



Planning for the Future, Using the Past

The Role of Historic Preservation in Building Tomorrow's Washington, DC

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THE CONTEXT FOR HISTORIC PRESERVATION

Washington, DC is known throughout the world as the Capital of the United States. Its federal buildings and monuments have become American icons. But the District of Columbia is far more than the monuments of the National Mall. The very foundation of the city established through the L'Enfant Plan was designed to be more than just the seat of the national government. Washington was designed to be the physical manifestation of the principles and the aspirations of the new republic but also to be a vibrant, active, living city apart from the Federal government. In fact, parts of today's Washington, DC pre-date the establishment of the capital city.

For nearly 150 years, through a variety of architectural styles, the public buildings of Washington reflected the values of America. Courthouses were designed to say "justice", "rule of law", "equity." Other public buildings were consciously designed to celebrate democracy, freedom, the empowerment of the people. But the values of the citizen of Washington were incorporated into their buildings as well. Churches and synagogues were designed to be temples to god, inspire reverence, facilitate meditation, engender hope for a better tomorrow. Fraternal buildings said "strength", "stability", "brotherhood", "sanctity", "mystery". This was also true of the buildings erected by leaders of commerce and captains of industry of which bank buildings are perhaps the best example. The message of the bank building was "trust", "dependability", "security", "reliability", "longevity", even "prosperity". In whatever architectural style, bank buildings were buildings with class.

Buildings were built to incorporate values, and as a result valuable buildings were created. This was the pattern of design and construction of buildings in Washington from the first of the 19th Century until the middle of the 20th Century and is perhaps only recently reemerging.

This concept of the city as the expression of values was incorporated into buildings but also into their context – the avenues, the streets, the parks, the public spaces. The McMillan Commission of 1901 was in no small measure established because of a sense that the qualities incorporated into the original design of Washington were being lost and needed to be reestablished, reinvigorated and extended.

The importance of maintaining both the quality of the existing government buildings and their context and ensuring that future public decisions were consistent in quality and scale led to the creation of the Commission of Fine Arts in 1910. As Washington continued to evolve there was the early recognition that privately owned buildings would also impact the city, and that there were important areas of Washington the City, not just Washington the Capital. Thus the purview of the Commission of Fine Arts was expanded in 1930 to advise on both public and private construction projects abutting Rock Creek Park, the National Zoo, and ultimately the Southwest Waterfront, and Fort McNair.

For 150 years the physical importance of Washington was primarily defined by its symbolic role as the nation's capital. The original L'Enfant plan, the McMillan Plan, the creation of the Commission of Fine Arts and the subsequent expansion of its role were largely focused on important public buildings and contexts. By 1950, however, the importance of Washington's other history began to emerge as critically important. Thus the Old Georgetown Act was passed designating the area as a historic district.

This ongoing evolution of thinking about what was important continued with the passage of an act in 1973, which allowed for the delay in demolition of historic properties and finally the

passage of the Historic Landmark and Historic District Preservation Act in 1978. It is this last legislation that sets the framework for the city's role in historic preservation today.

For over a hundred years there has been an ongoing evolution in the perception of what was important in the physical context of Washington – from the monumental core to outlying public spaces; from public buildings to private buildings abutting important public spaces; from areas important as the national capital to residential areas; from neighborhoods important to the nation's history to neighborhoods important in the city's history. Washington's importance as the nation's capital has not diminished, but the recognition of the rest of Washington, the "other" Washington, what we residents view as the "real" Washington has steadily increased in significance.

Throughout this progression in the scope of what was important, one element remained at the core of each step – design review. The Commission of Fine Arts "...advises on designs for public structures..." The Old Georgetown Board is mandated to "...conduct design reviews..." Although the responsibilities of the D.C. Preservation Review Board are multiple, in fact the vast majority of the Board's activities deal with design review.

Design review is an irreplaceable component of historic preservation policy. And to the extent that a city's Comprehensive Plan is a physical planning document design review is obviously critical.

It also must be recognized that the D.C. Preservation Review Board and particularly the staff of the DC Historic Preservation Office perform multiple functions beyond design review. These include: surveying and inventorying historic properties, educational outreach, grant application review and reward, historic research, advising on archaeological issues, nominations to the National Register of Historic Places, facilitation of preservation easements, review of projects for Federal Rehabilitation Tax Credits, oversight of Federal actions impacting historic resources under Section 106 of the National Historic Preservation Act, and a myriad of other activities.

But perhaps what is not broadly understood is the expanded role and importance of historic preservation in overall urban policy. In the 25 years since the creation of the D.C. Preservation Review Board, and particularly since the adoption in 1984 of Washington's current Comprehensive Plan, historic preservation has significantly expanded in both its definition and its function in American cities. Historic preservation has matured from being a movement whose end was to save old buildings to a strategic component of urban policy where preservation is not an end in itself but a vehicle for larger and arguably more important ends. Among the specific strategies utilizing preservation are: economic development, housing, community development, urban quality, and environment/Smart Growth. Each of these additional roles is further discussed below.

Indicative of the expanded definition of "historic preservation" is how the country's institutional leader of the preservation movement – the National Trust for Historic Preservation – has redefined its own mission. In the 1980s the National Trust's mission was to "...encourage public participation in the preservation of individual buildings, objects, sites and districts significant in the history and culture of the nation." Today's National Trust "...provides leadership, education and advocacy to save America's diverse historic places and revitalize our communities." This represents a shift in the role of preservation from the passive to the active and from the national to the local.

The concept of the “value” of historic buildings has expanded as well. Certainly monumental public buildings are still treasured for the expression of the “values” of freedom, justice, and independence and for their architectural excellence. But today historic neighborhoods are often valued for their role in accommodating waves of immigration. Historic commercial districts are valued for their role in building entrepreneurship. Individual buildings – often of nominal architectural or aesthetic excellence – are valued as the humble starting places of musicians, artists, scientists, educators, and political leaders. As participation in the historic preservation movement has become more diverse, the definition of what is important to identify, protect, and enhance has become more diverse as well.

If a Comprehensive Plan is to be merely the framework for the physical planning of a city, then perhaps historic preservation’s role as a design review mechanism would be sufficient. If, however, a Comprehensive Plan is meant to be comprehensive, then it would be negligent not to incorporate the multiple roles that historic preservation plays in the life of a healthy, evolving city.

THE REGULATORY, POLITICAL AND COMMUNITY FRAMEWORK FOR HISTORIC PRESERVATION

The framework within which historic preservation takes place is often complex, with a variety of public, non-profit, and private interests involved. In the District of Columbia it is particularly so. As the nation’s capital the Federal government naturally plays an extraordinarily large role, but adding to the complexity it does so through multiple entities between which there is often little interchange or coordination. And on occasion Congress acts directly, independent of the decisions or recommendations of the agencies assigned particular responsibilities.

The City of Washington performs the typical functions regarding historic preservation that would be expected of a large city, but also the functions of a State. In many instances – home rule notwithstanding – the ability of the District to act independently is severely restricted because of the precedence of Federal authority.

Most large cities have preservation advocacy groups and many have neighborhood-based associations that influence historic preservation policies and practices. Washington certainly has such entities, but as the national capital it is also home to national preservation organizations that periodically become involved in local preservation issues.

To influence or implement historic preservation there are seven functions that these various organizations can perform:

- Public policy
- Regulations
- Incentives
- Funding
- Research
- Education and advocacy
- Ownership and stewardship

In Appendix I of this paper is a brief identification of the major participants in historic preservation in Washington, DC. Following the descriptions is a matrix identifying the primary and secondary functions for each of the entities.

BEYOND DESIGN REVIEW – THE FIVE STRATEGIES OF HISTORIC PRESERVATION

Five strategic roles of historic preservation are briefly described below:

Historic Preservation as Economic Development Strategy

At one time many public officials and private advocates concluded that a city had to choose between economic development and historic preservation. It was seen as an either/or dilemma. Today many cities – including Washington, D.C. – have come to realize the opposite is true – that historic preservation is an extraordinarily effective means of economic development. The contribution of historic preservation to economic development takes place on multiple levels including those enumerated below.

Jobs and Household Income. In the end economic development ought to be about people. And the economic benefit to people is measured in two ways: jobs created and household income generated. Jobs and household income are measured as both a direct effect and as indirect effect. Any economic activity creates some jobs directly (the electrician working on a building or the waiter working in a restaurant) but also indirectly (the assembly worker manufacturing the copper wire or the baker supplying pastries to the restaurant). Likewise household income is measured directly (the paycheck received by the electrician) and also indirectly (the addition to household income when the electrician pays the day care worker for taking care of her child).

There are very few activities of any type that have a more powerful impact on the combination of jobs and household income than the rehabilitation of older and historic buildings. Dollar for dollar rehabilitation has a significantly greater impact on the local economy than does new construction. Why? It is a function of labor intensity. As a general rule new construction will be 50% labor and 50% materials. But rehabilitation will be 60% to 70% labor with the balance in materials. This results in both more jobs and more household income, both directly and indirectly.

The reason for this greater impact is not complicated. First, materials are often purchased from a distance – lumber from Oregon, heating system from Ohio, carpet from North Carolina. But the services of the plumber, electrician, laborer and carpenter were purchased from across the street – or at least from the immediate region. Further, once the sheetrock is paid for, the sheetrock doesn't spend any money. But when the plumber is paid, he/she spends the paycheck on a mortgage payment, groceries, and a membership in the YMCA. Thus the effect is greater both directly and indirectly.

Of course it could be argued that "Well, yes, but once the building is built, the job disappears." True. But because building components have effective lives of between 30 and 50 years, that means that if 2% to 3% of a community's buildings are rehabilitated annually there is perpetual employment in the construction trades.

Further, the construction industry provides many of the diminishing number of occupations in the United States where a job provides a good, “living wage” without advanced formal education.

Historic preservation means jobs and household incomes.

Heritage tourism. The visitor industry is becoming one of the largest sectors of the economy worldwide. In spite of the slowdown after September 11th, long-term projections are for ongoing growth in tourism both domestically and internationally. Within the industry, heritage tourism is among the fastest growing categories. So heritage tourism is a growing segment with in a growing industry, reason enough to assign it a high priority as an economic development strategy.

But there are two more reasons. First, a heritage visitor is not just one more tourist. Consistently studies throughout the U.S. and internationally reveal that heritage visitors both stay longer and spend more per day than other visitors. The result is a sizably greater impact – tourist for tourist – than visitors for other reasons. Second, a city’s historic resources are virtually the only assets that are not replicable elsewhere. Golf courses, waterslides and theme parks are endlessly reproducible; a city’s historic assets, including the remnants of its historic past found in its archeology, are irreplaceable. Even convention centers – and Washington is justifiably proud of its newest one – are in a never-ending spiral of competition of newer, bigger, nicer. This is not to suggest that golf courses, convention centers and even waterslides cannot have a positive impact – they can. But the “product” of heritage tourism is an individualized one and heritage visitors do not say, “well, we’ve seen one old city now, we don’t need to go to another one.” The recently opened City Museum is not only a collection of artifacts related to the history of Washington, but also means to serve as the “gateway” to the District beyond the Mall.

As a growth segment in a growth industry with a customer base that has an incrementally greater impact and an unduplicated product to offer, heritage tourism means economic development.

Downtown revitalization. Twenty years ago downtown in many American cities had become an anemic shadow of the vibrant city center it once was. High vacancies, demolition for surface parking lots, low property values, and public and private disinvestment were all too often the pattern. Some business and political leaders reached the conclusion that downtown was gone forever or, if it could continue to serve a role at all, it would be as the city’s government and financial center. Some cities followed that strategy and ended, as could have been expected, with 9 to 5 downtowns that were hardly centers of economic, social or cultural life.

Other cities, including Washington DC, recognized that ultimately to have a healthy city, there had to be a healthy downtown. Most downtown revitalization programs direct a multitude of initiatives, including improved public safety, enhanced streetscapes and public spaces, improved cleanliness, removal of the signs of neglect such as graffiti, and special events and marketing efforts. What is sometimes forgotten, however, is that at its core downtown revitalization is economic development. The purpose of downtown revitalization is not to make downtown “cute” or to hold the annual tulip festival. Downtown revitalization is what all economic development is about: creating jobs, attracting new businesses, helping existing businesses expand and prosper, increasing the tax base, increasing the value of buildings and increasing deposits and loan demand at financial institutions.

Downtown revitalization is not a peripheral activity that's nice to do when there's some extra money available. Downtown revitalization is economic development. And there is not a single example anywhere in the United States in any region in a city of any size of a sustained success story in downtown revitalization where historic preservation was not a key component of that effort. The relative emphasis on preservation might vary depending on the quantity and quality of the heritage resources, the age of the city, the strength of local advocacy groups and the sophistication of downtown stakeholders. But try to find a sustained success in downtown revitalization that didn't include historic preservation – there ain't one.

Downtown revitalization means economic development and historic preservation is integral to successful downtown revitalization.

Neighborhood Commercial District Revitalization. For much of the last 40 years cities' attention to neighborhoods was largely confined to housing issues. Tax dollars, incentive programs, policy initiatives, and neighborhood activism have been focused on housing. Most of the efforts of Community Development Corporations, and most of the programs of national groups such as LISC and the Enterprise Foundation were directed toward housing.

Certainly in older neighborhoods in larger American cities housing has been a critical need and remains so. But in the last few years there has been an emerging recognition that a healthy residential neighborhood needs a healthy commercial district to support it. Activists, funders and local officials have begun to realize that residents are better served with goods and services in close proximity. But neighborhood commercial districts provide more than a place to buy bread and drop off laundry. Successful neighborhood commercial districts are also pockets of economic development because they:

- provide jobs, often to neighborhood residents.
- reduce transportation costs.
- generate sales and property tax revenues.
- generate business profits and personal incomes; create loan demand.
- serve as natural incubators for small businesses, start-up businesses, and creative businesses.
- provide the point of expansion for work-at-home businesses.
- foster family businesses, particularly for immigrant and minority entrepreneurs.

The obvious but often overlooked commonality of successful neighborhood business districts, however, is that they are usually made up of small-scale older and historic buildings. Several successful neighborhood commercial revitalization programs in the United States have had as a central element in their strategies the fact that these business districts are made up of historic buildings. Boston, Seattle, Pittsburgh, Oklahoma City, San Diego and elsewhere use historic preservation as the vehicle for neighborhood business revitalization.

Neighborhood commercial revitalization means economic development and historic preservation is an effective tool to make that happen.

Community differentiation. Most cities were founded and grew because of their dependence on a fixed location. They were located on a seaport, or near raw materials, at a transportation crossroads, or close to a water source, or at a point that was appropriate as a military defensive outpost. They were location dependent cities. Economic development efforts for most of the 20th Century, particularly industrial recruitment, was based on “how cheap” – how cheap the

labor, how cheap the land, how cheap the utilities, how low the taxes. And the primary assets of major economic entities were fixed assets – land, plants, and equipment.

