

# HISTORIC PRESERVATION LOAN

## INFORMATION & GUIDELINES



*Find yourself in good company*

### INTRODUCTION:

The architectural quality of Greenville's College View Historic District (CVHD) and Locally Designated Landmarks is important to the entire city, its history, image, and economy. Proper improvements to the exterior appearances of individual structures will help develop the appropriate image and foster revitalization. Therefore, it is important that an organized and coordinated approach to exterior improvements be followed.

The City of Greenville has developed the following guidelines to provide a coordinated approach to property owners involved in exterior improvements or rehabilitations of residential homes and contributing outbuildings in the CVHD and Locally Designated Landmarks. The guidelines will be used by Community Development Department staff to evaluate the loan applications. Applicants who follow the guidelines can ensure that their projects are eligible to utilize available rehabilitation incentives. This loan program is available to eligible property owners within the bounds of the target areas highlighted in the maps on the following pages.

The Historic Preservation Loan Program is an opportunity to obtain interest-free loans for properties within the CVHD and Locally Designated Landmarks. Applications will be considered on the basis of program fund availability and compliance with the Design Guidelines. Residential, commercial, and non-profit entities are eligible to participate in this program.

Applicants are required to attend a Loan fund workshop prior to final approval. Applications will receive consideration as long as funds are available.

### PURPOSE:

The purpose of the Historic Preservation Loan Program is to provide an economic incentive to:

- 1) Complete substantial renovations to structures within the CVHD and to Locally Designated Landmarks ("structure" is defined as "the principal building, or contributing out-building such as garage;" first priority will be given to the street fronts of structures) and/or renovations to significant structural elements of the parcel's grounds such as: fences, walls, and driveways.
- 2) Encourage good design projects that capitalize on rehabilitation of the original fabric or design of existing properties.
- 3) Preserve the unique character of Greenville's CVHD and Locally Designated Landmarks.

## HISTORIC PRESERVATION LOAN PROGRAM: ELIGIBLE AREAS



## ELIGIBILITY:

- 1) Any owner of a property within the described target area is eligible for the Historic Preservation Loan Program.
- 2) All rehabilitation design proposals will:
  - meet code requirements of the City of Greenville
  - meet construction and material guidelines established by the Community Development Department
  - adhere to the U.S. Secretary of the Interior's Standards for Rehabilitation (see below for eligible and ineligible activities; the design guidelines and standards can be found at the end of this program description).
- 3) Any exterior renovation proposal—from an entire exterior rehabilitation to maintenance items, such as repainting or the replacement of building parts—is eligible for funding, but top priority will be given to projects that would make a highly visible contribution to the enhancement of the district/Landmark property. Simple sign changes are not eligible.

Examples of projects eligible for funding include:

- a) Repair/replacement of wooden fascia;
- b) Painting (exterior);
- c) Repair/replacement of non-historic doors and/or windows;
- d) Repointing of brick;
- e) Structural repairs (porches, columns, etc);
- f) Authentic reconstruction and replacement of original architectural details;
- g) Cleaning of brick exterior (chemical stripping, water wash, scraping);
- h) Replacement, or initial installation of historically contributing roofs. Prospective applications should contact city staff for guidance and additional information related to historically contributing roofs.\*

\*Note: Please see City of Greenville Historic Preservation Design Guidelines for detailed information: <http://www.greenvillenc.gov/home/showdocument?id=6724>

Examples of projects that **cannot** be funded, either in whole or part by the Loan Program:

- a) Installation of vinyl replacement windows;
  - b) Installation of modern siding materials such as vinyl or fiber-cement;
  - c) Sandblasting of exterior bricks, which causes them to deteriorate;
  - d) Removal of historic features; and
  - e) Repair, replacement, or initial installation of non-contributing roofing materials.
- 4) City/county taxes for a building where loan funds are requested cannot be delinquent. For any building with delinquent city/county taxes for any years prior to the Loan year, the owner(s) must attach a receipt to show ad valorem taxes are current or must attach a copy of the work-out agreement with the Pitt County Tax Collector's office.
  - 5) Commercial and non-commercial entities (income-producing and residential/owner occupied) are eligible to participate in this program.

## FUNDING:

Five to ten year interest-free loans are available for eligible properties in an amount up to \$10,000.00. Depending on the availability of funds, the maximum loan that may be awarded per property is \$10,000.00. The minimum loan that may be requested per property is \$2,500.00.

Loans up to \$6,000.00 will be allowed a maximum repayment period of five (5) years. Loans between \$6,001.00 and \$10,000.00 may be amortized over ten (10) years.

