



Protecting and Promoting Rail Stations Through Historic Designation Programs

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INTRODUCTION

Railroad stations have long played a prominent role in the nation’s historic preservation efforts. In many towns, especially those out west, the depot was one of the first buildings constructed. It served as a center of community life where one met friends and family and caught up on the news. Prominently sited, depots continue to be important landmarks that help residents and visitors navigate the cityscape. The destruction of a magnificent train station—New York Penn Station—also helped spur the modern preservation movement. The public outrage incited by this “act of monumental vandalism” led to the passage of historic preservation ordinances in towns and cities across the country.

Amtrak serves more than 500 stations, of which approximately one-third are listed on the National Register of Historic Places (NRHP). However, when it comes to historic preservation, the topic of designation can be confusing, as historic structures may also be listed on state and/or local historic registers. Historic designation can be a powerful tool for a community contemplating the renovation or adaptive reuse of a historic depot. Varying levels of designation determine eligibility for tax benefits, the ability to delay or stop demolition orders and the type of renovation or restoration work allowed.

THE THREE LEVELS OF HISTORIC DESIGNATION

1. Federal: The National Register of Historic Places (NRHP)

The NRHP was created in 1966 under the National Historic Preservation Act, and is part of the National Park Service’s (NPS) “national program to coordinate and support public and private efforts to identify, evaluate, and protect America’s historic and archeological resources.”¹ To be considered for the NRHP, a structure must exhibit “age, integrity, and significance.”² Generally this means that the structure is at least 50 years old, looks much the way it did in the past, and is associated with important people or events, or highlights significant archaeological, architectural, landscape or engineering achievements.

Property owners, historical societies, preservation organizations, governmental agencies, individuals and groups can nominate a property to the NRHP. The necessary

forms and guidance on filling them out is available from the staff of the State Historic Preservation Office (SHPO). If an owner of a property objects to a NRHP designation, the property may not be listed. The SHPO reviews nominations with the state's National Register Review Board and complete nominations are then submitted by the state to the NPS for final review and listing. Note that properties can be listed on the National Register at varying levels of significance—national, state or local. This is different from being listed on a state or local historic register, which are separate designation programs.

A NRHP listing is purely honorific and as such, places no constraints on private property owners. There is no legal protection delaying or barring demolition or unsympathetic renovations to a NRHP-listed property.

Properties placed on the National Register enjoy many advantages. They benefit from:

1. Increased public awareness and recognition,
2. Access to International Building Code fire and life safety code alternatives, and
3. Acknowledgement of the listing with a bronze plaque designating it as part of the National Register of Historic Places.

The owners of these properties are able to take advantage of tax benefits and funding opportunities for preservation activities. Moreover, they can use the NRHP affiliation to create new opportunities to network and learn from other listed properties on the care and maintenance of their historic structures.

2. State

Designation on a state register of historic places often follows the pattern of the NRHP. It is usually an honorific label, and similar to the federal level, it does not place legal restrictions on the use of or improvements to the historic property. Not all states maintain a separate state historic register; in some cases, properties listed on the NRHP are automatically listed on a state register. Many states also offer tax benefits related to certified historic properties, which are discussed in the Tax Advantages section below.

The North Carolina SHPO notes that “since 1976, over 2,000 completed ‘certified rehabilitation’ projects have been reviewed by the N.C. SHPO, representing over one billion dollars of investment in historic properties. The spinoff from all this activity includes job creation, downtown and neighborhood revitalization, improved community appearance, and greater community pride. Historic preservation is smart growth, and smart investment.”³

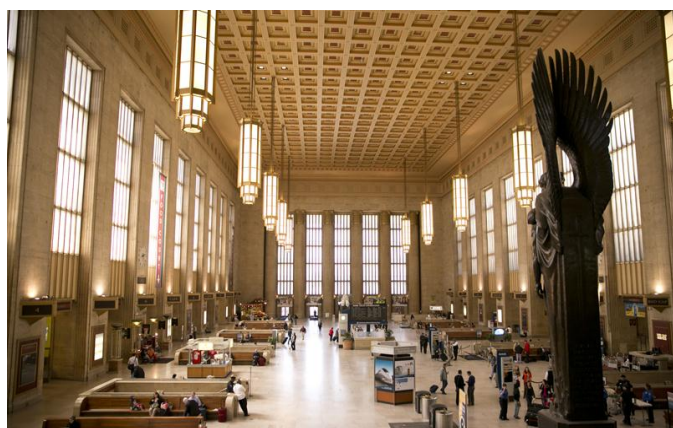
3. Local

Many communities have set up their own local historic preservation commissions, which allow for a fair amount of public involvement in the management of historic resources. Local designation can take various forms, such as the recognition of individual landmarks or the implementation of historic overlay zones within the zoning code.

