

**Office of Historic Preservation  
Proposed Regulatory Action:  
State Historic Rehabilitation Tax Credit  
Proposed Regulation Text**

SECOND 15-DAY PUBLIC REVIEW AND COMMENT PERIOD  
REGULATIONS TEXT MODIFICATIONS KEY

Proposed modifications to the regulation text are identified in this 15-Day Public Review and Comment as follows:

- Regulation text deletions and additions in the 45 day notice of proposed rulemaking action ----- No underline or strikethrough because all text is adopted.
- First 15-day notice of proposed rulemaking action text deletions (9/30/23) ----- ~~double strikethrough~~
- First 15-day notice of proposed rulemaking action text additions (9/30/23) ----- double underline
- Additional proposed additions from text clarification and OAL comments of proposed rulemaking action ----- *italics*
- Additional proposed deletions from text clarification and OAL comments of proposed rulemaking action ----- ~~**bold strikethrough**~~
- Additional proposed additions in the second 15 day notice of proposed rulemaking action ----- single underline
- Additional proposed deletions in the second 15 day notice of proposed rulemaking action ----- ~~single strikethrough~~

These proposed regulations will add a new subchapter 1, "State Historic Rehabilitation Tax Credit" Section 4859 to Chapter 11.5 of Division 3 of Title 14 of the California Code of Regulations.

**§4859.01. ~~State Historic Rehabilitation Tax Credit Program~~ Authority and Function.**

(a) Section 17053.91 and Section 23691 of the California Revenue and Taxation Code directs the Office of Historic Preservation (OHP) to adopt regulations to establish a written application ~~which includes a summary of expected economic benefits of the project, establish a process~~ to determine that applicants meet project requirements and to ensure that the rehabilitation project meets the ~~Secretary of the Interior's~~ Standards for Rehabilitation, ~~as found in~~ part 67.7 of Title 36 of the Code of Federal Regulations, and establish a program to approve, or reject, all tax credit allocation applications.

(1) This program shall be known as the State Historic Rehabilitation Tax Credit (SHRTC).

~~(b) California Public Resources Code Section 5024.6 designates the State Office~~

**of Historic Preservation (OHP) as the authority to administer state and federal incentive programs for the preservation of historical resources, including the California Register of Historical Resources.**

(b) ~~(c)~~ The OHP establishes program directions in coordination with the California Tax Allocation Committee (CTCAC). ~~and considers appeals of certification denials. It is the responsibility of owners wishing certifications to provide sufficient documentation to the OHP to make certification decisions. These procedures, upon their effective date, are applicable to future and pending certification requests, except as otherwise provided herein.~~

(1) The OHP is responsible for ensuring that the proposed rehabilitation project meets the Secretary of the Interior's Standards for Rehabilitation and that the property is a certified historic structure or that is a qualified residence or a certified historic building. Requests for certifications and approval of proposed rehabilitation work are sent by an owner to the OHP. State comments are recorded on State Tax Credit Review Sheets.

(2) The CTCAC is responsible for all procedures, legal determinations, and rules and regulations concerning tax credit allocation and compliance. ~~the tax consequences of the historic preservation provisions described in this part.~~

(c) ~~(d)~~ Tax credits are allocated to for three funding categories as interpreted in the Revenue and Tax Code 17053.91(j) and 23691(j):

(1) A certified historic structure that is a qualified residence; and

(2) A certified historic building with qualified rehabilitation expenditures of less than one million dollars; and

(3) A certified historic building with qualified rehabilitation expenditure of one million dollars or more.

(d) Projects completed before January 1, 2022 do not qualify to apply for the state historic rehabilitation tax credit.

(1) Federal tax credit projects completed or participating in the federal review process on or after January 1, 2022 must submit an Initial Project application with fees to receive approval from OHP and tax allocation from the CTCAC.

(2) After a tax allocation has been received, subsequently completed projects must submit the Completed Project Application with fees.

*Sections 17053.91 and 23691 of the Revenue and Taxation Code; Section 5024.6, Public Resources Code.*

*References: Secretary of the Interior's Standards for Rehabilitation, Part 67.7 of Title 36 of the Code of Federal Regulations; Sections 17053.91 and 23691, Revenue and Taxation Code.*

**§4859.02. Definition of Key Terms.**

As used in these regulations:

(a) “California Register of Historical Resources” (California Register) means the California Register designed for use by state and local agencies, private groups, and citizens to identify, evaluate, register, and protect California's historical resources. The ~~procedures of criteria~~ for the California Register appear in California Code of Regulations, California Register of Historical Resources (Title 14, Division 3, Chapter 11.5).

(b) California Tax Credit Allocation Committee (CTCAC) ~~that~~ co-administers the state rehabilitation of certified historic structures and qualified residences tax credit program and allocates the state tax credits against personal income and corporation taxes.

(c) “Certification” means the ~~approval status of a~~ approved project application for the completed project meets the Standards for Rehabilitation as affirmed by the OHP.

(d) “Certified Historic Structure” has the same meaning as defined in Section 47(c)(3) of the Internal Revenue Code, that is a structure in California and is listed on the California Register of Historical Resources. This means a structure that is either:

(1) Individually listed in the California Register; or

(2) ~~Listed as a contributor to a registered historic district that is listed in the California Register. Located within the boundaries of a historic district listed in the California Register and designated as being a contributor to the significance of the historic district~~

(3) ~~Rowhouses, even with abutting or party walls are considered as separate buildings. Portions of larger buildings, such as single condominium apartment units, are not independently considered certified historic structures.~~

(e) “Certified Rehabilitation” means any *completed* rehabilitation of a certified historic structure or qualified residence that ~~which~~ the OHP has **certified affirmed** to the CTCAC as being consistent with the Standards for Rehabilitation ~~historic character of the certified historic structure and, where applicable, within the registered historic district. with the district in which such structure is located.~~

(f) “*Dual Project*” is a project applying for both the federal and state tax credit, where federal documentation standards are also used as SHRTC submittals.

(g) ~~(f)~~ Functionally related buildings” are those that have historically functioned together to serve an overall purpose.

(g) ~~“Historic District” means a geographically definable area, urban or rural, that possesses a significant concentration, linkage or continuity of sites, buildings, structures, or objects united historically or aesthetically by plan or physical development. A district may also comprise individual elements separated geographically during the period of significance but linked by association or function.~~

(h) ~~(g)~~ “Inspection” means a visit by an authorized representative of the OHP to a certified historic structure or qualified residence for the purposes of reviewing and evaluating the significance of the ~~structure~~ property and the ongoing or completed

rehabilitation work.

(i) ~~(h)~~ “National Park Service, Technical Preservation Services” (NPS TPS) means the National Park Service, Washington Area Service Office, Technical Preservation Services, Heritage Preservation Services Office ~~and the National Register of Historic Places~~.

(j) ~~(i)~~ “Office of Historic Preservation” (OHP) means the California Office of Historic Preservation designated by *Public Resources Code section 5024.6* ~~State statute~~ to administer historic preservation programs within California.

(k) ~~(j)~~ “Owner” means a person, partnership, corporation, or public agency holding a fee-simple interest in a property or any other person, or entity recognized by the ~~Internal Revenue Code and the~~ California Franchise Tax Board for purposes of the applicable tax benefits.

(l) ~~(k)~~ “Property” means *a building and its site, and landscape features*, ~~and all buildings and constructed features contained within property boundaries~~.

(m) ~~(l)~~ “Qualified Residence” has the same meaning as that term is defined in Section 163(h)(4) of the Internal Revenue Code, that will be owned and occupied by an individual taxpayer who has a modified adjusted gross income, as defined by Section 86(b)(2) of the Internal Revenue Code, of two hundred thousand dollars (\$200,000) or less, as the taxpayer’s principal residence or what will be the taxpayer’s principal residence within two years after the rehabilitation of the residence.

(n) ~~(m)~~ “Qualified Rehabilitation Expenditure” (QRE) has the same meaning as that term ~~a/s~~ defined in:

(1) Section 47(c)(2) of the Internal Revenue Code, except that qualified rehabilitation expenditures may include expenditures in connection with the rehabilitation of a building without regard to whether any portion of the building is or is reasonably expected to be tax-exempt use property.

(2) Section 47(c)(2) of the Internal Revenue Code ~~and~~ also means rehabilitation expenditures incurred by the taxpayer with respect to a qualified residence for the rehabilitation of the exterior of the building or rehabilitation necessary for the functioning of the home, including, but not limited to, rehabilitation of the electrical, plumbing, or foundation of the qualified residence.

(o) ~~(n)~~ “Registered Historic District” means any district listed in the California Register.

(p) ~~(o)~~ “Rehabilitation” means the process of returning a building or buildings to a state of utility, through repair or alteration, which makes possible an efficient use while preserving those portions and features of the building and its site and environment ~~which~~ that are significant to its historic, architectural, and cultural values as determined by the OHP.

(q) ~~(p)~~ “Secretary of the Interior’s Standards for Rehabilitation” (Standards for

~~Rehabilitation) means the Secretary of the Interior's Standards for Rehabilitation set forth in Secretary of the Interior's Standards for Rehabilitation, as found~~ has the same meaning as that term is defined in part 67.7 of Title 36 of the Code of Federal Regulations ~~and Section 4859.06-07 hereof.~~

Sections 17053.91 and 23691 of the Revenue and Taxation Code; Section 5024.6, Public Resources Code.

References: Secretary of the Interior's Standards for Rehabilitation, Part 67.7 of Title 36 of the Code of Federal Regulations; Sections 17053.91 and 23691, Revenue and Taxation Code.

**~~§4859.03. Initial Project Application. Certifications of significance, rehabilitation, and information collection.~~**

(a) Property eligibility:

(1) The property must be listed on the California Register of Historical Resources or National Register of Historic Places.

(A) Dual projects applying for the federal tax credit also are qualified to apply for state tax credit when the signed NPS Part 1 "Evaluation of Significance" form pursuant to 36 CFR 67.4 is received by OHP.

(B) Properties not listed on the California Register or National Register and applying for tax credit must first be nominated for and listed using the procedures found on the Registration Unit web pages on the OHP website and as cited criteria in either the California Code of Regulations CCR Title 14 Division 3, Chapter 11.5 section 4851 and Public Resources Code PRC 5024.1, or Title 36 Part 60.6 of the Code of Federal Regulations.

(2) *For properties not listed on the California Register or National Register, or the listing status is unclear, request clarification of the property listing status from the OHP:*

(A) *Send an email to [calshpo.tax@parks.ca.gov](mailto:calshpo.tax@parks.ca.gov), using subject line "CR listing status request for <property address, city and county>"*

(B) *In the body of the email, provide the full name of the correspondent, the historic name the building is known by (if any), and the year the building was built, if known. Photos of the property may be attached at the correspondent's option.*

(C) *The OHP will contact the correspondent by email within 10 business days of the initial email receipt with the property listing status and further directions for listing the property pursuant to section 4853.*

(3) *Nomination and listing of a property in the California or National Register is a separate regulatory action which must be completed before applying for state tax credit. For information on the nomination procedure, refer to section 4853 or 36 CFR 60.6.*

(b) Who may apply:

~~(1) Ordinarily, The fee simple owner of the property, proposed for rehabilitation may apply for the certifications of significance or rehabilitation as described in Sections 4859.04, or~~

(2) If an application is made by someone other than the fee simple owner, the application must be accompanied by a written statement from the fee simple owner indicating that he or she is aware of the application and has no objection to the request for certification.

