

Historic Preservation Report

July 13, 2018

Introduction

The board of commissioners included in their strategic plan a goal to “preserve our historically significant structures to retain our authenticity as a historic, small college town.”

There are a variety of tools the town can use to increase our historic preservation focus and protect our historic resources. This report explains the existing historic preservation programs we currently have, several new initiatives we are undertaking, and potential legislative fixes for issues that affect our ability to control demolitions/tear-downs and the design of new construction in our historic areas. The report is organized in three sections:

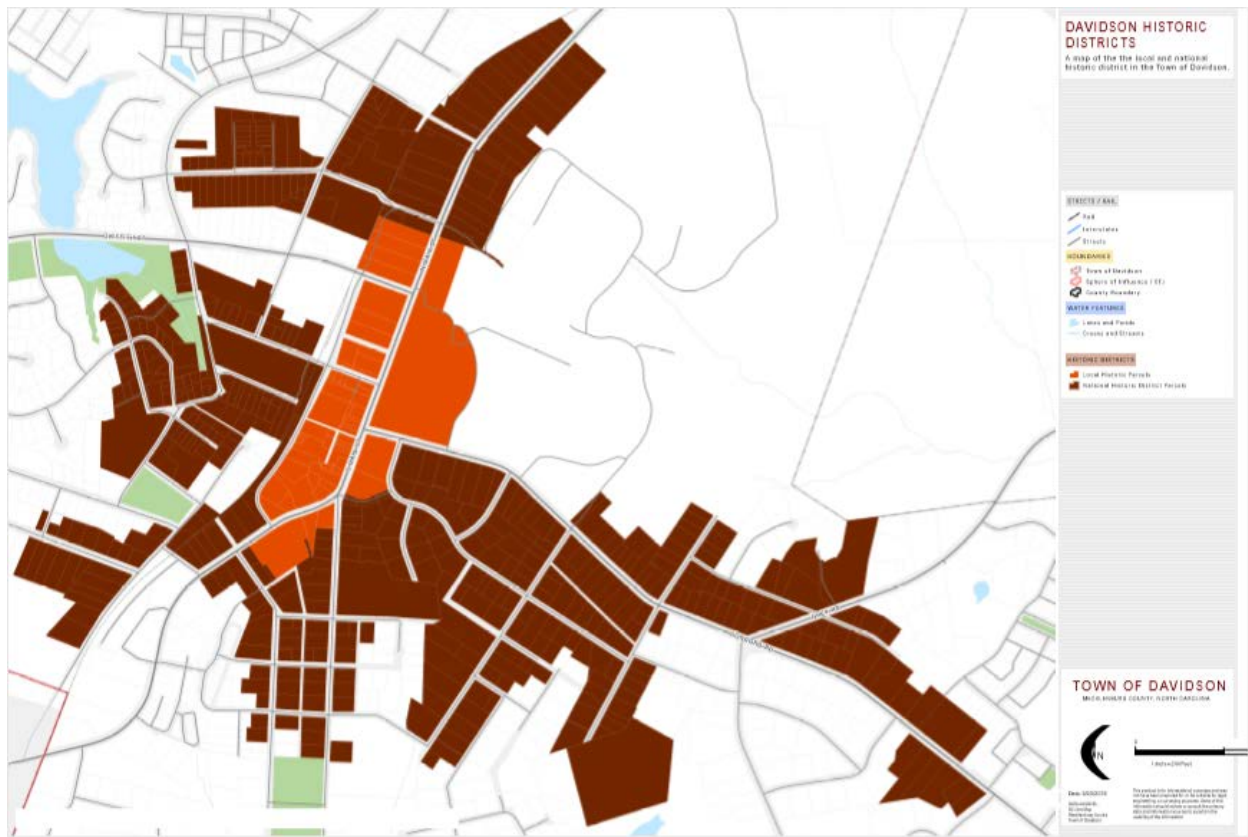
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1. Davidson's current historic resources/programs

a. National Register Historic District (NRHD)

The National Register of Historic Places is the nation's official list of buildings, structures, sites and districts worthy of preservation for their significance. The National Register is a federal program; however, nominations to designate a district are submitted to the State Historic Preservation Office (SHPO) for approval. Typically, structures must be 50 years old, have integrity of historic character, and significance in American history, architecture, archeology, engineering, or culture, to qualify as "contributing structures" in the NRHD. Structures within the district that don't meet that criteria are listed as "non-contributing structures."

