



Staff Report

Meeting Date: June 17, 2024

Planner: Sara Dusenberry, Senior Planner

APPLICATION SUMMARY:

Project Name: Historic Preservation Tax Credit for the Nyman House at 5475 Mohawk Road.

Case Number: HP24-0002

Application Types: Historic Preservation Tax Credit

Location: 5475 Mohawk Road Littleton, CO 80123

Applicant: Brent Forget and Oliver McInstry

Owners: Brent Forget and Oliver McInstry

Applicant Request: 25 Percent State Tax Credit Application

HISTORIC DISTRICT SUMMARY:

Historic Building Name: Nyman House

Individual Landmark Designation: No

Historic District: Arapaho Hills

Contributing Structure: Yes

Applicable Design Guidelines: N/A

PROCESS:

State of Colorado laws provide tax incentives for historic preservation projects that follow the Secretary of the Interior’s Standards for Rehabilitation. These credits provide incentives to homeowners for projects that involve physical preservation, restoration, or rehabilitation of historic buildings to ensure their historic character is maintained into the future. These tax credits are reviewed by local historic preservation authorities to ensure that only qualified costs and expenses are included in the tax credit calculation. The tax credit provided to homeowners is typically 20 percent of qualified costs and expenses.

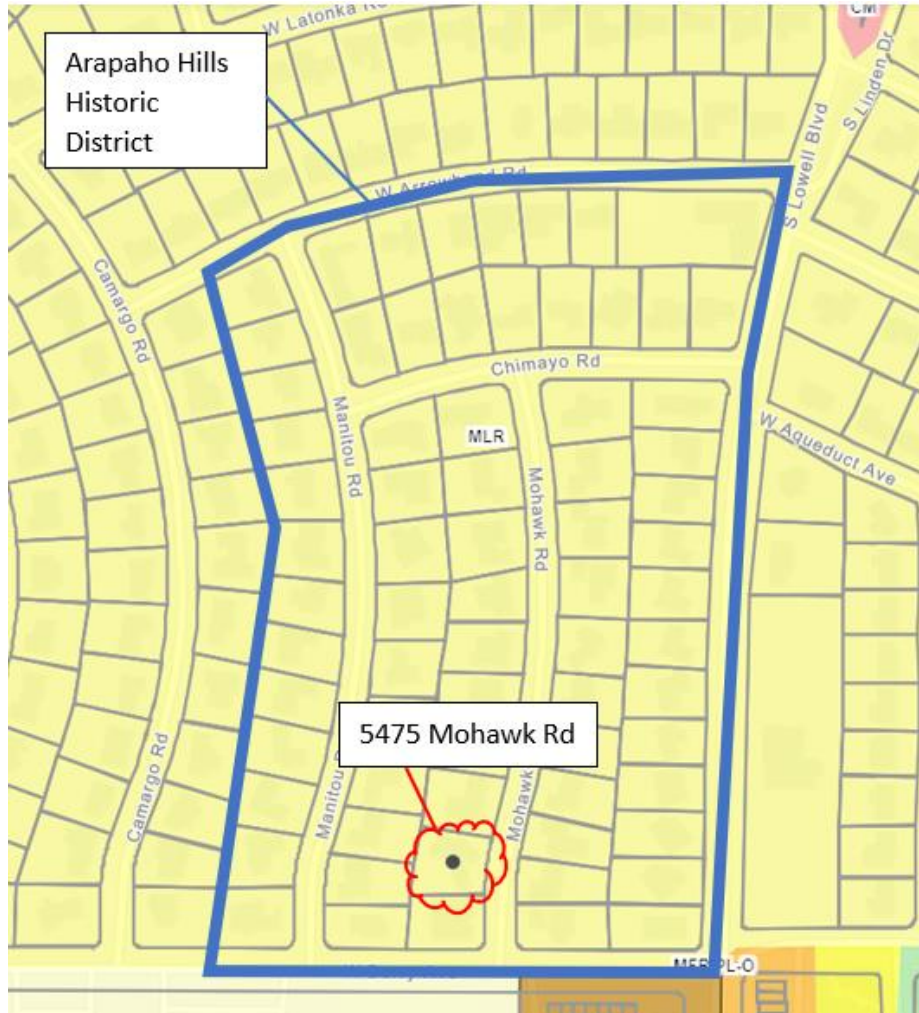
The current tax credit provided to homeowners is 25 percent of qualified costs, as a result of the disaster declaration President Trump issued on March 28th, 2020. This disaster declaration allows for a five percent bonus to the historic preservation income tax credit program, in addition to the 20 percent established by State of Colorado statutes. Under this disaster declaration, all projects in the State of Colorado are eligible for the additional five percent tax credit until March 28, 2026. The State of Colorado legislature further clarified that this provision applies to any project application filed after March 28th, 2020. The work done under this application has been completed from July 2023 to January 2024, and thus is eligible for the 25 percent tax credit.

