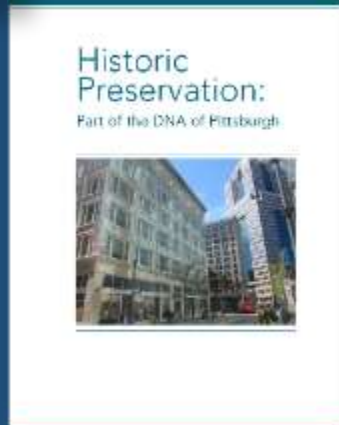
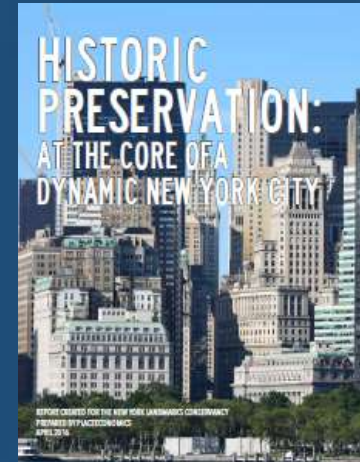
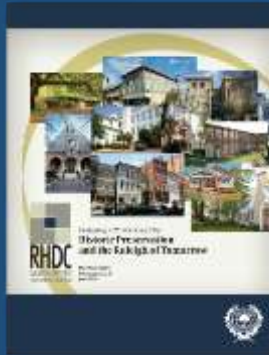
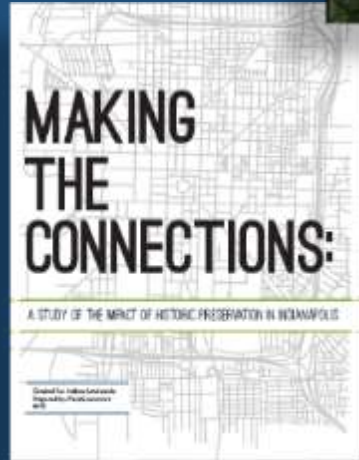
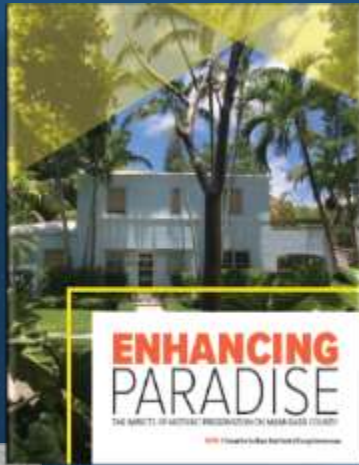


# LESSONS FOR CHICAGO: RECENT FINDINGS ON THE IMPACTS OF HISTORIC PRESERVATION

Preservation Snapshots Lecture  
Landmarks Illinois  
September 16, 2019

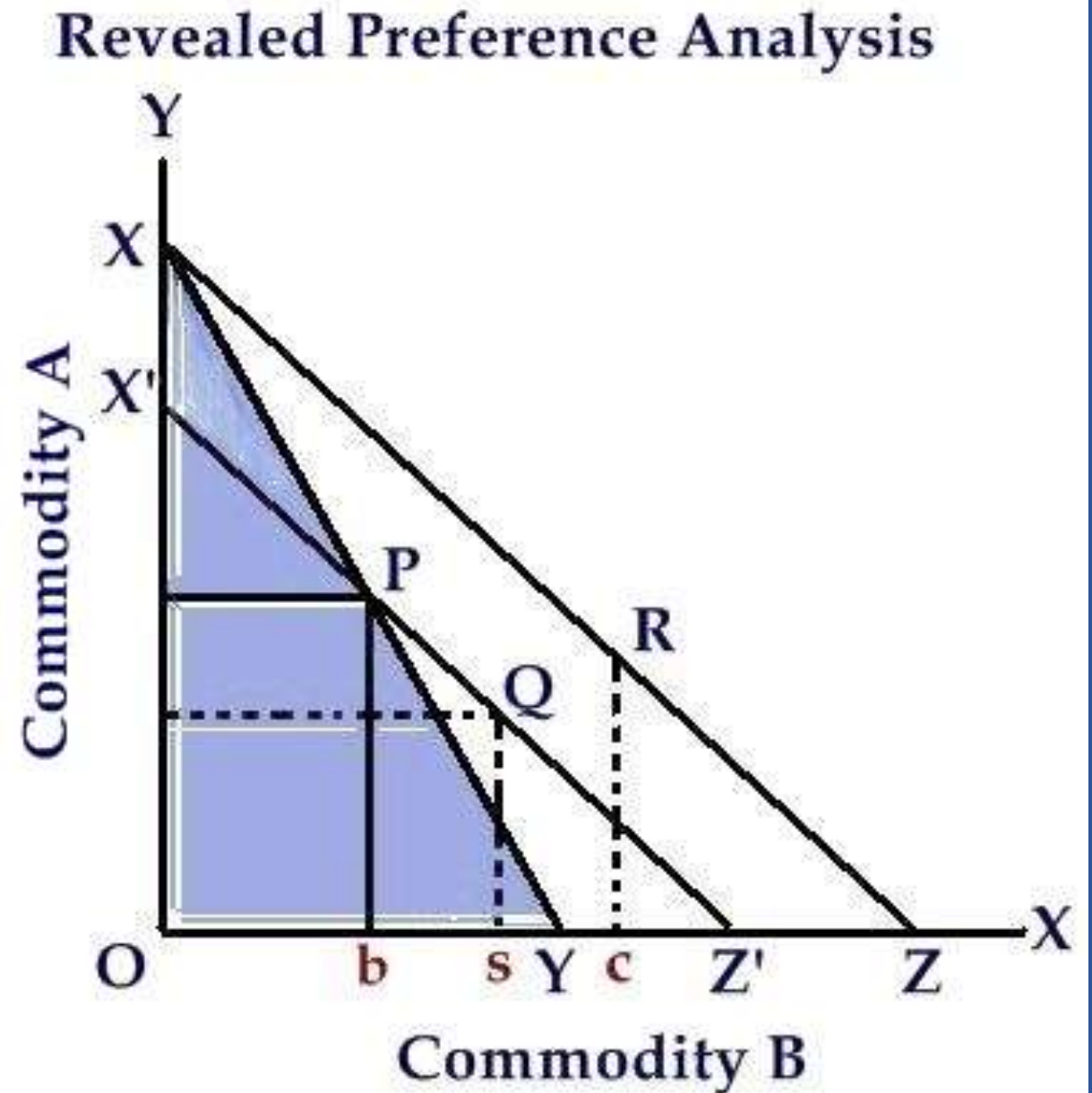


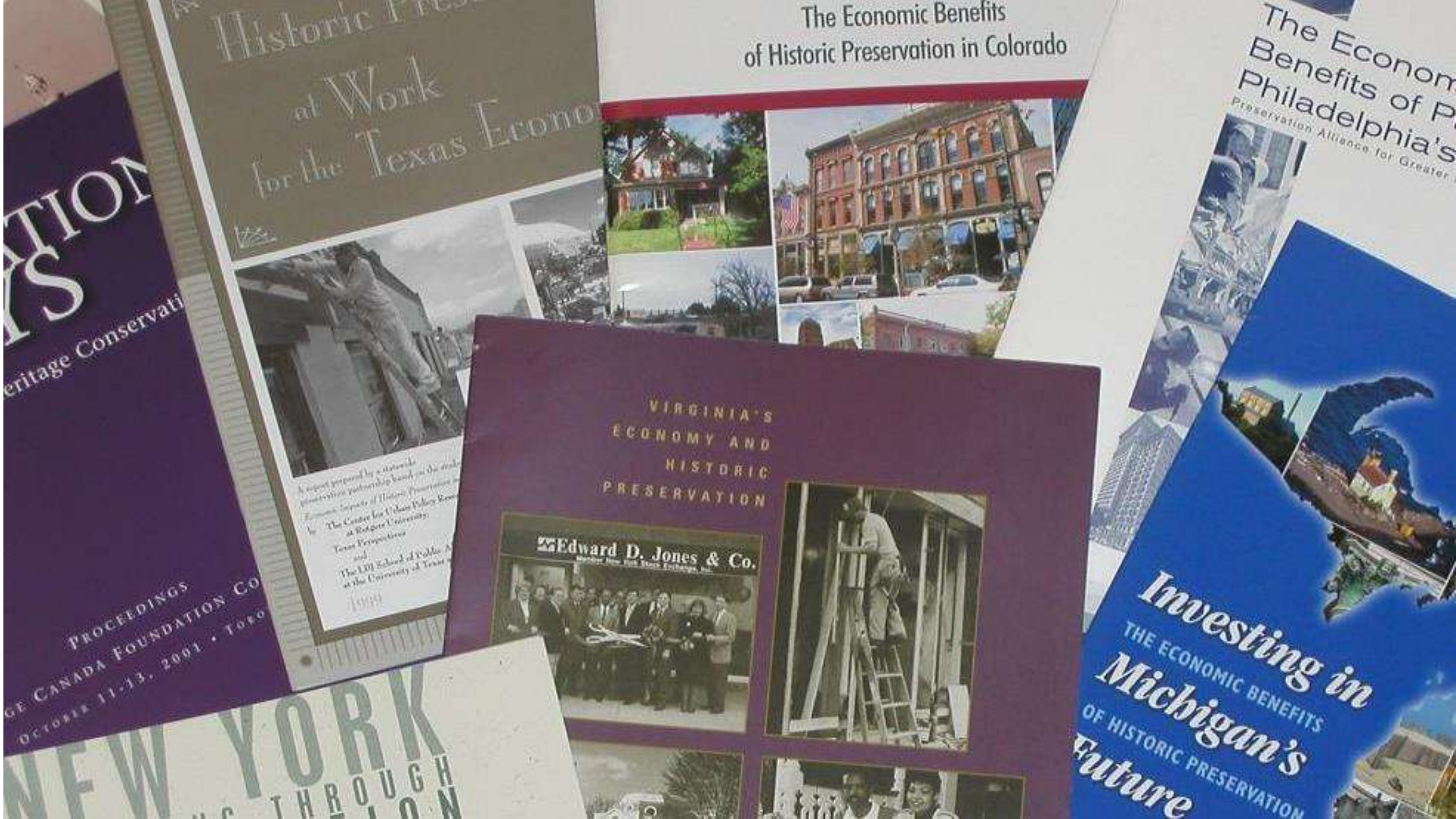
# What we've learned (Revealed Preferences)





The Concept of  
*Revealed Preference*





# Historic Preservation at Work for the Texas Economy



A report prepared by a statewide  
preservation partnership based on the study  
Economic Impacts of Historic Preservation in  
Texas  
by  
The Center for Urban Policy Research  
at Rutgers University  
Texas Perspectives  
and  
The LBJ School of Public Affairs  
at the University of Texas at Austin  
1999

# The Economic Benefits of Historic Preservation in Colorado



# The Economic Benefits of Philadelphia's Preservation Alliance for Greater...

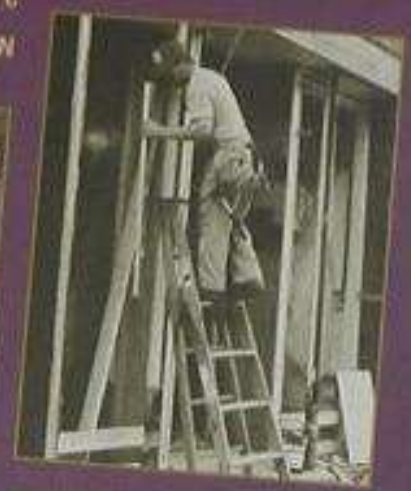


# Investing in Michigan's Future

THE ECONOMIC BENEFITS  
OF HISTORIC PRESERVATION



# VIRGINIA'S ECONOMY AND HISTORIC PRESERVATION



PROCEEDINGS  
GE CANADA FOUNDATION CO  
OCTOBER 11-13, 2001 • TORO

NEW YORK  
THROUGH  
ION



# Recent City-Level Preservation Impact Studies



# Reasons for City Level Studies

- 1 Get's rid of the "but that ain't here" argument
- 2 Familiar point of reference
- 3 Politicians see direct impact
- 4 Opportunity to tap local expertise
- 5 Can be put into consensus context
- 6 Study can be used for implementation

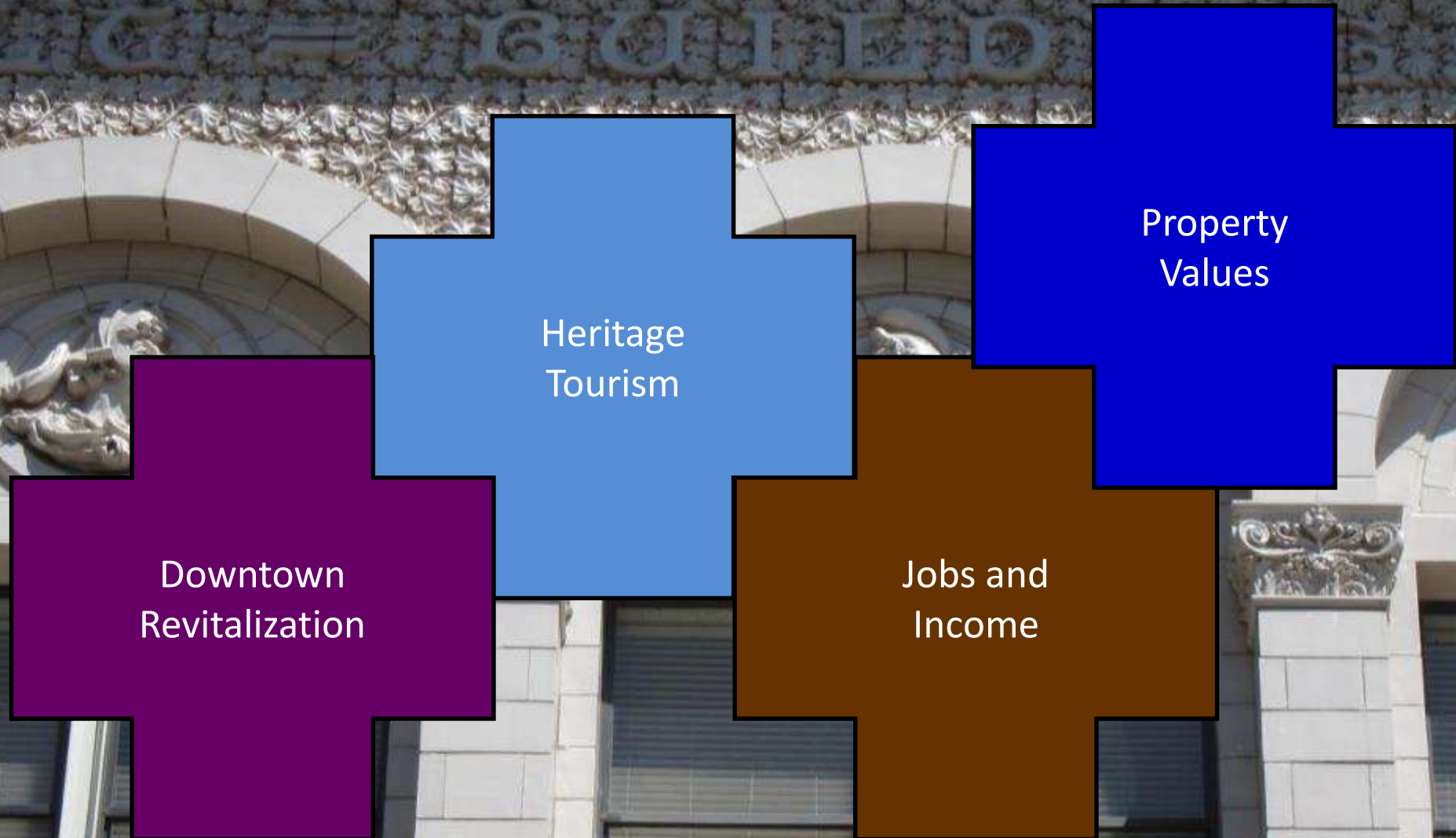
# Most Important Reason

*It is at the local level where the future of historic buildings is decided.*




# 30 Years of Preservation/Economic Studies

## The Big Four







Jobs and  
Income





## What Happens when \$1,000,000 is Invested in the Rehabilitation of a Pennsylvania Historic Building?

### Jobs

- 6.4 Direct Jobs
- 5.6 Indirect/Induced Jobs

### Labor Income

- \$391,766 Direct Labor Income
  - \$61,213/Job
- \$290,283 Indirect/Induced Labor Income
  - \$51,836/Job

### Output

- An additional \$853,514 of activity elsewhere in the Pennsylvania economy



## Impact of Preservation Project on Pennsylvania

How does \$1,000,000 spent on historic rehabilitation compare with \$1,000,000 in output from other Industries?

