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Special thanks goes to Rebecca Neubauer, Law Student, University of North Carolina School of Law & North Carolina Sea Grant and Heather Payne, Associate Professor at Seton Hall School of Law who provided background on national historic preservation laws in their paper: “Historical Preservation Laws and Long-Term Climate Change Adaptation: Challenges and Opportunities.”

Additional thanks goes to Shana Jones, J.D., Director of the Georgia Sea Grant Law Program, for providing essential editing support as well as overall direction for the project and Sarah Watson, Coastal Climate and Resilience Specialist, S.C. Sea Grant Consortium and Carolinas Integrated Sciences and Assessments, and Professor Kirstin Dow, Carolina Trustees Professor in the Department of Geography at the University of South Carolina, for providing important feedback on this project.
This white paper is one outcome of a four-state regional project funded by the National Oceanic Atmospheric Administration Office of Coastal Management, Florida Sea Grant, Georgia Sea Grant, South Carolina Sea Grant, and North Carolina Sea Grant (Project No.: FY2014–2018: NA14OAR4170084). Coastal communities are increasingly becoming aware of the risks to their ecosystems, homes, and economies because of increased flooding, more extreme storm surges, and sea level rise. Reducing risk on the coast will be achieved by means of a variety of approaches, including policy and regulatory changes, natural resource protection, structural and non-structural intervention and investment, and retreat. A project team involving researchers, legal and policy experts, and law students have assisted coastal communities in four states – Florida, Georgia, South Carolina, and North Carolina – to prepare for present vulnerabilities and projected future conditions based on likely sea-level rise scenarios. This paper is part of the project’s objective to analyze legal and policy factors affecting adaptation responses, focusing on the state and local levels. Additional white papers associated with this project may be found at http://gacoast.uga.edu.
INTRODUCTION

The city of Beaufort, South Carolina is located on Port Royal Island, and is the state’s second oldest city. In 1711, the British founded Beaufort and the city was established as a shipbuilding center, before it became an agricultural hub during the antebellum period. During the Civil War, Beaufort was quickly occupied by the Union forces, and became an important terminus for previously enslaved people as they escaped plantations of the Confederacy. While the city has an estimated population of over 13,000, around 192,500 tourists visit Beaufort each year to soak in its rich history and enjoy the charming seaside scenery. In 2017, Beaufort was awarded the South's “Best Small Town” by Southern Living Magazine.

While Beaufort's proximity to the coast makes for a beautiful setting, it comes with challenges. Beaufort is especially vulnerable to stormwater and tidal flooding due to its location and low elevation. While all of Beaufort experiences inadequate drainage due to tidal influences, three of the city's five historic neighborhoods (The Point, Northwest Quadrant, and Old Commons) have been recognized as stormwater flooding problem areas. Unfortunately, these historic downtown areas also represent Beaufort's main tourism hubs, and play a key role in the success of Beaufort's economy. Further, the continuing effects of sea level rise will only compound stormwater and tidal flooding in the future. The combination of elements means that the future of Beaufort's historic properties and tourism industry are in jeopardy due to flooding.

In light of these risks, projects that help adapt Beaufort to increased flooding must be assessed. An evaluation of adaptation projects must be done not just on the large (i.e. construction of bulkheads and seawalls and improving stormwater management systems) and neighborhood scale (i.e. properly maintaining catch basin inlets), but also on the household-scale (i.e. building retrofits and structure elevation). Importantly, these household-scale changes may provide homeowners with a crucial opportunity to protect their property now, while neighborhood and large scale projects take time to gain support and funding.

Homeowners of historic structures face added difficulties compared to other homeowners when deciding whether and how to adapt their home to increased flooding risks. Due to the cultural significance of historic properties, federal, state and local governments incentivize preservation efforts and regulate what adaptation techniques are available to homeowners. Because household-scale changes are essential to protect historic properties and the future of the tourism

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3. Wood Environment & Infrastructure Solutions, supra note 1 at 8.
4. Id.
5. Id. at 6.
industry in Beaufort, this paper seeks to understand how federal and state incentive programs and local government regulatory schemes impact historic preservation efforts. To do so, this paper will first review federal recognition of Beaufort’s historic assets.

Second, this paper will describe federal and state incentives (i.e. grants, tax credits and tax assessments) aimed at preserving historic resources. Crucially, while homeowners may be required to undergo adaptation projects that “least impact on the historic character of the building, its site, and setting” in order to be eligible for federal and state incentives, they may still undergo even substantial measures when necessary to protect the historic site, as in the case of flooding.6

Third, this case study will look at how Beaufort preserves its historic assets through local zoning and planning ordinances. This section will emphasize that Beaufort's Historic District Review Board (HRB) has broad discretion to approve preservation projects for historic houses through issuing “certificates of appropriateness.” Further, this section will highlight how the HRB can actively promote adaptation to increased flood damage through stabilization of homes determined to be “demolished by neglect.”

Fourth, this paper will examine how the city’s local flood damage prevention ordinances, which are required under the National Flood Insurance Program (NFIP), aim to protect all structures at special risk against flood damage. This section will show how Beaufort’s Zoning Board of Appeals (ZBOA) can promote preservation through carefully considering which historic houses are eligible for variances from these ordinances.

Lastly, this paper will take a brief look at how Annapolis, Maryland has used a “resilience guide” to promote historic preservation. Such documents can provide homeowners and local governments with essential guidance on how to safeguard historic properties against damage from flooding.

### OVERALL FINDINGS

**State and Federal Incentives for Historic Preservation**

- If a property owner wants to receive federal and state incentives to help finance preservation efforts (i.e. grants, tax credits, and tax assessments), they must adhere to federal and state requirements;

- To be eligible for all federal and most state incentives, a homeowner must adhere to the Secretary of the Interior’s “Standards;”

- The Standards recognize that resilience to natural hazards is an important component of rehabilitation and homeowners may still undergo even substantial measures if necessary to protect the historic site.

