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HISTORIC TAX CREDIT TOOL BOX

Finding the Story: The Challenges of National Register Listing

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What happens when you instinctively know a building is significant, but the history is largely unknown?

While a developer may feel a building is historic, unless significance is established, a building will not be eligible for the historic tax credits (HTCs). Establishing the historic and/or architectural significance of a building is the first step in an HTC project. To qualify for HTCs, a building must be considered a “certified historic structure,” listed in the National Register of Historic Places. If the building is not a certified historic structure at the start of the development, then listing the building in the National Register of Historic Places must be accomplished and, normally, individual designation is the typical path.

While individual listing of buildings is often a straightforward process, sometimes a building that appears to be significant may not have a well-known history. In these cases, the historic consultant must develop the building’s significance. This article outlines the challenges of individually listing buildings in the National Register when little is known of their history.

Criteria for Listing in the National Register

Successfully listing a building on the National Register involves contextualizing a building to properly evaluate its historical significance. There are four criteria that can be used for nominating a building to the National Register:

- Criterion A: association with events that have made a significant contribution to the broad patterns of U.S. history;
- Criterion B: association with the lives of significant persons in the past;
- Criterion C: embodies the distinctive characteristics of a type, period or method of construction, or that represent the work of a master or that possess high artistic values, or that represent a significant and distinguishable entity whose components may lack individual distinction; or
- Criterion D: sites that have yielded or may likely yield important archaeological information, and is therefore, not applicable for HTC projects. Additionally, buildings that are less than 50 years old may be listed in the National Register should they meet Criterion G, which requires them to

continued on page 2



Image: Courtesy of Heritage Consulting Group

The Pyramid Electric Building in Philadelphia was successfully listed in the National Register of Historic Places in April 2017.

continued from page 1

be of exceptional importance, though there is some flexibility with this requirement.

It is vital to thoughtfully consider which criterion or criteria is the best fit for listing, particularly with buildings that appear to be historically or architecturally marginal. A building may have aspects of its history or architecture which relate to all of the criteria, but it is important to identify and focus on the strongest case for listing early in the process.

A nomination preparer must weave a compelling story placed within a context statement. Furthermore, establishing the viability of listing early in the development schedule is important, as the full listing process can be lengthy, often extending more than 12 months. Less well-known buildings, including buildings such as warehouses, may be vernacular or utilitarian in design, or may not have a history that immediately fits into established historical narratives while buildings associated with well-known architects or tenants may be straightforward in the listing. It is important to accommodate for the significant upfront legwork necessary to list less well-known buildings.

Nominations of marginal and seemingly insignificant buildings must contain a more rigorous argument with sufficient context to make a convincing case for listing. Often, more extensive research may be necessary

to establish a viable path for listing. A building may initially appear significant for one reason, but ultimately, significance may be derived from a different aspect of its history. The preparer should engage the State Historic Preservation Office National Register staff early in the process. The National Register staff may help to prevent going too far down the path under one criterion only to have to switch gears to create an entirely different argument for listing. Therefore, a flexible approach is necessary for buildings that are more marginal.

Case Study: Pyramid Lofts, Philadelphia, Pa.

One such project that faced the challenge of listing in the National Register was the Pyramid Lofts in Philadelphia. The former Pyramid Electric Building in Philadelphia’s Brewerytown was a landmark building in the community, visible from the neighboring Northeast Corridor railroad line and serving as the gateway to the neighborhood on Oxford Street. Resulting from decades of vacancy, the building was vandalized and heavily tagged with graffiti. When MM Partners, a Philadelphia-based developer, purchased the dilapidated warehouse in 2016, it had been long vacant and several previous owners had tried and failed to devise a successful reuse strategy. Due to the visual prominence of the building in the Brewerytown neighborhood and its association with Pyramid Electric, MM Partners knew there was potential for HTCs, which were critical to the property’s capital stack. While it was a prominent and well-known

continued on page 3

continued from page 2

building in Philadelphia, the building's historic and/or architectural significance needed to be established to get it listed in the National Register and eligible for HTCs.

