

Historic Preservation: A Catalyst for Communities

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Thank you and good morning.

It quickly became a cliché, of course, but the world really did change forever on September 11th. What long-term impact will those events have on our communities in the 21st Century? Anyone who says today that they know what's going to happen has allowed their arrogance to overpower their expertise. Anyone with the least intellectual integrity simply has to say, "I have no idea."

But there are two important lessons we have learned from these events; or perhaps more accurately that we have relearned. First, buildings can have meanings. Important buildings are symbols. Buildings can reflect values. Now let's put aside for the moment what the World Trade Center and the Pentagon symbolize for us and think what they must have represented to the terrorists – American global capitalism and American military power. They attacked the buildings they saw as symbols of those meanings. If their only aim had been to kill people those four planes would have been hijacked on a Sunday and crashed into football stadiums, but that wasn't done. But look at what else they didn't target – a shopping center, often seen as the representation of so called American consumer decadence. Why didn't they strike a shopping center? Because the buildings themselves have no meaning. They are pieces of crap. They are exactly what the sociologist E.V. Walter meant when he wrote, "For the first time in human history people are systematically building meaningless places." So lesson one from September 11th – buildings can be powerful symbols, but most buildings are not.

Lesson two is this: there is something incredibly important about public spaces. Here was this horrendous event. One might have speculated that everyone would want to go home, bolt the doors, and curl up in bed in the prenatal position. Instead what did we do, all over America? We gathered together in public spaces. We wanted, we needed to be with other people. And importantly other people not exactly like us. We didn't gather inside the private space of department stores or hotel lobbies. We gathered on the street, we gathered in parks, we gathered in public squares.

What does this have to do with South Carolina? Everything! Where are the buildings with meaning in your community – the buildings that were built to reflect symbolic values? The vast majority of them are historic buildings. Where are the public spaces in your community – the places where people gather to celebrate or mourn or protest? The vast majority of them are in your historic downtown.

This tragedy of September 11th as well as the war going on in Iraq as we speak have been described as a "clash of values". So I am going to spend some time talking about the word "values" and its sister words "value" and "valuable". All three come from the Latin

valere, which means, "to be strong, vigorous, in good health; to have force, avail, prevail; to mean, to signify". Whatever the future for our community in the 21st century, if it is to be an important place it must remain a valuable place. And on some level a valuable place must reflect values.

Well, I'll tell you what would have been an easy way to make this presentation today. I could have done what I often do, and that is to tell the story of historic preservation in numbers. I could have pointed out that here in South Carolina a million dollars of building rehabilitation adds more jobs than does a million dollars of production of the average manufacturing firm in South Carolina. Or I could have told you how that same million dollars of building rehabilitation adds more dollars to the household incomes of South Carolina citizens than a million dollars of manufacturing.

Or I could have pointed out that rehabilitation in South Carolina adds more jobs and more in household income than does the same amount in new construction. Or I could have cited the research that has been done here demonstrating the disproportionate benefit of heritage tourism over other kinds of visitation, or the incredible economic success of the South Carolina Main Street Program – economic development within the context of historic preservation, or the consistently positive impact that local historic districts have on property values in South Carolina as well demonstrated by the research commissioned by the Department of Archives and History.

I could have done all of those things – but I'm not going to. And this great new publication – Smiling Faces, Historic Places – gives you all that information anyway. Instead I would like to think about historic preservation in a larger context and its contributory role for the economically competitive city of the 21st century. So I would begin by asking you to think about the buildings in your community for a moment. Hopefully some – whether new or old – do have symbolic importance, do reflect values, do have meaning. But if your community is like most places, many of your buildings, particularly more recent ones, have no meaning. We have un-valued our built environment and by doing so we have devalued our buildings. All of us are somewhat to blame, but much of the responsibility falls on our institutions – national, state and local government; churches; fraternal organizations; banks and newspapers and leaders of commerce and industry. It is to those intuitions that we, individually and collectively, look for the establishment of our values, and to help us determine what is valuable. Once, not so long ago, those institutions understood the importance of expressing our common values in their buildings, and in doing so valuable buildings were created. Government buildings celebrated democracy and freedom, the empowerment of the people, justice. Most public buildings being built today look like we are striving for government by Wal-Mart.

The church or synagogue used to be a temple to god, inspire reverence, facilitate meditation, engender hope for a better tomorrow. Few religious structures being built today do that, nor even understand the importance of doing so. Some congregations have confused mere size with quality, like the mega-church outside of Oklahoma City known locally as Six Flags over Jesus.

