

WENATCHEE HISTORIC PRESERVATION BOARD
REGULAR MEETING
December 7, 2022

AGENDA

- I. **CALL TO ORDER: 5:30 PM**

- II. **ADMINISTRATIVE AFFAIRS**
 - A. Approval of the minutes from the regular meeting of November 2, 2022

- III. **PUBLIC COMMENT PERIOD (10 MINUTES)**
 - Comment for any matters not identified on the agenda.

- IV. **OLD BUSINESS**
 - None

- V. **NEW BUSINESS**
 - A. Public Hearing: HP-22-08 – Special Tax Valuation (132 S Emerson Ave)

- VI. **OTHER**
 - None

- VII. **ADJOURNMENT**

Wenatchee City Hall is open for the public to attend meetings in person. The public may also participate in the meeting via phone by calling: (509) 888-3298, passcode 98368#. If you have questions about participating in the meeting, please contact Ruth Traxler, Senior Planner, at rtraxler@wenatcheewa.gov or (509) 888-3254.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Mayor's office at (509) 888-6204 (TTY 711). Notification 72 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to the meeting (28 CFR 35.102-35.104 ADA Title 1.)

MINUTES

I. CALL TO ORDER

The meeting was called to order at 5:35 p.m. with the following members in attendance: Jon Campbell, Mark Seman, Bob Culp, Wendy Priest, Heather Ostensen and Darlene Baker. Member Holly Lin was absent. City Planning staff was represented by Kirsten Larsen, Senior Planner; Stephen Neuenschwander, Planning Manager; Eva Osburn, Administrative Assistant.

II. ADMINISTRATIVE AFFAIRS

A. Approval of the minutes from the regular meeting of October 5, 2022.

Board member Jon Campbell moved to approve the minutes from the regular meeting of October 5, 2022. Board member Wendy Priest seconded the motion. The motion carried.

III. PUBLIC COMMENT PERIOD (10 MINUTES)

There was no public comment.

IV. OLD BUSINESS

None

V. NEW BUSINESS

A. Public Hearing: HP-22-06 – Special Valuation for 619 Idaho Street

Kirsten Larsen, Senior Planner, made a staff presentation on the application with a condition that the front doors be replaced to represent the Grandview Historic District. Homeowner was on the phone and her contractor was in attendance who answered questions.

Board member Heather Ostensen moved to approve HP-22-06 with the agreement that a Certificate of Appropriateness be submitted before December 31, and with the condition that the front doors be replaced to represent the Grandview Historic District. Board member Darlene Baker seconded the motion. The motion was unanimously carried.

B. Public Hearing: HP-22-07 – Special Valuation for 119 S Okanogan Avenue

Kirsten Larsen, Senior Planner, made a staff presentation.

Board member Wendy Priest moved to approve HP-22-06 as presented on the staff report. Board member Jon Campbell seconded the motion. The motion unanimously carried.

VI. OTHER

Tonight was Board member Wendy Priest's last meeting. Wendy was presented with a certificate for her years of service.

VII. ADJOURNMENT

With no further business to come before the Historic Preservation Board the meeting was adjourned at 6:47 p.m.

Respectfully submitted,
CITY OF WENATCHEE
DEPARTMENT OF COMMUNITY DEVELOPMENT
Eva Osburn, Administrative Assistant

DRAFT

STAFF REPORT
HP-22-08, 132 S. EMERSON AVENUE

TO: Wenatchee Historic Preservation Board
FROM: City of Wenatchee Community Development Staff
RE: Review for Special Tax Valuation for 132 S. Emerson Avenue
DATE: November 30, 2022

I. SUMMARY OF REQUEST

Description of Request:

An application was submitted for special property tax valuation for improvements to the property. The subject residence is listed as a contributing structure in the Grandview Historic District. Application materials are attached as Exhibit A.

II. GENERAL INFORMATION

Owner/Applicant: Ryan Shimp
247 Scholze Street
Leavenworth, WA 98826

Department Review: City of Wenatchee Community Development Staff

Location and/or legal description: The subject property is located at 132 S. Emerson Avenue, Wenatchee; and identified by Assessor's Parcel No.: 22-20-10-586-295. The legal description for the property is Lot 9, Block 64, Grandview Addition to Wenatchee.

Zoning District: Residential Moderate (RM) and Grandview Historic District (GHD)

Comprehensive Plan Designation: RM and GHD.

Application Date: An application for special valuation was submitted to the Chelan County Assessor on September 30, 2022.

History: The house at 132 S. Emerson Avenue stands on Block 64 of the Grand View Addition to Wenatchee, platted in 1903. Development on the block took shape slowly over the first two decades of the 20th century. By 1921, about half of the lots contained a single-family home with a garage on the alley.

This particular parcel appears to have been developed in the late 1910s. Sanborn maps for 1921 show the house in its current T-shaped configuration. That early map indicates the ground floor served as an auto garage, with a living unit above.

A 1929-30 R.L. Polk city directory listing at this address is for W.T. Knapp, a rancher. By 1940, ownership had transferred to Martin A. and Ray M. Foster. Martin is described as a sales rep for the PSP&L Co.

Although altered, the house is interesting for its unusual floor plan and deep setback along the alley. (Source: as adapted from the 2003 Historic Property Inventory Form, State of Washington Department of Archaeology and Historic Preservation)

Physical Appearance: A two-story frame house with distinctive T-shaped footprint and deep eaves overhangs. Ornamental verge boards and brackets in place. Multi-paned wood sash mostly in place. Narrow-gauge lapped siding with some shingle work.

Alterations included large second-floor deck on posts at front. Evidence of a ground level garage accessed from Emerson.

Deep open front lawn with non-original driveway. House abuts alley at rear. (Source: as adapted from the 2003 Historic Property Inventory Form, State of Washington Department of Archaeology and Historic Preservation)

Property Photos: See application materials for before and after photographs.

III. NOTICE AND PUBLIC COMMENT

Notice of application and the December 7, 2022 hearing before the Wenatchee Historic Preservation Board was posted on the subject property, mailed to surrounding property owners, and published in the newspaper in accordance with the requirements of Title 13, Wenatchee City Code (WCC). No comments have been received as of the publication of this report.

IV. APPLICABLE POLICIES AND STANDARDS

The Wenatchee City Code Sections 2.36.200 and 2.36.210 outline the procedures and criteria used to review applications for special tax valuation.

Purpose

WCC 2.36 Historic Resources. The purpose of this chapter is to provide for the identification, evaluation, and protection of historic resources within the city of Wenatchee and preserve and rehabilitate eligible historic properties within the city of Wenatchee for future generations through special valuation, a property tax incentive.

Process

WCC 13.09.050 Type III quasi-judicial review of applications.

(1) Type III quasi-judicial review shall be used when the development or use proposed under the application requires a public hearing before a hearing body which will generally be the historic preservation board or the hearing examiner.

Authority

WCC 10.40.060(5) Actions Subject to Historic Preservation Board Approval. The following actions shall be subject to the review of the historic preservation board in accordance with WCC 2.36. All decisions of the historic preservation board are subject to appeal in accordance with WCC Chapter 13.11, Appeals.

Wenatchee City Code 2.36.210(2) Application Criteria.

