



Phase I Before





Spencer's Loft Condominiums,
Completed November 2017

Phase I: After



Spencer's Loft Condominiums

Phase I: Before



Phase I: After



Spencer's Mill Apartments,
Completed May 2020

What's the Economic Impact of Phase 1?

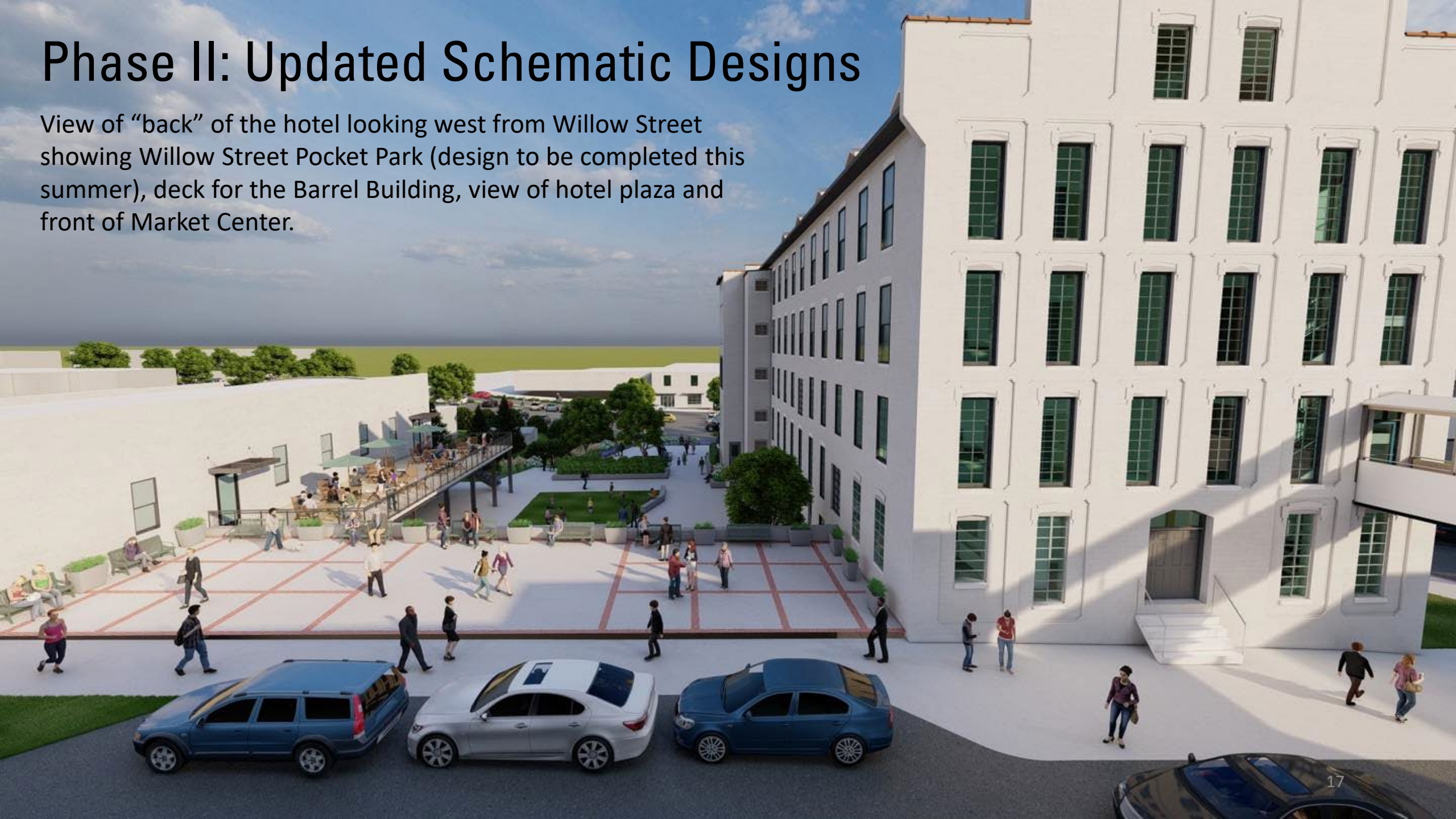
Phase 1 – Residential Developments (Condos and Apartments)

▪ Private Capital Investment	\$15.25 million
▪ Full Taxable Valuation	\$10.71 million
▪ Annual Discretionary Spending (140 Residents)	\$2.52 million

Spencer's
Completed May 2020

Phase II: Updated Schematic Designs

View of “back” of the hotel looking west from Willow Street showing Willow Street Pocket Park (design to be completed this summer), deck for the Barrel Building, view of hotel plaza and front of Market Center.



Updated Schematic Designs

Aerial view looking east showing hotel entrance, rooftop terrace, courtyard, and barrel building porch/rear facade.



What does managing a large historic preservation project look like?

- A dedicated team willing to see things through.
- Meetings. Meetings. Meetings. MAD had 348 Meetings in 2021. We've had 90 technical meetings on the Spencer's project from September 2021 – June 2022.
- Growing thick skin: carrying the load of political pressure and public criticism.
- Drive the bus – and understand that there will be dead ends and failures. Drop activities and tasks that are keeping you from preserving your historic structures.
- Lobby for partnerships & public investment.



Mount Airy Case Study 2: Kazoku Sushi & Bar

The Kazoku
Redevelopment
Project was
supported through
the MAD, Inc. HTC
mentorship, a
façade grant, and
UNCG Free Design
Assistance.



Before



After

Kazoku Sushi & Bar

- 2016: MAD, Inc. begins meeting with property/business owner to talk about preservation.
- 2017: MAD submits building to UNCG Main Street Fellows for FREE design assistance.
- 2017: Property owner loves the design and decides the best path forward is to sell the building to someone who could implement the design.



Existing Facade



Conceptual Rendering with Awning
121 Franklin St., Mount Airy, NC

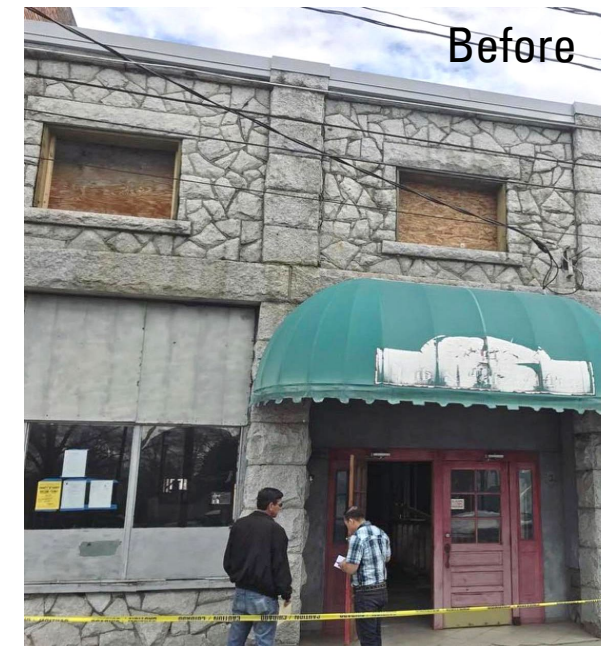
Kazoku Sushi & Bar

- 2017: Building sells to local developer with experience, but not HTC experience.
- 2017: MAD mentored developer through the HTC process.
- 2018: Building reopens as a new sushi restaurant with two Airbnb units upstairs creating 6 full-time and 25 part-time jobs.
- 2018: Developer joins MAD as board member/serves in a mentor role to other property owners.