Think about Masonic Temples. The buildings themselves said "strength", "stability", "brotherhood", "sanctity", "mystery". Now the Shriners are satisfied with a Butler Building and a Z-brick façade.

Then there are the buildings erected by leaders of commerce and captains of industry. 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. Now it's often difficult to tell a bank building from one housing telemarketing firms or advertising agencies or, worse yet, photomat stands.

All too often we have lost the intellectual and emotional connection between the building and the activities within. And we are all losers. It is not just terrorists who are tearing down our buildings with meaning – we are doing it ourselves with bulldozers every day. This affects both historic preservation and new construction. The buildings that were built in a day when the building was the message ought to be kept because the message – our common set of values – is, or ought to be, as valid as ever. And we ought to demand that the building built today reincorporate those values in their design, materials, scale, and detail.

I know that individually we have a wide range of political, religious, sociological, and economic points of view – and that is as it should be. But there is also a commonality of beliefs – of values – that we widely share: mutual respect; the importance of striving for excellence; regard for tradition; providing quality; frugal use of finite resources; understanding and appreciating our place in history; working in harmony but retaining individuality; having aspirations beyond our own self-interest. These are all values we try to teach our children, encourage in our employees, expect from our employers, and demand from those who want to do business with us. In our community, if in the 21st century we want it to have a future, then we need to be demanding valuable buildings, buildings with values.

I am going to give you an analogy and I will apologize in advance for it; I just haven't come up with a better one. When I was growing up my Dad was in the cattle business. In that business when you buy a new bull for the herd, or a registered cow, you make sure that it is better than the average quality of the whole herd. Every new bull doesn't have to be the best one you own, but if you add one of a quality less than the average, it is inevitable that the quality of the entire herd will eventually decline. Conversely, if you are going to get rid of an animal, you get rid of one of lower quality, not of better quality, or the long run effect is the same.

Now translate that to the buildings in your community. Every new building that we add doesn't have to be the best building in town; but if it is one more concrete block, Drivit covered structure, less than the average quality of the whole, the overall physical quality of our city can do nothing but decline. Likewise when we are pondering tearing a building down. If it is of a quality greater than the average – and frankly most historic

buildings still standing will meet that test – tearing it down reduces, does not enhance, overall quality.

One morning while working in California a couple of years ago I picked up a copy of the Sacramento Bee and read a local columnist – Steve Weigand – and here's what he wrote. "And from the Brave New World of the Internet comes the following new term. "Generica: fast food joints, strip malls and subdivisions, as in 'we were so lost in Generica, I didn't know what city it was.'" The towns that have already become Generica have lost the battle and might as well give up. Four hundred years ago the Italian philosopher Giordano Bruno wrote, "Where there is no differentiation, there is no distinction of quality."

I first became involved with historic preservation nearly twenty-five years ago, buying an old building, not because I cared about historic preservation, but because I cared about tax credits that could reduce the amount of money I had to send to Washington. So I'm going to use that time frame for my remarks today. Looking first at how dramatically the historic preservation movement has changed over that twenty-five years, then looking at what needs to be on our agenda in the immediate future if we truly mean for historic preservation to be a catalyst for our community.

Twenty-five years ago the historic preservation movement was primarily concerned with house museums and saving national landmarks. Today historic preservationists deal daily with issues of community character, saving local landmarks, cultural tourism, economic development, promoting neighborhood schools. It is not that house museums and national landmarks have become less important, but that our vision and horizon have significantly expanded.

Twenty-five years ago downtown revitalization was synonymous with tearing down that old stuff to make room for the new. Today historic preservation is the common denominator in virtually every sustained success story in downtown revitalization. Twenty-five years ago the National Main Street Center was just being formed; today 1600 communities have their own Main Street Programs and "The Main Street Approach" has become part of the vernacular of economic development professionals throughout the country.

- Twenty-five years ago historic preservation was seen by many as a frivolous extra, peripheral to a city's prerequisites. Today historic preservation is seen as an irreplaceable variable in the quality of life criteria essential for sustainable prosperity and growth.
- Twenty-five years ago historic preservation was seen as the opposite of economic development. Today historic preservation is a vital vehicle of economic development.
- Twenty-five years ago business leaders like Chamber of Commerce executives and bankers would rarely be seen at a preservation meeting. Last fall I was in Sayre, Oklahoma – population 4100 – where the drive to establish a National

Register District downtown is being led by the two bank presidents and the Chamber of Commerce.