	Historic Rehab	Food Processing	Natural Gas Industries	Fabricated Metals	Medical Devices	Chemical Manufacturing	Drugs/ Pharmaceuticals
Direct Jobs	6.4	1.9	3.1	2.1	2.2	.8	1.6
Ind/Ind Jobs	5.6	4.0	3.9	3.6	4.1	2.6	4.2
Total Jobs	12.0	5.9	7.0	5.7	6.3	3.4	5.8
Direct Income	\$391,766	\$109,462	\$332,833	\$153,144	\$216,104	\$104,363	\$215,874
Ind/Ind Income	\$290,283	\$226,587	\$243,521	\$220,161	\$246,901	\$164,194	\$275,289
Total Income	\$682,049	\$336,049	\$566,354	\$373,305	\$463,005	\$268,557	\$491,163



# Louisiana

- 821 rehabilitation projects
- Nearly \$2.7 Billion Invested
- Each year 1,725 direct jobs + 1,429 indirect/induced jobs
- Each year \$102,744,000 in direct labor income; \$62,667,000 in indirect/induced labor income

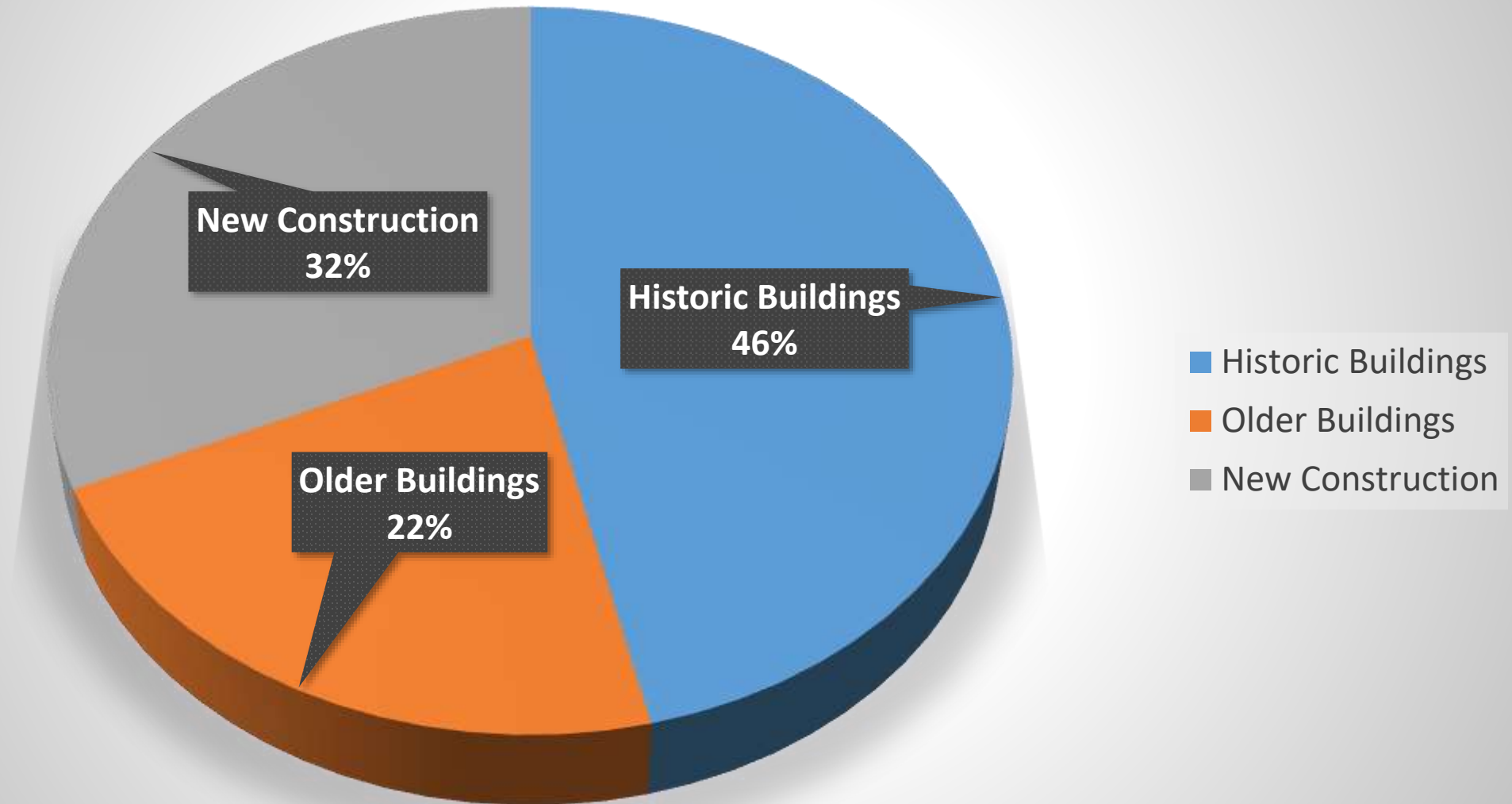




## Downtown Revitalization



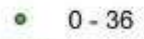
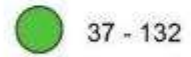
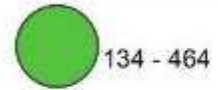
## Location of New Business in Downtown Raleigh - 2013



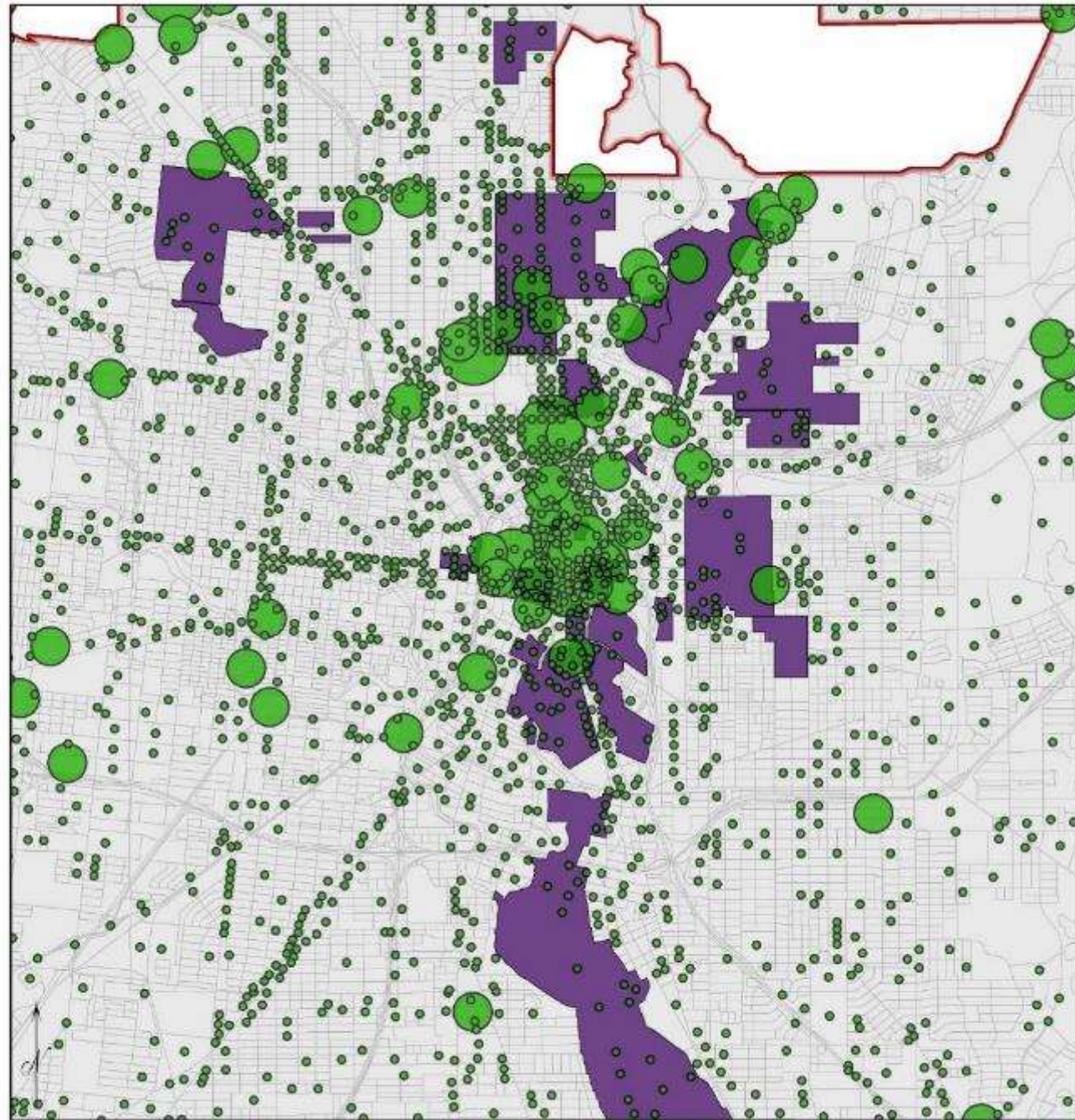


## Jobs at Small Firms

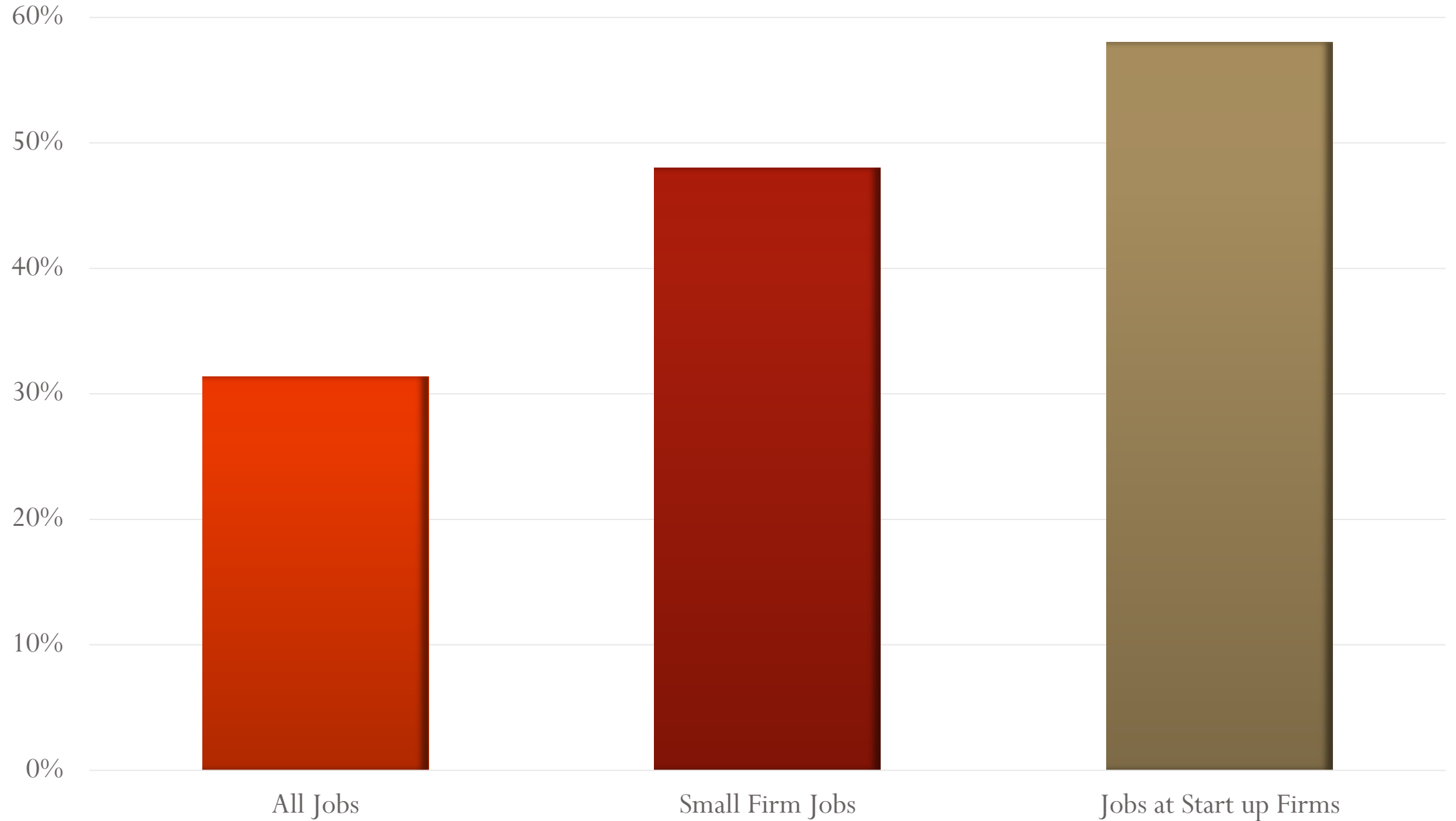
### Number of Jobs



Historic Districts



# Jobs in Historic Districts - Savannah



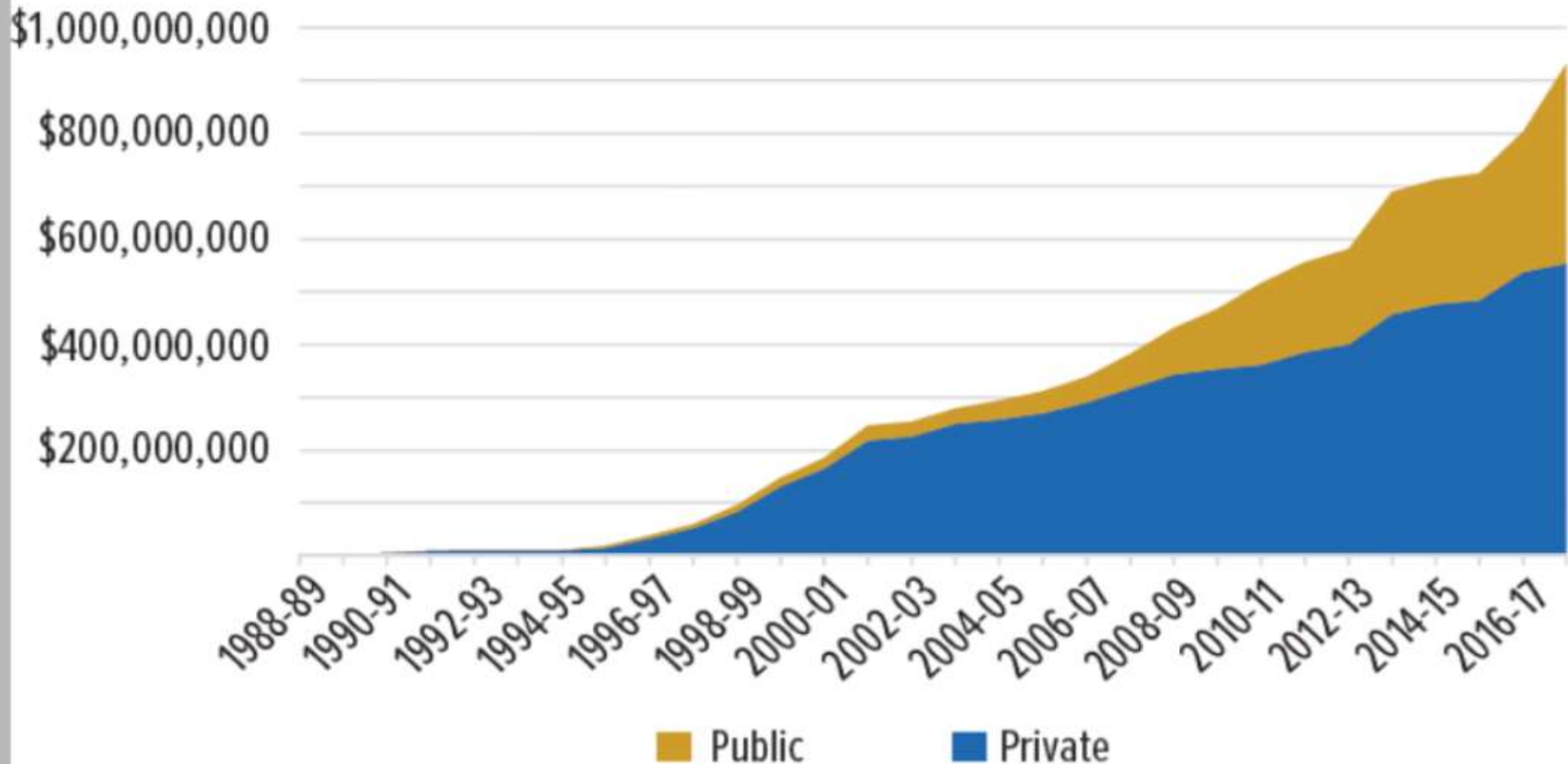




Of Raleigh's top 20 restaurants on Yelp, nine—nearly half—are located in historic districts.