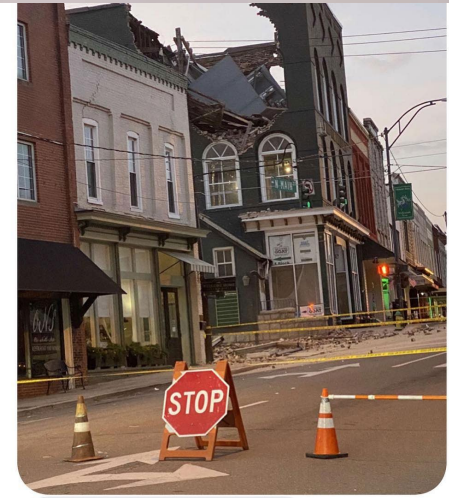


Considering the Economic Impact:

- Following the completion of the project, next door (Adrian's Hairtique) received a MAD, Inc. façade grant and mural grant.
- Soon after, a building directly across the street was purchased and upfitted into a new restaurant (Soho Bar and Grill). This building received a façade grant.
- The Dickson Building was purchased and renovated into 4 new retail spaces. It received HTC mentorship through MAD, a façade grant, and UNCG Free Design Assistance.
- This very small public investment of less than \$10,000 spurred \$1.7 million in private investment.



Mount Airy Case Study 3: Partial Collapse of the Historic Main Oak Building



Have you seen the emporium??!!

OH NOOOO!!

1. Acceptance
2. Courage
3. Wisdom

Acceptance: We Cannot Change That this Pivotal Building has Collapsed.

HOME > NEWS > Airbnb project eyed for Main-Oak site

Airbnb project eyed for Main-Oak site

October 19, 2021 Thomas Joyce News, Top Stories 0

By Tom Joyce tjoyce@mtairynews.com



The project is planned for the Main-Oak Emporium building at 245 City Hall St. in Mount Airy, which is pictured, and its sister structure, the Main-Oak Building at 248 N. Main St.

October 2021: Two Main Oak Buildings Sell for \$1.7 Million for a phased Airbnb/Mixed Use Redevelopment




July 5, 2022: Sudden-collapse of the Pivotal Main Oak Building causing major structural damage.

Acceptance: This Building Is Worthy of Preservation. It Is Our Shared Built Heritage.




The Main Oak Building (Pivotal) was constructed between 1905 and 1910 as the Midkiff Hardware Store, but for the last several decades was known as “Main Oak Emporium” to the community. Almost every local has a memory involving the Main Oak Building. It is a major part of our shared built heritage.

The Courage to Change the Things We Can: We CAN Change the Narrative.



Downtown Mount Airy is in Mount Airy, North Carolina.
July 5 at 7:57 AM · Instagram · 🌐

Friends, we are shocked and saddened by the partial collapse of the pivotal and historic Main Oak Building. Please stay away from the corner of Oak St and Main St today as the area is secured. Thank you for your understanding. #downtownmountairy 🍷



The Main Oak Building partially collapsed overnight.

No one was injured.

Please stay away from the corner of Oak and Main today while the City of Mount Airy works to secure the area.

182,924
People reached

32,309
Engagements


↑ +16.5x higher
Distribution score

Boost post

👍👎👉 451


Venturing Vippermans and 1.9K others

451 Comments 1.4K Shares



Downtown Mount Airy
Published by Lizzie Morrison · July 5 at 1:43 PM · 🌐

Mount Airy Downtown, Inc. is relieved to know there were no injuries reported and no loss of life occurred with the partial collapse of the Main Oak Building. We feel so fortunate that everyone is okay. At the same time, we are saddened by the sudden partial loss of a pivotal historic building in the Mount Airy National Register Historic District. The Main Oak Building was built between 1905 and 1910 as the Midkiff Hardware Store. It is an invaluable and irreplaceable part of our history here in Mount Airy. The community and visitors alike will be mourning a monumental loss if the front facade cannot be saved. Preservation of our historic structures is of utmost importance to retaining the character, charm, and history of Mount Airy. We will keep you all updated as we receive updated information.



Downtown Mount Airy is in Mount Airy, North Carolina.
Published by Instagram · July 7 at 4:34 PM · Instagram · 🌐

Update on the historic Main Oak Building:

We have received word that demolition is done for now. There is hope that most of the remaining parts of the building can be saved.

Mount Airy Downtown, Inc. and the City of Mount Airy met with the North Carolina Main Street & Rural Planning Center and the State Historic Preservation Office who all share our desire to see the Main Oak Building saved. We have a team in place that cares deeply about preservation of our historic structures. We know how to make lemonade out of lemons. Something good will happen because people here care about this place.

At this time, the official cause of the partial collapse hasn't been released. As soon as we have that information we will share it with you.

*Edit: Major DH Griffin equipment will be moved by tonight, but there will still be a closure in the 200 Block of North Main Street. The area will be secured and sidewalk access will be restored to downtown businesses by tomorrow. PLEASE show them some major LOVE as they reopen. 🍷

This has been and will continue to be a traumatic event in our shared history. The great relief we all feel that no one was hurt or killed is immeasurable. We are SO thankful.

We also see and feel the deep emotional response from the community. Our historic structures represent the physical expression of past generations. Downtown is our built heritage. We have childhood memories from walking these streets and patronizing these shops. Our parents do. Our grandparents do. Our great grandparents do. These historic structures mean so much to all of us. They are our shared community heartbeat. That's why we are all feeling some heartbreak right now. Keep hope. #downtownmountairy

35,985
People reached

7,004
Engagements

↑ +3.4x higher
Distribution score

Boost post

👍👎👉 906

65 Comments 158 Shares

👍 Like

💬 Comment

➦ Share

Most relevant ▼



Comment as Downtown Mount Airy

😊 📷 GIF 🗨️



Sherry Vernon Riddle

My mother bought my tricycle at Midkiff's Hardware around 1952-1953. She said they didn't have one the size she wanted on the sales floor and the sales person had her to ride with him on the freight elevator to the third floor to pick out the one she wanted. I remember riding that tricycle around in the yard and on the driveway.

