

HISTORIC PRESERVATION

AS A MEANS OF

COMMUNITY ECONOMIC DEVELOPMENT

Patsy M. Fletcher CED Project Final Report January 1993

Definition of the Problem

At the beginning of the project, I had identified the following as the issue:

If nothing is done about it, the history and culture of traditional African American Washington, District of Columbia, an historical source of individual and community pride and stability, will be lost to the current and future generations of African Americans.

It is apparent that every day urban historically Black communities are being destroyed through urban renewal, gentrification or neglect because these neighborhoods are not valued for what they have represented. Generally considered the worst and poorest urban settings, there is the perception, on the part of the larger society, as well as, by many inhabitants themselves, that anyplace would be better to live than a community of Black people. The feeling is that African American people live where they do because they have to and, if given a choice, the assumption is, they would want to live in generic white neighborhoods.

At one time though, Anacostia, Shaw which contained the famed U Street Corridor, LeDroit, H Street, Southwest and other Black neighborhoods made up what was termed "the undisputed center of American Negro Civilization." A distinctive presence as a community of the District since the 1820's, there is barely a trace today of the once magnificent neighborhoods and rich culture emanating from "The Secret City." The construction of public housing in the 1930's, alleged slum clearance beginning after World War II in Georgetown and Foggy Bottom, and later integration,

development, poverty, disinvestment and changing demographics have all contributed to the diminution of the compelling presence of Black Washingtonians.

To a great extent, the destruction of what is historic is a universal problem. A recent article by Stefano Bianca for the "UNESCO Courier" discusses the threats to historic cities in Europe, Asia and Africa. Even where there is a commitment to preserving these old areas, there nonetheless is the necessity to upgrade these communities and bring them into the current century. He advises those responsible to try to strike a balance between restoration and adaptation to current needs and cautions that they must devise solutions suited to local situations.

Though the concept of "neighborhoods" in the urban setting may be a dying institution, there are still almost self-contained traditional communities in the District. These include Cleveland Park, Adams-Morgan, Chinatown, and Anacostia. And many have been designated historic districts. In fact, the overwhelming amount of attention given to preserving historical preservation, makes the past neglect of the local Black communities that much more glaring.

However, there are beginning to be organized efforts, nationally and locally, to address this concern. Locally, there are some groups engaged in preserving and or restoring the remains of historical Black areas of the District. However, historic

preservation as a means of community economic development [CED] has not been specifically emphasized. Nor is there a significant organized group to lobby for the preservation of Black Washington.

At the same time, there are elements that make it difficult to promote historic preservation especially in Black communities. As stated earlier, people do not understand or are unaware of the history that surrounds them. The curator of a 50th-year commemoration of Langston Terrace, a public housing development designed by an African American architect and built in 1937, recounted the amazement of current residents who suddenly became aware of the significance of their homes. For years, some had walked by the stone friezes and statues depicting the history of Black people from Africa to America never really noticing the story the art told. For a brief moment, that community felt a sense of pride that had been lost over the 50 years of its inception. Though most of the organized effort to continue the preservation and its observance have fallen by the wayside, this is still a preservation project with CED potential.

Still others shun historic designation, fearing speculation and rising costs pricing out longtime inhabitants, older people and poor people. Seen as an elitist and/or white movement, some communities feel that their needs would be overlooked and ignored. Community-based groups view preservation as externally controlled and financed. Finally, it is seen as an expensive and lengthy

undertaking that would delay the renaissance of a community.

What the instant project will show is that, not only are these fears ill founded, but that, if done in an organized fashion, historic preservation as a means of CED can halt the erosion of history and communities of people of color and can contribute to exposing the multicultural fabric of America's urban centers.

Project Goals

After many starts and stops, I settled on devising an action plan for community based groups to institute or use historic preservation as a basis for community economic development [CED]. In this way, African American community organizations can revitalize their communities by reclaiming and restoring them. Through development of such a plan, I hope to show the benefits of preservation and CED.

