Chapter 14

Above: Brick Sidewalk in German Village, Columbus, Ohio (photo: UrbanOhio)

Above Right: German Village, Columbus, Ohio (photo: UrbanOhio)

HISTORIC PROTECTION

Background

What is Historic Protection?

Historic protection refers to tools and programs that can be implemented by local communities and property owners to encourage and implement the preservation and conservation of historic sites. Historic sites can include a multitude of structures and places such as: cemeteries, buildings of all varieties (e.g. houses, schools, barns, and warehouses), landscapes, religious properties, battlegrounds, archaeological sites, etc.

Historic resources can be protected through a range of programs and regulations, including designation on the National Register of Historic Places as a district or landmark; designation of a national historic district or landmark; or designation of a local historic district or conservation district. Other programs include tax incentives and technical assistance available through various state offices. These are further discussed below. The emphasis of this document is the local historic district, implemented through zoning, which is the most powerful tool available to local government to ensure the preservation and continued use of historic structures and areas.

How does Historic Protection relate to Balanced Growth?

One of the principles of Balanced Growth, with its dual economic and environmental goals, is to encourage new development and redevelopment initiatives. The preservation and protection of historic, cultural, and scenic resources is an important component of many development and redevelopment initiatives in existing communities.

Historic preservation efforts improve property values with significant positive spillover to surrounding properties. Median residential properties increased $67,000 in areas in and near designated historic districts.

(Gilderbloom, Hanka, and Ambrosius 2009; Zahirovic-Herbert and Chatterjee, 2011)

Historic Districts in Cleveland's Ohio City Neighborhood
(Map: Gregory SJ Soltis)

The economic benefits of protecting historic resources are well known, and are a key reason for the creation of a historic preservation regulation. It has been determined that historic designations can increase property values by as much as 20% and often lead to reinvestment in the community. These sites can also increase tourism and employment opportunities by attracting visitors who are interested in exploring the heritage and culture of a community or region. Another benefit of historic protection is that by promoting reuse of buildings in historic areas there is less need to build new infrastructure. This reinvestment in existing core urban areas, transportation, and infrastructure networks serves to enhance the economic viability of existing communities.

Issues

As mentioned above, creation of a local historic preservation zoning district can be an effective tool for historic protection. Two of the main aspects of such regulations pertaining to historic areas are preservation (retaining existing historic structures/areas to the extent possible), and compatibility (ensuring that any new structures, or additions/alterations to existing structures, are compatible with, and do not detract from, the historic character of the building, the district, or adjacent historic properties). The following issues should be addressed when creating such a regulation.

• **Survey and Inventory.** The first step in the process is a survey and inventory of existing sites and designation of future ones. Delineation of boundaries of a potential historic district is an important component of this process. Boundaries should include an adequate buffer area surrounding the district to help protect against development activities that may not be compatible with the existing historical use. If funds are not initially available for an extensive survey and inventory, an expert can prepare an informed brief survey, and additional grant funds for a more detailed survey can be leveraged upon adoption of the code and certification of the community as a Certified Local Government (see below). It is important in doing the survey to use Ohio Historic Inventory and Ohio Archaeological Inventory forms, to ensure the compatibility of collected data with the Ohio Historic Preservation Office and other preservationists in Ohio.

• **Local regulation options.** Options for local government historic protection include adoption of a Local Historic District code, and/or a Conservation District Code. The Historic District code establishes criteria for any changes made to locally significant historic buildings (they need not be state or nationally registered). Approval must be obtained from the local government through a local preservation commission for alteration and/or demolition of any structure protected by the code. Additional provisions can include design guidelines for

Historic preservation contributes to rural character.
Chardon Western Reserve House
(photo: Kirby Date)

new construction within the district to ensure that it is compatible with the district character. A Conservation District code is less stringent, but sets guidelines to ensure that any development changes in a designated area are compatible with the overall character of the district. Demolition and alteration of structures are typically not challenged as long as the new construction meets overall character guidelines.

• **Designation on The National Register of Historic Places.** Listing of any structure on the National Register of Historic Places, and/or identification of a neighborhood as a National Historic District, does not prevent demolition and alteration of structures. The benefits that come with these designations are limited to tax benefits for the property owner, which can be substantial, particularly for commercial owners seeking to do rehabilitation work. There are also market advantages for business branding, property value, and tourism that come with public awareness of nationally designated sites. It should be noted that any project involving federal funding (including CDBG, NSP, or other funds) will undergo state-level review if properties involved are designated on the National Register of Historic Places.

