

Comprehensive Project Planning Services

Building Code Analysis

Economic Re-Development Support

Historic Preservation Guidance

Property Listings

Review of Tax Assessment

Site Plan Development

Zoning Ordinance Review

Mission Statement

Our mission is to provide a safe, vibrant, sustainable community while striving to constantly improve the quality of life for our citizens and economic partners.

CITY OF WINCHESTER DEVELOPMENT TEAM

Economic Re-Development
Planning
Zoning & Inspections

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Rehabilitation Incentives

HISTORIC
PRESERVATION

SUSTAINABLE
DESIGN



City of Winchester

A Guide to Rehabilitation
Incentives and Opportunities

Historic Rehabilitation Tax Credits



Rehabilitation work that meets *The Secretary of the Interior's Standards for Rehabilitation* qualifies for dollar-for-dollar reductions in income tax liability for taxpayers. Credits are available from both the federal government and the Commonwealth of Virginia.

FEDERAL CREDIT IS 20% OF ELIGIBLE REHABILITATION EXPENSES

STATE CREDIT IS 25% OF ELIGIBLE REHABILITATION EXPENSES

SOME PROJECTS MAY QUALIFY FOR BOTH INCENTIVES ALLOWING UP TO 45% OF CLAIMED CREDITS

- "Substantial rehabilitation" or at least \$5,000 of investment is required for federal eligibility
- At least 25% of the assessed value for owner-occupied structures must be invested for state eligibility
- For all other eligible structures, at least 50% of assessed value must be invested for state credits

Rehabilitation projects approved for tax credit eligibility by either the federal or state government are **exempt** from the local Board of Architectural Review process.

For more information about the historic rehabilitation tax credit programs and eligibility, please contact the **Northern Regional Office of the Virginia Department of Historic Resources** at (540) 868-7029.

Substantial Rehabilitation Incentives

§§ 27-28 – 27-30, Winchester City Code

Substantially rehabilitated real estate within the Historic Winchester District, may qualify for real estate tax exemptions for a period of ten years, following completion of rehabilitation.

Amount of Investment Required for Substantially-Rehabilitated Property Incentives

ASSESSED VALUE OF RESIDENTIAL STRUCTURES MUST BE INCREASED BY AT LEAST 40%, WITHOUT INCREASING TOTAL SQUARE FOOTAGE BY MORE THAN 15%

ASSESSED VALUE OF COMMERCIAL OR INDUSTRIAL STRUCTURES MUST BE INCREASED BY AT LEAST 60%, WITHOUT INCREASING TOTAL SQUARE FOOTAGE BY MORE THAN 15%

Derelict Building Renovation Incentives

§ 6-134, Winchester City Code

Buildings that have been vacant, boarded up or secured, and disconnected from either water & sewer or electric utilities for a period of at least six months, may qualify for designation as a Derelict Building. If a property owner plans to renovate a derelict building, review processes involving site plans, subdivision applications, and building permits will be expedited. Associated fees for applications and permits may also be refunded, all or in part. The improved value of the renovated building will be deducted from the real estate tax assessment for a period of ten years.

Sustainable Design

Some of the best examples of sustainable design in the City of Winchester can be found in the rehabilitation and renovation of existing structures. In addition to the variety of tax-related benefits and incentives described elsewhere in this brochure, the City offers certain incentives to sustainable design projects.

- Density bonuses for multifamily dwelling projects that are certified through the LEED® for Homes program
- Reductions in the amount of required off-street parking for LEED®-certified projects
- Tax exemption for certified solar energy equipment, facilities, or devices

