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Memorandum

To: Regional Directors, Mid-Atlantic Regional Office, Southeast Regional Office, Rocky Mountain Regional Office, Alaska Regional Office and Western Regional Office

From: Director
William Penn Mott, Jr.

Subject: Final Guidance on Evaluating Deteriorated, Damaged, or Previously Altered Buildings Within Registered Historic Districts

Developed by the Interagency Resources and Preservation Assistance Divisions in cooperation with the Office of the Solicitor, the attached final guidance is to be used by Regions and State Historic Preservation Offices within the Preservation Tax Incentives program, effective as of this date.

Issued on July 3, 1985, as interim guidance with a 45-day commenting period, suggestions for additions, changes, and deletions have been considered and are reflected in this final text. The attached final guidance paper should be filed in Chapter 3, "Memoranda," of the Historic Preservation Tax Incentives Certification of Rehabilitation Workbook, thus replacing current interim guidance in that chapter. Finally, please note that copies of the guidance paper will be mailed directly to each of the State Historic Preservation Officers by the Washington office.

Attachments

**Deteriorated, Damaged, or Previously Altered Buildings
within Registered Historic Districts:
Guidance for Evaluating Part 1 and Part 2 Applications**

General Guidance

The only properties that can be considered for the 25% rehabilitation tax credit are **historic buildings**. Structures, archeological sites, objects, and entire districts are necessarily excluded. A building includes all of its structural components; single parts of existing buildings like interiors and facades cannot be considered for inclusion in the National Register nor for the preservation tax incentives. In summary, the whole building must be considered, and its significant features identified.

Because it is the mandate of the National Park Service under the Economic Recovery Tax Act of 1981, as amended, to preserve historic buildings, not to create new buildings that look old, preservation tax incentives are not available where there is insufficient historic material to preserve at the outset of rehabilitation. Published National Park Service regulations (36 CFR Part 67), standards, policy, and guidance provide the administrative framework for the preservation tax incentives program and, together, underscore a basic preservation philosophy: once the historic integrity of a building has been lost due to extensive deterioration, damage, or alterations, it can never be regained. While new material can exactly copy significant features, integrity can never be re-created. However, because deterioration, damage, or alterations usually occur by degrees, and because integrity rests on a broader set of values than just materials, some replacement of damaged, deteriorated, or lost structural elements is consistent with 36 CFR 67.7 (a)(6).

Integrity Defined for All Categories of Eligible Historic Properties

Integrity is evidenced by the survival of physical and historic characteristics that existed during the property's period of significance. If a property--a building, site, object, structure, or district--retains the physical and historic characteristics it possessed in the past, then it has the capacity to convey association with historical patterns, or persons, architectural or engineering design and technology, or information about a culture or people. The characteristics that need to survive to establish integrity include location, design, setting, materials and workmanship; and the feeling and association evoked by the cumulative presence of such physical and historic characteristics.

Evaluating Integrity of Buildings in Registered Historic Districts for Preservation Tax Incentives

For purposes of this guidance, it is assumed that the district will already have been registered. The building being evaluated for Part 1 certification needs to add to the expressed historical significance of the registered district in terms of its surviving physical and historic characteristics prior to rehabilitation. Deterioration, damage,

alteration, or even relocation of a property do not preclude a building's certification as "contributing" so long as those physical and historic characteristics that convey significance still survive. In this regard, a Memorandum dated January 30, 1985, was issued to Regional Directors, stating in part..."Any building which has lost its internal structure must have a minimum of 75% of its external walls intact and structurally sound. If a building has more than 75% of its external walls intact, it may qualify if it otherwise meets the standards in the regulations." In other words, a building in such a condition cannot be considered to have retained integrity unless 75% of its external walls are in place and the building is otherwise considered to possess sufficient integrity for certification. An owner's or developer's plan to restore damaged, deteriorated, missing, or altered portions of the building may not be a consideration for Part I evaluation. The Part I evaluation is an evaluation of existing conditions.

Importance of Materials in Evaluation

Materials are the physical elements combined to form a building in a particular period in the past. When evaluating a building's integrity for purposes of Part I certification, "materials" is only one factor to consider (the others include workmanship, design, setting, location, feeling, and association). Without question, however, it is the most important. The presence and condition of materials that constitute a building's form, features, and detailing and the ability of the building as a whole to convey its historic significance in relationship to the district should be the focus of every evaluation.

Other Aspects of Integrity in Relationship to Materials

Other aspects of integrity, such as setting, location, feeling and association, should be considered according to individual themes or historic contexts, but are not, in and of themselves, ever sufficient to convey historic significance. When a building is being considered for its contribution to a registered district as a significant resource, the workmanship, design, location, setting, feeling, and association are primarily dependent upon surviving material and are conveyed either through it or in relationship to it within the district.

These other aspects of integrity are defined below with comment on their relationship to surviving materials.

Workmanship is the physical evidence of the crafts of the particular culture of people during any given period of history or prehistory. It is the evidence of the craftsman's labor or skill in constructing a building.

- For a building to display integrity of workmanship, the workman's particular physical skill (i.e, tooling, carving, painting, graining, turning, or joinery) must be evident on intact materials. If materials that display historic workmanship or craftsmanship need to be replaced, integrity will be lost even if the workmanship is exactly and expertly matched.

Design is the composition of elements that comprise the form, plan, space, structure, and style of a building.