# Louisiana Main Street

## TOTAL INVESTMENT, 1988-2018





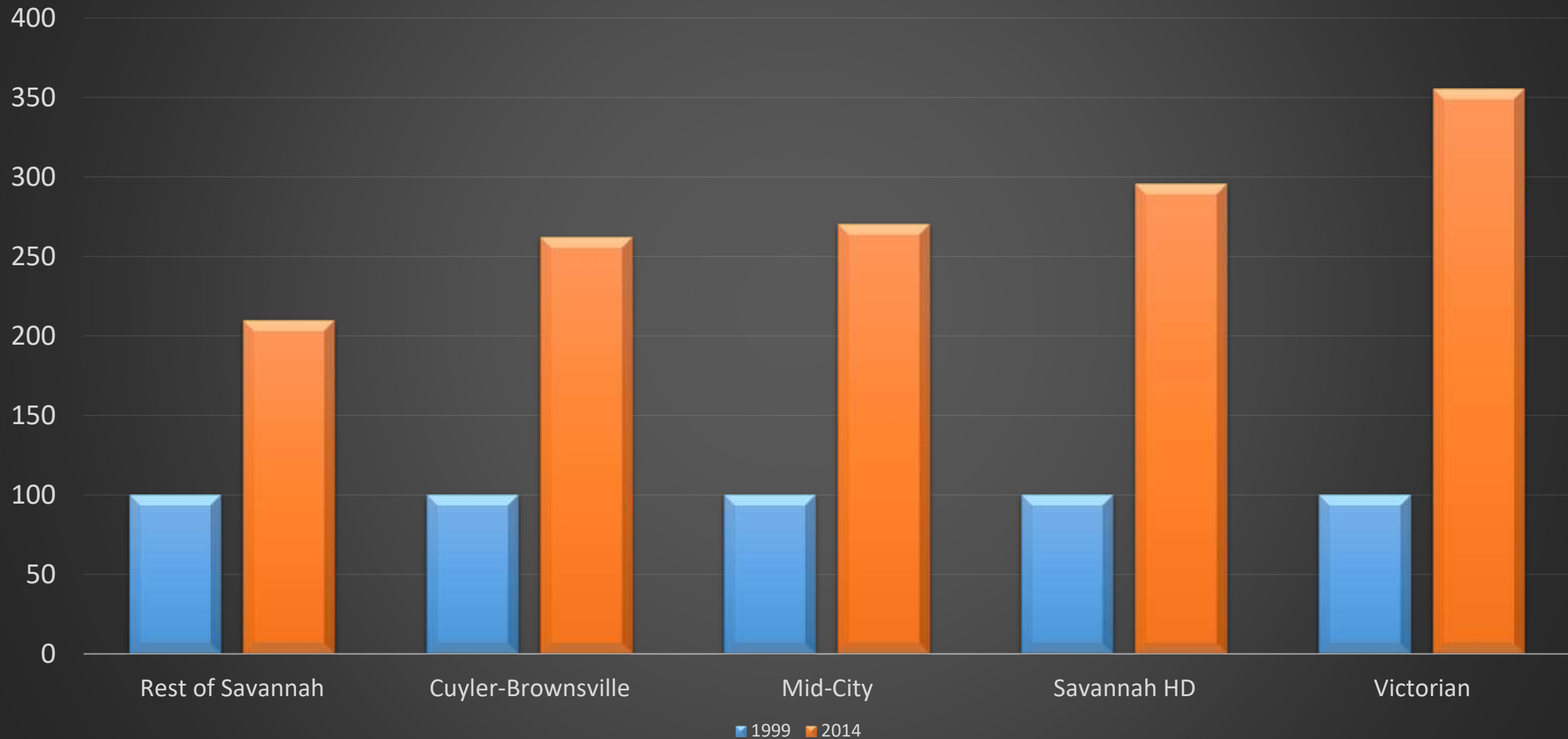


Property  
Values



# Value Change 1999 - 2014

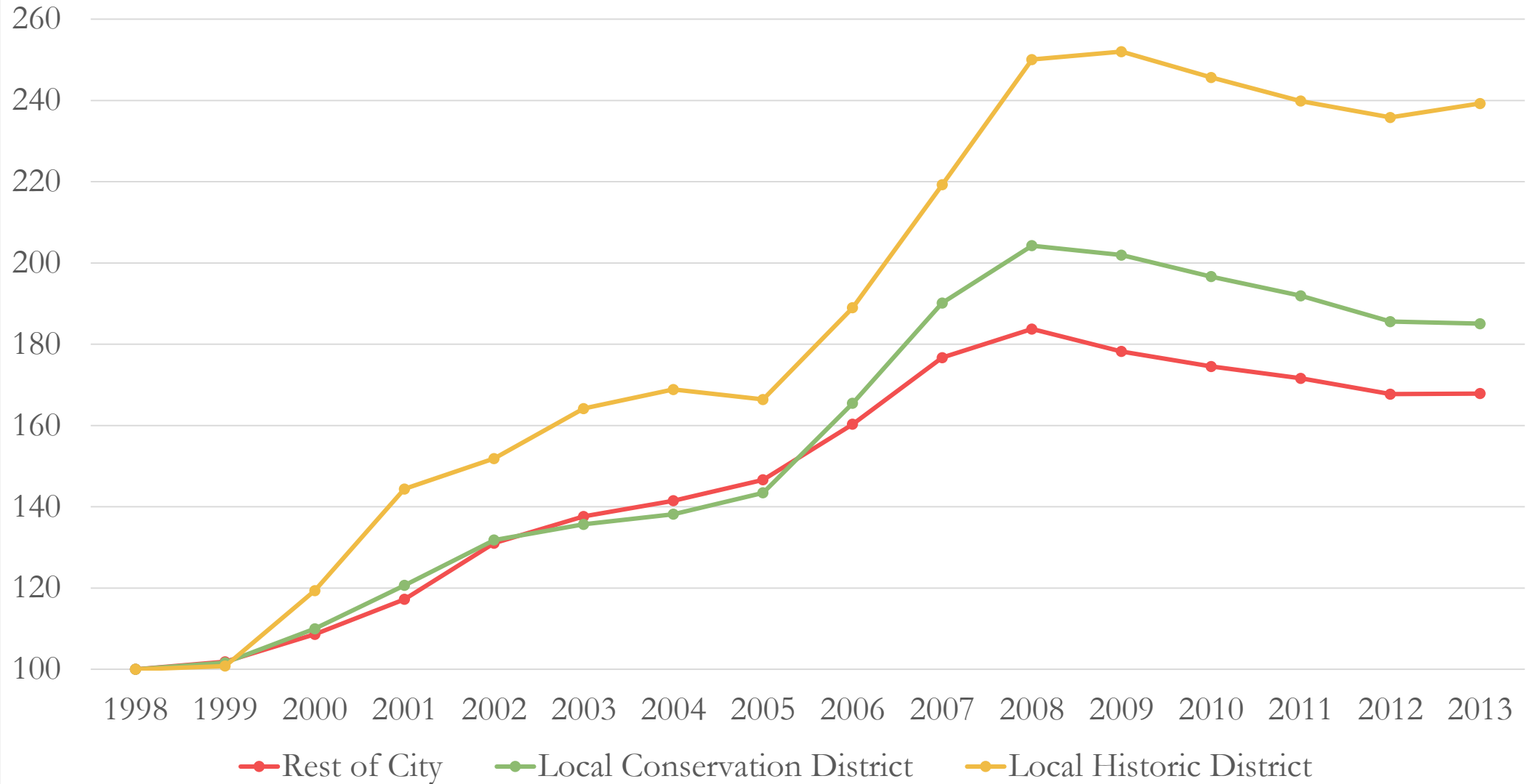
## Savannah Local Historic Districts



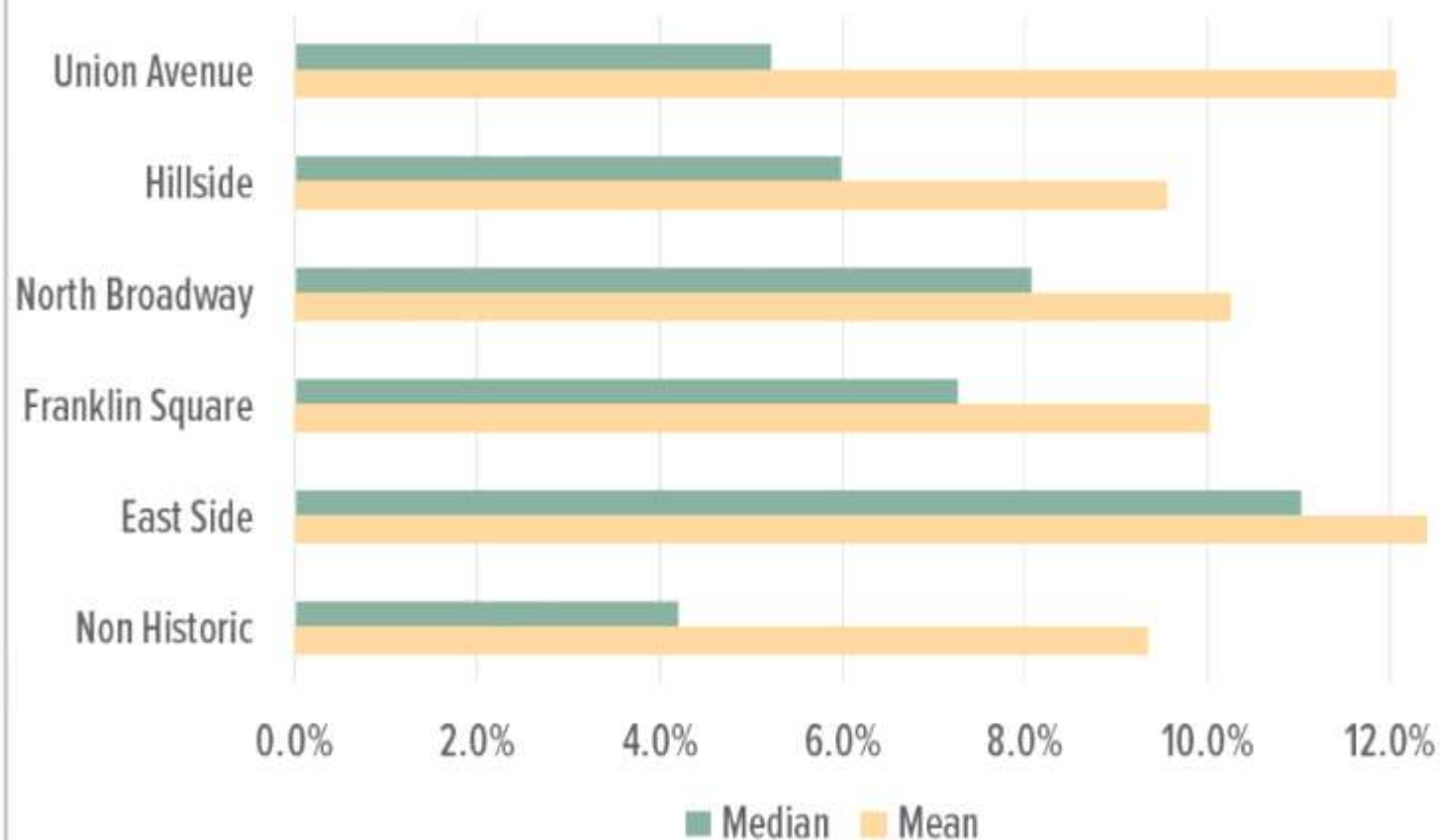


# Annual Change in Value San Antonio 1998 - 2013

1998 = 100



## ANNUAL CHANGE IN VALUE BY DISTRICT



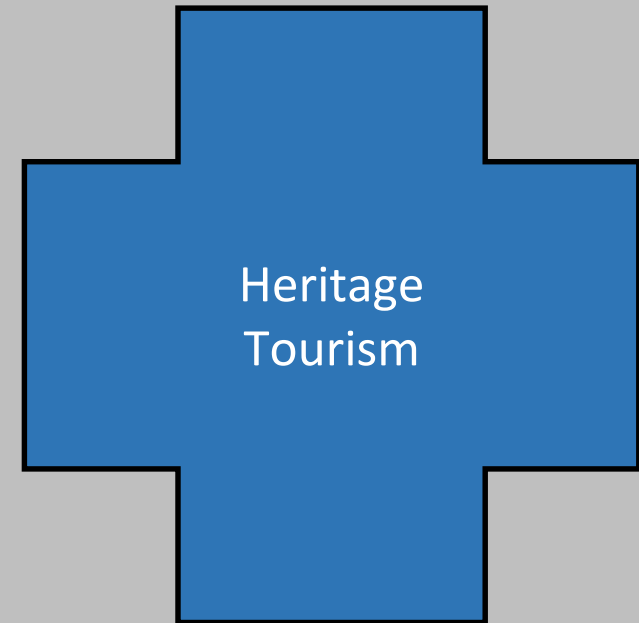
# Saratoga Springs

Enhancing the Values through Historic Preservation

Prepared by PlaceEconomics for the City of Saratoga Springs | November 2018







## Share of Heritage Visitors in San Antonio



OVERNIGHT VISITORS

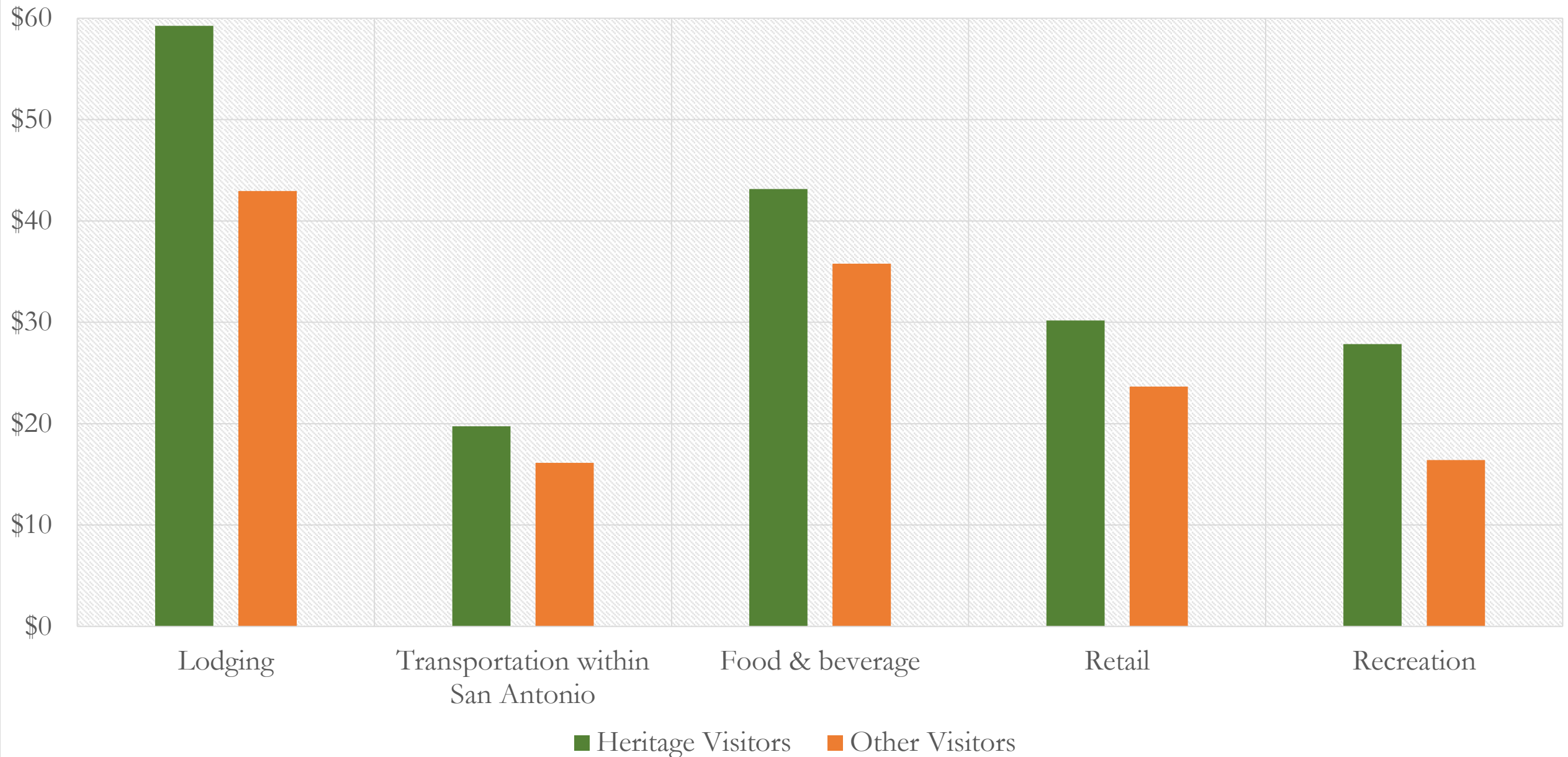
DAY VISITORS

■ Heritage Visitors

■ Non-Heritage Visitors

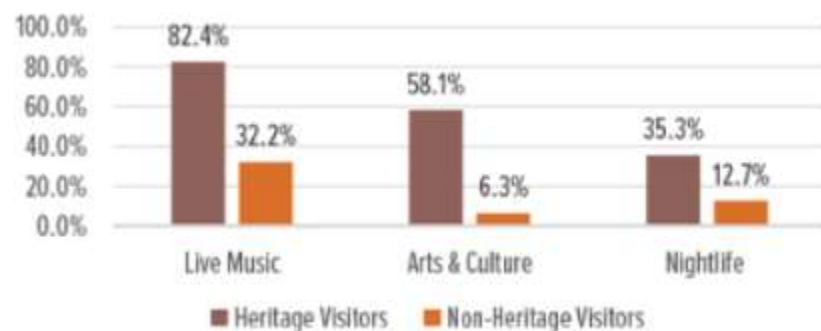


# Per Person Per Trip Overnight Visitors to San Antonio

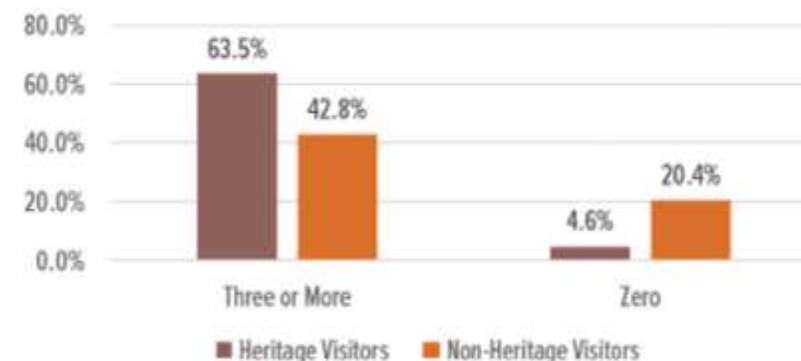


# Heritage Tourism and Music in Nashville

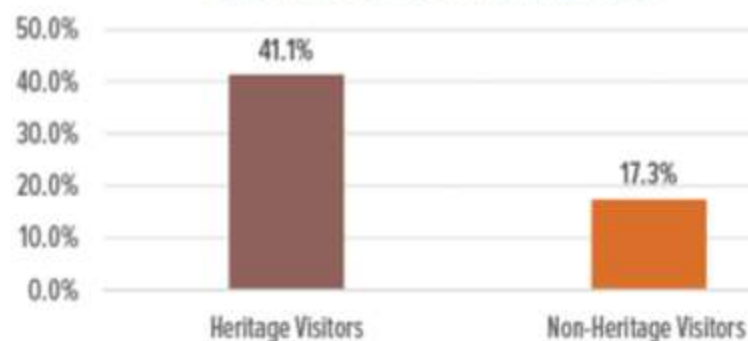
WHAT SPECIFIC NASHVILLE EXPERIENCES WERE MOST IMPORTANT IN YOUR DECISION TO VISIT THE CITY?



HOW MANY LIVE MUSIC VENUES HAVE YOU VISITED ON THIS TRIP?



LIVE MUSIC IS THE SINGLE MOST IMPORTANT REASON WE DECIDED TO VISIT NASHVILLE





# Heritage Tourism and Economic Impact in Nashville

	Direct Jobs	Indirect/Inducted Jobs	Total	Direct Employee Wages	Indirect/Induced Employee Wages	Total
Retail	3,788	1,301	5,089	\$102,255,437	\$67,513,240	\$169,768,677
Food & Beverage	5,330	1,270	6,600	\$144,386,347	\$66,827,010	\$211,213,357
Lodging	3,874	1,610	5,484	\$138,633,642	\$83,795,576	\$222,429,218
Local Transportation	1,878	815	2,693	\$62,630,298	\$43,109,896	\$105,740,194
Entertainment/ Admissions	4,962	1,342	6,304	\$140,474,556	\$69,320,742	\$209,795,298
Total	19,832	6,338	26,170	\$588,380,280	\$330,566,464	\$918,946,744

Less than 7% of Heritage Tourism Dollars are spent  
at the Heritage Sites that attracted them.





