



## **HISTORIC PRESERVATION COMMISSION**

### **Agenda**

**August 19, 2019**  
**1001 11<sup>th</sup> Avenue**  
**City Council Chambers, City Center South**  
**4:00 p.m.**

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- I. Call to Order
- II. Approval of Minutes
- III. Public Input
- IV. Historic Preservation Tax Credit project final approval  
  
Case No.: HPFI2019-0001  
Applicant: Zachary and Kristin Zasada  
Location: 1127 18<sup>th</sup> Street  
Presenter: Elizabeth Kellums
- V. Commission Member Reports
- VI. Staff Reports
- VII. Adjournment

### **UPCOMING MEETINGS AND IMPORTANT DATES:**

- August 19, 2019      6:30 p.m., Walking Tour: UNC William Bowman Buildings: Gunter Hall and the President's House, Starting Location: plaza west of Gunter Hall under the bell tower
- August 22, 2019      12 p.m., History Brown Bag: Cowboy and Trains, by Scott Chartier; Greeley History Museum Community Room, 714 8<sup>th</sup> Street. Free and open to the public, no reservations required.

### **Historic Preservation Public Hearing Procedure**

1. Chair introduce public hearing item
2. Historic Preservation Staff report
3. Applicant Presentation
4. Commission questions
5. Chair opens public hearing
6. Chair closes public hearing
7. Applicant rebuttal
8. Commission discussion and vote



## **HISTORIC PRESERVATION COMMISSION**

Proceedings

July 1, 2019

**1001 11th Avenue  
City Council Chambers, City Center South  
4:00 p.m.**

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### **I. Call to Order**

Chair Scott called the meeting to order at 4:00 p.m. Commissioners Anschutz, Brunswig, Bator, McLean, and Thompson were present. Commissioner DePetro was absent.

### **II. Approval of Minutes for the meeting held on May 6, 2019**

Commissioner McLean moved to approve the minutes for May 6, 2019. Commissioner Brunswig seconded the motion. The motion carried 6-0. (Commissioner DePetro was absent.)

### **III. Public Input**

Linde Thompson, 1616 12<sup>th</sup> Avenue, addressed the Commission on behalf of Historic Greeley, Inc. and presented a monthly update. She reported that Historic Greeley, Inc. is in the middle of the grant project to repair the P.O.W. pillar that was damaged. Grant funds were awarded and they are waiting on the mortar analysis required by the state. They are hoping that the restoration will be complete within the month. Ms. Thompson explained that Sean and Annette Jaehn will host a Farm to Table dinner on August 7<sup>th</sup> to benefit Historic Greeley, Inc. More information about the event is posted at [historicgreeley.org](http://historicgreeley.org).

**IV. Public Hearing to consider Certificate of Approval for installation of an ATM machine on the storefront for Bank of Colorado at 810 9<sup>th</sup> Street (Applicant: Kaycee Lytel)**

Commissioner Scott introduced the hearing item and no one on the Commission expressed a conflict of interest.

Betsy Kellums entered the staff report into the record and provided staff analysis for an ATM at the north storefront of 810 9<sup>th</sup> Street. She described the project and noted a slight change from the original application. Ms. Kellums pointed out the area of the building that was proposed to be stucco. Planning staff approved the proposed sign.

Staff reviewed the proposed project in accordance with the criteria in Section 18.36.150(a). Ms. Kellums noted that the proposed project meets the municipal code requirements and recommended approval with the condition that the applicant obtain all required permits.

Commissioner Brunswig commented that this looks like it meets all the guidelines.

Robb Cassaday spoke on behalf of C2D Architects who completed the design of this project. Mr. Cassaday thanked Ms. Kellums and staff for assisting in the process. He reported that the brick that was remodeled in the 70s would be almost impossible to match due to the material currently available. Mr. Cassaday explained that they would have preferred to continue the brick material. Mr. Cassaday described the work to be completed.

Commissioner McLean asked who would approve the color selection of the stucco. Ms. Kellums responded that there is a tan color specified on the drawings similar to the brick. Commissioner McLean asked if there is a formal color and assumed it will be a complementary color. Ms. Kellums stated that the staff did suggest a tan color to be compatible with the brick. Mr. Cassaday expressed there is a slight contrast.

Commissioner Anschutz asked if there are any other ATMs in that area. Commissioner McLean explained that there is one in the Rio and one in the Chase building off of 7<sup>th</sup> street. He added that the project proposed should benefit the community due to Friday Fests and other downtown events. Otherwise there are no other really close ATMs in this area. There is one at the Wells Fargo in front of School District 6 Building however that is a couple blocks from the historic downtown Greeley district. Commissioner McLean stated that this is well needed in that area.

Mr. Cassaday mentioned that when you walk up to the ATM and activate the screen, it will be a live person on the monitor who will handle the customer as if they were speaking to a teller.

Chair Scott opened the public hearing at 4:17 p.m. No members of the public commented. Chair Scott closed the public hearing at 4:17 p.m.

Commissioner Anschutz made a motion that, based on the application received and the preceding analysis, the Commission finds that the proposal to install an ATM on the eastern first floor storefront at 810 9<sup>th</sup> Street meets criteria and standards in Section 18.36.150(a) of the Greeley Municipal Code, and therefore approves the Certificate of Approval, contingent upon the applicant obtaining all required permits for the project. Commissioner Bator seconded the motion. The motion passed 6-0. (Commissioner DePetro was absent.)

## **V. Commission Member Reports**

Commissioner Bator reported that she learned a lot and enjoyed Commissioner McLean's presentation on architectural design and where Mr. William Bowman placed his educational buildings in the City of Greeley. There was discussion about recording the presentation. The Commission recommended Brown Bags as an option for another presentation.

Commissioner Brunswig mentioned an article in the June 30<sup>th</sup> Denver Post about the Dearfield town site referencing a developer who is proposing to put a residential subdivision in the National Register part of the site. The Black American West Museum as the owner has been in negotiation with the developers. The Black American West Museum has managed to get a State Historic Fund grant to begin to do some stabilization and security measures. The Greeley Museums and Historic Preservation Office have provided support. Greeley Museum staff would like to come out and do some archeology on the site, funded by another grant from State Historic Fund to the Black American West Museum. Many people in Dearfield, which was largely abandoned in the 1920s, ended up living in Greeley, fostering a strong connection to the project.

## **VI. Staff Reports**

Ms. Kellums asked Commissioner Brunswig if someone has been in touch with Colorado Preservation, Inc. in regards to Dearfield seeing as it is "in progress" on the Endangered Places list. Commissioner Brunswig stated yes.

Ms. Kellums reported that there is a walking tour next Monday, July 8<sup>th</sup>, a downtown tour of adaptive reuse of downtown buildings including the Masonic Temple, Kress Building, Greeley Elevator Building, and a few stops in between. Ms. Kellums and tour attendees will be able to go inside the Masonic Temple and Kress; however, Ms. Kellums is still checking on access to the Greeley Elevator Building. Ms. Kellums introduced her summer intern, Nicole Jewett, a senior History major at the University of Northern Colorado, who has been helping plan walking tours on both July 8<sup>th</sup> & July 22<sup>nd</sup>. The tour on July 22<sup>nd</sup> will be in the Sunrise neighborhood and will be a Pre-Chautauqua event talking about the cultural diversity of that neighborhood. Both tours start at 6:30 p.m. on the respective dates.

## **VII. Adjournment**

The meeting adjourned at 4:32 p.m.

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Sandra Scott, Chair

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Betsy Kellums, Secretary

## HISTORIC PRESERVATION COMMISSION SUMMARY

**ITEM:** State Income Tax Credit Part 2 Application

**LOCATION:** 1127 18<sup>th</sup> Street, Shattuck House

**APPLICANT:** Kristin and Zachary Zasada

**HISTORIC PRESERVATION COMMISSION DATE:** August 19, 2019

**HISTORIC PRESERVATION COMMISSION FUNCTION:**

Review the application and make the final decision, as per Section 18.36.100 of the City of Greeley Municipal Code by approving or denying the request.

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**PROJECT OVERVIEW AND BACKGROUND:**

The Shattuck House at 1127 18<sup>th</sup> Street is individually designated on the Greeley Historic Register. On July 3, owner Kristin Zasada submitted Part 1 and Part 2 tax credit applications for the 1990 credit for rehab of the kitchen to the Historic Preservation Office. The Tax Credit Review Committee agreed the final project meets the Secretary of the Interior's Standards for Rehabilitation. During a previous site visit for another project at the property, Ms. Zasada had indicated they planned to rehabilitate the kitchen and the committee provided preliminary approval to proceed, with the condition of obtaining all required permits (Attachment A).