At the onset of the development, not much was known about the history of the building, other than it served as a warehouse for the Pyramid Electric Company (owing to the presence of signs that lent the name to the warehouse). Initially, it was thought that listing under Criterion C, in the area of architecture, might be plausible. However, while the building's architect, Leroy B. Rothschild, was locally prominent and the building represented the commercial architectural style, there were many other examples of similar warehouses in the formerly industrial sector of north Philadelphia. Hence, listing the building solely under Criterion C for architecture was not a viable option as the building

was too vernacular. Therefore, extensive research was required to piece together the history and determine whether there was a compelling story to tell about another aspect of the building's history.

Sure enough, as research progressed, it became clear that there was more to the building's history than met the eye. A listing in a 1922 edition of the American Contractor revealed that the warehouse was originally constructed for use by the Harry C. Kahn and Son Furniture Company, a home goods and furniture retailer, located in central Philadelphia. Research focus shifted from Pyramid Electric to the Harry C. Kahn & Son Furniture company and the role that the warehouse played in the retail operation. This revised focus aimed to list the building under Criterion A, in the area of Commerce, as the warehouse operation of the Harry C. Kahn & Son Furniture Company.

continued on page 4

Image: Courtesy of Alcove Media

The Pyramid Electric Building in Philadelphia underwent an \$11 million historic rehabilitation into luxury loft apartments.





Image: Courtesy of Alcove Media

The Pyramid Lofts in Philadelphia now feature luxury, loft-style apartments. The developer needed significant research to establish the building's historic significance in order to qualify for federal historic tax credits (HTCs).

continued from page 3

Local historical societies and libraries can often yield the most historical information, providing both primary and secondary resources. However, the Harry C. Kahn & Son Warehouse, was overlooked in traditional resources like local histories and newspapers. A single advertisement was discovered at a local repository, which cited “Kahn’s Tremendous Warehouse.” It became clear that the warehouse was likely vital to the furniture retailer, but the details of when, how and why Harry C. Kahn & Son used the warehouse were still unclear. After exhausting the traditional research avenues and attempting to find information on the company, it became evident that contacting someone who was connected to the company could yield the most information. The research team located and contacted a member of the Kahn family who established the oral history of the Harry C. Kahn & Son Furniture Company which filled in the gaps in the narrative. With this information in hand, a comprehensive history was compiled which proved that the warehouse built

in 1922 enabled the company to expand. The family member also revealed important information about the nature of Kahn’s furniture business, which established the business within the context of Philadelphia’s 20th century furniture industry.

Research proved the building to be an integral link in Kahn’s supply chain, which enabled the company to deliver furniture to customers directly from the manufacturers whose products were transferred by railcar at the warehouse. Both the oral history and the advertisement proved that the warehouse was an integral component of Kahn’s furniture business, as it increased stock capacity for Kahn’s Center City retail store until Kahn’s closed in 1961. The original theory that the building would be significant for its association with Pyramid Electric was disproved. Ultimately, the National Register nomination concluded that the warehouse is significant under Criterion A for its association with Harry C. Kahn and Son, as an integral

continued on page 5

continued from page 4

component of the retail operation between 1900 and 1961. The building was successfully listed in the National Register in April 2017, and MM Partners could pursue HTCs. Because options for listing early in the process were established, delays were avoided, leading to a successful result.

With the National Register listing in place, MM Partners completed the \$11 million historic rehabilitation development in September. The Harry C. Kahn & Son Warehouse, known as Pyramid Lofts, now features luxury loft-style apartments.

Conclusion

As seen with the Pyramid Lofts in Philadelphia, developing a building’s significance to establish eligibility for listing should be a strategic endeavor,

especially when the building’s history is not readily available. Choosing the right criteria or criterion early in the research process is imperative. Discovering the history of marginal or vernacular buildings may require nontraditional research paths including oral histories. Therefore, engaging an experienced consultant who understands the listing process and various research methods is imperative. ❖

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