- For a building to display integrity of design, those material elements that represent the designer's idea must be sufficiently intact to convey significance either historically, architecturally, or culturally. Examples include materials that define a significant form or plan or style of the exterior; or materials that define interior spatial relationships such as partitions or structural components or ceilings.

Setting is the physical environment of a building.

- For the physical environment of a building to display integrity of setting, those features of the setting that existed during the representative historic period need to survive sufficiently intact to convey such historic identity. Features of the setting could include driveways, walkways, lighting, fencing, signs, benches, fountains, wells, terraces, canal systems, plants and trees, berms, and drainage or irrigation ditches. A building's relationship to the district in terms of size, massing, set-back, and materials may also be important in establishing integrity of setting; however, an intact setting alone (i.e., some or all other buildings on a block) cannot elevate a severely deteriorated, damaged, or altered subject building to a "contributing" status.

Location is the place where the historic building was constructed or the place where the historic event occurred. Location involves relationships that exist between the resource and the place.

- To display integrity of location the building must be sufficiently intact in the place where it was constructed. If a building is moved, it loses integrity of location, although it may still display integrity of materials, workmanship, etc. and thus qualify as contributing. Most buildings will have integrity of location, even if they do not display other aspects of integrity. Integrity of location, however, can never qualify a building that does not convey historic significance through sufficiently intact materials and features.

Feeling is the quality a historic building has in evoking the aesthetic or historic sense of a past period of time and depends primarily upon the presence of surviving physical characteristics to convey it.

- For a building to display integrity of feeling, sufficient significant, intact building material must be present to evoke a sense of the past. Feeling alone, like any of the other aspects of integrity in the absence of significant materials and features, cannot support listing or certification.

Association is the direct link between a building and an event, or person for which the property is significant.

- Integrity of association is conveyed largely through building materials that date from the building's period of significance. Material that is replaced cannot fully represent association with the building's historical, architectural, or cultural values; the degree to which replacement to convey an association may or may not be acceptable depends on a judgment about the sufficiency of intact, historic materials and their physical characteristics.

Part I Integrity Evaluation: Existing Conditions

Loss of integrity is incremental and it should not be assumed that because one or even two features that convey significance are extensively damaged or deteriorated the building lacks historic integrity. On the other hand, extensive deterioration, damage, or loss particularly of those features and spaces deemed most important in conveying historic significance, is indication that a "bottom line" may already have been reached for Part I certification. As noted, Part I certification cannot be based on an owner's plan or agreement to restore missing, damaged, deteriorated, or altered portions of a building in the Part 2 work. Also, restoration of a missing feature cannot be required through a Part I condition.

In summary, whether a building's materials and features are sufficiently intact to convey historic significance cannot be precisely quantified. The matter must be evaluated within the context of the historic district and will always be a professional judgment. However, a consistent two-step approach should be used by reviewers (1) to identify significant features of the building's exterior, interior, and setting; and (2) to evaluate their existing condition to determine whether they possess integrity prior to rehabilitation (factors of deterioration, damage, or past alteration).

Documentation Requirements for Evaluating Damaged/Deteriorated Buildings for Part I Certification

No special or additional documentation is normally required. The conclusion that a building does not meet integrity requirements for Part I certification should be the result of evaluating photographs and descriptions of the existing condition of significant features. In most cases, further documentation should not be necessary for reviewing staff to assess deterioration, damage, or alteration that has involved loss of visible, significant features.

In cases where deterioration appears to have affected structural integrity, a report from a structural engineer or other qualified professional should be requested. It should be made clear when requesting such a report that the intent, scope, and recommendations resulting from an indepth investigation is not to justify demolition or certification of nonsignificance, but to represent a full exploration of options for structurally stabilizing, reinforcing, or otherwise preserving the building's existing physical and historic characteristics.

Part I - Special Consideration for Highly Significant Interior Features, Spaces, Finishes

An important factor to weigh in the total building evaluation is the unusual presence of highly significant interior features, spaces, and finishes (in and of themselves or together with an early framing system). In such limited instances, both the significance and rarity of certain components of a building that are found to be intact may offset extensive replacement of exterior material due to damage, deterioration, or past alterations; in the final analysis, the building could still make a positive contribution to the historical significance of the district for the public interest.

Part 1 - Rare Surviving Examples of a Theme and Flexibility of Integrity Requirements

Integrity requirements for buildings may vary somewhat depending upon the building's significance and its rarity. Accordingly, latitude should be given in evaluating integrity if the building is a "rare surviving example of a theme." In such cases, the building would still need to be able to convey its historical significance or identity, but its rarity would permit additional flexibility in evaluating integrity based on existing conditions (i.e., the building could have been previously altered or could be missing significant material and features prior to rehabilitation).

Unforeseen Degree of Damage and Deterioration: Preliminary Part 1 Approval with Strong Warning

Some particularly vulnerable historic materials on a building's exterior (i.e., roofing, exterior wood cladding, or wood window frames and sash) will usually be damaged or deteriorated at the outset of rehabilitation, but not to a degree that would jeopardize Part 1 certification. In some cases, however, the extent of deterioration cannot be accurately known until work begins. The cumulative effect of replacing deteriorated exterior cladding and other historic building materials with new materials may, of itself and through no fault of the owner, result in eradicating the most important physical and historic characteristics. In cases where the extent of deterioration is unknown, but materials appear to have survived, preliminary Part 1 approval should be given with a strong warning that the building may no longer possess integrity if a substantial amount of damaged and deteriorated material is replaced.