<u>Methods</u>

My methods involved basic research techniques. I searched records and other materials, and interviewed representatives from community based groups, historic preservations groups, locally and in other parts of the country. My interviews generally lead to referrals to other experts and/or materials. I attended hearings and meetings and toured various communities.

Initially, my project goal was to survey local community based

African American historical and cultural groups, since historical preservation extends beyond site interpretation or historic house restoration. I was also interested in how the target groups in D.C. were surviving financially, and whether or not an umbrella group representing their collective concerns could be formed. However, time constraints imposed by new employment prevented me from taking this direction. Additionally, I was unable to identify within Washington, a significant number of what could be termed community-based, African-American cultural institutions such as museums, theaters, cultural centers, historical societies. Though these existed in the Black communities, the vast majority were not governed by people from the surrounding community, but were sponsored by the federal or local government or by a national organization.

I nonetheless continued to gather information about various

Historic preservation is traditionally (Western) thought of as archeology - site interpretation, or as restoration of houses or buildings or a collection of them, i.e. a neighborhood or district. It also includes material goods and resources such as art, jewelry, fabric, etc. However, there can also be preservation of intangible historical or cultural resources such as music or dance forms, oral These divisions are at the root of conflicts history, dialects. between preservationists of mainstream and non-dominant cultures. The current preservation process and system is geared toward the values of the dominant culture with little consideration to what is important to the other cultures. Thus until recently, for example, shotgun houses, part of the African American material culture and history were deemed not worthy of preservation. Another factor that is challenging the field of historic preservation is the existence of "cultural layering." This usually occurs when more than one culture has used the same site over time, a result of the combination of cultural diversity and demographic mobility. urban areas, this is evident in most African American communities and in Chinatowns.

preservation projects that impacted or emanated from DC's Black communities, limiting my scope to historic neighborhoods, buildings, landscapes/open spaces². And I expanded my base of information to look at how historic preservation and economic development were joined in other cities.

It was difficult to first distinguish in the projects that I looked at which were community economic development and which were simply economic development. I decided that what I was looking for were the preservation movements spearheaded by the local neighborhood community organization who in turn remained organized to influence the development, housing, business and other affairs in those communities. What I found is that people engaged in community based historical preservation do not identity their efforts as community economic development but talk in terms of community revitalization or neighborhood rehabilitation that is not left to private hands. In many instances, the result was the same. One of the most successful of these was the Pittsburgh Community Reinvestment Group [PCRG] of which the Manchester Citizens Corporation [MCC] was a part.

The MCC originally organized to prevent demolition of the low/moderate income Manchester community. It was able to get the neighborhood designated a historic district and when it went to find monies to rehabilitate the neighborhood, it found that there

² This could be cemeteries, parks, playgrounds, etc.

was very little financial assistance available. Then in 1988 when a local bank planned a merger with another bank, the MCC lead a coalition of 17 other community based organizations, the PCRG, to challenge the bank to reverse its discriminatory lending practices services and its redlining. The PCRG was able to gain a number concessions from the bank, including direct access to a senior bank official to ensure a role in program design and marketing and prescreening applications; expanded marketing and service delivery; new program with specific five-year monetary commitment such as flexible underwriting for home purchase and rehabbing, affordable construction and permanent loans for non-profit housing and economic development, small and minority business loans; and other community investment such as contributions to nonprofit community development organizations. [Blake and Lowe, 1992] Though they did not identify themselves as being specifically involved in CED, the members of PCRG clearly achieved CED goals by their actions.

In D.C. African American communities, the thrust seemed not so much historical preservation as in housing rehabilitation. When the federal tax credits started to dry up, so did the interest in developing low/moderate income housing from rehabbing historic buildings. Fixing up housing and keeping them occupied with low to moderate income people stabilizes neighborhoods and contributes to economic development. When it is done by a non-profit that has some community members on its board, does that qualify as CED activity? The two most well known "community-based" non-profit

developers of low-to moderate income housing by restoring old but not necessarily historic buildings in DC are MANNA and ARCH. Both are located in African American communities but are essentially run by non-Blacks. Is that CED?