Today for most economic activities those three characteristics have changed. While some activities will still be location dependent, most economic decisions will be based not on the intersection of longitude and latitude but upon the quality of the community. The primary assets of economic entities will not be land and machinery but people, and people make their locational choice based on the quality of the place.

Almost by definition a component of any high quality of life place will be community differentiation. A place indistinguishable from any other place has no competitive advantage. A “someplace” with no differentiation becomes an “anyplace”. And the distance from anyplace to no place is short indeed.

There is probably no single element of a community that is more differentiating than the quality and the character of its historic built environment. Economic development is about businesses, residents and visitors. All three increasingly value quality of life and a city’s unique historic context as critical in that definition.

There are some who say that for a city to be successful in economic development it must be technologically cutting edge, universally “wired” as a “Smart City”. John Eger holds an endowed chair at the University of California in San Diego but is also CEO of the World Foundation for Smart Cities. His expertise is about cities and technology and the importance of being connected. And here’s what he says. “High speed internet access is important. But you know what? That’s not that hard to get, but that isn’t what is going to make Smart Cities. Smart Cities are those that value their local culture, that preserve their historic buildings, that revitalize their downtowns.”

Economic development requires quality of life. Quality of life means community differentiation. Historic buildings, streets and neighborhoods are key elements in the quality of life/community differentiation equation.

Historic Preservation as Housing Strategy

Every 5 years or so the cover story on *Time* or *Newsweek* will be the “back to the city movement.” And, indeed, over the last 15 years there has been a significant return to many urban areas. But almost never was it a return to the city in general. In nearly every instance it has been back to the historic neighborhoods of the city.

While there is not much national consensus on overall urban policy, there is broad agreement on one conclusion: cities would be healthier if the diversity of the city as a whole was reflected at the neighborhood level. Cities would be healthier if citizens with a range of incomes, races, occupations and educations lived side-by-side as neighbors. But research across urban areas indicates that is typically not true, that most neighborhoods are essentially all white or all black (or all Asian or all Hispanic); all rich or all poor; all blue collar or all white collar. Nearly forty years after the passage of fair housing laws, most neighborhoods in most American cities are essentially still segregated by income, race, occupation and education. The exception, in study after study, is in local historic districts. If having diverse neighborhoods is a public policy goal, it is in historic districts (and almost exclusively in historic districts) where that is taking place.

Why would historic districts be the reflection of a city's diversity? Six reasons become apparent:

- 1) The fundamental quality of the housing stock (regardless of its condition at the moment) holds wide appeal regardless of race, income, education or occupation.
- 2) By their nature historic districts tend to have neighborhood activists who make vocal efforts at City Hall and elsewhere to assure the quality of their community is not diminished.
- 3) Most historic districts (unlike new subdivisions) have a wide variety of housing styles, conditions, sizes, ages and prices. When there are a wide variety of housing options available, a wide variety of human beings will exercise those options.
- 4) In early stages older housing has a level of affordability not found in newer neighborhoods.
- 5) Proximity issues are important to many urban households, and historic neighborhoods tend to be closer to shopping, public transportation, jobs, and schools than do newer and suburban neighborhoods.
- 6) A homeowner is assured that there will be some protection of the character and quality of the neighborhood fabric through the design review and demolition prohibitions found in the local historic preservation ordinance.

Nationwide issues of affordable housing and workforce housing are becoming increasingly critical. The issue of housing has rapidly moved from being a social service issue to being an economic development issue. Firms cannot prosper without employees and if housing isn't available employees aren't available. There is a real estate fact of life that you cannot build new and rent cheap – it cannot be done unless there are very deep public subsidies or very low quality construction.

The option is utilizing older and historic properties. These properties provide a disproportionate share of “affordable” housing nationwide, the vast majority of which receives no public incentive, no tax break, no subsidy of any kind. But nationally that housing is being lost. Every day, 7 days a week, 52 weeks a year for the last 30 years the United States has lost 530 units of housing built before 1950, 80% of which were single-family dwellings. “Lost” isn't the right word. They weren't lost. While a few disappeared because of fires, or hurricanes or tornados, the vast majority was consciously torn down. The crisis of affordable housing in America has been critically exacerbated because we have torn down what was affordable and built what is not affordable for many of our citizens.

What is the difference between “older” housing and “historic” housing? Certainly not every building constructed before 1950 should be considered historic. But from the standpoint of a public policy toward housing, “historic” properties have some degree of protection from demolition – therefore keeping them in the inventory of available housing. “Older” housing just gets torn down.

In some American cities there is the issue pejoratively called “gentrification” wherein the prices of historic properties, once affordable, have become beyond the range of many citizens. This is a serious issue and is discussed below. What is less widely recognized is the role local historic districts have in preserving more affordable housing through the prohibition of “tear downs” in historic neighborhoods. “Hot neighborhoods” in many cities are seeing the acquisition of smaller houses in older neighborhoods, then the demolition of the existing house and it's replacement with the “McMansion”, a permanent replacement of the more affordable with the never affordable.

But historic preservation plays a critical housing role beyond preserving the character and residential inventory within local historic districts. The conversion of functionally obsolete buildings into housing is adding significantly to the available dwelling units in many American cities. Over 40% of the housing units created under the Federal Rehabilitation Tax Credit were in buildings not originally constructed for residential purposes – warehouses, factories, department stores, schools, and others. This is particularly important when a city wants to add population and density but is landlocked or otherwise constrained from annexing additional land.

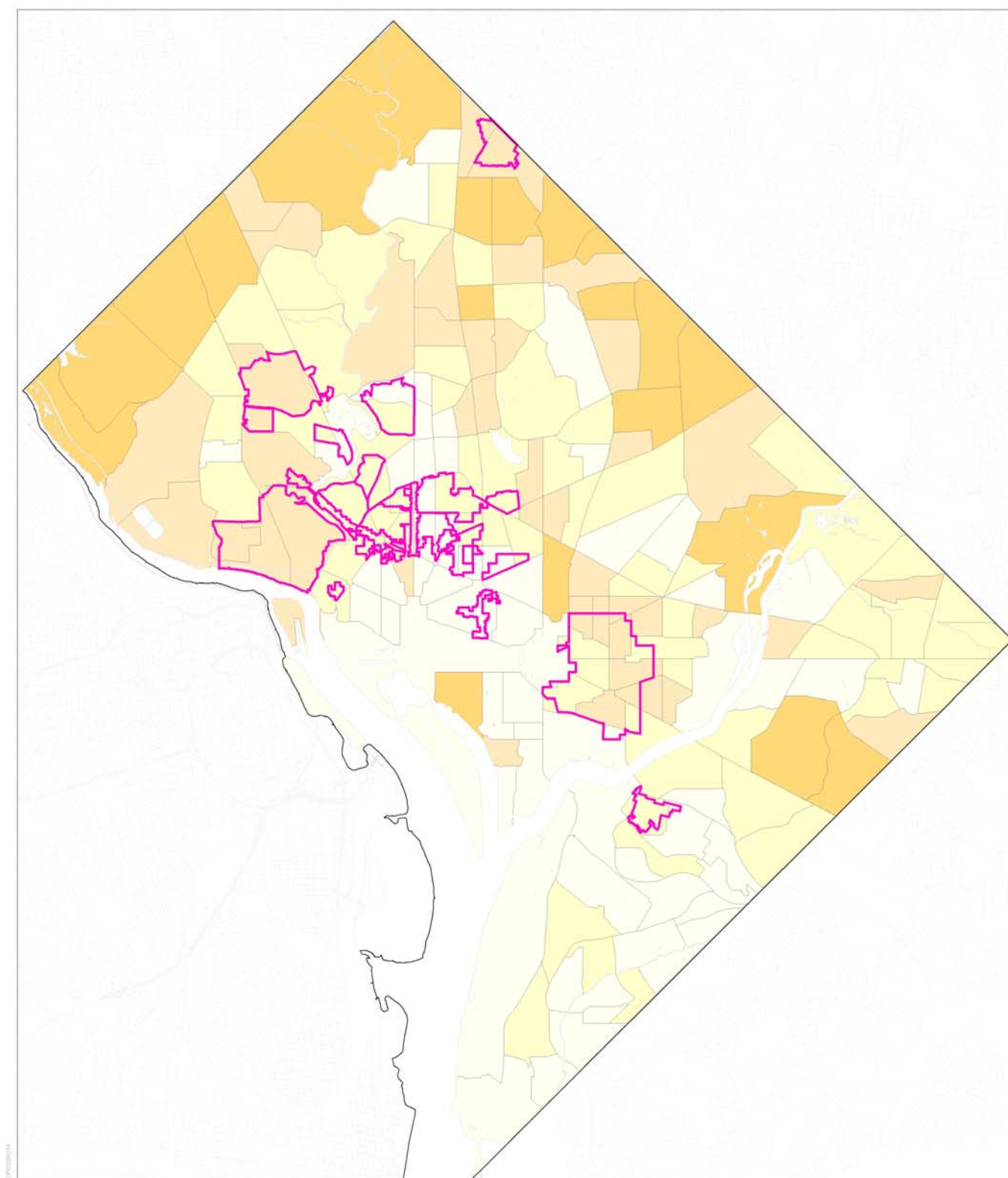
While some experts see the preservation of older housing stock as part of the solution to affordable housing as “dismal” other cities are using their older and historic buildings as a core strategy in addressing the housing crisis.

Historic Preservation as Community Development Strategy

“Community Development” is a phrase used in cities to describe a wide range of activities. In most places it concerns the development of affordable housing but often is broadened to include neighborhood stabilization efforts, support of citizen and tenant organizing efforts, home ownership, and sometimes a variety of social services. At its heart community development deals with quality of life at the neighborhood level.


What is the relationship between community development and historic preservation?


- In many cities home ownership levels, especially among households of modest means, tend to be higher in older and historic districts. This has been proven to be the case in Washington as well as can be seen in Figure 1.
- Commercial district revitalization when it is historic preservation based is more than just economic development. It provides goods, services and jobs to the neighborhood, creates a neighborhood gathering space, and has a stabilizing effect on the neighborhood.
- Schools traditionally served as one of the main “centers” of the neighborhood. Rehabilitated historic schools – used for education, community services, recreation, or even housing – reestablish themselves as a major focus of the neighborhood.
- Historic districts build community pride and a recognition of the “sense of place” at the neighborhood level.
- With the proper tools, local historic districts can serve as a mitigater of residential and commercial displacement.
- Vacant and abandoned buildings attract crime, reduce near-by property values, and give the impression of a neighborhood in decline. High on the list of historic preservation priorities at the neighborhood level is to rehabilitate vacant housing and return it to productive use.
- Local historic districts foster economic integration at the neighborhood level.
- Sometimes neighborhood advocacy groups precede the creation of a historic district (and, in fact, are the impetus to establish one). Sometimes neighborhood advocacy groups are created to facilitate enacting a local historic district. Sometimes the local group comes together after the historic district is established. But it is the rare historic district that does not use its historic designation as a platform to assure neighborhood interests are heard at City Hall and other public forums.
- Finally historic preservation may be the single form of economic development that is simultaneously community development.




Legend

Percent Owner Occupied  Historic Districts

 0.00% - 25.00%

 25.01% - 50.00%

 50.01% - 75.00%

 75.01% - 100.00%

Historic Districts and Owner Occupied Housing

2000 Census Tracts

Figure 1

However “community development” is defined, historic preservation can play a key role in advancing it.

Historic Preservation as Urban Quality Strategy

As a planned city, built around the majestic design of L’Enfant, Washington has always recognized the importance of quality urban design. 200 years later that historic context still provides the framework of Washington’s urban character. Further, far from being a dated, passé version of city design, the L’Enfant plan has proven to be adaptable as Washington as grown and evolved.

So the case could be made that Washington’s urban quality strategy IS a historic preservation strategy. It is a historic pattern that is envisioned to accommodate the growth of the District of Columbia into the 21st Century. Both the Committee of 100 of the Federal City and the National Capital Planning Commission have published documents demonstrating how that would take place – *Visions for the Millennium* and *Extending the Legacy* respectively.

Planners, architects, landscape architects, commercial revitalization specialists and urbanists have also rediscovered the most appropriate and effective typology for commercial districts:

- Pedestrian orientation
- Accommodate vehicles but not at the expense of pedestrians
- Circular pedestrian movement
- Use of alleys for services and secondary egress
- Zero lot lines between buildings
- Buildings built to the sidewalk
- Storefront, pedestrian friendly windows
- Minimizing pedestrian barriers such as:
 - Blank walls
 - Mid block curb cuts
 - Anti-pedestrian store fronts
 - Surface parking lots within the pedestrian circle
- Buildings of a human scale
- Mixed-use buildings

The characteristics of historic neighborhoods usually meet the optimum criteria developed by urban design professionals. For example the National Governors’ Association has issued a publication entitled <i>New Community Design to the Rescue</i> .	
New Community Design Criteria	Historic Neighborhoods
Mix of residential and commercial uses	X
Community interaction supported by design	X
Transportation choice and walkability	X
Narrower, connected streets with tree-lined sidewalks	X
Planned open space designed for gathering places	X
Efficient use of infrastructure	X
Houses closer to the street	X
Diverse housing for different incomes	X
Efficient use of land; high density housing	X
Reduced land consumption; supports regional environmental goals	X
Links to adjacent communities	X
Enhances and complements surrounding community	X
Pedestrian-friendly design	X

Does the above list of desired urban design characteristics sound familiar? It could just as easily be a description of Washington’s downtown and neighborhood commercial districts.

More than any other city in America, a quality urban design strategy for Washington, DC is a historic preservation strategy.

Historic Preservation as Environmental/Smart Growth Strategy

Over the past decade no citizen-based movement has gathered more momentum than has Smart Growth. Nor is there a movement with broader support across the political and ideological spectrum. Liberals concerned about the environment, conservatives seeking to be frugal with public resources, rural county commissioners trying to maintain farm land, inner-city mayors struggling to contain sprawl have all adopted Smart Growth agendas.

As more cities and States enact meaningful Smart Growth legislation our communities will be more fiscally sound and our environment better protected.

Historic preservation is not just one tool for Smart Growth; historic preservation is the irreplaceable element in a comprehensive Smart Growth strategy.

Maintaining historic neighborhoods advances all of the <i>Smart Growth Principles</i>	
Smart Growth Principles	Historic Neighborhoods
Create range of housing opportunities and choices	X
Create walkable neighborhoods	X
Encourage community and stakeholder collaboration	X
Foster distinctive, attractive places with a strong Sense of Place	X
Make development decisions predictable, fair and cost effective	X
Mix land uses	X
Preserve open space, farmland, natural beauty and critical environmental areas	X
Provide a variety of transportation choices	X
Strengthen and direct development towards existing communities	X
Take advantage of compact building design	X

But the relationship between historic preservation and the environment does not stop with Smart Growth principles. Historic preservation is environmental protection in other ways as well.