Whereas the NRHP is purely honorific, local designation has the backing of state or municipal law, providing for greater legal control over historic resources. Using local law, communities can delay demolition attempts, stop historically unsympathetic rehabilitations and create design guidelines to ensure future development in a historic district is aesthetically compatible with existing resources. As the NPS notes, “the thread of historic preservation becomes woven into the fabric of local land use policy,” essential for future planning initiatives.⁴

The National Historic Preservation Act of 1966 created a partnership between the federal government and states for identifying and implementing plans to preserve important historic sites. In 1980, Congress amended the act in order to create the Certified Local Governments (CLG) program; the CLG program allowed local governments to also enter into that partnership.

A local government participates when the SHPO and the NPS certify that it has “adopted a preservation ordinance and established a preservation commission and is carrying out a preservation program meeting federal and state standards.”⁵ In North Carolina, the CLGs, which include counties and municipalities, are eligible to receive modest matching grants for preservation activities. State statutes set out organization standards for CLGs, such as mandating at least five members on a preservation commission or the process by which the SHPO annually reviews the work of the CLG. Although many communities participate in the CLG program, it is not a prerequisite for creating a preservation ordinance.



Philadelphia's 30th Street Station is listed on national, state and local historic registers; the Pennsylvania Railroad War Memorial sculpture in the Main Concourse is also a city historic landmark.

TAX ADVANTAGES

Tax incentives for the preservation of historic structures exist at the federal, state and local levels. They are meant to provide property owners with a financial incentive to rehabilitate their historical structures. In a 2013 report, the National Park Service noted that since its inception in 1977, the federal historic preservation tax credit has generated more than 38,000 certified projects worth \$66 billion.⁶ In 1993, the states began implementing their own historic tax credit programs. These programs, coupled with the federal tax credit, have been a resounding success. For fiscal year 2011, the NPS noted, “Over 43% of the completed projects certified...also benefitted from the use of state historic tax credits...over half of the states now offer historic tax credits that can be used in tandem with the Federal historic tax credit.”⁷

1. Federal Tax Benefits

Section 47 of the Internal Revenue Code provides a 20 percent tax credit for the approved rehabilitation of *income-producing* certified historic structures.⁸ This section also allows for a 10 percent tax credit for approved rehabilitation expenditures for buildings placed in service before 1936.⁹ The federal credits are available for properties rehabilitated for commercial, industrial, agricultural or rental residential purposes, but not for properties used exclusively as an owner's private residence.¹⁰ The property owner is not eligible for the credit until (1) the property receives a “Historic Preservation Certification” from the NPS, and (2) the property is placed in service.

“A ‘certified historic structure’ is a building that is listed individually in the NRHP or a building that is located in a registered historic district and certified by the NPS as contributing to the historic significance of that district. (A registered historic district is any district listed in the NRHP).”¹¹ A “certified rehabilitation” means that the NPS must approve the project in order for it to receive a tax credit. This implies that the rehabilitation will be “consistent with the historic character of the property; it is understood that some alteration is bound to occur, but defining historic features must be retained.”¹² In addition, the rehabilitation project must conform to the *Secretary of the Interior’s Standards for Rehabilitation*, a set of guidelines for the renovation and preservation of historic properties. Any qualified architecture, planning or construction firm that specializes in historic structures will be familiar with these guidelines.