Complete applications shall consist of the following documentation:

- (a) A legal description of the historic property;
- (b) Comprehensive exterior and interior photographs of the historic property before and after rehabilitation;
- (c) Architectural plans, existing architectural plans (if available) or other legible drawings depicting the completed rehabilitation work;
- (d) A notarized affidavit attesting to the actual cost of the rehabilitation work completed prior to the date of application and the period of time during which the work was performed and documentation of both to be made available to the board upon request; and
- (e) For properties located within historic districts, in addition to the standard application documentation, a statement from the Secretary of the Interior or appropriate local official, as specified in local administrative rules or by the local government, indicating the property is a certified historic structure is required.

Staff Analysis: The applicant submitted a complete application including all the items identified in WCC Section 2.36.210(2). The application includes a completed form with legal description signed by the Chelan County Assessor's office, photographs from before and after the rehabilitation, a notarized affidavit attesting the actual cost is greater than 25 percent of the property's assessed valuation, and associated documentation.

Wenatchee City Code 2.36.210(3) Property Review Criteria.

In its review the board shall determine if the properties meet all the following criteria:

- (a) The property is historic property;
- (b) The property is included within a class of historic properties determined eligible for special valuation by the city of Wenatchee under WCC 2.36.110 through 2.36.140;
- (c) The property has been rehabilitated at a cost which meets the definition set forth in RCW 84.26.020(2) (and identified in WCC 2.36.110 through 2.36.140) within 24 months prior to the date of application; and
- (d) The property has not been altered in any way which adversely affects those elements which qualify it as historically significant as determined by applying Washington State Advisory Council's Standards for Rehabilitation and Maintenance of Historic Properties (WAC 254-20-100(1) and listed in WCC 2.36.110 through 2.36.140).

Staff Analysis: The property is listed as a contributing structure in the Grandview Historic District, making it eligible for special valuation. The building has been rehabilitated at eligible costs of \$128,843.88. The assessed value for the building prior to rehabilitation is \$141,938 as verified by the Chelan County Assessor's office. The actual cost of rehabilitation equated to 90.77 percent of the assessed value, which exceeds the 25 percent required.

Wenatchee City Code 2.36.210(4) Rehabilitation and Maintenance Criteria.

The Washington State Advisory Council's Standards for Rehabilitation and Maintenance of Historic Properties, also known as the Secretary of the Interior's Standards for Rehabilitation.

The following rehabilitation and maintenance standards shall be used by the board as minimum requirements for determining whether or not an historic property is eligible for special valuation and whether or not the property continues to be eligible for special valuation once it has been so classified:

(a) Rehabilitation.

(i) Every reasonable effort shall be made to provide a compatible use for an historic property which requires minimal alteration of the building, structure, or site and its environment, or to use an historic property for its original intended purpose.

(ii) The distinguishing original qualities or character of a building, structure, or site and its environment shall not be destroyed. The removal or alteration of any historic material or distinctive architectural features should be avoided when possible.

(iii) All buildings, structures, and sites shall be recognized as products of their own time. Alterations that have no historical basis and which seek to create an earlier appearance shall be discouraged.

(iv) Changes which may have taken place in the course of time are evidence of the history and development of a building, structure, or site and its environment. These changes may have acquired significance in their own right and this significance shall be recognized and respected.

(v) Distinctive stylistic features or examples of skilled craftsmanship which characterize a building, structure, or site shall be treated with sensitivity.

(vi) Deteriorated architectural features shall be repaired rather than replaced, whenever possible. In the event replacement is necessary, the new material should match the material being replaced in composition, design, color, texture, and other visual qualities.

Repair or replacement of missing architectural features should be based on accurate duplication of features, substantiated by historical, physical, or pictorial evidence rather than on conjectural designs or the availability of different architectural elements from other buildings or structures.

(vii) The surface cleaning of structures shall be undertaken with the gentlest means possible. Sandblasting and other cleaning methods that will damage the historic building materials shall not be undertaken.

(viii) Every reasonable effort shall be made to protect and preserve archaeological resources affected by, or adjacent to, any project.

(ix) Contemporary design for alterations and additions to existing properties shall not be discouraged when alterations and additions do not destroy significant historical, architectural or cultural material, and such design is compatible with the size, scale, color, material, and character of the property, neighborhood, or environment.

(x) Wherever possible, new additions or alterations to structures shall be done in such a manner that if such additions or alterations were to be removed in the future, the essential form and integrity of the structure would be unimpaired.

Staff Analysis: The previous owner undertook the rehabilitation of the residential structure and sold the property to the applicant in 2021. Rehabilitation of the property is consistent with the review criteria in WCC Section 2.36.210(4). The work included replacing two existing windows and adding two windows to the first floor of the structure, replacing the existing non-historic front door, replacing existing garage door/window with new doors, replacing the existing decking to include the stairs and railing, interior and exterior paint, interior remodel of the existing kitchen, bathroom, and living space on the second floor, and interior remodel of the first floor to add three bedrooms and two bathrooms. The work performed was reviewed and issued a certificate of appropriateness under file number HP-20-04 and building permit number BPR-20-052.

Policies - Wenatchee Urban Area Comprehensive Plan

CULTURAL AND HISTORIC RESOURCES ELEMENT

HISTORIC PRESERVATION - Preserve, maintain and honor the city's significant historic resources.

Policy 2: Protect and enhance the aesthetic and economic vitality of historic buildings, structures, sites, districts and objects through the development and implementation of appropriate design guidelines.

Policy 3: Identify and implement incentives to private property owners for the preservation and rehabilitation of historic buildings, structures, sites, districts, and objects.

Policy 7: Promote historic preservation to provide for the identification, evaluation, and protection of historic resources within the City of Wenatchee and preserve and rehabilitate eligible historic properties within the City for future generations.

HOUSING ELEMENT

MAINTENANCE & PRESERVATION - Preserve and enhance the value and character of neighborhoods by improving and extending the life of the existing housing inventory. Give special priority to the maintenance of historic properties and the retention of existing affordable housing stock.

Policy 1: Preserve and protect older neighborhoods that demonstrate continuing residential viability.

Policy 2: Encourage private reinvestment in homes and neighborhoods by providing information, technical assistance, and referrals to appropriate agencies and organizations.

Staff Analysis: The Special Property Tax Valuation is an important tool to incentivize private property owners to preserve and rehabilitate historic buildings and reinvest in their neighborhood. The property is identified as a contributing structure in the Grandview Historic District, which classifies it as eligible for special valuation.

V. RECOMMENDATION

The applicant has requested special valuation for 132 S. Emerson Avenue. The rehabilitation of the property began in October 2020 and was completed in March 2021. Qualifying expenses were determined using the guidelines from the U.S. Department of the Interior for the federal rehabilitation tax credit provided in Exhibit A.

The applicant provided documentation for costs incurred during the rehabilitation process. The amount of money spent on completed projects toward the rehabilitation of the property totaled \$132,003.77 per the documentation provided by the applicant and evaluated by staff. Staff compared the expenditures to the guidelines from the U.S. Department of the Interior for the federal rehabilitation tax credit to determine the total qualifying expenses. The federal guidelines state that qualifying expenses are “any expenditure for a structural component of the building...” and completed within 24 months of the date of application. Structural components of a building are those components relating to the operation or maintenance of a building. Attached as Exhibit B is an explanation of Qualified Rehabilitation Expenditures provided by the IRS. The applicant included costs for appliances that are not identified as qualifying cost; therefore, staff omit these costs from the total.

The rehabilitation work has occurred at an actual cost of \$128,843.88, greater than 25 percent of the assessed value of the building prior to rehabilitation and therefore qualifies to receive special valuation based on the criteria reviewed in WCC Section 2.36.210.

