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## Clark County Historic Preservation Commission Staff Report

**DATE:** December 6, 2016

**TO:** Clark County Historic Preservation Commission

**FROM:** Greg Turner, Land Use Manager  
Jon Wagner, Senior Planner  
Rebecca Kennedy, Economic Planner

**RE:** Luepke Station Special Valuation Tax Incentive Program (SVTIP) Request

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**Project Number:** LUP 56945

**Project Name:** Luepke Station Special Valuation Tax Incentive Program Request

**Project Address:** 1300 Washington Street, STE. A, B, C, Vancouver, WA 98660  
Tax Assessor Serial Number 5191500/47281000

**Property Owner/Applicant:** Bruno Amici  
930 NW 12<sup>th</sup> Avenue, Unit 419  
Portland, OR 97209

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### I. SUMMARY

The applicant has submitted an application for the Special Valuation Tax Incentive Program (SVTIP). The application was submitted to the City of Vancouver on September 27, 2016, and has been reviewed in conformance with the requirements in VMC 17.39.100 ("Review and Monitoring of Property for Special Valuation Tax Valuation") and RCW 84.26 ("Historic Property").

The Luepke Florist building is located at 1300 Washington Street in Vancouver, WA (tax parcels 51915000 and 47281000).

## **II. CLARK COUNTY HERITAGE REGISTER STATUS**

The Luepke Florist building was listed on the Clark County Heritage Register on June 2, 2015. It is also listed on the National Register of Historic Places.

## **III. HISTORIC NAME**

Luepke Florist

## **IV. COMMON NAME**

Luepke Station

## **V. BOARD AUTHORITY AND RESPONSIBILITY**

Per VMC 17.39.100, the Clark County Historic Preservation Commission has the responsibility of reviewing any property for eligibility for the Special Valuation Tax Incentive Program.

## **VI. CRITERIA**

### **A. Revised Code of Washington**

#### 1. RCW 84.26.030 Special Valuation Criteria

*A. Four criteria must be met for special valuation under this chapter. The property must:*

*(1) Be an historic property;*

*(2) Fall within a class of historic property determined eligible for special valuation by the local legislative authority;*

*(3) Be rehabilitated at a cost which meets the definition set forth in RCW84.26.020(2)<sup>1, 2</sup> within twenty-four months prior to the application for special valuation; and*

*(4) Be protected by an agreement between the owner and the local review board as described in RCW 84.26.050(2). [1986 c 221 § 2; 1985 c 449 § 3.]*

### **B. Vancouver Municipal Code**

#### 1. VMC 17.39.100 Special Valuation

Historic Property Criteria. The class of property eligible to apply for special valuation in Clark County shall mean all property(ies) listed on the National Register of Historic Places, Clark County heritage register or property(ies)

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<sup>1</sup> (2) "Cost" means the actual cost of rehabilitation, which cost shall be at least twenty-five percent of the assessed valuation of the historic property, exclusive of the assessed value attributable to the land, prior to rehabilitation.

<sup>2</sup> (7) "Rehabilitation" is the process of returning a property to a state of utility through repair or alteration, which makes possible an efficient contemporary use while preserving those portions and features of the property which are significant to its architectural and cultural values. [1986 c 221 § 1; 1985 c 449 § 2.]

certified as contributing to local and/or National Register Historic Districts which have been substantially rehabilitated at a cost and within a time period which meets the requirements set forth in Chapter 84.26 RCW.

2. VMC 17.39.100 Special Valuation Property Review Criteria. In its review the commission shall determine if the property(ies) meets all the following criteria:
  - (a) The property is historic property which is designated to the local and/or national registers;
  - (b) The property has been rehabilitated at a cost which meets the definition set forth in RCW 84.26.017(2) within twenty-four months prior to the date of application; and
  - (c) The property has not been altered in any way which adversely affects those elements which qualify it as historically significant as determined by applying the Washington State Advisory Council's Standards for the Rehabilitation and Maintenance of Historic Properties (WAC 254-17-100(1) and listed in subsection (c)(4) of this section).

