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**National Register of Historic Places Fact Sheet**

The National Register of Historic Places is the nation's official list of buildings, structures, objects, sites, and districts worthy of preservation. The National Register was established by the National Historic Preservation Act of 1966. The purposes of the Act are: to insure that properties significant in national, state, and local history are considered in the planning of federal undertakings; and to encourage historic preservation initiatives by state and local governments and the private sector.

The following benefits are associated with National Register listing:

1. Listed properties may use the State Historic Building Code, a more flexible alternative to the Uniform Building Code. The use of this code may save owners money when repairing or rehabilitating their properties.
2. Under the Tax Reform Act of 1986, a privately owned building that is listed in the National Register or is a contributing building in a National Register historic district may be eligible for a 20% federal income investment tax credit based on the costs of a qualified rehabilitation of the building. These credits apply only to income-producing, depreciable properties, including residential rental properties. The credits do not apply to owner-occupied residential properties. Plans for the rehabilitation are reviewed by the State Historic Preservation Office and the National Park Service, and work on the building must meet federal rehabilitation standards.
3. The Tax Treatment Extension Act of 1980 provides federal tax deductions for preservation easements that result in a decline of fair market value, when conservation restrictions are placed on the property by the owner.
4. All properties and districts listed in or eligible for listing in the National Register are considered in the planning of federal undertakings such as highway construction and Community Development Block Grant projects. "Federal undertakings" also include activities sponsored by state or local governments or private entities if they are licensed or partially funded by the federal government. "Federal undertakings" **do not** include loans made by banks insured by the FDIC or federal farm subsidies. National Register listing does not provide absolute protection from federal actions that may affect the property. It means that if a federal undertaking is in conflict with the preservation of a National Register property, the California Office of Historic Preservation will negotiate with the responsible federal agency in an effort to eliminate, minimize, or otherwise take into account the undertaking's effect on the historic property. This review procedure applies to properties that are determined eligible for the National Register in the day-to-day

environmental review process, as well as those actually listed in the National Register.

5. In California, a local tax assessor may enter into contracts with property owners for property tax reductions through the Mills Act.
6. Qualification for grants when funds are available.
7. Listed properties are recognized for their architectural or historic worth, an intangible benefit that is nonetheless valuable. Listing in the Register is primarily an honor, meaning that a property has been researched and evaluated according to established procedures and determined to be worthy of preservation.
8. Properties listed in, or officially determined eligible for listing in the National Register are automatically listed in the California Register of Historical Resources.

The following may sometimes be regarded as restrictions on National Register listed properties:

1. A project receiving federal assistance such as Community Development Block Grant funds must be reviewed by the Office of Historic Preservation to determine and hopefully avoid or lessen any potentially adverse effects on National Register properties. Any work undertaken using federal funds must generally use the Secretary of the Interior's Standards for Rehabilitation Projects. Please note, however, that if a property is not listed, but is eligible for listing, the same requirements apply. In other words, actual listing does not increase the owner's responsibility under the law.
2. If a project is subject to the California Environmental Quality Act (CEQA), then the National Register designation of a property (or the determination of its eligibility) would indicate its significance and the need to take into account any effects of the project on the property. Note - this is not necessarily a drawback, depending on the point of view of the owner/local agency. Note also that significance can also be evidenced by other state or local designation, surveys, or other professional evaluation.
3. A local agency **may** tie listing in the National Register to restrictions imposed locally, such as design review. This does not come automatically with listing, however, but must come about as a result of separate local action. Check with your local government.
4. If a property is listed in the National Register, either individually or as a contributor in a National Register district, the owner may not take the 10% federal investment tax credit available for rehabilitation projects on commercial buildings constructed prior to 1936. By following the Secretary of the Interior's Standards, however, the owner may take the 20% tax credit.

5. Proposals to demolish or significantly alter a National Register property damaged in an earthquake or other natural disaster may be subject to review by the Office of Historic Preservation. (See Section 5028 of the Public Resources Code.)

There are some common misconceptions about the implications of listing:

1. It is not true that the federal, state, or local government assumes any property rights in the building as a result of listing. Owners are not required to open their homes to the public. If a project is not subject to CEQA, to local preservation ordinances, or to the other environmental regulations outlined above, owners are free to make changes to their property. It is possible that the property could be so altered, however, that it would be removed from the Register.
2. Unfortunately, it is also not true that there are large sums of money available to assist owners and local agencies in rehabilitating National Register properties. Funds are very limited, with the federal tax credits being the most generally available financial assistance.