Part 2 - Repair/Replacement of Damaged and Deteriorated Materials and Features

A building that has been found to possess integrity and has received Part 1 certification is still likely to display varying degrees of intactness and deterioration, damage, and alteration. To the greatest extent possible, repair is always encouraged over replacement. Total replacement of a significant feature such as a cornice would be an acceptable option if documentation submitted indicated a level of damage or deterioration that made repair--i.e., partial replacement--impossible. Replacing materials that have historically required periodic replacement due to their inherent vulnerability to the effects of weathering will generally be considered an acceptable treatment; replacing extensively deteriorated materials in kind (that is, with the same material) has always been the preferred option. In summary, reasonable replacement of damaged, deteriorated, or missing material is acknowledged within the treatment "rehabilitation," if undertaken in accordance with Standard #6 of the Secretary's "Standards for Rehabilitation."

Part 2 - Options for Replacing Missing Historic Features

If a historic feature is missing when Part 1 certification is issued, its replacement per se cannot be a requirement of Part 2 unless the feature is deemed essential to the continued material longevity of the structure, such as a roof, windows, siding, etc. A documented restoration with matching materials is recommended but cannot be required. An owner may elect to replace a missing feature such as a roof with a

compatible design utilizing substitute material. This provides considerable latitude within the framework of the Standards. However, if a replacement feature is not consistent with the historic character of the building, then Part 2 should be denied. Replacing other, more decorative, features that are totally missing when Part 1 is issued (e.g., an entrance, cast iron facade, or principal staircase) is an owner's option; it cannot be required as a condition of Part 2. It should be emphasized, however, that the rehabilitation guidelines consistently recommend that if adequate historical, pictorial, and physical documentation exist to re-establish a feature as part of the building's historical appearance, this is the preferred course of action. Another acceptable option is a new feature that is compatible with the remaining character-defining features of the building. Again, if a replacement feature is not consistent with the historic character, Part 2 should be denied.

In summary, because replacing missing historic features with new material cannot be required either as a Part 1 or a Part 2 condition (except as noted, above) this makes the Part 1 integrity evaluation all the more important. It establishes the historic building "as is" with its existing significant features intact, or extant but damaged, or extant but deteriorated, or extant but severely deteriorated, or altogether missing.

Reconstruction - Ineligible Part 2 Treatment within the Preservation Tax Incentives Program

Reconstruction is "the act or process of reproducing by new construction the exact form and detail of a vanished building, structure, or object, or part thereof, as it appeared at a specific period of time." Although the historic appearance of a building is capable of being reproduced through a well documented reconstruction, reconstructions are outside the scope of the preservation tax incentives program and are ineligible for tax credits. As discussed above, limited reconstruction of missing parts of a surviving historic building is acceptable.

Specific Guidance

This section provides guidance for several Part 1/Part 2 application and review situations involving deteriorated or damaged buildings, then cites case-specific examples of previous review or appeal decisions. (These examples have been previously distributed to the regions as National Register Appeal Sheets or Preservation Assistance Division ITS Bulletins.) Finally, a decisionmaking matrix has been included in the Appendix to assist reviewers in making Part 1 integrity decisions in cases of widespread damage (from vandalism, previous alterations, relocation etc.) or from deterioration (due to weathering, lack of maintenance, or other complex factors).

Relationship Between Part 1 and Part 2 Evaluation: Approval/Denial

Review of Part 1 and Part 2 applications should be thought of as a continuum rather than two separate administrative processes: if the physical and historic characteristics needed to convey significance are sufficiently intact prior to rehabilitation, then a Part 1 certification should be issued; if these same significant physical and historic characteristics are retained and preserved in the process of rehabilitation (and any required alterations or additions needed for an "efficient, contemporary use" are done in a manner that is consistent with the historic character of the building), then Part 2 should be issued.

1. When Part 1 Certification of Nonsignificance Should be Issued, and Part 2 Unprocessed

Application: Part 1 documentation shows that the physical and historic characteristics needed to convey significance clearly do not exist due to damage, deterioration, or previous alterations.

Guidance: Part 1 should be denied irrespective of rehabilitation plans. NPS certifies that the building is not of historic significance to the district; however, the applicant may be eligible for lesser tax credits, if appropriate.

Examples: See National Register Part 1 Appeal Sheets: 1/84, 56 Gould St., 20 Willow St., Newport Historic District, Newport, RI; 5/24/84, Horton Grand Hotel plus additions (proposed), San Diego, CA; 6/11/84 57 Westerlo St., Pastures Historic District, Albany, NY; 11/28/84, 1924-32 Auburn Ave., Mount Auburn Historic District, Cincinnati, OH.

2. When Part 1 Evaluation Should be Halted Pending Receipt of Additional Information

Application: It is unclear through written and photographic documentation submitted in the Part 1 application whether the physical and historic characteristics needed to convey significance are sufficiently intact prior to rehabilitation.

Guidance: The Part 1 review should be halted and further documentation requested such as close-up photographs of deteriorated, damaged, or altered materials and features; or, where severe deterioration is indicated, a structural engineer's report.

