

Editors' Introduction

Beyond *This Old House*: Historic Preservation in Community Development

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This issue of *Housing Policy Debate* explores historic preservation as a method of community development. Going beyond the restoration of old homes, preservation practices have become part of a holistic approach to neighborhood planning. With the growing use of historic preservation in heritage tourism, neighborhood redevelopment, and downtown revitalization, policy makers must better understand the practice. The following forum explores the roles historic preservation plays in promoting community development and encourages discussion of ways to improve its effectiveness.

The preservation movement began as an effort to save endangered buildings notable for their architecture. Given their focus, preservationists have tended to create sites frozen in time, museums of the past. Because of its orientation, historic preservation seemed incompatible with economic development, which favors a less sentimental attitude toward place. Yet in recent years the movement has expanded to include a variety of sites that embrace the everyday, the vernacular, and offer better opportunities to partner preservation with economic growth. Preservationists, planners, and developers now understand the intrinsic economic value of older structures. The authenticity historic buildings represent is marketable in an environment that all too often features routinized and formulaic development.

Increasingly, communities employ historic preservation to spur economic development by attracting visitors, residents, and investors to older neighborhoods and commercial districts. Cities such as St. Louis and Fort Worth, TX, now use historic preservation to restore their downtowns. In St. Louis, historic tax credits encouraged investors to build downtown residences, a key component in the city's revitalization. Historic tax credits are also playing a large role in restoring downtown Fort Worth. For example, the city's art deco Blackstone Hotel, empty for decades, is undergoing reconstruction with the help of such credits.

At first glance, using historic preservation in community development seems noncontroversial. Who would *not* want to save beautiful

old buildings while revitalizing struggling communities? In practice, of course, historic preservation is much more complicated. A key issue centers on which groups stand to gain. If buildings must be restored to a pristine state of authenticity, low-income residents who lack the resources to finance such restorations will likely be displaced. Procedural and public policy issues such as determining what buildings are historic, finding appropriate building materials, and navigating regulations also determine historic preservation's viability in promoting community development.

David Listokin, Barbara Listokin, and Michael Lahr make a compelling case for preservation. They detail the economic benefits derived from using historic preservation in housing rehabilitation, housing production, heritage tourism, and downtown revitalization. Their work shows that historic preservation transcends aesthetic concerns and can itself be used as an engine for redevelopment. Although they acknowledge problems such as the potential displacement of poor households, Listokin, Listokin, and Lahr argue that the advantages outweigh the disadvantages, and they suggest ways to ameliorate preservation's negative side effects. Along with the two commenters, Listokin, Listokin, and Lahr believe planners and policy makers need a better understanding of historic preservation's outcomes to more fully grasp how it can and should be used.

In a comment on Listokin, Listokin, and Lahr, Peter Werwath points out a number of challenges planners face when implementing preservation as a development strategy. He explores the regulatory maze developers encounter when embarking on historic preservation projects, which he shows adds costs to redevelopment. Werwath contends that an opportunity cost (a cost incurred by foregoing alternatives) occurs when a site is not developed to its highest and best use. Historic preservation favors services such as specialty retailing, which in turn limits job opportunities for local, low-income residents. Werwath argues that locals might fare better in cases where historic sites are razed and replaced with new commercial structures such as offices and institutions such as hospitals. Werwath also notes that historic preservation projects that have helped revitalize neighborhoods owe their success more to the overall economic health of a city than to the project itself. He therefore warns that historic preservation should not be used as a one-size-fits-all method of community economic development.

Like Werwath, Neil Smith finds that Listokin, Listokin, and Lahr underestimate the costs of historic preservation. First, Smith argues that historic tax credits inefficiently deliver housing to poor families. Opportunity costs result from the diversion of resources that could more directly benefit low-income households. Second, both Smith and Werwath worry that historic preservation leads to

the eventual displacement of poor residents. The real issue for both commenters is gentrification. To Smith, historic preservation “lubricates the cycle of reinvestment” in distressed neighborhoods. The act of improving dilapidated historic structures changes the market dynamic by making such places far more desirable for middle-class households. Werwath’s and Smith’s analyses present a dilemma: The act of helping the poor by rehabilitating their historic homes leads to their eventual displacement.

Smith finds that Listokin, Listokin, and Lahr’s economic justification for preservation departs from earlier ones. He appreciates the departure on one level because it recognizes that preservation has more than architectural consequences—it also has social and economic ramifications. Preservation has always had economic effects, yet they were previously masked by the language of aesthetics. However, Smith finds that linking preservation’s historic concern for architecture with a new emphasis on marketability remains less critical than understanding preservation’s relationship to social equity issues. It may be easy to sell historic preservation by invoking economics, but Smith argues that the only way preservation can build sustainable, affordable communities is by tying it to a strong noneconomic commitment not to displace low-income households.