(c) How to apply:

~~(1) Requests for **project certifications** rehabilitation tax credits of historic significance and of rehabilitation shall be made on use the state tax credit Application forms v. 5/24 incorporated by reference herein available on the OHP website.~~

~~(2) The total **Certifications of Applications for rehabilitation tax credit** procedure consists of two parts: an Initial Project Application and a Completed Project Application.~~

~~(A) The Initial Project Application shall be used as confirmation that the subject property is listed in the California Register (Initial Project Application form v. 5/24 Section 1), to submit a description of the proposed rehabilitation and supplemental material (Initial Project Application form v. 5/24 Section 2), and to request a tax credit allocation (Initial Project Application form v. 5/24 Section 3). **to request confirm a certification of historic significance, request approval of an evaluation of a proposed rehabilitation project.** and qualify for an allocation of the state tax credit. Information requested in the application is required to obtain a benefit.~~

~~1. An Amendment form template (Initial Project Application form v. 5/24 Section 2) is provided as part of the Initial Project Application v.5/24 to revise the project if needed.~~

~~(B) The Completed Project Application (Completed Project Application form v. 5/24 Section 4) shall be used to **certify document confirm that the completed rehabilitation** project was completed as described in the Initial Project Application v. 5/24 and meets the Standards for Rehabilitation, and certifies the Qualified Rehabilitation Expense (QRE) cost (Completed Project Application form v. 5/24 Section 5) conforms to the approved description of the proposed project, and to verify the final qualified rehabilitation expenditure.~~

~~(3) Certified historic structure projects receive a tax credit of 20% of the certified QRE costs. Applicants have the option to qualify for a 25% tax credit if the certified historic structure meets one of the following criteria:~~

~~(A) The structure is located on federal surplus property, if obtained by a local agency under Section 54142 of the Government Code, on surplus state real property, as defined by Section 11011.1 of the Government Code, or on surplus land, as defined by subdivision (b) of Section 54221 of the Government Code.~~

~~(B) The rehabilitated structure includes affordable housing for lower-income households, as defined by Section 50079.5 of the Health and Safety Code.~~

(C) *The structure is located in a designated census tract, as defined in paragraph (7) of subdivision (b) of Section 17053.73.*

(D) *The rehabilitated structure is a part of a military base reuse authority established pursuant to Title 7.86 (commencing with Section 67800) of the Government Code.*

(E) *The structure is a transit-oriented development that is a higher density, mixed-use development within a walking distance of one-half mile of a transit station.*

*Specific criteria documenting 25% tax credit qualification are in Appendix D of the Instructions v. 5/24, incorporated by reference herein.*

(4) *Applicants apply for one of three tax credit allocation categories:*

(A) *Qualified Residences*

(B) *Projects with QRE costs less than \$1,000,000*

(C) *Projects with QRE costs \$1,000,000 or more*

(5) *Each category is allocated specific budget amounts by the legislature every fiscal year. When the anticipated cost totals of every project in that category approach the total budgeted allocation amounts, OHP will announce that applications for that category are no longer accepted until the next fiscal year when allocations are budgeted again.*

*As each tax credit funding category is exhausted, OHP will stop taking applications for that category. OHP will return any unprocessed applications and fees to the applicant.*

*OHP will notify the public that the funding category is exhausted and applications are no longer being accepted by OHP email lists and the OHP social media.*

*When additional funding is available, OHP will begin accepting applications and will notify the public by OHP email lists and the OHP social media. Applications returned due to lack of allocation funding must resubmit their application.*

(6) ~~(3)~~ OHP charges a fee to review the Initial Project Application and the Completed Project Application. The fee must be submitted with the application for the review to be performed. Fees will be calculated based on the rates published ~~on~~ in the Instructions v. 5/24 website. Fees are nonrefundable except where provided in subsection (c)(4).

(7) ~~(4)~~ Applications received by OHP are logged in their order of arrival.

(8) ~~(5)~~ Generally, Application reviews of certification are concluded within 30 days of receipt of a complete, adequately documented application *submittal*.

~~(6) Applications shall be submitted to the OHP electronically when also applying for the Federal Historic Preservation Tax Incentives program (dual project).~~

(9) ~~(7)~~ Applications and ~~supporting~~ supplemental documentation submitted for state tax credit *Qualified Residences only*, may be submitted either electronically or as a hard copy at the applicant's *discretion*.

(10) ~~(8)~~ Directions for electronic submission are found in the aApplication i/nstructions v. 5/24 and on the OHP website.

(11) ~~(9)~~ The OHP may request hard copies of some or all application materials on a case-by-case basis when needed for review purposes.

(d) Upon receipt of a complete Initial Project Application describing the rehabilitation project, the OHP shall determine if the project is consistent with the Standards for Rehabilitation. If the project does not meet the Standards for Rehabilitation, the applicant will be advised of that fact notified in writing and will be advised of necessary revisions to meet the Standards for Rehabilitation.

~~(d) State tax credit applications are available from the OHP on the OHP website.~~

~~(1) State tax credit applications shall be submitted to the OHP electronically. The OHP may request hard copies of some or all application materials on a case by case basis when needed for review purposes.~~

(e) ~~When~~ If adequate documentation is not provided, the Applicant will be notified of the additional information needed to undertake the review. The review will be placed on "hold" until complete information is received, at which time the review period begins again. **When requested documentation is not provided, a denial of certification will be issued due to a lack of information.** A review period longer than expected does not waive or alter any certification requirement.

~~(1) Applicants must submit confirmation of listing on the California Register with the description of the proposed project as part of their Initial Project Application. Reviews will not be processed until the property is confirmed as listed in the California Register.~~

(f) Application decisions by the OHP are conveyed in writing only to the applicant and to the CTCAC.

(g) ~~Application approval by the OHP is conveyed in writing only.~~ **Certifications Decisions** are ~~decided~~ **decided** determined based on the descriptions contained in the application form and other **available supplementary material information**. In the event of any discrepancy between the application form and ~~other~~, supplementary material submitted with it (such as architectural plans, drawings, specifications, etc.), the applicant shall be requested to resolve the discrepancy in writing. In the event the discrepancy is not resolved, the description in the application form shall take precedence.

(h) An applicant will not be held responsible for prior rehabilitation work that was undertaken by previous owners.

(i) Because the circumstances of each rehabilitation project are unique to the individual historic structure involved, previous certifications granted to other rehabilitations do not form a precedent and may not be relied on as applicable to other projects.



(j) For rehabilitation projects that are to be completed in phases over the alternate 60-month period allowed in Section 47 of the Internal Revenue Code (and Section 17053.91 of the California Revenue and Taxation Code), the Initial Project Application and supporting architectural plans and specifications should identify the project as a 60-month phased rehabilitation project and describe the number, order, and general scope of each phase. If the Initial Project Application clearly identifies the project as a phased rehabilitation, the OHP will consider the project in all its phases as a single rehabilitation.

(1) Work undertaken in a later phase of a 60-month phased project that does not meet the Standards for Rehabilitation, whether or not submitted for review, may result in a denial of certification of the entire rehabilitation, considered in the context of the project as a whole.

(k) Qualified Residence projects applications are not eligible for phasing.

(l) Applicants must commence rehabilitation within 365 days after issuance of the tax credit allocation by the CTCAC. If rehabilitation is not commenced within this time period, the tax credit allocation shall be forfeited, and the credit amount associated with the tax credit allocation shall be treated as an unused allocation tax credit amount. Applicants shall provide documentation, such as a Notice To Proceed or a signed construction contract, to the OHP before the deadline expires.

(m) The reviewed Initial Project Application form is sent by the OHP to the CTCAC for their action in the order reviews are completed.

(n) Once a proposed project has been approved certified, substantive changes in the work from those described in the application must be brought promptly to the attention of the OHP by written statement using the Amendment form v. 5/24 to ensure continued conformance to the Standards for Rehabilitation. The OHP will notify the applicant whether the revised project continues to meet the Standards for Rehabilitation. Amendments do not incur any additional fees.

*(1) Dual projects submitting Amendments use the federal Amendment/Advisory Determination Form pursuant to 36 CFR 67.6(d).*

~~(o) As each tax credit funding category is exhausted, OHP will stop taking applications for that category. OHP will return any unprocessed applications and fees to the applicant.~~

~~(p) OHP will notify the public by OHP email list and will post on the OHP website home page and the SHRTC page that the funding category is exhausted and applications are no longer being accepted.~~

~~(q) When additional funding is available, OHP will begin accepting applications and will notify the public by OHP email list and post on the OHP website home page and the SHRTC page.~~

~~(r) Completed Project Certifications will be issued only to owners of approved projects, with a copy issued to the applicant if the two are not the same.~~

Sections 17053.91 and 23691 of the Revenue and Taxation Code; Section 5024.6, Public Resources Code.

References: Secretary of the Interior's Standards for Rehabilitation, Part 67.7 of Title 36 of the Code of Federal Regulations; Sections 17053.91 and 23691, Revenue and Taxation Code.

#### **§4859.04. Determination ~~Certifications~~ of Historic Significance.**

(a) All individual properties and historic districts listed on the National Register of Historic Places are automatically listed on the California Register.

~~(b) A building must be listed on the California Register at the time of the tax credit application submittal. Buildings not yet listed are not eligible for the credit.~~

(b) *Dual project properties are automatically listed in the California Register when the federal Part 1 "Eligibility Evaluation of Significance" Form pursuant to 36 CFR 67.4 is signed by the NPS, returned to the applicant, and copied to the OHP.*

(c) ~~(b)~~ A property ~~individually~~ listed in the California Register, either individually or as a contributing resource to a registered historic district, is ~~generally~~ considered a certified historic structure or a qualified residence and no further action is required, except when:

(1) ~~Multiple Building Properties: Some properties individually listed in the California Register include more than one building. In such cases, the applicant must submit additional information as described in the Initial Project Application Narrative Template describing which requires descriptions of all the buildings within the listing. The federal Standards for Evaluating Significance within Registered Historic Districts, as found in part 67.5 of Title 36 of the Code of Federal Regulations, will be used to determine which of the buildings included with the listing are significant to the property as described in Section 4859.05.~~

(2) **Buildings** ~~Functionally Related Buildings Historically:~~ Properties containing more than one building where the buildings are ~~judged determined~~ by the OHP to ~~have been~~ be functionally related historically, to serve an overall purpose, such as a detached garage or a tank house, mill complex or a residence and carriage house, will be treated as a single certified historic structure, ~~whether the property is individually listed in the California Register or is located within a registered historic district, when rehabilitated as part of an overall project. Buildings that are functionally related historically are those which have functioned together to serve an overall purpose during the property's period of significance. In the case of a property which contains more than one building where the buildings are judged to be functionally related historically, the applicant~~ must submit additional information as described in the Initial Project Application Narrative Template v. 5/24. The applicant must describe ing how the buildings were used together to perform a historical function ~~and an evaluation will be made~~ to determine whether the ~~component~~ related buildings contribute to the historic significance of the property.