## **VII. STAFF REVIEW AND FINDINGS**

1. **Finding:** For both RCW 86.24.030 and VMC 17.39.100, the requirement that the historic property be listed on the National Register of Historic Places or local register has been met. The subject property is on both the Clark County Historic Register and the National Register of Historic Places.
2. **Finding:** Consistent with RCW 84.26.030 (A)3, and 020(2) and VMC 17.39.100 (C)3, the applicant has claimed rehabilitation improvements for the Luepke Florist building totaling \$236,205. These improvements were completed within 24 months prior to the date of application for special valuation, which is September 27, 2016. Given this submittal date, allowed costs begin on September 27, 2014. The Clark County Historic Preservation Commission, in their review of the expenditures and supporting documents, may adjust the amount considered as qualified rehabilitation expenses. Any amended rehabilitation cost amount must be certified by the property owner.

REHABILITATION PERIOD: September 27, 2014-September 27, 2016

SUBMITTED RHABILITATION COSTS: \$236,205.00

DISALLOWED COSTS: \$7,220.29

**ELIGIBLE REHABILITATION COSTS: \$228,984.71**

<b>Disallowed Costs- Luepke Station Special Valuation Application</b>			
<b>Item/Work</b>	<b>Cost</b>	<b>Recommendation</b>	<b>Notes</b>
Exterior Patio-Fire Bowl	\$700.00	Deny	Not Eligible
Furniture/Merchandising	\$220.00	Deny	Not Eligible
Furniture/Merchandizing	\$210.00	Deny	Not Eligible
Paving- Asphalt	\$1,455.00	Deny	Not Eligible
Permit Fee- Security Alarm Installation	\$65.29	Deny	Not Eligible
Portable Restroom	\$150.00	Deny	Not Eligible
Additional Labor & Materials	\$4,420.00	Deny	Insufficient documentation
Disallowed Total	\$7,220.29		
Total Requested	\$236,205.00		
Total Requested by staff calculations	\$228,984.71		
<b>TOTAL ELIGIBLE REHAB COSTS</b>	<b>\$228,984.71</b>		

3. **Finding:** Costs deemed “allowed” in Exhibit 2: Description of Project Expenditures, meet the definition of “qualified rehabilitation expenses” in 26CFR 1.48-12(c)<sup>3</sup>.
4. **Finding:** The rehabilitation work completed for the Luepke Florist building appears to be in compliance with the Washington State Advisory Council’s Standards for Rehabilitation and Maintenance of Historic Properties in WAC 254-20-100.
5. **Finding:** The value of the rehabilitation exceeds the twenty-five percent of the assessed value of the structure required by RCW 84.26. Prior to rehabilitation, the assessed the value of the building, exclusive of land, was \$188,700.
6. **Finding:** No Special Valuation Agreement has been previously signed on the subject property. A Special Valuation Agreement must be signed by the property owner and recorded with the Clark County Assessor’s Office prior to the Commission’s approval being submitted to the Assessor’s Office. The agreement stipulates that the applicants will comply with the requirements of RCW 84.26.050(2).

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<sup>3</sup> *“Qualified Rehabilitation costs” as defined in 26CFR 1.48-12 (c) are “expenses chargeable to the project and include improvements made to the building within its original perimeter, architectural and engineering fees, permit and development fees, loan interest, state sales tax and other expenses incurred during the rehabilitation period. Not included are costs associated with acquisition of the property, or the enlargement of the building.”*

**VIII. STAFF RECOMMENDATIONS**

The rehabilitation on the subject property appears to meet the requirements of RCW 84.26.030 and VMC 17.39.100. Staff recommends approval of the Special Valuation Tax Incentive for the Luepke Florist building. The property owners must also sign the Special Valuation Agreement and return it to staff for recording with the Clark County Assessor's Office prior to the Commission's approval being submitted to the Assessor's Office.

**IX. EXHIBITS**

1. Application and Certification of Special Valuation Form
2. Description of Project Expenditures
3. Property Owner Affidavit
4. Clark County Heritage Register designation
5. Photos of Post-Rehab Work