

of Preservation Historic Winchester, Inc.



Winter 2006

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ALL AROUND TOWN

Preservation of Historic Winchester announces its 30th annual Holiday House Tour for December 2 and 3, 2006. This year we will be “*All Around Town*,” as the tour takes you to three areas of Winchester via Winchester’s trolley. You may choose to begin the tour at any of the six lovely homes decorated for the holidays, and then move along to the next home on the trolley. It will take you to each of the homes, the Bough and Dough Shop, and back where you began your evening.

Featured in this version of the Holiday House Tour are a variety of home styles and ages, dating from 1790 to present. Enjoy musical entertainment at some of these homes while you take in the beautiful decorations, hung by some of the area’s experts in home décor.



The Nancy Shepherd House, 618 South Loudoun Street.

On Loudoun Street you will find the oldest of the homes on the tour. At 618 S. Loudoun Street is the Nancy Shepherd House. Built in 1790, this log construction was originally one and a half stories high. Long after undergoing considerable enlargements and embellishments in the early 1800’s, the house fell into disrepair and neglect, and was even divided and sold as two properties. Painstakingly restored to its original state at the height of its splendor by David McLaughlin, son of Nancy Shepherd McLaughlin, the home is available for rent to visitors of Winchester. This home will be decorated for the holidays by Water Street Interiors.

The Peter Miller house, at 422 S. Loudoun Street, was built in 1802 for Godfrey Miller’s son. A unique item about this clapboard-covered log house, that attests to its age, is that its attic beams came from the original Fort Loudoun. Although the home had fallen into disrepair, it was restored in the 1980’s with the help and support of PHW. Now owned by Justine and Jonathan Rose, the home is available to vacation and business travelers. Pamela Baker will be the holiday decorator for this home.

Don’t miss the Bough and Dough Shop at 320 South Loudoun Street before you hop back on the trolley. Not only do you have the opportunity to buy your fresh greenery and coffee for the holidays, and local artwork, but you may enjoy baked goods whilst you let piper John Taylor take you back to the Old Country. A display and silent auction of Habitat for Humanity’s “Homes for the Holidays” Gingerbread Houses will also be held at the shop this year. The shop will be open on Saturday from 11 a.m. to 9 p.m. and Sunday noon to 6 p.m. A ticket is not required for shopping.

The Byrd Home, located at 215 West Cork Street, is now the home of Drs. Laurel Tschirgi and Mark Schroeder. This structure, built in the 1830’s, is attached to another home. The two homes were originally one, until in 1892, upon the death of Emily Funston, it was divided between her two nieces. Members of many of Winchester’s most prominent families, from physicians and lawyers to military leaders and elected officials, have called this property their home. Patricia Jackson will be the decorator for the home.

Overlooking the grounds of John Handley High School, you are welcome to tour the home of Brenda and Tom Bacon at 327 Jefferson Street. Built in 1927, this is a beautifully decorated brick home with classical architectural characteristics. The large front porch invites you to come in and walk through this family home, and indulge your ears to the piano music played by Dr. Jim Laidlaw, and your eyes to the holiday decorations by Rachel Charles.

(Cont. on page 3)

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ENHANCING THE FEDERAL HISTORIC REHABILITATION TAX CREDIT

BY BRADFORD J. WHITE

Since 1986, the National Trust for Historic Preservation and other preservation advocates have discussed changes to the existing rehabilitation tax credit that would expand the universe of building types eligible for a federal historic rehabilitation tax credit or make the credit more useful to individual investors. Many have sought legislation to exempt the tax credits from the passive loss rules so that developers of smaller projects could take advantage of the tax credits. Still others have sought to expand the rehabilitation tax credit or a similar credit to make it available to support the rehabilitation of owner-occupied housing – single-family homes and condominiums.

The Community Restoration and Revitalization Act (HR 3159) was introduced in Congress in 2005 to address these and other issues. The following is a summary of its major provisions:

- Improve the combined use of the Low Income Housing Tax Credit (LIHTC) and the Historic Rehabilitation Tax Credit by eliminating rules that result in the lowering of the amount of the LIHTC available for the project.
- Reduce the loss of tax benefits that occurs on a dollar-for-dollar basis according to the amount of credit taken (depreciation adjustment).
- Increase the historic rehabilitation tax credit from 20 percent to 40 percent for projects under \$2 million. The purpose is to make the credit more worthwhile for smaller projects where transaction costs can quickly reduce the value of the total available credits.
- Make the 10 percent credit that is currently available for the rehabilitation of “older buildings” more consistent with the 20 percent credit by making it available for rental housing and changing the definition of “older building” from “built before 1936” to any building “50 years old or older.”
- Change the nonprofit use provisions to allow community-oriented projects to move forward and take advantage of the tax credits.
- Increase the qualified rehabilitation expenditures to 130 percent of eligible expenses in the most difficult to develop and disinvested areas.
- Expand use of the historic rehabilitation tax credit to the development of condominiums by eliminating the pay-back (recapture) of tax credits upon conversion to condominium.

