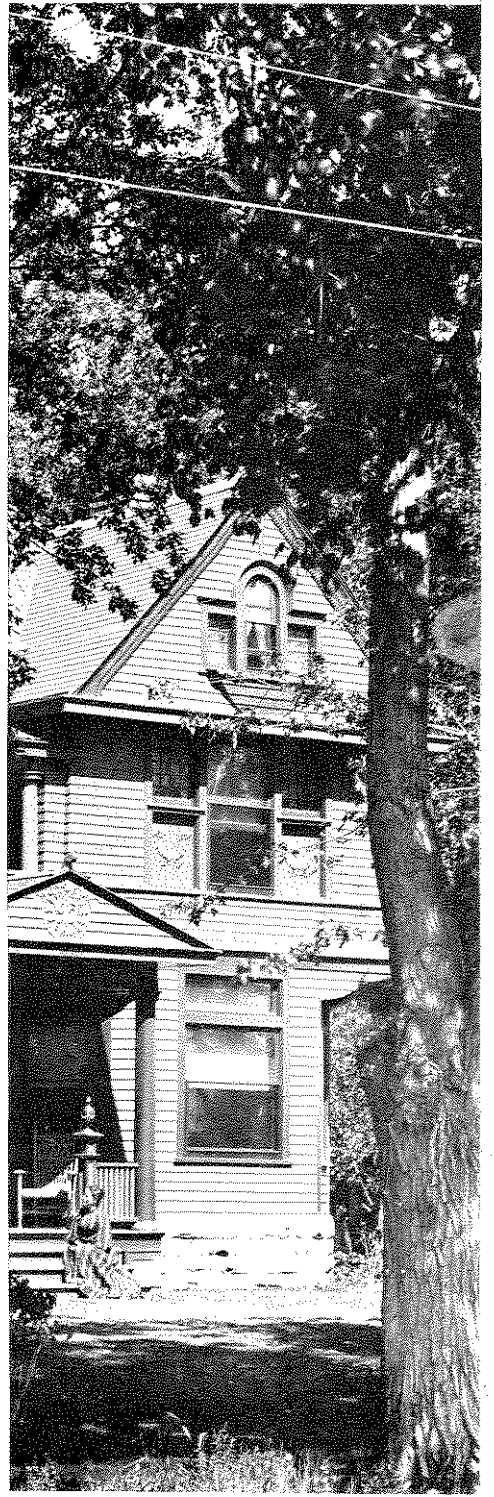
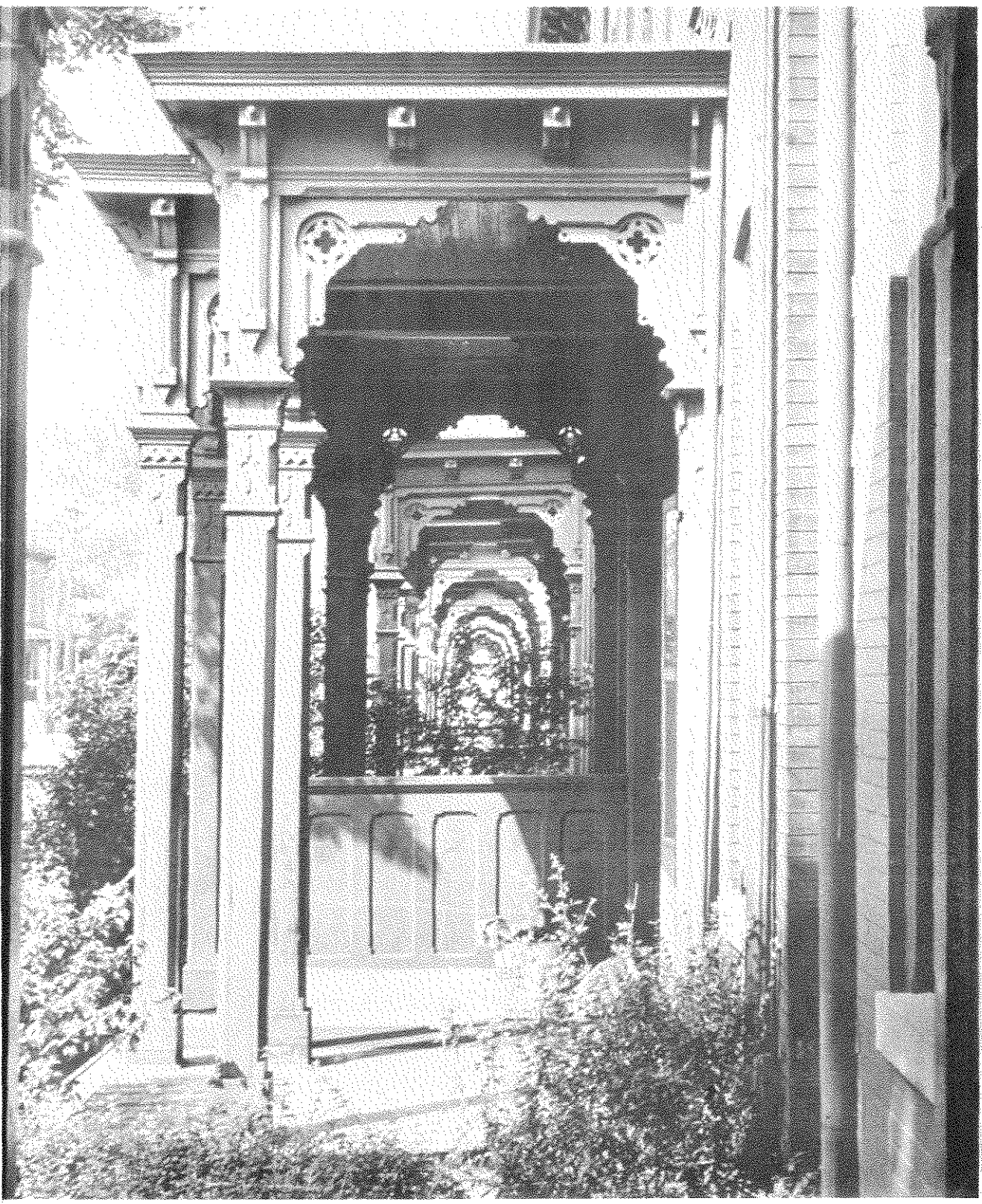


