Federal & State Historic Tax Credit Update: Preservation Policy and Practice in the Trump Era

NPS Guidance: Functionally Related Buildings

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WHAT IS A FUNCTIONALLY RELATED COMPLEX?

A group of buildings that historically functioned together:

- Mills
- Manufacturing sites
- Church complexes
- Campus – grouping of office buildings or former college or school
WHAT WAS THE TREATMENT OF THESE TYPES OF PROJECTS PRIOR TO THE GUIDANCE?

- Typically one NPS project number assigned to entire project (if developed by a single owner – beneficial ownership.)

- Cumulative effect – standard of review – may allow for some demolition.

- Phased advisory letter for each completed phase stating it meets the Secretary of the Interiors Standards.

- One Part 3 issued at completion of final phase.
WHAT CAN A PROJECT UNDER THE NEW GUIDANCE LOOK LIKE?

• May be treated as separate projects and receive multiple NPS project #s

• Determination made on case by case basis.

• Treating phases as individual projects must be determined at the beginning.

• No “cumulative affect” – each project must meet Standards.
OPTIONS UNDER NEW GUIDANCE: GAP IN CONSTRUCTION BETWEEN PHASES.

• Can separate into multiple projects if there is a “substantial” break – more than 1 year. Each phase would be treated as a separate project and would not benefit from the cumulative effect standard.

• Each project would require its own Part 1, Part 2 and Part 3.

• If the work in the second project does not meet the Standards and is during the recapture period of the first phase – it could impact the first phase even though it has its own Part 1.

• If a multi-phase project stalls after the first phase – it may be possible to receive a Part 3. If preparatory demolition happened in the first phase for buildings in future phases, some remedial work may be required.
OPTIONS UNDER NEW GUIDANCE:
BUILDING GROUPINGS – OTHER EXAMPLES

• Separate complex in to multiple projects by use or other groupings. Typically would take place with large campuses that have groupings that service different and diverse uses. For example a mill would probably not fit this guidance but former state hospital or college campus might.

• Large housing complexes consisting of many separate or semi-attached houses or buildings, multiple streets, and shared land area under common ownership.

• Phased project that stalls.
OTHER NEW GUIDANCE

- Continued Historic Use and Standard 1
- Acquired Significance and Standard 4
- Interior Spaces, Features, and Materials in Highly Deteriorated Condition and Standard 2
- Historically-Finished Secondary Spaces—Avoiding Problematic Treatments at Project Completion
THANK YOU

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