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Local Regulations: Zoning and Planning Ordinances

- Construction projects undertaken in Beaufort's Historic District are subject to review by Historic District Review Board (HRB);
- A homeowner of a historic property must obtain a “certificate of appropriateness” before undergoing any major preservation projects;
- The HRB has broad discretion to approve a certificate of appropriateness for major preservation projects;
- The HRB can use this discretion to approve certificates of appropriateness for projects that protect against flood damage, if the major project implemented adaptation measurements to protect the house from flood risks, so long as there was such a threat of damage and that the response was proportional;
- The HRB may also actively promote stabilization of historic properties through placing pressure on homeowners to undergo stabilization if their property is deemed to be “demolished by neglect;”
- If a homeowner fails to stabilize the historic property, the HRB, at the city Council’s direction, may move to stabilize the structure;
- If stabilization of a historic structure is deemed necessary due to continued flood damage, it appears that the HRB may require stabilization of the historic property.

Local Regulations: Flood Damage Prevention Ordinances

- When undergoing major projects, property owners of historic structures who receive assistance from the National Flood Insurance Plan (NFIP) and are in a special flood hazard area (SFHA) may be required implement flood protection measures, outlined by the city's community standards;
- Beaufort's Zoning Board of Appeals (ZBOA) can actively promote preservation by carefully considering which historic houses are eligible for the historic structure variance available to homeowners under the community standards.

Historic Preservation in Annapolis

- Weather It Together developed a Cultural Resource Hazard Adaptation and Mitigation Plan (CRHMP) in Annapolis which followed the Federal Emergency Management Agency's (FEMA) “how-to guide” for mitigation planning on the state and local government level for historic property and cultural resources;
- A similar document may be helpful for historic property owners in Beaufort who wish to protect their properties, provide guidance for the HRB when issuing certificates of appropriateness, and help local government to adopt ordinances that reflect the community's desire to preserve its historic structures.
The historic significance of Beaufort is reflected in the number of sites listed on the National Register. The National Register, established by the National Historic Preservation Act (NHPA), is a list of properties and sites prioritized by the federal government for preservation. To qualify for listing on the National Register, a property must meet the National Register Criteria for Evaluation, set forth by the National Park Service (NPS).

Renowned for its preserved antebellum architecture, 304 acres of Beaufort’s downtown were designated a National Historic Landmark (NHL) in 1973. In 2000, when the last survey was done, over 470 structures were listed as “contributing resources” in this area. NHL districts have “been determined by the Secretary of the Interior to be nationally significant in American History and Culture.” The NHL district contains five distinct neighborhoods, each reflecting a unique style and character. These neighborhoods include: The District, the Point, the Old Commons, the Bluff, and the Northwest Quadrant. The various historic homes, churches, commercial buildings and gardens reflect the federal, neoclassical and Greek revival styles. The Northwest Quadrant has been the center of Beaufort’s African-American population, and its historic structures generally reflect “shotgun” style architecture.

Additionally, within the historic district there are seven sites that are individually listed on the National Register. Outside of the NHL, the city is home to 14 other locations individually listed on the National Register. These sites include the Beaufort National Cemetery, Fort Lyttelton, Huntington Island State Park Lighthouse, Seaside and Laurel Bay plantations, the Seacoast Packing Company building and seven historic houses.
Once a property is listed on the National Register, the NHPA does not place any restrictions on the actions of private owners of historic properties. However, as properties face wear and tear, homeowners will likely want to repair and restore the property in order to maintain the physical integrity of the historic structures. Federal and state governments provide incentives to motivate owners of historic properties to undergo these (often costly) repairs and restorations. If a homeowner wants to receive these incentives she must comply with federal and state requirements. The federal and state incentive regimes will be discussed, below.

**Federal Grants and Tax Credits for Depreciable Buildings**

To facilitate proper maintenance of historic structures, all individually listed sites and sites within the historic district that are found to be a contributing resource are eligible for federal grants under the Historic Preservation Fund (HPF). HPF grants were established by the NHPA in 1977, and are administered by the National Park Service (NPS) on behalf of the Secretary of the Interior. While this fund goes to some “non-construction” activities such as surveying, inventorying and planning for historic properties, it can also be used to stabilize, preserve, rehabilitate or restore eligible properties listed on the National Register, and are distributed according to state or local government’s needs.

Further, property owners of listed or contributing sources are eligible for up to a 20% tax credit on the total cost of a certified rehabilitation project on a depreciable building. (See Figure 1 below, for a map of contributing buildings in Beaufort). A building is depreciable if it is “used in a trade or business or held for the production of income...and may not serve exclusively as the owner’s private residence.”

To tap into these federal tax credits and grants, a property owner must follow the Secretary of the Interior’s “Standards for The Treatment of Historic Properties” (“Standards”). The Standards are codified in the National Register, and address four specific “treatments” available to owners of properties listed on the National Register. These treatments include: Preservation,
Rehabilitation, Restoration, and Reconstruction. The Standards set forth the appropriate building materials, external features and internal structures that a historic property must conform to in order to retain its historical designation.\textsuperscript{23}

When property owners undergo one of these four treatments with federal grant money or with hopes of obtaining a federal tax credit, they must certify with the NPS and SHPO that their project is consistent with the Standards for Rehabilitation.\textsuperscript{24} Non-conformance with a code section, or poorly executed attempts at compliance can lead to a de-listing if the property has “ceased to meet the criteria for listing in the National Register because the qualities which caused it to be originally listed have been lost or destroyed.”\textsuperscript{25} Removal from the National Register results in ultimate loss of eligibility for federal incentives.