Benefits

of Historic Preservation





A community's historic buildings represent the tangible links to the past and are the physical embodiment of the unique character created by historic development and events. Although historic preservation has long focused on saving buildings, preservation recently has been more broadly attractive for its economic benefits of community revitalization and tourism. Maintaining the continuity between the past and the present offsets the rapid pace of change of the late 20th century and the anxiety citizens feel at not being able to predict even the near future. The scale and texture in the detail of historic buildings is an important counterpoint to the anonymity of contemporary development. The sense of longevity and knowledge of the unfolding of community history fosters important civic pride that in a large way encourages citizen involvement in the community from improvement of personal property, to voluntarism, to charitable contributions, and most fundamentally, to participation in decisions that shape the future of the community.

The image of the downtown, as remodeled in the 1950s and 1960s, is one that most Americans can identify with. They identify with it because it is ubiquitous -- as familiar to New Englanders as to Texans, to Georgians as to Minnesotans. In the post-World War II rush to modernization, most communities covered at least some of their original downtown buildings with aluminum and plastic, rendering one downtown indistinguishable from another. At the same time, homes of historically important people were destroyed to be replaced by modern buildings. Before long, the physical continuity of the community history was dislocated, and residents lost the sense that they were connected to the past in any real way. This was perceived as less of a loss and more as a positive move toward modernization when prosperity caused economic and physical expansion with up-to-date shopping centers springing up on the periphery of town on established automobile routes along with suburban housing developments all made accessible by the automobile. Downtown, the heart of the community with retail shops, offices, and local government, was abandoned in favor of suburban development with shiny, new buildings surrounded by parking lots. Some older neighborhoods around the downtowns also became less desirable.

Preservation of Community Heritage and Identity

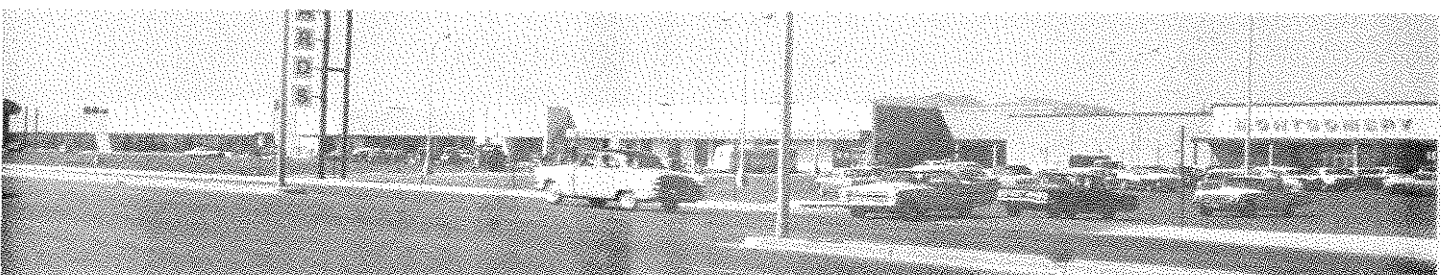


Main Street U.S.A.