- A historic building incorporates materials, labor, and fuel from an earlier day. Preservation of that building conserves that investment known as embodied energy.
- Sanitary landfills are both expensive and degrading to the environment. Nearly a quarter of everything in the landfill is construction debris, including demolition material from historic buildings. Preservation rather than demolition reduces that landfill burden.
- No new land is consumed when a historic building is rehabilitated.
- Historic preservation in the city benefits the country. The conversion of a historic warehouse into 40 residential units reduces the demand for ten acres of farmland. The economic revitalization of a neighborhood business district reduces the demand for another strip center. The restoration of the empty 1920s office building reduces the demand for another glass and chrome box at the office park.
- We all diligently recycle our Coke cans. It's a pain in the neck, but we do it because it's good for the environment. Let's say that today we tear down one small, 2-story masonry commercial building in a Washington neighborhood. We have now wiped out the entire environmental benefit from the last 1,344,000 aluminum cans that were recycled. We've not only wasted an historic building, we've wasted months of diligent recycling by the good people of Washington, DC.

If we are to have an effective Smart Growth strategy, if we are to have an effective environmental strategy, it is necessary to have an effective historic preservation strategy. But

Smart Growth through historic preservation also opens up great redevelopment opportunities in the District. Washington has great historic schools and obsolete commercial buildings that could be given new life as housing, offices, and commercial developments. One of the most under recognized attributes of historic buildings is their capacity for adaptive reuse. One would be hard pressed to identify a single type of function that somewhere in American isn't being accommodated in an historic building. Redevelopment of those properties in and of itself would constitute Smart Growth. In fact, if a city did nothing but have a strong historic preservation strategy, it would automatically have a strong Smart Growth and Environmental strategy.

MAJOR HISTORIC PRESERVATION ISSUES IN WASHINGTON, DC

While there are numerous issues that affect discussions of historic preservation in Washington, three stand out as particularly crucial: gentrification, false history, and short-term decision-making. Gentrification being the most virulent among the three is given longer consideration below; the other two are briefly discussed.

Gentrification

Gentrification. Certainly no thorough discussion of urban redevelopment in general or historic preservation in particular would be complete without considering the issues of gentrification. But the word itself – *gentrification* – has become so loaded with economic, social, cultural and often racial overtones that rational, reasoned discussion is often simply not possible. To some gentrification means new investment, homeownership, neighborhood stabilization. To some gentrification means loss of affordable housing and a revitalization of the physical character of a neighborhood at the expense of the human character of the neighborhood. To some gentrification simply means “not like us.”

So perhaps it makes sense to step back from the word itself and look more closely at the actual or perceived change that can take place in neighborhoods, the role historic preservation does or does not play in that change, and the positive aspects and the potential negative consequences of the change.

Why do we have to have growth?

Mayor Williams has established an ambitious goal of adding 100,000 new residents to the District of Columbia by 2010. Why is that important? Because the City of Washington needs to take care of the most vulnerable of its citizens – the homeless, children, the elderly, the disabled, the unemployed. To provide the services those citizens need takes money. That means the tax base needs to grow. The choices are basically two: raise taxes on existing residents or attract new businesses and residents.

Can't we get the money some other way?

Washington is severely limited in revenue raising options. Much of the land within the District of Columbia is owned by the Federal Government and is therefore not subject to local property taxes. Tax-exempt institutions own much of the non-Federal real estate. Unlike most other American cities Washington cannot grow through the annexation of surrounding land. For now Congress has precluded the tool utilized by many other American cities – an income tax on those who work in the city but live elsewhere. Two thirds of the personal income earned within the District is paid to workers who live elsewhere, therefore unavailable to be taxed to support

local services. Without new residents the opportunities to grow the tax base are extremely limited. Without growth in the tax base the services needed by Washington's most vulnerable populations cannot be provided.

Ok, but why do those new residents have to come to my neighborhood?

Again, the physical dimensions of Washington cannot increase. And there are very few large parcels of developable land upon which major residential development can occur. There are some – St. Elizabeths, the Anacostia Waterfront, the Southeast Federal Center and a few others. But the majority of new residents will have to be accommodated within existing neighborhoods, including downtown.

Is historic designation the cause of gentrification?

The underlying causes of gentrification are long term economic and market forces. While some would like to make the case that historic designation is the direct cause of gentrification that relationship often confuses cause and effect. It is not the historic designation that makes it a great neighborhood; it's already a great (or potentially great) neighborhood. Historic designation is a) the recognition of neighborhood quality, and b) one of the few tools available that assures it will stay that way.

Why are new residents attracted to historic neighborhoods?

- Quality of the building stock
- Character of the neighborhood
- Diversity
- Urbanity;
- Proximity to work, school, shopping, and transportation
- Affordability
- Range of housing options;
- Differentiation of the neighborhood;
- Pedestrian
- Mixed use

In short, people want to come to historic neighborhoods because they are great neighborhoods.

There are two clear examples in Washington that should put aside the "historic designation equals gentrification" equation. The Columbia Heights neighborhood is not a local historic district. But it is rapidly gentrifying by almost anyone's definition. Conversely, the Anacostia Historic District has been a local district for thirty years, but is unlikely to be described as "gentrifying".

There is one direct relationship between local historic districts and property values, however. In most studies that have been conducted around the country, property values within historic districts tend to have rates of appreciation greater than the overall local market. This is attributable not just to the quality of the housing stock, but also the owner confidence that the character of the neighborhood will be protected through the historic preservation ordinance. Real estate values come largely not from within the boundaries of a single property, but from the larger context within which the individual property exists (hence the old cliché of location, location, location.) A local historic district protects the context of the neighborhood (i.e. the context of the location) and thus protects the major source of value for an individual property.

What are the positive consequences of gentrification?

Almost by definition, gentrification results in a number of results encouraged by public policy. Among the positive consequences would be:

- Reinvestment
- Increased levels of home ownership
- Improved public services

- Improved commercial activities
- Renovation of vacant and abandoned properties
- Adaptive reuse of “white elephant” structures
- Increased property tax, sales tax, and income tax revenues
- Neighborhood jobs
- Property value appreciation
- Economic integration

What are the negative consequences of gentrification?

- Rising rents
- Rapidly rising property taxes
- Potential change in the human character of the neighborhood
- Loss of sense of “power” and “ownership” of long-term residents
- Potential conflicts in priorities between new residents and long-term residents

In short, to be “for” or “against” *gentrification* obscures the issues. Reinvestment and economic integration are positive results and should be public policy priorities. Economic displacement is a negative result for which public policy tools are needed to mitigate.

What about displacement?

The most significant adverse impact of “gentrification” is the displacement of residents of modest means. This affects both renters and homeowners. Renters are affected (and sometimes are forced to move, i.e. displaced) when rents rise beyond their affordability. Homeowners are potentially displaced when the property taxes on their homes rise (because of increased assessed valuation) beyond their ability to pay.

Both forms of displacement, of course, need to be addressed. Neighborhoods are not just about buildings. Neighborhoods are about people, including, perhaps especially, long-term residents. The economic benefits of gentrification are significantly diminished if there is no response to the human dislocation. Further, for many newcomers to the neighborhood, the diversity is often one of the main attractions. To eliminate that diversity – economic, racial, cultural, and social – is to diminish one of the valuable attributes of the neighborhood itself.

On the other hand, if the issue of displacement is to be rationally addressed other realities need to be acknowledged.

- Not all departure is displacement. In every neighborhood at every socio-economic level there is a natural turnover of residents. To make a cause and effect assumption about every relocation “the rents became too high so they had to move out” is to ignore the reality of the transient nature of American households of every type.
- Some economic displacement occurs regardless of rent levels. Unfortunately, for those least economically fortunate, if there is no money the first of the month the rent cannot be paid whether that rent is \$100 or \$2000. The sad evidence of that is the sizable amount of resident turnover in even the most economically troubled (and lowest rent) neighborhoods. This is in no way to suggest that the “no money to pay the rent” problem is acceptable; it surely is not. Rather it is to recognize that there is economic displacement in every neighborhood.

- Some departure from neighborhoods by long-time homeowners is a rational (and often happy) economic choice. After struggling to make mortgage payments for 30 years and seeing signs of neighborhood decline and sometimes sinking property values, all of a sudden the primary family asset – the house – can be sold for more money than was ever imagined. It hardly should be considered a social ill that long time homeowners of modest means are economically rewarded for their investment.
- Most of the time the case about displacement is made on an anecdotal basis, not through systematic evaluation of the reality. Last year, however, a New York City housing advocacy group conducted an in depth analysis of the gentrification issue. Here, in part, was what they found:
Low-income households actually seem less likely to move from gentrifying neighborhoods than from other communities. Improving housing and neighborhood conditions appear to encourage the housing stability of low-income households to the degree that they more than offset any dislocation resulting from rising rents.
- Almost every neighborhood activist – regardless of his/her social, economic, or demographic characteristics – will identify empty and abandoned houses as a major neighborhood problem. And of course they are right. Not only do such properties attract crime and give the neighborhood the appearance of decline, they have the single largest adverse impact on the value of housing – literally stealing home equity from nearby property owners. Conversely, rehabilitating and reusing abandoned properties – regardless of the economic level of the new inhabitants – will enhance the value of proximate buildings. The mere act of putting abandoned buildings back into use – surely an important goal and a high priority of the city’s Home Again initiative – will ultimately reduce the “affordability” of nearby properties.
- For those homeowners who are potentially displaced because of rising property taxes, it needs to be recognized that theirs is a cash flow problem, not a wealth problem. The family economic equity is growing; there just is not enough current cash coming in (a problem particularly with older families living on fixed income retirement payments) to be able to afford the annual outlay of increased taxes. This is a relatively easy problem to address and programs are needed to do so. For example for older, modest income homeowners, the city could simply allow the property taxes to accrue plus a modest interest rate. The payment of the tax bill would essentially be deferred until the ultimate disposition of the property through sale, or estate settlement, or transfer to another family member. At that point the deferred taxes would be collected from the significantly appreciated value of the property at transfer.
- At least in the early stages much of the “gentrification” is movement into vacant properties. Except for the occasional drug dealer or prostitute there is no displacement in the reoccupation of a vacant structure.
- The “affordability” of housing in many Washington neighborhoods is not a natural phenomenon. It is a direct result of the departure of nearly 200,000 people in the last 30 years. Had that departure not taken place, the falling values (thereby increasing “affordability”) of residential real estate would not have taken place.

The rehabilitation of deteriorating building stock ought to be a key component in an affordable housing strategy. It is not new housing that is deteriorating; it is older and historic housing. Washington’s historic neighborhoods ought to be international models of economic integration.

There are complex issues regarding neighborhood change taking place today. The magnitude of those issues will only increase as the goal of adding 100,000 residents is achieved. It no longer serves a useful purpose for neighbors to toss the word “gentrification” at each other. It needs to be broadly recognized that there are aspects of this change that are desirable – reinvestment and economic integration – and aspects of this change that are undesirable – economic displacement. A healthy city will recognize the difference.

Finally, if middle class flight from the city (and in Washington that has meant both the black and white middle class) was a bad thing – and who in their right mind would suggest it wasn’t – how can the return of those households not ultimately be a good thing?

Gentrification comes about because Washington is blessed with great neighborhoods – many of them great historic neighborhoods. The response is not less historic preservation; the response should be more historic neighborhoods identified, protected, and enhanced for all of Washington’s citizens. Historic preservation should be the key tool for the economic integration of neighborhoods, and a key component in providing affordable housing.

Some of the neighborhoods that might be appropriate for this historic preservation/affordable housing strategy could include those areas characterized in Figure 2 as either areas of historic character or other older neighborhoods. Those neighborhoods containing a concentration of rowhouses are particularly valuable in this regard as will be discussed later in this paper.

False History

The preservation of historic buildings adds to the quality of a city on many levels. Often historic buildings reflect beauty, aesthetic excellence, imaginative design, and innovative construction. In Washington many buildings reflect the values held and aspired to by the American people, others reflect the unique culture of Washington, the city. Historic buildings can be an important educational and cultural tool, allowing an individual to see his/her own age as a continuation and evolution of history. Historic buildings can inspire both awe and reverence. And historic buildings are the only three dimensional manifestation of history, where one can literally walk where women and men of the past walked. This is why the widely aspired to “sense of place” can rarely be created over night. There needs to be a sense of evolution, of continuity, through which that sense of place is created over time. Blocks of historic buildings are the building blocks of a sense of place.

To make that contribution to sense of place, however, historic preservation must incorporate integrity, authenticity, credibility. Those adjectives in Washington, DC, however, are too often diminished and sometimes destroyed while being sold as “historic preservation.”

This derogation of historic preservation takes three forms: facadomies, “new-old” buildings, and the overwhelmed historic building.