# The New Ten

Foreclosure

Stability on the Downside

Density

Walkability

Knowledge/Creative Industries

Business Births/Deaths

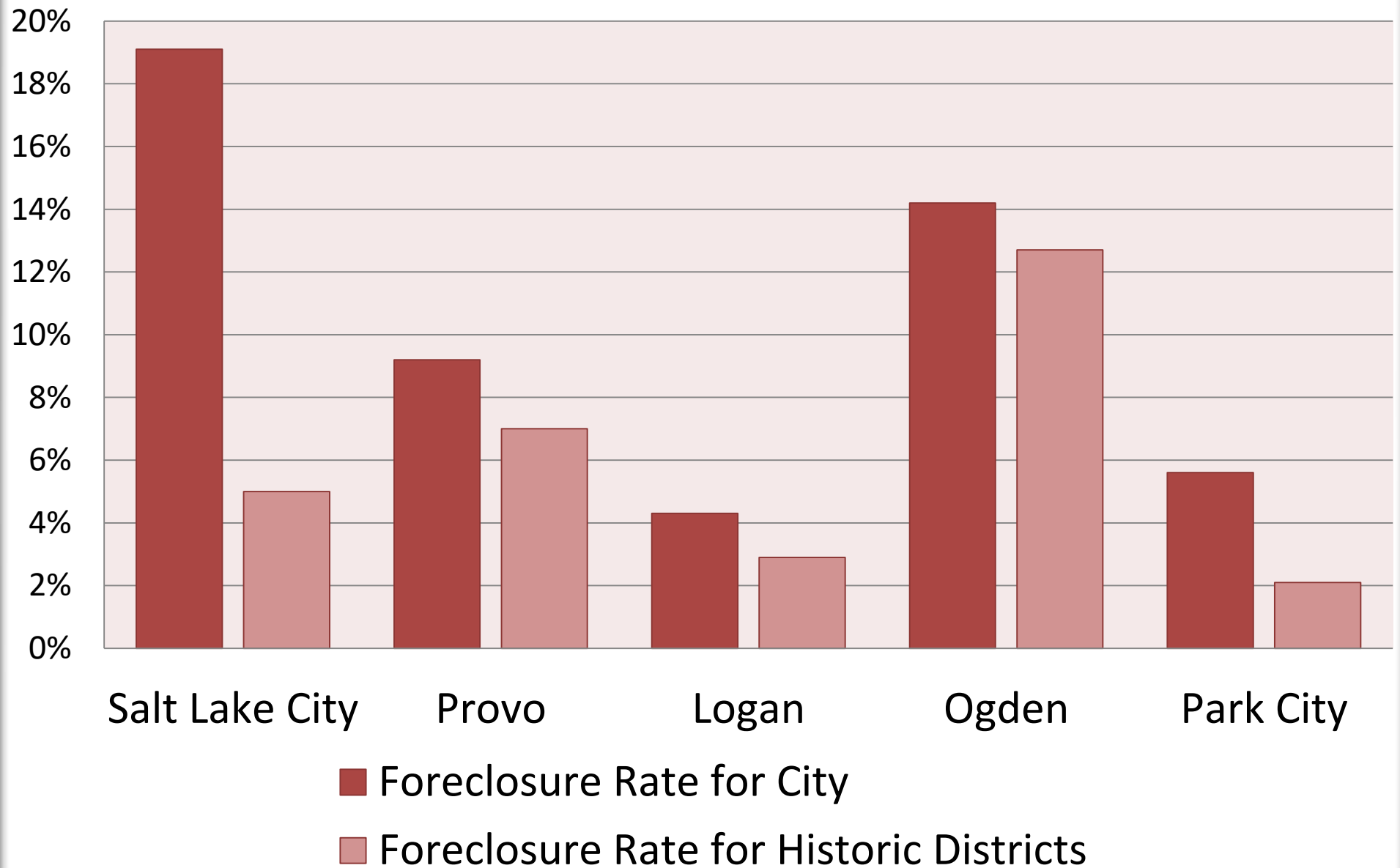
Demographic /Economic Mirror

The Environment

The First Place of Return

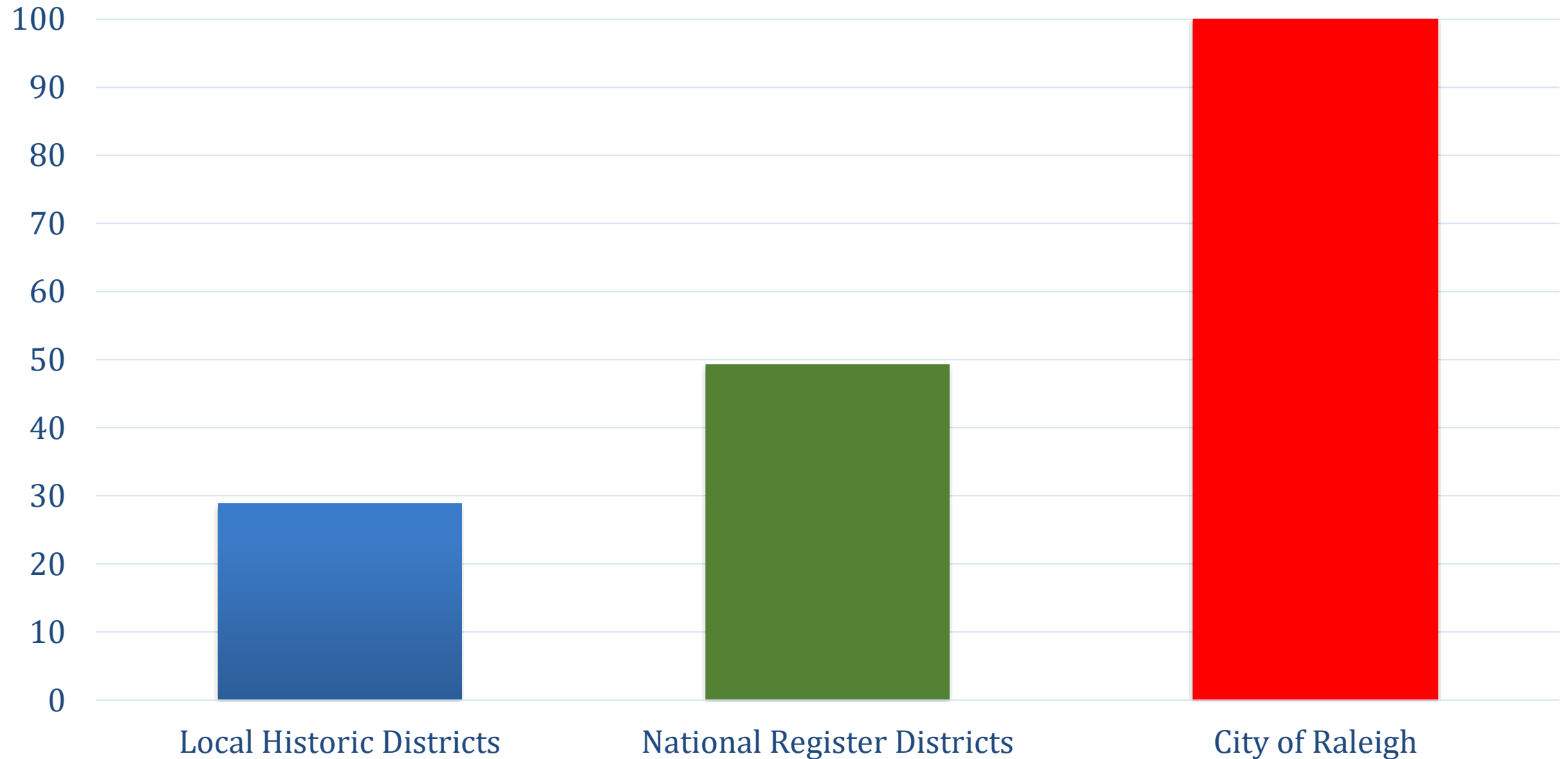
Preservation as Catalyst

# Single Family Foreclosure Rates 2008-2012

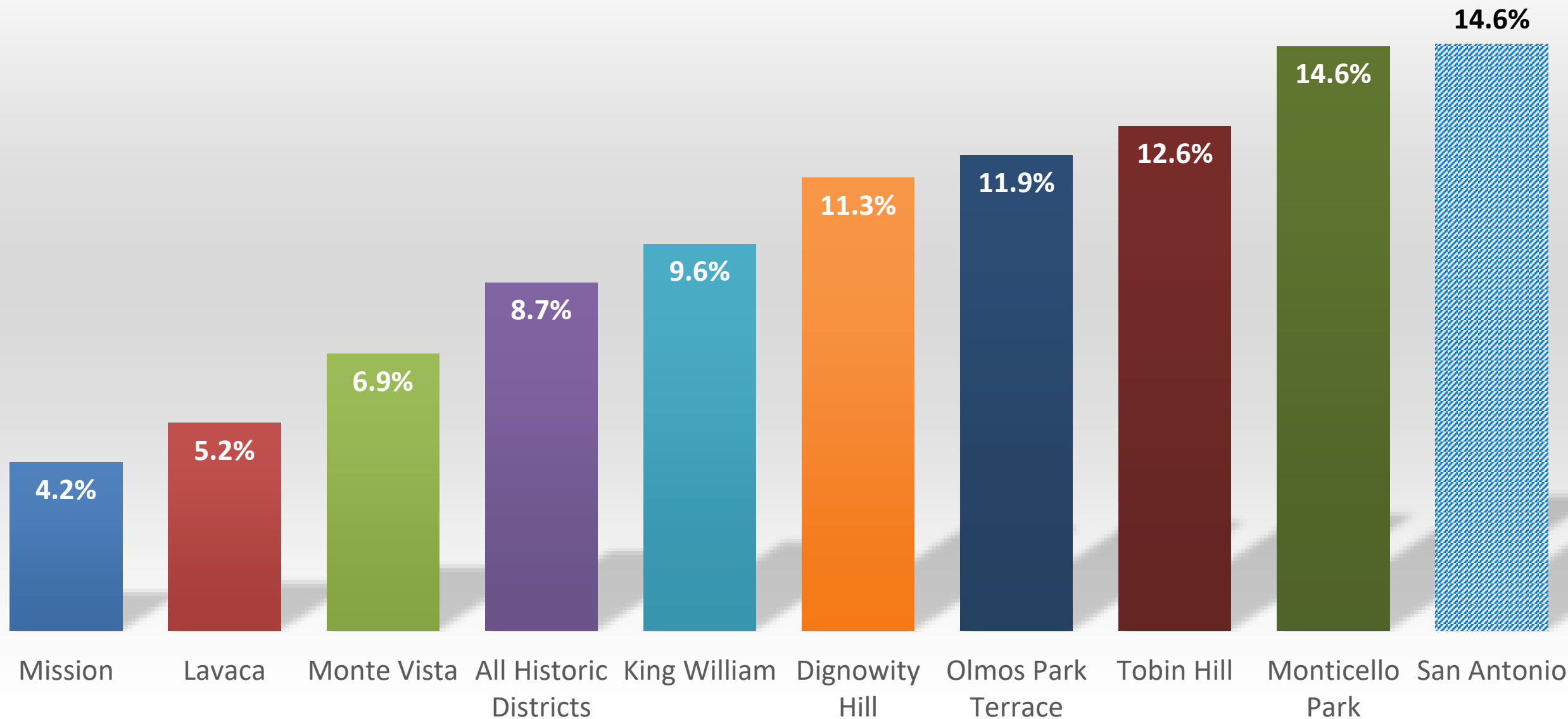




## Foreclosures per 1000 Single Family Houses Raleigh 2008 - 2013

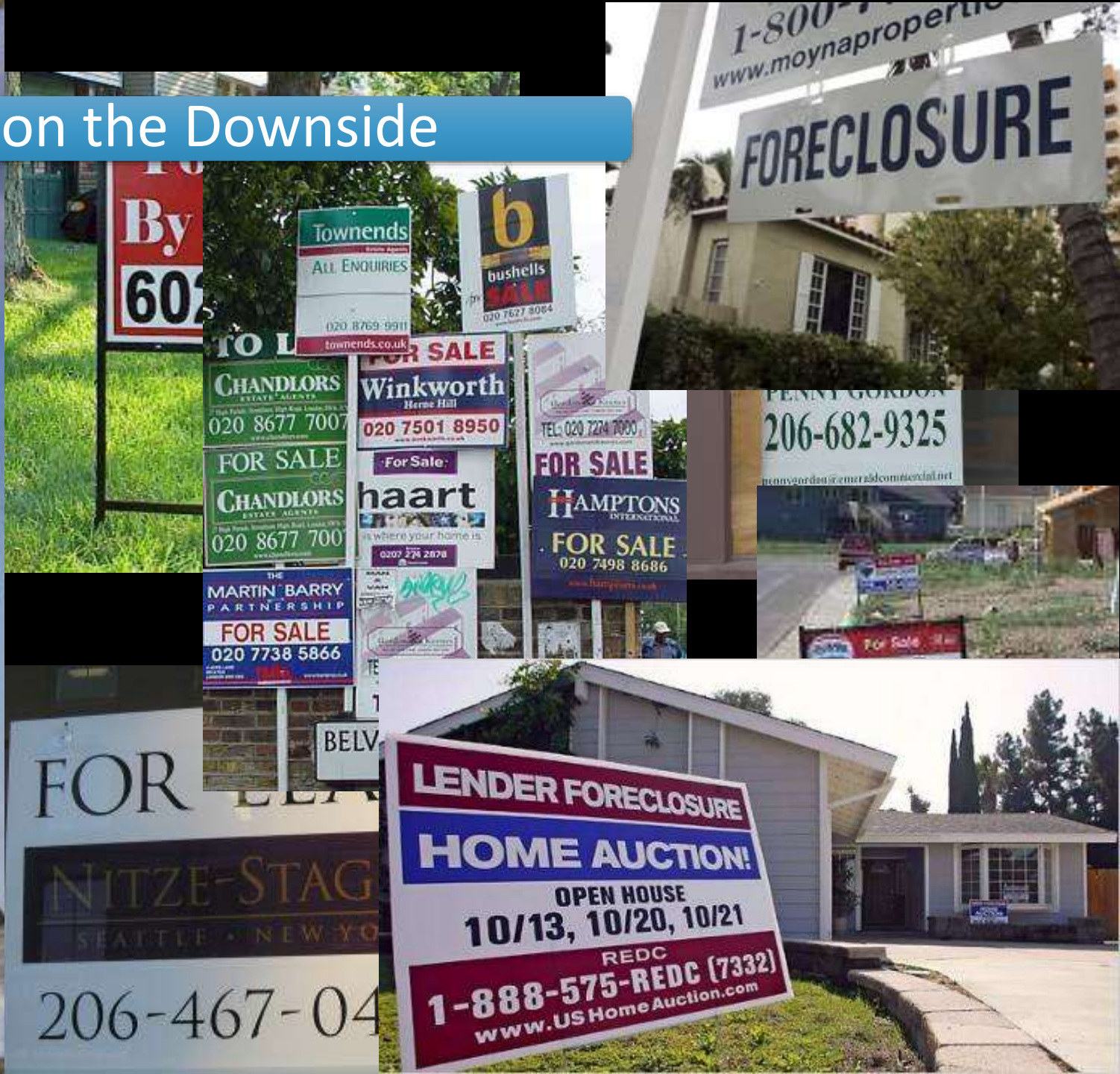
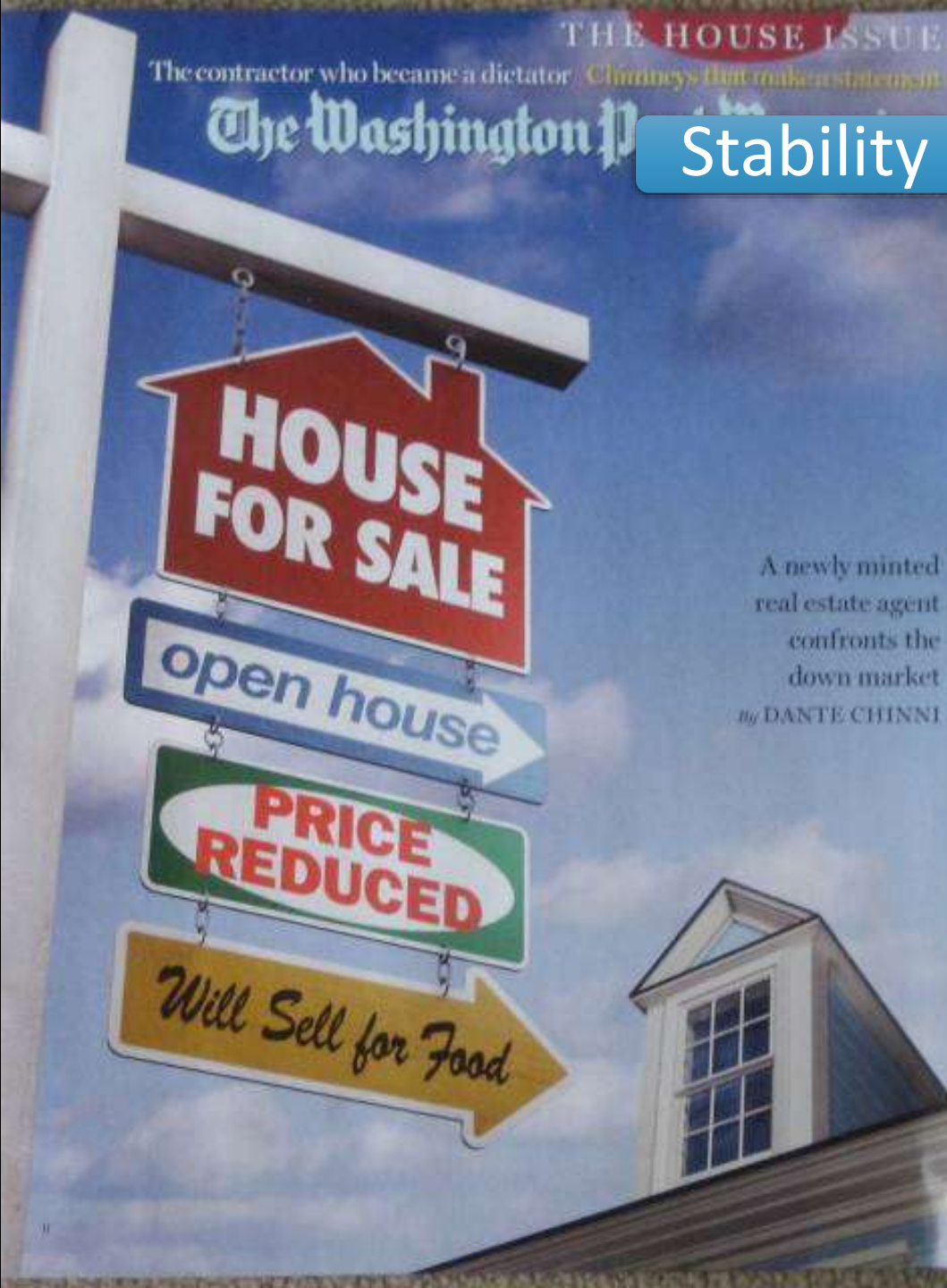