Loan payments will be due on the first day of the month. A late payment fee of \$15.00 will be assessed after the loan becomes ten (10) days overdue. Loans may be prepaid without penalty. In the event the loan payment becomes ninety (90) days overdue, the City of Greenville will take action for collection of delinquent loans.

## PROCESS FOR RECEIVING A LOAN:

- 1) Applicant must attend a Loan Workshop sponsored by the Community Development Department. The applicant is encouraged to seek the services of the State Historic Preservation Office (SHPO), including restoration consultations, before an application is completed and designs are formulated. The SHPO office is located at 117 W. 5<sup>th</sup> Street. Appointments are recommended and can be arranged by calling (252) 830-6580. Their website is:  
<http://www.hpo.ncdcr.gov/tchome.htm>
- 2) Property owner completes application (consent of mortgage holder or lien holder may be required) and returns it to the Historic Preservation Loan Coordinator. Applicant must also complete and sign the IRS W-9 and other financial forms attached to the application.
- 3) A deed of trust and promissory note will be recorded for the dollar amount loaned. A title search will be performed on the property prior to loan commitment. The city will take 2<sup>nd</sup> or 2<sup>rd</sup> lien position (principal mortgage and/or equity line being second). A credit report will be required prior to loan awards, and only applicants with acceptable credit history will be considered.
- 4) Two professional estimates on cost, photographs of the existing structure façade, a diagram and a paragraph illustrating the proposed work are to be included with the application.
- 5) Applications will be reviewed by staff of the Community Development Department to ensure completeness. The Design Review Committee of the Historic Preservation Commission (HPC) will review all applications and make recommendations to the HPC. The entire HPC will make recommendations for the applications. Those applications will be forwarded to the City Manager's Office for final approval or denial. The improvements must adhere to the Design Guidelines noted above and the Secretary of the Interior's Standards.
- 6) A notification letter will be sent to applicants concerning the approval or denial of the application. A contract form will be included with the approval letter. Applicants have 30 days from the date of the contract to apply for a building permit or have a plan in the Site Plan Review process, if required, for the approved work. Applicants must provide a copy of their building permit to the Community Development Department. Loan applications should include an application(s) for a Certificate of Appropriateness (COA). COAs are required for any type of exterior work within the CVHD or on Local Landmarks. COA applications can be found on the Historic Preservation section of the City website.
- 7) Loan contracts must be signed **before** any work begins.

- 8) All approved work must be completed within twelve (12) months of the contract date. Failure to meet this date may result in the immediate repayment of the loan.
- 9) The Historic Preservation Loan Coordinator (Community Development Department staff) and the SHPO staff (upon request) will inspect work completed.
- 10) A residence or qualified structure may have no more than one (1) loan award outstanding at any one time.
- 11) Loan recipients will be required to pay an application fee prior to loan closing amounting to the cost of the deed of trust and promissory note preparation, deed recordation, and credit report.

#### **REQUESTING AN EXTENSION:**

- 1) Applicants may be granted an extension, upon written request, if they have a compelling reason based on extenuating circumstances for why they will be unable to complete the work within the contracted period. Upon transfer of a property, the new property owner is eligible to assume an *active* loan award attached to that property, upon written request indicating that said property owner understand the terms of the loan contract and will assume any responsibilities pertaining therein. Transfer of ownership of a property is not sufficient grounds, by itself, for an extension to be granted; if the previous owner failed to complete the work within the contracted period and the new property or business owner cannot provide a compelling reason based on extenuating circumstances for why the work was not completed, an extension will not be granted. However, the new property owner would be encouraged to resubmit a loan proposal.
- 2) In the event that an application is granted an extension, the property associated with that application will be considered to have received a loan award in the same loan cycle in which the extension was granted for purposes of determining whether a property is eligible for additional future loans.

#### **HISTORIC PRESERVATION DESIGN GUIDELINES:**

The following standards are to be applied to specific rehabilitation projects in a reasonable manner, taking into consideration economic and technical feasibility.

City of Greenville Historic Preservation Design Guidelines:

<http://www.greenvillenc.gov/home/showdocument?id=6724>

(Also available as a reference resource in the Sheppard Memorial Library.)

The Secretary of the Interior's Standards for Rehabilitation:

[http://www.nps.gov/history/local-law/arch\\_stnds\\_8\\_2.htm](http://www.nps.gov/history/local-law/arch_stnds_8_2.htm)

Please retain these pages for your reference. Contact the Community Development office at (252) 329-4486 or go to our website (<http://www.greenvillenc.gov/government/community-development/historic-preservation>) for forms and general information.