Facadomies are the maintenance of a 4-inch wall of brick behind which an entirely new building is built. It is Halloween preservation, keeping the mask and throwing away the building. Properly done, it can maintain the urban form and pedestrian orientation of the block front. Perhaps it is even a tool that under the



Facadomy, F Street

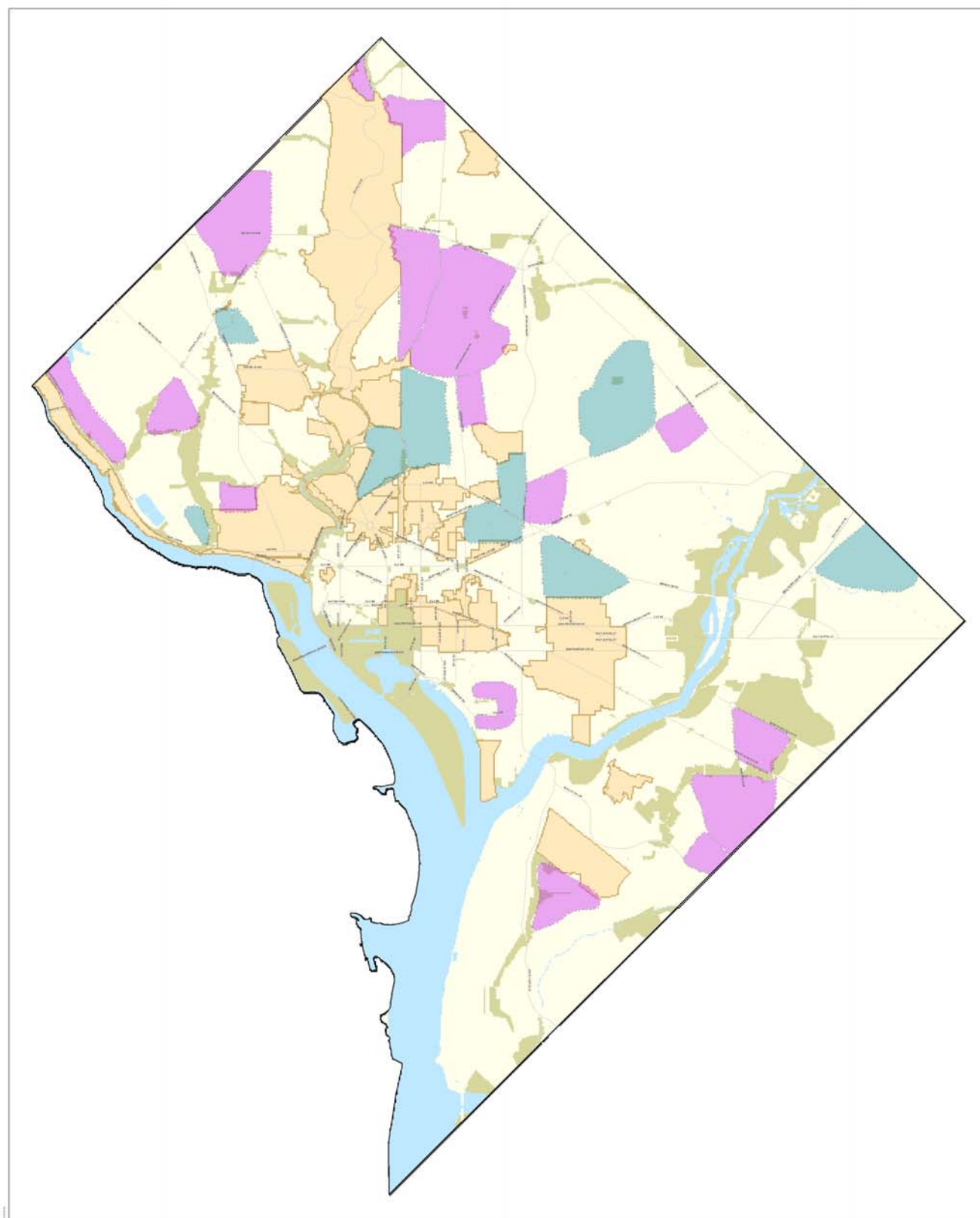





Figure 2

-  Historic Districts
-  Other Areas of Historic Character
-  Other Older Neighborhoods

**Historic Districts and
Older Neighborhoods**

most limited of circumstances should be used as an urban design tool. But under no circumstances should this be confused with historic preservation. It is not. Fortunately this inappropriate treatment of historic buildings may be in decline in Washington. According to the staff of the DC Historic Preservation Office most of the facadomy projects currently underway are the result of approvals given as much as a decade ago. The Historic Preservation Review Board has been much less prone to approve such projects in recent years. More recent projects such as the Spy Museum have made reasonable compromises between historic preservation and building utility without resorting to saving facades only. Further, the preservation staff has been adamant in discouraging use of facadomies outside of the downtown area.



Excellent relationship between new and old Gallup Building in downtown DC

At the other end of the false history scale is the construction of brand new buildings meant to look old. The consequence is the same as facadomies – the integrity, authenticity, and credibility of historic preservation is diminished. In a city that is not an inert museum, but a



The “Disneyland” preservation of Red Lion Row

growing, evolving, living environment, buildings should be of their time. However, buildings, like people, ought to be respectful of each other. New buildings should not be imitations of old buildings, but they should respect the context established by existing buildings, in massing, siting, scale, materials, setbacks, and other frameworks of building form. A case can certainly be made that when the history of the historic preservation movement at the turn of the 21st Century is

written, it will not be told in this stories of historic buildings saved. Rather it will be the positive influence that historic preservation has had on the quality of new buildings being built. Historic preservation should influence the overall character of the infill, not its architectural style.

The third of the false history examples in Washington is an extended variation of the facadomy. That is to keep enough of the street side of the historic building to give the sense of an actual structure, but then overwhelm the existing building with the out of scale behemoth behind it. Red Lion Row on Pennsylvania Avenue is cited internationally as an example of how to make a mockery out of historic preservation. Unfortunately Red Lion Row was the first, not the last of such examples. If additional density is going to be created in downtown Washington (as it should be) there are certainly instances where a larger scale new building needs to be constructed toward the rear of the site while maintaining the historic building at the front of the site. In fact there are many excellent examples in Washington where that has been done. But there are more examples where the remnant of the historic building becomes a Disneyesque imitation of historic preservation – historic preservation as movie set.

Short Term Decision Making

In a democratic system there is a constant challenge to avoid allowing short-term economic or political circumstances to abrogate the long-term goals of the city. On a macro urban design scale, Washington has been fortunate to have the L’Enfant plan in place. For most of the

city's history there has been strong enough support from both the public and advocacy communities that the framework created 200 years ago by L'Enfant is still recognizable.

However, the District of Columbia is not immune to short-term decisions that have an adverse impact on the historic resources of the city. In the end historic buildings (and public spaces) are real estate. And real estate is a volatile industry that regularly has deep valleys and high peaks in its business cycles.

Both the highs and the lows (which can sometimes occur simultaneously from one part of the city to another) can create pressures to alter the long-term goals with an expedient short-term decision.

A few examples should suffice as representative of these situations:

- A neighborhood is in a state of decline economically. Property values are static or declining. There are vacant and abandoned houses. They are demolished. This has happened in Anacostia, Deanwood and other older neighborhoods.
 - Consequences: the physical character and continuity of the neighborhood is diminished; a future opportunity for affordable housing is lost; present and future tax revenues are forgone.
- A neighborhood is in high demand but unprotected by the regulations of a local historic district. Smaller scale houses are purchased, razed, and replaced with much larger houses out of scale with the neighborhood. Long term residents in Spring Valley and Palisades report this is happening in their neighborhoods.
 - Consequences: the physical character and continuity of the neighborhood is diminished; a more affordable dwelling unit (in relative or absolute terms because of size, age, and condition) is permanently lost.
- The commercial real estate market is exceedingly hot. Historic buildings are torn down to accommodate “bigger, newer” . This is presently an issue in unprotected portions of Kalorama and Washington Heights.
 - Consequences: the defining character and sense of place of Washington is lessened; a project of “special merit” may not be so “special” after all.
- The commercial real estate market is weak. In desperation for some investment to take place long established urban patterns are contravened.
 - Example: In the L'Enfant plan 7th Street was to be a series of important visual elements. These became the National Archives, The National Portrait Museum, the Carnegie Library and Washington's latest monument, the Convention Center. But in a period of development desperation the Tech World building was allowed to interrupt the visual continuity of the street with a black glass upper floor passageway.

Since September 11, 2001 another factor has aggressively inserted itself into the physical fabric of Washington – security. As the nation's capital and home of its executive, congressional, and judicial leadership security always has been and should continue to be an important variable in the design of buildings and public spaces. But the short-term political position that security trumps all else is a long-term mistake, especially in the capital of the country that stands for openness, freedom, and accessibility. As the National Capital Planning Commission noted many of these recent security features “...communicate fear and retrenchment and undermine the basic premises of an open and democratic society.”

Security should be addressed. But the short-term mania about security should not be allowed to turn one of the world's most gracious and open cities into a Blade Runner version of urbanity.

There will always have to be compromises in any democratic system. The strength of having a long-term vision, however, should serve to minimize the instances when the expedient short-term results in the sacrifice of the valuable long-term.

THE RISK OF “NO CHANGE”

What is likely to happen to the historic resources of Washington, D.C. if there is no change from the current situation? Will the Supreme Court Building be converted to condos? Will block after block of Georgetown be razed for the economic development big fix de jour – a casino? Is there a chance that Dupont Circle will become a surface parking lot? Of course not. The monumental core of Washington and most of the properties under Federal ownership, control or scrutiny (and around which there is a considerable cadre of citizen activists to provide oversight) are well protected for future generations. And for the most part those properties and neighborhoods that have been locally designated by the Historic Preservation Review Board are generally safe from rampant demolition, inappropriate intrusion, or misguided rehabilitation.

In fact, on the regulatory side, currently designated historic properties in the District of Columbia seem relatively well protected. But regulation is but one of the roles that the city of Washington ought to be playing in relation to historic properties – the others being policy, incentives, stewardship and funding. On each of those aspects – but particularly on stewardship – it would be an understatement to suggest that Washington doesn't merit an A+.

Ten specific risks to heritage resources have been identified if there are no changes in current regulations, policies, funding, incentives, stewardship, or some combination of those elements.

- 1) Large numbers of rowhouses, currently unprotected by historic districting could be lost.
- 2) Numerous buildings and neighborhoods seventy and eighty years old are currently undesignated and could be subject to dramatic degradation in their urban quality in the intermediate term future.
- 3) “Falling through the cracks” losses, like the recent demolition of the historically significant 901 R Street, will continue to occur.
- 4) Without both carrots and sticks provided to encourage reinvestment in older neighborhoods while protecting a degree of affordable housing, the political consequences of a population growth strategy may overwhelm the preservation initiative.
- 5) The city's stewardship of its own historic properties will continue to set an extremely poor example for other property owners. (Half of the listings on this year's “Most Endangered” list from the DC Preservation League are owned by the city). Many of Washington's historic schoolhouses are currently unused and vacant.
- 6) Infill development – both residential and commercial – could be at a scale, character, and quality that diminishes the rest of the neighborhood.
- 7) Major sites will be developed in conflict rather than with sensitivity to the existing historic context of the property.
- 8) Washington could continue making itself the model of the facadomy approach to false historic preservation.

- 9) The as yet untapped opportunity for economic development for heritage tourism in Washington “beyond the core” could be lost because the context of that heritage is lost.
- 10) Historic preservation could continue to be seen as merely “design review” relegating it to a minor corner of overall public policy rather than as a central strategy across a wide range of urban policy issues.

In short, while the risk to currently designated historic properties is limited, there is considerable risk both properties appropriately deemed historic that are not currently protected, and to the foregone opportunity of the much larger role that historic preservation might play.

THE OPPORTUNITIES THAT HISTORIC PRESERVATION REPRESENTS – THE 10 DIRECTIVES

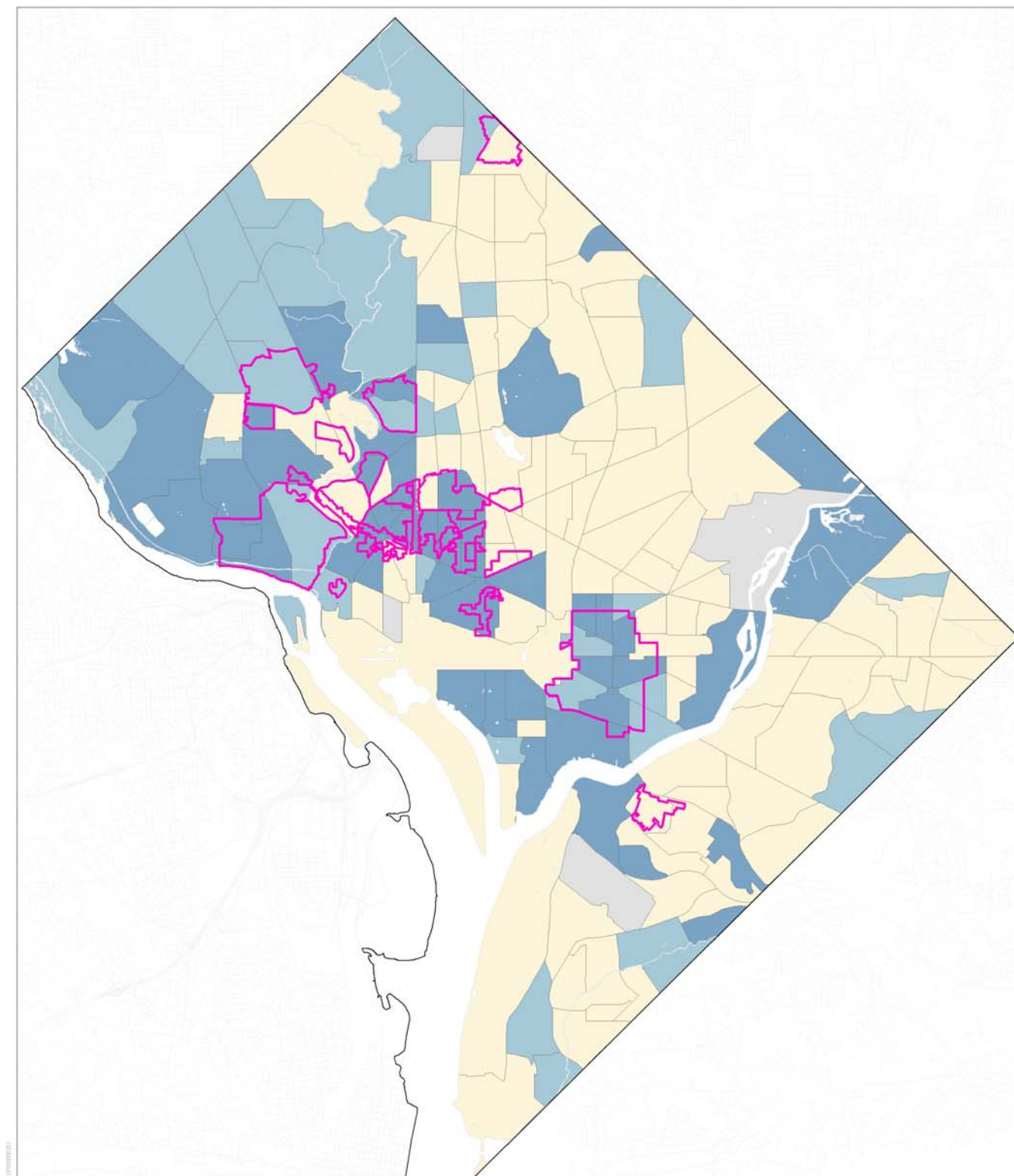
The Office of Planning has identified ten Major Directives that will guide long-range planning in the District of Columbia. Historic preservation has an important role to play in each of these directives as noted in the following sections.

Directive 1: Increase city’s population by 100,000 in next 10 years

As a city, Washington, D.C. lost population in each of the last five decades. But it didn’t lose population from every neighborhood. In fact some neighborhoods grew while the city overall was shrinking. Which neighborhoods? Historic neighborhoods. During the decade of the 1990s when Washington lost 35,000 residents, on a composite basis Washington’s 25 historic districts *added* residents (see Figure 3). In fact, had the rest of the city grown at the rate of the historic districts, the 2000 population would have been 621,000 instead of 572,000. The population gain within historic districts was not limited to the most expensive neighborhoods like Georgetown or Kalorama. The Shaw Historic District and LeDroit Park both had more residents in 2000 than in 1990.

