

Virginia Department of Historic Resources

Helping You Put Virginia's Historic Resources to Work



Rehabilitation Tax Credit E-News Volume I, Issue II

Tax Credits at Work

Upcoming Events:

07/06/07

DHR Tax Credit
Open House
9:00am - 12:00pm
2801 Kensington Avenue
Richmond, VA
(804) 367-2323

09/07 - TBA

Joint Meeting of the
DHR State Review &
Historic Resources Boards
2801 Kensington Avenue
Richmond, VA
(804) 367-2323

Quick Links:

[Federal Tax Credit
Program](#)

[NPS Preservation
Briefs](#)

[Tax Credit Forms](#)

We're on the Web!

Visit us at:

www.dhr.virginia.gov

Atlantic Motor Company, Richmond

To anyone driving through Richmond during the 1990s, the building at 1840 West Broad appeared to be simply another vacant building, if it was noticed at all. Not to Brad Sauer, however. To Mr. Sauer, vice president of the Sauer Property Group of Richmond, the Atlantic Motor Company building conjured up an image of the bustling commerce once so common to this area of the city.

Constructed for use as an automobile showroom and service station in 1919, and used since for such myriad purposes as a commercial laundry establishment, an appliance dealership, and then again for auto sales, the Atlantic Motor Company building was abandoned in the mid-1980s and was to remain vacant for nearly two decades. In 2004, Mr. Sauer and the Richmond architectural firm Commonwealth Architects began a tax-credit rehabilitation of the building for use as office and retail space, a program which Mr. Sauer claims "works incredibly well," while keeping in mind the historic functions the building had served throughout the 20th century.



The Atlantic Motor Company

The building is now home to a variety of retail stores and business offices. With over \$3 million invested (and nearly \$800,000 in tax credit earned), this project demonstrates the full potential of adaptive rehabilitation in a commercial building.

"Nobody would take the risk in these old buildings" without the tax credit program, said Mr. Sauer, adding that the adaptive rehabilitation made feasible by the program is "a huge social and quality of life benefit."

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Commonwealth Architects put a large amount of effort into their attention to the historical features of the building. Some of these elements were still viable, such as the terra-cotta floor, but others, such as the plaster ceiling panels which had suffered from extensive water damage, required complete replication and reinstallation in order to more completely realize the historic qualities of the building.

The rehabilitation of the Atlantic Motor Company building was so successful that Commonwealth Architects received a Palladio Award in March for Adaptive Reuse of a historic building. Presented by [Traditional Building](#) and [Period Homes](#) magazines and the Traditional Building Exhibition and Conference, this award recognizes projects that display outstanding achievement in the interpretation and adaptation of existing architectural resources. While no longer functioning as an automobile showroom, the Atlantic Motor Company building nevertheless continues to represent the evolution of Richmond's growing economy.

Tax Credit Tips

Retrofitting Historic Windows

Inappropriate window retrofitting techniques or the replacement of historic windows can result in the loss of the architectural integrity of a historic building. Windows are often a defining historical and architectural feature of a building and lend greatly to its character. The question of what to do with historic windows often comes up in the tax-credit application and review process. Ultimately, the use of inappropriate techniques can potentially lead to the denial of certification for state and federal tax credits. The link below provides a technical update and guidance on how to handle this important issue when rehabilitating a historic building. Please contact [Jennifer Murdock](#) or [Bill Crosby](#) at the Department of Historic Resources with additional questions.

http://www.dhr.virginia.gov/pdf_files/RETROFIT1.PDF

Frequently Asked Questions

What buildings qualify for the tax credit program?

Only Certified Historic Structures, which are defined as the following, qualify for the rehabilitation tax-credit program:

Under the federal program, a certified historic structure is one that is either:

- Individually listed on the National Register of Historic Places, or
- Certified as contributing to a historic district that is listed on the National Register.

Under the state program, a certified historic structure is one that is:

- Individually listed on the Virginia Landmarks Register, or
- Certified as eligible for listing on the Virginia Landmarks Register, or
- Certified as a contributing structure in a historic district that is listed on the Virginia Landmarks Register.

With a few exceptions, most Virginia properties that are listed on one of these registers are listed on both. Note, however, that National and Virginia Register historic districts may be different from locally designated historic districts. Certification that a building contributes to a listed district, or for purposes of the state credit, is eligible for individual listing, is obtained only by submitting Part 1 of the tax credit application.

If my building is in a historic district that is not yet listed, can I start my rehabilitation anyway?

Yes, but you do so at the risk that for some reason the district will not be listed. Generally speaking, it is a good idea to wait until the listing process is at least well underway and appears to be on track before doing any substantial work. You will not be eligible to claim the credit until the district is actually listed. If you complete your project before the district is listed, you will not be able to claim the credit at all unless the listing is completed within a year after your completion date.

About Our Organization

Virginia's Department of Historic Resources is the State Historic Preservation Office. Our mission is to foster, encourage, and support the stewardship of Virginia's significant historic, architectural, archeological, and cultural resources.

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