Highlighting the success of the federal tax incentives program, the NPS notes that in fiscal year 2012, \$3.2 billion was spent on 744 completed rehabilitation projects. Those projects created almost 57,800 jobs, as well as 6,366 new low and moderate income housing units and 17,991 new or renovated housing units overall.¹³

2. State Tax Benefits

As of 2013, 31 states administer historic preservation tax credits.¹⁴ Property owners can use these credits to offset their state tax liability, but these programs are not created equal. They can vary significantly from state to state, particularly regarding:

1. The tax credit rate;
2. Caps on the tax credit amount (either per project or per year);
3. Types of eligible projects (commercial only, or owner occupied residences); and
4. Tax credit transferability.

According to the National Trust for Historic Preservation, Minnesota, North Carolina and Virginia offer very generous preservation tax credit programs.¹⁵ Virginia offers a 25% credit for commercial buildings and owner-occupied residential properties. There is no cap on the dollar amount of the credit claimed and the credit is transferable. North Carolina provides a 30% tax credit for historic homeowners and 20% for income-producing properties. In addition, North Carolina grants a credit of 30-40% for restoration expenses associated with vacant mill properties.

CASE STUDY

For our case study, we decided to look at Salisbury, N.C., home to a beautiful 1908 rail depot that is on both the NRHP and located within a local historic district. Through the CLG program, Salisbury established its Historic Preservation Commission (HPC) in 1975 with the help and encouragement of the Historic Salisbury Foundation (HSF). The HSF developed out of civic activism, particularly by the Rotary Club. The HSF “is a private, non-profit organization whose mission is preserving, protecting, and enhancing the special historic character of Salisbury and Rowan County through education, neighborhood revitalization, advocacy, and the preservation of historic landmarks.”¹⁶ In the late 1960s, Rotary Club President Ed Clement suggested the idea of chartering a local preservation organization, as the town’s historic core was threatened by disinvestment. In 1972 the Rotary called a public meeting, inviting a broad segment of the community to form the HSF and write its by-laws. The city, a CLG, produced legal guidelines to direct the work of the HPC.

Preservation Tools

As its primary preservation tool, Salisbury established a historic overlay district within its zoning code. This district is a planning instrument that works in conjunction with other basic zoning ordinances, placing additional requirements on properties within that zone, particularly on the development potential of lots and the exterior appearance of structures. To be included in the local district, a structure must “be of special

significance in terms of its historical, prehistorical, architectural, archaeological, and cultural importance, and to possess integrity of design, setting, workmanship, materials, feeling and/or association.”¹⁷

Besides investigating, documenting and establishing historic districts, the HPC also receives and reviews Certificates of Appropriateness (COA). These are required whenever a property owner in a historic district wishes to make major changes to the exterior of a property, such as adding on an addition or installing new windows. The HPC determines whether the changes are in keeping with the established *Design Guidelines*, and votes to accept, accept with provisions, or deny the COA. The purpose of the *Design Guidelines* and COA are to maintain the historical character of the selected district.

Apart from writing and enforcing design guidelines, one of the most powerful tools that a historic preservation commission may possess is the ability to delay demolition within a historic district. The Salisbury statute does not allow the HPC to deny demolition, but it may put it off by as much as 365 days—valuable time to work with a property owner to come up with viable alternatives to demolition! In some cases, demolition may even be put off indefinitely.¹⁸ This is the true value of local designation when compared to NRHP listing: more direct control over a community’s historic resources. Some of our nation’s greatest landmarks go the way of the wrecking ball because we assume that we have control. Just because a landmark building or landscape is well taken care of by present owners does not mean that it will have appreciative caretakers in the future. **By giving important landmarks local historic designation, communities can ensure some influence over future events.**

Birth of the Preservation Movement

Salisbury’s story is typical of the many communities that possess a historic railroad depot threatened with demolition or neglect. The local preservation movement in the town gained prominence in the late 1960s, as it did across America. Much of this initial interest in historic preservation resulted from the destruction of New York’s famed Pennsylvania Station, a McKim, Mead, and White masterpiece that fell to the wrecking ball in 1963 so that the current Madison Square Garden/Penn Station complex could be constructed. As the *New York Times* editorialized at the time, “Until the first blow fell, no one was convinced that Penn Station really would be demolished, or that New York would permit this monumental act of vandalism against one of the largest and finest landmarks of its age of Roman elegance.”¹⁹ New Yorkers had assumed that their great station would always stand, until they realized that they had no true legal control over its fate. The destruction of the train station would foster the establishment of the New York City Landmarks Preservation Commission.