# Foreclosure Rate Single Family Houses San Antonio 2008 - 2014





## Stability on the Downside

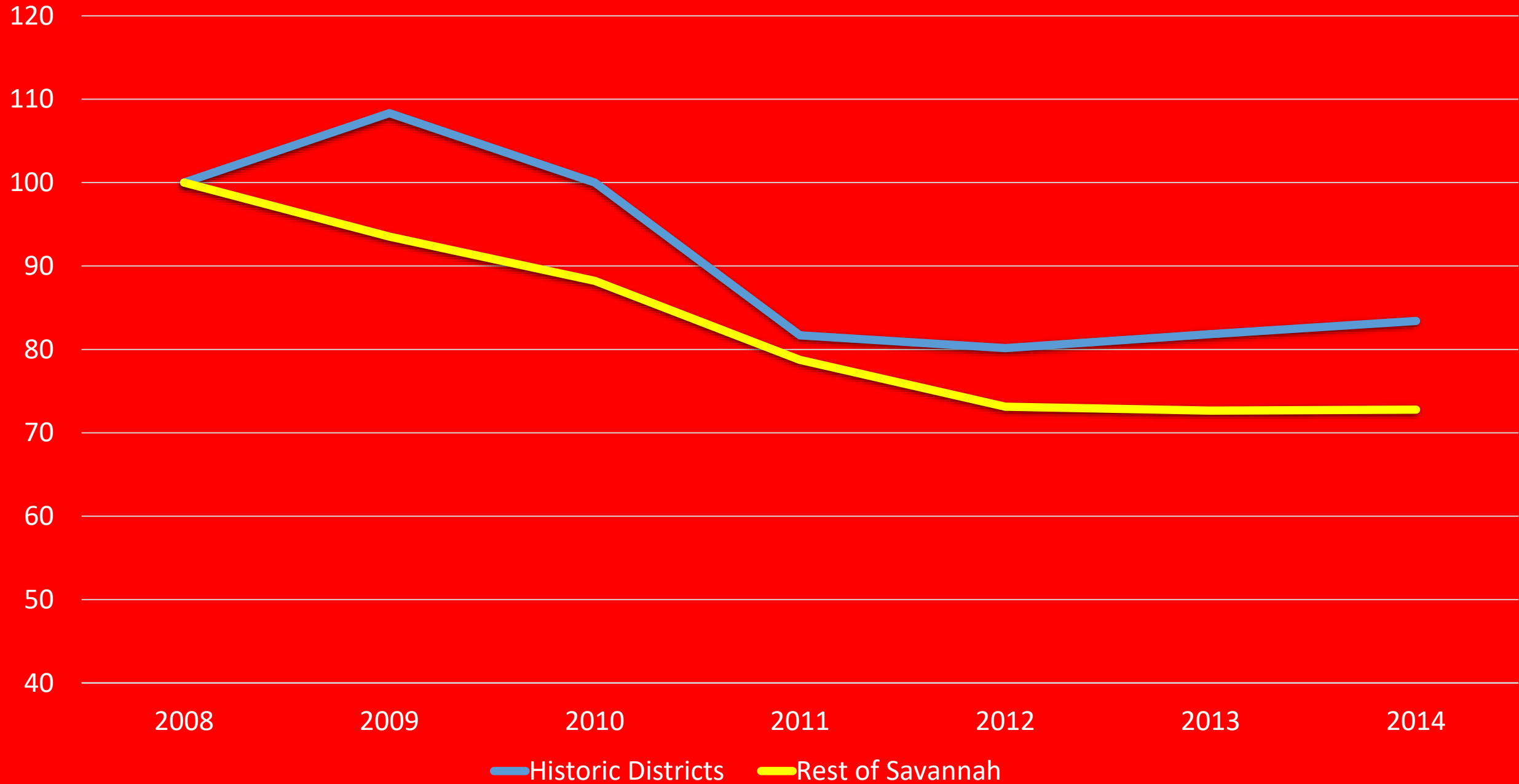


# Real Estate Values in Up Years





# Real Estate Values in Down Years



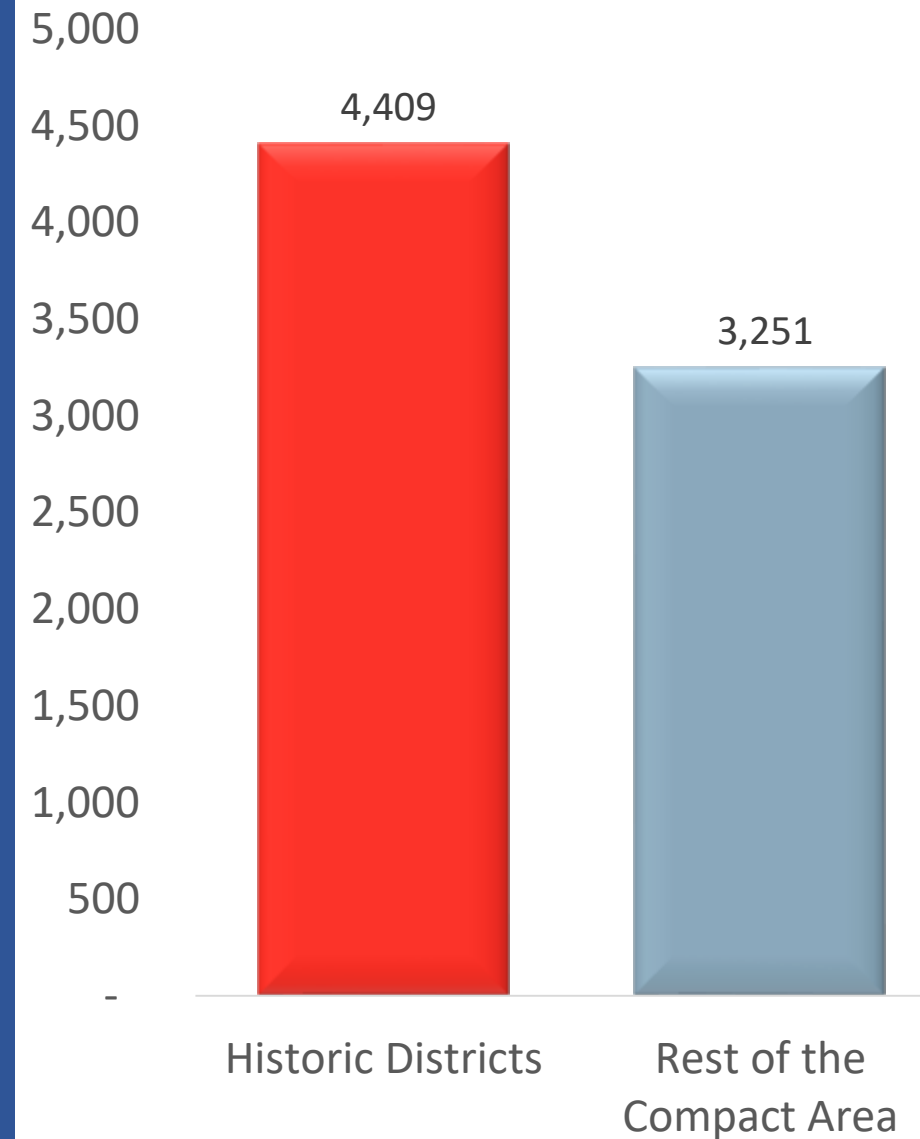
# Density







## Indianapolis Population Per Square Mile





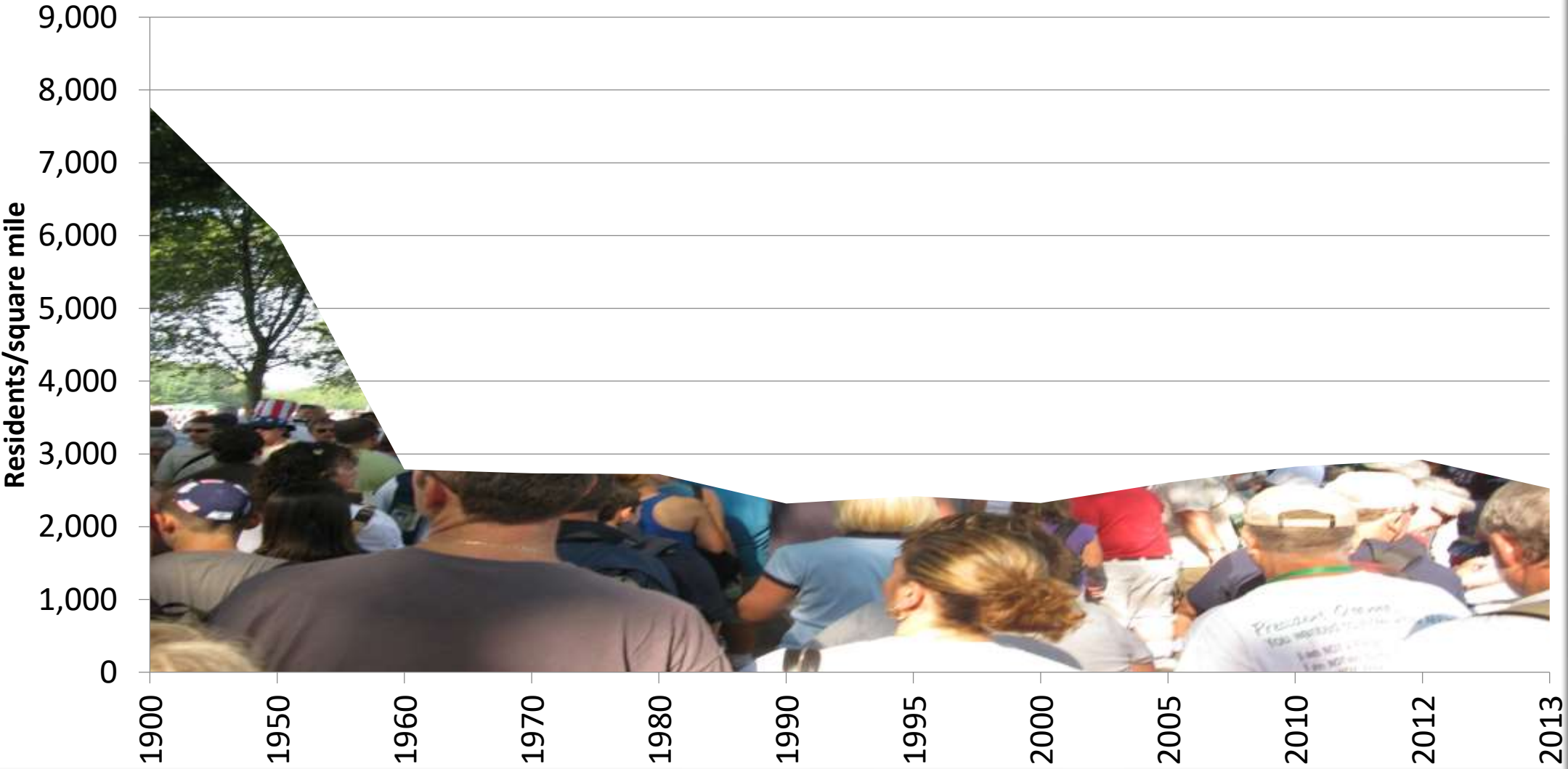


## POPULATION DENSITY (POPULATION PER SQUARE MILE)

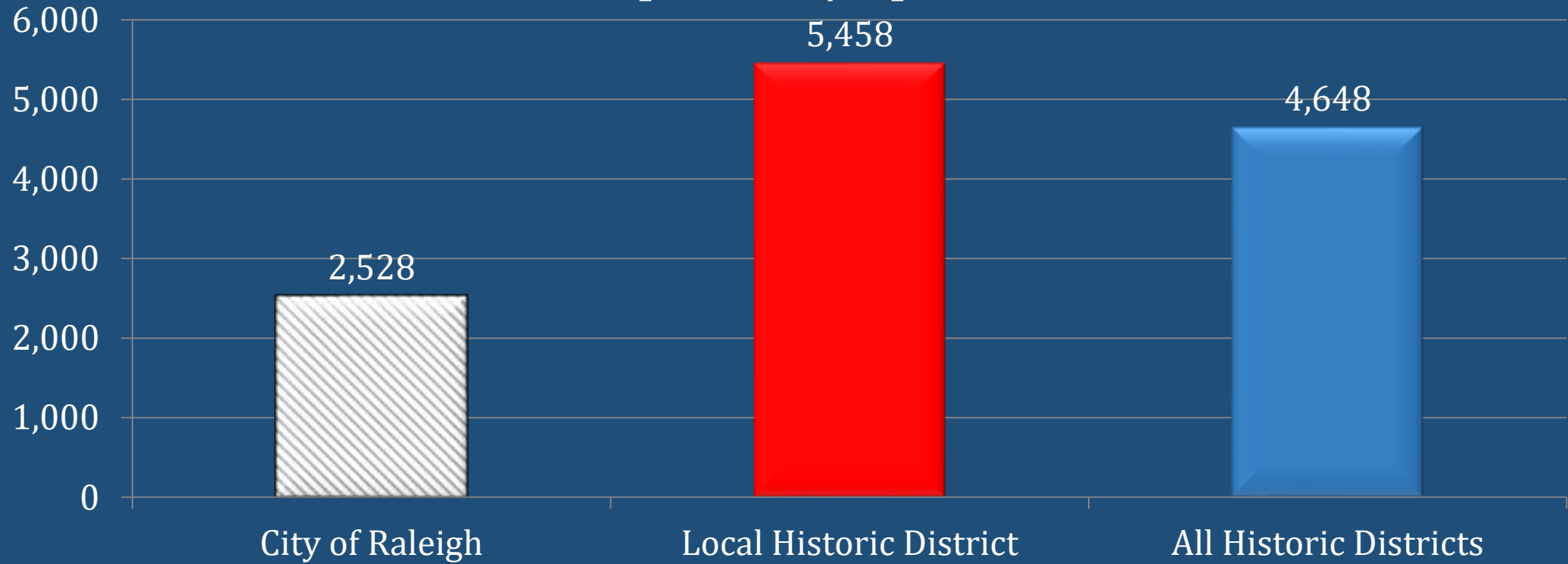




# Raleigh Population Density, 1900-2013



# Population Density Population/Sq Mi





The Tale of Two Neighborhoods		Oakwood	Reedham Oaks/Wyndham
Population		1664	507
Size (acres)		114.5	114.0
Housing Units		794	127
Average Year of Construction		1925	1992
Average Size of House (square feet)			
Average Value			
Taxes per Unit			
Population per acre			
Square feet of Road per Unit			