• **Design Guidelines.** Design guidelines should be established to provide criteria for design and review that will help to preserve the character of the historic site or area. These guidelines should be professionally prepared and tailored to the specific character of the district. Design guidelines help to establish criteria for review and approval of proposed new development and alterations to existing sites. For Certified Local Governments (see below), grant funds are available to help with the cost of developing design guidelines.

• **Historic Review Boards.** For Historic District and Conservation District codes, a commission or other body is typically needed to help with development of the code and review criteria, administer the code, and oversee the application process. This body may also act as an enforcer of penalties and to evaluate special cases such as hardship, variances, phasing and demolition by neglect. Another job of the commission is to deal with public relations and education for historic sites.

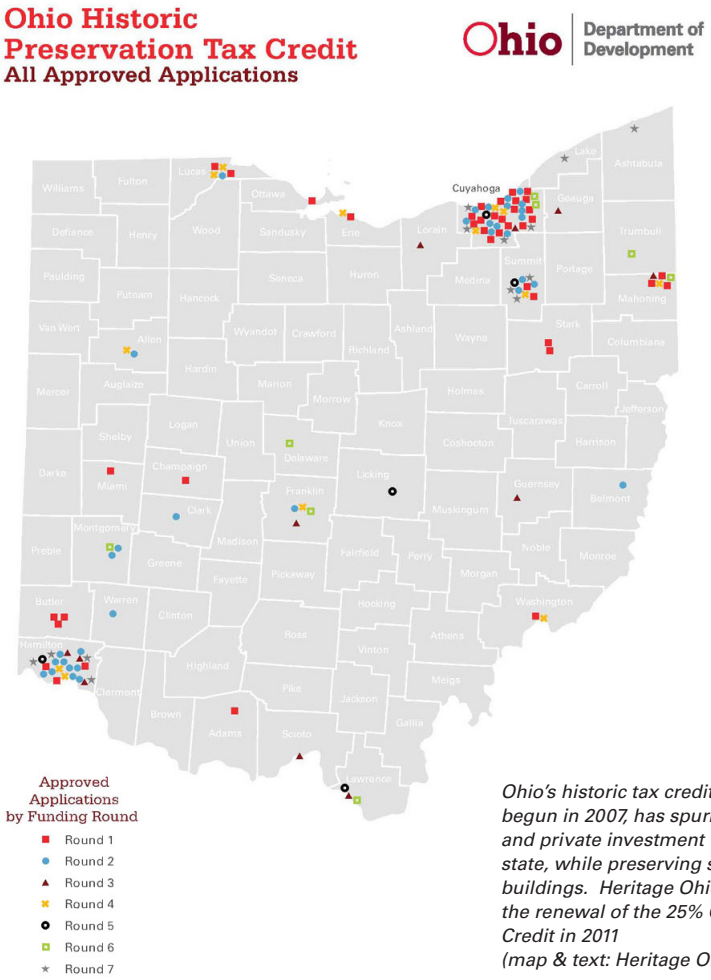
• **Economic incentive programs.** The economic incentives for historic preservation include property tax reductions, reductions in fees, and grants for rehabilitation. Municipalities may provide tax abatement programs, rehabilitation loan programs, and other financial incentives to encourage reinvestment. From those communities that are starting their first historic preservation initiatives to those that have well-established programs, each community that is involved may need help in beginning and completing projects. This usually means a need for funding. Through the Ohio Historic Preservation Office, your local

government can enroll to be a "Certified Local Government" which supports local goals for preservation, and enlists them as an eligible entity for grants, technical assistance, and other support. This federal-state-local partnership program is administered by the Ohio Historic Preservation Office and the National Park Service.

Tax credits are provided by the Ohio Historic Preservation Tax Credit Program that is administered by the Ohio Department of Development in partnership with the Ohio Historic Preservation Office and the Ohio Department of Taxation. The tax credits apply to rehabilitation of historic buildings. The non-governmental owner of a historic building can be eligible if the work is consistent with the U.S. Secretary of the Interior's Standards for Rehabilitation, and if the tax credit is a major factor in rehabilitating the building or increasing the level of investment. If received, then the tax credit equals 25% of "Qualified Rehabilitation Expenditures" (QREs) with a project cap of $5 million. These expenditures can include both construction and design/engineering costs. Due to the annual funding cap of $60 million, the OHPCT program is very competitive and applications are submitted on a biannual schedule.

Historic preservation creates jobs, 2 million over the past 30 years.

(Preservation Green Lab 2012)



Ohio's historic tax credit program, begun in 2007, has spurred job creation and private investment throughout the state, while preserving scores of historic buildings. Heritage Ohio championed the renewal of the 25% Ohio Historic Tax Credit in 2011
(map & text: Heritage Ohio)

Top: Hotel Onesto , Canton
Middle: Old Home Bank, Newark, Ohio
(photos: Ohio Office of Redevelopment)

Rehabilitating and repurposing is a green energy strategy. It can take up to 80 years for a new building incorporating energy-saving practices to pay back the energy impacts of its construction.