Suggested Findings of Fact:

1. The subject property is located at 132 S. Emerson Avenue, Wenatchee, WA and is identified as Assessor Parcel Number: 22-20-10-586-295.
2. The owner is Ryan Shimp, 274 Scholze Street, Leavenworth, WA, 98826.
3. The subject property is listed as a contributing structure in the Grandview Historic District.
4. The application materials identify all the work completed and provided documentation of eligible expenditures.
5. The rehabilitation work was performed consistent with the certificate of appropriateness, HP-20-04 and building permit, BPR-20-052.
6. Appropriate notice was accomplished in accordance with Wenatchee City Code Title 13.
7. On December 7, 2022, the Wenatchee Historic Preservation Board held a duly advertised public hearing on a request for Special Property Tax Valuation.
8. Wenatchee Historic Preservation Board is empowered by Wenatchee City Code, Title 2 with the ability to hear and make decisions on matters relating to Historic Preservation within the City of Wenatchee.

9. Any Conclusion of Law that is more correctly a Finding of Fact is hereby incorporated as such by this reference.
10. The Historic Preservation Goal of the Cultural and Historic Resources Element of the City of Wenatchee Urban Area Comprehensive Plan states: "Preserve, maintain and honor the city's significant historic resources." Policy 2 states: "Protect and enhance the aesthetic and economic vitality of historic buildings, structures, sites, districts and objects through the development and implementation of appropriate design guidelines."
11. The total of qualifying expenses for actual costs incurred was \$128,843.88. The assessed value for the building prior to rehabilitation is \$141,938 as verified by the Chelan County Assessor's office. The actual cost of rehabilitation equated to 90.77 percent of the assessed value.
12. The rehabilitation work has occurred at an actual cost of greater than 25 percent of the assessed value of the building prior to rehabilitation and qualifies to receive special valuation based on the criteria reviewed in Wenatchee City Code Section 2.36.210.
13. The application is consistent with the special property tax valuation criteria in Wenatchee City Code Section 2.36.210.

Suggested Conclusions of Law:

1. The Historic Preservation Board has been granted the authority to render this Decision.
2. The proposal does not adversely alter the historic stylistic and architectural features of the subject property as may be visible to the surrounding properties and provides for the reasonable use of the property.
3. The application is consistent with intent and purpose of Wenatchee City Code 2.36 Historic Resources.
4. Any Finding of Fact that is more correctly a Conclusion of Law is hereby incorporated as such by this reference.
5. The application is consistent with the goals and policies of the Wenatchee Urban Area Comprehensive Plan.

Suggested conditions of approval:

1. The applicant shall enter into a Special Valuation Agreement with the Historic Preservation Board consistent with WCC 2.36.220 Agreement.

Draft Motion: I move to approve HP-22-08, request for Special Property Tax Valuation for 132 S. Emerson Avenue based upon the findings of fact and conclusions of law contained within the November 30, 2022 staff report and authorize the chair to sign the special valuation agreement.

Attachments:

- A. Application materials
- B. Qualified Rehabilitation Expenditures



Application and Certification of Special Valuation on Improvements to Historic Property Chapter 84.26 RCW

RECEIVED

SEP 30 2022

File With Assessor by October 1

File No: H/2022-09

I. Application

CHELAN COUNTY ASSESSOR

County:

County: CHELAN

Property Owner: RYAN SHIMP

Parcel No./Account No: 222010586295

Mailing Address: 274 SCHOLZE ST, LEAVENWORTH, WA 98826

Legal Description: LOT 9, BLOCK 6A, GRANDVIEW ADDITION TO WENATCHEE CHELAN COUNTY, WA, according to the plat thereof recorded in Volume 1 of Plats, Page 59

Property Address (Location): 132 S EMERSON AVE, WENATCHEE, WA 98801

Describe Rehabilitation: REMODEL OF BATHROOMS & KITCHEN, NEW ROOF, NEW HVAC, NEW WINDOWS & DOORS ADDED

Property is on: (check appropriate box) [X] National Historic Register [] Local Register of Historic Places

Building Permit No: ? Date: 2020 Jurisdiction: CHELAN / WENATCHEE County/City

Rehabilitation Started: 2019 Date Completed: 2021

Actual Cost of Rehabilitation: \$ 150,000 by SNI Construction

Affirmation

County:

As owner(s) of the improvements described in this application, I/we hereby indicate by my signature that I/we am/are aware of the potential liability (see reverse) involved when my/our improvements cease to be eligible for special valuation under provisions of Chapter 84.26 RCW.

I/We hereby certify that the foregoing information is true and complete.

Signature(s) of All Owner(s):

[Handwritten Signature]

II. Assessor

County:

The undersigned does hereby certify that the ownership, legal description and the assessed value prior to rehabilitation reflected below has been verified from the records of this office as being correct.

Assessed value exclusive of land prior to rehabilitation: \$ 141,938

Date: 9/30/2022

[Handwritten Signature] Assessor/Deputy

After recording return to:

Ryan Matthew Shimp
PO Box 574
Leavenworth, WA 98826

191095
REAL ESTATE EXCISE TAX
PAID \$6741.00
Chelan County Treasurer
David E. Griffiths, CPA
04/02/2021 

File No.: 24835JB
Abbreviated Legal: Lot 9, Block 64, Grandview Addition to Wenatchee, Chelan County

Tax Parcel Number: 22 20 10 586 295
STATUTORY WARRANTY DEED

THE GRANTOR(S) SNJ Construction Remodeling and Design LLC, a Washington limited liability company

for and in consideration of Ten Dollars (\$10.00) and other good and valuable consideration, in hand paid, conveys, and warrants to Ryan Matthew Shimp, a single person the following described real estate, situated in the County of Chelan, State of Washington:

Lot 9, Block 64, Grandview Addition to Wenatchee, Chelan County, Washington, according to the plat thereof recorded in Volume 1 of Plats, Page 59.

Subject to All encumbrances, rights, restrictions, reservations, covenants and easements, apparent or of record.

And Subject to those items specifically set forth on Exhibit "A"

Dated: 3/30/2021

SNJ Construction Remodeling and Design LLC

[Signature]
By Henry Tiechner, Member

[Signature]
By Patricia Tiechner, Member

State of WASHINGTON
County of CHelan

I certify that I know or have satisfactory evidence that SHENRY & PATRICIA TIECHNER is the person who appeared before me, and said person acknowledged that (he/she) signed this instrument, on oath stated that (he/she) is authorized to execute the instrument and acknowledged it as the member of SNJ Construction Remodeling and Design LLC to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: MARCH 30TH 2021
Given under my hand and official seal the day and year last above written.

Notary Signature: [Signature]
Printed Name: SHAWNA SILVER
Notary Public in and for the State of WASHINGTON
Residing at CHelan County
My Appointment expires: 12/01/2023



State of _____
County of _____

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that (he/she) signed this instrument, on oath stated that (he/she) is authorized to execute the instrument and acknowledged it as the member of SNJ Construction Remodeling and Design LLC to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: _____
Given under my hand and official seal the day and year last above written.

Notary Signature: _____
Printed Name: _____
Notary Public in and for the State of _____
Residing at _____
My Appointment expires: _____

Exhibit "A"

Any unpaid assessments or charges, and liability for further assessments or charges by The City of Wenatchee.

Right of the public to make necessary slopes for cuts or fills upon the land herein described in the reasonable original grading of streets, avenues, alleys and roads, as dedicated in the plat.