There are many other concerns about historic preservation besides the ones Smith and Werwath raise. Foremost among them is the community’s need to reconcile its affordable housing needs with the responsibility to preserve the historical integrity of buildings and neighborhoods. Historic preservation’s demand for authenticity sometimes clashes with the community’s demand for affordable development.

Historic preservation is not cheap. Historically accurate building materials are typically more expensive than comparable modern equivalents. This added expense is hardly what a community development corporation needs when trying to improve substandard housing. Why bother at all then? Because sometimes preservation makes sense. Even so, tensions often exist between the goals of building affordable communities and doing justice to architectural history. We hope that identifying these tensions sheds light on where and when historic preservation works.

Historic preservation forms a rather broad category. Listokin, Listokin, and Lahr use a technical definition to conduct a quantitative analysis of preservation’s economic value. They define historic preservation as projects involving buildings or districts listed on national, state, or local government historic registers because it is very difficult to ascertain the economic impact of projects on older building stock not listed on a register. Although logical, this defini-

tion is somewhat limiting and artificial. Knowledgeable and motivated people must undertake a lengthy application process to place buildings on historic registers. Potential developers of sites in struggling neighborhoods may lack the capacity to successfully complete the application process.¹ Distressed neighborhoods are thus under-represented in Listokin, Listokin, and Lahr's database.

For example, traditional definitions of historically significant sites are biased in favor of middle-class culture. Preservation began as an upper-middle-class movement to save the homes of historic figures such as George Washington and Thomas Jefferson. Since then, preservation has broadened to include diverse places. What began with Mount Vernon and Monticello has evolved into a larger concern for places such as 18th and Vine in Kansas City, MO and Beale Street in Memphis, TN (both historically black neighborhoods). But the preservation, or more accurately gentrification, of these neighborhoods still reflects a middle-class ethos that obsesses over authenticity. More important, the concern for authenticity narrowly focuses on using original materials in restoration.

Clearly, in some cases historic materials are necessary for proper restoration. Consider, for example, efforts to preserve Marble Hill in Baltimore and West Main Street in Louisville, KY. Marble Hill is so named because its nineteenth-century row houses feature bright white marble steps. Cast-iron facade buildings line Louisville's West Main Street (in numbers rivaling New York's SoHo cast-iron district), reflecting the city's history as an iron manufacturer. Properly restoring these areas means working with marble and cast iron—expensive materials, to say the least. The materials make the two places unique. Marble Hill would not remain true to its name if its stairs were reconstructed using inexpensive concrete, and West Main Street sans cast iron would lose its connection to Louisville's manufacturing past.

However, preservationists and planners should recognize that authenticity means more than just historically accurate building materials. In many cases, buildings that retain elements such as historic scale, style, and form are authentic enough, even without old masonry or slate roofs. By de-emphasizing materials, historic preservation becomes more viable in low-income community development.

¹ National intermediaries such as the Local Initiatives Support Corporation (LISC) and the Enterprise Foundation now provide technical assistance to community organizations using historic tax credits as a development tool.

Community groups using historic preservation must balance authenticity with affordability. When concerns regarding the materials drive the process—as they do in some cases—affordability loses out. When redeveloping low-income historic neighborhoods, affordability must be given priority. Saving some buildings will be too costly; saving others will require using less expensive (often historically inaccurate) materials. For example, replacing wood siding with vinyl can reduce costs while still paying homage to a building's past.

According to Werwath, many state historic preservation officials hesitate to approve replacing original materials with substitutes (e.g., vinyl for wood). The disdain for vinyl seems a bit odd until you consider the middle-class values that drive preservation. Vinyl is the polyester of the building world—it offends the middle class like plastic-covered furniture. Vinyl is synthetic and modern, or the very antithesis of what is traditionally defined as historic (that is, unless you are preserving the first McDonald's). The fight over vinyl may at first seem trivial, but the strength of some people's feelings points to how deep their belief in the value of authenticity runs. The fight also shows the extent to which a particular kind of orthodoxy guides the historic preservation movement and influences its accompanying regulations. The movement's lack of flexibility diminishes preservation's effectiveness as a community redevelopment tool.

We favor a context-sensitive historic preservation that accommodates the housing and economic needs of individual neighborhoods. In some cases, such as New Orleans's French Quarter, historic preservation should be a top priority, dominating the planning process. For a few architectural gems (e.g., Beacon Hill in Boston, the entire city of Santa Fe), strict preservation is appropriate. Elsewhere, we can afford more flexibility. Particularly in many low-income neighborhoods, preservation should play second fiddle to housing affordability. Such flexibility is in fact an element of the graded designation system suggested by Listokin, Listokin, and Lahr. Flexible policies would let communities decide when to employ cost-cutting measures (such as using vinyl) that maintain affordability. Ultimately, decisions concerning the relaxation of preservation standards must be based on dialogues between local residents, planners, preservationists, and developers.

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