



## IMPLEMENTATION AND NEXT STEPS

PART

# 5



### *Advisory Ideas for Future Private Improvements*

The recommendations of this plan are implemented in three ways:

- Implementing Regulatory Elements
- Community Input & Visioning Model
- Resources and Contact Information
- Tax Credits

The recommendations of this plan are implemented in three ways:

- **Regulatory elements** involve the creation of a special district, with provisions limited to those identified in Part Two. Two options exist for implementation of these items: an overlay zone, that provide special requirements for development within the district; and/or a locally designated historical district, pursuant to the city’s Historic Preservation Ordinance.
- **Policy elements**, identified in Part Three, are implemented through the city’s capital improvement program, by a neighborhood association, and by public/private partnerships.
- **Advisory elements**, identified in Part Four, are ultimately implemented through the voluntary efforts of private property owners.

The three historic districts are already listed on both the national and state registers of historic places, making several financing incentives available to eligible projects.

## IMPLEMENTING REGULATORY RECOMMENDATIONS

An overlay zone establishes special land use and development requirements that modify regulations already included in the zoning districts covering the area. Thus, an overlay zone can enforce setbacks, land use restrictions, and similar land development features, but typically does not provide individual review of otherwise permitted projects such as the architectural compatibility of new structures on vacant lots. Overlay zones are created as zoning ordinance amendments by the City Council with the recommendation of the Planning Commission.

The City of De Pere’s Historic Preservation Ordinance establishes criteria that govern design review, establish a process for enforcing design review within a locally designated historic district, and establishes an appeal process for owners who are denied a “certificate of appropriateness.” This plan recommends creation of “limited” local historic districts as a more effective method of implementing the basic recommendations proposed in Part Two. This method is “limited” because it permits only some of the review powers accorded to the Historic Preservation commission under the city’s ordinance. For example, a limited district would not require review and approval of individual alterations to existing homes (unless a neighborhood chose to grant it such powers). It would, however, require a street orientation and a garage setback, and would require review of new construction projects on vacant lots. The scope of regulation or review is limited only to those items that can have the most important negative impact on the neighborhoods.



Further, we recommend modifying the procedure for adopting a local preservation district and related regulations to require a simple majority approval by the property owners in the district. This may be measured in two ways:

- By petition of property owners in the district.
- In the case of a Historic Commission or city initiated district designation, notification of all property owners by registered mail and approval by a simple majority of the responding property owners. The district designation includes both specific regulations and the scope of Historic Preservation Commission review and certification of improvements. Prior to the vote, property owners within the boundary should be notified of the Local Designation Application and its proposed mandatory requirements. A public hearing must be held prior to the vote.

## COMMUNITY INPUT AND VISIONING MODEL

The process that led to the development of this Neighborhood Preservation Plan provided valuable lessons that may be replicated in other notable environments in the City of De Pere. This model planning process should engage the neighborhood at several events.

- **Event One: Introductions and Process.** The first event should be a neighborhood presentation to explain the planning process, expectations and address concerns. All residents in the neighborhood and adjoining properties should be invited to the event.
- **Event Two: Discussions.** Small group discussions or one-on-one interviews with neighbors to share their priorities and ideas for the area. Again, all residents in the neighborhood and adjoining property properties should be invited to participate.
- **Event Three: Open House.** Prior to the open house, the publication should be made available for review. The Open House event is a forum for neighbors to have the opportunity to review the contents of the document and provide changes it.

## TAX CREDITS VS. DEDUCTIONS VS. PROPERTY TAX RELIEF

A tax credit differs from a deduction in the following way:

- When you figure your income taxes, a deduction reduces your income for purposes of determining how much you owe the government in taxes.
- A tax credit, on the other hand, is a dollar-for-dollar reduction in what you actually owe in taxes. In this program, for example, if you were to spend \$20,000 on eligible work, you would receive a \$5,000 credit against what you owe in state income taxes. If you cannot use the full credit in a given year, you can carry the unused credit into the following years until you use it up.

This program does not affect what you owe in property taxes.

## RESOURCES AND CONTACT INFORMATION

### LOCAL CONTACTS

De Pere Park, Recreation & Forestry Department for landscaping  
920-339-8362

De Pere Community and Economic Development for historic preservation strategies.  
920-339-4043

### STATE AND NATIONAL CONTACTS

Wisconsin Historical Society Division of Historic Preservation  
608-264-6493  
[www.wisconsinhistory.org](http://www.wisconsinhistory.org)

National Trust for Historic Places  
[www.nationaltrust.org](http://www.nationaltrust.org)

### STATE OR NATIONAL REGISTER LISTING

One way to find out whether your property is listed in the state or national register of historic places is to consult our Architecture and History Inventory, which contains information about a great number of buildings in Wisconsin, both listed and unlisted. If your building is listed, either individually or as a contributing element to a historic district, the Architecture and History Inventory will tell you.

To consult the Architecture and History Inventory, go to [www.wisconsinhistory.org/ahi](http://www.wisconsinhistory.org/ahi).