The conclusion should be obvious. When people do choose to move to the city, they move first to the historic neighborhoods of the city. If there is going to be a successful effort to add 100,000 Washington citizens then a key part of the strategy is clear:

- 1) Continue to provide protection to existing historic neighborhoods
- 2) Create additional historic districts
- 3) Provide incentives to new residents in neighborhoods that could be eligible for historic designation
- 4) Maintain and enhance the underlying quality characteristics of Washington’s older neighborhoods, whether or not they are formally designated historic.
- 5) Ensure that new construction within older neighborhoods and redevelopment of large parcels incorporates the physical characteristics of the historic neighborhoods that have proven to be successful in maintaining and attracting populations.
- 6) Encourage the adaptive reuse of obsolete or vacant non-residential buildings as a means of accommodating new residents without destroying the historic fabric of neighborhoods. Excellent examples already exist for this strategy such as the approved addition of condominiums to the redevelopment of the former Hechinger’s in the Tenleytown neighborhood. Similar opportunities exist for 1920s era automobile showrooms.
- 7) Preserve historic buildings on sites identified for major change (e.g., St. Elizabeths)



Historic Districts and 1990 - 2000 Household Change
2000 Census Tracts

Figure 3

Legend

- 2000 Census Tracts**
- Decrease
 - No Change
 - .01% - 5% Increase
 - Above 5% Increase
- Historic Districts**

The District of Columbia will be in competition for those 100,000 residents. Who will the competition be? Primarily the close-in suburban jurisdictions of Virginia and Maryland. DC will succeed in that competition only if it differentiates itself from those suburban alternatives. The urban quality of Washington, and its historic neighborhoods are a central defining feature of that differentiation.

Further, if Washington is going to accommodate more households it can no longer afford to demolish – by neglect or by intent – the housing stock current available, even if currently unused. It makes no sense to simultaneously be trying to attract new residents and tearing down the very buildings in which they might live.

Among the large-site parcels already identified for more intensive development are the St. Elizabeth's Hospital campus, the Soldier and Airmen's Home, and McMillan Reservoir. Each of these parcels has historic significance and are so designated as local historic districts, National Register Historic Districts or both. With proper planning those sites can accommodate considerable densification while still respecting the historic character of the properties. Additionally many of the existing historic buildings on those grounds are suitable for adaptive reuse as housing or as a mixed-use component of an overall development plan. Because of both the historic significance of these parcels and the long-range opportunity they represent for the city, all development should be preceded with a master planning process to ensure appropriate treatment of the historic buildings and guidelines for the character, quality and scale of infill development. The temptation to redevelop these parcels on an ad hoc, or lot-by-lot basis should be resisted.

Directive #2: Strategically invest in targeted neighborhoods

There is considerable overlap between neighborhoods targeted under the city's Strategic Neighborhood Investment Program (SNIP) and Washington's historic neighborhoods. Some SNIP areas encompass existing historic districts, some encompass parts of several existing districts, and some surround neighborhoods that are likely eligible for historic designation.

Since historic neighborhoods have already demonstrated their ability to attract investment, businesses, and residents, the relationships between SNIPs and historic districts should be strengthened. This certainly would include identifying, protecting, and enhancing significant historic features within each SNIP area. It could also include designating the portions of SNIP areas as historic districts when appropriate.

SNIPs might also be appropriate areas to designate as Conservation Districts, as further discussed below. At a minimum there should be infill design standards in SNIPs that are consistent with the existing historic fabric of the neighborhood. Conservation Districts are discussed later in this paper as well as in Appendix II.

When large scale incentivized development is negotiated within a SNIP area, it may be appropriate to include surveying for historic resources as one of the responsibilities of the designated developer.

A useful analogy for how historic preservation can play a useful role in a targeted investment area is the success of the Historic Preservation Fund created for use in the neighborhoods around the new Convention Center. Although not a SNIP per se, the lessons learned could well have wider applicability. Among those lessons were:

- Even relatively small grant awards made a significant impact on property owners' willingness to invest
- Demand for funds exceeded available funds by over 5 to 1
- Strong support was built for design review
- The process itself lead to neighborhood "buy in" of historic preservation, over and beyond the grant availability
- Small grants for deferred maintenance items such as tuck pointing brick will have a long term impact on preserving affordable housing units
- Technical advice and assistance from architects directly to property owners was extremely valuable.

The point is not to suggest replicating the Historic Preservation Fund in every SNIP neighborhood. Rather it is to show that a preservation-based program generates both the targeted reinvestment hoped for and is fully consistent with broader aims envisioned by SNIP. The lessons above also suggest that the City needs to have a funding source for design and technical assistance, pre-development and soft costs, and other preservation related costs if such programs are to be both catalytic for private investment and historic buildings are treated appropriately.

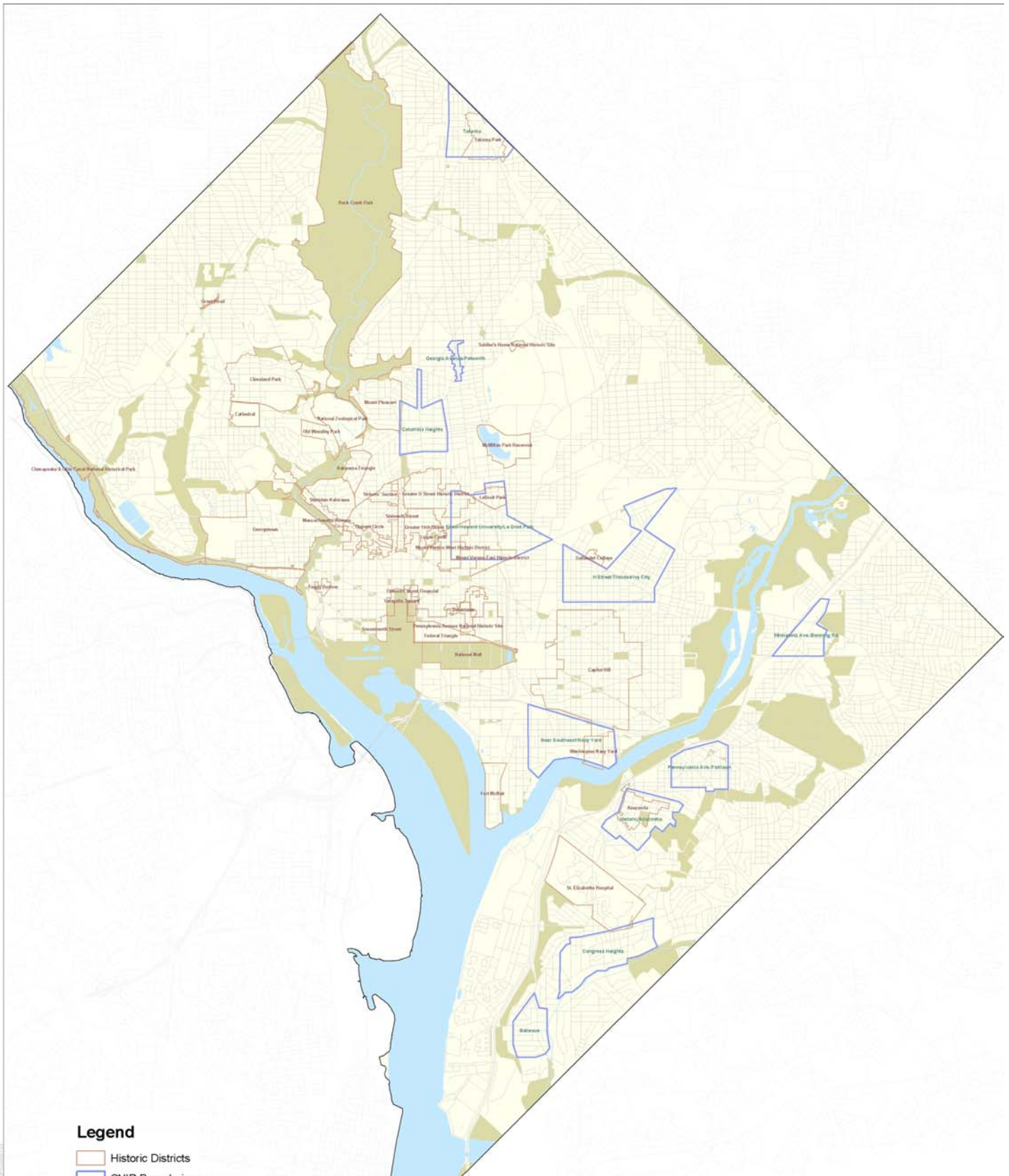
Figure 4 identifies existing historic districts and SNIP boundaries. While some SNIP districts are within existing historic districts – in part or in whole – most are not. However, large sections of nearly every SNIP district include resources that are historic and an older inventory of buildings that merit protection.

Directive #3: Transform public schools into community anchors

The connection between public schools and historic preservation is clear.

- 1) The vast majority of unused and underutilized schools in the District of Columbia are historic buildings, either designated or eligible to be designated.
- 2) The reuse of historic schools nationwide has been an effective means of "reconnecting" the residents to their neighborhood and reestablishes the school as the center of the community.
- 3) The adaptive reuse of a historic school means that the structure that houses whatever use to which the building is placed is consistent with and additive to the local urban character of the neighborhood.
- 4) Historic schools have demonstrated themselves to be unusually adaptable to a wide range of uses including: community centers, arts facilities, affordable housing, luxury housing, business incubators, office buildings, and a variety of others.
- 5) For many uses the incorporation of private investment dollars in exchange for Federal tax credits available for the rehabilitation of historic buildings might be utilized to mitigate the significant costs necessary to bring the schools back to effective use. (This option would not be available for putting public school buildings back in service as public schools but could apply to other uses.)

Transforming schools into community anchors is almost by definition an exercise in historic preservation. It is only necessary that the historic features of each school be identified and appropriately incorporated into whatever use the building is ultimately placed.



Legend

- Historic Districts
- SNIP Boundaries
- Water
- Parks

**Historic Districts and
Strategic Neighborhood Investment
Program (SNIP) Areas**

Figure 4

Directive #4: Leverage transit by promoting transit-oriented development

If Washington were being built from scratch with the goal of transit-oriented development, where would the neighborhoods be, and what would they be like? The neighborhoods would be built where historic districts exist today. And they would be built like historic neighborhoods are built – relatively high density and pedestrian oriented.

With the exception of Georgetown, most of the residents in most of the city’s historic districts are within an easy walk of a Metro station. In fact the majority of the highest use Metro stations are within historic districts.

This is not to suggest that additional density couldn’t or shouldn’t be added on underutilized land at currently underutilized Metro stations. It does say that historic neighborhoods are existing successful examples of transit-oriented development.

Figure 5 shows how well most of Washington’s historic districts already meet the test of being “Transit Oriented”.

Directive #5: Create new urban neighborhoods on institutional sites

Since Washington is a landlocked city additional development must take place on currently underutilized land. Further, if the goals of population growth are going to be achieved, much of that growth will have to be accommodated with new construction on institutional sites.

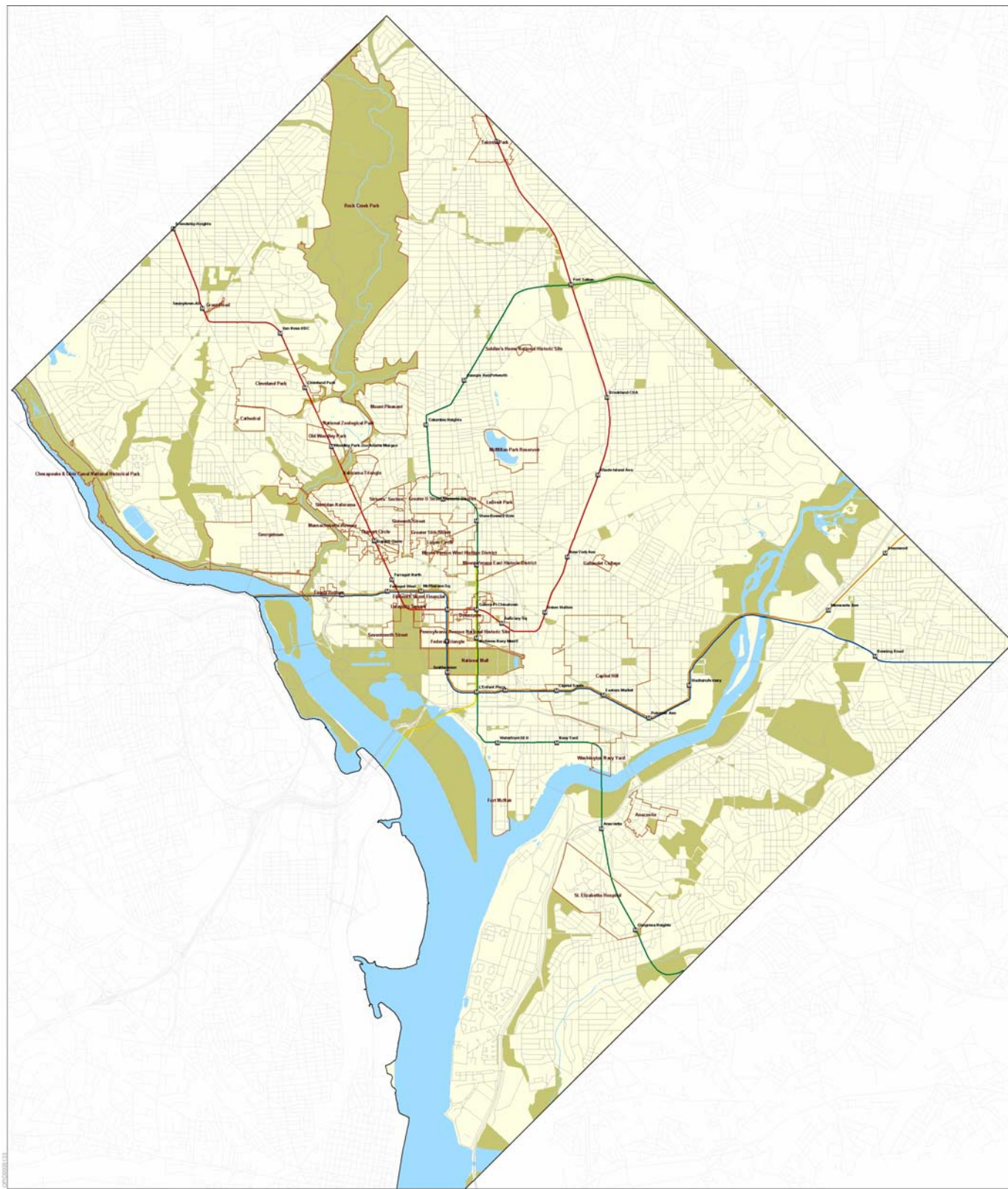
Since this is new construction on underutilized land, does historic preservation play any part? The answer is “yes” on three levels.