~~(d) Demolition of separate structures as part of an overall rehabilitation project are described in Section 4859.05.~~

~~(e) Buildings Proposed to be Moved: If a building is to be moved as part of a rehabilitation for which certification is sought, the applicant must follow different procedures depending on whether the building is individually listed in the California Register or is within a registered historic district. If a building is moved, every effort should be made to re-establish its historic orientation, immediate setting, and general environment. Moving a building may result in the removal of the property from the California Register; consequently, a moved building may, in certain circumstances, be ineligible for rehabilitation certification.~~

~~(3) Documentation must be submitted that demonstrates:~~

~~(A) The effect of the move on the building's integrity and appearance (and proposed demolition, proposed changes in foundations, etc.);~~

~~(B) Photographs of the site and general environment of the proposed site;~~

~~(C) Evidence that the proposed site does not possess historical significance that would be adversely affected by the moved building;~~

~~(D) The effect of the move on the distinctive historical and visual character of the district, where applicable; and~~

~~(E) The method to be used for moving the building.~~

~~(f) For buildings individually listed in the California Register, the requirements contained in the California Code of Regulations, California Register of Historical Resources related to special considerations for moved buildings (Title 14, Chapter 11.5, Section 4852(d)(1)) must be met. If the documentation submitted by the applicant does not indicate these requirements were met, the OHP may deny certification of the project.~~

~~(g) If an applicant proposes to move a building into a registered historic district or proposes to move a building elsewhere within a registered historic district, the OHP, as part of its review of the proposed project, will determine if the building will remain listed in the California Register and therefore retain its status as a certified historic structure.~~

~~(h) If a building was moved after it was listed on the California Register and prior to an Initial Application being submitted, the applicant must note this in the Initial Application and provide the information indicated in Section 4859.04(d)(1)(A-D) above. The OHP will not review the proposed project until it is determined that the special consideration for moved buildings in the California Register (Title 14, Chapter 11.5, Section 4852(d)(1)) have been met and, therefore, the building continues to be a certified historic structure for purposes of the State Historic Rehabilitation Tax Credit.~~

~~(i) Applicants shall report to the OHP any substantial damage, alteration or changes to a property that occurs after issuance of a confirmation of significance and prior to a final certification of rehabilitation. The OHP may withdraw a certification of significance, upon thirty days' notice to the applicant, if a property has been damaged, altered, or changed effective as of the date of occurrence. The property may also be removed from the~~

~~California Register, in accordance with the procedures in California Code of Regulations, California Register of Historical Resources (Title 14, Chapter 11.5). A revocation of certification of significance pursuant to this part may be appealed under Section 4859.07. For damage, alteration or changes caused by unacceptable rehabilitation work, see Section 4859.06(l).~~

*Sections 17053.91 and 23691 of the Revenue and Taxation Code; Section 5024.6, Public Resources Code.*

*References: Secretary of the Interior's Standards for Rehabilitation, Part 67.7 of Title 36 of the Code of Federal Regulations; Sections 17053.91 and 23691, Revenue and Taxation Code.*

### **§4859.05. Project Commencement, Completion, and Certification**

~~(a) Applicants applying for tax credits shall comply with the procedures and requirements listed below.~~

~~(b) The OHP charges a fee as described in Section 4859.09 for reviewing all proposed rehabilitation work. No certification decisions will be issued on any application until the appropriate remittance is received.~~

~~(c) A rehabilitation project for certification purposes encompasses all work on the property, including interior and exterior of the certified historic structure(s), its site and environment, related demolition, new construction or rehabilitation work which may affect the historic qualities, integrity or site, landscape features, and environment of the certified historic structure(s).~~

~~(d) In general, an applicant undertaking a rehabilitation project will not be held responsible for prior rehabilitation work not part of the current project, or rehabilitation work that was undertaken by previous owners or third parties.~~

~~(e) Because the circumstances of each rehabilitation project are unique to the individual historic structure involved, previous certifications granted to other rehabilitations do not form a precedent and may not be relied on as applicable to other projects.~~

~~(f) Projects in construction or completed are not eligible to apply for the State tax credit except in the case of projects also applying for federal tax credits where phased work has already begun, and state tax credits are being requested for future phases for which work has not begun.~~

~~(g) An applicant must complete the Initial Project Application according to instructions accompanying the application. These instructions explain in detail the documentation required for certification of a rehabilitation project. The application must describe a proposed rehabilitation project. In all cases, documentation, including photographs adequate to document the appearance of the structure(s), both on the exterior and on the interior, and its site and environment prior to rehabilitation must accompany the application.~~

~~(h) Other documentation, such as window surveys or cleaning specifications, may be required to completely evaluate rehabilitation projects. Plans for any attached, adjacent, or related new construction must also accompany the application. Where necessary documentation is not provided after repeated requests, a denial of certification will be issued on the basis of lack of information.~~

~~(i) In situations involving rehabilitation of a certified historic structure in a historic district, the OHP will review the rehabilitation project first as it affects the certified historic structure and second as it affects the district, and will determine certification accordingly.~~

~~(j) For rehabilitation projects that are to be completed in phases over the alternate 60-month period allowed in Section 47 of the Internal Revenue Code (and applicable sections of Section 17053.91 of the California Revenue and Taxation Code as it relates to a certified historic structure that is not a qualified residence), the Initial Project Application and supporting architectural plans and specifications should identify the project as a 60-month phased project and describe the number, order, and general scope of each phase within the overall rehabilitation project. If the Initial Project Application clearly identifies the projects as a phased rehabilitation, the OHP will consider the project in all its phases as a single rehabilitation.~~

~~(1) Work undertaken in a later phase of a 60-month phased project that does not meet the Standards for Rehabilitation, whether or not submitted for review, may result in a denial of certification of the entire rehabilitation, considered in the context of the project as a whole.~~

~~(2) Qualified residence project applications are not eligible for phasing.~~

~~(3) When a completed certified historic structure requests an advisory determination as part of a larger rehabilitation project, the requested certification will be based on review of the overall rehabilitation project for the certified historic structure.~~

~~(k) Upon receipt of the complete Initial Project Application describing the rehabilitation project, the OHP shall determine if the project is consistent with the Standards for Rehabilitation. If the project does not meet the Standards for Rehabilitation, the applicant will be advised of that fact in writing and, where possible, will be advised of necessary revisions to meet such Standards.~~

~~(l) Applicants must commence rehabilitation within 180 days after issuance of the tax credit allocation. If rehabilitation is not commenced within this time period, the tax credit allocation shall be forfeited, and the credit amount associated with the tax credit allocation shall be treated as an unused allocation tax credit amount.~~

~~(m) Once a proposed project has been initially approved, substantive changes in the work as described in the application must be brought promptly to the attention of the OHP by written statement to ensure continued conformance to the Standards. Such changes must be made using a state tax credit amendment/advisory determination application. The OHP will notify the applicant whether the revised project continues to~~

~~meet the Standards. Verbal approvals of revisions are not provided; only written approval of an Amendment Application is valid.~~

(a) Upon project completion, the applicant shall submit to the OHP a Completed Project Application providing the project completion date, ~~a signed statement that the project has been completed consistent with the work as described in the Initial Project Application,~~ total cost and QRE costs attributed to the rehabilitation, photo documentation of the completed project, and all other information as required in the ~~a~~Application.

(b) The rehabilitation project must meet all of the ~~Secretary of the Interior's~~ Standards for Rehabilitation (**Section 4859.06**). Portions of the rehabilitation project not in conformance with the Standards for Rehabilitation may be grounds for denial of the project as a whole.

~~(c) Conformance to the Standards for Rehabilitation will be determined on the basis of the application documentation and other available information by evaluating the property as it existed prior to the commencement of the rehabilitation project, regardless of when the property becomes or became a certified historic structure.~~

(c) ~~(d)~~ For rehabilitation projects involving more than one certified historic structure where the structures are deemed by the OHP to have been functionally related historically to serve an overall purpose, ~~such as a mill complex or a residence and carriage house,~~ rehabilitation certification will be issued on the merits of the overall project rather than for each structure or individual component. ~~For rehabilitation projects where there is no historic functional relationship among the structures, the certification decision will be made for each separate certified historic structure regardless of how they are grouped for ownership or development purposes.~~

(d) ~~(e)~~ For rehabilitation projects where there is no historic functional relationship among the structures, the certification decision will be made for each separate certified historic structure regardless of how they are grouped for ownership or development purposes.

~~(f) Demolition of a building as part of a rehabilitation project involving multiple buildings on the property may result in denial of certification of the rehabilitation. In projects where there is no historic functional relationship among the structures being rehabilitated, related new construction which physically expands one certified historic structure undergoing rehabilitation and directly requires the demolition of an adjacent structure will generally result in denial of certification of the rehabilitation unless a determination has been made by OHP that the building to be demolished is not historically significant. a certified historic structure.~~

(e) ~~(g)~~ In rehabilitation projects where the structures have been determined to be functionally related historically, demolition of a component may be approved, in limited circumstances, when:

(1) The component is outside the period of significance of the property; or

(2) The component is so deteriorated or altered that its integrity has been irretrievably lost; or

(3) The component is a secondary one that generally lacks historic, engineering, or architectural significance or does not occupy a major portion of the site and persuasive evidence is present to show that retention of the component is not technically or economically feasible.

(f) ~~(h)~~ The OHP reserves the right to inspect completed projects at any time up to five years after completion of the rehabilitation and to revoke certification if it is determined that the rehabilitation project was not undertaken as represented by the applicant in ~~his or her~~ their application and **supporting supplemental** documentation, or that the applicant undertook further unapproved project work inconsistent with the ~~Secretary's~~ Standards for Rehabilitation. *In these situations, CTCAC will be notified of any change in certification status.*

(g) ~~(i)~~ ~~Similarly,~~ If a building located on a multiple building property has, through activities of the proposed tax credit project, lost those qualities which caused it to be designated a certified historic structure or qualified residence, it may be reclassified as no longer eligible for listing on the California Register and its certification may be withdrawn. ~~a noncontributor to the property. In either case, the delisting or certification of non-significance is considered effective as of the date of issue and is not considered to be retroactive.~~ In these situations, CTCAC will be notified of any change in certification status.