The city has established development zones which encompass some of the areas already designated historical districts. Within these zones, attention is to be given to not only development of housing but also to businesses. In addition, there are also more clearly community run agencies engaged in community development. But these are actually city established CDCs funded by the District by the Ford Foundation. These entities are interested in historic preservation only to the point that it fosters business Then there are the neighborhood preservation lobby development. groups such Ledroit, Anacostia who interface with other community groups as well as with the establishment organizations like the DC Preservation League. They are not necessarily involved with economics except perhaps indirectly.

Results

Why deal with historic preservation and CED? For one, it preserves the unique history, architecture or character of a community. Being designated historic offers legal protection and review of all proposed work. It can ensure community involvement in the planning of their neighborhood and lend control over unmanaged change. The property that is commercial or income generating is eligible for

tax benefits. And it is cost effective way of providing buildings and housing for a community.

The National Trust for Historic Preservation gives an example of the cost effectiveness of rehabilitation/restoration using econometric formulas created by the federal government to measure the local "multiplier effect" of rehabilitation as opposed to new construction. [Rypkema] If a community had to choose between spending \$1,000,000 in new construction and the same amount on rehabilitation, with rehabilitation:

- \$120,000 more will initially remain in the community
- five to nine more construction jobs will be created
- 4.7 more new jobs will be created elsewhere in the community
- household incomes in the community will increase \$107,000 more
- retail sales in the community will increase \$34,000 more
- real estate companies, lending institutions, personal service vendors and restaurants will receive greater monetary benefit.

Other public economic benefits, according to the Advisory Council on Historic Preservation, include formation of new businesses, stimulation of private investment and tourism, new jobs, compatible land use patterns, enhanced quality of life and sense of neighborhood pride, and reduction of deterioration and poverty. In a recent survey by University of South Carolina and the National League of Cities of 320 cities, the majority of mayors identified economic development as one the top three issues; and historic preservation was the seventh most cited economic development tool. Further of the 20 most successful economic development cities

identified by officials, 15 were the cities with the greatest amount of historic rehabilitation activity.

Based upon the research and observations that I have made, I have devised the following 10 point plan for a group that wants to pursue historic preservation as a form of CED. The points are as follows:

- 1. Conduct survey of Neighborhood
- Research history of building(s) or landscape or open spaces or neighborhood.
- 3. Work with local planners and form coalitions with neighborhood businesses and churches as well as with other natural allies such as environmentalists, realtors.
- 4. Based upon information gathered, determine as a community if you want to seek historical designation for whole community or a site and explore the possible impact.
- 5. Begin to educate total neighborhood community as to the historical significance and heritage offered by the neighborhood.
- 6. Apply for historical designation.
- 7. Solicit plans from interested parties for the development of the site or community.
- 8. Review CRA and other financial practices of local banks and prepare strategy for utilizing that resource.
- 9. Develop plan to raise funds necessary to finance the rehabilitation/restoration.

10. Follow plan.

with regard to point 1, the survey is to identify every structure, open space, ownership of properties. It should also measure such community characteristics as the number of jobs, population, assessed values of homes and businesses, data that would form the basis of true description of a community and the means by which change could be shown. In addition, the attitudes of the inhabitants towards their community, preservation, etc. This is a way to get the community involved in learning or re-connecting with their neighborhood. This is also an activity for which technical assistance could be secured. Sometimes, community surveys have already been done by the local historical society and planning commission but the community was not really involved and feels no ownership. The bottom line is that it provides the community a basis upon which to make planning decisions.

Researching the history provides the potential applicant for historical designation with the specific information for the importance and significance of a building or neighborhood. Some of this information sometimes has already been gathered.

Point 3, working with planners and forming coalitions with other interested groups, is necessary to have a holistic approach to determining the future of one's community. It is absolutely essential to know what downtown has planned for your area and it is

just as crucial to line up with all possible allies. Preservation is in the public interest but CED groups with this interest must be careful not to impose its goals when they are perhaps incompatible with the needs other community entities.