Role in Economic Development and Revitalization Through the Preservation of Community Character and Uniqueness



Typical modernization of Main Street USA

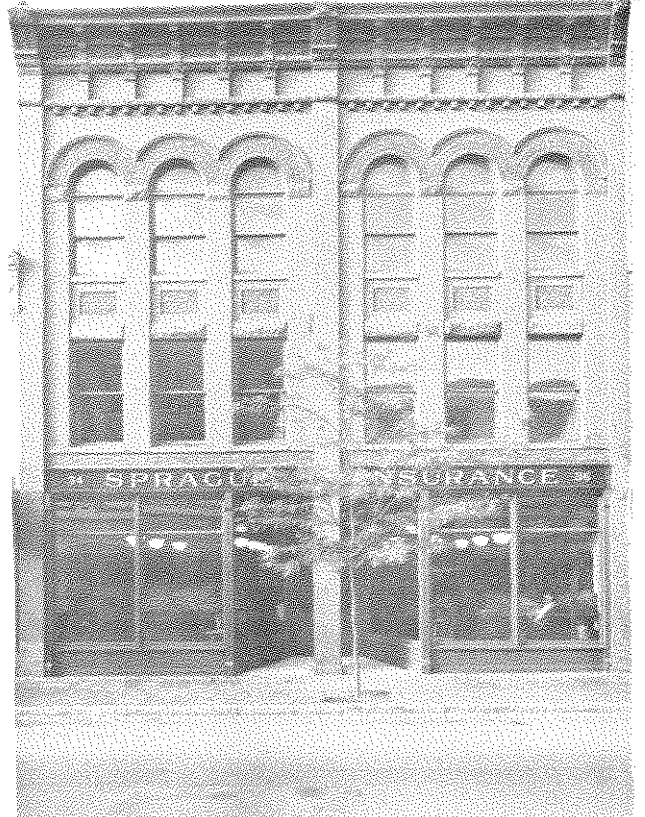
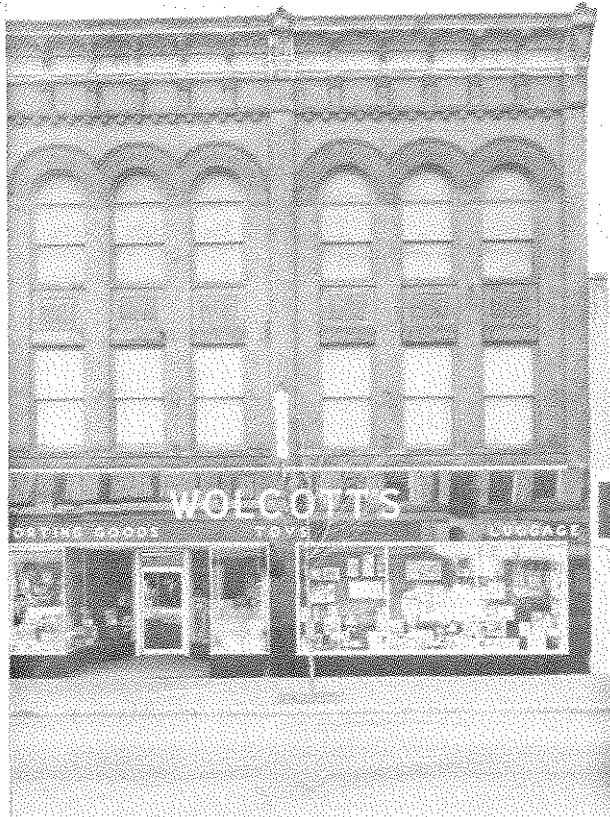


New University Mall, Fort Collins, 1964



Boulder Mall

Cities are beginning to struggle with the consequences of urban growth and sprawl, including the cost of providing basic municipal services, increased traffic congestion, and deterioration of air quality and quality of life. Historic downtowns and residential areas now are being seen as opportunities to address these serious problems. This is made more attractive because the character of historic downtowns and residential areas strikes a responsive chord in the community. The sense of continuity and well-being historic buildings and areas provide is a vital source of common purpose in addressing community problems. The charm of historic buildings can attract retail shoppers, businesses, and residents back to the heart of the city. This results in rehabilitation of aging housing and deteriorating neighborhoods, renewed economic activity in the downtown, and the opportunity to expand the existing economic base through tourism.



