



ABERDEEN HISTORIC PRESERVATION SPECIAL VALUATION INFORMATION SHEET

WHAT ARE THE BENEFITS?

The Local Tax Incentive Program is designed to encourage the preservation of historic resources. It provides for “a revision of the assessed value of a historic property which subtracts, for up to 10 years, such rehabilitation costs as are approved by a local review board.” (RCW 84.26)

The primary benefit of the law is that during the 10-year special valuation period, property taxes will not reflect substantial improvements made to the property.

The rehabilitation costs that are incurred have to be within 24 months prior to the actual date of application.

WHAT BUILDINGS ARE ELIGIBLE?

Residential, Industrial or Commercial buildings which:

1. Are on the Aberdeen Historic Register or are in a Historic District and
 - a. Have retained major historic features, or
 - b. Have lost major historic features that are being restored in the renovation project for which the property tax valuation is being claimed.
2. Have been substantially rehabilitated. “Actual Cost of Rehabilitation” means costs incurred within twenty-four months (24) prior to the date application and directly resulting from one or more of the following:
 - a. improvements to an existing building located on or within the perimeters of the original structure; or
 - b. improvements outside of but directly attached to the original structure which are necessary to make the building fully useable but shall not include rentable/habitable floor-space attributable to new construction; or
 - c. architectural and engineering services attributable to design of the improvements; or
 - d. all cost defined as “qualified rehabilitation expenditures” for purposes of the federal historic preservation investment tax credit.
3. The actual cost of rehabilitation, shall be at least twenty-five percent (25%) of the assessed valuation of the historic property, exclusive of the assessed value attributable to the land, prior to rehabilitation.
4. Retain their historic character after rehabilitation. The “Washington State Advisory Council’s Standards for the Rehabilitation and Maintenance of Historic Properties” or “State Advisory Council’s Standards” are the rehabilitation and maintenance standards used by the Aberdeen Historic Preservation Commission as minimum requirements for determining whether or not an historic property is eligible for special valuation and whether or not the property continues to be eligible for special valuation one it has been so classified.

REQUIREMENTS AFTER APPROVAL.

Agreement. The building must be protected during the ten-year exemption period by an historic preservation agreement which must include the following provisions:

1. The building must be in sound structural condition and maintained according to Washington State standards.
2. The owner must obtain approval from the Historic Preservation Commission prior to making improvements.
3. The property must be visible from a public right-of-way or made available for public view one day a year.
4. If the property is sold, the new owner must sign a new agreement to continue the special valuation.

Penalties: Owners who fail to comply with their agreement or other program requirements must pay:

1. All back taxes which would have been otherwise owed;
2. Interest on back taxes; and
3. A penalty equal to 12 percent of back taxes and interest.

Appeals:

1. Any decision of the Commission acting on any application for classification as historic property, eligible for special valuation, may be appealed to Superior Court under Chapters 34.05.510 RCW and 34.05.598 RCW in addition to any other remedy of law.
2. Any decision on the disqualification of historic property eligible for special valuation, or any other dispute, may be appealed to the City of Aberdeen Council.
3. Standing to appeal the Commission's decision shall be limited to the following person(s) pursuant to the Washington State Land Use Petition Act (36.70C.060 RCW):
 - a. The applicant and/or the owner of property to which the Commission's decision is directed; and
 - b. person(s) aggrieved or adversely affected by the Commission's decision, or who would be aggrieved or adversely affected by a reversal or modification of the commission's decision.

SPECIAL VALUATION REVIEW PROCEDURE.

1. Before beginning work, contact the City of Aberdeen Community Development Department for more information and to arrange a preliminary review of renovation plans.
2. Individual or historic district placement on a local, State or National register is necessary before applying for the special valuation program. Application for placement on the Aberdeen Historic Register may be made by contacting the Community Development Department at the City of Aberdeen.
3. After work is complete, apply to the City of Aberdeen no later than 24 months after the beginning date of the rehabilitation work. Application forms are available from the Community Development Department at the City of Aberdeen. A final review and

decision by the Aberdeen Historic Preservation Commission and the Aberdeen City Council will be arranged before December 31 of that year.

4. Applications made before October 1, will be heard by the end of the year; the new value will be calculated the next year, and the new tax goes into effect the following year. Applications received after October 1, will be processed in the following year.

Example:

<i>By 10/01/2010</i>	<i>Application is made.</i>
<i>By 12/31/2010</i>	<i>Preservation Commission conducts final reviews</i>
<i>2011</i>	<i>Assessor determines new tax</i>
<i>2012</i>	<i>New tax goes into effect for ten years</i>

Your property tax may change from year to year because of changes in the assessed value, but qualified rehabilitation expenditures will continue to be deducted from the new assessment for the full ten-year period of special valuation.