This land is included in the Wenatchee Reclamation District and is subject to the laws and regulations of the United States and the State of Washington applicable to the project and is liable for further assessments, if any, levied by the district, and subject to easements for lateral ditches and pipelines used in connection with the district's irrigation system.

All covenants, conditions, restrictions, but omitting any covenants or restrictions, if any, based upon race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, or source of income, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law, reservations, easements or other servitudes, if any, disclosed by Plat of Grandview Addition to Wenatchee, Recorded under Auditor's file No. 2057.

Covenants, conditions and restrictions imposed by instrument recorded under Recording No. 48305, but omitting any covenants or restrictions, if any, based upon race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, or source of income, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law.

Notice of Designation as imposed by instrument recorded on March 13, 2006 under Recording No. 222511.

Unrecorded leaseholds, if any; rights of vendors and holders of security interests on personal property installed upon the land; and rights of tenants to remove trade fixtures at the expiration of the term.

Residential Real Property: (53897) Year - 2019-2020 Recalc: Current

Save Cancel Send Recalculate Errors Commands

Property Information

Owner Name / Situs

Legal Description

PID: 53897
GEO ID: 222010586295
Tax Area: 802

(61092) SCHALKA JUDITH ANN
132 S EMERSON AVE
WENATCHEE, WA 98801

GRANDVIEW TO WENATCHEE BLOCK 64
LOT 9 0.1400 ACRES
Nbhd: 2WENL01R01 (Cycle 2
Wenatchee lower div 1 RES)

Summary

Property

Owner Name & Address [100.0000000000 %]

State Code: 11 Create Date: 8/29/2008
DBA:
Type: R (Real) Cycle: 2
Mortgage Co:
Neighborhood: 2WENL01R01[Cycle 2 Wenatchee lower
Primary Use: 11 Legal Acres: 0.1400
LTIF:

SCHALKA JUDITH ANN
132 S EMERSON AVE
WENATCHEE, WA 98801-2613 USA
Phone:
Agent:
Exemptions: Senior-1 (Prorate)
Notice Printed: 6/14/2019

Values

Impr: \$141,938 New Const: \$0
Land: \$60,000 Current Use: \$0
Mkt: \$201,938 Appraised: \$201,938
Living: 1,152 Price/Sq Ft: \$175

Frozen

Impr: \$92,732 Year: 2011
Land: \$60,000
Total: \$152,732

Situs

132 S EMERSON AVE
WENATCHEE, WA 98801

Default Image



Vendor	Total Amount	Last Payment Date
Seal Plumbing	\$13,455.00	3/17/2021
Dicks Heating and Air	\$8,478.16	1/27/2021
G&S Electric	\$12,076.90	1/25/2021
WSG	\$517.55	10/14/2020
Moonlight Tile and Stone	\$4,756.10	1/6/2021
Titan Roofing	\$4,150.00	10/20/2020
SNJ Construction Labor	\$41,088.00	3/31/2021
Total Cost of Materials	\$47,482.06	3/31/2021

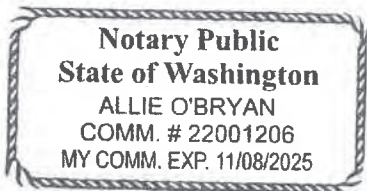
I, Patricia Tiechner, as owner/manager of SNJ Construction Remodeling and Design LLC, attest to the best of my knowledge, that the above cost is the actual cost of the rehabilitation of 132 S. Emerson Ave Wenatchee, WA 98801

Patricia Tiechner
 Patricia Tiechner
 Owner of SNJ Construction Remodeling Design

STATE OF WASHINGTON)
)
 COUNTY OF DOUGLAS)

I certify that I know or have satisfactory evidence that Patricia Tiechner, is the person who appeared before me and she acknowledged that she signed this instrument and acknowledged it to be free and voluntary act for the uses and purposes as mentioned therein.

Dated this: 14th day of November, 2022



Allie O'Bryan
 Allie O'Bryan NOTARY PUBLIC

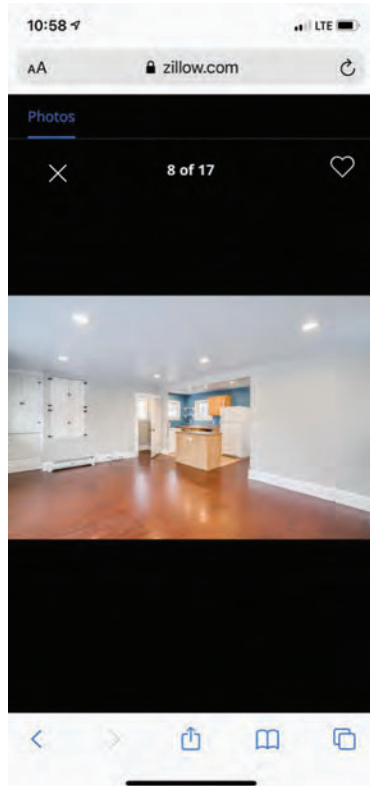
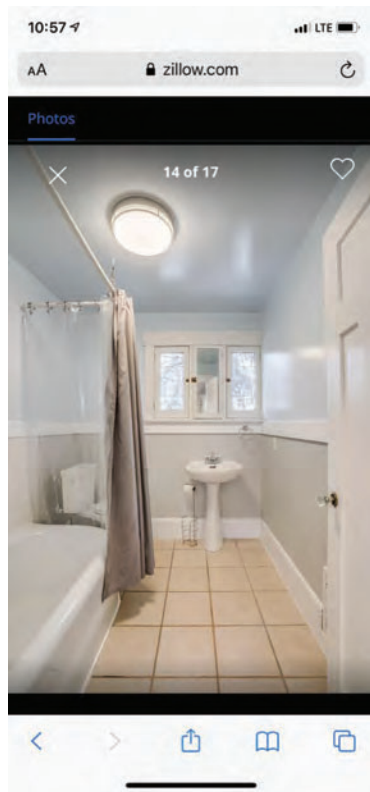
In and for the state of Washington residing at
East Wenatchee