Taxes per acre			
Water/Sewer Line Replacement Cost per Unit			
Annual Property Taxes			

# Walkability



*Neighborhoods built a half-century or more ago were designed with "walkability" in mind. And living in them reduces an individual's risk of becoming overweight or obese.*

American Journal of Preventive Medicine



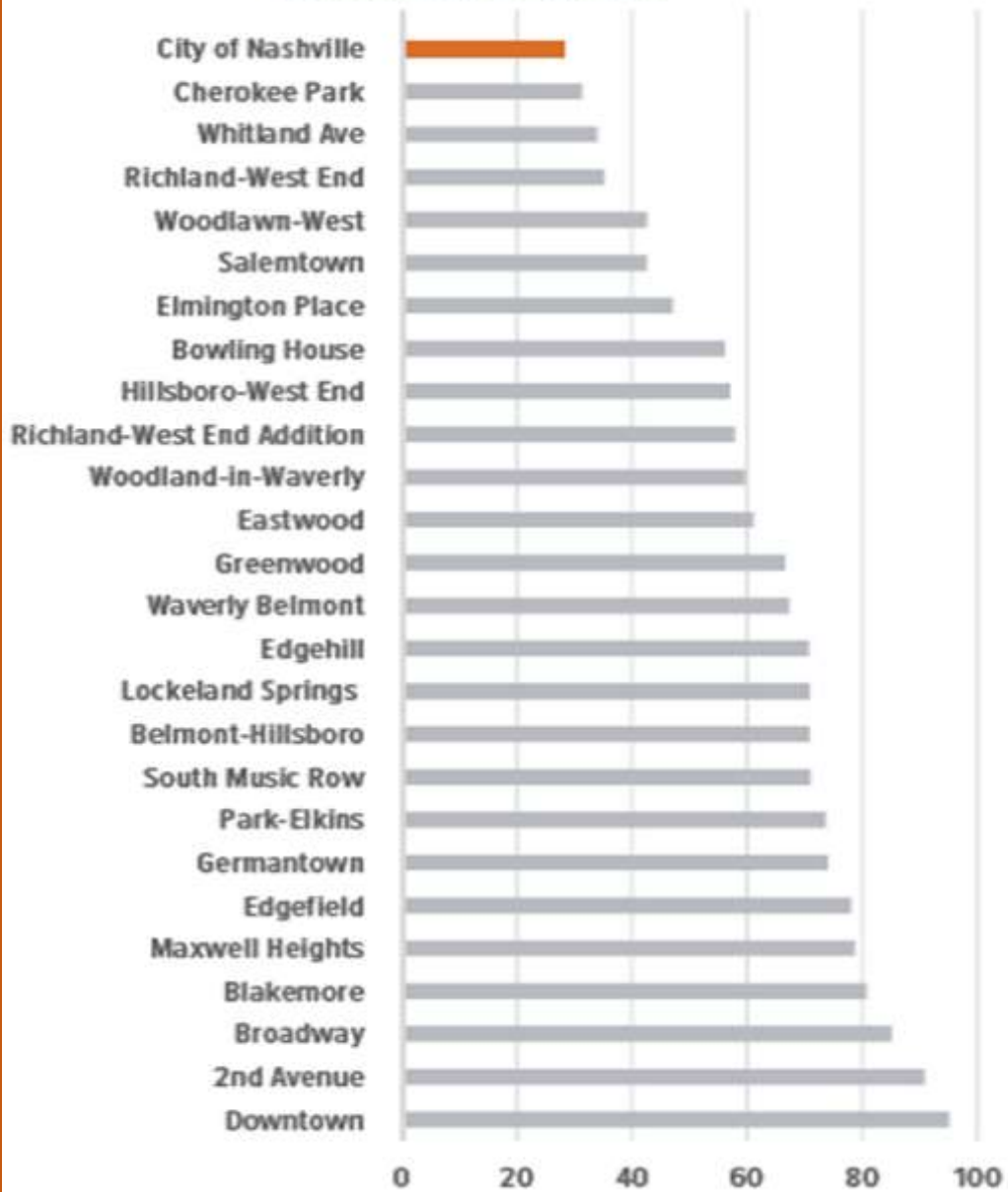
# Walkability

	<i>Average Walk Score</i>	<i>Designation</i>
Raleigh	29	Car-dependent
Local historic districts	82	Very walkable
National Register historic districts	64	Somewhat walkable
<b>All historic districts</b>	<b>73</b>	<b>Very walkable</b>





## WALKSCORES BY DISTRICT

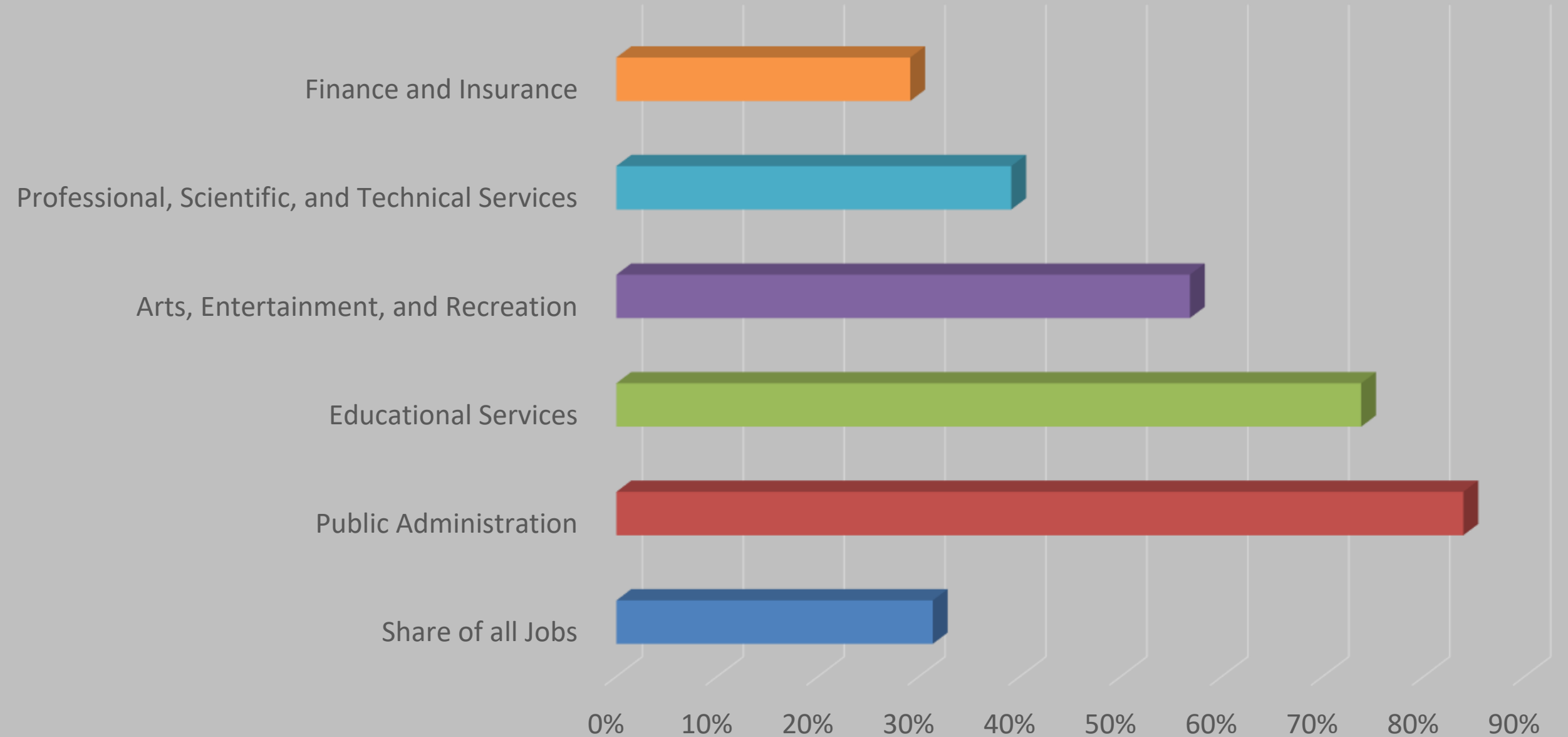






Knowledge/Creative Industries

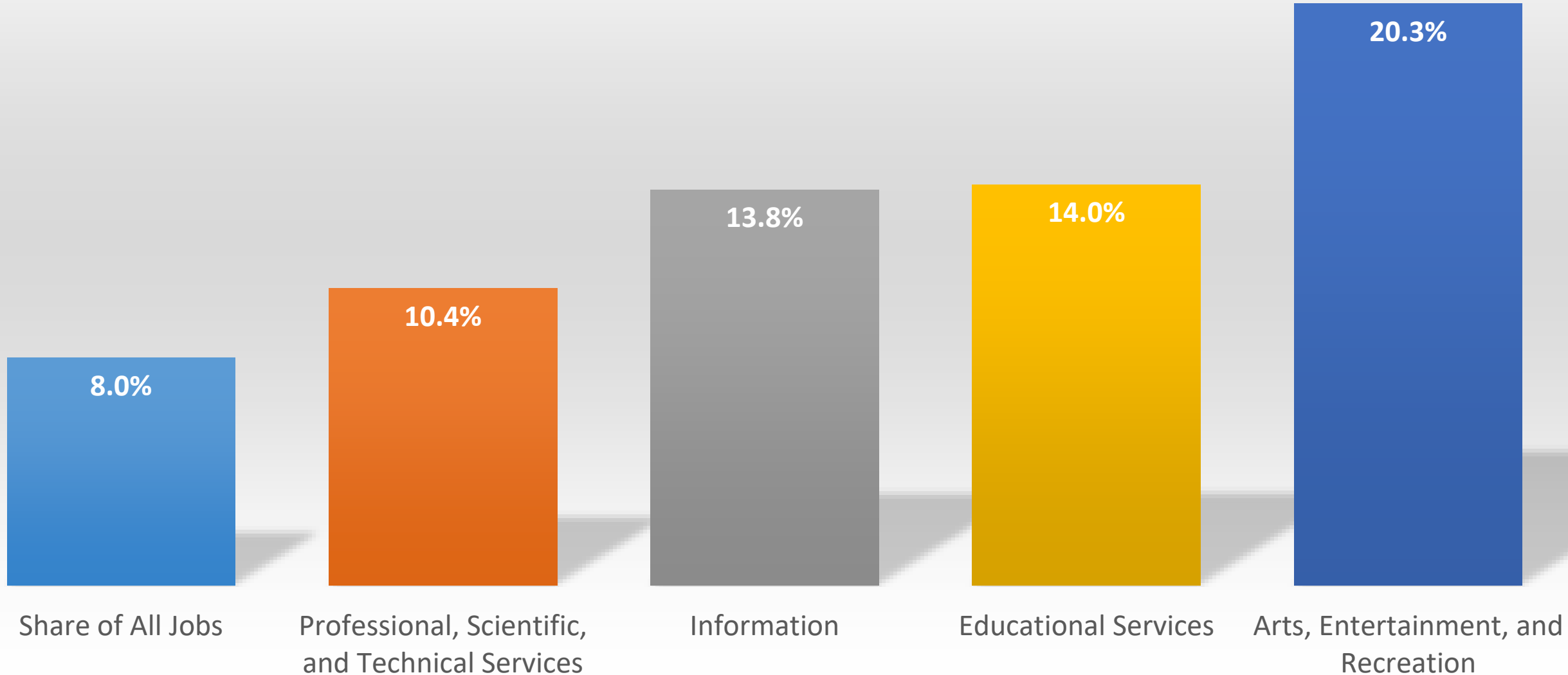
# Share of Knowledge Worker Jobs in Savannah Historic Districts