SUBMITTAL REQUIREMENTS FOR ABERDEEN HISTORIC TAX APPLICATIONS

Complete application shall consist of the following documentation:

1. A legal description of the historic property;
2. Comprehensive exterior and interior photographs of the historic property before and after rehabilitation;
3. Architectural plans or other legible drawings depicting the completed rehabilitation work;
4. A notarized affidavit attesting to the actual cost of the rehabilitation work completed prior to the date of application and the period of time during which the work was performed and documentation of both to be made available to the Commission upon request; and
5. For properties located within historic districts, in addition to the standard application documentation, a statement from the Secretary of the Interior or appropriate local official, as specified in local administrative rules or by the local government, indicating the property, is a certified historic structure is required.

COMMISSION REVIEW CRITERIA

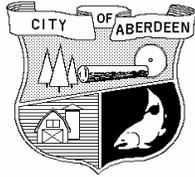
In its review the Commission shall determine if the properties meet all the following criteria:

1. The property is a historic property;
2. The property is included within a class of historic property determined eligible for Special Valuation by the city;
3. The property has been rehabilitated at a cost which meets the definition set forth in RCW 84.26.020(2) and as identified in AMC 17.50.020I within twenty-four months prior to the date of application; and
4. The property has not been altered in any way which adversely affects those elements which qualify it as historically significant as determined by applying the Washington State Advisory Council's Standards for the Rehabilitation and

Maintenance of Historic Properties under WAC 254-20-100(1) and AMC 17.50.060(4).

CONTACT INFORMATION

Contact: City of Aberdeen, Community Development Department
Attn: Lisa Scott, Director
200 East Market Street
Aberdeen, WA 98520
(360) 537-3238
lscott@aberdeenwa.gov
www.aberdeeninfo.com



**ABERDEEN HISTORIC PRESERVATION SPECIAL VALUATION AGREEMENT
APPLICATION**

PROPERTY IDENTIFICATION

Date Submitted: _____

Property Name: _____

Address: _____

Parcel Number: _____

LEGAL DESCRIPTION

Legal Description: _____

PROPERTY OWNER(S), ADDRESS AND ZIP CODE

Name: _____

Address: _____

City/State/Zip: _____

Phone Number: _____ Email Address: _____

PROPERTY IS ON: (Check appropriate box)

National Historic Register Local Register

Building Permit No.: _____ Date: _____

Jurisdiction: _____ Rehabilitation Started: _____

Date Completed: _____ Actual Cost of Rehabilitation: \$ _____

REQUIRED ATTACHMENTS:

- Legal description of the historic property.
- Comprehensive exterior and interior photographs of the historic property before and after rehabilitation;
- Architectural plans or other legible drawings depicting the completed rehabilitation work.
- A notarized affidavit attesting to the actual cost of the rehabilitation work completed prior to the date of application and the period of time during which the work was performed and documentation of both to be made available to the Commission upon request; and
- For properties located within historic districts, in addition to the standard application documentation, a statement from the Secretary of the Interior or appropriate local official, as specified in local administrative rules or by the local government, indicating the property is a certified historic structure is required.



AFFIRMATION

This Historic Preservation Agreement is entered into on this _____ day of _____, 20____, by and between _____ (hereinafter referred to as Applicant) and the Historic Preservation Commission (hereinafter referred to as Local Review Board).

WHEREAS APPLICANT is the owner of record of the historic property commonly known as _____, located at _____, State of Washington, as more fully described in Exhibit A, attached hereto and incorporated herein by this reference (hereinafter referred to as Property); and

WHEREAS APPLICANT has requested special valuation of the PROPERTY pursuant to Chapter 84.26 RCW; and

WHEREAS the LOCAL REVIEW BOARD had determined that the PROPERTY has been substantially rehabilitated within the two year period preceding the date of application and the actual cost of said rehabilitation equals or exceeds twenty-five percent of the assessed valuation of the PROPERTY prior to the improvements; and

WHEREAS the LOCAL REVIEW BOARD has verified that the PROPERTY is historic property that falls within a class of properties determined eligible for special valuation by local ordinance or administrative rule; and

WHEREAS the LOCAL REVIEW BOARD finds that the rehabilitation work has not altered the PROPERTY in anyway which adversely affects those elements which qualify it historically significant;