First, many of the identified sites are within historic districts, abutting historic districts, are potentially eligible for historic designation, or contain individual historic assets. Therefore, both because of Federal and District regulations and policies and for good urban design, the identification and protection of heritage resources must be included in the development process. An historic preservation designation does not immutably freeze either buildings or their context. It should require, however, that historic buildings be adaptively reused respecting their most significant historic features. New construction impacting the context of existing historic resources should be compatible in scale, materials, siting, building orientation, and massing without being imitative in design of existing buildings. In some instances non-building features such as roadways, historic landscaping, and archeological assets should also be taken into account when comprehensive development plans are created.

Second, for those parcels with significant historic structures and patterns of development (St. Elizabeths as perhaps the prime example) the design principles upon which new development is based should be derived from the historic character of the site. Further historic assets should be fully and appropriately reused as a core component of the development scenario.

Third, the Office of Planning has established as set of principles to guide the planning of new neighborhoods. Those principles are:

- Mixed income



**Historic Districts and
Metrorail Lines**

Figure 5

- Mixed use
- Pedestrian and transit-oriented
- Blend into surrounding areas
- Preserve historic resources
- Expand recreational opportunities

Those are good design principles that should ensure that the affected historic properties will be appropriately treated. But those principles should lead to one more recognition: there are neighborhoods in Washington right now, which meet all of those criteria that are being lost through demolition by bulldozer or by neglect. It makes no sense to build the replica while tearing down the original.

Directive #6: Create living and expanded Downtown

The extraordinary accomplishments in downtown Washington in the last few years are obvious evidence that this directive is being enacted with great success. Washington is well on its way to being one of the best downtowns in America.

The reinvestment in the heart of the city has been both in excellent quality new buildings and superb rehabilitation and adaptive reuse of historic buildings. There may be no better evidence of the contribution of historic buildings to the urban quality of a city than the ongoing success story of downtown DC.

It merits mention, however, the sharp contrast in use, excitement, flavor and character between the eastern end of downtown and the western end. The liveliest part of the city is where historic buildings establish the urban character of new and old alike.

Historic preservation doesn't need to be added to the agenda of "creating a living and expanded downtown". It is already integral to the process.

Directive #7: Reclaim Anacostia waterfront

The reclamation of the Anacostia waterfront is one of the most exciting long-term redevelopment opportunities in the nation. Numerous historic resources are part of the waterfront area. The development will be best served by effectively and appropriately incorporating those historic resources into the overall development plans.

Directive #8: Enhance neighborhood commercial districts

Like downtown, integrating historic preservation into this directive is already firmly established. The Office of Economic Development has chosen to utilize the Main Street model for commercial district revitalization – DC Main Streets. Some of those revitalization areas are already designated as historic districts; others are likely eligible.

There is no more cost effective means of economic development anywhere in the nation than Main Street. Its success in 1600 communities around the country is now being replicated in neighborhood commercial districts in major urban areas. It works.

Central to the Main Street approach is historic preservation. In fact the definition of Main Street is economic development in the context of historic preservation.

One more connection between neighborhood commercial district revitalization and historic preservation, however, is this: neighborhood business districts serve as natural incubators for small business. The scale of the buildings and the relative affordability of the rents allow small businesses to become established, most without subsidy or incentive of any kind. The preservation of those small-scale commercial buildings – even if they are of nominal architectural or historic quality – provides the ongoing opportunity for small businesses to start up and to succeed.

Finally, gentrification is not just a residential issue. Neighborhood serving, small businesses, independently owned businesses, creative businesses can also be priced out of the market with rapidly rising rents. It is at the neighborhood level that tools should be created to mitigate commercial gentrification as well.

Directive #9: Improve and create mix of housing for people of all incomes

Much of the discussion about housing and historic preservation is included in the section on gentrification above. It bears repeating that virtually the only neighborhoods where households with a wide range of incomes – economically integrated neighborhoods – exist are historic districts. If mixed income neighborhoods are to be a public policy priority, then historic preservation needs to be a public policy priority. While a few of Washington’s historic districts are rather monolithic in regards to race or income or both (e.g. Georgetown primarily wealthy and white, Anacostia primarily African-American and low income), most are very diverse. This is true of diversity by income and diversity by race – the economic integration that ought to be a public policy priority.

Two other factors not previously mentioned merit comment, however. First, the scattered site housing initiative of the District of Columbia mandates that a portion of those units be reserved as affordable housing units. A large majority of scattered site projects have been historic properties.

Second, “affordability” cannot be measured by rent level alone. Proximity to shopping, schools, work, and especially to public transportation are important ingredients in the affordability calculation. This is most recently evidenced by the FNMA program that authorizes a greater amount of mortgage funds be made available to households near public transportation. Most historic districts in Washington are near Metro stations and/or Metrobus stops. Therefore the locational advantages of the historic neighborhood add to “affordability” independent of the rent levels.

#10: Coordinate public facilities/services to support revitalization

Of the 10 directives this one has the least direct connection to historic preservation. However the relationship is not entirely absent. Many of the city’s public facilities are, in fact, historic resources. Many more of the historic properties of the city would be adding to revitalization if there were responsible stewardship and adequate reinvestment in those structures. Washington’s downtown, historic neighborhoods, and neighborhood commercial districts have demonstrated the effectiveness of the rehabilitation of historic buildings in supporting revitalization efforts. The city’s historic public facilities should be providing that catalyst as well.

Historic Preservation and the 10 Directives			
Directive	Major Role	Support Role	Minimal Role
Increase city's population by 100,000 in next 10 years	X		
Strategically invest in targeted neighborhoods	X		
Transform public schools into community anchors	X		
Leverage transit by promoting transit-oriented development	X		
Create new urban neighborhoods on institutional sites		X	
Create living and expanded Downtown	X		
Reclaim Anacostia waterfront		X	
Enhance neighborhood commercial districts	X		
Improve and create mix of housing for people of all incomes	X		
Coordinate public facilities/services to support revitalization		X	

TWO UNIQUELY WASHINGTON OPPORTUNITIES – BOTH FRAGILE: HERITAGE TOURISM AND ROWHOUSES

There are two unique opportunities in the District of Columbia. One could play a major role in economic development. The other could maintain the character, urban quality, and affordability of residential neighborhoods. Both require the preservation of historic resources. Both opportunities are fragile. These two opportunities are heritage tourism and the Washington rowhouse.

Heritage Tourism

Earlier in this paper heritage tourism was discussed as one of the means by which historic preservation is economic development. It was noted that heritage tourists stay longer, spend more, and consequently have a greater per visitor economic impact on a local economy than does a tourist in general.

Many, perhaps most, of the 20 million annual visitors to the Mall could be included in the “heritage tourist” category. But there is an opportunity for expanded tourism (and consequent important impact on the city’s economic health) the potential of which has yet to be significantly tapped. This is the heritage tourism strategy being advocated, promoted, and facilitated by Cultural Tourism DC.

Why does heritage tourism beyond the Mall represent a fertile opportunity for the District?

- 1) Four segments of the tourism industry that are currently very strong or are likely to significantly grow in the intermediate future are:
 - a. Civil War interested tourists
 - b. African-American families
 - c. Heritage visitors of all races interested in African-American history
 - d. International visitors
- 2) Washington has a wealth of Civil War resources that are currently attracting an insignificant proportion of the thousands of Civil War buffs visiting nearby related sites. Probably the best examples are the Fort Circle Parks, currently unknown to many Washingtonians, let alone outside visitors.

- 3) Few places in America have the breadth of resources representing African-American history than does Washington
 - a. Washington has had a sizable African-American presence since its founding
 - b. The historical dichotomy that the capital of a nation dedicated to freedom was built by African-American slaves
 - c. Washington also has a 200 year history of black freedmen
 - d. U Street and Shaw were a center of black music and culture
 - e. Washington in general and Howard University in particular have been a center of black intellectual influence and history
 - f. The first integrated churches in America were in Washington
 - g. 200 sites have already been identified on the African-American Heritage Trail
 - h. There are great remnants of African-American entrepreneurship, education, and religious activities in Washington
 - i. There are archaeological sites relevant to the early African-American community in Washington
- 4) The National Park Service owns and maintains multiple sites within the District beyond the Monumental Core
- 5) There are 20 million visitors that only need to be enticed to travel 2,000 yards rather than 2,000 miles to take advantage of these resources
- 6) There is a 20th century history in Washington where neighborhoods have been the “test tubes” of Federal urban policy
- 7) There is a well staffed, well regarded existing organization committed to fostering and promoting heritage and cultural tourism in “the rest of Washington”
- 8) International visitors – often even more than domestic tourists – are interested in seeing and learning from more local history, particularly ethnic history, as demonstrated by the success of tours to Harlem directed toward European and Japanese visitors.

There are hundreds of heritage tourism venues in Washington with considerable potential that are currently under visited, largely unknown or in serious risk of loss . A sampling of these sites includes:

- Howard University Campus
- U Street and the greater Shaw neighborhood
- The Basilica of the National Shrine of the Immaculate Conception
- Anderson Cottage at the U.S. Soldier’s and Airmens’ Home
- The Anacostia Museum
- Frederick Douglass Home
- Barry’s Farm
- Duke Ellington Home
- The Howard Theater
- Battleground National Cemetery
- Phyllis Wheatley YWCA

Why is such a fertile opportunity a fragile opportunity?

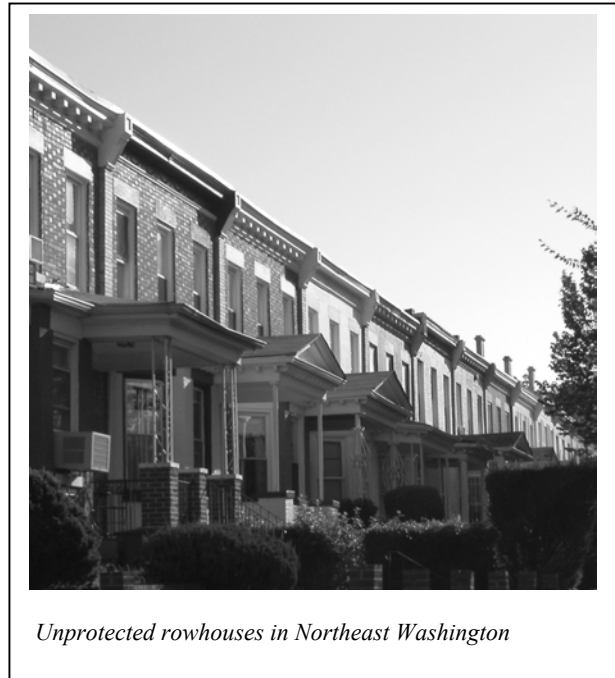
Heritage tourism cannot be a long-term sustainable success if the physical fabric that provides the context of history no longer exists. It is impossible to have heritage tourism without heritage resources. And many of those resources in Washington are unprotected by local historic districts, are being allowed to deteriorate, or are regularly lost through demolition by bulldozer

and by neglect. The typical sequence of maintaining valuable heritage visitor resources is: 1) identify, 2) protect, 3) enhance. Cultural Tourism DC and the DC Historic Preservation Office have identified many of these resources and that identification process is ongoing by both organizations. The protection, however, lags far behind. Methods of protection could include individual landmarking, inclusion in new or existing historic districts, or the creation of conservation districts encompassing heritage visitor resources. Until some protection is in place these latent economic resources face an uncertain future.

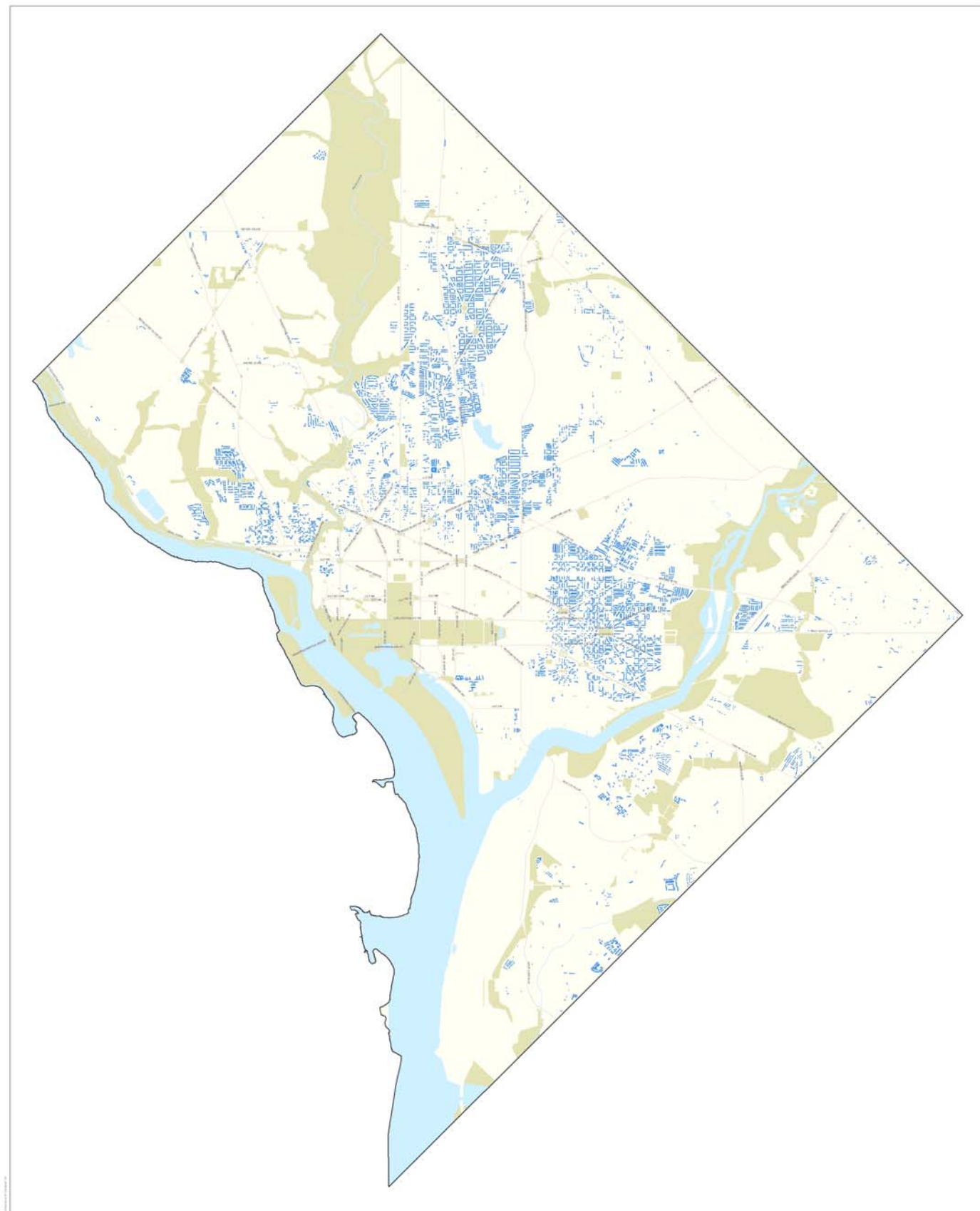
Today, the very assets that provide the opportunity to add a significant economic opportunity for Washington, DC are being allowed to disappear.

