



United States Department of the Interior

NATIONAL PARK SERVICE
1849 C Street, N.W.
Washington, D.C. 20240



December 17, 2013

Re: **329 North Lee Street, Salisbury, North Carolina**
Project Number: **28593**

Dear

I have concluded my review of your appeal of the decision of Technical Preservation Services (TPS), National Park Service, denying certification of the rehabilitation of the property cited above. The appeal was initiated and conducted in accordance with Department of the Interior regulations (36 CFR Part 67) governing certifications for Federal income tax incentives for historic preservation as specified in the Internal Revenue Code. I thank you, _____ and _____ for meeting with me in Washington on November 20, 2013, and for providing a detailed account of the project.

After careful review of the complete record for this project, I have determined that the rehabilitation of 329 North Lee Street is not consistent with the historic character of the property and the historic district in which it is located and, consequently, that the project does not meet the Secretary of the Interior's Standards for Rehabilitation (the Standards). Therefore, the denial issued on April 30, 2013, by TPS is hereby affirmed. However, I have further determined that the project could be brought into conformance with the Standards, and thereby achieve the requested certification, if the remedial work described below is completed.

The property at 329 North Lee Street is located in the Salisbury Railroad Corridor Historic District, and was certified as contributing to the significance of the district on April 10, 2013. The rehabilitation of this "certified historic structure" was found not to meet the Standards owing to the demolition of the center portion of the building to accommodate insertion of a concrete block black-box theater. This new construction protrudes through and rises above the roof by a full story. TPS also cited the plan to block several windows and to create poster display windows in sections of solid wall, as well as its concerns about the location of HVAC equipment on the roof.

With regard to the impact to the interior of this former warehouse by the insertion of the theater, I note that it will be set back from the exterior walls by a full structural bay on each side, with the historic steel columns remaining exposed. As a result, the industrial character of the structure will remain evident upon entering the building even though its spatial character is diminished. Consequently, I have determined that the interior rehabilitation marginally complies with Standard 2, concerning a building's overall historic character, and Standard 5, concerning individual features of note. Standard 2 states: "*The historic character of a property shall be retained and preserved. The removal of historic materials or alteration of features and spaces that characterize a property shall be avoided.*" Standard 5 states: "*Distinctive features, finishes, and construction techniques or examples of craftsmanship that characterize a historic property shall be preserved.*"

As for the impact of this new construction on the exterior of the building, I again note that the theater addition is set back on all four sides. From across Lee and Kerr Streets, the top of the addition is largely obscured from view by the building's parapets, and, if seen from a distance, it is a simple rectangular mass that does not contrast sharply with the building on which it stands. However, after studying the photographs of the completed work that you presented at the appeal meeting, I note that the dark band around the top of the theater mass mimics the dark caps on the historic parapets. I have determined that the visual similarity between the two dark bands causes the new theater addition to not be differentiated from the historic facades. Consequently, I find that the dark band around the rooftop addition causes it to not comply with Standard 9. Standard 9 states: "*New additions, exterior alterations, or related new construction shall not destroy historic materials that characterize the property. The new work shall be differentiated from the old and shall be compatible with the massing, size, scale, and architectural features to protect the historic integrity of the property and its environment.*" However, this deficiency is easily remedied by painting the dark band around the top of the rooftop addition the same color as the rest of the addition. As a result, the simple, unfenestrated, rectangular mass of the theater, painted a uniform color, will not visually compete with, or substantially detract from, the historic character of the facades and stepped parapets of the original building. This measure would allow the project to be certified as meeting the legally-established minimum requirements for certification.

Finally, with regard to the other issues cited by TPS in the denial letter, at our meeting, you stated that the proposals to block the windows and create new opening(s) in the exterior wall had been modified so that the revised room plan will now allow all windows on the street elevations to be functional, and that the new opening(s) for poster displays have been deleted and replaced with surface-mounted cabinets. The additional information provided on the HVAC equipment indicates that it will be set behind the tallest sections of the parapet, and thus effectively concealed from view. Although I concur with TPS that these treatments would have impaired character-defining features such as windows on prominent elevations and the stepped parapet, the changes made and additional information submitted have satisfied me that these elements of the project no longer pose impediments to meeting the Standards. Accordingly, these issues have not entered into my decision.

If you choose to proceed with the corrective measure described above, you may secure certification of the rehabilitation by filling out a Request for Certification of Completed Work and submitting it with photographs of the completed work through the North Carolina State Historic Preservation Office to Technical Preservation Services, National Park Service, Attn: Mr. Michael Auer. Should you have any questions concerning procedures for final certification, please

contact Mr. Auer at 202-354-2031. Note that this project will not become a "certified rehabilitation" eligible for the tax incentives until it is so designated by the National Park Service.

As Department of the Interior regulations state, my decision is the final administrative decision with respect to the April 30, 2013, denial that TPS issued regarding rehabilitation certification. A copy of this decision will be provided to the Internal Revenue Service. Questions concerning specific tax consequences of this decision or interpretations of the Internal Revenue Code should be addressed to the appropriate office of the Internal Revenue Service.

Sincerely,

A handwritten signature in blue ink, appearing to read "John A. Burns". The signature is fluid and cursive, with the first name "John" being the most prominent.

John A. Burns, FAIA
Chief Appeals Officer
Cultural Resources

cc: SHPO-NC
IRS