## HISTORIC HOME OWNER'S TAX CREDITS

Owning a historic property in Wisconsin carries with it several benefits. One of these is the ability to participate in federal and state income tax incentives programs for rehabilitation of historic properties. Currently, there are three programs available to owners of properties that are listed on the national or state registers of historic places, or that may be eligible for listing in the national register. These programs include:

- Wisconsin 25% Historic Rehabilitation Credit. A 25% Wisconsin Investment Tax Credit for persons who rehabilitate historic non-income producing, personal residences, and who apply for and receive project approval before beginning physical work on their projects.
- Wisconsin 5% Supplement to Federal Historic Rehabilitation Credit. An additional 5% Wisconsin Investment Tax Credit for persons who qualify for the 20% tax credit, and who begin actual rehabilitation work.
- Federal 20% Historic Rehabilitation Credit. A 20% federal Investment Tax Credit for rehabilitation of income producing historic buildings.

### WISCONSIN 25% HISTORIC REHABILITATION CREDIT

The Wisconsin Historical Society's Division of Historic Preservation administers a program of 25% state income tax credits for repair and rehabilitation of historic homes. To qualify, your personal residence must be one of the following:

- Listed in the state or national register;
- Contributing to a state or national register historic district; or
- Be determined through the tax credit application process to be eligible for individual listing in the state register.
- And you must spend at least \$10,000 on the following types of eligible work within a two-year period:

Work on the exterior of your house, such as roof replacement and painting, but not including site work such as driveways and landscaping;

- Electrical wiring, not including electrical fixtures;
- Plumbing, not including plumbing fixtures;
- Mechanical systems, such as furnaces, air conditioning, and water heaters; and
- Structural work, such as jacking up floors.
- Interior remodeling and decoration.

If you cannot meet the \$10,000 minimum investment requirement within the two-year period, when you apply, you may request a five-year expenditure period.

### **Staff Review**

All applications must be reviewed by Division of Historic Preservation staff prior to the start of any work to make sure that the homes are historic and that the proposed work will not have a harmful effect on the houses' materials and historic features. This review usually takes less than three weeks.

### **Other Rules and Guidelines**

If you sell the property within five years of claiming the credit, you must pay back the credit to the Wisconsin Department of Revenue. During that five-year period, you must receive State Historic Preservation Office approval for any proposed work that may affect your property's historical integrity.

Because this is both a historic preservation program and a program of income tax credits, other rules and guidelines exist. Before you apply, you should request and read through the application materials.

### **Application Materials**

A description of the program, rehabilitation guidelines and applications are available at the Wisconsin Historical Society website in digital format or you can request paper copies of these documents by calling 608-264-6493.

The historic preservation tax incentives are not for everyone. You may want to consult Table 5.1: Tax Incentive Requirements to determine if you want to participate in these programs.

### **WISCONSIN 5% SUPPLEMENT TO FEDERAL HISTORIC REHABILITATION CREDIT**

If you qualify to receive the federal 20% Investment Tax Credit, you will automatically receive the Wisconsin 5% Investment Tax Credit if you apply for and receive National Park Service approval of your project before beginning physical work. If you begin work before your project is approved, you will not be able to claim the Wisconsin 5% Investment Tax Credit.

**Table 5.1:** Summary of requirements for state and federal tax credit programs

	Fed 20% Credit	Fed 20% credit and WI 5%	WI 20% Credit	Fed 10% Credit
<b>Historical Status</b>				
Listed in the National Register of Historic Places	Yes	Yes	Yes	
Listed in the State Register of Historic Places			Yes	
Located in a National Register Historic District	Yes	Yes	Yes	
Located in a State Register Historic District		Yes		
Eligible for National Register, but not yet listed	Yes	Yes		
Built before 1936				Yes
<b>Types of work that qualify for the credit</b>				
Exterior work, excluding site work	Yes	Yes	Yes	Yes
Interior decorative work	Yes	Yes		Yes
Structural, heating, plumbing, and electrical work	Yes	Yes	Yes	Yes
<b>Application Requirements</b>				
Must submit federal applications	Yes	Yes		
Must submit state applications			Yes	
Work must be approved before work may begin		Yes		
<b>Minimum expenditures to qualify for credit</b>				
Cost of rehab must exceed the building's adjusted basis	Yes	Yes		Yes
Cost of eligible work must exceed \$10,000			Yes	
<b>Limitations on Credit</b>				
Subject to \$10,000 maximum credit			Yes	
Subject to federal passive loss rules	Yes	Yes		Yes



#### FEDERAL 20% INVESTMENT TAX CREDIT

- To qualify, your building must be used in the production of income, either residential or non-residential income.
- Your property must be listed in the National Register, contribute to a National Register district, or be determined eligible for listing in the National Register through the application process.
- You must spend at least as much money on the rehabilitation project (not including the value of non-depreciable items, such as landscaping and additions) as the “adjusted basis” of the building – or \$5,000, whichever is greater. The adjusted basis is the building’s depreciated value.
- All rehabilitation work that you carry out on the interior and exterior of the building qualifies for the credit.
- If you sell the property within five years of claiming the credit, you must pay back a pro-rated portion of the credit to the Internal Revenue Services. During that five-year period, you must receive State Historic Preservation Office approval for any proposed work that may affect your property’s historical integrity.
- No maximum credit limit exists.
- The program is administered by the National Park Service which approves all work. Application is made through the Division of Historic Preservation, State Historical Society.
- The National Park Service is required to charge a fee for its project review. This fee varies, depending on the costs being claimed, with a maximum fee of \$2,500.