In 2008, the Town of Davidson submitted an architectural survey, narrative, and visual documentation of structures located throughout older Davidson neighborhoods to the SHPO to request designation in the National Register of Historic Places. The designation was realized in 2009. Properties shown in brown on the map below are included in the NRHD.



Several structures in Davidson are both part of the NRHD and individually listed on the National Register of Historic Places:

Chairman Blake House: 318 Chairman Blake Lane.

Eumenean Hall and Philanthropic Hall: Davidson College campus

Beaver Dam: Davidson-Concord Road

Under Federal Law, the listing of a property in the National Register places no restrictions on what an owner may do with their property, up to and including demolition.

A 20% income tax credit is available for the rehabilitation of historic, income-producing buildings that are determined by the Secretary of the Interior, through the National Park Service, to be “certified historic structures.” The State Historic Preservation Office and the National Park Service review the rehabilitation work to ensure that it complies with the Secretary of the Interior’s Standards for Rehabilitation.

The tax legislation passed by Congress on December 22, 2017 eliminated the 20% tax credit for owner-occupied residential structures.

b. Local Historic District

The authority for jurisdictions to establish local historic districts (LHD) is granted by GS 160A-400.1 – 160A-400.15. The LHDs are typically designated as overlay zoning districts; that is, an extra layer of regulations that are applicable only to the LHD, not to the entire zoning district (or in our nomenclature, planning area).

On October 10, 1989, the Davidson Board of Commissioners approved an “Historic Preservation Ordinance” that established a local historic district, created the Historic Preservation Commission (HPC) and gave it jurisdiction over the district, and enumerated the procedures to request and criteria with which to review applications for projects within the district. (Updated rules of procedure for the HPC were adopted by the Davidson Board of Commissioners on October 12, 2010.)

At their December 12, 1989 meeting, the board of commissioners approved the map of the current local historic district, essentially rezoning the area as an overlay district. The LHD (see map) is generally the downtown area and has special significance in terms of its history and architecture. It is an overlay on portions of the current Village Center, Village commerce, and Village Edge planning areas. On the map above, the properties shown in orange constitute the LHD.

Owners of property in a local historic district are required to obtain certificates of appropriateness from the HPC before making significant changes or additions to a property, before beginning new construction, or before demolishing or relocating a property. Davidson’s HPC is synonymous with its Design Review Board (DRB). When legislating decisions regarding structures within the LHD, they act as the HPC; when legislating decisions regarding structures in the remainder of the community, they act as the DRB. An Historic Preservation Commission’s authority includes the ability to delay demolition of a structure in the LHD for up to 365 days. The HPC’s review of proposed changes ensures that work on a property in a local district is appropriate to the special character of the district. The HPC adopted, and the board of commissioners approved, design guidelines as the criteria to judge what changes are appropriate.

Property owners also use the design guidelines to plan possible projects, and to discuss their applications with the HPC.