If the additional information submitted reveals deterioration or damage to significant historic material or major structural deficiencies to the degree that integrity of design, materials, workmanship, etc. have been irretrievably lost and that, in consequence, the building does not meet Standard 2 of the Standards for Evaluating Significance, then Part 1 certification of nonsignificance should be issued. The applicant may be eligible for lesser investment tax credits, if appropriate. If the additional information submitted shows that the building possesses sufficient integrity, then Part 1 certification of significance can be issued, and, in consequence, Part 2 may be reviewed for conformance with the Secretary of the Interior's Standards for Rehabilitation.

Examples: See National Register Part 1 Appeal Sheet 4/6/84, 185-187 Union Ave., 189 Union Ave., 83-85 Hernando St., Gayoso-Peabody Historic District, Memphis, Tennessee; See Preservation Assistance Division ITS Bulletin #84-064, Extensive Replacement of Historic Materials/Features: Loss of Integrity.

3. When Part 1 Certification May be Issued Following Removal of False Front

Application: Photographs in the Part 1 application do not illustrate potentially significant features of the building because a false front, i.e., a curtain wall obscures the facade, the form, and the design of the building. As a result, the building cannot yet be evaluated for integrity of materials, design, and workmanship.

Guidance: The application should be retained, and documentation in the form of photographs requested to complete the evaluation for Part 1. The owner should be notified that, according to 36 CFR Part 67.5 (e), no evaluation of significance can be made until a portion of the false front has been removed-- enough to reveal the presence and existing condition of significant features. In limited cases, a false front may not need to be totally removed. For example, if a false front were removed from a distinctive second floor, the storefront might remain covered and the building's significant physical and historic characteristics would still be conveyed. If Part 1 is certified with a portion of the false front in place and the owner does no further work or does not elect to remove the remainder, the building must still be satisfactorily revealed to convey its significance to the public. An owner cannot be required to remove the remainder of a false front as a Part 2 condition if the building is given Part 1 certification with the false front in place. The operable rule is that Part 1 certification should be issued only when enough of the historic building is visible to classify the building as contributing to the historic district even if the proposed rehabilitation were not completed for some reason. (See also #4. **When Part 1 Certification May be Issued Without Removing a Nonhistoric Surface Covering**, p. 9.)

(1) Certification of significance: After removing a "sufficient" portion of the false front, if photographs of part of the facade indicate that the entire facade will meet integrity requirements prior to rehabilitation, then the owner should be notified that final Part 1 certification will be issued once the false front has been completely removed. (See suggested sample paragraph to be used by Regions, p. 18.) At this point, if the owner is unwilling for some reason to remove the remaining false front prior to rehabilitation, the owner's Part 1 certification request should be denied. Denial does not mean a certification of nonsignificance, but does make the owner ineligible for lesser tax credits; however, the owner may appeal the denial. NPS retains the application in the event of an appeal or reactivation of review. Owners may be encouraged to reapply for certification of significance if rehabilitation plans change and the false front is removed.

- Denial based on lack of documentation: if an owner requests a certification of significance and does not provide photographs showing that a portion of the false front has been removed in accordance with 36 CFR Part 67.5 (e) in order to conduct an evaluation of significance, or if the portion removed is too small to make an evaluation, then the Part 1 certification request should be denied on grounds that there is insufficient documentation to make a determination. Denial does not mean the building is certified as nonsignificant, but does make the owner ineligible for lesser tax credits. The owner may appeal the denial. NPS retains the application in the event of an appeal or reactivation of review.

(2) **Certification of nonsignificance:** If the owner submits photographs showing extensive damage, deterioration, or loss from previous alterations, then the Part 1 request for certification of nonsignificance should be approved because integrity requirements will not have been met. The building is certified as nonsignificant and lesser tax credits may be available.

- Denial based on lack of documentation: If an owner requests a certification of nonsignificance, a portion of the false front needs to be removed--enough to prove that the building cannot contribute in its existing condition because of the extent of damage and deterioration. If the additional information needed to process the request is not submitted, or not enough of the covering is removed to make an evaluation, then Part 1 should be denied for lack of sufficient documentation. Again, this would not mean eligibility for the 20% tax credit because the building is presumed to contribute to the significance of the district unless otherwise proven through an evaluation. The denial could be appealed. The application is retained by NPS in the event of an appeal or reactivation of review.

Note: After Part 1 certification is issued, Part 2 may be reviewed for conformance with the Secretary of the Interior's Standards for Rehabilitation.

Example: See Preservation Assistance Division ITS Bulletin #85-070, Removal of a False Front or Nonhistoric Covering.

4. **When Part 1 Certification of Significance May be Issued Without Removing a Nonhistoric Surface Covering**

Application: A nonhistoric surface covering (such as aluminum or vinyl siding, permastone, or asbestos siding) has been applied over historic wall surfaces, so the building cannot be fully evaluated for integrity of materials or possible workmanship.

Guidance: Where a nonhistoric surface material has been applied to exterior walls such as aluminum or vinyl siding, permastone, or asbestos siding and covers the basic historic building material (brick, or wood, or metal), removing a portion of the nonhistoric covering will often not be necessary for Part 1 certification. This is because nonhistoric surface material, unlike a false front or curtain wall, may not totally obscure a building's significant form, features and detailing. When a building's historical significance is conveyed through other surviving characteristics of the exterior of the building (i.e., its roof, cornice, unusual windows, ornamentation, etc.), then leaving the nonhistoric surface covering in place does not jeopardize the public understanding of the building. Thus, Part 1 certification may reasonably be given. It should be understood, however, that once Part 1 certification is given with the nonhistoric surface covering in place its removal may not be a condition of the Part 2 work.

