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Are Modern Era Resources Historic?

By John M. Tess, Heritage Consulting Group

Shopping centers, motels and skyscrapers — what do these buildings have in common? They are modern era resources that may be eligible for listing in the National Register of Historic Places and then eligible for the federal 20 percent investment tax credit for historic properties. As modern era resources are increasingly demolished in favor of new construction, the possible cultural significance of these resources is being considered more and more. And as these buildings are deemed significant, the door opens for developers and property owners to rehabilitate these properties using federal, state and local historic incentives.

At present, the federal government offers a two-tiered incentive program for the rehabilitation of older buildings. The first is a 10 percent investment tax credit for non-historic buildings constructed before 1936. The second, and particularly important here, is a 20 percent investment tax credit for certified historic buildings. Classification as a certified historic building is typically determined by being listed on the National Register of Historic Places. The National Register was created in the National Historic Preservation Act in the mid-1960s as a broad list of resources that reflected “the spirit and direction of the Nation.” The program is administered by the National Park Service. To be listed, a property nomination is made, typically by the property owner; that nomination includes a property description, history and a statement of the resource’s significance. The nomination is then reviewed by the State Historic Preservation Office and ultimately a decision is made by the Keeper of the National Register.



Photo Courtesy: Heritage Consulting Group
The IBM Building in Chicago, Ill., completed in 1972 for the International Business Machines Corporation, has been nominated for the National Register of Historic Places.

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Photo Courtesy: Heritage Consulting Group

The Rohm and Haas Building in Philadelphia, Pa. was completed in 1965, and is listed on the National Register of Historic Places.

Normally to be considered for the Register, a property must be at least 50 years old; however this time frame is not absolute. The law recognizes that it is possible for a younger resource to be noteworthy. To frame the consideration of buildings less than 50 years old, the Park Service established "Criteria Consideration G," which offers guidance on what is termed "exceptional importance." A nomination is expected to formally address and incorporate Criteria Consideration G within the National Register nomination document.

Approximately 3 percent of the buildings listed on the National Register were less than 50 years old when listed. Examples are varied. They include the Apollo Mission Control Center in Houston, Texas, built in 1965, Memorial Coliseum in Portland, Ore., built in 1960, and G. Milton Small & Associates office building in Raleigh, N.C., built in 1966.

Two particularly good examples that we have worked on are the IBM Building in Chicago, Ill., and the Rohm and Haas Building in Philadelphia, Pa.

The IBM Building was nominated for listing in the National Register when it was only 37 years old. It was completed in 1972 for the International Business Machines Corporation; then a world wide leader in typewriters and computers. It was constructed as the company's Midwest regional headquarters with half of the building dedicated to tenanted office space. The initial planning stages for the project began in 1966 and the firm commissioned the famed architect Ludwig Mies van der Rohe to design the building. The selection of the architect was excellent as Mies's design philosophy of rationality and modernity married well with IBM's vision as a technical innovator. At the time, Mies was considered one of the most influential and respected architects in the world. The end result was a 52-story International style office tower rising 695 feet with a gross 1.7 million square feet. The building well

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represented the company's image and future as a cutting edge technological leader. Yet, IBM sold the building and by 2006 the company had vacated it. The building is currently occupied by office tenants with a rehabilitation planned for floors two to 14 into a luxury hotel.

The current owners pursued gaining historic status of the building. Our team has been successful securing local landmark status and the building is in the process of being listed in the National Register of Historic Places because of its architectural and engineering significance at the local level. It is considered an excellent example of the International architectural style with exceptional importance as one of Chicago's premier examples of the work of Mies van der Rohe. Furthermore, it is significant for the energy efficient innovations in the curtain wall that solved the inherent flaws of penetration and energy conservation of this system.

The second example is the Rohm and Haas Building in Philadelphia. That building was completed in 1965 as the company's headquarters. Rohm and Haas was a specialty chemicals company that made its mark with the invention of Plexiglas. At the time of construction, the company worked with the city's urban renewal agency to locate the building on a re-energized Independence Mall. The company commissioned modernist architect Pietro Belluschi to design the headquarters. Historic designation was sought to gain access to historic incentives that would help fund the rehabilitated the building.

The Rohm and Haas Corporate Headquarters is listed in the National Register of Historic Places as an important example of the modern movement style of architecture in Philadelphia. Among the most notable technological innovations conceived for this building were the pioneering system developed for the poured-in-place concrete and for the innovative applications for Plexiglas. The building is also noteworthy as one of only two examples of Belluschi's work in Philadelphia.

As indicated, securing historic status gives the owners access to federal, state and local financial and other incentives in the rehabilitation. Once certified, a property becomes eligible for the federal 20 percent investment tax credit for historic properties as well as state and local historic incentives. In the case of the IBM Building, it also became eligible for the Cook County (Ill.) Class L property designation, which then offers a reduced property assessment.

Often, the owners and developers of younger buildings simply assume that their building cannot secure historic designations. They often assume that phrases such as "exceptional importance" connotes national significance, or simply that a building so young cannot be considered historic. In the process, they forgo the poten-

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tial financial incentives, benefits that often make the difference in a project's viability. Obviously in these troubled economic times, it is important when contemplating the redevelopment of these modern era resources that all opportunities are explored. ❖

John Tess is founder, president and CEO of Heritage Consulting Group. In 2007, Heritage passed the quarter-century mark. Mr. Tess established the firm in 1982 to assist historic property owners in securing federal investment tax credits. Since that time, Heritage has consulted on projects across the country from its offices in Portland, Ore. and Philadelphia, Pa. with work totaling more than \$1 billion.

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