Section 4 of the Davidson Planning Ordinance includes general design standards for use by the DRB: (<http://www.ci.davidson.nc.us/DocumentCenter/View/8076/Section-4-Design-Standards-20170711?bidId=>)

Section 22 includes specific Local Historic District Guidelines that are the criteria the HPC uses for approving work in the LHD. These were written in 2009 and included in the ordinance in 2015: (http://www.ci.davidson.nc.us/DocumentCenter/View/8094/Section-22-update-HDguidelines-DRBedit-fonts_20150409?bidId=)

Historic district zoning can help to stabilize property values by maintaining the neighborhood's character and, depending on the design guidelines used by the HPC to review projects, it can benefit property owners by protecting them from inappropriate changes made by other owners that might destroy the special qualities of the neighborhood.

c. Designated Historic Landmarks

The authority for a jurisdiction to designate structures as historic landmarks is also enabled under GS 160A-400. In February, 2005 the Town of Davidson entered into a formal interlocal agreement with the Charlotte-Mecklenburg Historic Landmarks Commission to recommend structures worthy of designation as local historic landmarks. Both the Landmarks Commission and the Davidson Board of Commissioners must approve the landmark designation, with additional input from the state. The owner does not need to approve the designation. The following is a list of Davidson historic landmarks and the date they were designated:

Armour-Adams House	626 N. Main Street	2/13/2007
Beaver Dam	19600 Davidson-Concord Road	2/9/2016
Blake House, Chairman	318 Chairman Blake Lane	5/19/1980
Bradford Farm	15908 Davidson-Concord Road	11/12/2002
Bradford Store	15915 Davidson-Concord Road	6/19/2006
Cashion/Moore Cemetery	McAuley Road & Hwy 73	2/13/2007
Currie House, Violet W.	525 N. Main Street	11/19/2013
Daggy House, Tom & Mary Lu	102 Hillside Drive	5/14/2013
Davidson Colored School/Ada Jenkins	212 Gamble Street	11/13/2007
Davidson Cotton Mill	209 Delburg Street	11/9/2004
Davidson School	251 South Street	3/13/2012
Delburg Cotton Mill House	303 Delburg Street	1/13/2015
Elm Row	306 N. Main Street	7/18/1977
Eumenean Hall	214 N. Main Street	1/25/1977
Falls Store	300 Mock Road	9/14/2010
Helper Hotel (Carolina Inn)	225 and 215 N. Main Street	7/18/1977

Holt-Henderson-Copeland House	305 N. Main Street	2/13/2007
Mabonsie	312 S. Thompson Street	11/19/2013
Oak Row & Elm Row	306 and 308 Main Street	7/18/1977
Philanthropic Hall	216 N. Main Street	9/22/1975
Purcell House, James & Elizabeth	206 Lorimer Road	9/14/2010
Restormel	829 Concord Road	2/13/2007
Southern Power Co Transformer Bldg	210 Delburg Street	11/9/2004
Unity Church Cabin/Lingle Hut	213 and 219 Watson Street	12/9/2008

The landmarks designation can apply to the exterior only or to both the interior and exterior of a structure. The owner of a designated historic landmark may apply for an automatic deferral of 50% (30% if exterior only) of the Ad Valorem taxes on the structure. This deferral exists as long as the property retains its status as a historic landmark.

The owner of a historic landmark must apply to the Charlotte-Mecklenburg Historic Landmarks Commission for a Certificate of Appropriateness before any material alteration, restoration, removal, or demolition of any exterior feature of the structure may take place.

A Certificate of Appropriateness for the demolition of a landmark may not be denied except as noted below. However, the Landmarks Commission may delay the date of the demolition for a period of up to 365 days. The only instance in which the demolition of a historic landmark may be denied is if the designated landmark is determined by the State Historic Preservation Officer as having state-wide significance as defined by the criteria of the National Register of Historic Places.

2. New initiatives

a. Expansion of local historic district

Tactical priority 1 under the Historic Preservation goal in the strategic plan is to “Create/expand local historic district.”

Several residents of the North Main Street neighborhood have requested that the town expand the LHD to include their neighborhood. These properties are currently included in the National Register Historic District.

The process to expand our local district begins with the HPC – or their designee, a consultant – studying the area and writing a local designation report which documents the neighborhood's architectural and historical significance. The consultant will meet with property owners to seek their cooperation and to explain the ramifications of local designation. Throughout this process, staff can educate all residents whose properties lie within the NRHD of the importance of historic preservation and designation.