(h) ~~(j)~~ If a proposed, ongoing, or completed rehabilitation project does not meet the Standards for Rehabilitation, an explanatory letter will be sent to the applicant with a copy to CTCAC. A rehabilitated property not in conformance with the Standards for Rehabilitation and ~~which that~~ is determined to have lost those qualities ~~which that~~ caused it to be listed on the California Register, may be removed from the California Register in accord with California Code of Regulations, California Register of Historical Resources *section 4859 (Title 14, Chapter 11.5).*

*Sections 17053.91 and 23691 of the Revenue and Taxation Code; Section 5024.6, Public Resources Code.*

*References: Secretary of the Interior's Standards for Rehabilitation, Part 67.7 of Title 36 of the Code of Federal Regulations; Sections 17053.91 and 23691, Revenue and Taxation Code.*

#### **~~§4859.06. Standards for Rehabilitation.~~**

~~(a) The Standards for Rehabilitation are the criteria used to determine if a rehabilitation project qualifies as a certified rehabilitation. The intent of the Standards for Rehabilitation is to assist the long-term preservation of a property's significance through the preservation of historic materials and features. The Standards for Rehabilitation pertain to historic buildings of all materials, construction types, sizes, and occupancy and encompass the exterior and interior of historic buildings. The Standards for Rehabilitation also encompass~~

~~related landscape features and the building's site and environment, as well as attached, adjacent, or related new construction. To be certified, a rehabilitation project must be determined by the OHP to be consistent with the historic character of the structure(s) and, where applicable, the district in which it is located.~~

~~(b) The following Standards for Rehabilitation shall be applied to State Tax Credit the SHRTC rehabilitation projects in a reasonable manner, taking into consideration economic and technical feasibility.~~

~~(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.~~

~~(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.~~

~~(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.~~

~~(4) Most properties change over time; those changes that have acquired historic significance in their own right shall be retained and preserved.~~

~~(5) Distinctive features, finishes, and construction techniques or examples of craftsmanship that characterize a property shall be preserved.~~

~~(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.~~

~~(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.~~

~~(8) Significant archeological resources affected by a project shall be protected and preserved. If such resources must be disturbed, mitigation measures shall be undertaken.~~

~~(9) New additions, exterior alterations, or related new construction shall not destroy historic materials that characterize the property. The new work will 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.~~

~~(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.~~

~~(c) The quality of materials and craftsmanship used in a rehabilitation project must be commensurate with the quality of materials and craftsmanship of the historic building in questions. Certain treatments, if improperly applied, or certain materials by their physical properties, may cause or accelerate physical deterioration of historic buildings. Inappropriate physical treatments include but are not limited to: improper repointing techniques; improper exterior masonry cleaning methods; or improper introduction of insulation where damage to historic fabric would result. In almost all situations, use of these materials and treatments will result in denial of certification. Similarly, exterior additions that duplicate the form, material, and detailing of the structure to the extent that they compromise the historic character of the structure will result in denial of certification.~~

~~(d) Technical and economic feasibility are considered during the review of rehabilitation projects, but only to the extent that the OHP is able to certify that the overall project meets the Secretary's "Standards for Rehabilitation and is consistent with the historic character of the structure.~~

~~(e) For further information on appropriate and inappropriate rehabilitation treatments, applicants are to consult the Guidelines for Rehabilitating Historic Buildings published by the National Park Service Technical Preservation Services (NPS TPS). "Preservation Briefs" and additional technical information to help property applicants formulate plans for the rehabilitation, preservation, and continued use of historic properties consistent with the Secretary's Standards for Rehabilitation are available from the OHP and NPS TPS. Applicants are responsible for procuring this material as part of properly planning for a certified rehabilitation.~~

~~(f) In certain limited cases, it may be necessary to dismantle and rebuild portions of a certified historic structure or qualified residence to stabilize and repair weakened structural members and systems. In such cases, the OHP will consider such extreme intervention as part of a certified rehabilitation if:~~

~~(1) The necessity for dismantling is justified in supporting documentation;~~

~~(2) Significant architectural features and overall design are retained; and~~

~~(3) Adequate historic materials are retained to maintain the architectural and historic integrity of the overall structure.~~

~~(g) Prior approval of a project by Federal, State, and local agencies and organizations does not ensure certification by the OHP for State tax SHRTC purposes. For State tax SHRTC purposes, the OHP's interpretation of the Standards for Rehabilitation takes precedence over other project approvals in determining whether the rehabilitation project is consistent with the historic character of the property and, where applicable, the district in which it is located.~~

~~(h) The qualities of a property and its environment which that qualify it as a certified historic structure or qualified residence are determined considering all available information, including information derived from the physical and~~

~~architectural attributes of the building. Such determinations are not limited to information contained in the California Register or related documentation.~~

#### **§4859.067. Appeals.**

(a) The applicant or a duly authorized representative may appeal ~~a any of the certifications or denials of certification. made under this part or any decisions made under Section 4859.05(v).~~

(b) Appeals must:

(1) Be in writing; e.g., letter or email; *using subject line "Denial Appeal <OHP project no.>.*

(2) Be addressed to: State Historic Preservation Officer, California Office of Historic Preservation, PO Box 942896, Sacramento CA 94296-0001 or [info-calshpo.tax@parks.ca.gov](mailto:info-calshpo.tax@parks.ca.gov).

(3) Be received by the OHP within 30 days of receipt of *the denial* by the applicant, ~~of~~ or a duly authorized representative, **the correspondence of the decision which that is the subject of the appeal;** and,

(4) Include all information the applicant wishes the State Historic Preservation Officer (SHPO) to consider in deciding the appeal.

(c) The appellant may request a meeting to discuss the appeal.

(d) The OHP will notify CTCAC that an appeal is pending.

(e) ~~The State Historic Preservation Officer SHPO will consider the record of the decision in question, any further written submissions by the applicant, and other available submitted information and will provide the appellant a written decision as promptly as circumstances permit.~~

~~(f) Appeals under this section constitute an administrative review of the decision appealed from and are not conducted as an adjudicative proceeding.~~

(f) ~~(g) In considering such appeals or administrative reviews, t~~The State Historic Preservation Officer SHPO shall ~~take in account~~ *consider* alleged errors in professional judgment or alleged prejudicial procedural errors by OHP officials. The ~~State Historic Preservation Officer SHPO's decision may:~~

(1) Reverse the appealed decision; or

(2) Affirm the appealed decision; or

(3) Where appropriate, withhold a decision until receipt of additional information needed for review.

~~(h) The State Historic Preservation Officer SHPO may base his or her their decision in whole or part on matters or factors not discussed in the decision~~

~~appealed from. The State Historic Preservation Officer SHPO is authorized to issue the certifications discussed in this part only if he or she the SHPO considers that: the requested certification meets the applicable statutory standard upon application of the Standards set forth herein or he or she considers that prejudicial procedural effort by a state official legally compels issuance of the requested certification.~~

~~(1) the requested certification meets the applicable statutory standard upon application of the Standards of Rehabilitation set forth herein; or~~

~~(2) that prejudicial procedural effort by a state official legally compels issuance of the requested certification.~~

*(g) The SHPO will return an Appeals decision within 45 days of receipt of the appeal.*

~~(h) (i) The decision of the State Historic Preservation Officer SHPO shall be the final administrative decision on the appeal. No person shall be considered to have exhausted his or her their administrative remedies with respect to the certifications or decisions described in this part until the State Historic Preservation Officer SHPO has issued a final administrative decision pursuant to this section.~~

*(i) For dual projects, the SHPO may disagree with the NPS for denial of a project certification, the SHPO may separately approve the completed project for state tax credit and append a memorandum explaining reasons for approval to the OHP Completed review form.*

*Sections 17053.91 and 23691 of the Revenue and Taxation Code; Section 5024.6, Public Resources Code.*

*References: Secretary of the Interior's Standards for Rehabilitation, Part 67.7 of Title 36 of the Code of Federal Regulations; Sections 17053.91 and 23691, Revenue and Taxation Code.*

#### ~~§4859.08. Fees for processing certification requests.~~

~~(a) Fees charged by the OHP are calculated based on the Estimated and Final QRE project costs as defined by the applicant in the Initial Project Application and the Completed Project Application.~~

~~(b) Income producing project fees:~~

~~(1) The Initial Project Application fee is .5% of the Total Estimated QRE project costs up to \$125,000, plus 0.075% of the QRE cost over \$125,000~~

~~(2) The Completed Project Application fee is 1% of the Final QRE project costs plus 0.15% of the QRE cost over \$125,000 of the Final QRE project costs minus the Initial Project Application fee already paid.~~

~~(3) The total fee, i.e., the combined Initial Project Application fee and Completed Project Application fee, is capped at \$6,000.~~

~~(c) Qualified Residence project fees:~~

~~(1) The Initial Project Application fee is calculated at .5% of the Total Estimated QRE project costs up to \$125,000.~~

~~(2) The Completed Project Application fee is 1% of the Final QRE project costs up to \$125,000 minus the Initial Project Application fee already paid.~~

~~(3) The total fee, i.e., the combined Initial Project Application fee and Completed Project Application fee, is capped at \$1,250.~~

~~(d) The OHP will calculate fees based on the rates listed above and will issue fee requests to an applicant after an application has been received. No payment should be made until requested by the OHP.~~

~~(e) A certification decision will not be issued on an application until the appropriate remittance is received.~~

~~(f) Fees are nonrefundable.~~

~~(g) CTCAC charges a separate fee to conduct its review.~~

-End-

# STATE HISTORIC REHABILITATION TAX CREDIT APPLICATION INSTRUCTIONS

## 1. Application Forms

All SHRTC Application forms are fillable PDFs which are downloaded from the [OHP State Historic Rehabilitation Tax Credit web site](#). These include:

- Sections 1, 2 and 3 Initial Project Application,
- Section 2 Application Narrative Template,
- Section 2 Amendment form,
- Sections 4 and 5 Completed Project Application.

Section 3 provides tax and finance information to the California Tax Credit Allocation Committee (CTCAC) to confirm the applicant qualifies for state tax credit allocation.

Section 5 provides completed certified Qualified Rehabilitation Expenditure costs to the CTCAC to confirm the final value of the state tax credit.

Upload the completed application forms to OHP with the supplemental documentation for each submission as described in these Instructions.

The Application PDF is returned to the applicant with an authorized signature, review decision, and comments if applicable.

## 2. Application Overview

### A. State Projects

Projects applying only for state tax credit use all application forms and templates provided on the OHP State tax credit web page:

- The Initial Project Application.
- The Rehabilitation Application Narrative template.
- The Amendment Form.
- The Completed Project Application.
- Fees.

### B. Dual Projects

Projects applying for both the state and federal tax credits use only:

- The Initial Project Application.
- The Completed Project Application.
- fees.

The state review uses the same supplemental documentation and formats required by the federal tax credit program.

Amendments are reviewed using the federal amendment form 10-168b pursuant to 36 CFR 67.6. Dual projects do not submit state amendment forms.

Dual projects not currently listed in the California Register are listed in the California Register upon approval of the signed federal Part 1 “Evaluation of Significance” Form 10-168 pursuant to 36 CFR 67.4.

### **3. Application Format**

#### **A. The Initial Project Application has three sections:**

- Section 1: Confirmation of California Register Listing
- Section 2: Application Narrative Template and Impact of project on character-defining features.
- Section 2 Amendment: Use the Amendment form for changes during construction.
- Section 3: Project data, tax identification information, estimated project total and Qualified Rehabilitation Expenditure (QRE) costs and the allocation request. This section contains financial information for the CTCAC.

#### **B. The Completed Project Application has two sections:**

- Section 4: Request for Certification of Completed Work
- Section 5: Completed project data and final total costs. This section contains financial information and cost certification for the CTCAC.

The current version of the forms is at the top left of the Application page. Current form versions are available on the [State Historic Rehabilitation Tax Credit web page](#).

### **4. Tax Credit Categories**

#### **A. Applicants apply for one of three tax credit allocation categories:**

- Qualified Residences
- Projects with QRE costs less than \$1,000,000
- Projects with QRE costs \$1,000,000 or more

Each category is allocated specific budget amounts by the legislature every fiscal year. When the anticipated cost totals of every project in that category approach the total budgeted allocation amounts, OHP will announce that applications for that category are no longer accepted until the next fiscal year when allocations are budgeted again by email and OHP social media.