\textbf{FIGURE 1: MAP OF CONTRIBUTING BUILDINGS LOCATED IN THE FEDERAL HISTORIC DISTRICT}

\textit{Beaufort Historic Preservation Plan Update – Contributing Buildings}\textsuperscript{26}

\textit{Beaufort, South Carolina}
In addition to the federal incentives, South Carolina provides two tax credits for historic rehabilitation projects. To be eligible for South Carolina’s tax credits, the property must already be listed or eligible for placement on the National Register. State tax credits are available to more property owners than the federal tax credits. In South Carolina, one tax credit is available to private residential properties, meaning that they do not have to be depreciable, unlike the federal tax credit. Such “owner-occupied” properties are eligible for the 25% tax credit under the State Historic Rehabilitation Tax Credit. Meanwhile, for income-producing (depreciable) historic buildings, property owners may receive a 10% tax credit. Further, mixed-use historic buildings (i.e. the first floor of a building is used for a store and the second floor is allocated for an owner-occupied residence) can also receive partial state tax credits under both the 10% and 25% State Historic Rehabilitation Tax Credit (See Figure 2, below).

**FIGURE 2: FEDERAL AND STATE TAX SAVINGS FOR OWNERS OF HISTORIC BUILDINGS IN SOUTH CAROLINA**

<table>
<thead>
<tr>
<th>Tax Incentive Program</th>
<th>Owner-Occupied Historic Residence</th>
<th>Income-Producing Historic Building</th>
<th>Mixed Use Historic Building (see note)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. 20% Federal Historic Rehabilitation Tax Credit</td>
<td>✓</td>
<td>✓</td>
<td>Partial Credit</td>
</tr>
<tr>
<td>B. 10% State Historic Rehabilitation Tax Credit</td>
<td>✓</td>
<td>✓</td>
<td>Partial Credit</td>
</tr>
<tr>
<td>C. 25% State Historic Rehabilitation Tax Credit</td>
<td>✓</td>
<td>✓</td>
<td>Partial Credit</td>
</tr>
<tr>
<td>D. Local Property Tax Abatement</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>E. Federal Income Tax Incentives for Easement Donations</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>

Note: A rehabilitation project involving mixed uses (a store on the first floor and an owner-occupied residence on the second floor, for example) may be eligible for two different tax incentive programs. In these projects, rehabilitation costs must be allocated for each use, with a corresponding allocation of the tax credits (see Tips on How to Apply for Mixed-Use Projects: http://shpo.sc.gov/programs/tax/Pages/Homeowner.aspx)

In South Carolina, property owners that are eligible for the 20% Federal Historic Rehabilitation Tax Credit automatically qualify for the 10% State Historic Rehabilitation Tax Credit. This tax credit is equal to 10% of rehabilitation costs. However, owner-occupied historic residences that are not income-producing are eligible for the 25% State Historic Rehabilitation Tax Credit — which

28. Id.
29. Id.
30. Id.
31. Id.
32. Id.
33. Id.
34. S.C. Code of Laws, Section 12-6-3535.
can be used towards all allowable rehabilitation expenses.\textsuperscript{35} In order to be eligible for this credit, the project must be certified by the State Historic Preservation Office (SHPO). \textbf{Certification by the SHPO requires that all the Secretary of the Interior’s Standards (discussed above) will be met.}\textsuperscript{36}

\textbf{Local Tax Assessments for Historic Structures under the Bailey Bill}

Finally, South Carolina’s Bailey Bill allows local governments to assess properties on the pre-rehabilitation fair market value, for up to 20 years, as set by the special assessment period by the local government.\textsuperscript{37} To be eligible for local tax assessment, the local government must adopt an ordinance to implement this program.

Beaufort adopted the Bailey Bill in 2014.\textsuperscript{38} In Beaufort, if an eligible property owner invests 75\% or more of the building’s assessed value into the building, then the property value will be assessed at the pre-rehabilitation value for 10 years.\textsuperscript{39} Eligible property owners can count “costs necessary to maintain the historic character or integrity of the building” towards the expenditures for rehabilitation.\textsuperscript{40} Structures that qualify must either be located in the historic district and are at least 50 years old, or listed on the 1997 Beaufort County Above Ground Historic Sites Survey.\textsuperscript{41} Therefore, while some properties eligible for tax assessment under the Bailey Bill may not be eligible for listing on the National Register (i.e., if located within the historic district and is at least 50 years old but is not a contributing resource), most eligible recipients will be listed or eligible for listing on the National Register.

\textbf{Substantial but Proportional Preservation Measures Available to Homeowners under the Standards}

Because federal, state and most local incentives depend on adherence to the Secretary of the Interior’s Standards, property owners must be careful to follow its requirements. For example, if a property owner of a historic structure fails to adhere to the Standard’s requirements during a renovation project, the property will risk de-listing from the federal register. As noted above, de-listing results in ineligibility of federal and state grants, tax credits, and some tax assessments. Therefore, it is essential for homeowners of historic properties to understand what they can do to protect their property from flood damage while continuing to adhere to federal regulations.

\textsuperscript{35} Allowable expenses include: exterior rehabilitation work; repair of historic structural systems; improving energy efficiency; repairs and installation of heating, air-conditioning, plumbing, and electrical systems; restoration of historic plaster; and architectural and engineering fees. \textit{S.C. Code of Laws, Section 12-6-3535.}
\textsuperscript{36} Id.
\textsuperscript{37} \textit{SC Code of Laws S 4-9-195, S 21-140; South Carolina Archives & History Center, supra note 27.}
\textsuperscript{40} \textit{S.C. Code of Regulations 12–120(D).}
\textsuperscript{41} Id. \textit{The purpose of the 1997 Beaufort County Above Ground Historic Sites Survey was to identify all historic resources that are eligible for listing on the National Register. Brockington and Associates, Inc., Beaufort County Above Ground Historic Resources, Survey Beaufort County, South Carolina (Apr. 1998), http://nationalregister.sc.gov/SurveyReports/BeaufortCounty1998SM.pdf} (last visited Mar. 3, 2019).
Fortunately, the Secretary of the Interior’s Standards recognize that resilience to natural hazards is an important component of rehabilitation. While the Standards require that any new adaptive treatments must produce the “least impact on the historic character of the building, its site, and setting,” the Standards allow even substantial measures, such as raising historic buildings, when necessary to protect the site in certain situations such as flooding (see Figure 3, below). Such measures to protect against flooding will only be appropriate if the historic character of the building is retained after the project is completed. Adaptation measures may be implemented using special exemptions and variances from the Standards for treatments that protect against known hazards that would negatively affect the historic character of the site.