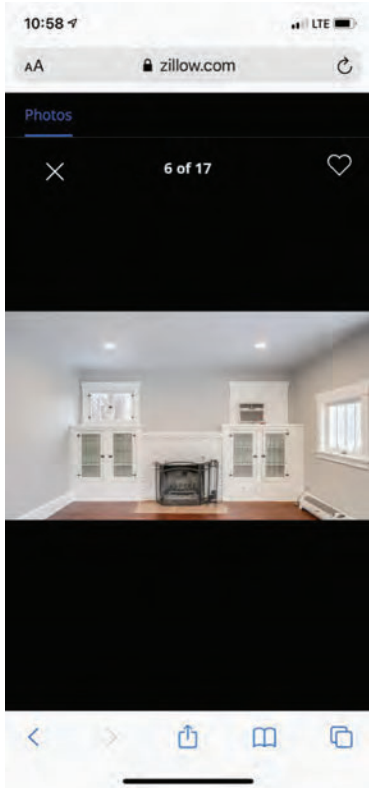
My commision expires: 11/08/2025

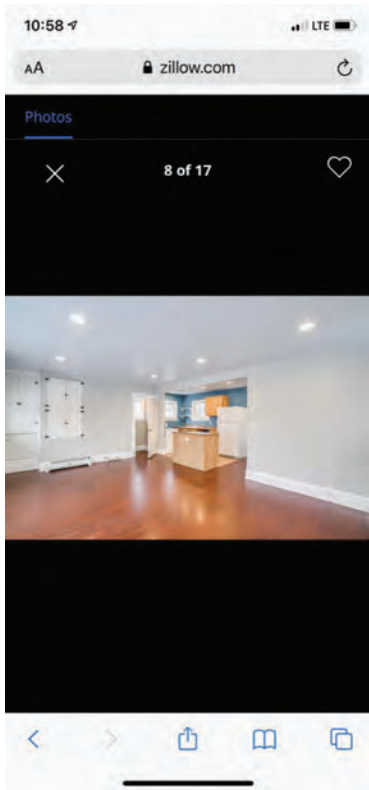
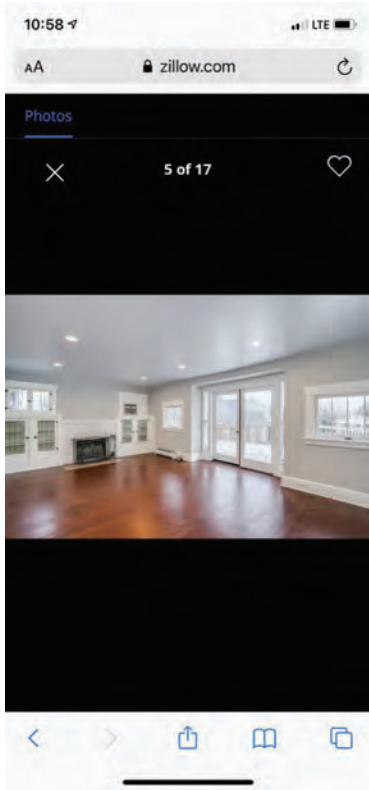
Company	Work	Rough amount
SNJ Construction	City permits and redesigning of home	
	Demolition	
	Framing walls	
	Rebuilding back of foundation	
	Installing insulation	
	Instal sheet rock, mud, tape and texture	
	Painting interior and exterior of house	
	Installing all widows, doors, and trim	
	Instal flooring	
	Instal kitchen cabinets	
	Tile work on floors and walls	
	Building stairs to the deck	
	Instaling new railing on deck and deck boards	
Materials	Cement for foundation	2,000
	Wood for framing walls	3,500
	Sheet rock, mud, tape and texture	2,100
	Insulation	
	Paint for interior and exterior	
	Solid wood replicate awning window upstairs	500
	Wood clad windows on 1st floor	2,400
	Bathroom cabinets	2,500
	Kitchen cabinets	9,000
	Tile and grout for flooring and walls	
	Framing materials for deck stairs and railing	
	Trex decking	
	Light fitures interior and exterior	2,000
	Bathtub	500
	Toilets	1,000
	Plumbing hardware for bathrooms and kitchen	4,000
	LVP flooring	5,000
	Trim for doors and walls	
	Structual Beams	
	Solid wood interior doors	
	Exterior front door	1,400
	Closet doors	
	Hardware for interior and exterior doors	1,300
New fridge, dishwasher and range	3,159.89	

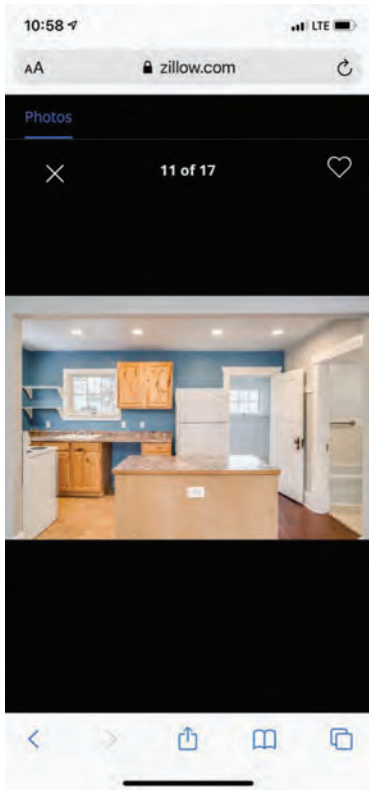
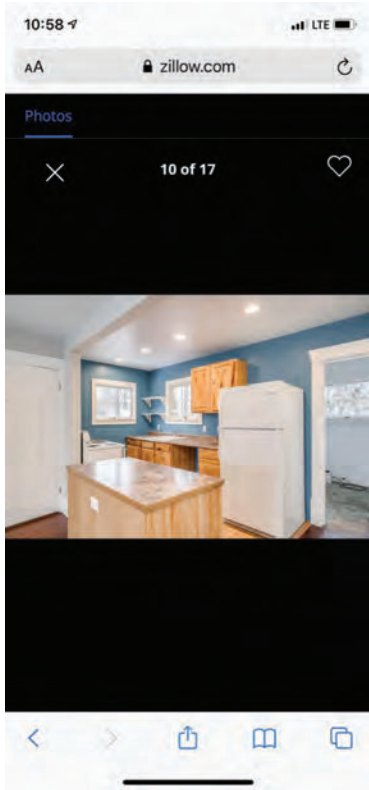
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To: [Siddha Lakshmi](#), [Dhanu Sharma](#)
Subject: [Refer photos](#)
Date: Monday, November 28, 2022 3:43:18 PM
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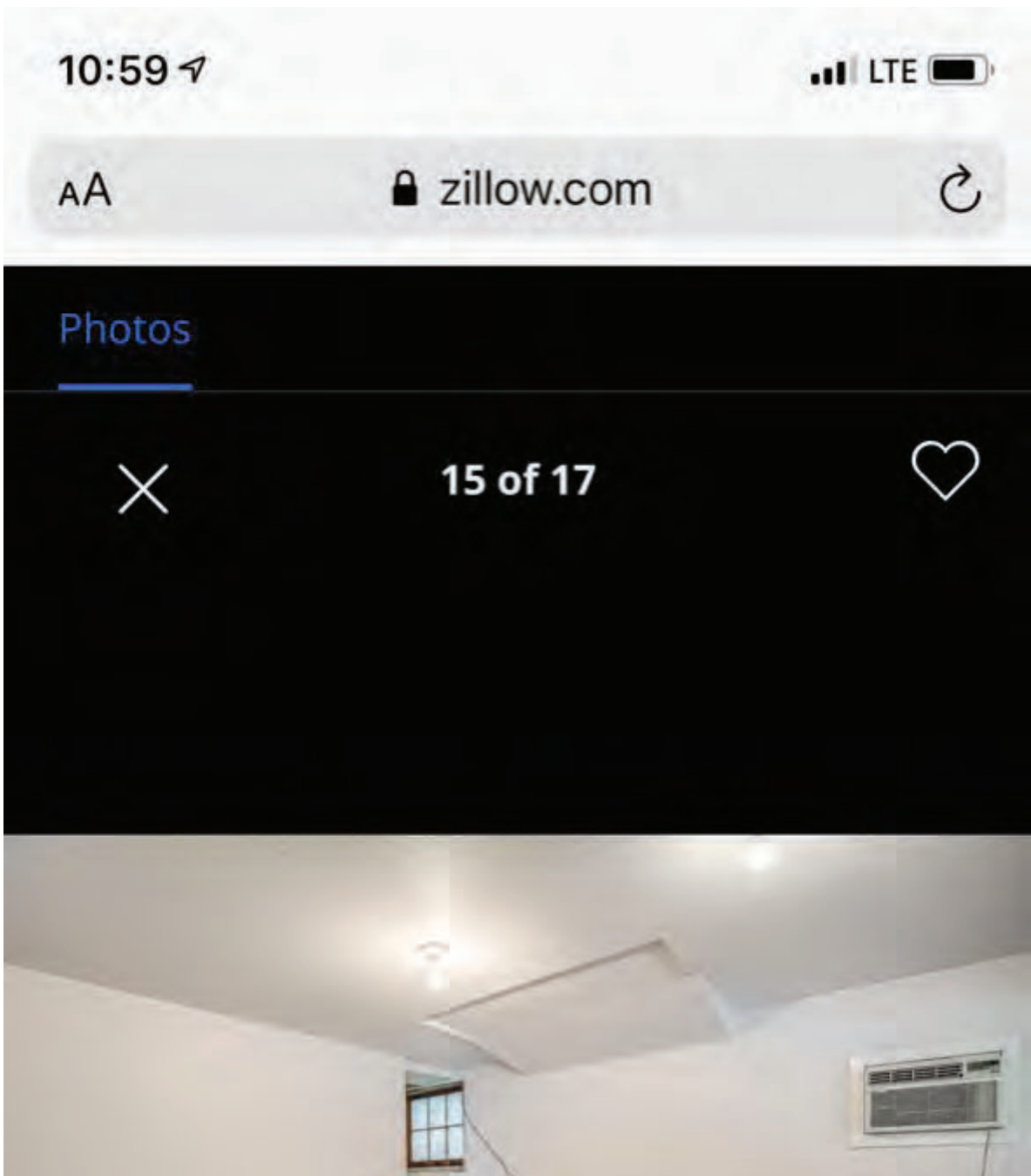