Love Reply Hide 3w Edited

👍👎👉 18

The Courage to Change the Things We Can: We CAN Insert Ourselves in the Conversation. We CAN Push for Preservation.

- If you have a catastrophe, IMMEDIATELY reach out to NC Main Street and the State Historic Preservation Office. Lean into your resources.
- Quickly make contact with the private development team/property owners.
- Communicate with the City/Local Gov't.
- Send the message that preservation is of utmost importance.



The Wisdom to Know the Difference: We Knew We Couldn't Overrule the Structural Engineers & the Private Property Owner Who Determined the 3rd Floor Façade & Parapet Wall Needed to be Removed. We Can Push, but Ultimately Cannot Control the Private Developers, Their Lawyers, Their Insurance Adjusters.



What's Next? We Continually Check In with Development Team & City Staff for Updates. We Will Continue to Advocate for Preservation & Will Serve as a Resource.

The developers are now pursuing an HTC project to restore the original façade. They are in the process of redrawing and submitting new plans.



Final Toolbox Advice: Prioritize Historic Preservation in Your Annual Work & Strategic Planning

- Your Economic Development Strategies, Goals, and Actions Should Be Preservation-Based.
- Drop the Low Impact Activities & Events that are Holding You Back from High Impact Preservation Work.
- No Amount of Promotional Activity Will Shape Your Brand Like Preserving Your Historic Buildings.

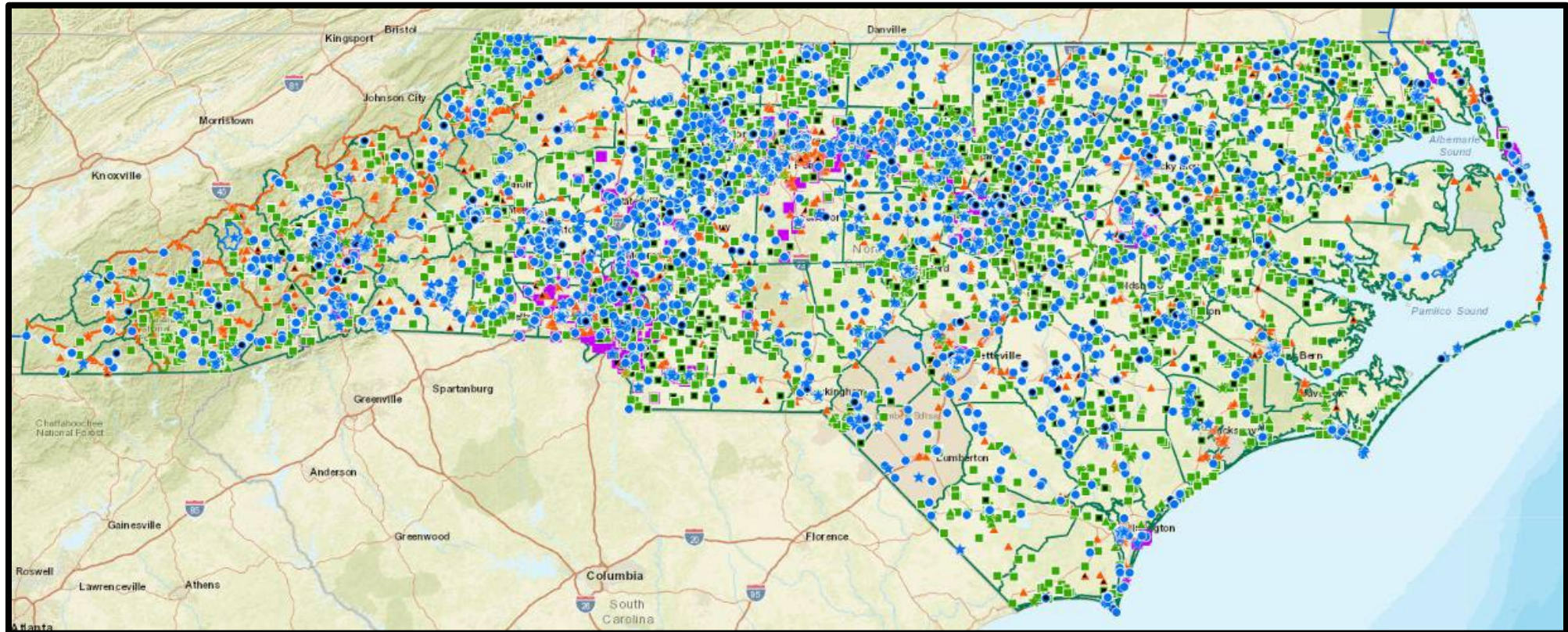


Lizzie Morrison
Main Street Coordinator
Mount Airy Downtown, Inc.
coordinator@mountairydowntown.org
336-401-0885

Thank
You



North Carolina: Historic Preservation Commissions and Certified Local Governments



HPOWEB - NC's known historic resources

What's the Difference?

National Register of Historic Places	Local Designations
Federal Program (National Park Service lists)	Local program (local government designates)
Not regulated/No restrictions*	Regulated COAs
Considered in federal undertakings	<u>Not</u> considered in federal undertakings (unless also NR)
Potentially eligible for tax credits	Not eligible for tax credits (unless also NR)

* Unless they have received some benefit from NR listing or there are protective/restrictive covenants

Why do we have local commissions?

(NC GS § 160D-940)

LEGISLATIVE FINDINGS (1989, readopted 2020)

WHY?



- ☐ “Heritage of our State” = “one of our most valued and important assets”
- ☐ “The conservation and preservation of historic districts and landmarks **stabilize and increase property values** and **strengthen the overall economy** of the State.