Where other surviving characteristics are not present to offset obscuring of historic material with a nonhistoric covering, then a portion of the covering will need to be removed in accordance with review situation 3, above, prior to issuance of Part 1 certification.

Part 1 certification should be issued only when enough of the historic building is visible to classify the building as contributing to the historic district even if the proposed rehabilitation were not completed for some reason.

Example: See Preservation Assistance Division ITS Bulletin #85-070, Removal of a False Front or Nonhistoric Surface Covering.

5. When Preliminary Part 1 Approval Should be Given with a Strong Warning

Application: Photographic and written documentation in the Part 1 application indicate that the characteristics of the building identified as conveying historical, architectural, or cultural significance survive, although materials display deterioration, or damage, and/or loss from previous alteration. Although the building appears to meet the Secretary of the Interior's Standards for Evaluating Significance, it is felt that problems revealed in the course of rehabilitation may involve extensive replacement of materials which, in turn, may result in loss of integrity.

Guidance: Preliminary Part 1 approval should be given in this situation, but with a strong warning that the building only appears to meet the Secretary of the Interior's Standards for Evaluating Significance based on existing documentation and that the overall severity of damage and deterioration are, as yet, unknown. After preliminary Part 1 approval is given, if subsequent documentation in the Part 2 application shows that damage and deterioration are so pervasive that after necessary replacement with new material the building will no longer possess integrity, then final Part 1 certification should not be issued. (See suggested sample paragraph, p. 18). The applicant may be eligible for lesser investment tax credits. Note: If Part 1 certification of significance is issued, then Part 2 may then be reviewed for conformance with the Secretary of the Interior's Standards for Rehabilitation.

Examples: See National Register Part 1 Appeal Sheets: 11/29/84, 509 Baxter St., Highlands Historic District, Louisville, KY; 1/30/85 Argyle House, Massachusetts Avenue Historic District, Washington, D.C. See Preservation Assistance Division ITS Bulletin #84-056, Replacing Severely Deteriorated Historic Materials.

6. When Part 1 Certification Should be Issued, but Part 2 Denied

Application: Prior to rehabilitation, the building retains those physical and historic characteristics identified as conveying significance in relationship to the district, as per the Secretary of the Interior's Standards for Evaluating Significance. As a result, Part 1 certification is issued. The applicant then requests certification of rehabilitation for the 25% investment tax credit. However, rehabilitation project work has involved extensive loss of those characteristics that conveyed significance, unwarranted by levels of deterioration, i.e., the applicant replaces significant features that could have been retained, repaired, and preserved.

Guidance: Part 2 should be denied, citing, at a minimum Standards 2 and 6. The applicant loses 25% investment tax credit opportunity. No lesser credits may be taken.

Examples: See Preservation Assistance Division ITS Bulletins: #82-032, Removal of Entryways on Principal Facades; #84-054, Replacing Repairable Historic Interior/Exterior Features and Material; #84-055, Replacing Historic Materials/Features with New Material to Create an Improved Appearance; #84-059, Replacing a Significant Interior Features to Meet Health and Safety Code Requirements; #85-069, Factors to Weigh in Evaluating Damaged or Deteriorated Buildings.

For preliminary determinations on properties located in potential districts: If the property has already been rehabilitated, first determine through photographic documentation whether it possessed integrity prior to rehabilitation and thus conveyed historical, architectural or cultural significance. If a building contributed prior to rehabilitation but the rehabilitation work itself has made the property ineligible, evaluate the contribution of the property in its pre-rehabilitation condition, then assess its post-rehabilitation status in the Part 2 review. Where it is determined that the building does not contribute to the significance of the district because of changes made after the preliminary determination was made, Part 1 certification should be denied. (See suggested sample paragraph, p. 18.)

7. When Part 1 and Part 2 May be Certified for the 25% Investment Tax Credit

Application: The building is determined to meet Part 1 integrity requirements in its existing condition, per the Standards for Evaluating Significance. The Part 2 application documents the need for replacing deteriorated and damaged material with new material, but the extent of replacement does not threaten the integrity of the building. In addition, all other aspects of the work meet the Secretary of the Interior's Standards for Rehabilitation.

Guidance: Part 2 should be approved and the 25% investment tax credit given for a certified rehabilitation.

Examples See National Register Appeal Sheet: 2/13/85 603, 605,607,609,611,613,615 So. Fremont St. and 650, 652 W. Conway St.: Ridgely's Delight Historic District, Baltimore, Maryland. See Preservation Assistance Division ITS Bulletins: #84-062, Replacing Altered Features of a Historic Storefront; #84-067, Options for Replacing Missing Historic Features; #85-069, Factors to Weigh in Evaluating Damaged or Deteriorated Buildings.

Appendix

Citations

The following citations from the U.S. Department of the Interior, National Park Service, 36 CFR Part 67 Historic Preservation Certifications; Final Rule (March 12, 1984) address integrity and preservation requirements for buildings for purposes of the preservation tax incentives program.

67.3 (a) (4): Owners of buildings which appear to meet National Register criteria are not yet listed in the National Register or which are located within potential historic districts may request preliminary determinations from the Secretary as to whether such buildings may qualify as certified historic structures when and if the buildings or the potential historic districts in which they are located are listed in the National Register.

36 CFR 67.5 (a) (1): A building contributing to the historic significance of a district is one which by location, design, setting, materials, workmanship, feeling and association adds to the district's sense of time and place and historical development.