Restoration in downtown Corning, New York

Preservation of Neighborhood Integrity

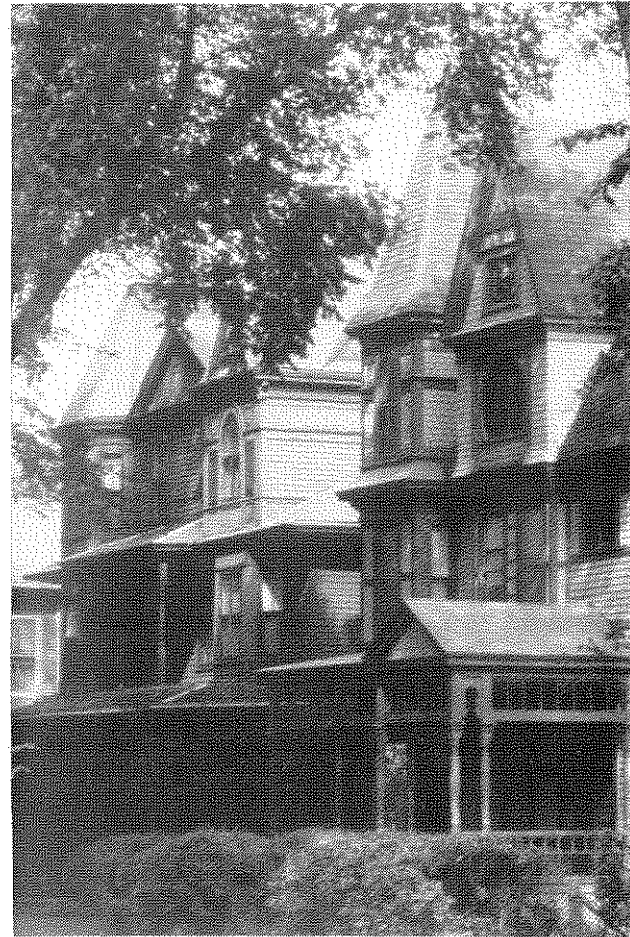


Commercial buildings near downtown neighborhoods

In many communities, older residential areas became less desirable as the population shifted to newer, suburban development. These older areas became locations for rental housing and aging housing stock. This encouraged changes in use and density; multi-family housing, business and commercial uses encroached into residential areas that were less stable. This trend eroded the integrity of many residential neighborhoods. The concentration of rental properties and increased density with all the related problems made these areas less desirable for reinvestment and led to deterioration of buildings, major alterations of historic residential buildings, and demolition.

As the historic preservation movement gathered momentum in the 1960s and 1970s, the results of earlier efforts in the Georgetown section of Washington D.C.; in Charleston, South Carolina; and the Vieux Carré of New Orleans, charmed and intrigued visitors from all over the country. Americans came to value the character of old buildings that they did not find in new construction, and they valued them for living in and working in, not just as museums to the past. Public officials began to understand historic preservation could serve as a catalyst for revitalization of deteriorated neighborhoods. In many cases, revitalization could be targeted to younger families, who could invest limited dollars in deteriorated areas and invest large amounts of their own labor and vision to create quality and affordable residences. As more people took advantage of this type of opportunity, sometimes aided by public incentives, historic neighborhoods reestablished their vitality and viability.

Historic preservation as a means to reestablish neighborhood integrity has not been universally accepted. Not all communities experienced the degree of deterioration that spurred reinvestment opportunities. Not all communities had the kind of historic resources that were viewed as opportunities. For example, many early neighborhoods in Western towns were made up of modest wood-frame vernacular cottages. The architecture was not grand, the size was small, and the infrastructure was old. For the most part, these neighborhoods served as areas of affordable housing. While these areas did not undergo radical changes, they were not perceived as particularly valuable and were always threatened by small incremental changes. As federal preservation dollars targeted identification of historic resources, communities became more aware of and better informed about buildings and neighborhoods that had previously been taken for granted. As the historic value became known, various incentives, such as tax waivers and abatements, low-interest loans and grants, allowed historic neighborhoods to be preserved and restored. Frequently, this resulted in making the neighborhood a more desirable place to live, and in this way protected otherwise defenseless historic resources.