**FIGURE 3: ELEVATED HISTORIC BUILDING SHOWCASED IN THE STANDARDS**

**LOCAL PRESERVATION DECISIONS IN BEAUFORT:**

**Governing Historic Preservation Through Ordinances**

In addition to the federal and state incentive based approaches to preservation, local governments may enact legally binding ordinances to preserve historic properties within their jurisdictions. Unlike federal and state incentives, local ordinances can place affirmative duties on property owners to maintain and preserve their homes in accordance with local policies, regardless of whether the property owner wishes to benefit from federal or state tax incentives. The NHPA’s Certified Local Government (CLG) program recognizes this extraordinary power of local governments to preserve historic resources and helps local governments in developing local ordinances to protect its historic

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42. Standards, supra note 6 at 24.
43. Id. at 153.
44. Id. at 154.
45. Id. at 154–155.
46. Id. at 154. When appropriate, the Standards recommend elevating buildings to protect against flood damage, only if the building will retain its historic character. The Standards state that the building on the right has retained its historic character, while elevating it to a lesser degree than the building on the left, which suffered a greater impact on the historic character of the property.
resources. Beaufort is a CLG under the NHPA, and therefore receives funding, technical assistance and training from the South Carolina SHPO to develop its preservation plan. The following section will discuss the local zoning ordinances developed by Beaufort which place affirmative duties on owners to maintain and preserve historic properties.

**HRB’s Ability to Promote Historic Preservation under the Beaufort Code**

Beaufort's zoning ordinances are codified under Chapter 6 Sec. 5-6001 of the Beaufort Code of Ordinances. This chapter adopts by reference, the Beaufort Code (“Code”), which governs all parcels of land within the corporate limits of Beaufort that are not exempt under state or federal law. The Code regulates all “construction, erection, alteration and movement” of “lands or structures” within its jurisdiction. Where the Code imposes stricter standards than provisions of other statutes, local ordinances, or regulations, its provisions must be followed.

Beaufort has designated the same 304 acres that constitutes the NHL, as the “Beaufort Historic District,” with few exceptions. (See Figure 4, below). The Code states that the purpose of this district is to “promote the educational, cultural, and general welfare of the public through the preservation, protection, and enhancement of the old, historic or architecturally significant structures and areas of the City and to maintain such structures and areas as visible reminders of the history and cultural heritage of the City, the state, and the nation.”

Projects involving structures within the Beaufort Historic District are subject to review by the Historic District Review Board (“HRB”). The HRB also has jurisdiction over the following areas:

- Any structures listed in the Beaufort County Historic Sites Survey of 1997 (or any more recent survey); and
- Structures that apply for the Special Property Tax Assessment for Rehabilitated Historic Properties (a.k.a. Bailey Bill, discussed above), but are located outside the Beaufort Historic District

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48. Beaufort Code 1.3.1.; Beaufort Code of Ordinances, Chapter 6 Sec. 5-6001 (June 27, 2017).
49. Id.
50. Beaufort Code 1.3.3.
51. Beaufort Code 2.7.1(c). These exceptions include:
   1. Where boundaries are designated at specific roads, the centerlines of the rights-of-way of those roads shall be deemed said boundaries.
   2. The east and south boundaries of the district are established at the Beaufort River. These boundaries are established at the parcel lines, seawalls, or at mean high water mark, whichever extends further from the high ground.
   3. Structures attached to the high ground are deemed to lie within the district
52. Beaufort Code 2.7.1.
54. Beaufort Code 10.7.2.A.
Once the HRB approves of a planned project by issuing a certificate of appropriateness and before a property owner commences work on a historic property, the applicant must obtain a Project Permit from the City Manager, or someone he appoints.\textsuperscript{56}

The following subsections will discuss the HRB’s project approval process through approving Certificates of Appropriateness, followed by a brief overview of the Project Permitting process. The last subsection will discuss the HRB’s ability to promote preservation, by stabilization of historic structures that are threatened with destruction.

\textit{Certificate of Appropriateness: Special Approval for Projects Affecting Historic Structures}

The main responsibilities of the HRB are to “review and take action on any Major Certifications of Appropriateness,” and to approve alterations on historic sites.\textsuperscript{57} All “major” projects under the HRB’s jurisdiction must obtain a “Certificate of Appropriateness.”\textsuperscript{58} The Code uses an exclusionary definition to define “major projects,” which is considered all projects that are not deemed “minor.” Minor projects are ones that include:

\begin{itemize}
  \item Changes to a building or property, to include fences, paint color, roof materials, canopies and awnings, site changes, and window replacements on noncontributing structures;
  \item New construction and building modifications to include construction of non-habitable accessory buildings in the Beaufort Preservation Neighborhood;
\end{itemize}

\textsuperscript{56} Beaufort Code 9.5; Beaufort Code 9.10.
\textsuperscript{57} Beaufort Code 10.7.2.B.
\textsuperscript{58} Beaufort Code 9.10.2.
• Modifications to non-contributing structures in Beaufort Conservation Neighborhood (BCN);
• Demolitions of non-contributing structures in the BCN;
• Demolition or partial demolition of a structure that is listed in the “1997 Beaufort County Historic Sites Survey,” or the most recent historic sites survey, and lies outside the Beaufort Historic District; or
• Demolition of noncontributing accessory structures (e.g., sheds, carports, etc.).