Salisbury’s station was designed by noted architect Frank P. Milburn for Southern Railway in the Spanish Mission Revival style. The building spans two city blocks and

includes a two-course water table dividing the dark red brick base from the tan brick body of the building, a red clay tile roof and a central three and one-half-story tower ornamented by projecting gargoyles. It opened in 1908, becoming a primary gateway to North Carolina's Piedmont region. The stop was originally on the main-line between Washington, D.C. and Atlanta, Ga.; at the height of its use in 1911, as many as 44 trains per day passed through. The Salisbury passenger station was added to the National Register of Historic Places in 1976.

After World War II and the decline of passenger rail service in the United States, the station fell into disrepair, with a backlog of deferred maintenance. The HSF recalls, "It was in terrible shape, roof caved in, windows broken, the pigeons had taken over...[and] it was abandoned..."²⁰ In the 1970s, two nearby stations were demolished, and the HSF and local leaders and citizens were increasingly worried about the future of the Salisbury Depot, which was under the eminent threat of demolition. In 1981, the HSF took on the challenge of resurrecting this unique landmark. Ed Clement recalls that one of the biggest trials was to convince the North Carolina Railroad Company and Southern Railway to sell the station. "HSF took a big chance...[we] worked with 3 different railroad companies to get [the purchase and restoration] done, [and] it took around 10 years and three separate stages of fundraising...it took a lot of hard work and perseverance"²¹ Finally, in 1985, the HSF gained title to the shuttered building for \$130,000.²²

Restoration and Adaptive Reuse of the Depot

The HSF came up with various scenarios to occupy the property and produce income. A restaurant and brewpub were proposed but did not work out; eventually, the HSF settled on a mixed-use development of office and events space, taking advantage of the beauty of the former waiting room. Clement states: "It was very important to the board that whatever was housed here had to conform to the historic texture of the depot. The board did not want a business that would use the depot to show off its neon signs."²³

Full restoration cost almost \$4 million and lasted about seven years; the HSF held public drives, received gifts, applied for grants and accepted Transportation Enhancement funds via the Federal Highway Administration. The North Carolina Department of Transportation (NCDOT) contributed more than \$1 million in federal enhancement funds to finish the restoration of the main building. NCDOT also helped fund the creation of a park east of the station and the construction of a waiting room located under part of the station's metal trackside canopy. By enclosing this area in glass, the town gained a large waiting room that meshed with the historic structure, but which also meets the needs of today's travelers.²⁴

In recognition of its achievements, the National Trust for Historic Preservation awarded the NCDOT Rail Division its prestigious 2007 John H. Chafee Trustees Honor Award for Outstanding Achievement in Public Policy. The National Trust for Historic Preservation

has said of NCDOT's statewide station restoration efforts, "This program has renewed citizens' pride in their local heritage and created a viable transportation alternative for the public...\$74 million [has been invested] to bring these long neglected landmarks back to life."²⁵



Space underneath the trackside canopy was enclosed with glass to create a modern waiting room; the historic waiting room is rented out for special events to raise revenue for building maintenance.

As the state has sought to reinvigorate passenger rail to serve its citizens, it has also endeavored to renew physical infrastructure such as depots and tracks. Perhaps the National Trust's then-President, Richard Moe, said it best: "Thanks to the bold and innovative leadership of the North Carolina Department of Transportation Rail Division, a new generation of travelers will have a chance to experience the romance of the rails."

This sustained effort demonstrates the importance of establishing good relationships with the host railroad(s) and other stakeholders that operate in a community. Host railroads usually control the track(s), and oftentimes own the station, so they must have a part in discussions concerning historic designation. Supporting NRHP designation, and in turn local listing, can benefit both the host railroad and the community: the host railroad receives tax benefits, and the community protects an important local landmark. Many of the stations served by Amtrak are owned by host railroads that either do not use or only lightly use them. These railroads might be willing to sell the buildings to a responsible organization or municipality once legal hurdles are cleared.