# Jobs in Knowledge and Creative Industries

## New York City



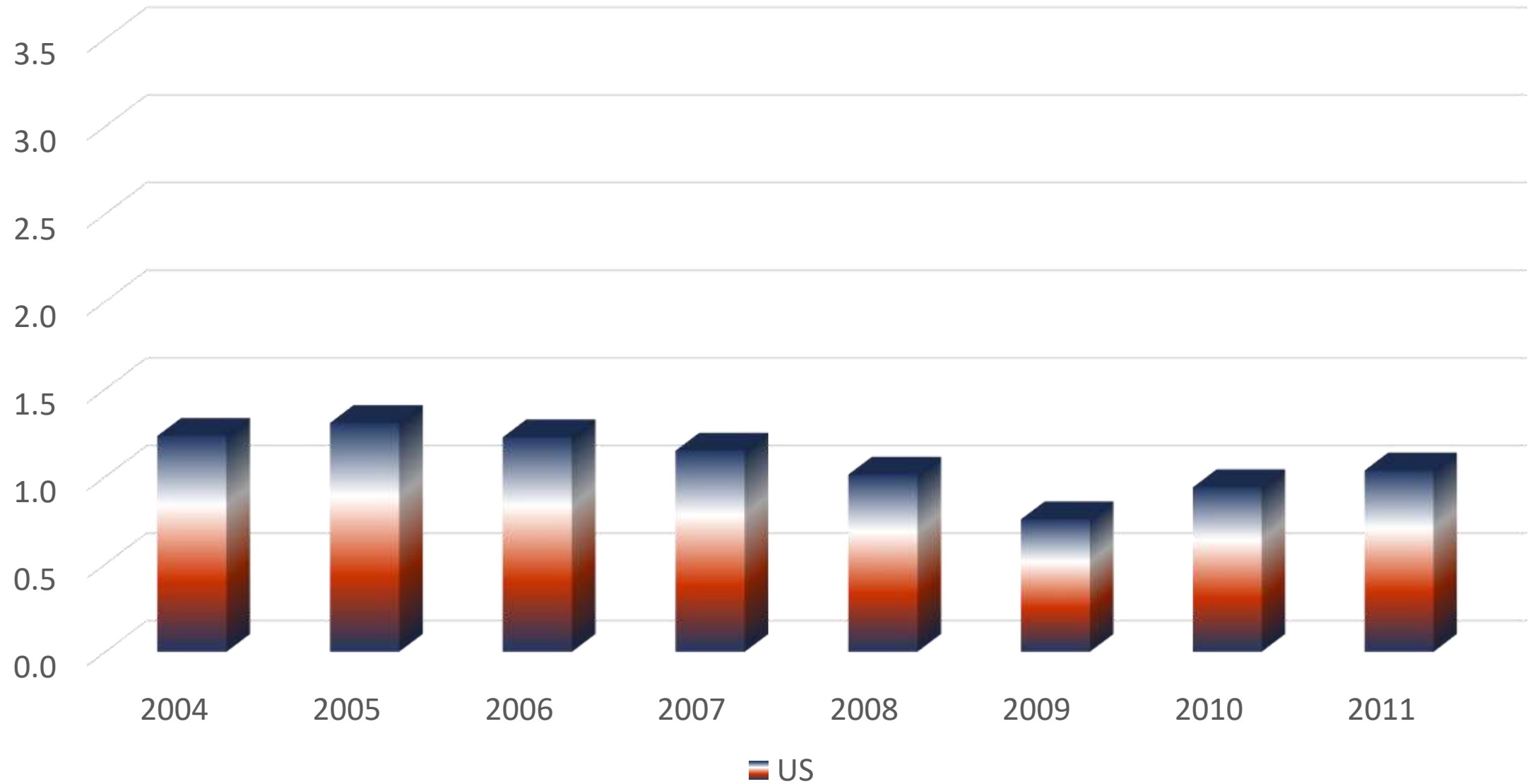
## Business Births/Deaths

**GOING OUT OF BUSINESS SALE  
SAVE FROM 30% TO 70%**

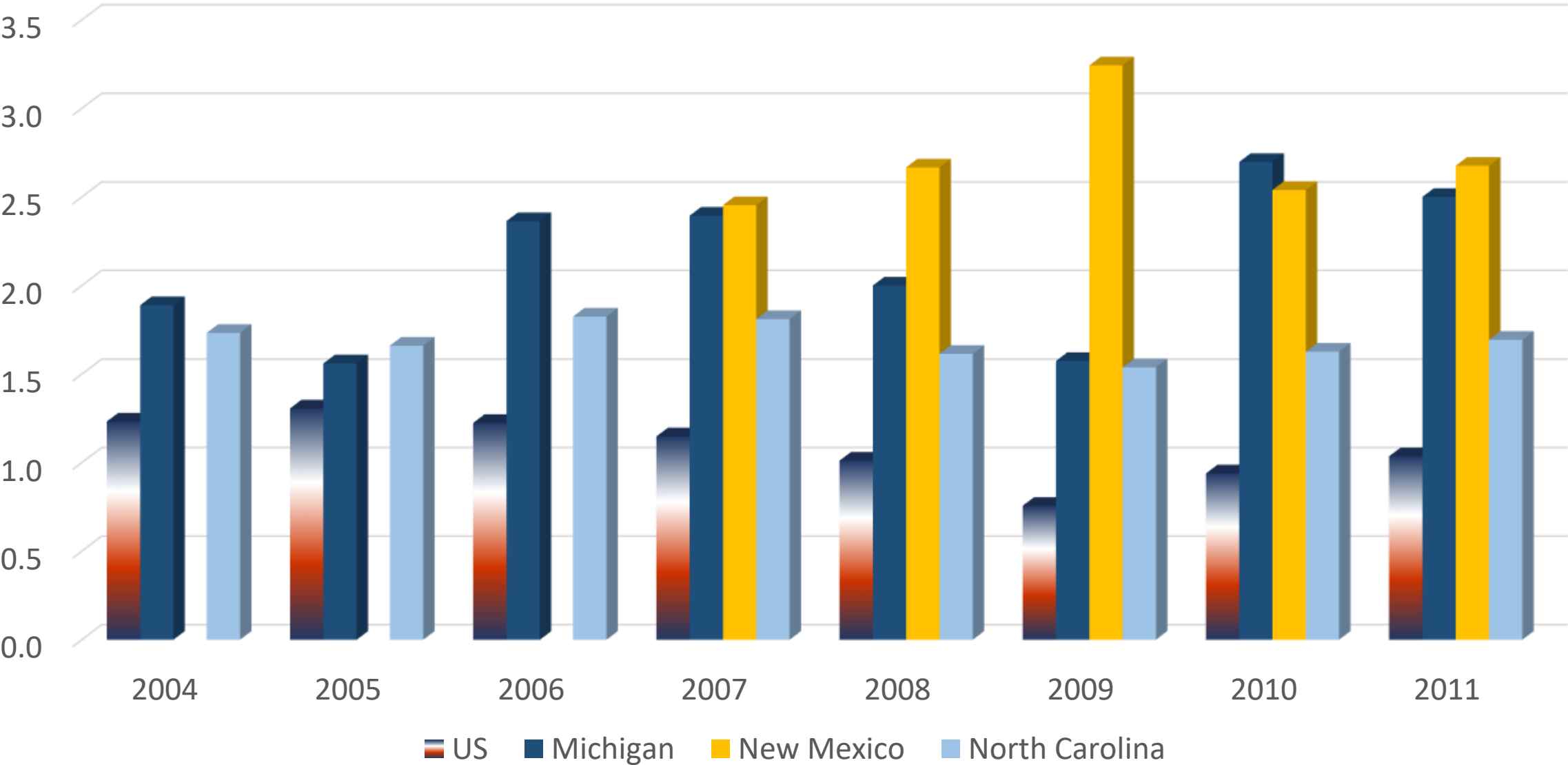
**LIC  
TION SALE**



# Ratio of Business Openings to Business Closings

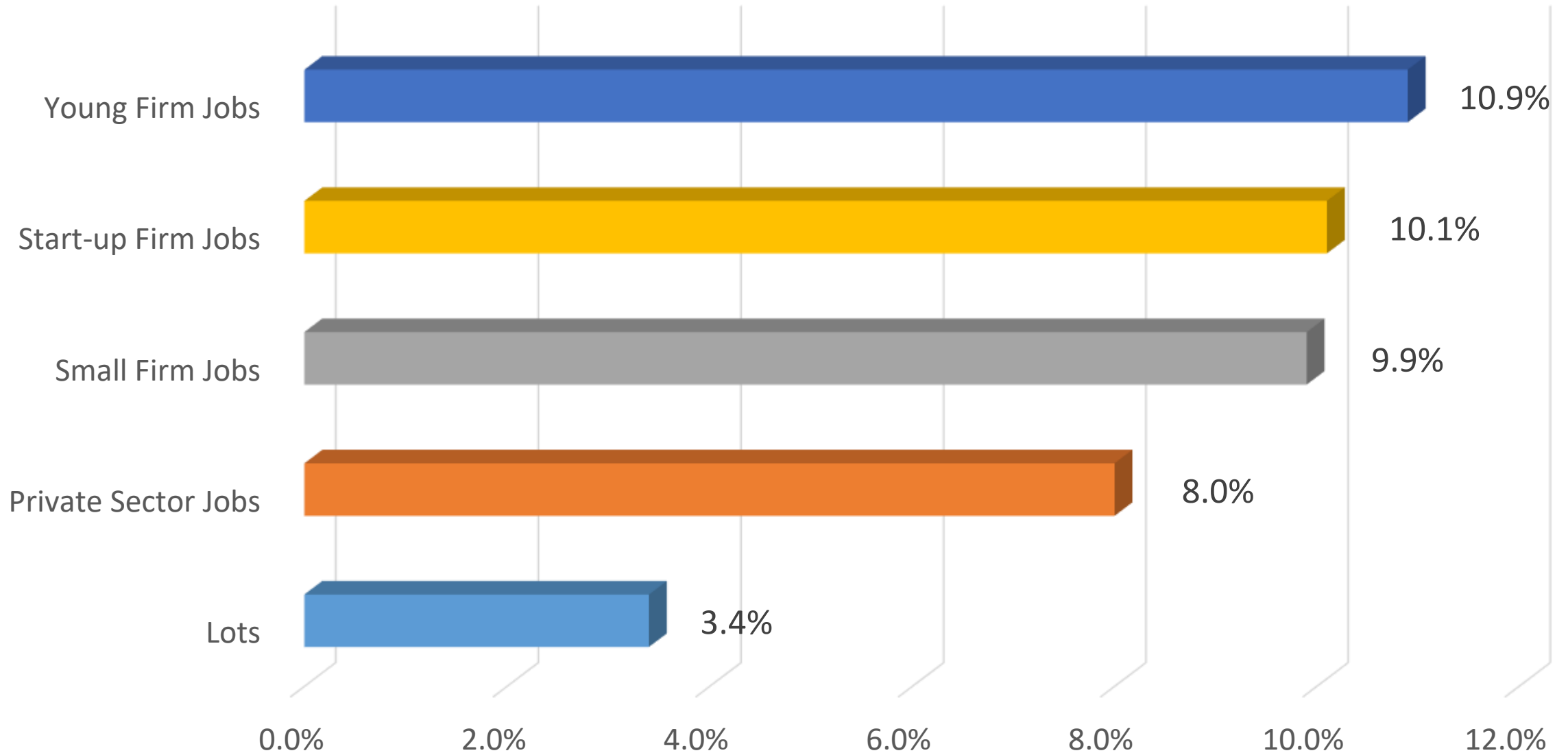


# Ratio of Business Openings to Business Closings





# Historic Districts as Job Attractors New York City



# Nashville

3% of all jobs but 11% of all job growth, 13% of start-up jobs, and 15% of all small business jobs



**40% job growth in historic districts**  
compared to 9% in the rest of the city.



**135% increase in jobs in the information sector**  
in historic districts



**24% of all job growth in accommodation and food services**  
meaning historic districts play a key role in the tourism industry