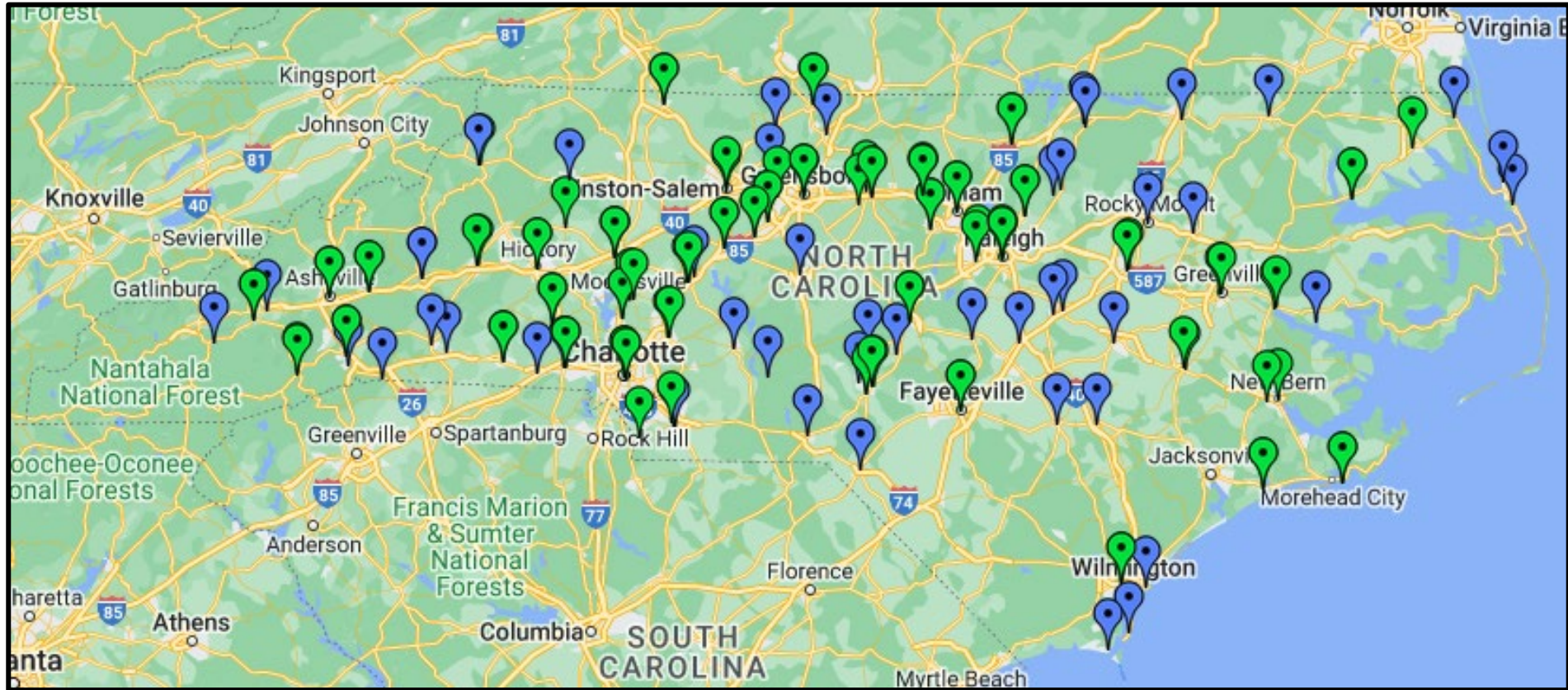
HOW?

LIST
REGULATE
ACQUIRE

ZONING

- ☐ Safeguard heritage...by preserving any district or landmark therein that **embodies important elements of its culture, history, architectural history, or prehistory;**
- ☐ Promote the use and conservation of such district or landmark for the education, pleasure, and enrichment of the residents of the city or county *and* the State as a whole.

North Carolina Historic Preservation Commissions



 Certified Local Governments

 Non-Certified Local Governments

Character of historic district and historic landmark

Districts(NC GS 160D-944) / Landmarks (NC GS 160D-945)

What are we to preserve / protect?

HISTORIC DISTRICTS = AREAS

SPECIAL SIGNIFICANCE

HISTORY
PREHISTORY
ARCHITECTURE, AND/OR
CULTURE

POSSESS *INTEGRITY* OF

DESIGN
SETTING
MATERIALS
FEELING, AND
ASSOCIATION

Landmarks = same criteria, but add “/OR” to integrity

Benefits of Local Designation

- Protects investments of property owners
- Encourages better quality design
- Protects the environment – ultimate recycling effort
- Provides a tangible link to the past
- Encourages heritage tourism
- Enhances business recruitment potential
- Provides social and psychological benefits