36 CFR 67.5 (a) (2): A building not contributing to the historic significance of a district is one which does not add to the district's sense of time and place and historical development; or one where the location, setting, materials, workmanship, feeling and association have been so altered or have so deteriorated that the overall integrity of the building has been irretrievably lost.

36 CFR 67.5 (d): Where rehabilitation credits are sought, certifications of significance will be made on the appearance and condition of the building before rehabilitation was begun.

36 CFR 67.5 (2) (b): A condemnation order may be presented as evidence of physical deterioration of a building but will not of itself be considered sufficient evidence to warrant certification of nonsignificance for loss of integrity. In certain cases it may be necessary for the owner to submit a structural engineer's report to help substantiate physical deterioration and/or structural damage.

36 CFR 67.5 (e): In cases where a nonhistoric surface material obscures a facade so that it is impossible to discern whether the building contributes to the significance of the historic district, it may be necessary for the owner to remove a portion of the surface material prior to requesting certification so that a determination of significance can be made.

36 CFR 67.6 (5)(f): ...a rehabilitated building not in conformance with the "Standards for Rehabilitation" and which is determined to have lost those qualities which caused it to be nominated to the National Register, will be removed from the National Register in accord with Department of the Interior regulations 36 CFR Part 60. Similarly, if a building has lost those qualities which caused it to be designated a certified historic structure, it will be certified as non-contributing...

36 CFR 67.6 (a) (1): ...The application may describe a proposed rehabilitation project, a project in progress, or a completed project. In all cases documentation, including photographs adequate to document the appearance of the building(s) prior to rehabilitation, both on the exterior and on the interior, must accompany the application...Where such documentation is not provided, review and evaluation may not be completed...

36 CFR 67.6 (b): A rehabilitation project for certification purposes encompasses all work on the significant interior and exterior features of the certified historic structure(s) and its setting and environment, as determined by the Secretary, and, related demolition, construction or rehabilitation work which may affect the historic qualities, integrity or setting of the certified historic structure(s).

36 CFR 67.7 (a) (2): The distinguishing original qualities or character of a building, structure, or site and its environment shall not be destroyed. The removal or alteration of any historic material or distinctive architectural features should be avoided when possible.

36 CFR 67.7 (a) (5): Distinctive stylistic features or examples of skilled craftsmanship which characterize a building, structure, or site shall be treated with sensitivity.

36 CFR 67.7 (a) (6): Deteriorated architectural features shall be repaired rather than replaced, wherever possible. In the event replacement is necessary, the new material should match the material being replaced in composition, design, color, texture, and other visual qualities. Repair or replacement of missing architectural features should be based on accurate duplications of features substantiated by historic, physical, or pictorial evidence rather than on conjectural designs or the availability of different architectural elements from other buildings or structures.

36 CFR 67 (b): Certain treatments, if improperly applied, or certain materials by their physical properties, may cause or accelerate physical deterioration of historic buildings. Inappropriate physical treatments include, but are not limited to: improper repointing techniques and improper exterior masonry cleaning methods; and the introduction of insulation into cavity walls of historic woodframe buildings where damage to historic fabric would result. In almost all situations, use of these materials and treatments will result in certification denial.

36 CFR 67.7 (c): In certain limited cases, it may be necessary to dismantle and rebuild portions of a certified historic structure to stabilize and repair weakened structural members and systems. In such cases, the Secretary will consider such extreme interventions as part of a certified rehabilitation if (1) the necessity for dismantling is justified in supporting documentation; (2) significant architectural features and overall design are retained; and (3) adequate historic materials are retained to maintain the architectural and historic integrity of the overall structure.

Project Summaries

The following case-specific examples cited in **Specific Guidance** are summarized below:

National Register Part I Appeal (Historic Preservation Certification)

1/84 56 Gould St., 20 Willow St., Newport HD, Newport, RI

Building relocated, necessitating extensive removal or destruction of historic material. Accurate reconstruction, replicating historic form, features, and details, but result is essentially a new building that looks historic. Part I certification denied because the historic integrity has been irretrievably lost and cannot be recaptured using new material.

4/84 185-187 Union Ave., 189 Union Ave., 83-85 Hernando St., Gayoso-Peabody Historic District, Memphis, Tennessee

Owner requests decertification of properties, claiming extensive deterioration makes rehabilitation infeasible. Additional information and documentation shows that there are no major structural cracks, deformation, subsidence of exterior walls; interiors reflect conditions common to many historic buildings prior to rehabilitation, i.e., wet and falling plaster, rotted window frames and doors, rusted ceilings, leaking roofs, but not sufficient damage or deterioration to issue a certification of nonsignificance. Part I certification is issued based on integrity of significant features.

5/24/84 Horton Grand Hotel plus additions (proposed) San Diego, California

Owner requests certification of a moved, then reconstructed (i.e., dismantled and reassembled) building on a new site. Part I certification denied because the proposed move, the act of reassembly, and proposed additions to the historic configuration after re-location did not meet several aspects of integrity, including integrity of materials, workmanship, design, setting, and location.

6/11/84 57 Westerlo St., Pastures Historic District, Albany, New York

Owner requests certification of an extensively altered building, largely on the strength of integrity of association, that is, longevity of use. Part I denied because the building, in its altered state, no longer conveyed the physical and historic characteristics that needed to make it a valid representative of the period (that is, the integrity of the original design or individual architectural features and spaces had been irretrievably lost).

