



Community and Economic Development in North Carolina and Beyond Blog: Historic mill redevelopment — Renfro Mill (Mt. Airy, NC)

By CED Program Interns & Students

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As has been described in previous posts ([here](#) and [here](#)), Historic

and Mills Bill tax credits have been important tools for redevelopment across North Carolina. Redevelopment of an historic structure can serve as a catalyst for revitalization and economic development in communities of all sizes. Mills and other abandoned manufacturing facilities dot the landscape of small towns across North Carolina. One reason that historic mill buildings sit vacant is that redevelopment costs can exceed the value of the property or the cost of a brand new development, and with that the amount of money a bank will lend or an investor will commit to a project. Tax credits increase the financial feasibility of redevelopment projects on historic or mill properties.

Renfro Mill, Mt. Airy, North Carolina (pop. 10,400)

Built in 1892 in downtown Mt. Airy, the Mill was originally a tobacco leaf plant and later became a sock manufacturing facility. The Mill closed in the 1990s and sat vacant for years, until its renovation in 2002. The project involved converting 100,000 square feet of manufacturing space into 37 high end residential condominiums. The project cost was approximately \$6 million to renovate, and the Historic tax credits were passed through to the buyers of the condominiums.

The Impact: This project has encouraged the renovation of neighboring streets and buildings. The tax value of this once vacant property currently exceeds \$6 million and the resale price of units has increased by nearly 40%. According to a report from Preservation North Carolina, “this is possibly the first project in North Carolina in which the state and federal tax credits were passed through the developer to the end buyers. This “pass through” allowed the project to be owner occupied (as opposed to rental) and for each condominium buyer to receive the benefit of the state preservation credits. This incentive, coupled with high-end renovation resulted in a preconstruction sell out of the entire project within 120 days. The downtown now has 37 higher income families living in the downtown, shopping, eating, and using the downtown services.” (1)

(1) Ted Alexander, Lynn Cowan, with assistance from Diane Althouse. *Industrial Properties Rehabilitation Case Studies*, 2005. Available [here](#).

Photo Credit: Alexander, Cowan, Althouse, *Industrial Properties Rehabilitation Case Studies*, 2005.

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