Following completion of the project, the Tax Credit Review Committee conducted a site visit and determined the project meets the Secretary of the Interior's Standards and preliminarily approved it on July 16, 2019. Section 18.36.100 of the Greeley Municipal Code requires the Commission make the final determination on all state tax credit applications. The Colorado Revised Statute 39-22-514, which applies to the 1990 credit and allows for kitchen rehabilitation expenses, requires the project meet the Secretary of the Interior's Standards for Rehabilitation (See Attachment B), requires the project be completed within 24 months, requires the rehabilitation costs be over \$5,000, and requires the Part 2 application be submitted within 60 days of completion (See Attachment C). The applicant completed the project within 24 months. Project cost was over \$5,000, with qualified costs of \$45,989.04, and the applicant submitted the Part 2 application within 60 days of project completion, submitting Part 2 on July 3 after completion date of May 31, 2019 (See Attachment A).

The Part 2 of the tax credit application for rehabilitation at 1127 18<sup>th</sup> Street includes the final project qualified costs of \$45,989.04 for a 20% credit of \$9,197.80.

**STAFF RECOMMENDATION:**

Approval.

**RECOMMENDED COMMISSION MOTION:**

A motion to find that the State Historic Preservation Income Tax Credit project, utilizing the 1990 credit, of Kristin and Zachary Zasada for kitchen rehabilitation at the Shattuck House, 1127 18<sup>th</sup> Street, individually designated on the Greeley Historic Register, meets the Secretary of the Interior's Standards and approve the application for a tax credit in the amount of \$9,197.80.

**ATTACHMENTS:**

Attachment A	1127 18 <sup>th</sup> Street Tax Credit Application for rehabilitation with photos
Attachment B	Secretary of the Interior's Standards for Rehabilitation
Attachment C	Colorado State Historic Preservation Income Tax Credit Information, History Colorado Publication #1322b



**APPLICATION FOR COLORADO STATE INCOME TAX CREDIT  
FOR HISTORIC PROPERTY PRESERVATION (1990 CREDIT)**

Pursuant to House Bill 90-1033 (CRS 39-22-514)

**PART 1 – PRELIMINARY APPROVAL**

**1. PROPERTY INFORMATION**

Name of Property: Shattuck House  
 Address: 1127 18th Street  
 City/Town: Greeley County: Weld Zip: 80631  
 Name of Registered Historic District:

Legal Description: lot 1, Block 4, 2nd fling, Cranford

**2. APPLICANT INFORMATION (taxpayer claiming the credit)**

Name: Zachary and Kristin Zasada

Type of Entity: Individual ☒

Partnership: General ☐ Limited ☐

Corporation: Regular ☐ Subchapter S ☐

Limited Liability Company ☐

Name of authorized company official  
 (if applicant is not an individual):

Business address:

City/Town:

State:

Zip:

Telephone:

Residential address:

City/Town:

State:

Zip:

Telephone:

Taxpayer Identification Number (or Social Security Number):

(Zach) [REDACTED] (Kristin) [REDACTED]

Applicant is: (check one) owner ☒ tenant ☐

**If more than one taxpayer intends to claim the credit, include on a separate sheet the name, address and taxpayer ID number for all taxpayers intending to claim the credit.**

**3. OWNER INFORMATION, if applicant is other than owner (if owner is applicant, write "same")**

Name:

Address:

City/Town:

State:

Zip:

Telephone:

4. PROJECT CONTACT

☒ Applicant    ☐ Owner    ☐ Other (specify below)

Name:

Address:

City/Town:

State:

Zip:

Telephone:

5. PROPERTY DESCRIPTION (see instructions):

Built in 1908/1909 the Shattuck House is a brick American Foursquare style with two stories, a hipped roof, attached sunroom, front porch, sleeping porch, widow's walk, and 4 bedrooms, 2 1/2 baths, <sup>eat in</sup> kitchen, living room, sitting room, formal dining room, laundry/mud room and family room. Interior details include original wood floors, original brick fireplace, original built-ins, some original kitchen cabinets, and a full restoration of all bathrooms, the laundry/mud room, the kitchen, and the mechanical & plumbing systems.

Original Date of construction:

1908/1909

6. PHOTOGRAPHS OF THE PROPERTY MUST BE INCLUDED (see instructions)  
(if drawings are available, they should also be included)



## 7. DESCRIPTION OF REHABILITATION

1.	<p>Architectural Feature:</p> <p>Describe feature and its condition:</p> <p>Upper and lower kitchen cabinets from the 1960's (?) in deteriorating condition. Tile backsplash. Formica counters. Kitchen sink with chips/damage</p> <p>Photo no. 2      Drawing no.</p>	<p>Describe work/impact on feature:</p> <p>Remove upper and lower cabinets and replace with custom, fir, hand-built ones that match the one remaining section of original cabinets. Remove and replace tile backsplash with white subway tile. Replace sink with white apron-front sink. Replace counters with quartz.</p>
2.	<p>Architectural Feature:</p> <p>Describe feature and its condition:</p> <p>"Dead space" in front of dining dividing wall and refrigerator located in old ice-receiving area (built-in).</p> <p>Photo no. 1, 3, 4, 5      Drawing no.</p>	<p>Describe work/impact on feature:</p> <p>Install custom-built island with drawers and storage and quartz countertop with a built-in prep sink. Install custom framing w/ shelving to surround new double-ovens placed in old ice area. New refrigerator moved to new location between new cabinets (item #1).</p>
3.	<p>Architectural Feature:</p> <p>Describe feature and its condition:</p> <p>Hardwood flooring in kitchen and dining room. Kitchen flooring has extensive water damage. Dining room flooring is missing where built-in was - needs to be fixed and entire room stained and sanded.</p> <p>Photo no. 8, 7, 2      Drawing no.</p>	<p>Describe work/impact on feature:</p> <p>Install new concrete tile flooring over damaged wood flooring in kitchen. Replace missing wood flooring in dining room and stain and sand entire room.</p>



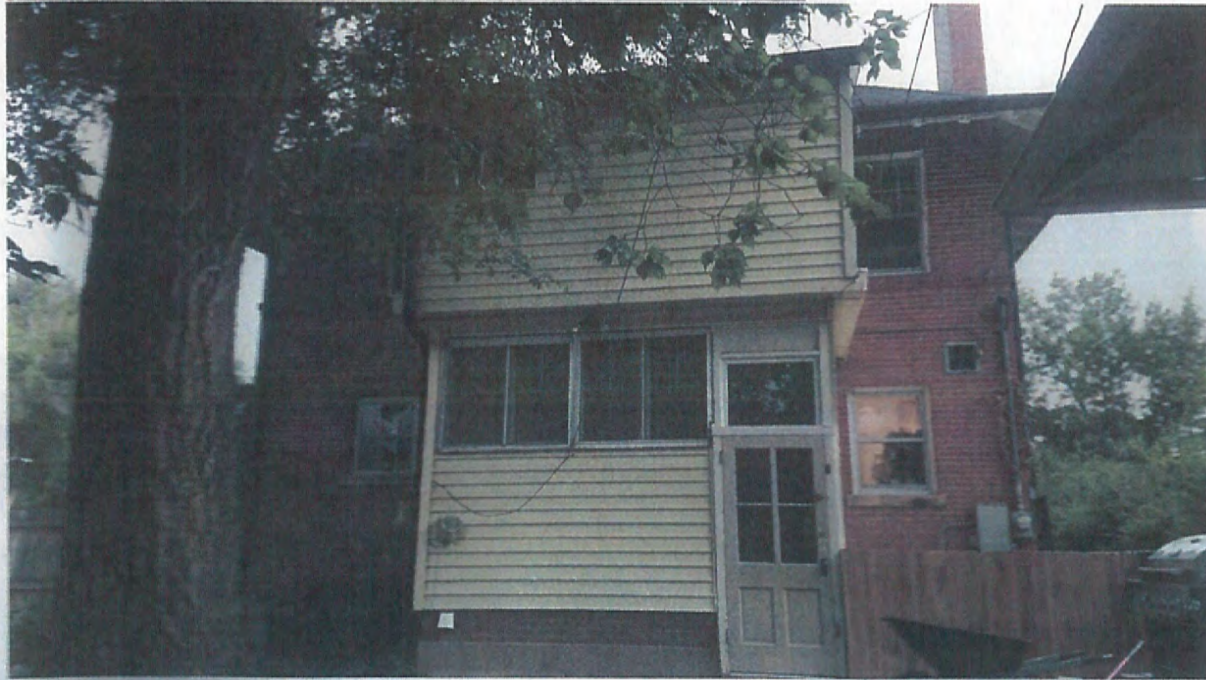
DESCRIPTION OF REHABILITATION (continued)