The NC Department of Cultural Resources, acting through the State Historic Preservation Officer, reviews and comments on the proposed designation. The HPC and the planning board

also review the report and recommend approval or denial to the Davidson Board of Commissioners. Since designation as a local historic district is a map amendment to the Davidson Planning Ordinance (overlay zoning), a public hearing is statutorily required prior to approval by the board of commissioners.

To start the process, we will designate a committee of citizens – from the HPC, the North Main neighborhood, commissioners, and others – to review the RFP for consultants, vet the responses, and interview/recommend/choose the consultant. The tentative timeline for the project forecasts its completion next spring.

It is anticipated that there may be some concern from residents in the proposed expansion area regarding the need for HPC approval (Certificates of Appropriateness) for all exterior modifications. In preparation for that eventuality, staff has prepared a draft version of “work lists” that differentiate between maintenance items or minor changes and new construction, major work or additions to an existing property. The intent of the lists is to allow for staff – as provided in Chapter 13 of the planning ordinance – to approve common and smaller requests in a timely manner. One key consideration is that staff will not be able to deny a project; if an item is submitted that conforms to the ordinance and guidelines, staff may approve. However, if there is question or concern, staff will forward the request to the Historic Preservation Commission.

b. Conservation districts

Tactical priority 2 under the Historic Preservation goal in the strategic plan is “Investigate historic preservation tools.”

Numerous North Carolina communities have instituted conservation districts (a zoning overlay) within their jurisdictions as a way to discourage inappropriate new construction in cohesive, historic neighborhoods which may not qualify for National Register Historic District status. (SB25 exempts structures in a NRHD.) They stabilize and enhance neighborhood character through design guidelines imposed through the overlay regulations that control the appearance of new residential construction (either new homes or additions visible from the street). NCGS 160A-382(a) authorizes overlay districts. The Town of Davidson has numerous overlay districts, including five in the Village Infill planning area that regulate height, setbacks, and floor area ratio (the size of the footprint or lot coverage) but do not have corresponding design guidelines.

The legality of design guidelines imposed on a conservation district outside of a NRHD has been called into question since the ratification of SB25 – the aesthetic bill that was approved in 2015 by the NC legislature. SB25 eliminated the authority of municipalities to regulate “building elements, such as exterior building color, type or style of exterior cladding material, style or materials of roof structures or porches, exterior nonstructural ornamentation, location or architectural styling of windows and doors, including garage doors.” With design guidelines that restrict these elements prohibited, several municipalities, including the City of Raleigh, have changed their regulations that apply to conservation districts to comply with SB25, meaning they don’t review the architectural elements of new construction or additions, just the setbacks, height, and lot coverage; exactly what our overlay districts already do.

A map and the regulations that accompany each district are here, beginning on page 2-82:
<http://www.ci.davidson.nc.us/DocumentCenter/View/8497/Section-2-Planning-Areas-20171212?bidId=>

There are several options available to us: 1) Revisit the current overlay districts in our Village Infill planning area to see if the height, setback, or lot coverage regulations need to be tightened, and/or 2) Discuss the possibility of new overlay districts in planning areas outside of the Village Infill if there is concern about inappropriate new residential construction that could be resolved by overlay districts in those planning areas. A map of the planning areas is here for your reference:

http://www.ci.davidson.nc.us/DocumentCenter/View/8041/11X17_PA_TOD_20170703?bidId=

Mooresville recently instituted a conservation district on North Main Street in their jurisdiction. The overlay only applies to commercial construction; SB25 allows municipalities to regulate the design of commercial structures. Our DRB/HPC already reviews all commercial structures, wherever they are located in town.

c. Expansion of individually landmarked structures

A goal of the board of commissioners, although not specifically stated in the strategic plan, is to limit the demolition of historic homes in Davidson. One initiative that has potential to influence that trend is the expansion of individually landmarked structures.

