

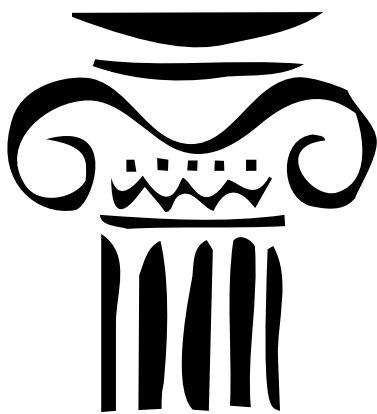
PROPOSED LOVINGSTON HISTORIC DISTRICT

In the coming weeks and months, you will be hearing more about a proposal to place Lovington on the National Register of Historic Places and the Virginia Landmark Register. Listing on these registers is honorary. Property owners are free to alter, demolish or dispose of property as they see fit. Listing on these registers makes property owners eligible for various benefits. Perhaps most significantly, federal and state income tax credits may be available for properly-qualified rehabilitation projects. Listing on the register is not a regulatory program.

National Register of Historic Places and the Virginia Landmarks Register

Listing in the National Register of Historic Places and the Virginia Landmarks Register may qualify property owners for benefits administered by the Virginia Department of Historic Resources (VDHR):

- Technical assistance with repair and maintenance and rehabilitation projects;
- Tax incentives for appropriate rehabilitation of income-producing properties;
- The opportunity to grant a preservation easement to the Board of Historic Resources, which ensures preservation of the property and to receive



**Nelson County
Department of Economic
Development
December 2004**

Timeline for Lovington Historic District Process

May - June 2004 – Nelson County submits a preliminary information form (PIF) to the Virginia Department of Historic Resources (DHR).

June 2004 - DHR offers a cost share funds to Nelson County; the board of supervisors approves their match

August 2004 - Request for proposals advertised to hire the consultant to write the formal nomination to the National Register of Historic Places and Virginia Landmarks Register

October 2004 - DHR hires Arcadia Preservation

December 6, 2004 - Nelson County staff meet with DHR and Arcadia Preservation to begin the survey work

December 14, 2004 - Nelson County board of supervisors meets Arcadia Preservation and get an update on the project from DHR

December 2004 - An informational flyer is distributed to residents about the district and the nomination process

January 27, 2005 - Public meeting to update the community

February 2005 - Halfway point of the survey work and nomination process

June 2005 - Formal notification to Lovington property owners from DHR

July 2005 - Public meeting to update the community

September 2005 - State Review Board makes its decision on the nomination to the National Register of Historic Places and Virginia Landmarks Register

possible tax benefits (real estate and donation). Listing in the registers is required for this benefit.

Listing in the registry is honorary. A listing on either register does not restrict an owner in the free use of their property. A property owner may alter, demolish or otherwise dispose of property as they see fit.

The first step in seeking a listing on the register is the completion of a "Preliminary Information Form" (PIF). This document provides a basic description of the subject area or property with associated maps, photographs, a list of property owners and a narrative justifying the designation. This form was submitted in June 2004 by the Department of Economic Development.

The PIF is then submitted to the staff of VDHR for review before being forwarded to the State Review Board. The State Review Board declares the application either eligible or ineligible for nomination to the register. If eligible, a formal nomination must be assembled. Arcadia Preservation has been hired to do the formal nomination.

Financial Incentives

A primary advantage of listing on the state and federal registers is the tax credit available for qualified property improvements. The federal program, which applies only to income-producing properties, currently offers a tax credit equal to 20% of eligible rehabilitation expenses. The state program may be used for rehabilitation of income producing or owner occupied residential properties. In tax year 2005, the state program



offers a credit for 25% of eligible rehabilitation expenses.

For tax credit projects, all improvements must be undertaken under the direction of the VDHR. To qualify for tax credits, the building to be rehabilitated must be a "certified historic structure." The projects must meet certain spending limits to qualify.

Questions and Answers:

Q: If my building is in a historic district do I have to get a permit from a review board to paint or do other renovations?

A: No. Property owners may renovate or even demolish a building without permit. However, if owners wish to receive tax credits, renovations must be completed under the supervision of the Virginia Department of Historic Resources.

Q: There are buildings downtown that are not that old. How can this be a historic district?

A: There are modern buildings in virtually all historic districts. When the district surveys are completed some buildings will be designated as contributing and some will be considered non-contributing to the district.

Q: How old does a building have to be to be considered historic?

A: Any building more than 50 years old may be considered to have historic importance.

Q: When you consider places like Staunton and Lexington, how could we possibly consider Lovingston historic?

A: Communities are not compared for nomination purposes.

Buildings are judged on the basis of their architectural character and according to the degree that they are associated with events and people that were important to the development of the community. Lovingson is a courthouse village. There are a number of buildings significant to the commercial growth of the city.

Q: What is the difference between a tax credit and a tax deduction?

A: A tax credit reduces one's tax liability; a deduction reduces one's taxable income. Tax credits for historic improvements are based on the cost of the renovation, not the owner's income.

Q: If I complete a \$100,000 building renovation, what is the potential tax credit available?

A: The federal program for income-producing properties offers a tax credit equal to 20% of eligible rehabilitation expenses - or \$20,000.00. The state program currently offers a credit for 25% of eligible rehabilitation expenses - or \$25,000.00.

Q: Do I have to open my property to the public if it's registered?

A: No. Listing in the National Register of Historic Places or the Virginia Landmarks Register does not require that you open your

house to the public.

Q: Will registration or listing increase or decrease my property values and tax burden?

A: Many factors affect the value of real estate: location, improvements, supply and demand, zoning, surroundings, local and national economic conditions, business cycles, actions of national, state and local governments. Changes in any of these factors may affect the value of property. Overall, statistics show that there



were no significant changes in assessed values in rural areas. In urban districts, however, the value of properties rose over time at a significantly greater rate than similar properties outside the districts.

Q: Can vinyl-sided buildings be registered?

A: Yes. Although vinyl siding is not a recommended treatment for historic buildings, the national

and state registers do not exclude vinyl-sided buildings from consideration.

Q: How are decisions made about what gets listed?

A: The process consists of evaluation and nomination. During the evaluation phase, preliminary information about the property is examined by the Department of Historic Resources Evaluation Team, which then recommends to the State Review Board those properties it considers to meet the criteria for registration. Once the evaluation phase is completed, the nomination phase usually results in the listing of these qualified properties.

Q: Isn't it true that only sites associated with famous people or events get registered?

A: No. The criteria apply to places of national, state or local significance. Many places that may appear at first glance to be unexceptional are listed in the registers.

Q: If my property is listed in the national or state registers, will it be protected from undesirable development or destruction by government projects?

A: No. Listing or registration informs owners, local planners,

governmental agencies and others involved in land use planning of the existence of a historic resource.

Q: Will anyone be able to stop me if I want to alter or tear down my property once it's listed?

A: No. Only a local historic preservation ordinance can impose such restrictions on property

owners.

Q: Will I be able to leave my property to my children or anyone I want if it's listed?

A: Yes. Listing in the registers in no way affects the transfer of property from one owner to another, or any other rights or responsibilities of property ownership.

This document was prepared as a public service by the Nelson County Department of Economic Development. For further information, please contact the Department of Economic Development office at 434.263.7015.



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