<p>4.</p> <p>Architectural Feature:</p> <p>Describe feature and its condition:</p> <p>old appliances — refrigerator, dishwasher, oven/range, microwave. Dishwasher is leaking water.</p> <p>Photo no. 2,4,5,7      Drawing no.</p>	<p>Describe work/impact on feature:</p> <p>Replace all appliances with brand new GE appliances, energy-efficient.</p>
<p>5.</p> <p>Architectural Feature:</p> <p>Describe feature and its condition:</p> <p><del>Remove</del> wall between kitchen and dining room with storage shelves — likely built later, not original.</p> <p>Photo no. 1,3,6      Drawing no.</p>	<p>Describe work/impact on feature:</p> <p>Remove wall between kitchen and dining room to open the two rooms to each other. Minor drywall repair. Repaint entire kitchen white.</p>
<p>6.</p> <p>Architectural Feature:</p> <p>Describe feature and its condition:</p> <p>light fixtures. Not original. one in middle of kitchen, canned lighting, over-sink light.</p> <p>Photo no. 1,3,2      Drawing no.</p>	<p>Describe work/impact on feature:</p> <p>Remove one middle-light and replace with two pendant lights over new island. Install new pendant light over kitchen sink.</p>





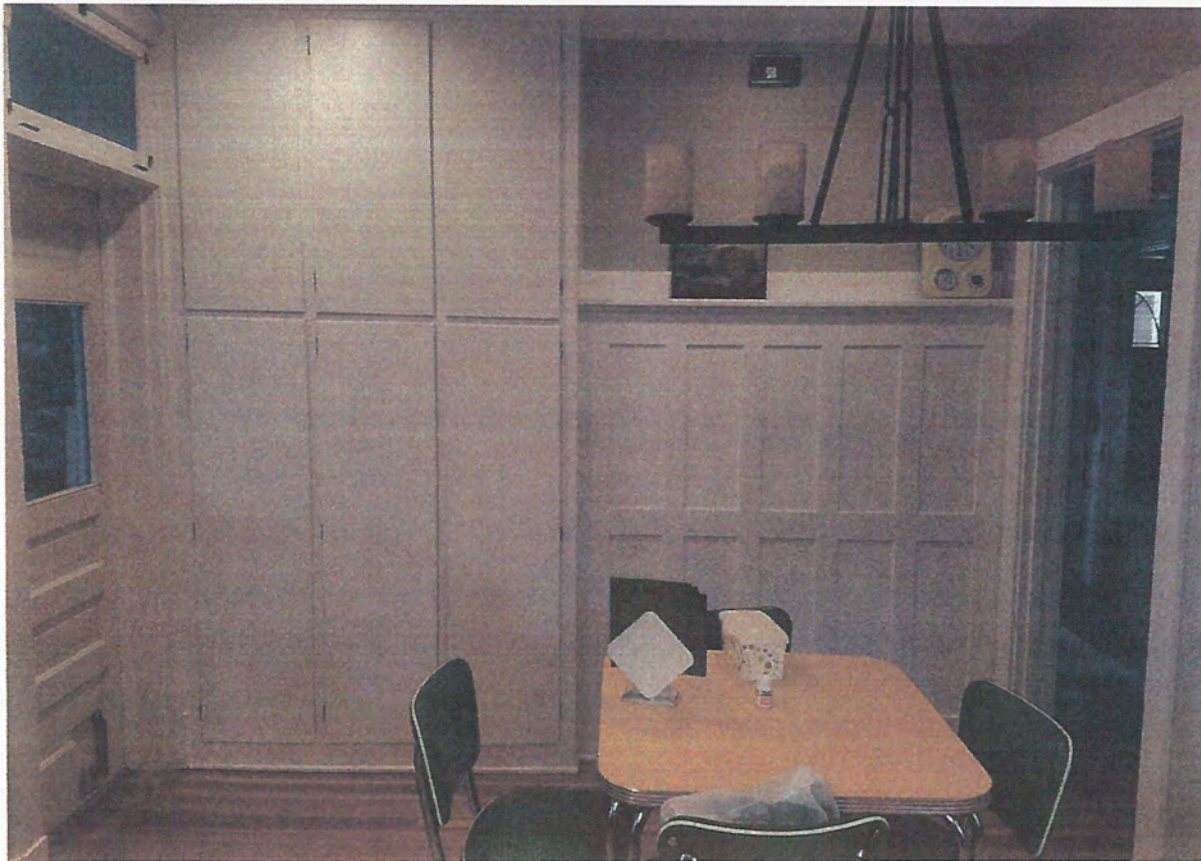












①



②





③









(5)



(6)





⑦



⑧



8. COST ESTIMATE OF PROPOSED WORK

Itemized:

1. sink - \$1,000  
 faucet - \$650  
 counters - \$2,900  
 tile backsplash - \$350  
 cabinets - \$15,000  
\$19,900

2. island - \$8,600  
 countertop - \$1,700  
 prep sink - \$300  
 double oven framing - \$1,000  
\$11,600

3. tile flooring - \$3,500  
 dining room floor restoration - \$1,125  
\$4,625

4. appliances - \$6,000

5. drywall repair - \$500  
 painting - \$300  
\$800

6. lights - \$225

Estimated total qualified costs:

\$43,150

Estimated total project cost:

\$43,150

9. PROJECT STARTING DATE: November 5, 2018

PROJECT COMPLETION DATE: April 2019

10. APPLICANT'S SIGNATURE

I hereby apply for preliminary approval to proceed with the above described work for which I intend to claim a state income tax credit for historic rehabilitation. I attest that I am the property's owner or a qualified tenant with a lease of five or more years and that the information I have provided is, to the best of my knowledge, true and correct. I hereby agree to allow representatives of the Reviewing Entity access to the property as may be necessary and reasonable for the review and approval of this application.

Signature

*Gach Gasada*

Date:

7-2-19

CERTIFICATIONS  
(for official use only)

Name of Property: \_\_\_\_\_

Applicant: \_\_\_\_\_

The Reviewing Entity certifies that this property:

- ☐ is individually listed in the State Register of Historic Properties.
- ☐ is a local landmark designated by a certified local government.
- ☐ is located in a historic district that is:
- ☐ on the State Register of Historic Properties
- ☐ locally designated by a certified local government; and
- this property ☐ contributes ☐ does not contribute to the significance of the district.
- ☐ is not listed in the State Register of Historic Properties nor is it a local landmark designated by a certified local government.

The Reviewing Entity has reviewed the application and:

- ☐ approves the application as submitted and grants preliminary approval authorizing the owner to proceed with the proposed work.
- ☐ approves the application with the conditions stated below and grants preliminary approval authorizing the owner to proceed with the work with the understanding that these conditions shall be met.

☐ rejects the application for the following reason(s):

☐ tables the application and requests the following additional information before the application will be reconsidered:

Signature: \_\_\_\_\_ Reviewing Entity: \_\_\_\_\_ Date: \_\_\_\_\_  
(specify SHPO or name of CLG)



APPLICATION FOR COLORADO STATE INCOME TAX CREDIT  
FOR HISTORIC PROPERTY PRESERVATION (1990 CREDIT)

Pursuant to House Bill 90-1033 (CRS 39-22-514)

PART 2 - FINAL APPROVAL

1. PROPERTY INFORMATION

Name of Property: *Shattuck house*

Address: *1127 18th street*

City/Town: *Greeley*

County: *Weld* Zip: *80631*

Name of Registered Historic District:

Property Type: personal ☒ business ☐ investment (rental) ☐

Use of Property: Current: *private residence, owner-occupied*

After Rehabilitation: *Same*

Legal Description:

*lot 4, block 4, 2nd fling, cranford*

2. APPLICANT INFORMATION (taxpayer claiming the credit)

Name: *Zachary and Kristin Zasada*

Type of Entity: Individual ☒

Partnership: General ☐ Limited ☐

Corporation: Regular ☐ Subchapter S ☐

Limited Liability Company ☐

Name of authorized company official

(if applicant is not an individual):

Business address:

City/Town:

State:

Zip:

Telephone:

Residential address: *1127 18th st.*

City/Town:

State: *CO*

Zip: *80631*

Telephone:

Taxpayer Identification Number (or Social Security Number):

Applicant is: (check one) owner ☒ tenant ☐

*Zachary [redacted], Kristin [redacted]*

If more than one taxpayer intends to claim the credit, include on a separate sheet the name, address and taxpayer ID number for all taxpayers intending to claim the credit.