Ordinary maintenance and repair of existing features that “does not involve a change in design, type of materials, or outward appearance” are exempt from obtaining a Certificate of Appropriateness. Further, property owners may request a variance from the Code, if strict enforcement of standards would “result in unnecessary hardship to the applicant and that by granting the variance, the spirit of the [Code] will be observed, public welfare and safety will not be diminished and substantial justice done.” The ability to obtain a variance allows property owners the flexibility to undergo adaptation projects to help reduce risk of flood damage such as elevation or other flood-proofing measures.

When a historic property owner submits a Certificate of Appropriateness, the HRB will first undergo “completeness review.” Completeness review ensures all sections of the project proposal were filled out and all relevant documents are submitted. (See Figure 5 for certificate of appropriateness flow chart). Once an application passes completeness review, it will move on to the “compliance review & report” stage.

Once the completeness review and compliance review and report stage are finished, the application gets sent to the HRB to rule on a certificate of appropriateness. During this stage, the HRB may approve, approve with conditions or deny an applicant's Certificate of Appropriateness. The HRB may require the applicant to make modifications to the project application may be requested and re-submit the application.

Before the HRB decides on a Certificate of Appropriateness, the HRB has a duty to conduct a public meeting and must consider elements such as the nature and character of the surrounding area, the use of the structure and its importance to the city, and appropriateness of design, among other factors. During this stage, the HRB is prohibited from considering interior arrangement or interior design, unless it affects the exterior appearance.

60. Beaufort Code 2.7.1.F.2.
63. Id.
The HRB is also prohibited from making requirements “except for the purpose of preventing developments that are not in harmony with the prevailing character of the Beaufort Historic District, or that are obviously incongruous with this character.” The Code notes that the HRB may deny a certificate of appropriateness on the following grounds:

- Arresting and spectacular effects;
- Violent contrast of materials;
- A multiplicity or incongruity of details resulting in a restless and disturbing appearance;
- The absence of unity and coherence in composition, that is not in consonance with the dignity and character of the present structure, in the case of repair; and
- Construction of, remodeling, or enlargement of an existing building in a manner not consistent with the prevailing character of the neighborhood.

Importantly, while these are all valid grounds for denial, the HRB has broad discretion to approve a Certificate of Appropriateness for a major project or to decide on actions to impose on major projects located within the Beaufort Historic District.

The Code references multiple documents that the HRB can rely on when determining if a Certificate of Appropriateness should be issued. These documents are used “in order to provide guidance and insight into desirable goals and objectives for the Beaufort Historic District.” Which documents are considered by the HRB depends on whether the project is located in the “Beaufort Preservation Neighborhood” (“BPN”) or the “Beaufort Conservation Neighborhood” (“BCN”). While the Code adopts the documents for use by the HRB, it is important to keep in mind that the ultimate decision on whether to approve, approve with conditions, or deny a certificate of appropriateness rests with the HRB’s discretion.

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64. Beaufort Code 9.6
65. Beaufort Code 9.10.2(C).
68. Beaufort Code 9.10.2(B).
69. Beaufort Code 9.10.2(B).
70. Id.
In both sub-districts, the HRB must consider the Secretary of Interior’s “Standards for Rehabilitation.” Under federal rules, “rehabilitation” is defined as “the process of returning a building or buildings to a state of utility, through repair or alteration, which makes possible an efficient use while preserving those portions and features of the building and its site . . . which are significant to its historic...values.” Under 36 CFR 67.7, the DOI enumerated 10 standards for rehabilitation. These standards are intended to generally assist the HRB during rehabilitation projects. The standards recommend that restoration of historic properties should minimally change the property’s defining qualities, the historic character should be maintained, and exterior alterations or related new construction must not destroy the historic materials that constitute the property. However, these guidelines are not useful for case-specific advice, to address exceptions, or for rare circumstances. Instead, they are best understood as the articulation of “basic philosophical principals which are fundamental to historic preservation.”

Given these broad standards, Beaufort's HRB is likely able to approve a certificate of appropriateness to a property owner of a historic property, if the major project implemented adaptation measurements to protect the house from flood risks, so long as there was such a threat of damage and that the response was proportional.

71. 36 CFR 67.
72. 36 CFR 67.7. These standards include: (1) A property shall be used for its historic purpose or be placed in a new use that requires minimal change to the defining characteristics of the building and its site and environment. (2) The historic character of a property shall be retained and preserved. The removal of historic materials or alteration of features and spaces that characterize a property shall be avoided. (3) Each property shall be recognized as a physical record of its time, place, and use. Changes that create a false sense of historical development, such as adding conjectural features or architectural elements from other buildings, shall not be undertaken. (4) Most properties change over time; those changes that have acquired historic significance in their own right shall be retained and preserved. (5) Distinctive features, finishes, and construction techniques or examples of craftsmanship that characterize a historic property shall be preserved. (6) Deteriorated historic features shall be repaired rather than replaced. Where the severity of deterioration requires replacement of a distinctive feature, the new feature shall match the old in design, color, texture, and other visual qualities and, where possible, materials. Replacement of missing features shall be substantiated by documentary, physical, or pictorial evidence. (7) Chemical or physical treatments, such as sandblasting, that cause damage to historic materials shall not be used. The surface cleaning of structures, if appropriate, shall be undertaken using the gentlest means possible. (8) Significant archeological resources affected by a project shall be protected and preserved. If such resources must be disturbed, mitigation measures shall be undertaken. (9) New additions, exterior alterations, or related new construction shall not destroy historic materials that characterize the property. The new work shall be differentiated from the old and shall be compatible with the massing, size, scale, and architectural features to protect the historic integrity of the property and its environment. (10) New additions and adjacent or related new construction shall be undertaken in such a manner that if removed in the future, the essential form and integrity of the historic property and its environment would be unimpaired.
74. 36 CFR 67.2(b)(1); 36 CFR 67.2(b)(2); 36 CFR 67.2(b)(3).
75. National Park Service, supra note 73.
In addition to the Standards for Rehabilitation and any special standards adopted by the HRB, the HRB must also take into consideration the Beaufort Preservation Manual (August 1979) (“Manual”) and the Beaufort Preservation Manual Supplement (1990) (“Supplement”), when considering a Certificate of Appropriateness in the Beaufort Preservation Neighborhood. Both documents were made with the intent to “assist the residents and the City government in preserving Beaufort’s unique and characteristic physical environment.”