When new funding is allocated, OHP will announce that applications are being accepted.

## **5. Application Fees and Calculation**

### **A. OHP Fees:**

Qualified Residence fees are set at a flat rate of \$900. \$450 is paid with the Initial Project Application and \$450 is paid with the Completed Project Application.

All income-producing properties incur a fee of 1% of the Completed Qualified Rehabilitation Expense (QRE) up to the first \$125,000. An additional 0.15% for the QRE expenses above \$125,000 is added to the 1% base fee. Fees are capped at \$6000.

The Initial Project Application fee is one half of the estimated QRE cost declared on the Initial Project Application.

The Completed Project Application fee is the balance of the final fee calculated from the final total QRE cost declared on the form minus the Initial Application fee.

### **B. CTCAC Fees:**

**Processing Fee:** A fee in the amount of \$500 for Qualified Residence projects and \$1,000 for all other projects shall be submitted to the CTCAC at the time the applicant is notified by the OHP that the Initial Project Application is forwarded to the CTCAC.

**Administrative Fee:** A fee in the amount of 2% of the tax allocation credit shall be submitted to the CTCAC within 10 calendar days of the allocation award at project completion.

~~Refer to the CTCAC for fee remittance instructions.~~

Qualified Residence QRE costs DO NOT INCLUDE new construction or additions, furniture, landscaping, and small appliances.

All Projects with QRE costs below \$25,000 do not qualify for a tax credit.

## **6. Application Fee remittance**

OHP can only receive fee payments as a personal, corporate or cashier's check. Payments must be submitted at the time of application and can be mailed or delivered to the OHP office. The mailing address is:

OHP Tax Credit Program  
P.O. Box 942896  
Sacramento CA 94296

Make checks payable to "Office of Historic Preservation".

The CTCAC processing fee, in the form of a check, must be submitted to CTCAC at the time the applicant is notified by OHP that the Initial Project Application is forwarded to CTCAC.

The CTCAC Administrative Fee, in the form of a check, shall be submitted within 10 days of the time the applicant is notified by OHP that the Completed Project Application is forwarded to CTCAC.

The mailing address is:

CTCAC State Historic Tax Credit Program  
901 P Street, Suite 213A  
Sacramento CA 95814

Make checks payable to "CTCAC".

## **7. Application Signature**

Signatures can be either:

- A .jpg or transparent .png signature added onto the signature field.
- A hand-signed hard copy of the application front page and scanned as a PDF file. Include the PDF signed copy with the Initial submittal PDF. Note in the signature field that 'PDF of signed form is included'.
- A digital signature may be added to the fillable PDF.

Signatures typed into the signature field are not accepted.

## **8. State Section 2 Initial Project Application**

### **Section 1:**

1. Historic Property:
  - a. Provide the commonly known historic name of the property. If there is none, the property name is the street address.
  - b. Provide the address of the property.
  - c. Identify any local, state, or national historic district to which the property contributes, if any. Local listing designations can be included here. Identify the jurisdiction listing the property.
  - d. Type 'X' into only one box indicating the property is a contributor to a California registered Historic District, an individually listed property on the California Register, or an approved or pending federal tax credit Part 1 "Evaluation of Significance" form.
2. Project contact (if different from applicant):
  - a. Provide contact's name.
  - b. Provide contact's company.
  - c. Provide contact's mailing address.
  - d. Provide contact's phone number and email address.
3. Applicant:
  - a. Type 'X' into the box affirming that either the applicant is the owner of the property, or the owner is aware of the proposed project and has no objection to its rehabilitation.



Include a letter signed by the owner acknowledging the project and agreeing to the rehabilitation project.

- b. Provide applicant's name.
  - c. Provide applicant's signature.
  - d. Provide the date the application was signed.
  - e. Provide the name of applicant's business, company or corporation.
  - f. Provide applicant's mailing address.
  - g. Provide applicant's phone number.
  - h. Provide applicant's email address.
4. Confirmation of California Register Listing:
- a. Type 'X' into the box affirming that the property is either listed in the California Register or there is an approved or pending federal Part 1 "Evaluation of Significance" form. Include documentation of the California Register listing or NPS signed Part 1 "Evaluation of Significance" form with the Initial Project Application submittal.

## Section 2:

5. Determination of Significance:
- a. Type 'X' into all boxes that pertain to the proposed project. Include a description of the significance and/or functional relationship in the Application Narrative Template.
6. Project data:
- a. The total estimated cost of the project. (non-QRE + QRE)
  - b. The estimated total QRE costs.
  - c. Number of all buildings that are part of the constructed project. Include new construction.
  - d. The floor area before the rehabilitation and floor area after rehabilitation.
  - e. The estimated start date.
  - f. The estimated completion date.
  - g. Number of phases of construction for the project. Qualified residences are not phased.
  - h. The use of the property before rehabilitation and the proposed use after rehabilitation.
  - i. The number of dwelling units before rehabilitation and the number of dwelling units after rehabilitation.
  - j. The number of low to moderate income dwelling units before rehabilitation and the number of low to moderate income dwelling units after rehabilitation.
7. Application category and fee:
- a. Type 'X' into one box for the allocation category being applied for.
  - b. If 'Qualified residence' is selected, type 'X' in the box below to attest that the applicant occupies or will occupy the residence within two years, and that the applicant's

modified adjusted gross income is \$200,000 or less.

- c. Compute the fee amounts in the boxes across from the checked allocation category using the formula described in the “Application Fees and Calculation” paragraph above.
- d. ~~Submit the CTCAC Initial Project Application processing fee to the CTCAC at the time that OHP notification is received by the applicant that the application has been forwarded to the CTCAC for their action.~~
- e. ~~Submit the CTCAC Administrative fee as per the formula described in the “Application Fees and Calculation” paragraph above.~~

8. 25% Bonus Criteria:

If the project qualifies for one of the criteria that provide a 25% tax credit, identify which criteria is being applied and submit the documentation required as described in Appendix D of the Instructions.

### Section 3:

9. Section 3 Applicant Tax Identification Number:

The applicant identified in number 3 above provides their Tax Identification Number if an entity, or their Social Security Number if an individual.

Do not leave any field blank. Use ‘zero’ or ‘N/A’ (not applicable) if a field does not apply to the project.

Check that all fields are filled in, and that the correct applicant owner status box is selected. Confirm that the Application is signed and dated before submitting.

Mail or deliver the Initial Project fee using the formula provided in the Instructions to the OHP office address.

Submit the Application and separate supplementary documentation files using the secure OHP portal. Use the subject line “<Project name or mailing address> Initial Project submission” when requesting a link to the portal if the original link no longer works. Instructions to upload files and folders to the OHP secure submittal portal are in Appendix B.

## 9. Section 2 Initial Project Application Narrative Template

The Project Application Narrative Template is a part of the Initial Application form and must be filled out when applying for tax credit. A discussion identifying features is in Appendix C of the Instructions.

On the form, provide:

The Historic property name and address.

The form is a column of “blocks” numbered sequentially. Each block has a field to name a

feature of the building and the date of that feature. For example, if the feature was built with the certified structure constructed in 1910, then the feature dates to 1910. If a feature was added later as part of a remodel, provide the approximate year the feature was added. In the field provided, describe the feature, the material of the feature, and the condition of the feature (good, fair, poor).

When describing features of a room, include the floor, wall, and ceiling material and elements such as chair rails or cove molding. Include lighting fixture and whether they have been replaced, and mechanical features such as radiators or floor and wall grilles. Describe the window and door trim.

In the field provided below the feature description, describe any cleaning, repair or replacement of the feature as part of the proposed project. If no work to the feature is proposed, then state that no work is proposed.

The feature name field and the feature scope of work field are not expandable. The applicant may continue the description on a separate sheet or create a facsimile of the narrative template in a new document that allows more room for descriptions.

In the “Photo numbers” field, provide the photo numbers depicting the feature that corresponds to the numbered and labeled photos provided in the Initial submission.

In the “Drawing References” field, provide the drawing and detail number that specifies work to be done on the feature.

Numbers are provided in the first few blocks. Use the template with blank blocks to sequentially number blocks describing additional features.

Typical feature examples organized from exterior to interior, and room by room are found in Appendix A.

Submit the Application and separate supplementary documentation files using the secure OHP portal. Use the subject line “<Project name or mailing address> Initial submission” when requesting a link to the portal if the original link no longer works. Instructions to upload files and folders to the OHP secure submittal portal are in Appendix B.

## **10. Section 2 Amendment Application**

If the project changes in a way that affects the treatment of features, describe the reason for the change and how the revised project affects the character-defining features.

On the Form:

1. Provide the Amendment number in the space provided in the heading, e.g. 01, 02, 03, etc.
2. Provide historic property information.
3. Provide the project contact.
4. Provide applicant information.
  - a. Provide applicant owner status, and sign and date form.
5. Provide a summary of the proposed revisions to the approved scope of work in the space provided. If more space for the summary is needed, indicate that the summary is “continued on next page”.

On separate sheets provided with the form, reference the Initial Application Narrative Template block number of the work that is being revised.

Describe in detail the revisions proposed and reasons for the revisions. Provide additional documentation as needed to explain the revisions (drawings, photos, alternate product literature, engineer reports, etc.).

Submit the Application and separate supplementary documentation files using the secure OHP portal. Use the subject line "<OHP project number> Amendment submission" when requesting a link to the portal if the original link no longer works. Instructions to upload files and folders to the OHP secure submittal portal are in Appendix B.

Dual projects submit only federal Amendment forms.

No fees are paid when submitting amendments.

## **11. Section 4 Completed Project Application**

### 1. Historic Property:

- a. Provide the commonly known historic name of the property. If there is none, the property name is the street address.
- b. Provide the address of the property.
- c. Identify any local, state, or national historic district to which the property contributes, if any. Local listing designations can be included here. Identify the jurisdiction listing the property.
- d. Type 'X' into only one box indicating the property is a contributor to a California registered Historic District, an individually listed property on the California Register, or an approved or pending federal tax credit Part 1 "Evaluation of Significance" form.

### 2. Project contact (if different from applicant):

- a. Provide contact's name.
- b. Provide contact's company.
- c. Provide contact's mailing address.
- d. Provide contact's phone number and email address.

### 3. Applicant:

- a. Type 'X' into the box affirming that either the applicant is the owner of the property, or the owner is aware of the proposed project and has no objection to its rehabilitation. Include a letter signed by the owner acknowledging the project and agreeing to the rehabilitation project.
- b. Provide applicant's name.
- c. Provide applicant's signature.
- d. Provide the date the application was signed.

- e. Provide the name of applicant's business, company or corporation.
- f. Provide applicant's mailing address.
- g. Provide applicant's phone number.
- h. Provide applicant's email address.

4. Completed Project Data:

- a. Provide the actual start date.
- b. Provide the actual completion date.
- c. Provide the number of dwelling units before and after rehabilitation.
- d. Provide the number of low and moderate income dwelling units before and after rehabilitation.
- e. Provide the final total Qualified Rehabilitation costs (QRE).
- f. Provide the final total construction cost (QRE plus non-QRE project costs).