3. OWNER INFORMATION, if applicant is other than owner (if owner is applicant, write "same")

Name:

Address:

City/Town:

State:

Zip:

Telephone:

4. PROJECT CONTACT

☒ Applicant ☐ Owner ☐ Other (specify below)

Name:

Address:

City/Town:

State:

Zip:

Telephone:

5. PROJECT STARTING DATE: November 10, 2018

PROJECT COMPLETION DATE: May 31, 2019

6. PHOTOGRAPHS OF THE PROPERTY MUST BE INCLUDED (see instructions)

7. PROJECT COSTS

Itemized:

1. Kitchen cabinets : \$17,942.65
2. Appliances : \$6,016.81
3. Sinks/faucets : \$2,078.38
4. Lighting : \$224.57
5. Tile (flooring + backsplash) : \$4,624.98
6. Dining room wood flooring : \$1,124.00
7. Painting : \$450 (labor + paint)
8. Drywall repair : \$550
9. counters + Island + Built-ins : \$12,977.65

Total qualified costs:

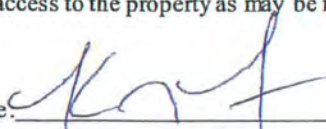
\$45,989.04

Total project cost:

\$45,989.04

8. APPLICANT'S SIGNATURE

I hereby attest that I am the property's owner or a qualified tenant with a lease of five or more years, that all work on this project has been completed and executed according to the proposed project description as stated in Part I and approved by the Reviewing Entity, and that all itemized costs are allowable to claim for tax credits under CRS 39-22-514 12(e) and (g). I hereby agree to allow representatives of the reviewing entity access to the property as may be necessary and reasonable for the final approval of the completed work.

Signature: 

