

Who's the Boss and is Charles Really In Charge?

Over the past several years a great deal of confusion has arisen out of the many different “characters” involved in the review process that determines what is allowed and not allowed with respect to renovation work done in historic neighborhoods.

Before I get into the intricacies of each of the “characters” involved in this episode of “Who's the Boss?” I think that it is extremely important to point out that each character has the best of intentions in their pursuit of historic preservation. The issues arise in the application of and rules governing their decisions.

Okay, so what I am really trying to say in these two cryptic paragraphs is that there are three specific characters involved and sometimes a fourth who all play a role in determining what you can and cannot do when renovating your historic home and sometimes they don't all agree and can even sometimes conflict. So it is my job now to help you get a grasp on the situation.

Entrance Stage Right is the Maryland Historical Trust and the National Park Service. The National Park Service would be the Grand Poobah of the Order of Historic Water Buffalo. The Secretary of the Interior's Standards for Rehabilitation (The Standards) are the “bylaws” that govern the Federal and State Historic Tax Credit Programs. They are used by the National Park Service in their preservation of National Landmarks and are administered by people who are true preservationist. Their application of The Standards is uniform and follows well documented guidelines and precedents. If you are applying for the Maryland Historic Tax Credit, it is the Maryland Historical Trust that will determine your eligibility based on your proposed work and its adherence to the Standards.

Entrance Stage Left the Baltimore City Commission on Historic and Architectural Preservation (CHAP). CHAP is run by a group of very dedicated and helpful people. It is unfortunate that they are understaffed and overworked which can, at times, make it difficult to get immediate help from them, however, they are always willing to speak with Baltimore City homeowners and offer their help. As I have mentioned before, Baltimore City has a Historic Tax Credit that helps minimize the effect of your renovation on your property tax. CHAP, while using The Standards used by the Maryland Historical Trust and the National Park Service as a basis for their guidelines, have their own list of rules and regulations.

Guest Starring and Entering Stage Right: Your Neighborhood Architectural Review Board/Committee. Many of you live in districts that have homeowner covenants that require you to submit a proposal for review to an Architectural Review Committee prior to beginning the work. It has been our experience that these committees are often comprised of dedicated residents who donate their time and are concerned primarily with the streetscape and exterior appearance of your home and, ultimately, the district/neighborhood.

“Well, Tristan, so you have introduced us to the characters involved in this show, and you’ve identified the Grand Poobah, so what’s the problem?” you ask. Well there is rarely ever a conflict between the Maryland Historical Trust and the National Park Service, primarily because the Maryland Historical Trust administers the Federal Program and acts as the “local eyes” for the National Park Service.

There have been a few instances where CHAP and the Maryland Historical Trust have disagreed on application of their rules, but given the user-friendly nature of City’s program and the extremely helpful people at CHAP, they have always worked with the Maryland Historical Trust to resolve their differences. It is important to note here, however, that if you live in a district that is a National Register District and/or a Baltimore City Historic District (local district), you are bound by CHAP’s rules and regulations in doing renovations to your home. If you are only a National Register District you will be bound by CHAP’s rules and regulations only if you seek the City’s tax credit.

The conflicts that have arisen most, in our experience, have resulted from situations involving Neighborhood Architectural Review Committees and the conflict is best explained by example.

A homeowner submits an application to the Maryland Historical Trust as well as to CHAP. In this application, the homeowner specifies that he/she would like to do a series of renovations to the interior of their home. The Maryland Historical Trust and CHAP determine that the work meets The Standards and City Rules and Regulations and approve the work. The homeowner proceeds with their work and, at some point in time later, they decide that they would like to replace their original windows.

Well now that the change involves the exterior of their home, the homeowner knows that he/she must submit a proposal to their Neighborhood Architectural Review Committee for approval. The homeowner proposes to replace the windows with new energy efficient, wood windows that are the same configuration of the original windows (say six over six, for example). The review board determines that this is in keeping with their goal of retaining the historic appearance of the neighborhood and approves the plan.

The problem with this is that it violates The Standards and now when the homeowner goes to file the final part of their tax credit application, the Maryland Historical Trust will regretfully inform the homeowner that they disqualified themselves from the credit when they removed the original windows. It is at this point that the homeowner will become flush with anger and, as is always the case with these types of letters, will have received the letter at 5p on a Friday causing them to stew all weekend thinking, “But I was approved to do this by our Neighborhood Architectural Review Committee, why would this disqualify me?”

Well, this is where the conflict arises. Neighborhood Review Committees definitely have their neighborhood’s historic appearance at heart when they make their decisions, however, sometimes their decisions are in direct conflict with The Standards.

As I have always espoused, anyone can complete these processes on their own and qualify for these programs. Ultimately, what we learn from this episode of Who's The Boss is that the homeowner is in charge.

It is up to the homeowner to seek permission from all of these entities prior to doing the work to insure that the work they are proposing is acceptable by all. Thus, if new windows are more important than qualifying for the tax credits, the homeowner can make that decision. Again, we encourage you to take these tips as well as the tips from past articles and take a shot at doing the necessary work to qualify for these programs. However, if you would like to take the guess-work out of the process or would just like some advice or help, please feel free to contact me at 410.837.5800 or via e.mail at tristan@mdtaxcredits.com.