1890 Queen Anne Style, (left); 1888 Stick Style (right) houses, St. Paul



West Side Fort Collins houses

Relationship to Environmental Protection



Conservation of resources is an issue that has gained increased support since the 1960s as a result of concerns about overpopulation, diminished soils productivity, polluted water, toxic waste, and loss of natural areas. Citizens have clearly demonstrated their individual and collective concern for the environment including a willingness to contribute to the preservation of the environment, for example, by recycling aluminum cans and paper. From this, it is not a great leap to value the recycling of old buildings. Tearing down a historic building to replace it with another makes an impact in two ways; first, by neglecting buildings before their usefulness has ended takes from the generation that provided the resources to produce the original building; and second, by using resources today in the new replacement buildings that might be saved for tomorrow, takes from future generations faced with increasingly scarce resources.

Historic preservation and environmental protection had an uneasy relationship during the 1970s when efforts to improve energy efficiency of buildings and the use of solar energy devices were in conflict with preservation of historic buildings. Over time, however, more sensitive design solutions were developed to upgrade energy performance of historic buildings while keeping historic and architectural integrity intact.

The concurrent recognition of the importance of the core city in addressing the various problems of urban sprawl, of the potential for reusing old buildings for contemporary uses, and of the widespread support for recycling and other environmental issues has been important to developing broad national support for historic preservation.

Economic Benefits of Historic Preservation



Trimble Court, downtown Fort Collins

For many years preservationists have used the argument that preserving historic buildings increases property values and enhances economic activity as a means to generate financial and political support for historic preservation. Although this argument has been based on examples of other communities where this has been the outcome, there has been no objective method to predict and quantify this result. Historic preservation has been inaccurately viewed as the antithesis of the progress and change that some communities pursue. Aesthetic regulations in general, and historic preservation in particular, are wrongly perceived as detrimental to the economic interests of property owners, and focus on the notion that such regulations prevent a property owner from generating as much return from property ownership as they might in the absence of regulation. Many local governments have responded by ignoring the cultural, aesthetic and historical benefits of preservation for the more immediate concerns of economic development.

The costs of aesthetic regulation to individual property owners have been better documented than the benefits, and although there are clearly many community benefits, they are not necessarily distributed equitably throughout the private sector. For historic preservation to demonstrate its economic benefit in an objective way to both individual property owners and to broader community interests, the economics of preservation must be quantifiable. Until recently, a method for quantifying these values had not been devised. However, using funding from the National Trust For Historic Preservation's *Critical Issues Fund*, the Government Finance Research Center of the Government Finance Officers Association has developed a methodology for quantifying the economic benefits of preservation. The intent was to clarify the economics of preservation so advocates can make reasonable and specific arguments, and elected policy makers can make more informed decisions.

Based on analysis of hundreds of historic rehabilitation projects encouraged by federal tax credits, some general relationships between \$1,000,000 in new construction and \$1,000,000 in rehabilitation of historic buildings have been established:

- \$120,000 more dollars will stay in the community with rehabilitation than with new construction;
- Five to nine more construction jobs will be created by rehabilitation than by new construction;
- Four and seven-tenths (4.7) more new jobs will be created with rehabilitation than with new construction;
- Household incomes in the community will increase \$107,000 more with rehabilitation than new construction; and
- Retail sales in the community will increase \$142,000 as a result of \$1,000,000 invested in rehabilitation, which is \$34,000 more than the same investment in new construction.

* Source: Donovan D. Rypkema of the National Trust For Historic Preservation on May 16, 1992, at a Preservation Week workshop in Boise, Idaho.

Cultural Tourism



The Farm at Lee Martinez Park

In addition to quantifying the primary economic benefits, there are other positive impacts, that although secondary in nature, have economic benefits that are hard to measure because they are marginal or incremental, such as the economic revival of the downtown and stabilization of residential neighborhoods. Nevertheless, these benefits can make an enormous contribution to community quality and are considered part of the preservation equation.

Tourism also plays an important economic role in many communities and historic preservation is frequently viewed as a tool to enhance economic activity in communities where there is little existing tourism activity. In researching the Colorado tourism market, the Colorado Tourism Board has determined one of the most important reasons tourists visit Colorado and other states is to visit historic sites and related museums and cultural resources. This appears to be the case in Fort Collins with 80,000 trolley riders by June 1992; an annual increase in Museum visits from 36,000 in 1991 to an estimated 42,000 in 1992; and an increase of an estimated 5,000 visitors to the Avery House in 1992 from 4,500 visitors in 1991. Because the cultural heritage of a community is important for a variety of reasons, many local governments have undertaken cultural plans to develop and enhance cultural resources. Historic resources and their preservation are key elements of such plans.