The application processes for Historical Preservation Tax Credits are established in Colorado Revised Statute (CRS) 39-22-514 and 39-22-514.5. These laws establish required application processes, application fees, and review procedures. For work to be qualified for tax credits, all work for the proposed project must be completed within 24 months. If applying for Part I and Part II separately, all work must be completed, and the Part II application must be submitted within 24 months of the Part I application’s approval. Additionally, these statutes establish the reviewing entity for these applications as local governments or local historic districts. These reviewing entities have 90 days from the date of a Part II application to process the application, and if the application is eligible, to issue a certificate with the tax credit amount listed on it.

<u>Project Start Date:</u>	July 2023
<u>Project Completion Date:</u>	January 2024
<u>Application Received Date:</u>	April 26, 2024
<u>Date of Determination by City of Littleton:</u>	June 17, 2024

LOCATION:

5475 Mohawk Road is north-west of the intersection of W Berry Avenue and S Lowell Boulevard.



Vicinity Map Showing Property Context and Zoning

PROPERTY HISTORY:

- 1961** Nyman House Constructed
- 2012** Arapaho Hills listed as a National Register Historic District (#12000550)
5475 S Mohawk Road is identified as a contributing structure to the Historic District
- 2023** Rehabilitation outlined in this application commences

PROPERTY DESCRIPTION:

The Nyman House was built in 1961 and is a contributing structure for the Arapaho Hills Historic

District. The Nyman house is composed of three rectangular closed volumes joined at a 45 degree angles. The house is a single level. Two angled volume form the body of the house. The back yard between them originally featured an in-ground pool. The third volume, positioned to the northeast, serves as the garage. Adjacent to the driveway, the angled volumes of the house and garage form a small open entry courtyard. The exterior materials are CMU block, laid with flush vertical joints, and struck horizontal joints, emphasizing the long low lines of the home. Board and batten wood siding, with predominately horizontal battens clad several walls. At the street facing windows, garage door, and north gable, the battens follow the slope of the pitched roof. Wood trellis roof extensions occur at the entry and rear patio. Inside the home a distinctive concrete block fireplace anchors the living room. Vaulted, lapped wood ceilings in the public spaces retain their historic stained finish. A wall of original windows and sliding doors opens to the rear yard.

APPLICATION DETAILS:

The applicant has submitted a Part I and Part II application for historic preservation tax credit for a recent rehabilitation at 5475 Mohawk Road. The total Scope of Work for this rehabilitation project included in the application to the City of Littleton is listed below:

1. Repair under slab ducts associated with original forced air HVAC system.
 - a. Under slab ducts were cleaned and then lined with liquid latex to fully seal them and maintain original HVAC system.
 - b. Total Cost: \$6,900
2. Replace existing domed skylight
 - a. Skylight was broken and leaking making replacement necessary.
 - b. Total Cost: \$564.40
3. Address existing warped and damaged damper within chimney.
 - a. Added new 13 x 13 locktop damper at top of chimney stack.
 - b. Total Cost: \$798.25

Total Project Cost: \$8262.65

TAX CREDIT ELIGIBILITY, APPROVAL CRITERIA, AND ANALYSIS:

Decision Criteria and Evaluation: The Secretary of the Interior established the following Standards for Rehabilitation which are used to evaluate whether a project’s scope of work overall is eligible for tax credit. After the scope of work has been assessed, then each component and the project are evaluated to determine whether it is a “qualified rehabilitation expenditure” under the definitions established CRS 39-22-514.5.