The Manual was created to “provide a guide to sympathetic maintenance and preservation of the man–made elements in the Beaufort Landmark Historic District.” This document contains a whole section on “weatherproofing.” However, this section only provides preservation guidance on features such as gutters and downspouts, or preferred roofing repair guidelines. While this document was meant to stress “appropriate repair and maintenance procedures,” it would not provide appropriate guidance for owners of historic properties who wish to safeguard their property against serious flood damage.

The Supplement is meant to provide “design guidelines and associated regulatory procedures” involved in Beaufort’s preservation goals. The Supplement divides design guidelines into three categories: recommended, not recommended, and inappropriate. Recommended approaches, treatments and techniques are those that are “likely to promote the preservation and protection of the Beaufort Historic District.” Approaches, treatments and techniques that are not recommended, are ones that might adversely affect the historic district. Finally, the inappropriate designation is reserved for actions that will adversely affect the historic district. However, the Supplement recognizes that there may be specific instances where “inappropriate” designs may be desirable, while “recommended” ones are disfavored. The Supplement states that this is due to the diversity of construction techniques and materials, and therefore whether to approve a certain design characteristic should be discretionary and made on a case–by–case basis. Therefore, like the Beaufort Preservation Manual, the Supplement does not specifically address or recommend projects homeowners should undertake in order to their property against flooding. Because this document is not meant to provide strict standards, a homeowner would likely be able to adapt their historic property to flooding risks, so long as the applicant could convince the HRB that risk of flood is great and that the response is proportional.

On the other hand, when deciding whether to issue a Certificate of Appropriateness in the Beaufort Conservation Neighborhood, the HRB must take into consideration the “Northwest

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77. Beaufort Code, 10.7.
78. Supplement, supra note 76 at ix.
79. Beaufort Preservation Manual (August 1979), VII.
80. Supplement, supra note 76 at ix.
81. Id.
82. Supplement, supra note 76 at xiii.
83. Id.
84. Id.
85. Id.
86. Id.
Quadrant Design Principles” (May 1999). A few sections in this document are pertinent to homeowners who want to protect their historic property from flood damage. Section 20 discusses raised cottages, and recommends that raised cottages should remain so. This section acknowledges that raising structures helps protect it against water damage from tropical storms.87 Section 14 of this document provides that “work should not destroy the distinguishing qualities or character of the property and its environment.” Like the other documents described above, the Northwest Quadrant Design Principles merely provide guidance for projects. Therefore, if a property owner of a historic property wants to undergo a project to protect their house from flood damage that destroys some distinguishing qualities or character of the structure, it is likely that HRB could approve of such a project under the guidelines of the Northwest Quadrant Design Principles.88

**HRB’s Active Role in Promoting Historic Preservation**

If the HRB finds a historically significant structure is “threatened with destruction or loss due to failure on the part of the property owner to properly maintain or repair the structure,” then the HRB will conduct a public hearing to determine if the property is being “demolished by neglect.”89 Once the HRB determines that a historically significant property is being demolished, it has a duty to develop “specifications for the stabilization of the property,” which the homeowner must complete.90 Economic relief may be available to a property owner if they prove to the HRB that stabilization imposes an undue economic burden.91 Economic relief may come in the form of property tax relief, loans or grants, or acquisition by purchase or eminent domain, among others.92

If a property owner fails to complete these specifications identified by the HRB, the city may, at council’s direction, move to stabilize the structure itself.93 Once the city moves to stabilize a structure, it can place a lien on the property in order to get reimbursed by the property

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88. After a Certificate of Appropriateness has been obtained, an applicant must obtain a Project Permit. Project Permits are required for “any building, structure, or attachment to a structure to be erected, moved, added to, or structurally altered.” The Code does not provide much guidance on the city manager’s (or any persons designated by the city manager) decision making process when determining whether to grant or deny a Project Permit. However, any changes to a project proposal for a historic property made after the Certificate of Appropriateness is approved, shall not be approved by the Administrator without specific approval of these changes by the city manager. If the city manager denies issuance of a Project Permit without being reviewed by the Building codes department, an applicant may appeal to the Zoning Board of Appeals (ZBOA) within 30 days of the Administrator’s decision. Beaufort Code, Section 9.5.
89. If a property owner fails to complete these specifications identified by the HRB, the city may, at council’s direction, move to stabilize the structure itself.93 Once the city moves to stabilize a structure, it can place a lien on the property in order to get reimbursed by the property
owner for its stabilization efforts. This means that if a property owner fails to reimburse the city, Beaufort could seize title to the property after stabilizing the structure.

Importantly, the language of the “demolished by neglect” ordinance is broad enough to encompass properties damaged by flooding. Therefore, the ordinance can be used to promote stabilization when properties risk losing their historic characteristics due to a failure to incorporate appropriate household scale changes that would protect the home from flood damage. After the HRB determines that stabilization is necessary to protect a historic property from flood damage, it can then be completed by the homeowner or by Beaufort if the homeowner fails to take identified steps required by the HRB. In this way, the HRB can play an active role in promoting historic preservation after inadequately protected homes risk losing their historic characteristics due to flood damage.