The Charlotte-Mecklenburg Historic Landmarks Commission staff have a list of about 60 structures in Davidson and our ETJ (a study list) that have the potential to be designated as landmarks. Many of them are located in our National Register Historic District. If these structures would be designated, the owners would receive a break on their property tax and the Landmarks Commission would have the authority to delay demolition for up to a year. This would allow the commission or the town the time to determine if there is interest and a means to save the structure. (There is no ability to delay/deny demolition simply because a structure is in the NRHD.)

Dan Morrill and Stewart Grey of the Landmarks Commission are willing to conduct an educational session for the owners of the structures on the list. The reduced tax burden may encourage owners to apply for designation. The Landmarks Commission can process three or so applications per year without cost to the owner. More than that, the owner is required to pay for a consultant to complete the necessary documentation for consideration by the Landmarks Commission. Documentation includes a survey and research report, and photographs of the property. The commission conducts a site visit and the documentation is presented at a commission meeting for approval before being presented to the Davidson Board of Commissioners.

d. Additional ideas for limiting tear-downs

At the present time, it looks like we have two options for a regulatory response to the tear-down phenomenon. The first is what is mentioned above – new size/height regulations on new residential construction in the Village Infill overlay districts. A second option is to regulate the minimum lot size in the Village Infill planning area. The concern with this option is that it would make many, if not most, of the existing lots in the area non-conforming. Owners of non-conforming lots will be limited in what they can do with their property and has implications for resale of their parcel.

These ideas will be investigated by the Planning Ordinance Committee and Planning Board Ordinance Committee and will be presented to the commissioners according to the work plan schedule.

3. Legislation that affects historic preservation and potential for changes

a. SB25 Legislation Summary and Options

In 2015, the legislature passed Session Law 2015-86 which amended NCGS 160A-381 and is commonly referred to as SB25 or the “Aesthetics Control Bill.” It is applicable to all municipalities. The bill limits the types of structures over which the town’s Design Review Board has purview. Prior to the ratification of SB25, the DRB reviewed all residential structures except single family homes. Duplexes, triplexes, quadplexes, apartments, condominiums, and townhouses were all reviewed by the DRB (in every planning area) to ensure that they complemented the neighborhood character and met the planning ordinance requirements.

SB 25 removed all of those building types from DRB purview with several exceptions:

- If the structure is in a designated local historic district,
- If the structure is in a designated national historic district,
- If the structure is a locally designated landmark,

The bill states that the town may not regulate “building design elements,” and defines those as: exterior color and cladding materials, style or materials of roof or porch structure, exterior ornamentation, location or style of windows and doors (including garage doors), and interior layout and number of rooms. The town can still regulate the size, setback, and use of these building types, but not the design.

Of greatest concern is the elimination of DRB review of townhouses. More specifically, those that may be built on our visible major thoroughfares, such as North Main, South Main, and Griffith Street. The Villages at South Main townhouses (the area where foundations are visible on the east side of South Main Street) is an example. The DRB reviewed the townhouses when they were first proposed in 2004, but the developer went out of business during the recession and the undeveloped land was sold. The current owner of the property was not required to get DRB review and approval of the townhouse design currently proposed for the property, since SB25

had been ratified. Several new townhouses were recently approved for building permits by Mecklenburg County.

Additionally, the extreme north end of North Main Street has at least one property that is outside of the NRHD, is ripe for redevelopment, and could be proposed for townhouse development.

A pro-active option is to lobby for a very narrow local bill – that may have the potential to be supported by both Cornelius and Huntersville – that would add an additional exemption to SB25 for the three towns only. The exemption could be something along the lines of: “If the structure is located on the NC-DOT highway connecting the historic downtowns of Huntersville, Cornelius, and Davidson.” If the other North Mecklenburg towns were not interested in joining this legislation, it could just refer to “town gateways” or similar language. This could be considered for part of the board’s legislative agenda for the 2019 long session.

b. Demolition Delay/Deny Legislation

NCGS160A-400.14 governs the delay of demolition of landmarks and buildings within historic districts that are legislated through zoning, i.e. local historic districts:

§ 160A-400.14. Delay in demolition of landmarks and buildings within historic district.