The proposed changes would certainly enhance the toolbox of incentives that are already available. The effect of the changes would depend on a variety of factors. For example, improving the combined use of the LIHTC and the historic rehabilitation tax credit is desirable. However, the LIHTC’s are allocated on a project-by-project basis through a competitive process based on need. The proposed change will increase the available eligible expenses for purposes of determining the allocation but will not

necessarily bring more resources to the project. Use of the rehabilitation tax credit will act to reduce the LIHTC allocation. Limited resources have forced allocating agencies and many in the affordable housing industry to choose least-cost alternatives for the production of affordable units. Perceptions (and some realities) regarding the cost of historic rehabilitation projects have caused some to favor new construction over rehabilitation.

Changing the tax credit available for small projects will likely spur projects in smaller towns and rural areas. But rehabilitation projects in these locations can be costly. It would probably be more effective if the ceiling were raised to \$5 million. Alternatively, the definition of an eligible project should be increased to approximately \$5 million while restricting the increased credit to \$2 million of eligible expenses. This would expand the number of projects eligible for the enhanced credit while limiting the amount of credit used in the project.

More must be done to promote the rehabilitation of historic buildings as a vital aspect of sustainable development. Rising fuel costs, diminishing natural resources, and the realities of global warming have served to bring attention to the need for sustainable development. Historic preservation is one of the best examples of sustainable development because it calls for the reuse and recycling of existing materials. Enhanced tax credits for historic rehabilitation that incorporates solar and wind technology, energy efficient mechanical systems, green roofs, and other sustainable development technologies must be considered.

At the same time, it must be recognized that it is more efficient to maintain many existing building envelope features such as windows. For example, there is very little to be gained by removing extant window systems and replacing them with double-glazed low-E window systems. Comparisons of heat gain and loss of older window systems indicate that infiltration is primarily a result of poorly fitting sashes and frames, which can be easily remedied by use of weather stripping and other conventional products. The benefits, if any, of changing windows do not outweigh the detriment of significantly altering the facades of our historic buildings. ♦

Bradford J. White is vice president of LR Development Company, LLC.

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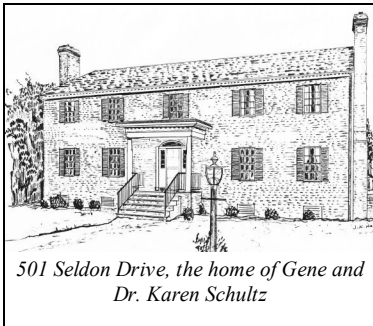
ALL AROUND TOWN (CONT.)

Home to Ann and Paul Burkholder, 521 Jefferson Street is somewhat of an art and historical museum. Too numerous to list in this article, the Burkholders own several original works by local artists, as well as historical and family artifacts that have been passed down from their ancestors. Flutist Andrea Diggs will perform as you peruse items such as a chandelier and clock once used as payment for medical care during the Civil War, and original copies of two pages of the Virginia Declaration of Rights.

handmade Faberge style eggs, once shown at the National Arboretum in Washington D.C., adorns this home which will be decorated for the holidays by Debora Haughton.

The Candlelight Tour Preview Party will be held at the home of Lynn and Jim Robinson at 415 West Cecil Street on Saturday night. The trolley will take you there as you make your way "*All Around Town.*" The cost for this event is \$30.00, and the homes will be open from 6 p.m. to 9 p.m.

The daylight tour hours will be noon to 5 p.m. on Sunday. Tickets for the tour are \$15 in advance, or \$18 on the day of the tour. They will be available at any of the homes on the tour during tour hours, or at the following locations in advance: PHW's office at the Hexagon House, Kimberly's, Final Yard home fabrics and décor, The Door Mouse, and The Country Store. PHW is grateful to the sponsors Wachovia, The Adams Companies, BB&T, First Bank, Virginia National Bank, and Final Yard home fabrics and décor for their donations which make the tour a possibility. ♦



You may stroll through the back yard of the Burkholders' to the home of Dr. Karen and Gene Schultz, at 501 Seldon Drive (or vice versa). Although this is one of the newer homes on this year's tour, you will find a collection of antiques inside this Federal style home. A collection of

TODAY'S PRESERVATIONIST

Receiving an Award of Merit from PHW for restoration and adaptive reuse of the building at the corner of East Piccadilly Street and North Kent Street into Piccadilly's Brew Pub and Restaurant were Gary Rutherford and Dale Massey. Built in 1900, the building had previously been Swimley's Furniture Warehouse and Cooper and Sons Warehouse.