While Beaufort can move to stabilize a property itself after a property owner fails to take required stabilization steps, other options are available for the city to promote preservation of historic structures at risk of being demolished. Indeed, Beaufort has a history of working with the community in order to promote historic preservation. One example involved a historic property located in the Old Commons neighborhood called the Mulligan Grayson House. See Figure 7. Built between 1875 and 1880 by black artisans after Emancipation, the Mulligan Grayson House was bought in 2005 by the Baptist Church of Beaufort for $230,000. After the church purchased the historic property, the house sat empty for seven years after

94. City of Beaufort Ordinances Sec. 5-1204.
96. Id.
the HRB required renovations that would cost up to $400,000 before the church could use the property as a ministry center. Further, the HRB quickly denied the Church’s plan to demolish the property to put in place a prayer garden in 2012, reasoning that the house was too valuable and that the historic integrity of the property should be maintained. After the HRB denied the proposed demolition, Beaufort’s Redevelopment Commission entered into a “land swap” agreement with the Church. In this agreement, the city acquired title to the Mulligan Grayson House in exchange for two nearby properties. After the city engaged in the land swap, the historic property was stabilized before it was sold to be renovated into a single-family home, thus preserving its historic characteristics.

This example shows that even if Beaufort finds that using the demolition by neglect ordinance is inappropriate in certain circumstances, that it can use creative tools to work with the community in order to promote stabilization of historic homes that have been demolished by neglect. Beaufort should use these creative tools and the economic relief mechanisms discussed above in order to promote historic preservation of historic homes that risk being demolished due to inadequate protection against flooding damage when seizure of properties is undesirable.

**ZBOA’s Power to Promote Historic Preservation through Beaufort’s “Community Standards”**

Homeowners located in special flood hazard areas (SFHA), as determined by the Federal Emergency Management Agency (FEMA), can obtain affordable flood insurance under the National Flood Insurance Program (NFIP). Before these homeowners are eligible for assistance under the NFIP, their local government must adopt and enforce floodplain management regulations, also called “community standards.” To provide its citizens with assistance under the NFIP, Beaufort has enacted community standards under Sec. 5-4032 of the Beaufort Code of Ordinances.

While Beaufort’s floodplains were last mapped in 1986, approximately 38.3% of Beaufort structures are located within a SFHA under the Effective Flood Insurance Rate Map (FIRM). Further, much of the downtown area, which contains the bulk of the historic landmarks falls under the SFHA. This means that all properties located within the SFHA must comply with these standards in order to receive federal flood insurance assistance under the NFIP.

In order to help protect homeowners that receive national flood insurance from future flood damage, Beaufort’s community standards require that residential structures that undergo new construction, substantial improvement, or any additions over 33% of the structure’s footprint...
“shall have the lowest floor elevated no lower than the base flood elevation,” and prohibits any basements from being built.\textsuperscript{103} Further if “foundation perimeter walls [are] used to elevate a structure, openings sufficient to facilitate the unimpeded movement of floodwaters shall be provided.”\textsuperscript{104} These requirements are aimed at reducing the risks homeowners face due to flood damage.

If an owner of a building fails to comply with these ordinances, the administrator (either the city manager or his designee) can issue a stop-work order.\textsuperscript{105} The administrator may take further action and revoke the development permit for “any substantial departure from the approved application.”\textsuperscript{106} After notice and an opportunity to be heard, if the property owner fails to take corrective action after a violation of the permit has been identified, the local administrator “may issue such order to alter, vacate, or demolish the building.”\textsuperscript{107} Further, this failure to take corrective action can result in a misdemeanor.\textsuperscript{108}

While the community standards apply generally to all structures located in the SFHA, Beaufort provides variances for property owners of historic structures under Sec. 5–4043. In order to obtain a variance, the homeowner must submit a request to the zoning board of appeals (ZBOA), which is established by the city council.\textsuperscript{109} Under Sec. 5–4048, the ZBOA shall consider the following conditions when determining whether to grant a homeowner of a historic property a variance under the community standards:

- Variances may not be issued when the variance will make the structure in violation of other federal, state, or local laws, regulations, or ordinances;
- Variances shall only be issued upon a determination that the variance is the minimum necessary, considering the flood hazard, to afford relief;
- Variances shall only be issued upon a showing of good and sufficient cause, a determination that failure to grant the variance would result in exceptional hardship, and a determination that the granting of a variance will not result in increased flood heights, additional threats to public safety, extraordinary public expense, create nuisance, cause fraud on or victimization of the public, or conflict with existing local laws or ordinances;
- Any applicant to whom a variance is granted shall be given written notice specifying the difference between the base flood elevation and the elevation to which the structure is to be built and a written statement that the cost of flood insurance will be commensurate with the increased risk resulting from the reduced lowest floor elevation. Such notification shall be maintained with a record of all variance actions;

\textsuperscript{103} Beaufort, South Carolina – Code of Ordinance Sec. 5–4032.
\textsuperscript{104} Id.
\textsuperscript{105} Beaufort, South Carolina – Code of Ordinance Sec. 5–4021.
\textsuperscript{106} Beaufort, South Carolina – Code of Ordinance Sec. 5–4024.
\textsuperscript{107} Id.
\textsuperscript{108} Id.
\textsuperscript{109} Beaufort, South Carolina – Code of Ordinance Sec. 5–4041.
The local administrator shall maintain the records of all appeal actions and report any variances to the Federal Emergency Management Agency upon request.

Variances shall not be issued for unpermitted development or other development that is not in compliance with the provisions of this ordinance. Violations must be corrected in accordance with section 5-4024(5) of this ordinance.

After consideration of these conditions, the ZBOA may issue a variance “upon the determination that the proposed repair or rehabilitation will not preclude the structure's continued designation as a historic structure and the variance is the minimum necessary to preserve the historic character and design of the structure.”

After consideration of these conditions, the ZBOA may issue a variance “upon the determination that the proposed repair or rehabilitation will not preclude the structure's continued designation as a historic structure and the variance is the minimum necessary to preserve the historic character and design of the structure.”