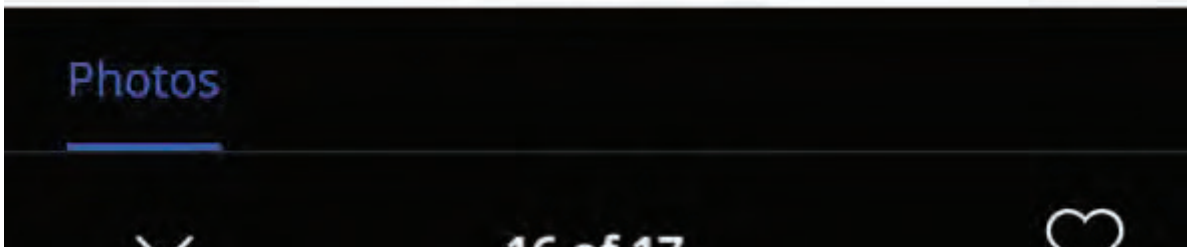
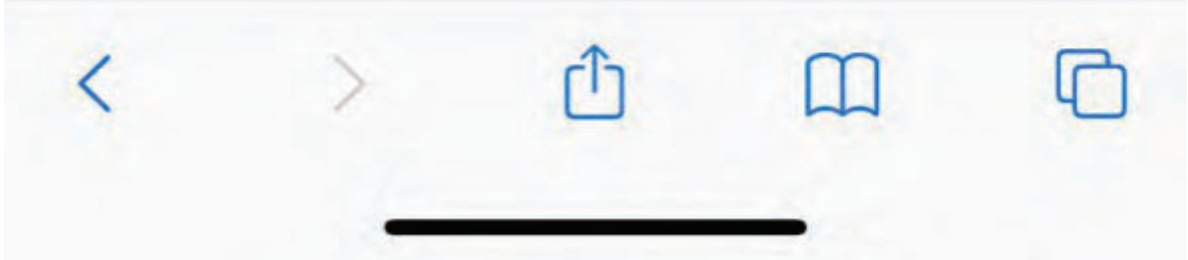


Patty Tiechner

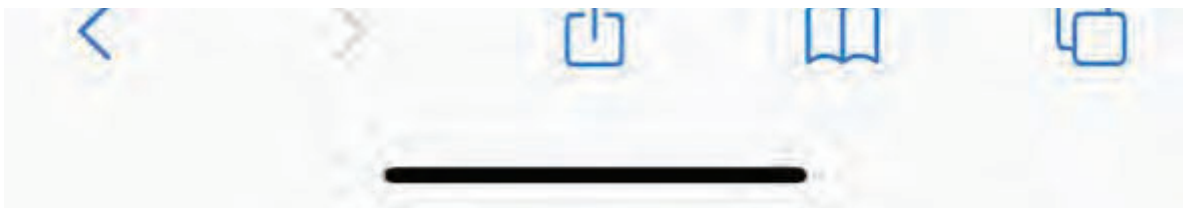
From: [Patty Tiechner](#)
To: [Kirsten Larsen](#); [Ryan Shimp](#)
Subject: A few more before
Date: Monday, November 28, 2022 3:44:14 PM
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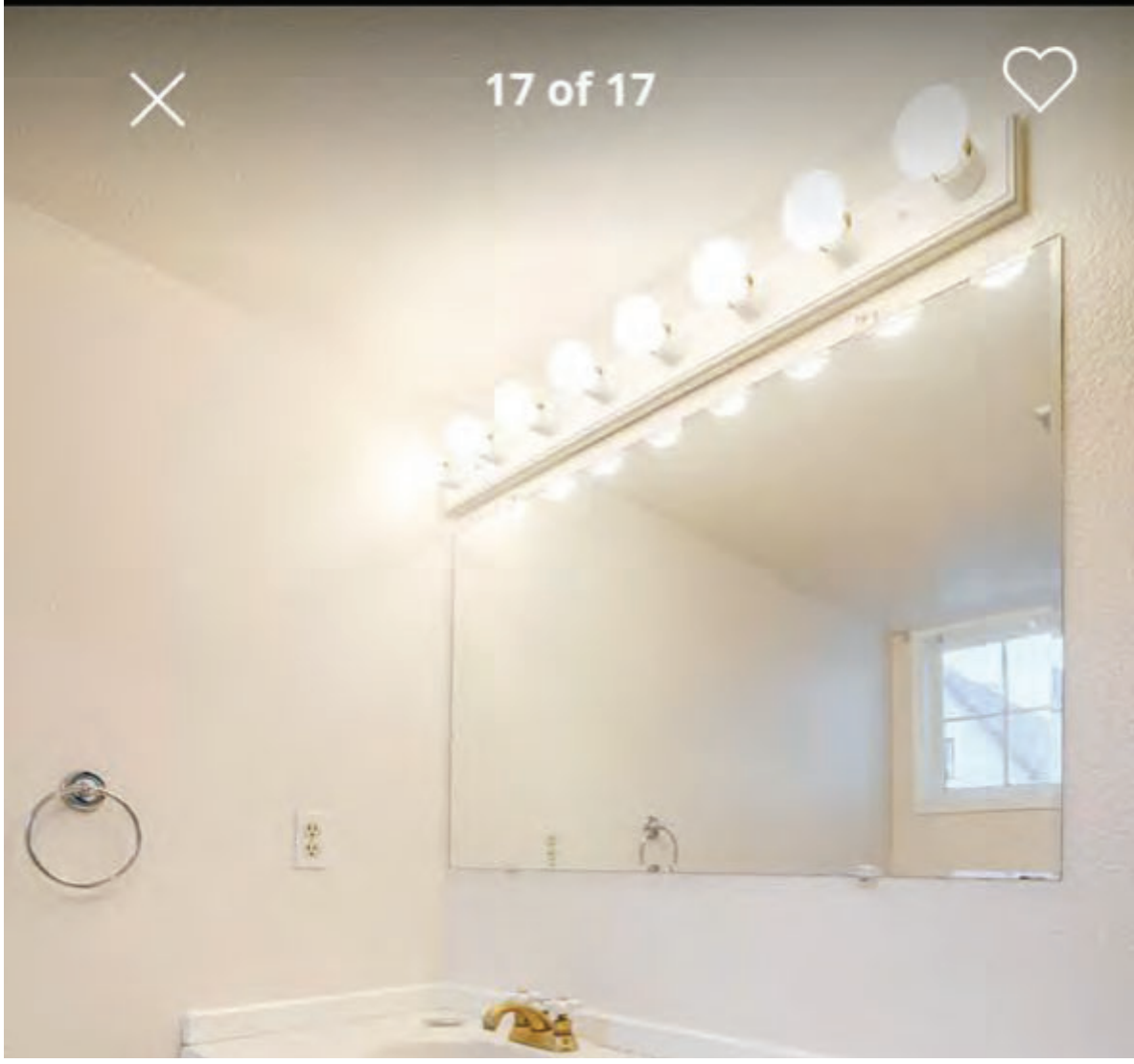