(Preservation Green Lab 2012)

Adaptive reuse projects pay for themselves. Public investments are recouped within 10 years.

(Choi 2010)

There is also a Federal Historic Rehabilitation Investment Credit program which provides 20% of QREs. The federal credit is only available to income-producing certified historic structures. When used together, the state and federal tax credits can amount to 45% of QREs. The federal program is not competitive, and does not run on a set schedule,. Applications are submitted to the Ohio Historic Preservation Office with final decisions made by the National Park Service.

It is recommended that economic incentives be addressed and encouraged in any local preservation plan. Giving a building an "historic" designation does not limit all of its uses. Historic buildings can be used for recreational purposes, offices, government centers or businesses. In some states, government offices are encouraged to move into historic buildings as a means of preservation. Many former commercial buildings are rehabilitated to residential uses.
The Ohio Main Street program, administered by Heritage Ohio, provides assistance to member communities in revitalizing historic or traditional commercial areas, enhancing community character and spurring economic activity. The program provides technical assistance, training, mentoring, and funding for Main Street efforts to eligible communities. For more information see the resources.

• **Public education and involvement**. While the economic benefits of historic preservation are well documented, they are not well known or understood by the public. Property owners especially can be skeptical about the long term benefits of implementing a historic preservation regulation. Any effort to establish a local historic preservation program should involve an extensive education and support-building effort with the community, including residents, families, businesses, local government, and institutions.

• **Zoning Standards.** There are other ways to protect or enhance the historical character of buildings within a community. If a community does not have the capacity or support to create historical districts or start an historical preservation program, they may make changes to architectural standards in the zoning regulations for certain districts. This allows a community to create or preserve character on a more basic scale, but without the benefits of tax credits and other related funding for historic buildings. Special consideration should also be given to appropriate uses in historic areas, whether or not they are protected by historic district regulations. For example, drive-through fast food restaurants may negatively affect the character of an historic street, and uses requiring large parking lots may have a similar effect. Attention must be paid to all regulations affecting development in an historic area.

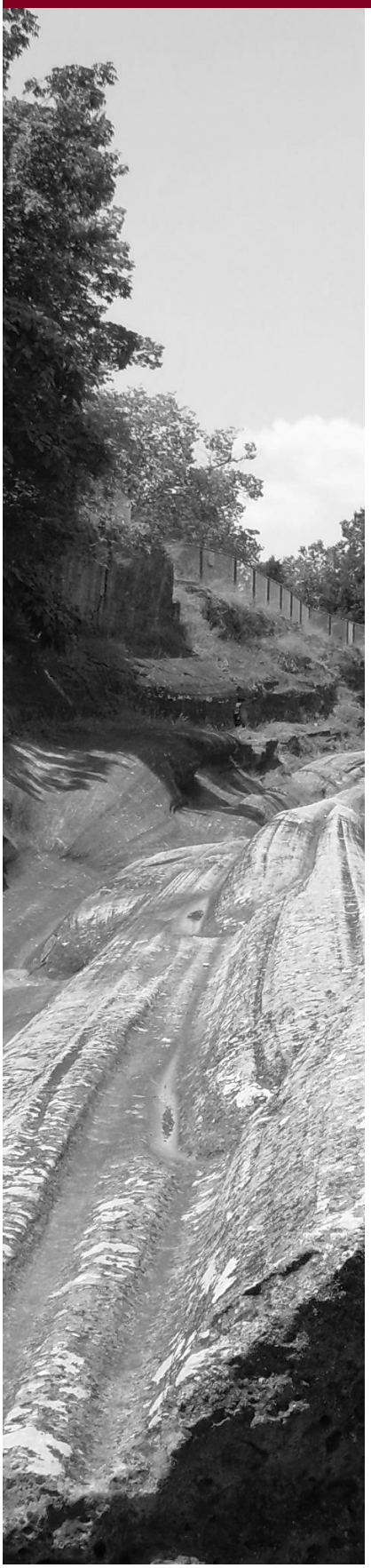
• **Façade easements.** A community could also use façade easements for selected buildings if owners are willing to agree. These easements preserve the exterior of historic buildings. The easement is typically held by the community, or a local nonprofit organization, such as a historical association, that is formed for a recognized public purpose. A typical easement will be negotiated individually to meet the needs of the easement holder and the property owner. Historic protection easements can provide tax benefits to some property owners, Similar to conservation easements, they must be held by a willing third party with a public purpose (such as a nonprofit historical society); this requirement can often be challenging to implement.