Date: 7-2-19





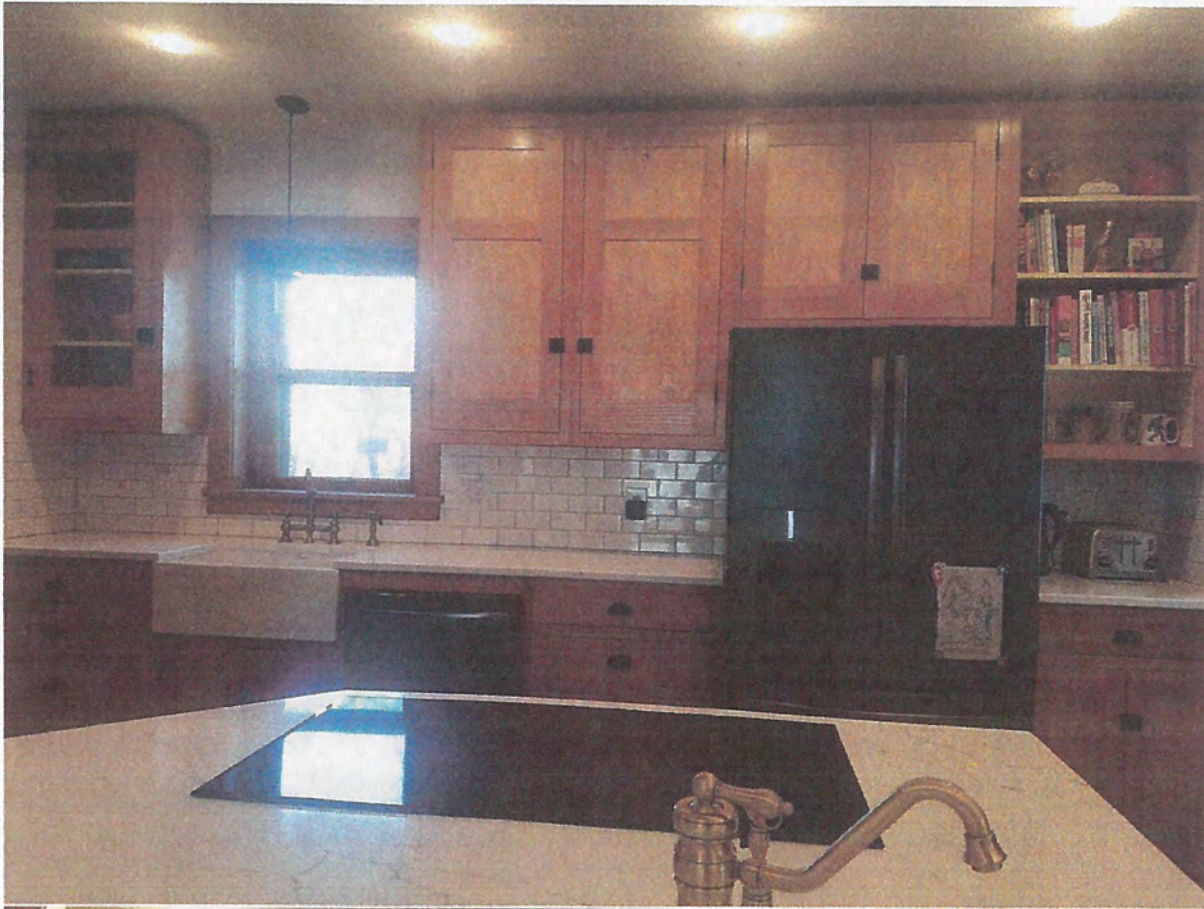
Rehab Project #: 1, 2, 4, 6





Rehab Project #: 2,3,4









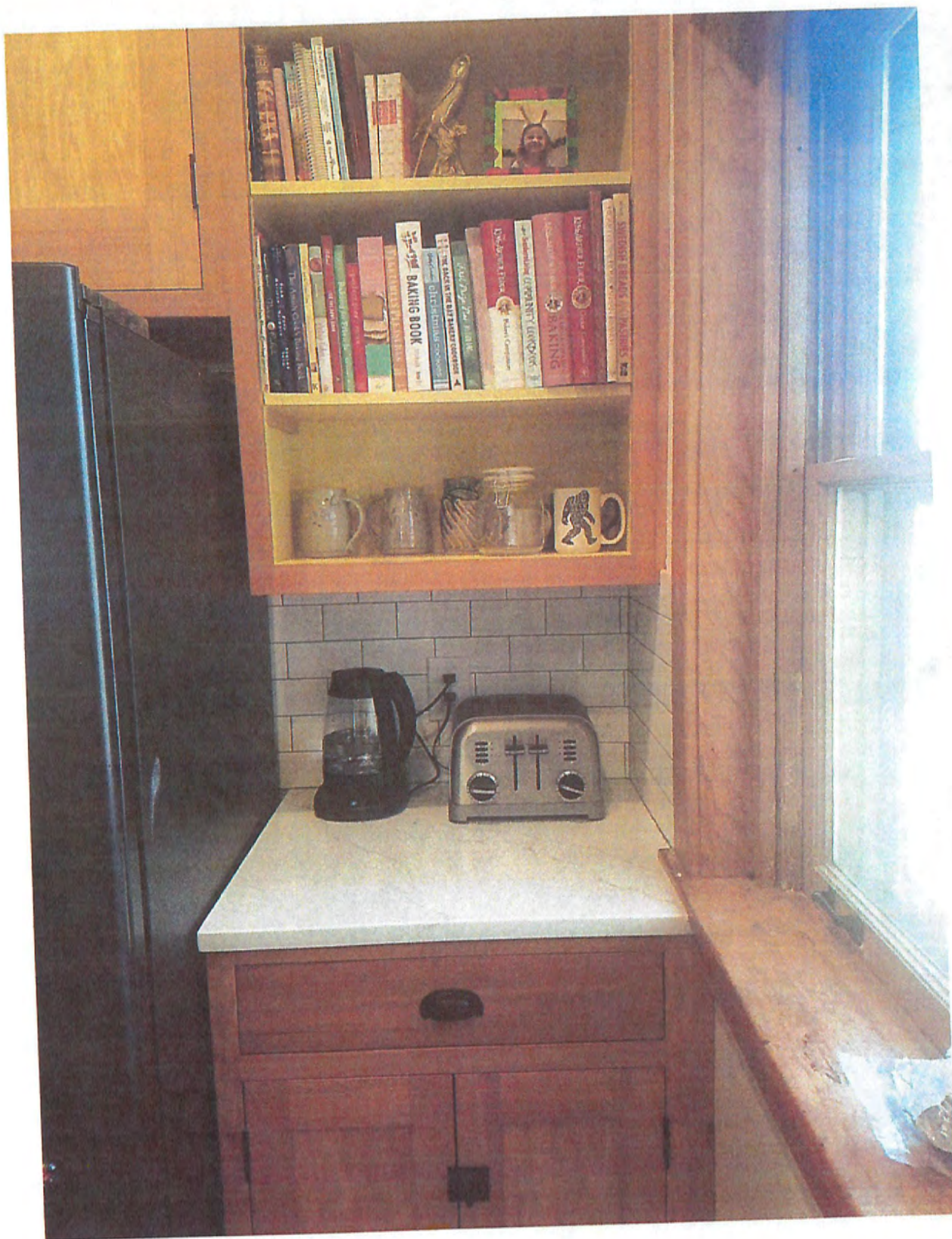
Rehab Project #: 1, 2, 6





Rehab Project #: 2,4,5,6





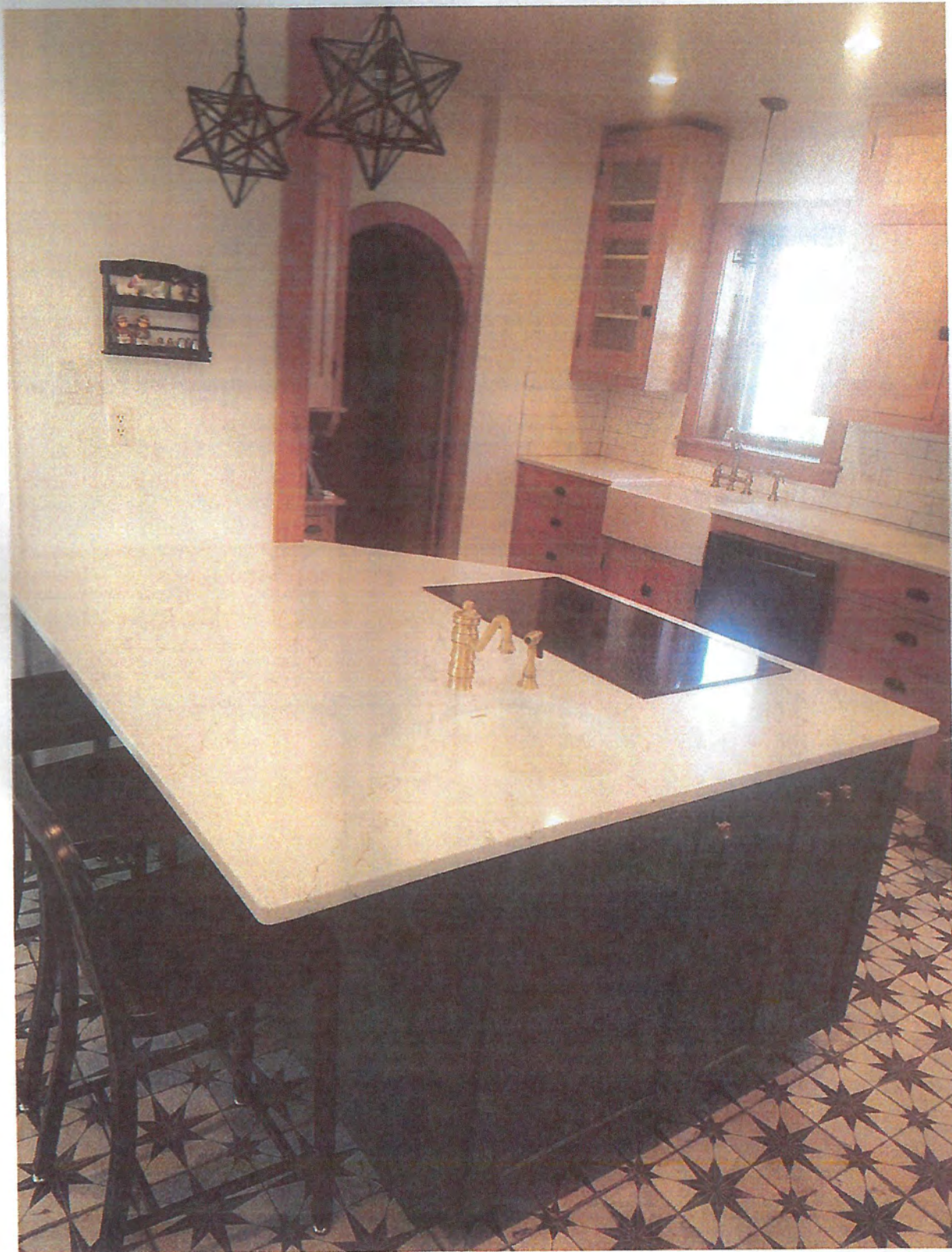
Rehab Project #: 1





Rehab Project #: 3, 5





Rehab Project #: 1,2,6





Rehab Project #: 2,4



CERTIFICATION  
(for official use only)

Name of Property: Shattuck House Applicant: Kristin Zasada & Zachary Zasada  
The Reviewing Entity has reviewed this application and:

☒ Approves the completed work

☐ Does not approve the completed work

☐ Returns the application and requests additional information as stated below before the application will be reconsidered.

☐ Other

TOTAL APPROVED AMOUNT FOR REHABILITATION

Signature: *Jason Killum* Reviewing Entity: Greeley Date: 7/16/19  
(specify SHPO or name of CLG)

\*\*\*\* NOTICE TO TAXPAYER \*\*\*\*

**DO NOT FILE THIS FORM WITH YOUR TAX RETURN**

VERIFICATION OF QUALIFIED NATURE  
OF EXPENDITURES FOR HISTORIC PROPERTY PRESERVATION  
1990 CREDIT

(To Be Filed With Tax Return)

**QUALIFIED PROPERTY**

Name of Property Shattuck House  
Address 1127 18th Street  
City/Town Greeley County Weld  
Historic District Name (if applicable) N/A

**TAXPAYER**

Colorado Taxpayer ID Number (or SSN) \_\_\_\_\_  
Name \_\_\_\_\_  
Address \_\_\_\_\_ Phone \_\_\_\_\_  
City/Town \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

**QUALIFIED COSTS AND AMOUNT OF TAX CREDIT**

Total Qualified Cost For Project \$45,989.04  
Maximum Tax Credit for Project \$9,197.80  
Maximum Tax Credit for this Taxpayer \$9,197.80

PROJECT COMPLETION DATE: May 31, 2019

**REVIEWING ENTITY**

Name Greeley  
Authorized Official \_\_\_\_\_  
Address 1100 10th St, Ste 201 Phone 970.350.9222  
City/Town Greeley State CO Zip 80631

I, the duly, authorized official of the above named Reviewing Entity, hereby verify that the above named property is a qualified property pursuant to CRS 39-22-514(12)(h) and that the completed qualified rehabilitation meets the provisions of CRS 39-22-514(3)(a)(III)(A)(B)(C).

By: \_\_\_\_\_ Date: \_\_\_\_\_  
(signature of official)



## Secretary's Standards for Rehabilitation

Rehabilitation projects must meet the following Standards, as interpreted by the National Park Service, to qualify as “certified rehabilitations” eligible for the 20% rehabilitation tax credit. The Standards are applied to projects in a reasonable manner, taking into consideration economic and technical feasibility.

The Standards apply to historic buildings of all periods, styles, types, materials, and sizes. They apply to both the exterior and the interior of historic buildings. The Standards also encompass related landscape features and the building’s site and environment as well as attached, adjacent, or related new construction.