Generally, groups in D.C. have come into preservation and CED at the point where to save their neighborhoods, they are being forced to determine or react to a determination that a community or building be designated as historical. Unfortunately, seeking such a designation can be a tedious process. Once given the designation, though, any changes require review and community concurrence. One group, formed to save from demolition the Tivoli Theater, an historic movie house in Columbia Heights, sought historic designation. However, that action met with opposition so vociferous from persons asserting that they were the real community, that though the designation was given, it was nine years before the development plans were approved.

At the same time, the community must be given heritage education to instill a sense of ownership in the community and to solidify the base of support for the preservation efforts. Because of some misinformation about preservation, all segments must be given an opportunity to understand the impact of historical designation on their homes and neighborhood. For example, one myth is that the prices will increase. However, historical designation, alone, will not cause prices to be raised. [Ford, Gale, 1991] And in Anacostia

and in DuPont Circle, both designated historic sites, for example, the mean assessed values as well as the growth rates have decreased. It is thought that perhaps the historic designation has acted to insulate property values from the fluctuations common in other parts of residential Washington. [Gale] On the other hand, as investment in the community occurs, naturally rents and values will increase. This could pose a catch 22 but is surmountable with adequate planning to ensure that the low and moderate income persons will not be displaced involuntarily. A healthy community is one that is economically integrated. African American communities of the past were mixed income with vital commercial strips that could serve most of the needs of the neighborhood.

The application itself should present no major obstacles if the first steps are followed.

Developing a plan for the community once the designation has been granted requires careful thought. It must build in success and confidence. The plan should incorporate steps rather than a global approach. Small victories continue the sense of ownership and present more immediate returns on the community investment, both in pride and in finances. The plan should also discuss the feasibility of establishing self-help institutions to facilitate the rehabilitation needs, such as cooperative construction supply company, revolving loan fund, or financial training and management courses.

Point 8, to study the CRA and other financial practices of the local banks is a way to create resources that perhaps have been underutilized. Because most banks have practiced red-lining, they are vulnerable and ready to be induced to give back to the communities they have traditionally ignored. What remains is for the CED group to have as much information as possible on the lending performance and service delivery of a targeted bank and put together an inducement plan. The plan should incorporate clearly identified credit and other financial needs to assist the bank in determining all the ways in which it could act responsibly. An outstanding booklet by the National Trust for Historic Preservation lays out a plan for low-income neighborhoods to utilizing CRA in their historic preservation efforts. [Blake and Lowe]

In addition to that determining what banking resources are at hand, the group must put together an overall fund-raising plan for financing its incremental rehabilitation of its community.

Finally, put the plans to work.

Analysis/Conclusions/Recommendations

What has been presented is a composite of information gathered from various sources. What I hope was conveyed is the tremendous implications for historic preservation, community economic development and cultural diversity.

Because the action plan has not been presented to a group, it is difficult to determine that if it is successful. I think though that it is a universal plan that can be easily adapted. It presents no real surprises but insists upon hard work. To an extent it coincides in part with steps utilized by the PCRG. What I have seen with other groups is that different parts of the plan have been performed by groups from outside the community. As a result, the interpretation is not the same or the information may not be indicative of the community desires or in some way at odds with the community goals. When this happens, the tension and conflict arises. This is another reason why community control and self-determination important.

There are many issues of concern that need to be addressed in another forum. A few that came up:

- o Few local groups concerned with historic preservation are black;
- o The primary means of community economic development and historic preservation is through housing rehabilitation;
- o Creative ways must be sought to maintain the affordability of historical designated neighborhoods.

Finally, I found that I had to remind myself on occasion that preservation is not about buildings or sites but is a means to preserve human values. These values must be interpreted first in

a way that conveys the meaning it holds for the originators. And then it must be interpreted in a way that is universal and protects the public interest.

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