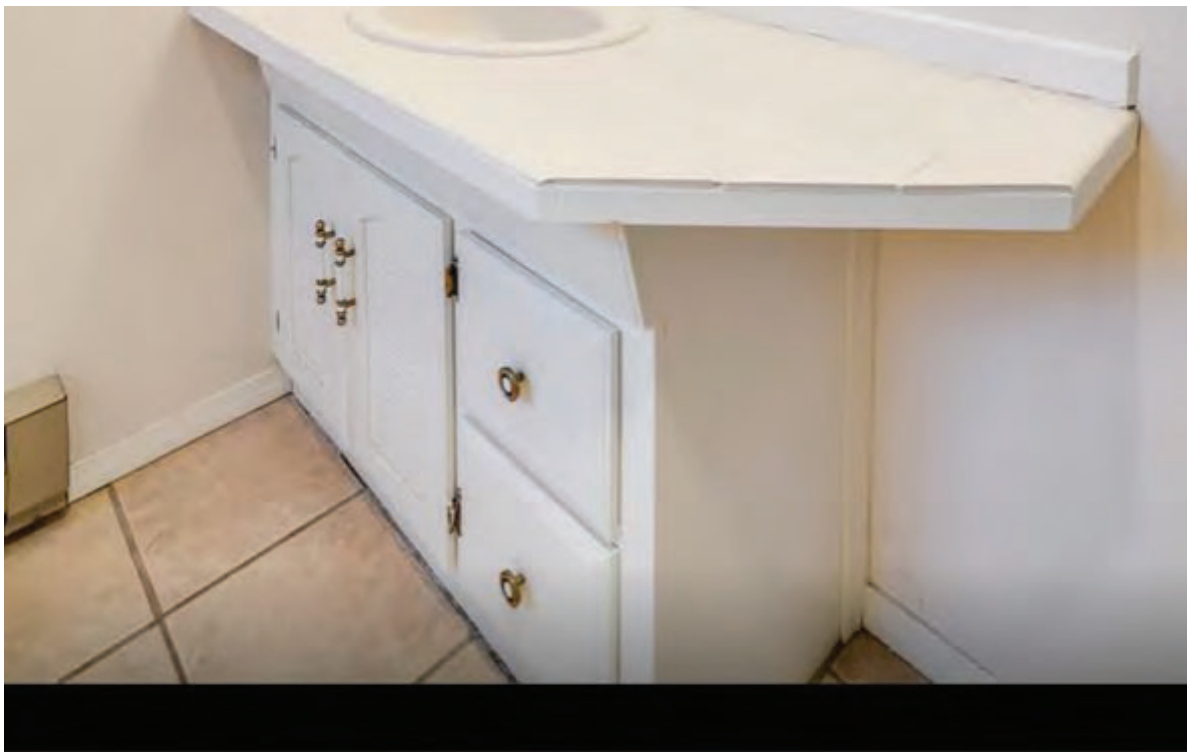
10:59 ↗



AA zillow.com

Photos





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Photos



2 of 17





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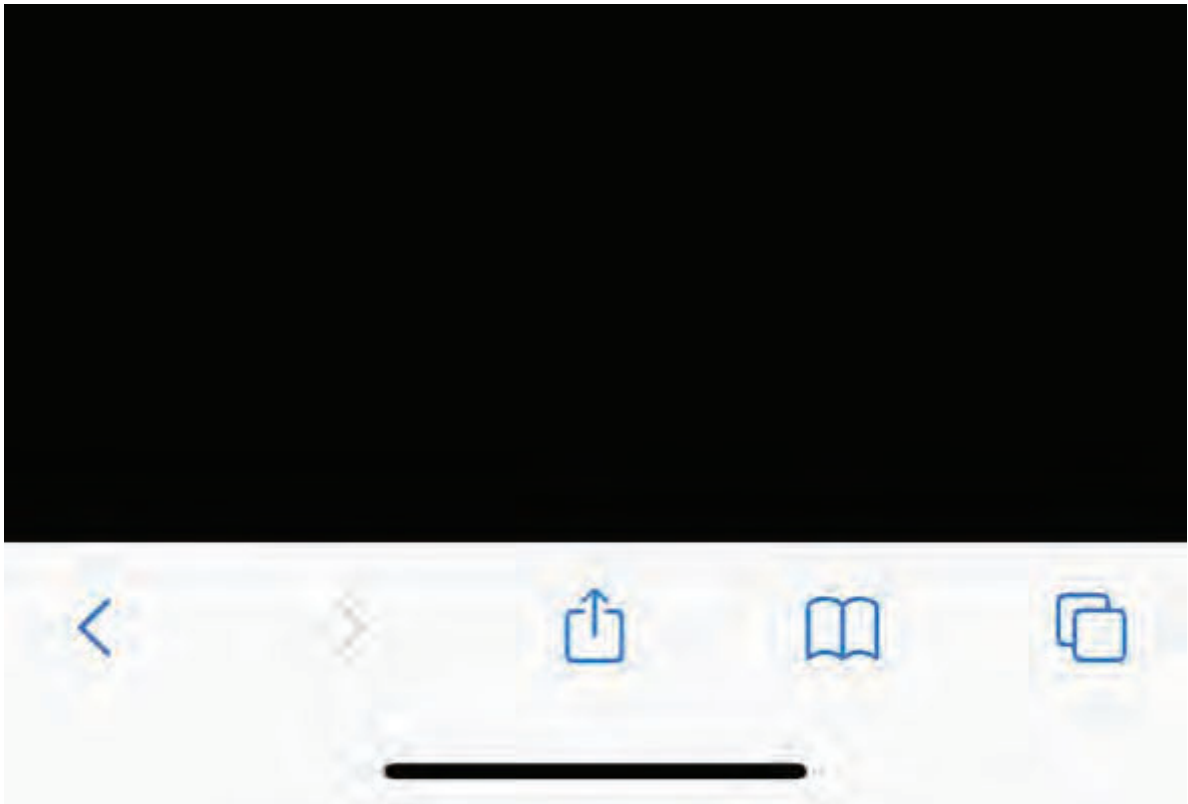


Photos



3 of 17





Patty Tiechner





















Exhibit B

Rehabilitation Credit - Qualified Rehabilitation Expenditures (QREs)

In general, only an amount that is properly capitalized in connection with the rehabilitation of a qualified rehabilitated building (QRB) that is certified by the National Park Service as consistent with the historic character of the building or the district in which the property is located will be a qualified rehabilitation expenditure (QRE). See 26 USC 47(c)(1) (defining QRB) and 47(c)(2)(A) (defining QREs). However, not every amount associated with a rehabilitation will be a QRE that is included in the calculation of the rehabilitation credit. See 26 USC 47(c)(2)(B) (describing certain expenditures not included).