1. A property shall be used for its historic purpose or be placed in a new use that requires minimal change to the defining characteristics of the building and its site and environment.
2. 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.
3. Each property shall be recognized as a physical record of its time, place, and use. Changes that create a false sense of historical development, such as adding conjectural features or architectural elements from other buildings, shall not be undertaken.
4. Most properties change over time; those changes that have acquired historic significance in their own right shall be retained and preserved.
5. Distinctive features, finishes, and construction techniques or examples of craftsmanship that characterize a historic property shall be preserved.
6. Deteriorated historic features shall be repaired rather than replaced. Where the severity of deterioration requires replacement of a distinctive feature, the new feature shall match the old in design, color, texture, and other visual qualities and, where possible, materials. Replacement of missing features shall be substantiated by documentary, physical, or pictorial evidence.
7. Chemical or physical treatments, such as sandblasting, that cause damage to historic materials shall not be used. The surface cleaning of structures, if appropriate, shall be undertaken using the gentlest means possible.

8. Significant archeological resources affected by a project shall be protected and preserved. If such resources must be disturbed, mitigation measures shall be undertaken.
9. 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.
10. New additions and adjacent or related new construction shall be undertaken in such a manner that if removed in the future, the essential form and integrity of the historic property and its environment would be unimpaired.

## Guidelines for Rehabilitating Historic Buildings

The **Guidelines** assist in applying the Standards to rehabilitation projects in general; consequently, they are not meant to give case-specific advice or address exceptions or rare instances. For example, they cannot tell a building owner which features of an historic building are important in defining the historic character and must be preserved or which features could be altered, if necessary, for the new use. Careful case-by-case decision-making is best accomplished by seeking assistance from qualified historic preservation professionals in the planning stage of the project. Such professionals include architects, architectural historians, historians, archeologists, and others who are skilled in the preservation, rehabilitation, and restoration of the historic properties. These Guidelines are also available in **PDF format**.

The **Guidelines on Sustainability for Rehabilitating Historic Buildings** stress the inherent sustainability of historic buildings and offer specific guidance on “recommended” rehabilitation treatments and “not recommended” treatments, which could negatively impact a building’s historic character. These Guidelines are also available as an **interactive web feature**.

<http://www.nps.gov/tps/standards/rehabilitation.htm>

## Colorado Historic Preservation Income Tax Credit (Updated July 2018)

### AVAILABLE PROGRAMS

From July 1, 2015 through December 31, 2019, Colorado will offer taxpayers two different programs that offer income tax credit for the rehabilitation of qualified historic properties.

The Colorado Job Creation and Main Street Revitalization Act of 2014 (CRS 39-22-514.5) offers a 20 – 35 percent tax credit for the rehabilitation of a qualified commercial (income-producing) property, as well as a 20 – 30 percent credit for the rehabilitation of a qualified residential (owner-occupied) property. This law currently expires on December 31, 2029.

The Historic Preservation Tax Credit Act of 1990 (CRS 39-22-514) offers a 20 percent tax credit for the rehabilitation of any qualified historic property. This law is set to expire on December 31, 2019.

### WHICH CREDIT TO USE?

Most taxpayers will want to take advantage of the Colorado Job Creation and Main Street Revitalization Act of 2014 (the 2014 credit) because it offers a higher return on expenditures (up to 35%), a higher per-project credit cap on commercial properties (up to \$1 million in tax credits as opposed to \$50,000), and greater flexibility (tax credits for income-producing properties can be sold to other taxpayers without penalty).

The 2014 credit for commercial properties has a limited availability; each year the state sets aside funding (a total of \$10 million each year from 2017 through 2029) for this credit, but when the funding is exhausted, no further credits can be given. By contrast, the old 1990 credit is available to all property owners at all times.

However, applicants claiming the 1990 credit may be unable to apply that credit to their tax returns in years where the state's revenues fail to increase by at least 6% over the previous year. By contrast, applicants claiming the 2014 credit can apply that credit to their tax returns every year, regardless of state revenue growth.

Owners of commercial properties who are unable to take advantage of the 2014 credit can still apply for the 1990 credit and receive up to \$50,000 in credits for their project.

Beginning on January 1, 2020, the 2014 credit will be the only option for taxpayers.

### ELIGIBLE PROPERTIES

Under both the 2014 and 1990 credits, eligible properties must be:

- ◆ At least 50 years old, AND;
- ◆ Historically designated by being:
  - Listed on the National Register of Historic Places
  - Listed on the Colorado State Register of Historic Properties
  - Listed as a Historic Landmark by a Certified Local Government (CLG)\*
  - Designated as a “contributing structure” in a historic district that is listed on the National Register, State Register, or landmarked by a CLG

\*As of June 2018, Colorado has 61 Certified Local Governments. A full list of these CLGs can be found at the end of this document.

## ELIGIBLE TAXPAYERS

The 1990 credit limits the program to:

- ◆ Property owners, or
- ◆ Tenants with a lease of at least five years

The 2014 credit expands the availability of the program to:

- ◆ Property owners
- ◆ Tenants of residential properties with a lease of at least 5 years
- ◆ Tenants of commercial properties with a lease of at least 5 years (rural areas) or 39.5 years (urban areas)\*
- ◆ Potential buyers of a historic property who have a purchase agreement or an option to purchase

\*For the definitions of “rural” and “urban” areas, refer to the section on Rural and Urban areas at the end of this document

## ELIGIBLE PROJECTS

- ◆ Projects must involve physical preservation, restoration, or rehabilitation and must preserve the historic character of the property
- ◆ Projects can retain the original use of the building or adopt the building for a new use
- ◆ Projects must meet the Secretary of the Interior’s Standards for Rehabilitation

## ELIGIBLE EXPENDITURES

Tax credits are calculated as 20 – 35 percent of Qualified Rehabilitation Expenditures.

- ◆ Under the 1990 credit, qualified rehabilitation expenditures include “hard costs” associated with the physical preservation of a historic property, including demolition, carpentry, sheetrock, plaster, painting, doors and windows, fire sprinkler systems, roofing and flashing, exterior repairs, tuck-pointing, etc.
- ◆ Under the 2014 credit, qualified rehabilitation expenditures for commercial properties are defined by the Internal Revenue Service (under Section 47(c)(2)(A) of the Internal Revenue Code)
- ◆ Under the 2014 credit, qualified rehabilitation expenditures for residential properties are defined by state law (under CRS 39-22-514.5(2)(k)).
- ◆ Qualified rehabilitation expenditures typically do not cover the following:
  - “Soft costs” such as: appraisals; design fees; legal, accounting, and realtor fees; building permit, use, and inspection fees; insurance; and rent loss during construction
  - Acquisition costs
  - New additions or enlargements
  - Excavation, grading, paving, and landscaping
- ◆ Some expenditures for kitchen and bathroom projects (appliances, fixtures, cabinets, etc.) qualify for the 1990 credit, but not the 2014 credit.

## EXTENT OF TAX SAVINGS

Tax credits directly reduce (dollar for dollar) the amount of income tax owned by the taxpayer in a given tax year. Available credits for all programs can be carried forward for up to ten years. Taxpayers can reduce the amount of state income tax credit they owe to zero if they have the available credits to do so.



- ◆ The 1990 credit is calculated as 20% of the Qualified Rehabilitation Expenditures, with a cap of \$50,000 in credits per property. This is a lifetime cap.
- ◆ The 2014 credit for residential properties is calculated as 20% of the Qualified Rehabilitation Expenditures, with a cap of \$50,000 in credits per property. However, this is not a lifetime cap. It resets to zero upon sale of the property to a new owner or after ten years.
- ◆ The 2014 credit for commercial properties is calculated as 25% of all Qualified Rehabilitation Expenditures under \$2 million, and 20% of all Qualified Rehabilitation Expenditures above \$2 million. For example, an owner who spends \$1,000,000 in qualified rehabilitation expenditures would receive \$250,000 in tax credits (25%), while an owner who spends \$3,000,000 would receive \$700,000 (25% on the first \$2 million and 20% on the remaining \$1 million). The commercial credit is capped at \$1 million per project, per property, per year. There is no lifetime cap.
- ◆ Residential and commercial properties under the 2014 credit can receive an additional 5% “bonus credit” if they are located in a county that has been declared a Federal or State Disaster Area.\* The property owner is still limited to a maximum of \$50,000 (residential) or \$1,000,000 (commercial) in credits.
- ◆ **Starting on January 1, 2020**, residential and commercial properties under the 2014 credit can receive an additional 10% “bonus credit” if they are located in a Rural Area, as defined by state law. Again, the property owner is limited to a maximum of \$50,000 (residential) or \$1,000,000 (commercial) in credits.
- ◆ Taxpayers cannot claim both the “disaster” and “rural” bonuses described above, even if they qualify for both. They must choose one or the other.