Oaklawn Park, Charlotte



Oberlin Cemetery, Raleigh



Kadesh AME Church, Edenton



Weatherly Candy Factory, Elizabeth City



Biddle Memorial Hall,
Charlotte

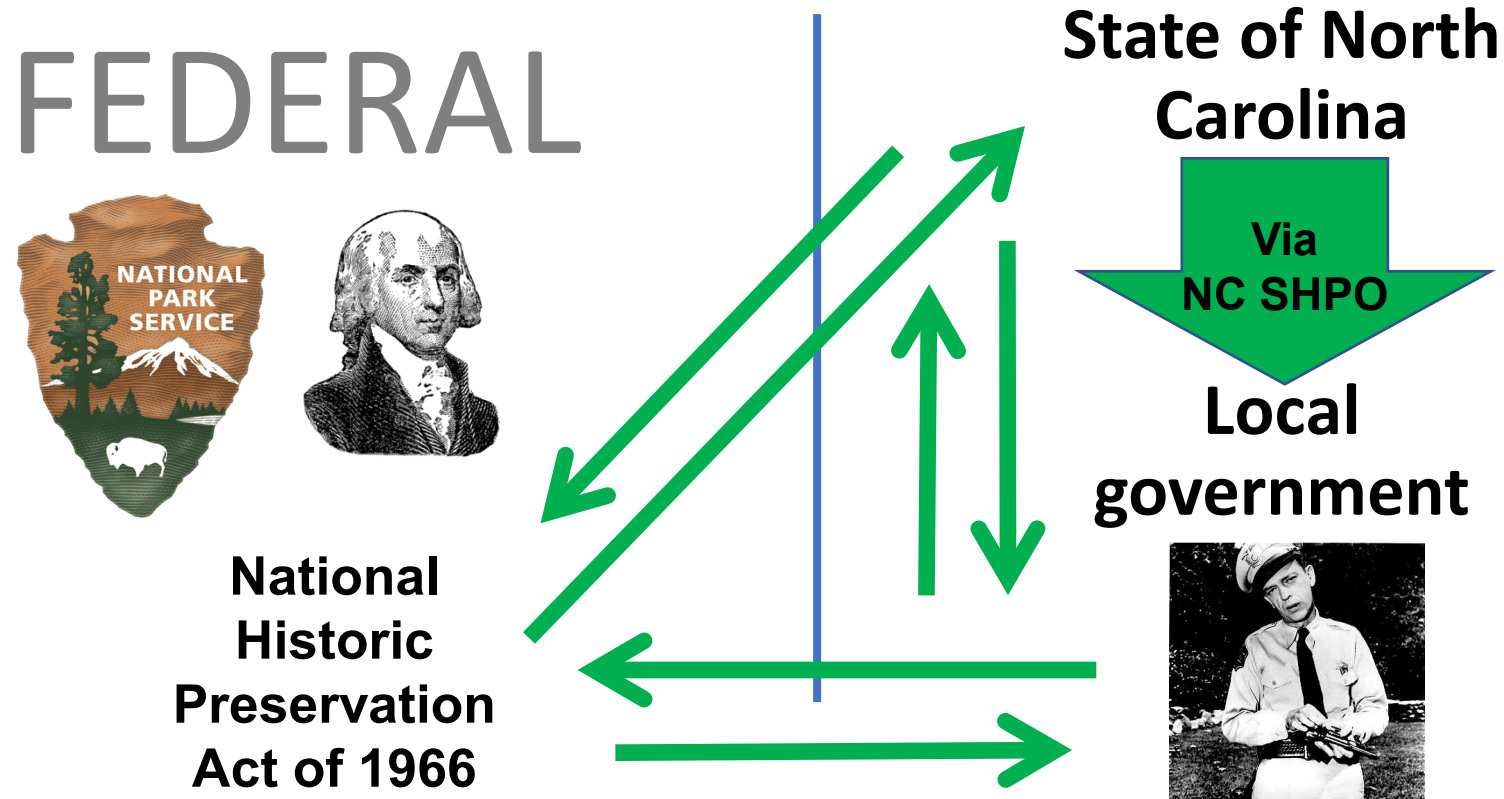


Old Burying Ground,
Beaufort

Glencoe Mill Village,
Alamance County



Certified Local Government Program: Preservation through partnership



Certified Local Government Program

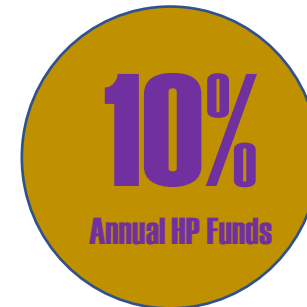
Responsibilities:

- Enforce appropriate state or local legislation for the designation and protection of historic properties
- Establish an adequate and qualified historic preservation review commission
- Maintain an updated inventory of historic properties within its jurisdiction
- Provide for adequate public participation in the local historic preservation program
- Participates in the National Register process
- Receive CLG training annually



Benefits:

Ten percent of monies the HPO receives from the Historic Preservation Fund is available to CLGs. Funding may be used as a matching grant to finance the following activities:



- Architectural/ Archaeological Surveys
- Architectural Plans or Feasibility Studies
- National Register Nominations*
- Updates to Design Standards
- Historic Preservation Plans
- Pre-development and Development Activities
- Physical Restoration/Rehabilitation



King Solomon Lodge #1, New Bern



- 2020 CLG - \$15,000
- 2021 Covington Foundation - \$5,000
- 2022 African American Cultural Heritage-\$50,000
- 2022 Cynthia Woods Mitchell Fund for Historic Interiors - \$9,000
- 2022 NC Community Foundation - \$10,000



Mary Potter School Shop, Oxford



- 2017 CLG -\$15,000
- 2017 Covington Foundation - \$15,000
- 2020 African American Civil Rights - \$500,000
- 2021 Home Depot - \$1,000
- 2022 African American Civil Rights - \$500,000
- 2023 History of Equal Rights- \$743,918





Raleigh



Asheville



Greenville



Survey and National Register Branch -- Office Locations and County Assignments

Sarah Woodard, Branch Supervisor

<https://www.ncdcr.gov/state-historic-preservation-office>

1/6/2023



Western Office, Asheville
828-250-3100

Beth King
919-814-6580
elizabeth.king@ncdcr.gov

Hannah Beckman-Black
828-250-3112
hannah.beckman@ncdcr.gov

Raleigh Office

Sarah Woodard
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Eastern Office, Greenville
252-830-6580

Lauren Poole
lauren.poole@ncdcr.gov

Restoration Branch -- Office Locations and County Assignments

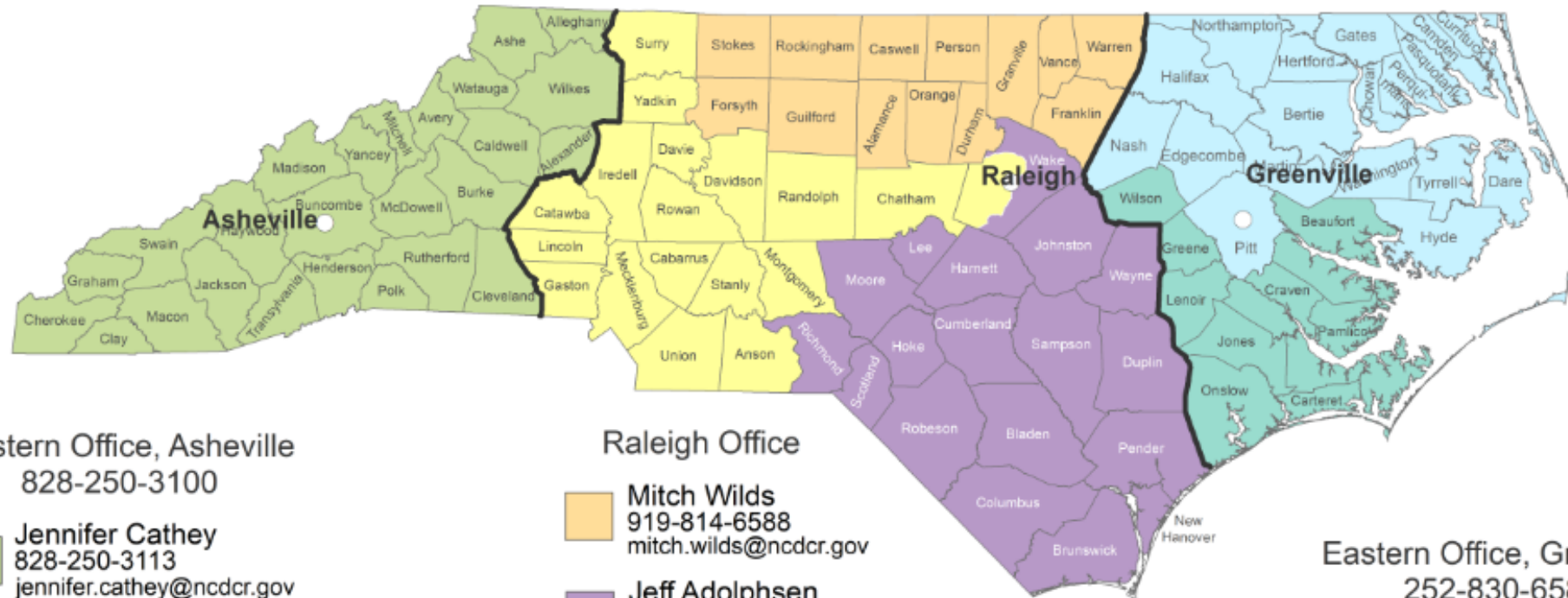
Mitch Wilds, Branch Supervisor

Statewide for rehabilitation tax credits:

Income-producing: Tim Simmons 919-814-6585 tim.simmons@ncdcr.gov

Nonincome-producing: Mitch Wilds 919-814-6588 mitch.wilds@ncdcr.gov

<https://www.ncdcr.gov/about/history/division-historical-resources/nc-state-historic-preservation-office/restoration>



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 **John Wood ext. 225**
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5/5/2021

Thank you!