(a) An application for a certificate of appropriateness authorizing the relocation, demolition or destruction of a designated landmark or a building, structure or site within the district may not be denied except as provided in subsection (c). However, the effective date of such a certificate may be delayed for a period of up to 365 days from the date of approval. The maximum period of delay authorized by this section shall be reduced by the commission where it finds that the owner would suffer extreme hardship or be permanently deprived of all beneficial use of or return from such property by virtue of the delay. During such period the preservation commission shall negotiate with the owner and with any other parties in an effort to find a means of preserving the building or site. If the preservation commission finds that a building or site within a district has no special significance or value toward maintaining the character of the district, it shall waive all or part of such period and authorize earlier demolition, or removal. If the commission or planning board has voted to recommend designation of a property as a landmark or designation of an area as a district, and final designation has not been made by the local governing board, the demolition or destruction of any building, site, or structure located on the property of the proposed landmark or in the proposed district may be delayed by the commission or planning board for a period of up to 180 days or until the local governing board takes final action on the designation, whichever occurs first.

(b) The governing board of any municipality may enact an ordinance to prevent the demolition by neglect of any designated landmark or any building or structure within

an established historic district. Such ordinance shall provide appropriate safeguards to protect property owners from undue economic hardship.

(c) An application for a certificate of appropriateness authorizing the demolition or destruction of a building, site, or structure determined by the State Historic Preservation Officer as having statewide significance as defined in the criteria of the National Register of Historic Places may be denied except where the commission finds that the owner would suffer extreme hardship or be permanently deprived of all beneficial use or return by virtue of the denial. (1989, c. 706, s. 2; 1991, c. 514, s. 1; 2005-418, s. 13.)

This legislation gives our local Historic Preservation Commission (HPC) the power to delay demolition of a structure in our local historic district for up to one year.

Several municipalities have received special local legislation to expand the “delay” provision or to include denial of demolition in local historic districts. The following are the local bills that have been ratified by the general assembly:

2005 Statesville: No structure within a LHD may be demolished without a permit issued by the City Council. If a demolition permit is approved by the City Council, they also have the authority to approve plans for the new structure and a time frame for replacement.

2007 Salisbury: No structure within the downtown LHD may be demolished without a permit issued by the City Council.

2007 New Bern: No contributing structure within a LHD may be demolished without a permit.

2007 Cary, Wake Forest (Chapel Hill and Wilson added to the same legislation in 2008):

These municipalities may adopt ordinances to regulate the demolition of historic structures, i.e.

- 1) designated landmarks
- 2) individually listed structures in National Register
- 3) contributing structures in historic district listed in National Register
- 4) structures preliminarily determined by Secretary of the Interior as contributing structures in historic district (or potential historic district) in the National Register
- 5) structures listed in state inventory of historic places
- 6) listed in county Register of Historic Places
- 7) listed in local inventory of historic places in CLG communities

However, they still must follow the provisions of 160A-400.14. In other words, they expanded the 160A-400.14 “delay” provisions to include not only structures in the LHD, but the above-listed structures.

2010 Thomasville: Local bill to require a permit prior to demolition of a designated local historic landmark or a contributing structure within a LHD was not ratified by the legislature. It died in committee. Thomasville is a CLG, has six historic landmarks, and two LHDs.

Asking the legislature for additional “delay” provisions has more potential to be successful than requesting authority to deny. That legislation would be similar to the 2007/2008 legislation for Cary, Wake Forest, Chapel Hill, and Wilson. We would then be able to delay demolition for a year for historic structures in Davidson that are outside of the local historic district (we already have the authority to delay for a year inside the LHD) and work with the Charlotte-Mecklenburg Landmarks Commission or other non-profits to secure the building.