

# Anacortes Register of Historic Places

## What is the Anacortes Register?

The historical register is an official list of buildings, structures, objects, or sites that were instrumental in the history of Anacortes and are worthy of recognition and preservation.

## What qualifies a property for the Register?

The historical register recognizes properties that are more than 50 years old. Some properties may be considered if they are less than 50 years old if they possess exceptional importance and meet at least one of the following criteria:

- **An Historical Event**  
The property is associated with an event that made a significant contribution to U.S., Washington state or Anacortes history.
- **Architectural Importance**  
The property is an example of architecture of an earlier period in which the style, type, or method of construction was unique.
- **Historically Important Person**  
The property is associated with the life of a person significant to Anacortes, Washington state, or U.S. history.
- **Archaeologically Important**  
The site likely contains important archaeological information.
- **Historically Important Site**  
The property is a documented site or event or place, such as a cemetery, which contains people or features of historical significance
- **A Renovated Historical Building**  
The property is an historically accurate restoration of a building on it's original site.
- **A Unique Design**  
The building is a unique example of folk architecture or a design created by persons not formally trained in architecture.

## How is a property designated to the Anacortes Historic Register?

1. Applicant submits an application form to the Anacortes Historic Preservation Board in care of the Anacortes Museum.
2. Board members do an on-site review of the property.
3. Staff reviews the application.
4. The Board sets a public hearing date and notifies the applicant, owner, and contiguous property owners of the public hearing.
5. The Anacortes Historic Preservation Board conducts a public hearing and makes determination of the property's eligibility.
6. If eligible, the owners indicate their permission for placement on the Register by signing the final application. The Board then forwards the application to the Anacortes City Council.
7. The City Council officially designates the property to the Anacortes Register of Historic Places.

Placement on the register officially recognizes the historical importance of the property. Listing on the register DOES NOT affect future uses of the property. The owner may choose other uses for the property and may remove the property from the register at any

time. However, historic registration may allow the owner a possible property tax advantage (Special Valuation, see below) as provided by current state laws.

## Anacortes Historic Register

LANDMARK NAME	DATE LISTED	LOCATION	IMAGE
Wilson Hotel	Dec 06	804 Commercial	
Judge Jacob Wasserman Lowman and Nancy Lowman House	Dec 08	1502 8 <sup>th</sup> Street	
Charles LeRoy Judd and Anna Belle Weaver Judd House	Dec 08	1719 9 <sup>th</sup> Street	
Anacortes Museum of History and Art	May 09	1305 8 <sup>th</sup> Street	
Causland Park	May 09	8 <sup>th</sup> Street and M Avenue	
Great Northern Depot	May 09	R Avenue at 7 <sup>th</sup> Street	
W.T. Preston (snagboat)	May 09	R Avenue at 8 <sup>th</sup> Street	

# Special Valuation

## ***Background***

During its 1985 session, the Washington State Legislature determined that the preservation of a lasting legacy of historic resources was an important goal. In order to reach this goal, the legislature passed a law which allows a "special valuation" for certain historic properties within the state. The primary benefit of the law is that during the ten year special valuation period, property taxes will not reflect substantial improvements made to the property.

Prior to the passage of this law, owners restoring historic buildings were subject to increased property taxes once the improvements were made. This had the effect of discouraging some owners from rehabilitating their historically significant structures. The Legislature decided that restoration of these properties would be encouraged if tax relief were available. Property tax relief was selected as a tool which could provide the financial incentives necessary to promote rehabilitation of eligible historic properties.

## ***Eligibility***

To be classified as eligible for special valuation, a property must first meet the following criteria:

1. It must be listed in the National Register of Historic Places, individually, or certified as contributing to the significance of a National Register Historic District, in order to receive a statement that a property is certified as contributing to the significance of a National Register Historic District, a property owner should contact their local government, or the Washington State Department of Archaeology and Historic Preservation, OR
2. It must be listed in the Local Register of Historic Places established by a Certified Local Government, AND
3. It must be of a class of properties approved by the local government. Eligible properties which undergo substantial rehabilitation may receive special valuation if the rehabilitation work is approved by the local review board. The work must have been conducted within two years prior to application, and must be equal in cost to at least 25% of the assessed value of the structure prior to rehabilitation.

## ***Requirements***

Property owners who want to take advantage of special valuation must sign an agreement with the local review board that guarantees they will meet the following standards during the ten-year property tax exemption period:

- The property must be maintained in good condition.
- The owner must obtain approval from the local review board prior to making further improvements.
- The property must be visible from a public right-of-way, or otherwise be made available for public view once every year.

The penalty for violating the agreement or other program requirements is substantial. All back taxes which would otherwise have been owed, interest on back taxes, and a penalty equal to 12% of back taxes. If the property is sold, the new owner must sign an agreement with the local review board ensuring that program requirements will be satisfied for the duration of the special valuation period, or the seller may be subject to the penalties discussed above.

### ***Qualified Rehabilitation Expenditures***

The total cost of the rehabilitation must be equal to at least 25% of the assessed value of the property, exclusive of land value, prior to rehabilitation. "Qualified rehabilitation expenditures" 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. The local review board in each jurisdiction determines which expenditures are qualified. Qualified rehabilitation expenditures for special valuation are the same as those for the federal Investment Tax Credits. (For a detailed explanation, see 26 CFR 1.48-12(c).)

### ***The Application Process***

An interested property owner files an application with the assessor's office after the rehabilitation work is completed. The assessor transmits the application to the local review board, which schedules a public meeting to discuss the application. The board may determine the approval or denial of the application at this meeting, or may request additional information. Once the board has made its determination, the applicant and the assessor will be notified within ten days. If the application is filed with the assessor's office before October 1 and approved by the board, special valuation goes into effect the following year.

### ***Deadlines to Remember***

Application for special valuation must be made no later than 24 months after the beginning of the rehabilitation work. October 1 is the deadline for applications when special valuation is desired for the following year.

### ***Important Consideration***

- In order for a historic property to be eligible for special valuation, it must have been substantially rehabilitated within 24 months prior to the date of application.
- In order for a phased rehabilitation to be eligible, each phase of the rehabilitation must cost at least 25% of the assessed value of the property, exclusive of land value, prior to commencing that phase of work. Work on each phase must have been completed within 24 months prior to the date of application for special valuation for that phase.
- Improvements must be consistent with the historic character of the building. During the ten-year period of special valuation, additional improvements to the property are also subject to compliance with the Washington State Advisory Council's Standards for Rehabilitation.
- The property must be maintained in good condition as long as the special valuation is in effect.

- Special valuation may apply to a wide range of properties, at the discretion of the local government in each jurisdiction.
- Applications may be submitted at any time, however the deadline is October 1 when special valuation is desired for the following year. Reduction in property taxes appears one year after special valuation designation and applies until the year following the end of the ten-year period of special valuation.
- Property owners who receive special valuation for a rehabilitation project may also apply for the federal Investment Tax Credits for the same project.