The Rowhouse

Much of residential Washington is made up of neighborhoods of rowhouses (see Figure 6). For many neighborhoods such as Petworth, Eckington, and Brightwood, the rowhouse is the defining element of the sense of place. Thousands of Washington rowhouses are currently unprotected by either historic districts or any other mechanism. That certainly leaves in jeopardy much of the historic physical fabric of residential Washington, but are there any other reasons for concern?



- 1) The rowhouse is the singular building typology that allows significant density while at the same time maintaining the human scale of neighborhoods.
- 2) Rowhouse streets are pedestrian oriented.
- 3) Rowhouse blocks meet all of the “Principles of New Neighborhoods” currently being espoused for new development.
- 4) Rowhouses clearly establish the context for appropriate infill development.
- 5) The size and density of rowhouses means that a critical mass of population can be contained within a distance to support a neighborhood commercial center.
- 6) Because many rowhouses were designed with the walk-down “English Basement” they provide affordability to two (or more) occupants.
 - a. The rents from the tenant unit provide additional income to help with the mortgage payment for the owner.
 - b. The size and configuration of the rental unit makes it “affordable” as well, on an absolute or a relative basis.
- 7) Because of the main unit/rental unit pattern of rowhouses, a rowhouse neighborhood is almost automatically a mixed income neighborhood.
- 8) Nearly all rowhouse neighborhoods are near public transportation.
- 9) While the smallest of the rowhouses may be unable to accommodate the needs of growing families, over a third of the households in Washington are made up of one person, making the rowhouse an optimum home ownership alternative.



**Location of Washington's
Row Houses**

Figure 6

Washington is struggling to provide affordable housing for all of its citizens. The city has established a priority to create a mix of housing for people of all incomes. The city has established a priority to have transit-oriented development. Rowhouses and rowhouse neighborhoods do all of those things. The protection and enhancement of those neighborhoods should be among the highest priorities. Rowhouse neighborhoods could be protected through the expansions of existing historic districts, the creation of new historic districts, or – in many cases most appropriately – through the creation of conservation districts discussed later in this paper.

TOOLS FOR HISTORIC PRESERVATION: TOOLS TO FOCUS, TOOLS TO ADD, TOOLS TO PONDER

Washington D.C. deserves high marks for the regulatory protection provided to many of its historic resources. There are areas where that could be improved – undesignated but eligible neighborhoods, rowhouses, African-American heritage resources, city-owned historic buildings, and others. But at least the regulatory framework is largely in place to address those needs if there is the political will to do so.

What is less available is a package of tools specifically targeted to encourage historic preservation and to mitigate potentially adverse consequences of growth such as economic displacement. It is, in a phrase from another context, “wielding a stick in a carrot-free environment.”

The tools below (some incentives, some regulations) are divided into three categories:

- 1) Tools to Focus. These are existing incentive programs already enacted in Washington that could be specifically directed to historic neighborhoods or for which historic resources receive priority consideration.
- 2) Tools to Add. These are measures that could be added to better advance historic preservation as a central strategy of public policy.
- 3) Tools to Ponder. This is a list of “out there” opportunities that might be considered by decision makers.

Tools to Focus

If it is the goal of the District of Columbia to add 100,000 residents by 2015, and
If it is historic neighborhoods that people moving to (and staying in) Washington prefer
Then it is sensible public policy to protect those neighborhoods and provide incentives to encourage that in-migration, but

If that in-migration carries the downside risk that Washington citizens of modest means could be priced out of their neighborhoods

Then it also makes sense to provide protections and incentives that mitigate that risk.

In simplest terms, tools are needed related to historic resources in two broad areas: 1) to encourage private investment in the appropriate rehabilitation of historic buildings, and 2) to mitigate economic displacement in historic districts as they undergo revitalization.

For the second area – affordable housing – Washington already has a number of programs in place. To mitigate economic displacement from those neighborhoods likely to benefit from in-migration, and to ensure that neighborhood are economically integrated, those

programs could be targeted to or enhanced in historic neighborhoods. Among the tools that could be refocused are:

Existing Incentive	Modify	Risks Addressed
Employer Assisted Housing Program	Double matching funds if in historic district	1, 2, 4, 10
Housing Purchase Assistance Program	Increase max loan amount to \$30,000 if historic district	1, 2, 4, 10
Police Housing Assistance Program	Double matching funds and tax credit if historic district	1, 2, 4, 10
Single Family Residential Rehab	Give priority to projects in historic districts	1, 2, 4, 6, 10
Home Again Program	Priority and fast tracking of properties in historic districts	1, 2, 3, 4, 6, 10
Housing Finance for Elderly/Disabled	Give priority to projects in historic districts	1, 2, 3, 4, 6, 10
Housing Production Trust Fund	Give priority to projects in historic districts	1, 2, 3, 4, 6, 10
Low Income Housing Tax Programs	Give priority to projects in historic districts	1, 2, 3, 4, 6, 10
McKinney Act Loan Program	Give priority to projects in historic districts	2, 3, 4, 5, 6, 7, 10
Multifamily Housing Rehab Program	Give priority to projects in historic districts	2, 3, 4, 6, 10
Multifamily Mortgage Revenue Bonds	Priority for projects in historic districts	2, 3, 4, 6, 10
Tenant Purchase Tech Assistance	Priority for historic buildings	1, 2, 4, 6, 10

Key to Risks

1. Loss of rowhouses
2. Diminished quality of undesignated older neighborhoods
3. Loss of undesignated but important historic structures
4. Political opposition overwhelms growth initiative
5. Continued decline of publicly owned historic buildings
6. Inappropriate infill development
7. Ad hoc development of major sites
8. More facadomies
9. Missed opportunities for heritage tourism
10. Historic preservation merely design review

All of the programs above are already in place. They could simply be enhanced when they apply to a historic district or building. Concurrently, applications for the respective programs that apply to historic buildings or districts could be given priority consideration.

To encourage development in historic districts and buildings – especially for commercial purposes, the following existing programs could likewise either be given an incremental benefit or an approval priority if historic properties are involved:

Existing Incentive	Modify	Risks Addressed
District Contracting: LSDBE Program	Give priority to businesses in historic districts	2, 3, 6, 9, 10
Econ Development Finance Corp	Give priority to businesses in historic districts	2, 3, 6, 9, 10
ReStore DC – Main Street	Increase annual grant if in historic district	2, 3, 6, 9, 10
ReStore DC – Technical Assistance	Give priority to projects in historic districts	2, 3, 6, 9, 10
ReStore DC – Acquisition Grants	Give priority to projects in historic districts	2, 3, 6, 9, 10
CDBG	Give priority to projects in historic districts	1, 2, 3, 5, 6, 7, 9, 10
Brownfields Program	Give priority to projects in historic districts	2, 3, 5, 6, 7, 9, 10
DC Revenue Bond Program	Give priority to projects in historic districts	2, 3, 5, 6, 7, 8, 9, 10
Supermarket Tax Exemption	Make all historic districts “Priority Development Areas”	2, 6, 10
Tax Increment Financing	Make all historic districts TIF eligible areas	1, 2, 3, 4, 5, 6, 7, 9, 10
Net 2000 Affordable Facilities	Sublease space in historic buildings and districts	2, 3, 5, 6, 7, 10
Net 2000 Capital Gains Tax Exemption	Lengthen term of exemption if in historic district	2, 3, 6, 7, 10
Net 2000 Employment Training Credits	Extend to 36 months if in historic district	2, 3, 6, 7, 10
Net 2000 Franchise Tax Reduction	Extend to 7 years if in historic district	2, 3, 6, 7, 10
Net 2000 Personal Prop Tax Abatement	Extend exemption period to 15 years if in historic district	2, 3, 6, 7, 10
Net 2000 Real Property Tax Abatement	Extend to 7 years if in historic district	2, 3, 6, 7, 10
Net 2000 Relocation Expense	Increase to \$7500 and \$10,000 if in historic district	2, 3, 6, 7, 10
Net 2000 Wage Tax Credit	Extend to 36 months if in historic district	2, 3, 6, 7, 10
Tax Abatement for New Resident Dev	Make all historic districts eligible areas	1, 2, 3, 4, 6, 10

On the residential side the DC Council has already adopted an income tax credit for the rehabilitation of historic housing in targeted neighborhoods. This program has been remarkably successful in other states for encouraging reinvestment in deteriorating housing stock and neighborhoods. For budgetary reasons, however, the law—while on the books—has never been implemented. It should be. A useful next step in this regard could be for the DC Historic Preservation Office to commission an analysis of the economic costs and benefits of this program. Based on the experience elsewhere, it is highly likely that the combination of the fiscal benefit of this program and the contribution to advancing the administration’s population growth strategy significantly outweighs the foregone tax revenues it would entail.

The program of distinctive signage for historic districts currently beginning should be fully implemented.

Tools to Add

A number of incentive tools to encourage historic preservation have been developed around the country and could be considered in Washington. A list of these tools and a very brief description of them follows:

- New Jersey building rehabilitation code – This change in the requirement for the rehabilitation of older and historic buildings has made a remarkable difference in inner city neighborhoods in Camden, Trenton, Newark and elsewhere. It has now been adopted by several other states and numerous cities. The current code in the District of Columbia is, in fact, far superior to many other jurisdictions. Yet a comparison with the New Jersey code might be helpful.
- Localized guidelines by neighborhood – The design guidelines currently used by the Historic Preservation Review Board are essentially the Secretary of Interior's Standards for Rehabilitation. While the Secretary's Standards are one useful approach, many cities have decided to write their own standards geared to the particular attributes of the various neighborhoods. Because of the variety of historic districts in Washington more localized design standards may be appropriate.
- Conservation districts – In an increasing number of American cities, neighborhoods are being designated as conservation districts. Sometimes these districts are created because they lack the historic fabric to qualify as a historic district; sometimes because so much of the historic fabric has been lost there is no longer the cohesion necessary for historic district status; sometimes a conservation district is used because there is not the political and/or property owner support for a full-fledged historic districts; sometimes the conservation district approach is used as an interim step leading to a historic district. Whatever the reason for their creation, conservation districts generally have the following attributes:
 - Very active community participation
 - Guidelines that control demolition and infill
 - An identifiable neighborhood character
 - Residential neighborhoods, but may contain commercial component

A more complete discussion of Conservation Districts is found in Appendix II of this report.

- Aggressively package abandoned properties in historic districts, reconvey them in bulk to entities who will rehabilitate them as rental properties using Federal tax credits, and convert them to ownership after required holding period (5 years).
- Establish a maintenance fund for historic properties as part of affordable housing efforts (i.e. keep properties in adequate condition for them to continue to be used for housing).
- Provide 5-year assessment freeze for properties appropriately rehabilitated. Several states use this approach with assessment freeze periods ranging for 3 years to 15 years. Some require rehabilitation work done consistent with the Secretary of Interior's Standards to qualify. Most states freeze the assessment (but not the millage levy) at the pre-rehabilitation assessment of the structure.
- Establish program partnerships between existing DC initiatives. Many of the programs listed in the *Tools to Focus* section above are involved geographically or functionally in areas with historic resources. Administrators of these initiatives

should identify specific opportunities that historic resources could play in advancing the programmatic goals. For example, ReStore DC could take advantage of historic preservation incentives (local and federal) through the appropriate rehabilitation of buildings in targeted areas. Promotional and resource identification initiatives could be joint efforts among DC Cultural Tourism, Main Streets, and the DC Office of Historic Preservation.

Tools to Ponder

The following are additional “tools” ideas, not necessarily recommended but deemed worth of at least consideration by City staff and other decision makers.

- Use building code violations and fines to fund land bank to acquire properties for affordable housing.
- Allow all historic properties to be assessed based on their current use rather than the land being assessed at its value under the existing zoning envelope.
- For several years national preservation activists have promoted creating a federal historic rehabilitation tax credit equivalent to the current credit available for commercial properties but applying to owner-occupied residential properties. It is known at the Historic Homeowners Assistance Act. While the proposal has garnered strong support in both houses and on both sides of the aisle, it has not made it into final tax bills. District officials could lobby for the HHAA to be adopted for the District only as a test of whether it would be good tax and urban policy nationally. A more thorough discussion of the HHAA is found in Appendix III of this paper.
- Allow all properties in historic districts to transfer development rights to TOD priority development areas.
- Create a “bank” to buy and sell transferable development rights, giving more surety to the market for TDRs and allowing the District as “banker” to use the pricing and availability of the TDR benefits to advance public policy.
- Establish a high school within the District public school system that specializes in preservation construction trades, equivalent to the Duke Ellington School for the Arts.
- Initiate a “Rowhouses at Risk” program that delays rezoning, demolition, or large-scale development programs until the area can be evaluated for appropriateness as a Conservation District or a Historic District. Areas already mapped as having a concentration of rowhouses would be included in the program.
- The DC Historic Preservation Review Board establishes a “Heritage Tourism Opportunity” list. The properties already identified by DC Cultural Tourism could be the starting point. Any application for a building permit or a demolition permit for properties on this list would trigger a “quick turn-around” evaluation by the preservation staff. If on evaluation the property is identified as having critical value to heritage tourism efforts, the demolition permit could be delayed for up to 12 months while alternatives to demolition are sought. Building permits for “critical value” properties would be given fast track approvals if the work to be done is consistent with the Secretary of the Interior’s Standards for rehabilitation.

CONCLUSION

No reader of this paper should assume that every old building is or ought to be declared “historic”. No reader of this paper should assume that no historic building should ever be torn down. Certainly this paper is not meant to suggest that historic preservation ought to be the driving force of all public policy initiatives. Historic preservation is not the solution to every urban problem, but it is part of the solution to many urban problems – housing, economic development, urban design, education, population growth, neighborhood stabilization, downtown revitalization, neighborhood commercial renewal, transit oriented development, smart growth, environmental responsibility, job creation, fiscal responsibility, and others.

