

## Economic Incentives

The following economic incentives are available to owners and developers of qualifying historic properties for rehabilitation purposes. Before beginning a project, consult with your tax advisor to determine if your project is eligible for any of these or other programs. Many of these incentive programs do have application deadlines to be considered in your planning process.

## City of Wilmington Incentives

**Community Improvement Loan Program:** Focuses on Wilmington businesses in need of assistance in Northside, Downtown, Castle Street and Tier 1 & 2 areas identified in the Future Land Use Plan.

**Incentive:** Low interest loan at approximately Prime + 2%. Applicants will have to meet qualification requirements for loan program.

**Contact:** City of Wilmington, Economic Development, 305 Chestnut Street, P.O. Box 1810, Wilmington, NC 28402 910-343-1069 [www.wilmingtonnc.gov](http://www.wilmingtonnc.gov).

**Email:** [gary.hamburg@wilmingtonnc.gov](mailto:gary.hamburg@wilmingtonnc.gov)

## Wilmington Downtown Incentives

**Rehabilitation Loan Program:** To encourage development of commercial and residential uses in the CBD, including North 4th Street, and Castle Street corridor. Loans offered at fixed interest rates of 3/4 prime amortized over 20-30 years. Loans are for general building rehab.

**Operating Financing Program:** Loans for inventory, furniture, fixtures (including signage) and equipment are eligible for this program. Interest rates of 3/4 prime at date of commitment.

**Maximum Loan:** \$5,000 Loans for inventories are eligible for \$2,000 maximum; loans for furniture, fixtures and equipment can be made up to \$5,000.

**Contact:** Wilmington Downtown, 225 S. Water Street, P.O. Box 2235, Wilmington, NC 28402. 910-763-7349.

**Email:** [susihamilton@wilmingtondowntown.com](mailto:susihamilton@wilmingtondowntown.com), [www.wilmingtondowntown.com](http://www.wilmingtondowntown.com)

## Federal Tax Credit Program

**Eligibility:** Income-producing properties listed, or eligible for listing, on the National Register of Historic Places.

**Incentive:** An investment tax credit, for the owner or long term lessee, of up to 20% of the qualified rehabilitation expenses of a major rehabilitation performed in accordance with the U.S. Secretary of the Interior's Standards for Rehabilitation.

**Contact:** Restoration Branch of the State Historic Preservation Office, 4617 Mail Service Center, Raleigh, NC 27699-4617 tel. 919-733-6547; fax 919-715-4801 [www.hpo.dcr.state.nc.us/resthome.htm](http://www.hpo.dcr.state.nc.us/resthome.htm)



*Consolidated Market and Fire Engine House #3*

## State of North Carolina Tax Credit

**Eligibility:** Residential or income-producing buildings that are locally or nationally designated as historic.

**Incentive:** For income-producing properties, the State, on top of the Federal Tax Credit, authorizes an additional 20% credit for those taxpayers, making it a combined 40% credit against eligible project costs. For residential, the State provides a 30% credit for the rehabilitation of non-income-producing historic properties, including private residences.

New "mills bill" makes available an additional 10-20% tax credit for the rehabilitation of vacant industrial properties. Projects must exceed \$3 million in rehabilitation costs.

**Contact:** Restoration Branch of the State Historic Preservation Office, 4617 Mail Service Center, Raleigh, NC 27699-4617 tel. 919-733-6547; fax 919-715-4801 [www.hpo.dcr.state.nc.us/resthome.htm](http://www.hpo.dcr.state.nc.us/resthome.htm)

## Americans with Disabilities Act Federal Tax Provisions

**Eligibility:** Historic structures which are required by Federal law to be accessible to disabled individuals.

**Incentive:** For expenditures to make a facility accessible to disabled individuals: a tax deduction up to \$15,000 per taxable year; a tax credit to "eligible small business" for 50% of allowed expenditures that exceeds \$250 but not over \$10,250.

**Contact:** Internal Revenue Service, Office of the Chief Consul Washington, DC. 202-566-3292 [www.eeoc.gov/facts/fs-disab.html](http://www.eeoc.gov/facts/fs-disab.html).