11/28/84 1924-32 Auburn Ave., Mount Auburn Historic District, Cincinnati, Ohio

Owner requests certification of a twice-altered building that had involved extensive loss of significant materials and also changed the historic character. The SHPO recommended certification if the window configuration was restored. The building, however, had to be judged in its existing condition, irrespective of rehabilitation project work plans. In consequence, Part I was denied because those features that were essential to convey the historic theme identified as being of significance, no longer remained. Other fabric survived, but the building's distinguishing physical characteristics did not.

11/29/84 100 N. Market St., Old and Historic Charleston (expanded) Historic District

Owner requests certification of a severely deteriorated building (loss of interior materials and large portions of the roof) that had required extensive replacement of historic materials in the rehabilitation. Part I certified primarily because those physical and historic characteristics needed to define the building's commercial significance had survived (i.e., the corbelled brick cornice, entrance, and warehouse space itself).

11/29/84 509 Baxter St., Highlands Historic District, Louisville, Kentucky

Owner requests certification of a modest alley residence ca. 1900 that had been altered several times and had suffered material losses to both exterior and interior. Part I was issued with a strong warning that if any further or unforeseen levels of deterioration was found to exist during the course of rehabilitation--requiring unacceptable levels of replacement with new material--that the historic integrity would be jeopardized and Part I could result be rescinded at a later date.

1/30/85 Argyle House, Massachusetts Ave. Historic District, Washington, D.C.

Owner requests certification of an extensively fire-damaged building (loss of major components of previously altered interior; loss of entire roof). Part I certified in spite of extensive losses because the remaining materials, design, and workmanship were still able to convey the building's special architectural significance in relationship to the district. Integrity of location and setting were cited as being of particular importance in this instance. A strong warning was issued with the certification letter making clear that remaining historic materials would need to be carefully preserved in the rehabilitation or, in consequence, the Part I certification could be withdrawn at a later date.

2/13/85 603, 605, 607, 609, 611, 613, 615 South Fremont Ave.; 650, 652 West Conway St.: Ridgely's Delight, Baltimore, Maryland

Owner requests certification of seven severely deteriorated 1840s rowhouse buildings in the 600 Block of So. Fremont. Damage, deterioration and loss involved doors and windows on the facade, almost all interior features and finishes, major portions of the interior framing, and the rear wall of the main gabled sections. Part I certified in spite of damage because the historical significance could still be conveyed through intact materials comprising the facades and, to a large degree, the original roofs. Party walls and interior structural systems were also extant. Because the overall form and street facades defined the historic character of the small rowhouses, integrity requirements were met. On the other hand, two rowhouses in the 600 block

of West Conway were denied Part 1 certification. Material damage, deterioration and loss were extensive on exterior and interior but, in addition, party walls had been removed and the cumulative effect of repeated alterations to the brick facades had served to eradicate those physical and historic characteristics needed to convey significance prior to rehabilitation.

PAD Interpreting the Standards Bulletins

#82-032 Removal of Entryways on Principal Facades

Part 1 certified as contributing to the district. Changes to building during the course of rehabilitation affected historical significance, i.e., important features and materials that could have been repaired were removed. Part 2 certification denied.

#84-054 - Replacing Repairable Historic Interior/Exterior Features and Material

Part 1 certified as contributing to the district. In both examples, material and features considered significant were removed during the course of rehabilitation. Part 2 certification denied.

#84-055 - Replacing Historic Materials/Features with New Material to Create an "Improved Appearance"

Part 1 certified as contributing to the district. Extensive replacement of both damaged and intact limestone and rebuilding of facade with new stone compromised integrity and historic character. Part 2 certification denied.

#84-056 - Replacing Severely Deteriorated Historic Materials

Part 1 certified as contributing to district. Extensive deterioration at the beginning of work necessitated carefully negotiated work plan that maximized retention of historic materials so that loss would not jeopardize Part 2 certification and/or Part 1 status. Part 2 subsequently certified.

#84-059 - Replacing a Significant Interior Feature to Meet Health and Safety Code Requirements

Part 1 certified as contributing to district. Exterior work acceptable. Interior work to meet code involved loss of significant elevator. Part 2 certification denied unless work changed to retain significant interior feature.

#84-062 - Replacing Altered Features of a Historic Storefront

Part 1 certified as contributing to district. Later, nonsignificant portions of a storefront removed and replaced while carefully retaining and preserving historic portions and features that conveyed significance. Part 2 approved.

#84-064 - Extensive Replacement of Historic Materials/Features: Loss of Integrity

Part 1 certified as contributing to district. Additional information requested to review Part 2 application. New information shows extensive loss of both exterior and interior features and material due to physical deterioration and structural damage. Part 2 unprocessed and Part 1 certification rescinded due to loss of integrity.

#84-067 - Options for Replacing Missing Historic Features

Two examples, Part 1 certified in both cases as contributing to district in spite of material loss (missing a major feature on a primary elevation at the outset of rehabilitation, but otherwise possessing integrity). Work included replacing the missing feature with new material, while retaining and preserving those historic materials conveying significance. One project was a targeted restoration of the missing significant features; the other, a contemporary approach to replacement. Both projects were certified for Part 2.