Historic preservation today merits a place in the public policies of the District of Columbia far beyond merely design review. While there are good protections for many of the District’s historic resources, many others are unprotected and at risk. If migration into Washington is to be achieved as planned, much of that movement will be into older and historic neighborhoods. Therefore those neighborhoods need to be provided with protections and incentives, but also the tools to mitigate the potential economic displacement that could occur.

The language of historic preservation within the Comprehensive Plan has been cited by the Mayor’s Agent in decisions and should, therefore, clearly reflect the breadth of public policy into which preservation is incorporated. Strong preservation protections are dependent upon enforcement of ordinances, a prerequisite that does not always occur currently.

Historic Washington DC beyond the monumental core holds great opportunity for economic development, for housing of all types, and for quality urbanism in general. Without meaningful intervention to protect those assets, however, they are at considerable risk.

Finally, historic preservation needs to be seen as means, not just as end. And historic preservation needs to be recognized for the additional public goals it is meeting. In the “snapshot” paper on demographics prepared by the Office of Planning, ten major themes were identified for improving the city’s future:

- 1) Stabilizing and improving the District’s neighborhoods
- 2) Increasing the quality and quantity of employment opportunities in the District
- 3) Developing a living downtown
- 4) Preserving and promoting cultural and natural amenities
- 5) Respecting and improving the physical character of the District
- 6) Preserving and ensuring community input
- 7) Preserving the historic character of the District
- 8) Reaffirming and strengthening the District’s role as the economic hub of the National Capital Region
- 9) Promoting enhanced public safety
- 10) Providing for diversity and overall social responsibility

A variety of initiatives, regulations, incentives, and public policies can move those themes forward and should be pursued. But if the District did nothing but had a strong historic preservation environment, every one of those themes would automatically be advanced.

Appendix I – Historic Preservation Entities in Washington, DC

Federal Government Entities

Advisory Council on Historic Preservation (ACHP)

- Independent Federal agency
- Advises President and Congress on Preservation Policy
- Encourages Federal agencies to be responsible stewards of historic properties
- Educational and outreach initiatives
- Administers the National Historic Preservation Act's Section 106 review process
- *Policy, Regulations, Education and Advocacy*

National Park Service (NPS)

- Part of Department of Interior
- Primary Federal agency responsible for historic preservation
- Administers Federal Rehabilitation Tax Credit Program
- Provides funding for State Historic Preservation Offices and Certified Local Governments
- Conducts historic preservation related research
- Administers National Register of Historic Places
- Responsible for significant number of historic resources within Washington, DC
- Major landowner in the District of Columbia
- *Policy, Regulation, Incentives, Funding, Research, Education, Ownership/Stewardship*

National Capital Planning Commission (NCPC)

- Federal Agency
- Provides overall guidance for Federal land and buildings in National Capital Region
- Charged with establishing planning policies and development review so that historic, cultural, and natural assets of region are protected and enhanced.
- Primary planning and review organization for Federal properties within Washington.
- *Policy, Regulation*

Commission on Fine Arts (CFA)

- Independent Federal Agency
- Advises Federal government on matters of art and architecture
- Provides design review of Federal building projects
- Provides design review of private development in designated areas
- Acts on recommendations of Old Georgetown Board
- *Regulation*

General Services Administration (GSA)

- Independent Federal Agency
- “Landlord” for most Federal government agencies
- Owns and manages numerous historic buildings within Washington
- Under Executive Order 13006 is to give priority to historic buildings and historic districts for the location of Federal offices
- *Stewardship*

Architect of the Capitol (AOC)

- Congressional agency
- Responsible for operation and maintenance of Capitol building and grounds
- Additionally responsible for other buildings proximate to Capitol including Supreme Court Building, Congressional office buildings, Library of Congress buildings as well as the Capitol grounds
- Sits as member or as ex officio member of several entities including ACHP, the District of Columbia Zoning Commission and others
- *Stewardship, Regulation*

Old Georgetown Board (OGB)

- Advisory board to the Commission of Fine Arts
- Design review of projects within Old Georgetown boundaries
- Recommendations forwarded to Commission of Fine Arts
- *Regulation*

State Government Entity

State Historic Preservation Office (SHPO)

- Key state agency for historic preservation
- Delegated authority from Federal government
 - Evaluation of impact on historic resources, including archaeological resources as well as historic sites, of Federal or Federally funded projects (Section 106 of National Historic Preservation Act)
 - Initial evaluation of compliance with Secretary of the Interior's Standards for Rehabilitation for Federal tax incentives
 - Survey and nomination responsibilities for listings on the National Register of Historic Places
 - Grant administration
- One of few points of municipal influence on quality of Federal investment with District of Columbia
- *Policy, Regulation, Incentives, Funding, Research, Education and Advocacy*

Local Government Entities

Historic Preservation Office (HPO)

- City agency within Office of Planning
- Policy role strengthened with move into Department of Planning
- State Historic Preservation Officer
- Staff support to SHPO and HPRB
- Designated functions as Certified Local Government (CLG)
- *Policy, Regulation, Incentives, Funding, Research, Education and Advocacy*
- *It should be noted that an extremely high percentage of applications required to be approved are handled at the staff level without the applicant ever having to appear at a formal hearing process.*

D.C. Preservation Board (HPRB)

- Recommends to DC Council designation of local historic districts and landmarks

- Reviews nominations to National Register of Historic Places
- Provides design review for rehabilitation or alteration of historic buildings
- Provides design review for new construction within historic districts
- Send recommendations to Mayor's Agent
- Comment on Section 106 projects
- *Regulation, Education and Advocacy*

Mayor's Agent

- Signs construction permits for projects approved by HPRB
- Holds hearings on requests for demolition of historic properties
- Serves as appeal venue for projects rejected by HPRB
- Holds hearing when applicant:
 - claims economic hardship would arise from being denied permit
 - argues that proposal meets "special merit" provision of law.
- *Regulation*

DC Council (Council)

- Establishes overall city policy toward historic preservation
- Funds city historic preservation activities
- Designates historic districts and landmarks
- Enacts protective legislation for historic properties
- Provides incentives for historic properties
- Funding responsibility for historic properties owned by the District
- *Policy, Regulation, Incentives, Funding, Ownership/Stewardship*

National Advocacy Organizations

National Trust for Historic Preservation (NTHP)

- National non-profit preservation education and advocacy organization
- National headquarters in Washington as well as regional office
- Owns two house museums in Washington – Decatur House and Wilson House
- Although national organization, currently has two programs in partnership with city
 - Technical assistance to DC Main Streets program
 - Administers \$1,000,000 historic preservation fund for areas impacted by Convention Center construction
- Small grant funds available
- *Policy, Funding, Education/Advocacy, Ownership/Stewardship*

Preservation Action (PA)

- National non-profit preservation political advocacy organization
- National headquarters in Washington
- Not ordinarily involved in local issues but many DC residents as board members
- *Advocacy*

Local Advocacy Organizations

DC Preservation League (DCPL)

- Local non-profit preservation advocacy organization

- The mission is to preserve, protect, and enhance the historic built environment of Washington, D.C.
- Publishes annual “Most Endangered” list of historic properties
- Serves as primary local “spokesman” for the historic preservation community
- *Advocacy*

Cultural Tourism DC

- Local non-profit organization
- Broad membership of 125 heritage and cultural organizations.
- Researching and establishing cultural heritage tours
- Working with visitor industry to expand Washington tourism “beyond the Mall”
- Publications and events to broaden understanding of Washington heritage
- *Policy, Education/Advocacy*

Committee of 100 on the Federal City

- Local non-profit organization
- Mission described as “...to safeguard and advance the fundamental planning, environmental and aesthetic values inherited from the L'Enfant Plan and the McMillan Commission that give Washington its historic distinction, natural beauty and overall livability.”
- Influential board of directors
- Since founding 80 years ago has intervened as citizen advocacy group in multiple issues that would adversely affect the quality of the urban character of the District of Columbia
- *Advocacy*

Neighborhood Organizations

Advisory Neighborhood Commissions (ANC)

- Elected neighborhood organizations
- Formal role in advising on multitude of public issues
- Informal role in influencing nature, scale and quality of development
- *Policy, Advocacy*

Community Development Corporations (CDC)

- Not-for-profit development entities
- Largely funded by City and foundations
- Primarily concerned with housing development
- Some concerned with social issues and neighborhood commercial development
- Some now participating in DC Main Streets program
- Historic preservation not primary issue of CDCs but many operate in historic neighborhoods and eligible neighborhoods.
- *Advocacy, Ownership/Stewardship*

Various Neighborhood Groups

- More than 75 non-profit organizations, sometimes no formal legal structure
- Often catalysts for historic designation
- Often venue for raising concerns about gentrification
- *Advocacy*

Main Street organizations (MS)

- Revitalization strategy for neighborhood commercial centers
- Formal program of Office of Planning and Economic Development
- Based on model of National Main Street Center (NMSC)
- NMSC is a program of the National Trust for Historic Preservation
- *Education/Advocacy, Ownership/Stewardship*

Entity	Policy	Regulation	Incentive	Funding	Research	Education/ Advocacy	Ownership/ Stewardship
ACHP	P	P a				P	
NPS	P	B b	P	S	S	P	P
NCPC	P	P a,b				S	
CFA		P a,b					
GSA							P
AOC		S b					P
OGB		P b					
SHPO	P	S a	P	S	P	P	
HPRB		P a b					
HPO				P	P	P	
Council	P	P b	P	P			P
Mayor's Agent		P b					
NTHP	P			S		P	P
PA						P	
DCPL						P	
Cultural Tourism	S				S	P	
Comm. of 100						P	
ANCs						P	
CDCs						P	S
N'hood Groups						P	
Main Street						P	P
P = Primary Role; S = Secondary Role; a = advisory; b = binding							

Appendix II – Conservation Districts ¹

Conservation Districts are becoming an increasingly popular vehicle to influence the quality of neighborhoods and protect areas from the intrusion of inappropriate and out-of-scale development.

The characteristics of Conservation District usually include:

- Initiated at the neighborhood level by residents
- Areas of distinctive character
- Established, highly developed areas
- Usually (but not always) residential neighborhoods

Conservation Districts are initiated for a variety of reasons and are then structured to respond to the particular challenges of the identified neighborhood. Five types of neighborhoods using conservation districts are:

- Older neighborhoods with common yet consistent architectural styles or with varied styles by a cohesive character. These neighborhoods may or may not fit the local definitions of “historic”.
- Older neighborhoods with an inventory of significant architectural structures, but because of intrusions, or alternations there is a lack of cohesion to qualify as a historic district.
- Historic neighborhoods where there is not the public or property owner support for the creation of a local historic district.
- Neighborhoods in high demand and with architectural character that is being jeopardized by “tear-downs” replaced with out-of-scale “McMansions”
- Neighborhoods of historic character which utilize a Conservation District as an interim step to a historic district while public and political support is garnered.

Because Conservation Districts emerge from a variety of circumstances, as expected there is a range of goals that the creation of the district is meant to meet.

Among “high demand” residential neighborhoods the goals are likely to be:

- Assure quality and appropriateness of infill construction
- Mitigate or eliminate “tear-downs”
- Maintain neighborhood character

Among stable residential neighborhoods, the goals might be:

- Maintain affordable housing
- Promote compatible infill construction
- Promote appropriate additions
- Influence scale of new construction
- Reduction of commercial intrusion
- Maintenance of residential character of the neighborhood

¹ Much of this discussion comes from a forthcoming article in the *Preservation Law Reporter* entitled “Protecting Older Neighborhoods through Conservation District Programs” written by Julia Miller of the National Trust for Historic Preservation and Rebecca Lubens. Publication expected in early 2004.

Among neighborhoods in transition goals commonly would be:

- Encourage new investment
- Promote economic development
- Increase visibility and influence at City Hall
- Promote neighborhood identity and sense of place
- Assure that incentivized housing meets a quality standard
- Diminish rampant demolition by bulldozer or neglect

For commercial neighborhoods typical goals are:

- Economic development
- Mitigation of commercial gentrification
- Influence on the quality and scale of infill development

Nearly all Conservation Districts would include:

- Public hearings
- A formal designation process
- Development controls
- Design controls
- An oversight board. This could be an existing historic preservation commission, a neighborhood board, a conservation district review board, or a planning commission

In Washington the neighborhoods that might consider Conservation Districts are:

- Rowhouse neighborhoods unprotected by historic district status
- Older neighborhoods that want to influence the character and quality of new development within the neighborhood
- Neighborhood commercial neighborhoods seeking to maintain the scale and pedestrian orientation of the business district
- Neighborhoods lacking the political will and/or public support to create a historic district
- Neighborhoods likely to face serious gentrification issues in the intermediate term future

Numerous models of Conservation Districts have been established around the country. There is no reason that the ordinance cannot be drafted to meet the specific needs and goals of a variety of Washington neighborhoods. The essential components should be kept in mind, however:

- Citizen based
- Design review
- Definable areas with distinctive character

Appendix III – Historic Homeowners Assistance Act

Over the past several legislative sessions a bill entitled the Historic Homeowners Assistance Act has been introduced in Congress. This bill would extend to homeowners a federal tax credit comparable to the credit currently available to owners of historic commercial properties. The key features of the proposal are:

- The proposal would allow homebuyers and homeowners to take a federal tax credit on residential properties they rehabilitate for use as their primary residence.
- The credit would be up to 20% of the amount spent on qualifying rehabilitation expenditures.
- A maximum credit of \$40,000, thus precluding excessive use as a tax shelter by very high-income individuals.
- Rehabilitation would have to comply with the Secretary of the Interior's Standards for Rehabilitation.
- Credit would be limited to properties located in historic district across the country or individual landmarks.
- Rehabilitation would have to be substantial (defined as the greater of \$5000 or the basis in the building). However, in distressed neighborhoods a minimum investment of \$5,000 would qualify.
- Prorata recapture if the homeowner lives in the home less than 5 years.
- Developers could rehabilitate historic properties, sell them, and pass the credit on to homebuyers. This feature would allow nonprofit housing providers to utilize the credit to further the goal of affordable homeownership.
- An option to convert the tax credit to a mortgage credit certificate which could be transferred to a bank or mortgage lender to reduce the mortgage interest rate, lowering monthly mortgage payments to benefit low- and moderate-income families who do not have enough tax liability to use the credit. In Empowerment Zones, Enterprise Communities, Community Renewal areas and distressed census tracts, the credit could also be used to lower the cost of the down payment.

The bill has received strong support in both houses on both sides of the aisle. Even though over half the House members were co-sponsors, the bill has not been enacted primarily because: a) no single member of Congress was willing to make the proposal his/her highest legislative priority, and b) widely disparate estimates of revenue loss.

This may represent an important opening, therefore, to encourage Congress to allow the District of Columbia to be a test case for the measurement of the effectiveness of the legislation and as an opportunity to obtain more reliable cost/benefit calculations than are currently available.