**Contact:** Restoration Branch of the State Historic Preservation Office, 4617 Mail Service Center, Raleigh, NC 27699-4617 tel. 919-733-6547; fax 919-715-4801 [www.hpo.dcr.state.nc.us/rebranch.htm](http://www.hpo.dcr.state.nc.us/rebranch.htm)

*\*In 2005, the Department of Justice determined that the North Carolina Accessibility Code (NCAC) was substantially equivalent to the new construction and alterations requirements of title III of the Americans with Disabilities Act (ADA). To learn more about the NCAC and other state building codes. Visit [www.ncrehabcode.com](http://www.ncrehabcode.com).*

## Façade Easement Program

A façade easement is a legally enforceable commitment by a property owner to preserve the façade of an historic structure so that its exterior architectural features remain intact and unchanged forever.

**Eligibility:** Properties that are listed or eligible for listing on the National Register of Historic Places.

**Incentive:** Federal and State income tax deductions and the possibility of other ongoing tax advantages related to a property's assessed value as a result of an easement donation.

**Contact:** Survey and Planning Branch of the State Historic Preservation Office, 4617 Mail Service Center, Raleigh, NC 27699-4617, tel. 919-733-6545; fax 919-715-4801 [www.hpo.dcr.state.nc.us/spbranch.htm](http://www.hpo.dcr.state.nc.us/spbranch.htm)

**Wilmington:** Historic Wilmington Foundation administers a preservation façade easement program, and holds more than 70 covenants and easements. 516 North 4th St., Wilmington, NC 28401. 910-762-2511, fax 910-762-1551, [www.historicwilmington.org](http://www.historicwilmington.org).

**State Wide:** Preservation North Carolina administers an easement and covenants program, and can be reached at 220 Fayetteville Street, Ste. 200, P.O. Box 27644, Raleigh, NC 27611. 919-832-3652, [www.preservationnc.org](http://www.preservationnc.org)

IN NORTH CAROLINA, A MILLION DOLLARS SPENT IN REHABILITATING AN OLDER BUILDING CREATES 41.4 JOBS – TWENTY-TWO IN THE CONSTRUCTION INDUSTRY AND NINETEEN ELSEWHERE IN THE ECONOMY. THAT IS 5.5 MORE JOBS THAN THE SAME AMOUNT SPENT IN NEW CONSTRUCTION.

*\*Preservation North Carolina, "Profiting from the Past"*

## Historic Wilmington Foundation

The life of a building does not necessarily end when a building's original function ceases to be economically viable. Fortunately, North Carolina has many superb historic buildings whose useful life is far from being over, and whose worth has been demonstrated through (cost effective) revitalization efforts.

Historic Wilmington's goal is to provide outreach programs on historic building rehabilitation issues. The Foundation offers information regarding project planning, pro-forma statements, compliance with the Secretary of the Interior Standards, and use of the various financial incentives that exist for historic residential and commercial buildings. Through committees the Foundation, also provides assistance in the form of resource teams to owners of threatened and under-utilized buildings.

Historic Wilmington Foundation has saved hundreds of buildings since its founding in 1966. It has purchased and moved houses, it has educated owners on tax incentives, and it holds over 70 protective covenants and easements on historic structures. The Foundation has played a leading role in the creation of all of Wilmington's National Register districts, operates an award winning historic building plaque program, and offers numerous educational programs. The organization also celebrates National Preservation Month each year, and offers tours of historic homes and buildings at various times.



*The mission of the Historic Wilmington Foundation is to protect and preserve the irreplaceable historic resources of Wilmington and the Lower Cape Fear Region.*

For more information on saving and restoring historic buildings, or about how you can become involved in historic preservation, contact us at:

### **Historic Wilmington Foundation**

516 North 4th Street

Wilmington, North Carolina 28401

Phone 910.762.2511

Fax 910.762.1551

[edwards@historicwilmington.org](mailto:edwards@historicwilmington.org)

[www.historicwilmington.org](http://www.historicwilmington.org)

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## Preservation for Profit



Self Help Center Building, Wilmington, NC

## Historic Wilmington Foundation, Inc.

*Preservation Leadership Since 1966*