\*Note: A list of areas that are eligible for the “disaster” and “rural” bonuses can be found at the end of this document

- ◆ A 2008 provision of the 1990 credit stipulates that projects commencing on or after January 1, 2011 (and before December 31, 2019) are subject to an additional credit limitation. If the state’s general fund revenues are predicted to fall short of a certain threshold in a given year, the credit cannot be taken for that year. Taxpayers can contact History Colorado or the Colorado Department of Revenue to determine if the credits are available for the current year. This information is also available online at <https://www.colorado.gov/pacific/tax/income-tax-credits> (select “historic property preservation”)
- ◆ NOTE: the above provision applies **ONLY** to the 1990 credit. Projects completed under the new 2014 law are **NOT** subject to these budgetary limitations, and taxpayers who hold these credits may use them regardless of state revenue projections.

## MINIMUM EXPENDITURES

- ◆ Under the 1990 credit, the costs associated with the rehabilitation of the property must exceed \$5,000
- ◆ Under the 2014 credit, the costs associated with the rehabilitation of a residential property must exceed \$5,000
- ◆ Under the 2014 credit, the costs associated with the rehabilitation of a commercial property must exceed 25% of the *adjusted basis* of the property. This basis is defined by state law as being “the purchase price of the qualified commercial structure less the value attributed to the land”
- ◆ For commercial projects commencing on or after January 1, 2020, the costs associated with the rehabilitation must exceed \$20,000 (the adjusted basis method will no longer be used after December 31, 2019)

## EFFECTIVE DATES

- ◆ The 1990 credit came into effect on January 1, 1991, and is set to end on December 31, 2019.
- ◆ The 2014 credit came into effect on July 1, 2015, and is currently in effect through December 31, 2029.

## ASSOCIATED FEES

- ◆ The 1990 credit has an initial application fee of \$250 (which may be waived by the reviewing entity for projects costing less than \$15,000). There is also an additional charge based on the cost of the project:
  - No additional charge for projects costing less than \$15,000
  - \$250 for projects costing between \$15,000 and \$49,999.99
  - \$500 for projects costing between \$50,000 and \$99,999.99
  - \$750 for projects costing \$100,000 or more
- ◆ The 2014 credit allows reviewing entities to charge a “reasonable application fee” for the review of residential projects, but does not specify a maximum or minimum fee. This fee is charged at the start of the project review period. The state of Colorado, and most local reviewing entities, charge the same fee for the 2014 credit as they do for the 1990 credit listed above (\$0 to \$1,000, depending on cost)
- ◆ The 2014 credit allows reviewing entities to charge a review fee not exceeding \$500 for the review of commercial projects
- ◆ Under the 2014 credit, commercial projects are also subject to an additional fee upon the completion of the project and the issuance of tax credits. This additional fee is 3% of the value of the credits issued. For example, a commercial project with \$1 million in qualified rehabilitation expenditures would receive a tax credit of \$250,000. This would be subject to a 3% “issuance fee” (or \$7,500)

## APPLICATION PROCEDURES

- ◆ Under the 1990 credit, projects are reviewed by the Certified Local Government (CLG) or, in the absence of a participating CLG, by History Colorado
  - The applicant submits preliminary work plans, project description, and current photos to the reviewing entity and pays an application fee (if required)
  - The reviewing entity reviews the proposed scope of work and, if it meets the program requirements, notifies the applicant that the project has preliminary approval
  - Upon completion of the project, the applicant submits final paperwork, including project costs and photographs of completed work, and pays any required fees
  - The reviewing entity reviews the final paperwork to confirm that the work performed was done in accordance with the previously-approved preliminary application.
  - The reviewing entity certifies the work as completed and meeting the requirements of the program, and a tax credit is issued to the applicant
- ◆ Under the 2014 credit, the review process for residential properties is exactly the same as under the 1990 law (see above)
- ◆ Under the 2014 credit, all applications for commercial properties are reviewed by the Colorado Department of Economic Development and International Trade (OEDIT) and by History Colorado
  - The applicant submits preliminary work plans to the OEDIT through that agency’s web site ([www.advancecolorado.com](http://www.advancecolorado.com))

- OEDIT and History Colorado review the proposed scope of work to certify that it meets program requirements
- Upon approval, OEDIT reserves a portion of that year's available "pool" of tax credit funding to the applicant. If the "pool" of funding has been reduced to zero, the applicant will be notified and will automatically be placed in line for the next year's funding.
- Upon completion of the project, the applicant submits final paperwork, including project costs and photographs of the completed work. All project costs must be audited by a Certified Public Accountant not affiliated with the owner, and proof of this audit must be submitted to OEDIT.
- OEDIT and History Colorado review the final paperwork to ensure compliance with the program requirements
- OEDIT and History Colorado certify the project as complete. OEDIT issues a tax credit certificate to the applicant

## PROJECT TIMING

- ◆ Under the 1990 credit, all projects are accepted on a rolling, year-round basis.
- ◆ Under the 2014 credit, all residential projects are also accepted on a rolling, year-round basis.
- ◆ Under the 2014 credit, commercial projects are also accepted on a rolling, year-round basis. However, the total amount of available credits for a given year is limited by the amount of money that has been set aside by the State Legislature for that year:
  - For 2017 through 2029, \$5 million for projects qualified costs of under \$2 million and \$5 million for projects with qualified costs of over \$2 million
- ◆ Because the "pool" of available money in any given year is limited, applicants are encouraged to apply for the credit as early as possible during the Calendar Year (January 1 through December 31). If the "pool" is depleted during a given year, later applicants will be notified of this fact and will be placed in line for the next year's allocation of credits.

## PROJECT LENGTH

- ◆ The 1990 credit requires that all projects be completed within 24 months of starting work.
- ◆ The 2014 credit eliminates time limits for residential and commercial projects. However, applicants for the commercial credit must meet several milestones to keep their allocation of credits:
  - The project must be at least 20% complete within 18 months of approval;
  - The applicant must complete at least 10% of the total work every year
  - All updates must be submitted to OEDIT in order to keep the allocation of credits
  - Projects that do not meet these timetables may lose their credits. Lost credits are returned to the "pool" for use by other applicants.
- ◆ Because the 2014 credit currently sunsets at the end of 2029, and because the State has not yet set aside any funding for Fiscal Year 2030 for the credit, all applicants should plan on completing their projects before December 31, 2032. Projects completed after this date may not be able to claim and use credits even if a preliminary allocation of credits was obtained.

## **SUBMISSION DEADLINES**

- ◆ For the 1990 credit, initial applicants for projects can be submitted:
  - Before the project begins
  - At any time during the project's two-year project window (this can include work that has already been completed during that two-year period)
  - Within 60 days of project completion
- ◆ For residential projects using the 2014 credit, initial applicants for projects can be submitted:
  - Before the project begins
  - In the middle of a project (this can include work that has already been completed, up to 24 months prior to submittal)
  - Within 60 days of project completion
- ◆ For commercial projects using the 2014 credit, initial applicants for projects can be submitted:
  - Before the project begins
  - In the middle of a project (this can include work that has already been completed, up to 60 days prior to submittal)
  - Within 60 days of project completion
- ◆ In all cases, applicants who wish to claim tax credits for already completed work should be prepared to provide documentation of said work ("before" and "after" photographs, project costs and timelines, etc.)

## **SALE OF CREDITS**

The 2014 credit allows commercial property owners, non-profits, and (long-term) lease holders to sell or transfer tax credits that they have obtained to other Colorado taxpayers. Holders of tax credits can sell or transfer all or part of their credits to other Colorado taxpayers at any time. In addition, "Colorado taxpayers" refers only to taxpayers (individuals, corporations, etc.) who have a state tax liability; they do not have to be physically located or headquartered in Colorado. Buyers of tax credits may, in turn, sell or transfer them to a third party without penalty.

## **CERTIFIED LOCAL GOVERNMENTS (updated June 2018)**

The following cities and counties are designated as Certified Local Governments. These governments have the power to designate properties as historic landmarks (and to create historic districts); under state law, these designated properties may be eligible for tax credits under both the 1990 and 2014 credit programs.

Certified Local Governments have the authority to review and approve tax credit projects under the 1990 law and residential tax credit projects under the 2014 law. Local governments can choose to review or to not review applications. In cases where the local government has chosen not to review tax credit project, and in communities that are not Certified Local Governments, History Colorado will provide the review instead.