5. Completed Application category and fee:

- a. Type 'X' into one box for the allocation category being applied for.
- b. If 'Qualified residence' is selected, type 'X' in the box below to attest that the applicant occupies or will occupy the residence, and that the applicant's modified adjusted gross income is \$200,000 or less.
- c. The fee amounts in the boxes across from the checked allocation category are computed using the formula published in the "Application Fees and Calculation" paragraph above.

6. Provide Project Data required for legislative analysis:

This information must be filled out by all applicants to provide an accurate analysis. If a field does not apply to the project, write "N/A" or "none".

- a. Provide the best estimate of the number of jobs for the work skills listed on the form.
- b. Estimate the state, local, and property tax increase represented by the completed rehabilitation.
- c. List any other federal, state, or local incentives, grants, or other contributions that were used for the rehabilitation.
- d. Select the public benefit of the rehabilitated Qualified Residence.

7. Cost Certification Document

Complete the Cost Certification document included in the Completed Project Application v. 5/24 to certify the qualified rehabilitation expenditures. A taxpayer shall be allocated a tax credit pursuant to the taxpayer's tax credit allocation upon receipt by CTCAC of a cost certification for the qualified rehabilitation expenditures. For projects with qualified rehabilitation expenditures in excess of \$250,000, the cost certification shall be issued by a licensed certified public accountant.

Mail or deliver the Completed Project Application fees using the formula described in “Application Fees and Calculation”. Use the addresses provided in “Application Fees and Calculation”.

~~Section 5 is completed by the CTCAC. Submit a separate certified Qualified Rehabilitation expense document in the format required by the CTCAC. Projects with an excess of \$250,000 must be issued by a licensed certified public accountant.~~

Qualified Residence QRE costs DO NOT INCLUDE new construction or additions, furniture, landscaping, and small appliances.

Submit the Application, completed project photo files, and any other separate supplementary documentation files using the secure OHP portal. Use the subject line “<OHP project number> Amendment submission” when requesting a link to the portal if the original link no longer works. Instructions to upload files and folders to the OHP secure submittal portal are in Appendix B.

## **12. Application Forms of Record**

In the event of a discrepancy between the applicant’s application form and the OHP application form on file, the Application Form of Record is the OHP application form on file.

## **Appendix A**

### **Subject lines for correspondence to calshpo.tax**

When emailing OHP regarding questions or additional submissions about tax credit projects at [calshpo.tax@parks.ca.gov](mailto:calshpo.tax@parks.ca.gov), responses will be quicker when the email identifies the project and the subject in the subject line. Examples are:

- “<Project name or address> Initial submission”
- “<OHP project number> Amendment submission”
- “<OHP project number> Completed submission”
- “<OHP project number> link request”
- “<OHP project number> Initial submission question”
- “<OHP project number> Initial submission additional information”

### **File name Format Examples**

When naming files for upload to the OHP Portal, use these standard formats. Dual projects will use the NPS standard format.

- “<OHP> Initial submission”
- “<OHP project number> Initial submission Narrative”
- “<OHP project number> Initial submission Photo Key”
- “<OHP project number> Initial submission Photos jpeg”
- “<OHP project number> Initial submission Photos PDF”
- “<OHP project number> Initial submission Drawings”
- “<OHP project number> Initial submission additional information”
- “<OHP project number> Amendment 1 submission”
- “<OHP project number> Completed submission”, etc.

### **Typical feature blocks organized from exterior to interior, and room by room:**

- |                    |                    |                        |                          |
|--------------------|--------------------|------------------------|--------------------------|
| 1. Site            | 8. Windows         | 15. Living room        | 22. Doors, trim, molding |
| 2. Landscaping     | 9. Roof            | 16. Dining Room        | 23. Ornamental elements  |
| 3. Hardscaping     | 10. Gutters        | 17. Other rooms        | 24. Light fixtures       |
| 4. Front elevation | 11. Chimney        | 18. Basement           | 25. Radiators, fireplace |
| 5. Back elevation  | 12. Porch          | 19. Second floor rooms | 26. Other features       |
| 6. Left elevation  | 13. Front entrance | 20. Stairs             |                          |
| 7. Right elevation | 14. Foyer          | 21. Bathrooms          |                          |

## Appendix B

### Upload Instructions to the secure OHP Portal

All file formats must be PDFs unless photos are submitted as jpegs.

When all Application and submission files are complete:

Request a link to the OHP secure SharePoint Portal.

- Email the request for a portal link to [calshpo.tax@parks.ca.gov](mailto:calshpo.tax@parks.ca.gov).
- Use “Link request for Tax project” in the subject line. Add the OHP project number to the subject line if known.
- In the body of the text, include:
  - The requestors name and company or affiliation.
  - The project name, city, and county where the project is located.
  - The email addresses of others permitted to access the portal.

The shared portal link is sent to applicant’s and other’s emails as provided. First time SharePoint users are prompted to verify their email with a verification code sent to the email address provided in the request.

The OHP portal opens in a browser.

- Select ‘upload’ from the banner menu.
- Select ‘files’, or ‘folder’ if the files are collected in a folder, from the pulldown menu.
- Many files can be selected for upload at once, but only one folder is uploaded at a time.
- Do not upload ZIP files.
- Browse for the files or folder in the applicant PC and select.
- Click on ‘open’ at the bottom of the window.

The selected documents upload to the OHP portal. If technical issues are encountered, email [calshpo.tax@parks.ca.gov](mailto:calshpo.tax@parks.ca.gov), identify the project and explain the issue.

RETAIN THIS LINK. The link should remain valid throughout completion of the project. Use the link to provide any additional documentation or information.

Although OHP is notified when documents are uploaded to a SharePoint folder, a follow-up email to the project reviewer is recommended.

Qualified residence project applicants have the option to deliver one hard copy Application submission to the OHP office for review instead of electronic submittal through the Portal. Documentation formats still apply.



## Appendix C

# Documentation Format Standards for Qualified Residence submittals

All applicants are encouraged to follow the submittal format examples as described on the National Park Service (NPS) Documentation Requirements for Certification Applications web page.

### Photo format:

Photos may be submitted as jpegs in a folder. Each folder cannot exceed 50 photos, and photo files cannot be larger than 500 kilobytes. Photos must be numbered sequentially and submitted with a document which describes each photo in numerical order.

Photos may be submitted as PDFs. Each page must have no more than two photos. Photos and pages must be sequentially numbered. Descriptions can be below each photo or described in a separate document.

All new photos must be in color. Vintage or historical photos may remain their original color.

All photo submissions must include a photo key, which is a plan of each floor of the building with arrows numbered to match the photos in the direction and location from which they were taken.

Exterior photos can be keyed using the first floor plan in the context of a property map. Photos of other structures on the property can be noted there. Include photos up and down the street to provide a neighborhood context.

Interior photos should include views of the floor, ceiling, and all four walls. Include features like light fixtures, trim and baseboard details.

If any critical photos are illegible, review will be placed on hold until legible photos are provided.

### [NPS Photo sheet examples](#)

### Drawing format:

Architectural drawings and legible sketches by others must be submitted in PDF format. All drawings must be numbered and referenced in the Rehabilitation Application Narrative Template.

Legible photos of no more than six drawings are permitted if PDFs are unavailable.

### Product literature:

Product literature descriptive of products used in the project can be submitted as PDFs. Do not provide any pages of products that are not used in the project. If the product used is one of several listed, use the drawing tool to indicate which product is specifically used or provide the product ID in the descriptive narrative.

## What is a feature?

Qualified residences and historic buildings have features characteristic of the style and period in which they were built. Features are found on the exterior and interior of historic buildings. These are the features that this program encourages to remain and repair, or replace in kind, during projects that upgrade or repurpose historic buildings.

The review criteria for the compatible treatment of the historic building and its features are the ten Secretary of the Interiors Standards for Rehabilitation. The standards are provided in Appendix D of the Instructions, and links for compatible treatments are on the OHP Architectural Review webpage.

A project Application Narrative Template fillable PDF is provided in the Application. Each page has numbered blocks where each feature is described and located on or in the building, and a space to describe if or how the project impacts each feature, whether it is left as-is, or cleaned, repaired, or replaced in kind.

Features or elements proposed for in-kind replacement must justify the replacement by documenting that the majority of existing features are too damaged to economically repair.

Examples of exterior features would be landscape objects such as a fountain or well, brackets at roof eaves, gable pediments, decorative window head trim called hoods, siding that is clapboard, shiplap or shingle, windows that are fixed or double hung, sash that has many panes or no panes, and so on.

Materials can be a feature of a building's style and period built. Examples of materials typical of a mid-century modern residence could be vertical wood battens, brick, stone or other masonry, and stucco.

Spaces can be a character-defining feature, such as an open courtyard in an Eichler residence, or the volume of a theater house.

Links for further discussion and examples of period styles and features, and sample narratives, are available in guidelines for the SHRTC on the OHP State Tax Credit web page.

Begin the description of project features from the large scale to the small scale, and from exterior to interior. Block 1 should describe the property and prominent landscaping, foundation landscaping, sidewalks, stairs or retaining walls, elements like porches, chimneys turrets, etc.

Continue with a description of one feature per block found on the exterior of the building.

Windows are described in their own block.

Continue to the inside of the qualified residence or historic building. Describe any features typical of the building, such as trim or detailed carpentry, use of several materials, ceiling heights or formal spaces.

Describe each room per block. Note ceiling, wall and floor material, ornamental plaster or wood trim, window casings, heating elements like radiators, pocket doors, etc.

Note the condition of the existing mechanical, electrical and plumbing systems using as many blocks as needed. In the project impact space, note if the system or its elements remain in place, are repaired or replaced in part or in whole.

In each block, use the project impact space to describe how the proposed project affects the features, whether they remain in place, cleaned or maintained, repaired or replaced in kind. Replacement in kind must be justified.

If the guidelines referenced in the OHP state tax credit website do not resolve questions, email the OHP staff at [calshpo.tax@parks.ca.gov](mailto:calshpo.tax@parks.ca.gov) using the subject line "<OHP project number> Request for technical assistance". Describe the question or issue in the body of the email and preferred contact method using email or a phone call. Provide a phone number and a staff member will return a call shortly to resolve the issue.

## **Appendix D**

### **Initial Application submittal requirements for the 25% Bonus Credit**

#### **A. Project located on Surplus Property**

**Note:** A reuse on surplus land in which the federal or state agency retains ownership shall coordinate any historical redevelopment applicable statutory reviews with the SHPO. (Section 106 for Federal, Public Resource Code 5024.5 for California)

#### **Federal Surplus Property obtained through local agency under Government Code 54142:**

**Submit:** Letter on letterhead signed by an authorized representative of the local jurisdiction attesting that the structure for the proposed reuse is located on federal surplus acquired by ordinance and that the proposed reuse conforms with their General Plan or other land use plan.

**Submit:** Copy of Ordinance acquiring surplus property, and documentation of the conveyed federal property and all conditions of the conveyance.

#### **State Surplus Property defined by Government Code 11011.1:**

**Submit:** Finding/Declaration/Statute that defines land as surplus by the Legislature.

**Submit:** Letter on letterhead from the Director of General Services or a designated representative identifying under which provisions of GC 11011.1 that the land was transferred to, the entity obtaining the land and the date of transfer.