Kristi Brantley
CLG/Local Government Coordinator
NC State Historic Preservation Office
NC Dept. of Natural and Cultural Resources
Phone: (919) 814-6576
kristi.brantley@ncdcr.gov

Helpful Links:

[HPOWEB](#) - NC map of known historic resources

[NC Historic Preservation Commissions Map](#)

NC Historic Preservation Commissions legislation (160D-940 through 160D-951, 160D-102, 160D-303, 160D-404(c), 160D-406, 105-278, and 160D-307.) – see <https://www.ncleg.gov/Laws/GeneralStatutes>

[NC Preservation listserv](#)

Thank you!

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kristi.brantley@ncdcr.gov

Helpful Links:

HPOWEB (NC map of known historic resources) -

<https://nc.maps.arcgis.com/apps/webappviewer/index.html?id=d2d04d8d7e03403f889419526e682529>

NC Historic Preservation Commissions Map -

<https://www.google.com/maps/d/edit?mid=1U6zhlihb7ZKucVwMbcbz-OxQYE&msa=0&hl=en&ie=UTF8&t=m&ll=35.77852184824557%2C-78.68626289453124&spn=6.269372%2C9.338379&z=9&source=embed>

NC Historic Preservation Commissions legislation (160D-940 through 160D-951, 160D-102, 160D-303, 160D-404(c), 160D-406, 105-278, and 160D-307.) – see <https://www.ncleg.gov/Laws/GeneralStatutes>

NC Preservation listserv - <https://www.sog.unc.edu/resources/listservs/nc-preservation-listserv-ncpres>



WHY BECOME A CERTIFIED LOCAL GOVERNMENT?

- 1. FUNDING:** The North Carolina State Historic Preservation Office must set aside at least 10 percent of the money it receives from the federal Historic Preservation Fund for CLGs. Each CLG in the state is eligible to compete for a portion of that money to be used as a matching grant for eligible survey, planning, pre-development, or development activities.
- 2. CONTROL:** CLGs review all new nominations to the National Register of Historic Places for properties and districts within their boundaries.
- 3. KNOWLEDGE:** CLGs are encouraged to expand the expertise of their commission members and must provide for their continuing education. The community benefits from increased expertise and knowledge at the local level while CLG commission members benefit from increased opportunities and recognition of their communities.

Impacts of Historic Rehabilitation Activity

#PlaceEconomicsFactOfTheWeek

In 2021, PlaceEconomics estimates that the nationwide rehabilitation expenditures amounted to

\$36,981,000,000

Including nearly 100,000 jobs for which historic trades training would be desirable.

This translates to

165,687 direct jobs

and

\$11,360,000,000 in direct labor income.

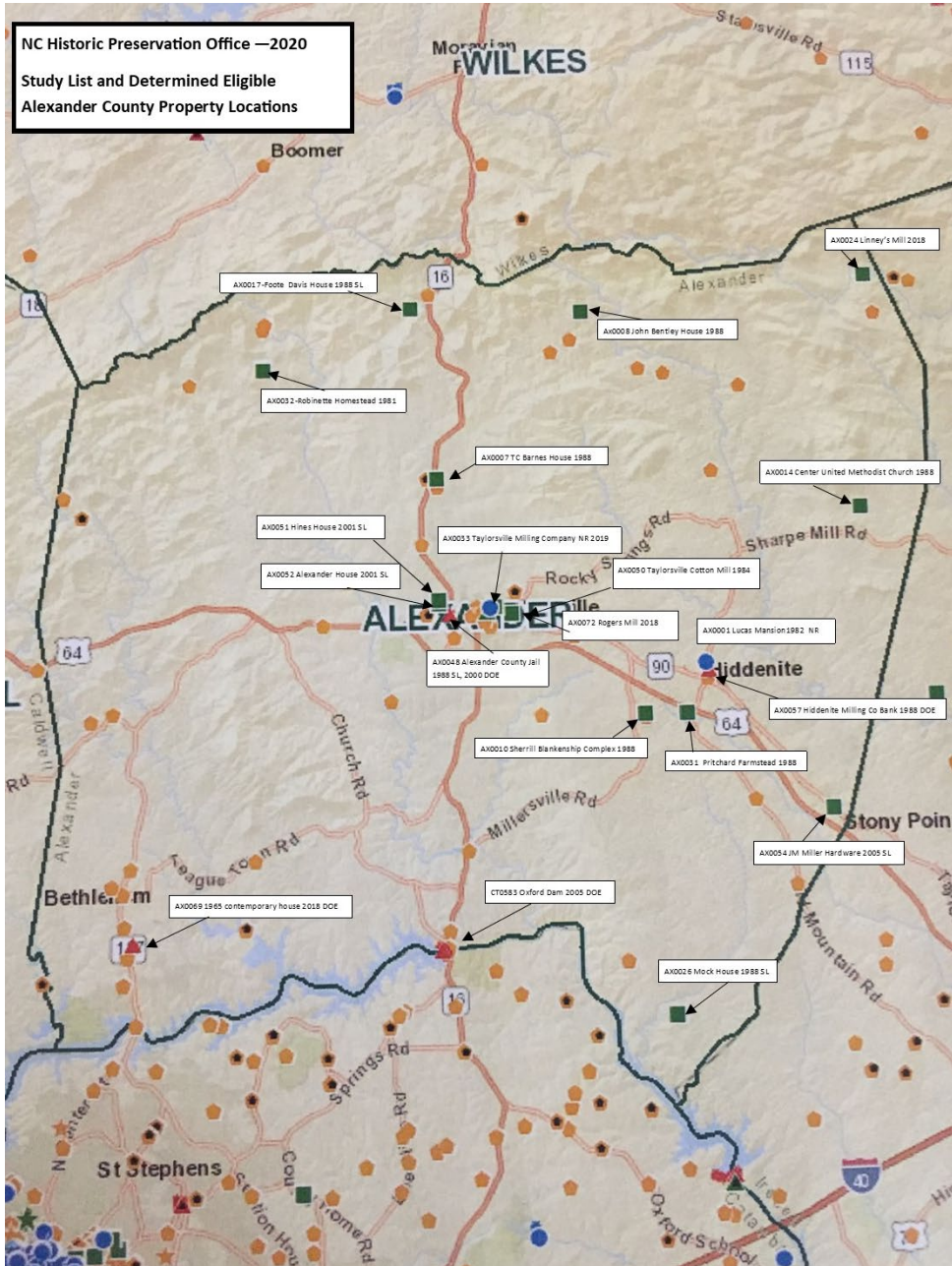


THE PROCESS. WHERE TO BEGIN?