#85-069 - Factors to Weigh in Evaluating Damaged/Deteriorated Buildings

Two examples, Part 1 certified in both cases. In one rehabilitation, all exterior siding, window sash and frames, and exterior trim, shutters, roofing, etc. were replaced. Damage and deterioration through moisture were cited but no detailed photographic documentation provided. Because of earlier renovations, no significant interior features or spaces existed. Part 2 denied on appeal due to the extent of replacement of exterior material, an unknown quantity of which might have been preserved. The result was essentially an all new building with some historic-looking features. Part 1 was rescinded due to loss of integrity after the rehabilitation was completed. In another rehabilitation, exterior wood clapboarding, sheathing, window sash, etc. were documented as severely deteriorated and replaced with new material. In this case, however, highly significant 18th century interior features and spaces together with an 18th century post and beam structural system were identified and preserved. Part 2 was certified.

#85-070 - Removal of a False Front or Nonhistoric Surface Covering

In one example, the owner stated in the Part 1 application that he did not intend to remove a false front either for evaluation or as part of the rehabilitation; in consequence, preservation tax incentives were not available. However, if the false front were to be removed at a later date the owner could re-apply. In a second example, a wood-frame building with a nonhistoric covering was submitted for Part 1 certification; however, because other surviving physical and historic characteristics were able to convey its significance to the district (i.e., the entrance porch, window openings, roof shape, materials, and chimneys), the building was able to be certified in the Part 1 evaluation. The nonhistoric covering was patched and retained in Part 2 work. Part 2 was subsequently certified for preservation tax incentives.

Sample paragraphs to be used by Regions

Re: 3. When Part 1 Certification May be Issued Following Removal of False Front. The following paragraph should be included as part of a letter to the owner signed by the regional office after the owner has removed a portion of the obscuring false front or to reveal the presence and condition of the significant features underneath but before rehabilitation has been completed.

Removal of a portion of the false front reveals that significant features exist beneath this covering, and are substantially intact to convey the physical and historic characteristics of the building. Once we receive photographic documentation showing that the remaining covering has been removed, certification of significance will be issued for the property.

Re: 4. When Preliminary Part 1 Approval Should be Given with a Strong Warning. The following warning paragraph should be included in a preliminary Part 1 approval letter or placed in a form cover letter and attached to the Part 1 application signed by the regional office if it is felt that, during the course of rehabilitation, the extensive replacement of significant historic features and materials due to deterioration or damage will jeopardize certified historic structure status.

Based on NPS review of the photographic and written documentation submitted for evaluation, the building appears to meet the Secretary's Standards for Evaluating Significance Within Registered Historic Districts and therefore appears to qualify as a certified historic structure. However, it is also evident that deterioration has occurred to some of the building's significant materials and features, and that the full extent of deterioration to other materials and features cannot be assessed on the basis of current information. Therefore if extensive replacement of historic material is required, then the building may not qualify as a certified historic structure. In this event, final certification cannot be issued and, in consequence, the 25% investment tax credit opportunity would not be available. We strongly urge you to submit a Part 2 application immediately so that an evaluation can be made concerning the impact of proposed work on this structure. Because of the level of deterioration, you will be proceeding with the rehabilitation at your own risk.

Re: 6. When Part 1 Certification of Significance Should be Issued, but Part 2 Denied. The following warning paragraph based on or quoting appropriate portions of 67.3 (a)(4) should be used when a preliminary determination is given.

You should be cautioned that this preliminary determination is not binding upon the Secretary of the Interior and will be made final only as of the date of the listing of the district in the National Register. For buildings outside the period of significance of a registered historic district, preliminary determinations will be made final when the district documentation below on file with NPS is formally amended. If, during review of a Request for Certification, it is determined that the building does not contribute to the significance of the district because of changes made after the preliminary determination was made, certified historic structure designation will be denied.

BUILDINGS WITHIN DISTRICTS: Materials/Features and Levels of Loss That Factor Into Integrity Decisions

In cases where there are particularly serious questions about the building's historic integrity, it may be useful to undertake a systematic evaluation of the overall property. First, particular materials and features of the exterior, interior, and setting that are significant should be identified; second, levels of existing or predicted material loss should be noted. This matrix provides one approach for making an overall integrity evaluation.

BUILDING/SETTING COMPONENT	SIGNIFICANT?	LEVELS OF EXISTING OR PREDICTED MATERIAL LOSS			
	yes/no or degree	Intact	Moderately Deteriorated	Severely Deteriorated	Missing
<u>Building Exterior</u>					
Finishes/Cladding: clapboard, brick, shingles, roofing					
Ornamentation: cornices, sills, lintels, doors, windows, sash, stoops					
Form: size, shape, height of building, pattern of openings					
Structural System: building framing members, including joists, trusses, loadbearing walls					

BUILDING/SETTING COMPONENT	SIGNIFICANT? yes/no or degree	LEVELS OF EXISTING OR PREDICTED MATERIAL LOSS			
		Intact	Moderately Deteriorated	Severely Deteriorated	Missing

Building Interior

Finishes: plasterwork, floorboards, tin/wood ceilings					
Ornamentation: door/window trim, baseboards, decorative plaster medallions, wainscotting, stairways					
Floor Plan: sequence of spaces, size and shape of rooms/hallways					

Building Setting

Topographic features such as a gorge or the crest of a hill					
Driveways, walk ways, paths, fencing, lighting, signs, benches					
Plants and trees, berms, fountains, wells, terraces, drainage or irrigation ditches, or archeological features					
Number and density of build- ings or structures around the property or relation- ship with parks or other open space					