Note: Certified Local Governments must pass separate ordinances declaring their intention to review and approve tax credits projects under the 1990 and 2014 laws. As of June 1, 2018, there are 32 Certified Local Governments that review projects under the 1990 law, and 1 (Denver) that reviews projects under the 2014 law.

### **Certified Local Governments:**

Alamosa	Elizabeth	Longmont*
Aspen*	Erie	Louisville
Aurora*	Florence	Loveland
Berthoud*	Fort Collins*	Manitou Springs*
Black Hawk*	Fort Lupton*	New Castle
Boulder*	Georgetown*	Northglenn
Boulder County*	Gilpin County*	Otero County
Breckenridge	Glenwood Springs	Pagosa Springs*
Brighton*	Golden*	Park County*
Broomfield	Greeley*	Pueblo
Buena Vista	Gunnison County	Saguache*
Carbondale*	Idaho Springs*	Salida
Castle Rock*	Kiowa County	Starkville
Central City*	La Junta	Steamboat Springs*
Colorado Springs	La Veta	Telluride*
Cortez	Lafayette	Trinidad
Crested Butte*	Lake City*	Walsenburg
Cripple Creek*	Lakewood	Westminster*
Denver* #	Lamar	Windsor
Durango*	Leadville*	Woodland Park
	Littleton*	

*(\* This Certified Local Government reviews applications for the 1990 historic preservation tax credits)*

*(# This Certified Local Government reviews applications for the 2014 historic preservation tax credits)*

## FEDERAL AND STATE DISASTER AREAS (updated July 2018)

Subsections 5.5(a)(II) and 8(c)(II) of the Colorado Job Creation and Main Street Revitalization Act of 2014 (CRS 39-22-514.5) allow tax credit applicants to claim an additional 5% credit if they are located in a county that has been declared:

- ♦ A major disaster area under Section 102(2) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 USC 512), or;
- ♦ A disaster area under Article 7 of the Colorado Disaster Emergency Act (CRS 24-33.5-700)

An area is declared to be a major disaster area under the Stafford Act by proclamation of the President of the United States. Similarly, an area is declared to be a disaster area under the Colorado Disaster Emergency Act by proclamation of the Governor of Colorado.

Disaster areas, for the purposes of the Colorado Job Creation and Main Street Revitalization Act, are determined to be county-wide in scope. Thus, if the Governor of Colorado declares a disaster area in a portion of a given county, all properties within that county are eligible for the additional 5% credit.

NOTE: Under state law, the additional 5% credit only applies to projects that begin within six years of the date the disaster is declared.

In addition, the additional 5% credit does not allow the total allocation of tax credits to rise above the mandated project caps for projects, which are \$50,000 for residential projects and \$1,000,000 for commercial projects.

### LIST OF COUNTIES

(Note: counties listed in **bold** will have their disaster provision expire in calendar year 2018)

County	Designation	Cause	Declared	Expires
Adams	Federal	Flood	9/14/2013	9/14/2019
Arapahoe	Federal	Flood	9/14/2013	9/14/2019
Baca	Federal	Severe Storms	7/15/2015	7/15/2021
Bent	State	Flood	5/26/2017	5/26/2023
Boulder	State	Severe Storms	6/23/2017	6/23/2023
Broomfield	State	Flood	9/13/2013	9/13/2019
Chaffee	State	Flood	9/13/2013	9/13/2019
Clear Creek	Federal	Flood	9/14/2013	9/14/2019
Costilla	State	Fire	7/11/2018	7/11/2024
Crowley	Federal	Flood	9/14/2013	9/14/2019
Custer	State	Flood	5/26/2017	5/26/2023
Denver	Federal	Flood	9/14/2013	9/14/2019
Elbert	Federal	Severe Storms	7/15/2015	7/15/2021
El Paso	Federal	Severe Storms	7/15/2015	7/15/2021
Fremont	State	Flood	5/26/2017	5/26/2023
Garfield	State	Fire	7/16/2018	7/16/2024
Gilpin	Federal	Flood	9/14/2013	9/14/2019
Grand	State	Fire	6/13/2013	6/13/2019
Hinsdale	State	Fire	6/26/2013	6/26/2019
Huerfano	State	Fire	7/11/2018	7/11/2024
Jefferson	State	Severe Storms	6/23/2017	6/23/2023
Lake	Federal	Flood	9/14/2013	9/14/2019
Larimer	State	Severe Storms	6/23/2017	6/23/2023
La Plata	State	Fire	6/15/2018	6/15/2024

County	Designation	Cause	Declared	Expires
Las Animas	State	Fire	6/21/2013	6/21/2019
Lincoln	Federal	Flood	9/14/2013	9/14/2019
Logan	State	Fire	3/20/2017	3/20/2023
Mineral	State	Fire	6/26/2013	6/26/2019
Moffat	State	Fire	10/20/2017	10/20/2023
<b>Montezuma</b>	<b>State</b>	<b>Fire</b>	<b>10/26/2012</b>	<b>10/26/2018</b>
Montrose	State	Fire	7/16/2018	7/16/2024
Morgan	Federal	Severe Storms	7/15/2015	7/15/2021
Otero	State	Flood	5/26/2017	5/26/2023
Park	State	Flood	9/13/2013	9/13/2019
Phillips	State	Fire	3/20/2017	3/20/2023
Prowers	State	Flood	9/13/2013	9/13/2019
Pueblo	State	Flood	5/26/2017	5/26/2023
Rio Blanco	State	Fire	7/16/2018	7/16/2024
Rio Grande	State	Fire	6/26/2013	6/26/2019
Routt	State	Fire	10/20/2017	10/20/2023
Saguache	Federal	Severe Storms	7/15/2015	7/15/2021
San Juan	State	Fire	6/15/2018	6/15/2024
Sedgwick	Federal	Severe Storms	7/15/2015	7/15/2021
Washington	Federal	Severe Storms	7/15/2015	7/15/2021
Weld	State	Severe Storms	6/23/2017	6/23/2023
Yuma	Federal	Severe Storms	7/15/2015	7/15/2021

## **RURAL AND URBAN AREAS**

**(updated June 2018)**

Subsections 5.5(a)(II) and 8(c)(III) of the Colorado Job Creation and Main Street Revitalization Act of 2014 (CRS 39-22-514.5) allow tax credit applicants to claim an additional 10% credit if they are located within a Rural Area, as defined by Subsections 2(d.3) and 2(o.5) of the law. This additional 10% credit only applies to projects that commence on or after January 1, 2020.

Lease holders of commercial properties in Rural Areas may be eligible for tax credits if they have a leasehold interest of not less than five years, as defined by Subsection 2(i)(III.5).

“Population” is defined as the population of the town, city, or county as of the most recent United States Census. As of June 2018, the most recent U.S. Census was conducted in 2010.

Under Subsections 2(d.3) and 2(o.5) of the law, a Rural Area is defined as:

- ◆ A property that is located in a municipality that has a population of under 50,000 residents and is not located within the Denver Metropolitan Area, or;
- ◆ A property that is located in an unincorporated area of a county that has a total countywide population of under 50,000 residents and is not located within the Denver Metropolitan Area;
- ◆ The “Denver Metropolitan Area” is defined as the following counties: Adams, Arapahoe, Boulder, Broomfield, Denver, Jefferson, and Douglas, with the exception of the towns of Castle Rock and Larkspur.

In general, this means that taxpayers cannot take this bonus 10% credit if:

- ◆ Their property is located within the boundaries of Adams, Arapahoe, Boulder, Denver, or Jefferson Counties (these counties are part of the Denver Metropolitan Area).
- ◆ Their property is located in an unincorporated area of Eagle, El Paso, Garfield, La Plata, Mesa, or Weld Counties (these counties exceed 50,000 in population);
- ◆ Their property is located within the city/town limits of: Colorado Springs, Fort Collins, Grand Junction, Greeley, Longmont, Loveland, Pueblo, or Thornton (these cities exceed 50,000 in population).
- ◆ Their property is located in Douglas County, but is outside of the town limits of Castle Rock and Larkspur (Douglas County, with the exception of Castle Rock and Larkspur, is part of the Denver Metropolitan Area).

Taxpayers who are eligible for both the 5% bonus for being located in a “disaster county” and the 10% bonus for being located in a “rural area” cannot claim both bonuses. They must choose one or the other.

In addition, the additional 10% credit does not allow the total allocation of tax credits to rise above the mandated project caps for projects, which are \$50,000 for residential projects and \$1,000,000 for commercial projects.