As this paper has shown, homeowners of historic properties may undergo even substantial measures if necessary to protect the structure, without risking de-listing from the National Register, which effects both state and federal designation. Therefore, the ZBOA can actively promote preservation through carefully considering which historic houses are eligible for variances from the community standards. To promote adaptation to flood risks the ZBOA should only grant variances from the community standards when they represent what's minimally necessary for the homeowner to preserve the historic character and design of the structure.

RESILIENCE EFFORTS IN HISTORIC ANNAPOLIS:
A Possible Guide for Beaufort

The city of Annapolis, Maryland, became a National Historic Landmark District in 1965. Like Beaufort, historic structures in Annapolis are at risk from flooding due to sea level rise. To illustrate this, Annapolis had an average of 39.3 days of nuisance flooding between 2007 and 2013. In order to combat against this threat to its historic structures, Annapolis has taken a proactive approach in planning for its future due to the risk it faces from flooding. The city started the “Weather It Together” initiative, to address “the issue of protecting and adapting the City's cultural resources to an increasing risk from flooding.”

This initiative recognized the need for a hazard mitigation plan catered to the needs of historic properties. Therefore, in 2018, the initiative followed the Federal Emergency Management Agency's (FEMA) “how-to guide” for mitigation planning on the state and local government

110. Beaufort, South Carolina – Code of Ordinance Sec. 5-4043.
112. NOAA's National Climate Center Database; Pete Gutwald, supra note 111 at 13.
level for historic property and cultural resources, to develop a Cultural Resource Hazard Adaptation and Mitigation Plan (CRHMP).\(^{114}\) Using FEMA’s approach, the CRHMP assesses risks to historic assets, develops a mitigation plan, implements the plan and monitors progress, and organizes reassessments in four different phases.\(^{115}\) By completing these four phases, the goal of the CRHMP to create a “vision to guide...adaptation strategies...with measurable objectives.”\(^{116}\) From these goals and objectives, Weather It Together identified 48 actionable ideas. The group then organized these ideas into 9 projects, in order to achieve specific actions identified by the CRHMP. Notably, the projects identified by CRHMP cover not only changes to individual houses such as elevation, but also includes structural adaptation measures, such as stormwater infrastructure improvements, which works to safeguard houses on a neighborhood or city-wide scale.

In order to better protect its historic resources for the future, Beaufort would likely benefit from developing a planning document like the CHRMP developed by Annapolis. While the Secretary’s Rehabilitation Standards, Beaufort Manual, the Supplement and the Northwest Quadrant Design Principles provide general guidance for maintaining historic structures for the future, Beaufort has not yet developed a comprehensive vision for protecting these assets in face of persistent flooding. A similar document would not only be helpful for individuals wishing to protect their own properties, but would also provide guidance for the HRB when issuing certificate of appropriateness or for local government to adopt ordinances that reflect the community’s desire to preserve its historic structures.

CONCLUSION

The city of Beaufort, South Carolina, is one of the Nation’s most appreciated historical communities. This is represented in the amount of federal and state support Beaufort homeowners receive in preservation efforts. At the federal level, Beaufort is listed on the National Register as a National Historic Landmark under the National Preservation Act. Additionally, over a dozen more locations outside of the Landmark are listed on the National Register. Federal designation on the National Register provides owners of historic properties incentives for preservation and rehabilitation of their property. South Carolina also provides tax credits to incentivize property owners to preserve and rehabilitate their properties. This state incentive expands the number of recipients that can receive rehabilitation incentives, compared to the federal scheme. Both the federal and state incentive schemes require property owners to comply with the Secretary of the Interior’s Standards, when rehabilitating historic properties.

\(^{115}\) Pete Gutwald, supra note 111, at 41.
\(^{116}\) Pete Gutwald, supra note 111, at xvi.
While federal and state governments have clearly indicated their support for the preservation of historic properties, the incentive programs must reflect changing local conditions that will adversely affect preservation efforts. Notably, the success of rehabilitation incentive programs will partially depend on homeowner's ability to adapt their properties to rising sea levels. Fort Pulaski, which measures long-term tide gauge data, has calculated that since the station's establishment, the sea level is rising at a rate of one foot per century.\textsuperscript{117} Further, recent studies have shown that the oceans are warming faster than previously predicted, which will only continue to increase the rate of sea level rise.\textsuperscript{118} The effect of sea level rise on local flooding is further heightened due to tide cycles and storm surge. With a 1–2 feet increase in base sea level, South Carolina Sea Grant has predicted that extreme high tides could cause “significant property damage in properties not built to current FEMA flood zone standards.”\textsuperscript{119} This reflects just how vulnerable Beaufort’s historic properties will be to flooding in the future.

Because of Beaufort’s vulnerability to sea level rise, local zoning and planning decisions should support preservation efforts that implement smart adaptation strategies on the household scale. To support such preservation efforts, the city's zoning board of appeals may encourage homeowners of historic properties to adapt to sea level rise through limiting the number of variances available in the flood damage prevention ordinances. Second, Beaufort's Historic Review Board should grant certificates of appropriateness for preservation efforts that seek to adapt historic properties to sea level rise. Finally, the City of Beaufort can develop a mitigation plan, as was used in Annapolis, that utilizes FEMA's “how-to guide” for mitigation planning in order to develop a Cultural Resource Hazard Adaptation and Mitigation Plan. These actions would provide homeowners with further incentives and support to preserve historic properties from rising sea levels.


\textsuperscript{118} Lijing Cheng, John Abraham, Zeke Hausfather, Kevin E. Trenberth, How Fast are the Oceans Warming? Observational Records of Ocean Heath Content Show that Ocean Warming is Accelerating, SCIENCE, http://science.sciencemag.org/content/sci/363/6423/128.full.pdf. This article shows that after taking studies have attempted to improve methods used to account for spatial and temporal gaps in ocean temperature measurements, recent studies show that the rate of ocean warming in the decades after 1991 have increased from .55 to .68 W/m\(^2\) in the upper 2000-meter water column.

\textsuperscript{119} See South Carolina Sea Grant Consortium, supra note 117 at 10.