#### **Surplus land defined by Government Code 54221(b):**

**Submit:** Letter on letterhead from the local agency representative authorized to dispose of surplus land confirming that the land was surplus as per Section 54221(b). Provide any written findings in support of the property status as occupying surplus land.

#### **B. Projects that includes affordable housing for lower income households as defined by Health and Safety Code Section 50079.5**

**“Lower income households”** means persons and families whose income does not exceed the qualifying limits for lower income families as established and amended from time to time pursuant to Section 8 of the United States Housing Act of 1937.

The limits are published by the Department of Housing and Community Development (“Department”) in the California Code of Regulations as soon as possible after adoption by the Secretary of Housing and Urban Development.

“Lower income households” includes very low income households, as defined in Health and Safety Government Code Section 50105, and extremely low income households, as defined in Government Code Section 50106.

Briefing materials and State Income Limits for current years are provided by the Department's Division of Housing Policy Development. Income limits reflect updated median income and household income levels for extremely low-, very low-, low-, and moderate-income households for California's 58 counties.

**Submit:** Memorandum from Division of Housing Policy Development publishing current year state income limits with the 'very low income' and lower incomes highlighted in the county of the project.

**Submit:** Letter on letterhead from the applicant that the reuse includes a minimum of 20% of the housing as affordable housing for households of lower incomes and includes a deed restriction requirement maintaining affordability of the units for 55 years.

### **C. Project located in a Designated Census Tract as defined in Health and Safety Codes 17053.73(b)(7) and 23691(b)(7)**

"Designated census tract" means a census tract within the state that is determined by the Department of Finance to have a civilian unemployment rate that is within the top 25 percent of all census tracts within the state and has a poverty rate within the top 25 percent of all census tracts within the state, as prescribed in Section 13073.5 of the Government Code.

[Designated Census Tracts | Department of Finance \(ca.gov\)](#)

Click on the link for "*Listing of Designated Census Tracts and Excluded Census Tracts (2017-2021)*" below the "*January 2024 Designations*" heading.

- Download the Excel file and open.
- Select the "Designated Census Tracts" tab at the bottom of the window.
- Sort by "poverty rate" in descending order.
- Highlight census tracts with a poverty rate of 75% or higher.

**Submit:** ~~Create~~ a document of the highlighted list of census tracts ~~and submit with~~ the Initial Project Application.

**Submit:** a legible map locating the proposed project property within the census tract boundary.

### **D. Project is part of a military base Reuse Authority**

**Submit** a letter on letterhead from the Board of Directors chair of the Reuse Authority confirming that the reuse proposed is consistent with the Authority adopted Reuse Plan and notes no objection to the reuse.

If the Authority for the base has been dissolved, then the project does not qualify for the 25% bonus credit.

### **E. Project is a higher density, mixed use development located within ½ mile of Transit Station**

**Include** in the Initial Project Application Narrative, Section 2, a dedicated block describing the existing density and mixed use condition of the structure proposed for rehabilitation, and any proposed scopes of work to maintain or increase the density and the mixed use.

**Submit** a legible to-scale map showing the project property located within or partially within a half mile radius from the center of a transit station.

**Include** documentation that the transit station meets the requirements of that station as defined below.

**“Bus Hub”** means an intersection of three or more bus routes, with a minimum route headway of 15 minutes during Peak Hours

**“Bus Transfer Station”** means an arrival, departure, or transfer point for the area’s intercity, intraregional, or interregional bus service having permanent investment in multiple bus docking facilities, ticketing services, and passenger shelters.

**“Peak Hours”** means the time between 7 a.m. to 10 a. m., inclusive, and 3 p.m. to 7 p.m., inclusive, Monday through Friday.

**“Transit Station”** means a rail or light-rail station, ferry terminal, Bus Hub, or Bus Transfer Station.

\* Definitions adapted from CA Department of Housing and Community Development Transit-Oriented Development Housing Program.

## Appendix E

### Secretary of the Interior's Standards for Rehabilitation

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.
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.
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.
4. Most properties change over time; those changes that have acquired historic significance in their own right shall be retained and preserved.
5. Distinctive features, finishes, and construction techniques or examples of craftsmanship that characterize a historic property shall be preserved.
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.
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.
8. Significant archeological resources affected by a project shall be protected and preserved. If such resources must be disturbed, mitigation measures shall be undertaken.
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.
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.

## Appendix F

### Links for Further Information

#### National Park Service Historic Preservation Tax Incentives Web Site

Cumulative Effect and Historic Character  
Acquired Significance and Standard 4  
Continued Historic Use and Standard 1

Preservation Brief 32: Making Historic Properties Accessible  
Preservation Brief 41: The Seismic Retrofit of Historic Buildings: Keeping Preservation in the Forefront

#### Windows

Interior treatments

New additions and related new construction

Modern requirements and new technologies

Other treatments

Deteriorated and damaged buildings

Evaluating Historic Windows for Repair or Replacement

Replacement Windows that Meet the Standards

Documentation Requirements for Proposed Window Replacement

Replacement Windows Where No Historic Windows Remain

Identifying Primary and Secondary Interior Spaces in Historic Buildings

Changing Secondary Interior Spaces in Historic Buildings

Historically-Finished Secondary Spaces—Avoiding Problematic Treatments at Project Completion

Subdividing Assembly Spaces in Historic Buildings

Retaining Corridors and Other Circulation Spaces in Historic Buildings

Interior Spaces, Features, and Materials in Highly Deteriorated Condition and Standard 2

Exposing Interior Masonry Walls and Ceilings

New Additions to Historic Buildings

New Construction within the Boundaries of Historic Properties

Rooftop Additions

Codes and Regulatory Requirements for Rehabilitating Historic Buildings

Energy Efficiency, Sustainability, and Green Building Practices in Historic Buildings

Evaluating Substitute Materials in Historic Buildings



STATE HISTORIC REHABILITATION TAX CREDIT
SECTIONS 1, 2 AND 3 INITIAL PROJECT APPLICATION



Table with 4 columns: Note, FY, Q ORDER, OHP No., NPS No.

1. Historic Property Name: Street: City: County: Zip: Name of Historic District to which property contributes: [ ] California Register District [ ] California Register Property [ ] federal Part 1 application submission

2. Project Contact (if different from applicant) Name: Company: Street: City: State: Zip: Phone: Email Address:

3. Applicant I attest that the information I have provided is, to the best of my knowledge, correct, and that: [ ] I am the owner of the above-described property... [ ] I understand that willful falsification of this application is considered a felony... Name: Signature: Date: Applicant Entity: Street: City: State: Zip: Phone: Email Address: continued on next page

OHP Official Use Only Section 1

The OHP has reviewed the Initial Application Section 1 for the property above and has confirmed it: [ ] is listed individually or contributes to the above-named district on the California Register and is a "certified historic structure" for rehabilitation purposes. [ ] is not listed on the California Register or has been determined as a non-contributor to a District.

Date [ ] OHP Comments attached Julianne Polanco, State Historic Preservation Officer

OHP Official Use Only Section 2

The OHP has reviewed the Initial Application Section 2 for the above-named property and has determined that: [ ] the rehabilitation described herein is consistent with the historic character of the property and/or with the district in which it is located and that the project meets the Standards for Rehabilitation. This letter is a preliminary determination only, since formal certification of rehabilitation can be issued only to the owner after rehabilitation completion. [ ] the proposed rehabilitation will meet the Standards for Rehabilitation if the attached conditions are met. [ ] the rehabilitation described herein is not consistent with the historic character of the property or the district in which it is located and that the project does not meet the Standards for Rehabilitation.

Date Julianne Polanco, State Historic Preservation Officer [ ] OHP Comments attached



**4. Section 1 Confirmation of California Register Listing** [type 'X' in applicable boxes]

- The building contributes to the significance of the above named historic district or is individually listed in the California Register for rehabilitation purposes.
- Documentation that the building is submitted for a Federal Tax Credit Part 1 "Evaluation of Significance" and will continue state review once signed and returned by the NPS.
- Documentation of California Register listing or approved signed Federal Part 1 form is attached.

Part 1 received by OHP: \_\_\_\_\_  
 Part 1 approved by NPS: \_\_\_\_\_ NPS No. \_\_\_\_\_

**5. Section 2 Determination of Significance** [type 'X' in applicable boxes]

- There are multiple buildings on the property. Describe their significance in the Section 2 Narrative.
- Buildings on the property are functionally related. Describe related functionality in the Section 2 Narrative.

**6. Section 2 Project Data** (for phased projects, data entered in this section must be totals for entire project)

Estimated total cost: \_\_\_\_\_ Estimated total rehabilitation costs (QRE): \_\_\_\_\_  
 Number of buildings in project: \_\_\_\_\_ Floor area before/after rehabilitation \_\_\_\_\_ / \_\_\_\_\_  
 Start date (estimated): \_\_\_\_\_ Completion date (estimated): \_\_\_\_\_  
 Application includes \_\_\_ phase(s) Use before/after rehabilitation: \_\_\_\_\_ / \_\_\_\_\_  
 # of dwelling units before/after rehabilitation: \_\_\_\_\_ / \_\_\_\_\_  
 # of low-moderate income dwelling units before/after rehabilitation: \_\_\_\_\_ / \_\_\_\_\_

**7. Application category and fee**

Select one category:	Total estimated fee:	Due with Initial Application:
<input type="checkbox"/> Qualified residence	<input type="text"/>	<input type="text"/>
<input type="checkbox"/> I attest that I own and occupy, or will occupy within two years, the subject qualified residence, and that my modified adjusted gross income is \$200,000 or less.		
<input type="checkbox"/> Qualified rehabilitation expenditure under \$1,000,000	<input type="text"/>	<input type="text"/>
<input type="checkbox"/> Qualified rehabilitation expenditure \$1,000,000 or more	<input type="text"/>	<input type="text"/>

**8. 25% Bonus Criteria**

Select which criteria are used to qualify for a 25% bonus credit. Qualification requirements are in the Instructions.

- Federal surplus property obtained through local agency under Government Code 54142
- Surplus state real property defined by Government Code 11011.1  Transit-oriented development
- Surplus land defined by Government Code 54221(b)  Affordable housing for lower income households
- Designated census tract defined by Government Code 17053.73(b)(7)  Military base reuse authority as per Government Code Title 7.86

**9. Section 3 Applicant Tax Identification Number:**

Applicant from number 3 above tax ID: TIN \_\_\_\_\_ SSN \_\_\_\_\_

**CTCAC Official Use Only Section 3**

(20%)(25%)of the estimated QRE listed in number 6 above:  Processing Fee:

\_\_\_\_\_  
 Date Executive Director, CTCAC



# STATE HISTORIC REHABILITATION TAX CREDIT SECTION 2 APPLICATION NARRATIVE TEMPLATE



Historic Property Name \_\_\_\_\_ OHP No. \_\_\_\_\_

Property Address \_\_\_\_\_

Description of Rehabilitation Work. Use this page to describe all work or create a comparable format with this information.

Number items consecutively to describe all work, including building exterior and interior, additions, site work, landscaping, and new construction.