- Twenty-five years ago there were only a handful of statewide preservation organizations; today 47 states have them, 41 of which have staff. Twenty-five years ago there was no such thing as a Certified Local Government, today there are 1343 of them in addition to some 200 local preservation advocacy groups and 2300 historic district commissions.
- Twenty-five years ago historic preservation was a movement that was largely obstructionist and reactive – standing in front of bulldozers to stop a demolition. Today, while preservationists still sometimes need to stand in front of the bulldozer, preservation is more often at the table from the beginning and is a respected part of the problem solving process, not a fringe advocacy group that can be marginalized at will.
- Twenty-five years ago there was no such concept as Smart Growth. Today historic preservation is a vital strategy in this nationwide movement.

Lest I forget, however, one important characteristic of the historic preservation movement has not changed in the last twenty-five years, in fact hasn't changed in the last 160 years. And that is that the ideas, the passion, the energy, the drive, and the leadership of grass roots preservation comes, and has always come, primarily from women. Aging white guys are kind of hangers-on, but the preservation movement owes its existence and its force to women. Dick Moe is the president of the National Trust and I happen to strongly believe that he is by far the best president the Trust has ever had, and hope he stays on for years to come. But I also hope we don't have to wait another twenty-five years for there to be a woman president of the National Trust for Historic Preservation. There are still remnants of the old preservation – a few in academia, some international preservation groups, a smattering elsewhere – who haven't bought into this expanded, more inclusive, less elitist, decidedly less dilettantish evolution of preservation. But their tired, outmoded voices are today lost among grass roots preservation activists, among those who have built over the last twenty-five years today's preservation, among you who sit in this room today.

Now I don't want this to sound like all of preservation's challenges have now been met and we still don't have to fight daily to keep the best of our built heritage, we do. But historic preservation is more rarely on the outside longingly looking in; historic preservation more often is on the inside and today speaks with a clear and credible voice. Historic preservation is not the answer to every urban problem, but historic preservation is a catalyst and part of the solution to the vast majority of city issues – affordable housing, neighborhood stabilization, downtown revitalization, fiscal responsibility, small business incubation, education, cultural policy, economic development, environmental quality, growth industry business recruitment, urban design, suburban sprawl, transportation, quality of life, social expression, economic integration. We have come a long way from only house museums and national landmarks.

So where does this leave us today? I've identified a handful of issues that I believe we'll have to do a better job of addressing over the next few years so that preservation maintains its role as a catalyst for communities.

And we might as well start with the one that we've avoided too long – gentrification. Gentrification is a serious issue and merits a reasoned response.

- First, diverse neighborhoods should be a public policy goal. Neighborhoods that are all poor can, in no sense of the definition, be considered diverse. What all neighborhoods need is economic integration.
- Second, the ultimate defense against gentrification is homeownership, and historic preservation strategies for neighborhood revitalization consistently strive for homeownership by existing residents as a top priority.
- Third, recent analysis indicates that far from having a negative impact on low-income residents, the revitalization of urban neighborhoods can improve the quality of life among disadvantaged households. The most credible analysis of gentrification yet undertaken was released last year by a housing advocacy group – the Citizens' Housing and Planning Council in New York City. Here is what they reported:

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.

- Fourth, since there is often significant vacancy in older and historic neighborhoods, there can be significant in-migration while keeping long-term residents in place.
- Fifth, historic preservation is often the erroneous target in the gentrification debates. Listen to what Seattle Mayor Greg Nickels has said:

Clearly gentrification is occurring in our city...I don't chock that problem up to historic preservation, in fact I think in some ways by preserving and upgrading and restoring the housing in a neighborhood you can keep the prices more affordable than when new construction comes into a neighborhood.
- Sixth, if White Flight from cities was bad – and who in their right mind would suggest it wasn't – how, then, can the return to cities of the middle class -- both white and black – not be considered a good thing.
- Finally, "gentrification" is the result of too little historic preservation, not too much. People of all income brackets are attracted to historic neighborhoods because of the quality of the housing; because of the investment protection that a local historic district provides; because there is a wide range of housing styles and sizes available; because typically there are citizen activists committed to advocating for the neighborhood; and because there are few tools other than local historic districts that can defend a neighborhood against inappropriate uses, out-of-scale development, low quality construction, and the encroachment of objectionable uses. Because the number of households looking for neighborhoods

with those characteristics exceeds the supply, historic neighborhoods are in high demand. The answer is not to have fewer historic districts – the answer is to provide historic district protections to more neighborhoods.

