



State Historic Preservation Office

South Carolina Department of Archives and History
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Tax Incentives: Tips for Developers of Textile Mill Projects

Coordination of Tax Incentives

Historic textile mills in South Carolina may be eligible for multiple tax incentives so it is important that any applicant coordinate the required reviews. The federal and state income tax credits for the rehabilitation of income-producing buildings have specific review points to include in planning the project. The state program for abandoned textile mills also has specific steps required to take advantage of the local property tax incentive or the state income tax credits. The steps and tips listed below are intended to assist you in the review process for the federal and state income tax credits for rehabilitation. That program requires an applicant to provide a complete Historic Preservation Certification Application (HPCA) as the basis for review. You may access an [application packet](#) and [instructions](#) online.

Staff Contact

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Confirm National Register Status

Determine if your building is listed in the National Register of Historic Places (NRHP). The [South Carolina Historic Property Record \(SCHPR\)](#), a searchable online database, includes South Carolina properties and historic districts listed in the National Register. Contact the SHPO to ask about potential NRHP status for a mill property that is not yet listed. **For buildings that are not yet listed, the applicant will need to provide documentation substantially similar to a draft NRHP nomination form along with the HPCA Part 1.**

Meet with the SHPO

Contact the State Historic Preservation Office (SHPO) **early in the design process** for a consultation. Continue to consult the SHPO through the later phases of design. **Consultation with the SHPO early in the process will provide a historic preservation perspective to the development team, avoiding delays in the review process later on.**

Issues to Consider

Windows: **Early in the project planning a developer will need to decide how to treat the existing historic windows or, where the windows are missing or too deteriorated to repair, what type of replacement windows to order.** This is an important issue because window work is often interrelated with other work and repairs take time as does the manufacture of new windows. **Investigate and document the historic windows in terms of operation, details, materials, and finishes to form a basis for the window work.** This research element is particularly important where the windows were removed by a prior owner and none are left as documentation for the new units. Such research may include physical evidence on the building, historic photographs, as well as original plans. Be sure to include the research documentation as part of the HPCA. For projects where replacement windows are proposed, consider installing a mockup of the proposed window - if circumstances permit. This allows the development team as well as the reviewing agencies to look at an actual window in place in the building. Fine-tuning of the new window design is much easier before they are all manufactured.

Demolition: Avoid removing later additions or outbuildings without consultation with the SHPO because they may be historically significant. **Consultation with the SHPO early in the design process will let you know more about the historic or architectural significance of any particular addition or outbuilding.**

Masonry Cleaning: Masonry cleaning may include exterior or interior surfaces of brick, terra cotta, or stone. **Avoid abrasive cleaning of any masonry surface. Any treatment that damages historic masonry materials may be cause for denial of the project for tax credits.** Most interior surfaces were painted during the historic period. The SHPO encourages the retention of these historic finishes. Painted historic surfaces (e.g. walls, columns, beams, joists, and ceilings) must retain a painted finish throughout. **The SHPO recommends conducting test panels for the treatments that you would like to consider.** Sometimes a treatment will perform better in two applications at half strength rather than one application at full strength. Include good before and after photographs of the test panels in the HPCA.

Tenant Separation: **Avoid obscuring historic materials to the maximum extent possible.** In cases where separation is needed between floors (fire resistance, noise suppression, etc.), then focus the treatment on the floor or the ceiling area, but not both. Where a floor is treated to provide separation, then the ceiling below should remain unaltered. Where the ceiling area is treated to provide separation, then the floor above should remain unaltered. In the example where the ceiling area is treated, then retain as much exposure as possible of the beams and joists. Where historic flooring materials must be removed to provide for tenant separation (e.g. sound attenuation or fire separation), the new flooring material must be compatible with the character of the historic. Provide a clear description of the proposed tenant separation system in the HPCA Part 2.

Interior Layout: **Avoid removal of significant interior features** (stairs, elevators, fire doors, historic structural systems – columns and beams, historic flooring, etc.). Design the layout of any new partitions so that historic columns are expressed in the public spaces, rather than incorporated within the new partitions. Avoid placing partitions where they will intersect windows. Retain open spaces in common areas to recall the open floor plan of the mill.

Site Development/Landscaping: **Retain, preserve, or rehabilitate the historic setting of the mill.** Most mill buildings were located in an industrial setting. Avoid adding elaborate landscaping that changes the setting of the historic building. For later mill complexes where historic landscaping was part of the overall planning, retain the historic landscaping as part of the new site development. Provide new site development and landscape features in a secondary area of the site. This allows the primary area of the site to retain the historic industrial character. Provide a site development/landscaping plan, along with the basis for the design approach as part of the HPCA.

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