The Salisbury Depot today is an active part of downtown. Owned and managed by the HSF, suites are rented by businesses, and Amtrak uses the platform and new waiting room. As part of its efforts to upgrade rail stations across North Carolina, NCDOT also has an interest in the station's upkeep and accessibility. According to Clement, the key to managing these relationships has been to "make it clear that we have similar

interests in preservation. Everyone must have a shared goal in the restoration of the community.... [and be] sensitive to our architecture... there is due diligence so that there is no adverse effect on the structure.”²⁶

The Effects of Restoration

The restoration efforts have also sparked redevelopment in that particular section of downtown and have fostered a large amount of additional rehabilitation in the area, especially by encouraging the arts community to relocate to the industrial buildings around the station. Another great achievement was working with local banks that provided renovation funds for businesses.²⁷ The Arts Walk, which connects the railroad station to another part of downtown, was put into place with \$11 million worth of renovation, including a five-story office building and the development of the Waterworks Visual Arts Center.

The Historic Salisbury Foundation, now a generation old, has diligently worked with the community to promote preservation efforts, and sees the fruits of its labor in the next generation, which “has picked up the ball...younger couples [are] buying property in the historic neighborhoods and doing the next round of rehab.... A building in an historic district seems to be more important because of the historic recognition and tax incentives and therefore is more attractive to business. We have an intact historic community due to the tireless work of those who began the HSF and the next generation [that] is eager to maintain and press forward...”²⁸

As a preservation advocacy group, HSF thinks that the local legal restrictions in place in the historic districts, such as COAs and demolition delays, have been effective tools in helping to preserve the historic character of the city, but that they need to be strengthened. As the organization notes, “The demolition delay is not enough to save a building.” The importance of partnerships between stakeholders and the community cannot be stressed enough. Community advocates for the preservation of a rail depot must make their cause known to the public. They need to demonstrate the importance that the depot has for the community’s built heritage and collective memory, as well as the potential for adaptive reuse.

CONCLUSION

Historic preservation and attendant designation are valuable tools in helping municipalities retain important local landmarks such as train stations. As witnessed in Salisbury and numerous towns across the country, old and new elements can function together to create efficient facilities that serve the needs of current users. Adaptive reuse of historic structures allows communities to retain the inherent cultural value of their historic assets. With a new purpose and appropriate upgrades that better fit the

current and anticipated needs of the community, historic structures will continue to play an active, relevant role in civic life to the benefit of future generations.

Additionally, in light of the current interest in “green” living and technology, preservation makes sense because it reuses limited resources. The National Trust for Historic Preservation considers the greenest building to be the one that’s already built. Instead of buying materials to construct a new building, existing materials are wisely retained when structures are renovated. When a building is torn down, energy is expended to destroy it, and the embodied energy—the energy that went into making the original materials—is lost. Reusing a structure allows resources to be utilized for the duration of their natural lifespan.

Those interested in preserving the built environment must be proactive. By involving themselves in local government and citizens’ groups, these advocates can become an active voice for preservation, building positive relationships with important stakeholders and promoting new ways of thinking about how a community protects and tells its history. Regulations and ordinances are just words on paper until dynamic citizens bring them to life.

Thanks to Ed Clement, Gwen Matthews and Jack Thomson of the Historic Salisbury Foundation for information contained in this article.

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⁴ North Carolina State Historic Preservation Office, “Guidelines for North Carolina’s Certified Local Governments Program (2003),” <http://www.hpo.ncdcr.gov/2003%20CLG%20Guidelines.pdf> (15 July 2013).

⁵ Ibid.

⁶ National Park Service, “Federal Tax Incentives for Rehabilitating Historic Buildings: 35th Anniversary,” <http://www.nps.gov/tps/tax-incentives/taxdocs/tax-incentives-35anniversary.pdf> (8 July 2013).

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⁸ 26 U.S.C. §47(a).

⁹ Ibid.

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¹¹ Ibid.

¹² Ibid.

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²² Crawford, Rob. *1908 Southern Railway Passenger Depot: Guidebook*. Salisbury, NC, July 2000.

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²⁴ Ibid.

²⁵ National Trust for Historic Preservation, “NTHP Presents Achievement in Public Policy Award to N. Carolina Dept. of Transportation Rail Division,” <http://www.bytrain.org/istation/pdf/chafeeawardrelease.pdf> (15 July 2013).

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²⁷ Ibid.

²⁸ Ibid.