The Village of Jefferson Historic District

Above: Village of Jefferson Town Hall (Ashtabula County). Historic buildings contribute to community character and civic pride.
(photo: Kirby Date)

Above Right: Village of Jefferson South Chestnut Street circa 1907 Historic preservation is an important component of main street revitalization.
(photo: Donald Harrison)

In 2006, the Village of Jefferson in Ashtabula County embarked on a plan to examine ways to balance the need to accommodate new business in their downtown, with an interest in preserving the Village's heritage of historic homes and buildings. A citizens committee, working with the Village's Mayor, Council, Planning Commission, Chamber of Commerce and historic society, led a process to evaluate the economic vitality and market for their downtown and compare the relative benefits of a local historic district with a conservation district, and other programs. The community chose to implement a local historic district, adopting a code in 2010. Recently, a Historic Review Board has been seated and the village has become a Certified Local Government, working with the Ohio Historic Preservation Office to train their new board members and apply for grants for assistance in evaluating historic properties. It is hoped that the downtown district and businesses will continue to thrive and that business and tourist opportunities will expand, with knowledge that the Village's historic character will be preserved and enhanced into the future.



Glacial Grooves, Kelly's Island, Ohio
(photos: The Simple Life Chronicles)

Recommendations

1. It is recommended that communities address historic resources through comprehensive planning following an inventory, evaluation, and prioritization of historic sites. Implementation may include local designation of significant sites or boundaries for historic and conservation districts.

2. Establish a community education and outreach program to provide local residents, property owners and businesses with information about the economic benefits of historic protection, as well as information about the various tax benefits and funding programs available to support historic preservation.

3. Zoning regulations designed to preserve historic sites should address the local designation of of historic district boundaries, design review criteria and guidelines, variance procedures, and violation guidelines.

4. The State of Ohio supports strong "home rule" standards that allow local governments, particularly municipalities, to create historic districts within their community. There are precedents for townships enacting local historic districts in Ohio; communities interested should consult their Solicitor for advice.

5. Communities adopting a Local Historic District should consider becoming a Certified Local Government through the Ohio Historic Preservation Office which will make them eligible for benefits, training, and funding support for ongoing continuation of their Historic Preservation program.

6. Communities should also explore programs available through Heritage Ohio, Preservation Ohio, and the Ohio Department of Development that support historic preservation.

Example Regulations

Listed below is the example historic preservation model regulation for the State of Ohio, available through the Ohio Historic Preservation Office (OHPO).

Ohio Historic Preservation Office, Model Ordinance
http://www.ohiohistory.org/resource/histpres/toolbox/clg/clg-11.html

Visit the Ohio Historic Preservation Office for more information.
http://www.ohiohistory.org/resource/histpres/index2.html

Use of the Guidance and Example Regulations

This example guidance and/or regulations **should never be adopted without careful legal review** to assure that they are adapted to fit the authority and needs of the specific governmental body. They may need to be adapted for use by the specific type of local government and must be independently evaluated against potentially applicable federal or state law. **The law director/ solicitor, county prosecutor or other appropriate qualified legal counsel should always be consulted prior to adoption of any enforceable measures** based upon this guidance document to insure compliance and consistency with any applicable state and federal law, and to consider potential legal ramifications and liability in the implementation of the laws or rules to be adopted. Questions about the models and guidance can be directed to the Ohio Balanced Growth Program.

Photo Below: Ohio History Center, Columbus, Ohio
"The headquarters of the Ohio Historical Society, the Ohio History Center includes a museum, archives/library, historic preservation office, and Ohio Village, in addition to access to the Society's services."

OHIO HISTORY

OHIO HISTORICAL SOCIETY

Resources

West Side Market Tower in the Historic Market Square District in Ohio City, Cleveland, Ohio (photo: Gregory SJ Soltis)

The Community Planning Program, Tel: 216-687-5477,
Web: http://urban.csuohio.edu/cpp/

Heritage Ohio Main Street Program
http://www.heritageohio.org/ohiomainstreet/

Ohio Historic Preservation Office
http://www.ohiohistory.org/ohio-historic-preservation-office

Ohio Historic Preservation Tax Credit Program & Policies
http://development.ohio.gov/cs/cs_ohptc.htm

National Park Service – Tax Incentives for Preserving Historic Properties
http://www.nps.gov/tps/tax-incentives.htm

The Cleveland Restoration Society; Tel: 216-426-1000
http://www.clevelandrestoration.org/

Columbus Landmarks Foundation; Tel: 614-221-0227
http://columbuslandmarks.org/

Cincinnati Preservation Association; Tel: 513-721-4506
http://cincinnatipreservation.org/