The renovators found this building to be structurally sound. Needing no structural changes, it retains a lot of its original components. In just five months, the former warehouse was transformed into the brew pub and restaurant. The floors, walls, and support posts are all original, and the windows, although a lot of them were replaced, retain the original shape and design. The biggest change made to the 14,000 square feet of the first and second floors was that walls were erected to form the kitchen area, restroom facilities, and stairwells.

The large open feel of the former warehouse is still apparent as there is plenty of room to enjoy a wonderful meal or glass of beer. The walls of bare brick and flooring of wood, with a rich patina, provide warmth to an otherwise spacious environment.

In restoring and preserving this building in Winchester's Historic District, Mr. Massey and Mr. Rutherford have done their part to revitalize a district of Winchester that is transitioning into the 21st century with an updated appearance and use. Although the beers brewed in the large steel beer tanks have names suggesting that the likes of Patsy Cline and Stonewall Jackson might have shared their secret recipes, I have been told there is no historical reference to the beers themselves. (Do we need to form an organization for the Preservation of Historic Beers?) Cheers! ♦

PHW MOVES "BACK TO THE FUTURE"

On September 29th Preservation of Historic Winchester relocated its headquarters to The Hexagon House at 530 Amherst Street. The Hexagon House was PHW's home from the mid 1980s until it moved to the newly restored Kurtz Building in 1992. Last spring the Glass-Glen Burnie Foundation who owns the six-sided building and the Museum of the Shenandoah Valley (MSV) who manages it, offered PHW a five-year rent-free lease. This was an offer not to be passed up! Since selling the Kurtz Building to the Chamber of Commerce in 2001, PHW has had limited office and meeting space. The move provides PHW with ample office space, meeting space, library and archives area, and storage – to accommodate the programs that are now being planned.

James W. Burgess. It is not known what prompted Burgess to construct a hexagonal building. Octagonal structures were popular in the mid-19th century, but hexagons are rare. In fact, The Hexagon House is one of only two hexagonal buildings on the National Register of Historic Places.

The Glass-Glen Burnie Foundation purchased The Hexagon House in 1986 to preserve it and subsequently restored the building.

The PHW's Board of Directors is deeply grateful to the Glass-Glen Burnie Foundation and the MSV for making this remarkable building available to us. It is a tremendous contribution to the community. ♦

The Hexagon House was constructed between 1871 and 1874 by

Preservation
of Historic
Winchester

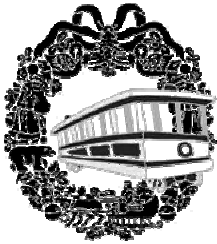
Hexagon House ♦ 530 Amherst St. ♦ Winchester, VA 22601

NEWS

Winter 2006

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UPCOMING EVENTS



December 2 and 3: Holiday House Tour

Join PHW for the 30th Annual Holiday House Tour, *All Around Town*, featuring homes on Jefferson, Seldon, Loudoun, and Cork Streets. Don't forget to stock up on holiday crafts, fresh greens and baked goods at the Bough and Dough Shop, located at 320 South Loudoun Street. The Preview Party, at the home of Jim and Lynn Robinson at 415 West Cecil Street, and Candlelight Tour will be held on Saturday, December 2, while the daylight tours will be held on Sunday, December 3. Advance tickets are on sale at Kimberly's, The Door Mouse, The Country Store, Final Yard home fabrics and décor, and the PHW Office at the Hexagon House. See the article on page one for more information. ♦

ADVANCE TICKET AND PREVIEW PARTY ORDER FORM

Order your advance tickets through the PHW office by mailing a check to PHW, 530 Amherst St., Winchester, VA 22601. You will be able to pick up your tickets at any of the homes on the day of the tour. Please complete the form below and enclose it with your payment for accurate recording on the reservation list.

✂

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Adult	_____ x \$15 per person	Name: _____
Child (12 and under)	_____ x \$6 per person	Address: _____
Preview Party	_____ x \$30 per person	_____
Total:	_____	Phone: _____

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✂

ARE YOU A PHW MEMBER?

Preservation of Historic Winchester, Inc., is a 501 (c) (3) nonprofit organization dedicated to protecting Winchester's architectural heritage. PHW depends on income from membership and contributions to achieve its goals. *All contributions above membership are tax deductible.* Join today by completing this form and returning it to PHW, 530 Amherst St., Winchester, VA 22601.



___ Individual	\$25	___ Family/Business	\$45
___ Corporate	\$100	___ Other	

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