NOW THEREFORE, in recognition of the foregoing, the APPLICANT enters into this Agreement with the LOCAL REVIEW BOARD and agrees to adhere to the following terms and conditions for the ten-year period of the special valuation classification:

1. **APPLICANT** agrees to comply with the Washington State Advisory Council's Standards for the Maintenance and Rehabilitation of Historic Properties as set forth in Exhibit B, which is attached hereto and by this reference incorporated herein.
2. **APPLICANT** agrees the property shall not be altered without the prior written consent of the LOCAL REVIEW BOARD signed by a duly authorized representative thereof. No construction, alteration or remodeling or any other action shall be undertaken or permitted to be undertaken which would affect the historic character of the PROPERTY which classifies it as eligible for special valuation, or which would affect the appearance of the PROPERTY as depicted in the photographs attached hereto and incorporated herein by this reference as Exhibits _____ through _____, or which would adversely affect the structural soundness of the PROPERTY; provided, however, that the reconstruction, repair, repainting, or refinishing of presently existing parts or elements of the PROPERTY subject to this Agreement, damage to which has resulted from casualty loss, deterioration or wear and tear, shall be permitted without the prior approval of the LOCAL REVIEW BOARD, provided that such reconstruction, repair, repainting, or refinishing is performed in a manner which will not alter the appearance of those elements of the PROPERTY subject to this Agreement as they are as of this date. Exterior changes which shall require the consent of the LOCAL REVIEW BOARD shall include, but not be limited to, any substantial structural change or any change in design, color or materials.
3. **APPLICANT** agrees the PROPERTY shall not be demolished without the prior written consent of the LOCAL REVIEW BOARD.
4. **APPLICANT** agrees to make historic aspects of the PROPERTY accessible to the public one day each year if the PROPERTY is not visible from a public right-of-way.
5. **APPLICANT** agrees to monitor the PROPERTY for its continued qualification for special valuation and notify the County Assessor within 30 days if the PROPERTY becomes disqualified because of (a) a loss of historic

integrity, (b) sale or transfer to new ownership exempt from taxation, or (c) sales or transfer to new ownership which does not intent to agree to the terms of this Agreement nor file a notice of compliance form with the County Assessor.

6. **The APPLICANT and LOCAL REVIEW BOARD** both agree that there shall be no changes in standards of maintenance, public access, alteration, or report requirements, or any other provisions of this Agreement, during the period of classification with the approval of all parties to this Agreement.

Term of the Agreement. This Agreement shall take effect immediately upon signature and remain in effect until the property is no longer eligible for special valuation either through disqualification under 84.26.080 RCW or upon expiration of the ten-year period of special valuation commencing January 1, 20____, and ending December 31, 20____.

Hold Harmless. The APPLICANT or its successors or assigns shall hold the State and the LOCAL REVIEW BOARD harmless from any and all liability and claims which may be asserted against the State and the LOCAL REVIEW BOARD as a result of this Historic Preservation Special Valuation Agreement or the participation by the APPLICANT in the Special Valuation Program.

Governing Law. The terms of this Agreement shall be construed in accordance with the laws of the State of Washington.

As owner(s) of the improvements described in this application, I/we hereby indicate by my signature that I/we am aware of the potential liability (see reverse) involved when my/our improvements cease to be eligible for special valuation under provisions of 84.26 RCW.

I/we hereby certify that the foregoing information is true and complete.

As owner(s) of the improvements described in this application, I/we hereby indicate by my signature that I/we am aware of the potential liability (see reverse) involved when my/our improvements cease to be eligible for special valuation under provisions of 84.26 RCW.

I/we hereby certify that the foregoing information is true and complete.

Signature(s) of All Owner(s):

ASSESSOR

The undersigned does hereby certify that the ownership, legal description and the assessed value prior to rehabilitation reflected below has been verified from the records of this office as being correct.

Assessed Value Exclusive of Land Prior to Rehabilitation: \$_____

Date:_____ Assessor:_____

Historic Property means real property together with improvements thereon, except property listed in a register primarily for objects buried below ground, which is listed in the local register of the Certified Local Government or the National Register of Historic Places.

Cost means the actual cost of rehabilitation, which cost shall be at least twenty-five percent of the assessed valuation of the historic property, exclusive of the assessed value attributable to the land, prior to rehabilitation.

Special Valuation for Historic Properties or Special Valuation means the local option program, as authorized by 84.26 RCW, which when implemented makes available to property owners a special tax valuation for rehabilitation of historic properties under which the assessed value of an eligible historic property is determined at a rate that excludes, for up to ten years, the actual cost of the rehabilitation.