Standard	Meets Standard (Yes / No / Not Applicable N/A)
1. A property shall be used for its historic purpose or be placed in a new use that requires minimal change to the defining characteristics of the building and its site and environment.	Yes -original use was as a residence, maintains residential use.
2. The historic character of a property shall be retained and preserved. The removal of historic materials or alteration of features and spaces that characterize a property shall be avoided.	Yes - no historic features were removed.
3. Each property shall be recognized as a physical record of its time, place, and use. Changes that create a false sense of historical development, such as adding conjectural features or architectural elements from other buildings, shall not be undertaken.	N/A
4. Most properties change over time; those changes that have acquired historic significance in their own right shall be retained and preserved.	N/A
5. Distinctive features, finishes, and construction techniques or examples of craftsmanship that characterize a property shall be preserved.	Yes - methods of repair chosen maintain features, finishes, and techniques that characterize the property.
6. Deteriorated historic features shall be repaired rather than replaced. Where the severity of deterioration requires replacement of a distinctive feature, the new feature shall match the old in design, color, texture, and other visual qualities and, where possible, materials. Replacement of missing features shall be substantiated by documentary, physical, or pictorial evidence.	Yes - repair methods for HVAC and chimney maintained historic features. The chimney repairs resulted in the replacement of an exterior chimney cap. Replacement was chosen to minimize potential damage to chimney during repairs. The replaced domed skylight was not repairable. The replacement skylight has a similar appearance to the original and does not affect the significance or integrity of the property.
7. Chemical or physical treatments, such as sandblasting, that cause damage to historic materials shall not be used. The surface cleaning of structures, if appropriate, shall be undertaken using the gentlest means possible.	N/A
8. Significant archeological resources affected by a project shall be protected and preserved. If such resources must be disturbed, mitigation measures shall be undertaken.	N/A
9. New additions, exterior alterations, or related new construction shall not destroy historic materials that characterize the property. The new work shall be differentiated from the old and shall be compatible with the massing, size, scale, and architectural features to protect the historic integrity of the property and its environment.	Yes -the exterior damper on the chimney replaced an existing cap with one of a similar form. The exterior work allowed for the chimney to remain intact during repairs.
10. New additions and adjacent or related new construction shall be undertaken in such a manner that if removed in the future, the essential form and integrity of the historic property and its environment would be unimpaired.	N/A

“Qualified rehabilitation expenditures” means “exterior and interior improvements undertaken to restore, rehabilitate, or preserve the historic character of a qualified property” that meets the Secretary of the Interior Standards for Rehabilitation. Under C.R.S. 514.5 “exterior improvements” is limited to any one or more of the following: roof replacement or repair; exterior siding replacement or repair; masonry repair, re-pointing, or replacement; window repair or replacement, door repair or replacement; woodwork and trim repair or replacement; foundation repair and replacement; and excavation costs associated with the foundation. “Interior improvements” is limited to one of more of the following: electric repairs and upgrades; plumbing repairs and upgrades; heating, venting, and air conditioning repairs and upgrades; repair of existing interior walls, ceilings, and finishes; repair or replacement of existing woodwork and trim, insulation; refinishing or replacing historic floor materials in-kind, excluding carpeting; and reconstructing missing historic elements when there is sufficient historical documentation to guide the reconstruction.

Using this definition as a reference the following costs have been evaluated as qualified or not qualified.

1. Repair under slab ducts associated with original forced air HVAC system.
 - a. Total Cost: \$6,900
 - b. **Qualified**
2. Replace existing domed skylight
 - a. Total Cost: \$564.40
 - b. **Qualified**
3. Address existing warped and damaged damper within chimney.
 - a. Total Cost: \$798.25
 - b. **Qualified**

Total Project Cost: \$8262.25

Total Qualified Costs: **\$8262.25**

STAFF RECOMMENDATION:

Staff Findings:

Staff recommends **approval** of HPC Resolution 03-2024 as it meets the Secretary of the Interior’s Standards for rehabilitation. The project covered vital repairs and replacements that did not impact the historic character of the house but served to ensure that it can retain its historical use safely. The methods of repair especially, sought to maintain and reduce potential damage to the historic material and systems in the house. The inclusion of the exterior chimney damper has minimal visual impact on the property and addressed the damaged damper without having to deconstruct and reconstruct the chimney, potentially damaging the historic feature in the process. The exterior approach required the replacement of an existing chimney cap, the chosen replacement has a similar form, but is taller than the existing cap. The original skylight was damaged beyond repair and replace with a double glazed, bronze tinted unit that is more energy efficient to meet current codes. The replaced skylight is not visible from the exterior and the bronze tint is not noticeable from the interior.

25 percent tax credit: **\$2,056.56**