

## **07 NCAC 04R .0906      CERTIFICATION OF REHABILITATION**

Property owners desirous of having rehabilitations of certified historic structures qualified as "certified rehabilitations" shall comply with the following procedures:

- (1) Complete Part 2 of the Historic Preservation Certification Application and submit it to the SHPO. The application may describe a proposed rehabilitation project, work in progress, or a completed rehabilitation. In all cases, photographs showing the appearance of the structure prior to rehabilitation, both on the exterior and on the interior, must accompany the application. Other documentation, such as sketch plans and elevation drawings, may be necessary to evaluate certain rehabilitation projects. Plans for any attached or adjacent new construction also must accompany the application and will be reviewed as part of the overall project. Where such documentation is not provided, review and evaluation cannot in some cases be completed. Owners who undertake rehabilitation projects without prior approval from the SHPO or secretary do so at their own risk. Review of rehabilitation work for certification purposes extends to the significant features of historic structures as defined by the secretary. For projects involving the rehabilitation of more than one structure where the structures are under single ownership and are judged by the secretary to have been functionally related historically to serve an overall purpose, such as a mill complex or an industrial plant, certification will be issued on the merits of the overall project rather than individual components. The addition of a new structure or the demolition of portions or all of a structure as part of the rehabilitation will also be reviewed as part of the overall project. In situations involving a rehabilitated structure in a historic district, the SHPO and the secretary will review the work both as it affects the historic building and the district and make a certification decision accordingly.
- (2) If the work described in Part 2 of the application form is not completed the following procedures shall apply:
  - (a) The SHPO shall review the overall proposed project as to whether or not the project is likely to meet the Secretary's Standards for Rehabilitation and forward the application and written recommendations to the secretary. This shall be done within 45 days of receipt of the documentation.
  - (b) Upon receipt of the application describing the proposed project and the recommendation of the SHPO, the secretary will determine within 45 days if the proposed project is consistent with the Secretary's Standards for Rehabilitation. If the proposed project does not meet the Secretary's Standards for Rehabilitation, the owner will be advised of necessary revisions to meet such standards and encouraged to work with the SHPO to bring the project into conformance. These notifications will be made in writing.
  - (c) Once a project has been approved, substantive changes in the work as described in the application should be promptly brought to the attention of the SHPO and the secretary to ensure continued conformance to the Standards; these changes do not require a new Historic Preservation Certification Application.
- (3) When the overall rehabilitation project has been completed the following procedures shall apply:
  - (a) The owner shall notify the SHPO in writing of the project completion date and shall sign a statement that, in the owner's opinion, the completed rehabilitation meets the Secretary's Standards for Rehabilitation and is consistent with the work described in Part 2 of the Historic Preservation Certification Application. At this time the owner will be requested to provide photographs of the completed rehabilitation project; other documentation that the SHPO believes is necessary to make a recommendation to the secretary; and his social security or taxpayer identification number. Certifications will be issued to rehabilitations which have been carried out in accordance with proposed plans previously approved by the secretary.
  - (b) The SHPO shall forward recommendations as to certification to the secretary within 45 days of receipt of the project completion date and documentation.
  - (c) The completed project may be inspected by an authorized representative of the SHPO or the secretary to determine if the work meets the Secretary's Standards for Rehabilitation. The SHPO and the secretary reserve the right to make inspections at any time up to three years after completion of the rehabilitation and to withdraw certification upon determining that rehabilitation work was not undertaken as represented by the owner in his application and support documentation, or, the owner, upon obtaining certification, undertook additional work as part of the overall rehabilitation project in violation of the Secretary's Standards for Rehabilitation.

- (d) Notification as to certification will be in writing and will normally be made by the secretary within 15 days of receipt of the SHPO's recommendations if the proposed rehabilitation had been previously approved by the secretary. Otherwise notification will normally be made within 45 days.
  - (e) If the completed rehabilitation project does not meet the secretary's standards, an explanatory letter will be sent to the owner. An appeal from this decision may be made by the owner. A rehabilitated structure not in conformance with the secretary's standards and which is determined to have lost those qualities which caused it to be nominated to the National Register, will be removed from the Register in accord with 36 CFR 60.15, or, if it has lost those qualities which caused it to be designated a certified historic structure, it will be certified as non-significant. In either case, the delisting or decertification is considered effective as of the date of issue and is not considered to be retroactive. In these situations, the Internal Revenue Service will be notified of the substantial alteration. The tax consequences regarding sections of the code will be determined by the Secretary of the Treasury.
- (4) A preliminary determination that a rehabilitation project is consistent with the secretary's standards may be made for structures not yet designated certified historic structures, although issuance of a certification of rehabilitation will be made only for certified historic structures. Such a determination may be requested by the owner by completing Parts 1 and 2 of a Historic Preservation Certification Application. A determination that rehabilitation of a structure not yet designated a certified historic structure meets the secretary's standards does not constitute a certification of rehabilitation but does provide an owner with guidance as to the appropriateness of the rehabilitation. A preliminary determination may be requested for a property which is not yet listed in the National Register or for a property located in a state or local district which has not yet been certified.
  - (5) The SHPO will be notified in writing of all rehabilitation certification decisions made by the secretary.

*History Note:* Authority G.S. 121-8; 26 U.S.C. 46-48; 26 U.S.C. 170; 26 U.S.C. 191; 26 C.F.R. Part 1; 36 C.F.R. 67;  
Eff. February 1, 1985;  
Amended Eff. June 1, 1989;  
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 26, 2015.