The following are important aspects to remember:

1. Rehabilitation includes **renovation, restoration, or reconstruction** of a building, but does not include an enlargement or new construction. IRC § 47(c)(2) and Treas. Reg. § 1.48-12(b)(2)(iv).
2. A QRE must be (i) an amount properly chargeable to capital account (generally meaning used in computing the basis) of depreciable property that is nonresidential real property, residential rental property, real property with a class life of more than 12.5 years, or an addition or improvement to the preceding three types of property, and (ii) incurred in connection with the rehabilitation of a QRB (including its structural components). IRC § 47(c)(2) and Treas. Reg. § 1.48-12(c).
3. Amounts must be for a building and its structural components. Generally, structural components of a building are those components relating to the operation or maintenance of a building. See Treas. Reg. § 1.48-1(e)(1) and (2) for a definition of a building and structural components of a building, respectively.

Expenditures associated with these items are generally eligible if properly includible in computing the basis of the building

- A. Section 47(c)(1)(A) defines a QRB to include the building and its structural components if – (i) the building has been substantially rehabilitated, (ii) the building was placed in service before the beginning of the rehabilitation, (iii) the building is a certified historic structure, and (iv) depreciation (or amortization in lieu of depreciation) is allowable with respect to the building.

Treasury Regulation § 1.48-1(e)(1) generally defines a building to mean any structure or edifice enclosing a space within its walls, and usually covered by a roof, the purposes of which is, for example, to provide shelter or housing, or to provide working, office, parking, display or sales space.

The costs of these structural components may be QREs if the amounts are properly included in the basis of depreciable property that is nonresidential real property, residential rental property, real property which has a class life of more than 12.5 years, or an addition or improvement to the preceding three types of property. Treas. Reg. § 1.48-1(e)(2) defines structural components and includes the following list of examples of structural components:

- Walls
- Partitions
- Floors
- Ceilings
- Permanent coverings of walls, partitions, floors and ceilings, such as paneling or tiles
- Windows and doors
- Components of central air conditioning or heating systems
- Plumbing and plumbing fixtures
- Electrical wiring and lighting fixtures
- Chimneys
- Stairs
- Escalators
- Elevators
- Sprinkler systems
- Fire escapes
- Other components (that is, other parts of the building) relating to the operation or maintenance of the building

B. Treas. Reg. § 1.48-12(c)(2) describes costs that may be QREs if the amounts are properly included in the basis of depreciable property that is nonresidential real property, residential rental property, real property which has a class life of more than 12.5 years, or an addition or improvement to the preceding three types of property, including the following:

- Construction period interest and taxes
- Architect fees
- Engineering fees
- Construction management costs
- Reasonable arm's length developer fees (value added services)
- Other fees paid that would normally be charged to a capital account

C. The following costs are not specifically listed in the Treasury Regulations, but may be QREs if the amounts are properly included in the basis of depreciable property that is nonresidential real property, residential rental property, real property which has a class life of more than 12.5 years, or an addition or improvement to the preceding three types of property:

- Permanently installed operable floodgates
- Permanently attached fastening devices to hold floodgates or to attach flood wrapping systems
- A retaining wall that is part of or connected to the structure of the building
- A seawall that is part of or connected to the structure of the building
- The portion of landscaping designed only to protect the building (i.e., drains and regrading for drainage)
- Elevated structure built to protect utilities (such as a freestanding air conditioning unit on a raised platform adjacent the building)
- Structural reinforcing and improvements to foundation (to withstand hydrostatic and hydrodynamic pressure)
- Applying waterproof coating to the exterior of the foundation walls, whether above or below grade
- Costs associated with excavation and/or sitework necessary to access an exterior foundation or basement walls in order to undertake structural improvements or to apply waterproof coatings
- Permanently installed vents or drains (inside or outside)
- Sump pumps (only if permanently installed and/or if connected to drainage system)
- Materials to fill in the basement (sand, gravel, etc.) and the installation/compacting of the material
- Basement drains
- Moving utilities inside the building
- In a documented floodplain, lifting/elevating at the same site (lifting the building onto a new, taller foundation) with no additional square footage underneath the building (open space (such as a building on posts/pilings) or crawl space below)
- Lifting/elevating a building on an enclosed foundation with occupiable space below the first floor that is used for parking, storage, or other limited uses allowed by a flood ordinance
- New foundation construction including break-away walls, louvers, lattice, or other architectural screenings
- Where a current site is threatened or destroyed moving the Historic Building including
 - Lifting the building on the original site and transporting it to the new site
 - New site preparation
 - New foundation
 - Permits for and relating to (e.g., utility fees for moving traffic light out of the way, etc.) the move
 - Utility connections at the new location.

Expenditures that do not qualify for the rehabilitation tax credit

Not every amount associated with a rehabilitation project will qualify as a QRE to be included in the calculation of the rehabilitation credit. See 26 USC 47(c)(2)(B) (describing certain expenditures not included). In general, only those amounts that are capitalized in connection with the rehabilitation of structural and architectural features of a building that is a certified historic structure will qualify as QREs. See 26 USC 47(c)(2)(A) (defining QREs).

However, the following costs associated with these items are not generally eligible:

- Acquisition costs
- Appliances not either real or residential rental property
- Office Equipment
- Cabinets (unless inherently permanent structure and part of the building)
- Carpeting (if tacked in place and not glued) - Rev. Rul. 67-349; Hospital Corp of America v. Commissioner, 109 T.C. 21 (1997).
- Decks, Porches and Porticos (that were not part of original building)
- Demolition and removal costs (of an existing building on property site)
- Fencing
- Feasibility studies
- Financing fees (such as mortgage related financing not during the construction period)
- Furniture
- Landscaping
- Leasing Expenses
- New construction costs or enlargement costs (increase in total volume from original building)
- Outdoor lighting (remote from building)
- Parking lot
- Paving
- Planters/Pots
- Retaining walls that are not part of a building and its structural components
- Sidewalks
- Signage
- Storm sewer construction costs
- Window treatments
- Display racks and shelves
- Production machinery
- Grocery counters
- Temporary protective measures like sandbags, inflatable dams, etc.
- Levy
- Retaining wall that is not part of or connected to the structure of the building
- Temporary floodgates/flood shields
- Lifting/elevating a building on an enclosed foundation with occupiable space below the first floor that is used as additional living areas (expansion of the building)
- Attachments for pulley or other system to relocate furnishings above flood level

Are solar panels, wind turbines or geothermal systems eligible expenses?

Solar panels, wind turbines, and geothermal systems generally are 5-year property under section 168. See section 168(e)(3)(B)(vi)(I). The costs of solar panels, wind turbines, and geothermal systems described in section 168(e)(3)(B)(vi)(I) are not included in the basis of the building and, therefore, should not qualify for the rehabilitation credit. Additionally, the same property that is used to claim a rehabilitation credit cannot also be used to claim an energy credit under section 48(a)(2)(B).