It's time preservationists quit avoiding the gentrification issue.

Related to this issue of gentrification is the issue of neighborhood diversity. America is a diverse country, ethnically, racially, economically. From a political perspective there's not much unanimity in the U.S. regarding overall urban policy. But I think there is rather widespread agreement on one issue – our cities would be healthier if we had diverse urban districts – that no one particularly benefits from neighborhoods that are all rich or all poor; all white or all black. And while for nearly forty years we have had laws prohibiting discrimination based on race or religion, while anyone with the money to buy can live wherever they choose, our neighborhoods as a whole are not very diverse. Presidents have said, "I want my cabinet to look like America." Well virtually the only neighborhoods that look like your entire community are your historic districts. I had an intern last summer looking at preliminary Census data from Cleveland. We posited that to be a diverse neighborhood it had to be less than 80% white and less than 80% black – that is no extreme concentration of race. 61% of the non-historic neighborhoods in Cleveland failed to meet that test – 61% were essentially all white or all black. But in the historic districts? The percentage was virtually reversed with 63% meeting the diversity test. This is not an accident. Neighborhoods that have a wide variety of housing sizes, styles, conditions, and prices, will end up with a wide variety of human beings who choose to live there. And it is in our historic districts where that wide variety of housing choices is available. I've looked at data from a dozen cities and the answer is always the same – historic neighborhoods are decidedly more racially, economically, educationally, and occupationally diverse than other parts of the community. Find someone to look at the data from the 2000 Census and just see if that isn't also true in your community.

An issue that many of you have been dealing with for several years is Smart Growth. That effort will have to continue. The opposition to Smart Growth is becoming more sophisticated in their tactics, often describing their own initiatives as "smart growth" when the results of implementation would be the polar opposite. Here's what you need to know: historic preservation is not just one of the tools of Smart Growth – it is the indispensable tool. Greenbelts around cities are nice; but you can have Smart Growth without greenbelts. Transferable development rights are a useful tool, but you can have Smart Growth without TDRs. Conservation easements can assist in reaching Smart Growth ends, but you can have Smart Growth without conservation easements. But, simply put, there can be no Smart Growth without historic preservation. Period. No exception. Any anti-sprawl strategy that does not have historic preservation at its core is Stupid Growth. Period.

On all levels of government preservationists are going to have to be more active in assisting public agencies in dealing with their historic buildings. On the national level that means the General Services Administration, the Army, the Veterans Administration, the National Park Service, and others. But there will also be needs at the state level, at the county level, and particularly at the city and school district. Look, preservation is our

expertise, not theirs. There is no way they can be expected to understand the right way to treat and reuse their historic buildings without our help. While we shouldn't be reluctant to be the adversary of public entities when they are putting historic buildings at risk, we shouldn't wait until a conflict emerges to get involved. We should be the helpful allies of agencies' stewardship, not just their antagonist after the fact.

Maybe the most critical issue we need to begin addressing is the issue of affordable housing. Over the next ten years around 20 million net new jobs are going to be created in America. And that's great. But nearly seven million of those jobs – 34 percent of the total, are going to pay less than \$20,000 per year. Now I suppose that has all kinds of political, social, and philosophical issues involved. But I have just one question – Where are those people going to live?

Now certainly not every building over 50 years old is or ought to be considered "historic". But for the moment let's take a look at the housing in this country built before 1950. And let's for the sake of discussion consider older and historic neighborhoods without distinction. You all know about the census of population every ten years, but not everyone knows that there is also a periodic census of housing. What I want to do is to share with you some of what has been learned about these older neighborhoods.

- Think about those \$20,000 jobs. What can they afford for rent? No more than around \$500 a month. Well 48% of the housing built before 1950 that is tenant occupied rents for less than \$500 a month.
- There's a basic principle in real estate that you can't build new and rent cheap. And to demonstrate that 84% of housing built in the last five years rents for more than \$500 a month. In other words, out of the price range of those seven million workers.
- 32% of all households living below the poverty line live in older and historic housing
- Oh, and by the way, 35% of Black homeowners live in older and historic houses and 38% of Black households with incomes less than \$20,000 live in those houses as well.
- Of the people below the poverty line but still own their own homes, 30% of those houses were built before 1950.

Now you can say, "well but those poor people have housing subsidies to take care of the affordability issue." 70% of households with incomes less than \$20,000 receive no housing subsidy of any kind.