<https://www.ncdcr.gov/about/history/division-historical-resources/state-historic-preservation-office/local-historic-6>

Appropriate legislation and organization structure must be in place prior to application to become a Certified Local Government:

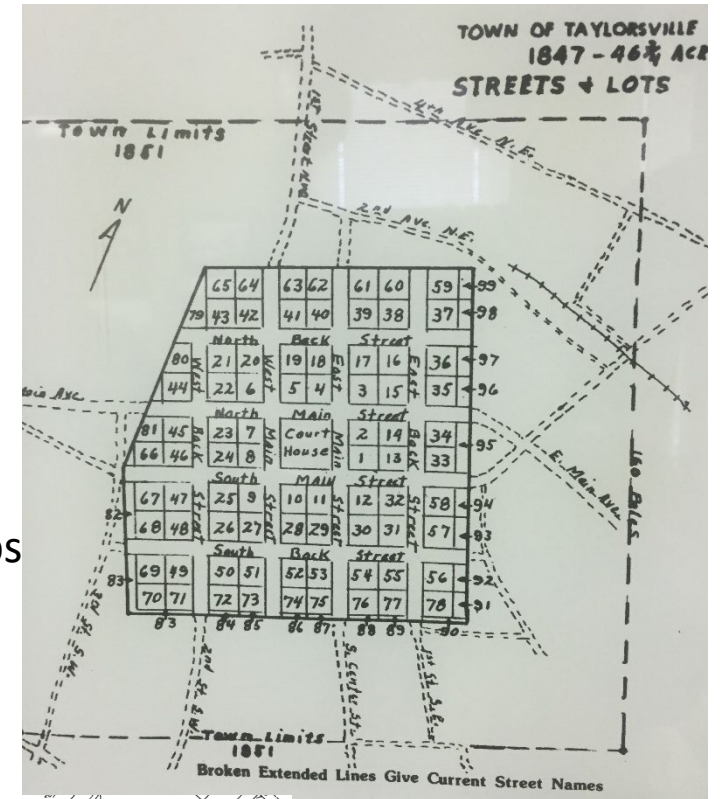
1. Evidence that a comprehensive inventory of the area's cultural resources has been or will be conducted.
2. Information regarding the area's locally designated historic districts and/or historic landmarks.
3. The ordinance creating the local commission.
4. The commission's rules and procedures.
5. The design guidelines used by the commission. (with the CoA process)
6. Resumes of the members of the commission.
7. A description of the commission's past and current activities.