1. Feature \_\_\_\_\_ Date of Feature \_\_\_\_\_

Describe existing feature and its condition

Photo Numbers: \_\_\_\_\_

Drawing References: \_\_\_\_\_

Describe work to feature

2. Feature \_\_\_\_\_ Date of Feature \_\_\_\_\_

Describe existing feature and its condition

Photo Numbers: \_\_\_\_\_

Drawing References: \_\_\_\_\_

Describe work to feature

STATE HISTORIC REHABILITATION TAX CREDIT  
SECTION 2 APPLICATION NARRATIVE TEMPLATE

3. Feature \_\_\_\_\_ Date of Feature \_\_\_\_\_

Describe existing feature and its condition

Photo Numbers: \_\_\_\_\_

Drawing References: \_\_\_\_\_

Describe work to feature

4. Feature \_\_\_\_\_ Date of Feature \_\_\_\_\_

Describe existing feature and its condition

Photo Numbers \_\_\_\_\_

Drawing References: \_\_\_\_\_

Describe work to feature

STATE HISTORIC REHABILITATION TAX CREDIT  
SECTION 2 APPLICATION NARRATIVE TEMPLATE

Feature \_\_\_\_\_ Date of Feature \_\_\_\_\_

Describe existing feature and its condition

Photo Numbers \_\_\_\_\_

Drawing References: \_\_\_\_\_

Describe work to feature

Feature \_\_\_\_\_ Date of Feature \_\_\_\_\_

Describe existing feature and its condition

Photo Numbers \_\_\_\_\_

Drawing References: \_\_\_\_\_

Describe work to feature

**STATE HISTORIC REHABILITATION TAX CREDIT  
SECTION 2 AMENDMENT**



<b>Note:</b>	Refer to the Instructions to fill the form. All fields on the form must be completed if applicable or the form will be returned.	FY	Q ORDER	OHP No.	
				NPS No.	

**1. Historic Property** Name: \_\_\_\_\_  
 Street: \_\_\_\_\_  
 City: \_\_\_\_\_ County: \_\_\_\_\_ Zip: \_\_\_\_\_  
 Name of Historic District to which property contributes: \_\_\_\_\_

**2. Project Contact** (if different from applicant)  
 Name: \_\_\_\_\_ Company: \_\_\_\_\_  
 Street: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_  
 Zip: \_\_\_\_\_ Phone: \_\_\_\_\_ Email Address: \_\_\_\_\_

**3. Applicant**  
 I attest that the information I have provided is, to the best of my knowledge, correct, and that:  
 I am the owner of the above-described property within the meaning of "owner" set forth in CCR 4859.02(k), and/or if I am not the fee simple owner of the above described property, the fee simple owner is aware of this application and has no objection, as noted in a written statement from the owner, a copy of which (i) either is attached to this form and incorporated herein, or has been previously submitted, and (ii) meets the requirements of CCR 4859.02(k).  
 I understand that willful falsification of this application is considered a felony under California Penal Code Section 115 and may subject me to fines and imprisonment of up to three years.  
 Name: \_\_\_\_\_ Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
 Applicant Entity: \_\_\_\_\_  
 Street: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_  
 Zip: \_\_\_\_\_ Phone: \_\_\_\_\_ Email Address: \_\_\_\_\_

**4. Summary:** Summarize changes to the proposed project below. Use additional sheets to describe revisions completely.

OHP Official Use Only Section 2 Amendment

The OHP has reviewed the Initial Application Section 2 for the above-named property and has determined:

The rehabilitation is consistent with the historic character of the property and meets the Standards for Rehabilitation.  
 The proposed rehabilitation will meet the Standards for Rehabilitation if the attached conditions are met.

The rehabilitation described herein is not consistent with the historic character of the property or the district in which it is located and that the project does not meet the Standards for Rehabilitation.

The rehabilitation described herein is not consistent with the historic character of the property or district in which it is located. The project does not meet the Standards for Rehabilitation.

\_\_\_\_\_  
 Date Julianne Polanco, State Historic Preservation Officer

OHP Comments Attached

**RECEIVED**

**O H P**

**STATE HISTORIC REHABILITATION TAX CREDIT  
SECTION 2 AMENDMENT**

A large, empty rectangular box with a black border occupies the majority of the page. It is positioned centrally and is intended for the user to provide details related to the State Historic Rehabilitation Tax Credit Section 2 Amendment.

**STATE HISTORIC REHABILITATION TAX CREDIT  
SECTIONS 4 AND 5 COMPLETED PROJECT APPLICATION**



<b>Note:</b>	Refer to the Instructions to fill out the form. All fields on the form must be completed if applicable or the form will be returned.	FY	Q ORDER	OHP No.	
				NPS No.	

**1. Historic Property** Name: \_\_\_\_\_  
 Street: \_\_\_\_\_  
 City: \_\_\_\_\_ County: \_\_\_\_\_ Zip: \_\_\_\_\_  
 Name of Historic District to which property contributes: \_\_\_\_\_

**2. Project Contact** (if different from applicant)  
 Name: \_\_\_\_\_ Company: \_\_\_\_\_  
 Street: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_  
 Zip: \_\_\_\_\_ Phone: \_\_\_\_\_ Email Address: \_\_\_\_\_

**3. Applicant**

I attest that the information I have provided is, to the best of my knowledge, correct, and that:

- I am the owner of the above-described property within the meaning of "owner" set forth in CCR 4859.02(k), and/or
- if I am not the fee simple owner of the above described property, the fee simple owner is aware of the action and has no objection, as noted in a written statement by the owner, a copy of which (i) either is attached to this form and incorporated herein, or is previously submitted, and (ii) meets the requirements of CCR 4859.02(k).

I understand that knowing and willful falsification of factual representations in this application is considered a felony under California Penal Code Section 115 and may subject me to fines and imprisonment of up to three years.

Name: \_\_\_\_\_ Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
 Applicant Entity: \_\_\_\_\_  
 Street: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_  
 Zip: \_\_\_\_\_ Phone: \_\_\_\_\_ Email Address: \_\_\_\_\_

*continued on next page*

**OHP Official Use Only Section 4**

The OHP has reviewed the Completed Application Section 4 for the above-named property and has determined:

- the completed rehabilitation meets the Secretary of the Interior's Standards for Rehabilitation and is consistent with the historic character of the property and, where applicable, the district in which it is located. Effective the date indicated below, the rehabilitation of the "certified historic structure" is hereby designated a "certified rehabilitation." This certification is to be used in conjunction with appropriate State Tax regulations. Questions concerning specific tax consequences or interpretations of the Franchise Tax Board should be addressed to the CTCAC. Completed projects may be inspected by an authorized representative of the SHPO to determine if the work meets the Standards for Rehabilitation. The SHPO reserves the right to make inspections at any time up to five years after completion of the rehabilitation and to revoke certification, if it is determined that the rehabilitation project was not undertaken as presented by the owner in the application form and supporting documentation, or the owner, upon obtaining certification, undertook unapproved further alterations as part of the rehabilitation project inconsistent with the Secretary's Standards for Rehabilitation.
- the rehabilitation described herein is not consistent with the historic character of the property or the district in which it is located, and that the project does not meet the Secretary of the Interior's Standards for Rehabilitation.

\_\_\_\_\_  
 Date Julianne Polanco, State Historic Preservation Officer  
 OHP Comments Attached





**4. Project Data** (for phased projects, data entered in this section must be totals for entire project)

Start date: \_\_\_\_\_ Completion date: \_\_\_\_\_

# of dwelling units before/after rehabilitation: \_\_\_\_\_ / \_\_\_\_\_

# of low-moderate income dwelling units before/after rehabilitation: \_\_\_\_\_ / \_\_\_\_\_

Total construction cost (QRE+nonQRE) \_\_\_\_\_ Final rehabilitation cost (QRE): \_\_\_\_\_

**5. Application category and fee**

Select one:

Final Total fee: Due with Completed Application:

Qualified residence

I attest that I own and occupy, or will occupy within two years, the subject qualified residence, and that my modified adjusted gross income is \$200,000 or less.

Qualified rehabilitation expenditure under \$1,000,000

Qualified rehabilitation expenditure \$1,000,000 or more

**6. Data required for legislative analysis** All fields must be filled out. If a field does not apply, indicate "0".

1. Estimate the number of jobs contributing to the project:

_____ Architects	_____ Tradespeople/contractors	_____ Roofers
_____ Engineers	_____ Skilled Craftspeople	_____ Foundation supply/repair
_____ Architectural Historians	_____ Electricians	_____ Local Vendors of Products
_____ Tax or Financial Consultants	_____ Plumbers	_____ Other

2. Estimate the state, local and property tax increase represented by the completed rehabilitation:

State tax: \_\_\_\_\_ Local tax: \_\_\_\_\_ Property tax: \_\_\_\_\_

3. List any additional incentives, grants or contributions by federal, state or local governments used for the rehabilitation by source and dollar amount. If more space is needed, continue on a second page.

\_\_\_\_\_  
\_\_\_\_\_

4. Select the public benefit of the rehabilitated Qualified Residence:

- The residence is associated with a major event
- The residence embodies distinctive characteristics
- The residence yields or may yield information.
- The residence is associated with a significant person
- The residence is a contributor to a historic district associated with one or more of the criteria above.

**CTCAC Official Use Only Section 5**

The applicant has provided the cost certification documentation required to receive (20%)(25%) of the certified Qualified Rehabilitation Expenditures (QREs) as declared in Number 4. Projects with QREs in excess of \$250,000 have certification issued by a licensed certified public accountant.

Remit fee to CTCAC within 10 days after receiving notification of OHP transfer to CTCAC.

Tax credit amount approved:

Administrative Fee:



\_\_\_\_\_  
Date

\_\_\_\_\_  
Executive Director, CTCAC

**SECTION 5 COST CERTIFICATION DOCUMENT**

	QUALIFIED RESIDENCE COST	COMMERCIAL COST	TOTAL PROJECT COST	QUALIFIED REHABILITATION EXPENDITURES (QRE)
PROJECT COSTS				
REHABILITATION				
ARCHITECTURAL FEES				
CONSTRUCTION INTEREST & FEES				
PERMANENT FINANCING AND FEES				
LEGAL FEES				
APPRAISAL				
<b>TOTAL PROJECT COSTS</b>				
OTHER PROJECT COSTS				
CTCAC PROCESSING/ADMIN FEES				
Permit Processing Fees				
Capital Fees				
Furnishings				
Accounting/Reimbursables				
Other: (Specify)				
Other: (Specify)				
Other: (Specify)				
Other: (Specify)				
<b>TOTAL OTHER PROJECT COSTS</b>				
<b>TOTAL ALL PROJECT COSTS</b>				

**Certification by Owner/Applicant**

As owner(s) or applicant of the above-referenced project, I certify under penalty of perjury, that the project costs contained herein are, to the best of my knowledge, accurate and actual costs associated with the rehabilitation of this project. I authorize the California Tax Credit Allocation Committee to utilize this information to calculate the State Historic Rehabilitation Tax Credit.

\_\_\_\_\_  
Signature of Owner/Applicant

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed name of Signatory

**Certification by licensed certified public accountant**

As the tax professional for the above-referenced project, I certify under penalty of perjury, that the costs and QRE are accurate as listed in this Cost Certification.

\_\_\_\_\_  
Signature of licensed certified public accountant

\_\_\_\_\_  
Date