I'll bet many of you have someone in your city hall – a building inspector or a police chief or a member of the city council who will say, "Yeah, but those old houses are about to fall down." Well as it happens this housing survey also looks at the condition of housing and identifies units that suffer from severe physical problems – arguably the properties that ought to be torn down. You know how many pre 1950 houses are identified as having severe physical problems? Three percent! Another 8% are identified

as having moderate physical problems. Meaning 89% of older and historic housing isn't on the physical problem list.

Now you may have a hot shot economic director back home who says, "Well, I understand how other places are going to have to worry about this affordable housing for workers business, but our town is going to be part of the new economy, the high tech economy, the cutting edge economy. And those are all high paid jobs so we don't have to worry about the affordable housing issue."

Well, Mr. "we're the new economy" economic development director, let me splain you something. In the next ten years for every new job for a computer programmer we'll need 7 clerical workers; for every chemist we'll need 43 cashiers; for every operations research analyst we'll need 73 janitors.

Furthermore the so-called new economy workers are driven by quality of life issues on where they want to live. Well quality of life means good childcare, and childcare workers make less than \$11,000 a year. Quality of life means nice restaurants – and waiters and waitresses, and we'll need 300,000 more of them over the next ten years, make \$12,730. Quality of life means clean and safe buildings, which require janitors and guards and they make less than \$16,000 a year. So high tech, high pay, new economy cities – good for you...but you're going to have to have a whole bunch of workers who don't get paid like you do. Those workers are going to need a place to live. So you better be insisting that older neighborhoods be protected and enhanced if for no other reason than to make sure your kid's nanny has a place she can afford to live.

With this pressing need for affordable housing it must be that policy makers are making sure our older housing stock is being maintained, right? Alas, not so. Every day of the week, 7 days a week, 52 weeks a year for the last 30 years we have lost 577 housing units built before 1950 – 80% of them single family residences. And our most historic dwellings – those built before 1920? In just the decade of the 90's 772,000 of those housing units disappeared. Well, I shouldn't say "disappeared"; the vast majority of them were consciously torn down.

I believe preservationists now have a great opportunity but also a great responsibility to address this issue of affordable housing in our communities. Let me repeat a real estate fact of life – you can't build new and rent cheap, it can't be done, unless you have deep public subsidies or you build crap. A major economic reason to stabilize and preserve close-in older neighborhoods – even if you think they are of nominal architectural or historic value – is so you preserve an inventory of affordable housing. So when you see a house being torn down in an older neighborhood, don't just weep for the architectural character or cultural significance or historic importance that is being lost forever. Also say to yourself, "Well, there's one more unit of affordable housing that we've thrown away," and it will be very expensive to replace it.

There are only 4 options in addressing the housing affordability crisis – 1) mobile homes (where 2/3 of the owners don't own the ground on which they sit); 2) building cheap

houses where land is cheap – that means exacerbating the problems of sprawl; 3) having very deep public subsidies; or 4) protecting and reinvesting in our older and historic neighborhoods. You tell me which is the most responsible option.

So there are some issues – gentrification, neighborhood diversity, public buildings, affordable housing, smart growth, building security, – that were on few preservation agendas twenty-five years ago, that need to be on our agenda today.

To make sure historic preservation is a catalyst for communities here's what we need to know:

- If we are to have an effective environmental policy historic preservation is important.
- If we are to have an effective transportation policy historic preservation is important.
- If we are to have vibrant downtowns historic preservation is important.
- If we want Smart Growth historic preservation is not only important but irreplaceable.
- If a local official wants to claim the treasured mantle of fiscal responsibility historic preservation is imperative.
- If we want to avoid Generica historic preservation is essential to establish differentiation.
- If new businesses, start-up businesses, innovative businesses, creative businesses are going to be fostered and encouraged a community will need historic buildings for that to take place.
- If the essential workers of this century are going to be able to afford a place to live, we'll need older and historic buildings to house them.

I think "catalyst" is a great word for describing the role of historic preservation. But if there is one adjective that describes the impact of historic preservation best it is this one – healing. Healing our cities, healing our neighborhoods, healing our downtowns, healing our small towns, healing our economies – all by healing our historic resources.

I began these remarks recalling September 11th. Some have referred to that day as the first battle in a new world war, and the war in Iraq as the second phase of that war. But this military victory in Iraq will not mean the end of this new war – it will go on in some form for a generation. And we – America – need to look for tools beyond smart bombs to win that war.

If historic preservation has proven to be such a healing tool in America, why can't it be a healing tool around the world over the next generation? God knows we're going to need one.

Thank you very much.

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