RESEARCH THE WORK OF THE PAST

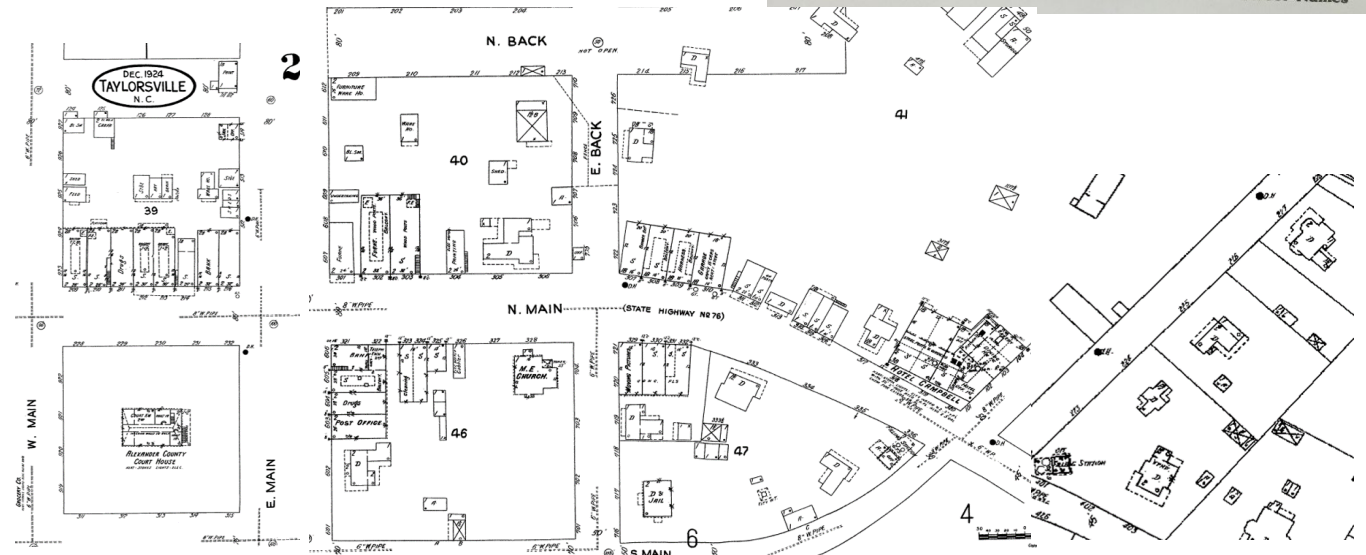
2020
HPOWEB

1847
County-
City Maps

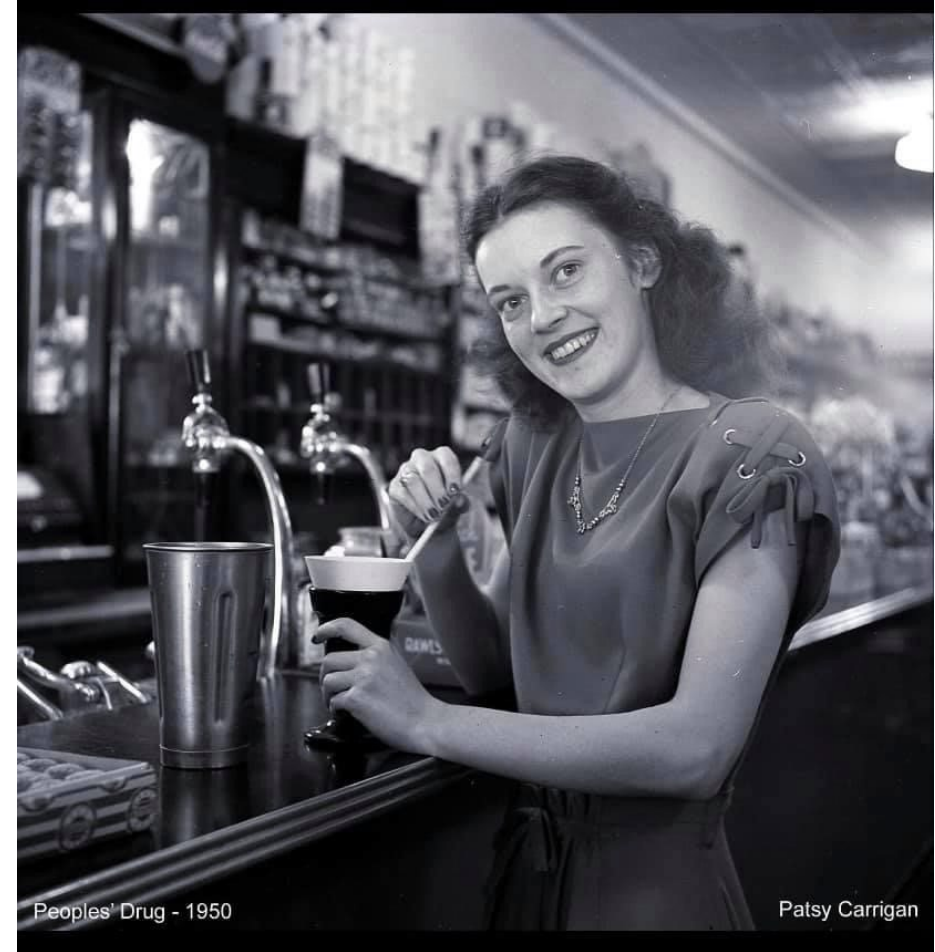


1924

Sanborn Insurance Maps



SPARK ENTHUSIASM THROUGH MEMORIES & STORIES



EDUCATE CITIZENS & HPC MEMBERS



BRING YOUR

LUNCH & LEARN

ABOUT HISTORIC PRESERVATION

Each Wednesday in September at 12 noon
Alexander County Services Center
151 West Main Ave, Taylorsville

RSVP TO CONNIE AT 828-352-7757 OR
CKINCAID@ALEXANDERCOUNTYNC.GOV



Tour of Statesville



Tour of Wilkesboro



Virtual SHPO Meeting
in Taylorsville

ENCOURAGE VISIBLE PRESERVATION PROJECTS



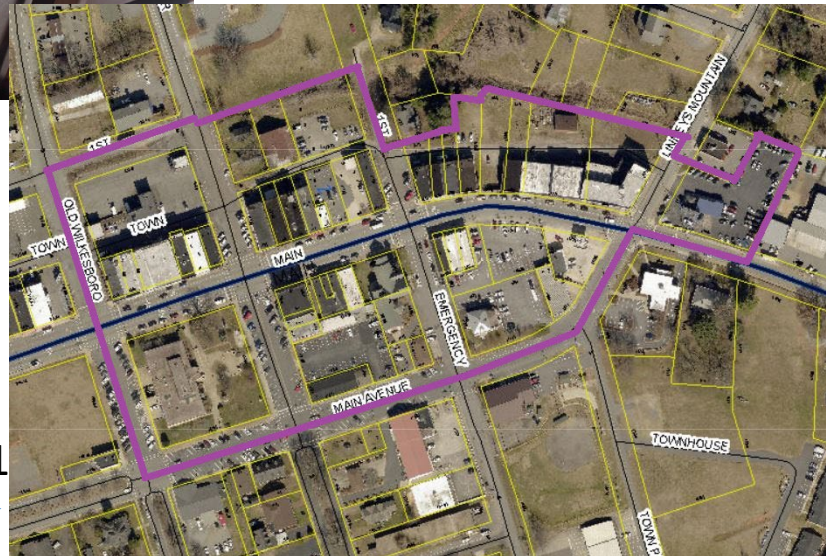
Preservation consultants research the National Register Listing for Alexander County's first historic district. November 2022



Rural Transformation Grant awarded for Alexander—HOT project at 16 W Main Ave in Taylorsville. July 2022



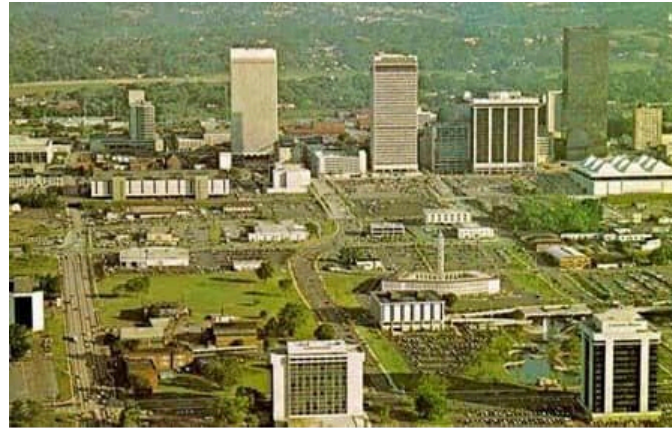
HPO/National Park Service place Downtown Taylorsville Historic District on National Register Study List. June 2021



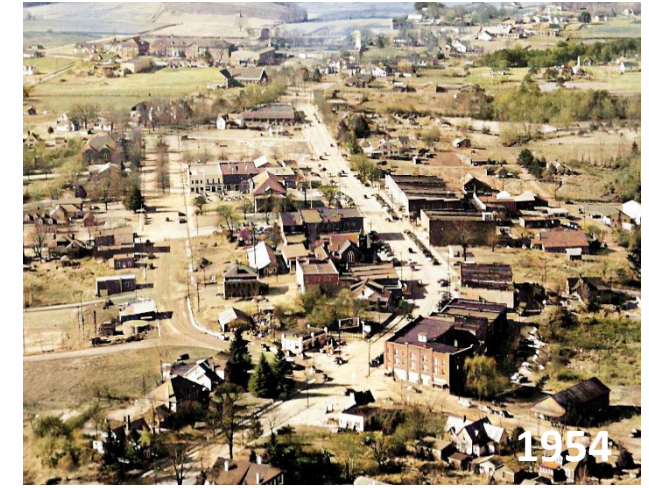
TIME CHANGES PLACES



New York, NY—413 Years



Charlotte, NC—48 Years

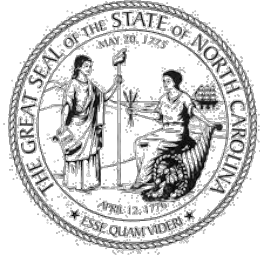


Taylorsville, NC—68 years

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