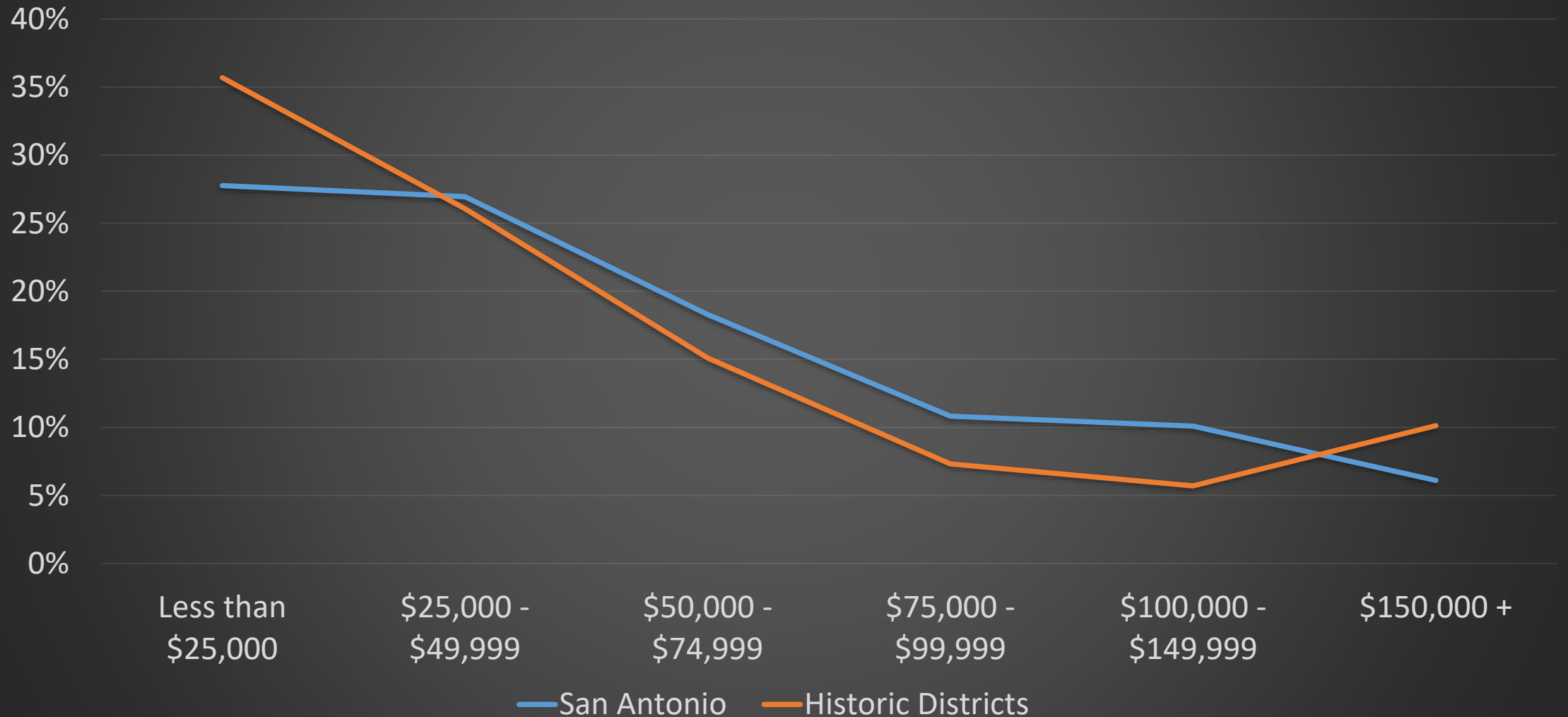


# Demographic /Economic Mirror





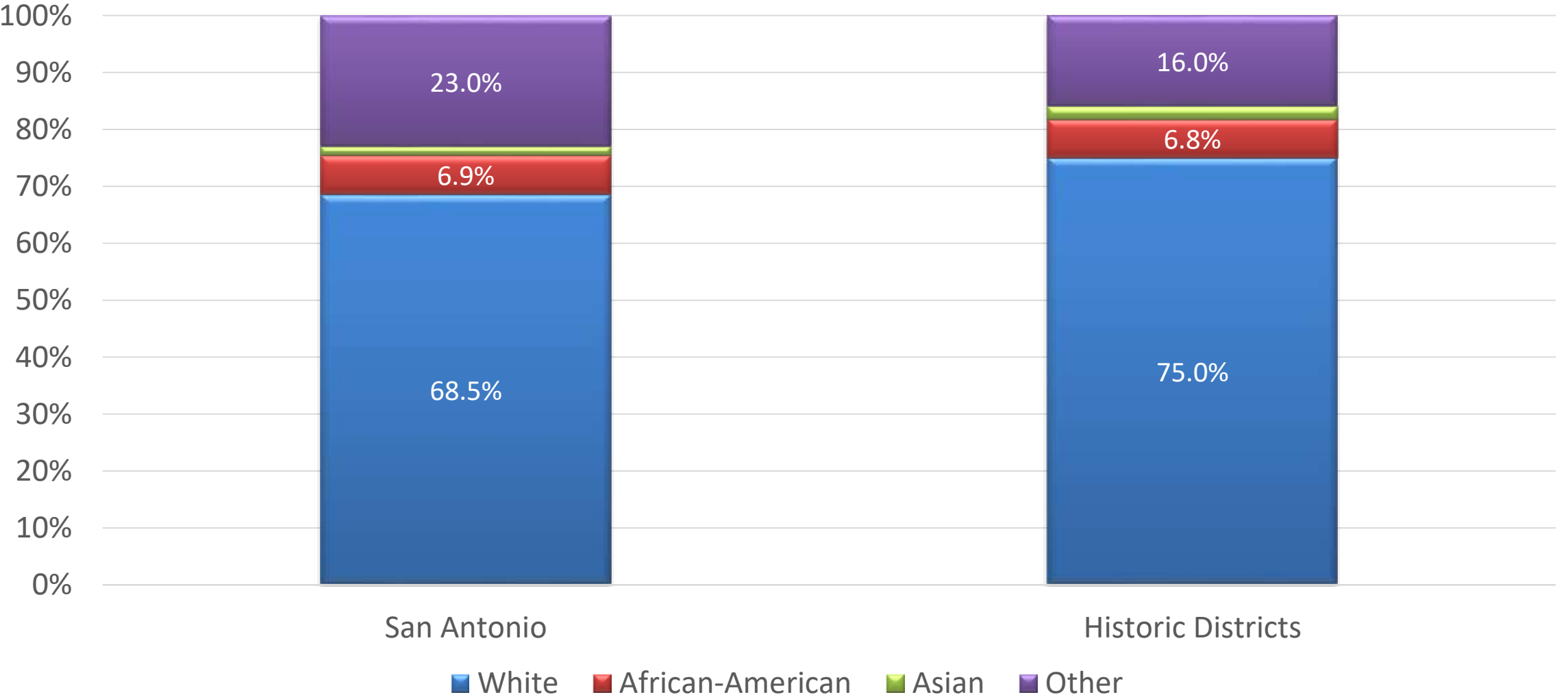
## Household Income Distribution San Antonio and Historic Districts



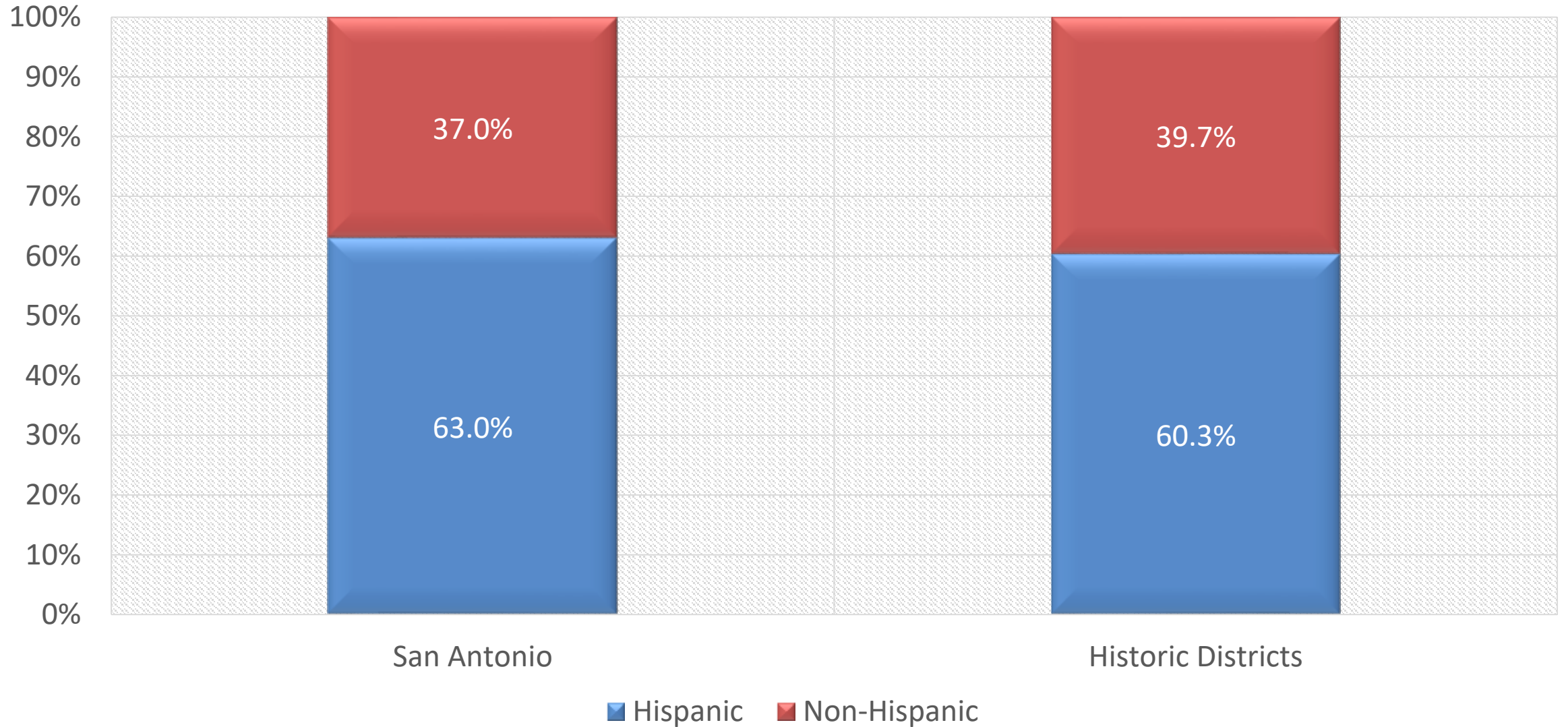


# Racial Distribution

## San Antonio and Historic Districts



## Hispanic Population San Antonio and Historic Districts

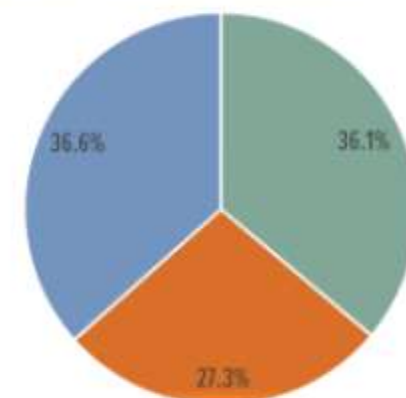






## INCOME DISTRIBUTION IN HISTORIC DISTRICTS

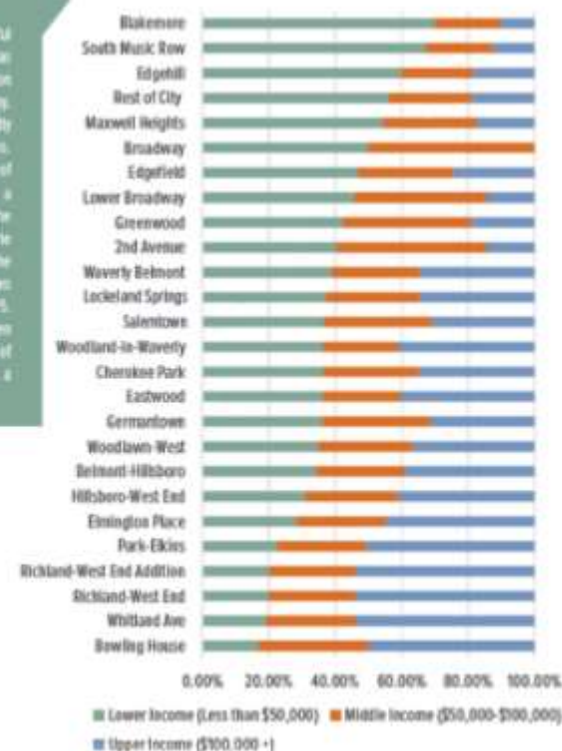
- Lower Income (Less than \$50,000)
- Middle Income (\$50,000-\$100,000)
- Upper Income (\$100,000 +)



## Gini Index

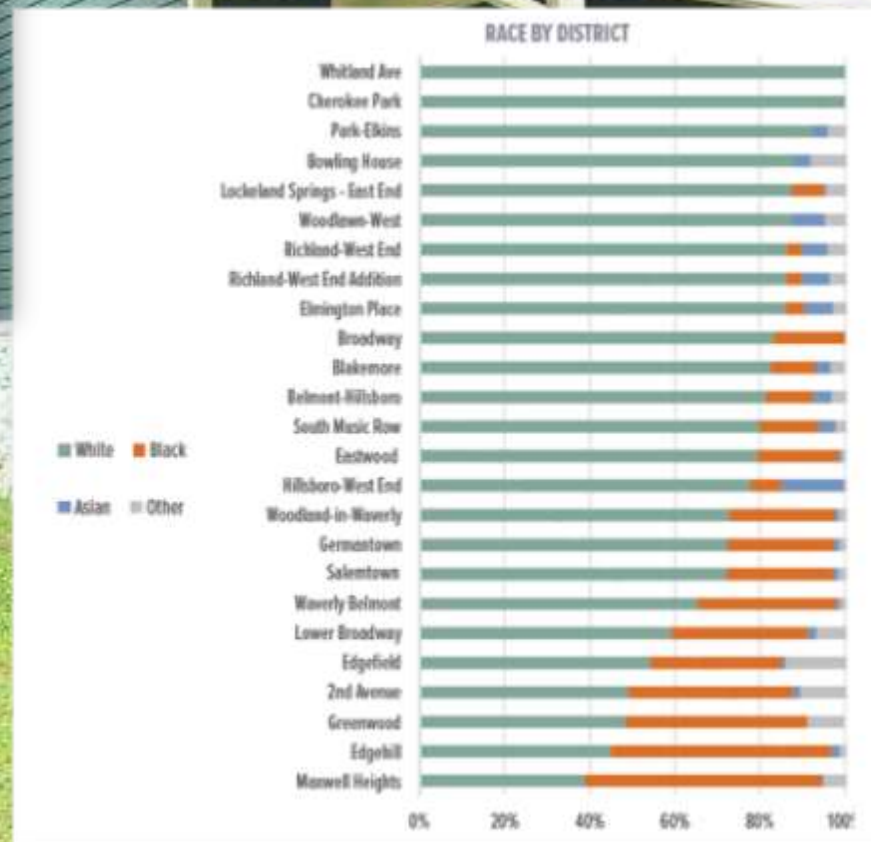
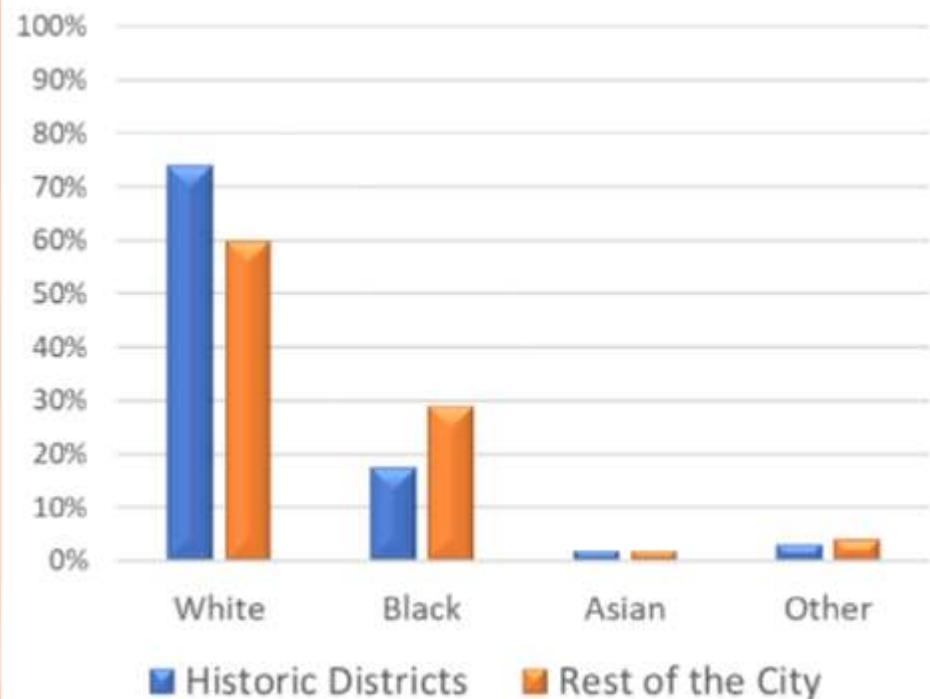
A rather academic, but sometimes useful measure of income distribution is known as the Gini Index. It measures income distribution among the residents of a specified geography. If everyone in the area he studied had exactly the same income it would have a value of zero. On the other hand if one household had all of the area's income, the area would receive a 1 - perfect inequality of income. The closer the area has to an even distribution of incomes, the closer to a value of 0.5 would be assigned. The City of Knoxville outside of historic districts does reasonably well, with a Gini score of .45075. The historic districts are even closer to an even distribution of income, however, with a score of .475294. Among the historic districts there is a score range from .38 to .54.

## HOUSEHOLD INCOME DISTRIBUTION BY DISTRICT





# Racial Distribution





# The Environment





The  
Environment

PRESERVATION GREEN LAB:

**Looking for the Greenest Building?**  
Start with the one that already exists.

*It takes 10 to 80 years of an energy efficient new building to make up for the negative climate change impacts of construction*

*Building reuse almost always offers environmental savings over demolition and new construction*



# Environmental Impact of Rehabilitating 50,000 s.f. Warehouse in Maryland

20 – 40%  
reduction in  
Vehicle Miles  
Traveled  
(VMTs)

Reduction of  
travel related  
CO<sub>2</sub> Emissions  
by 92 – 123  
Metric Tons

CO<sub>2</sub> “saved”  
relative to  
suburban  
construction =  
18,700 to 22,000  
gallons of gasoline

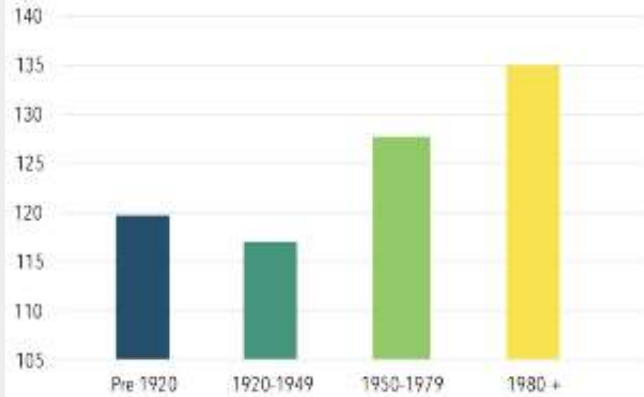
Embodied  
energy  
retained  
55,000 MBTU

Greenfield land  
preserved 5.2  
acres

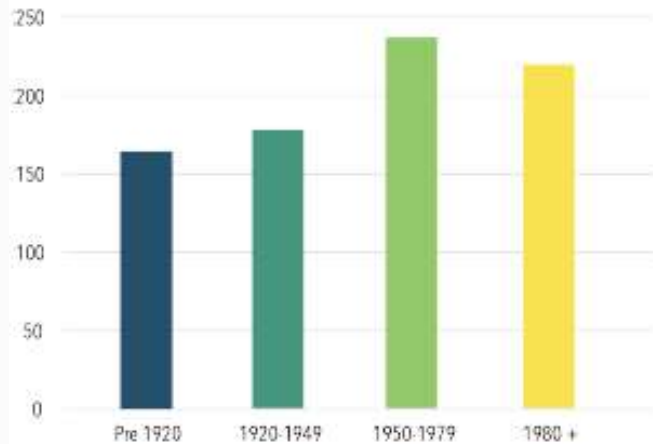
Less construction  
debris in landfills  
2500 Tons

Infra-structure  
investment  
“saved”  
\$500,000 to  
\$800,000

**Energy Use Intensity  
Multifamily Buildings by Year of  
Construction**



**Energy Use Intensity  
Office Buildings by Year of Construction**



A multifamily structure built since 1980 uses 13% more energy per square foot than one built before 1920





The average Historic House that was Retained rather than Razed reduced the impact on the landfill by 116.6 Tons

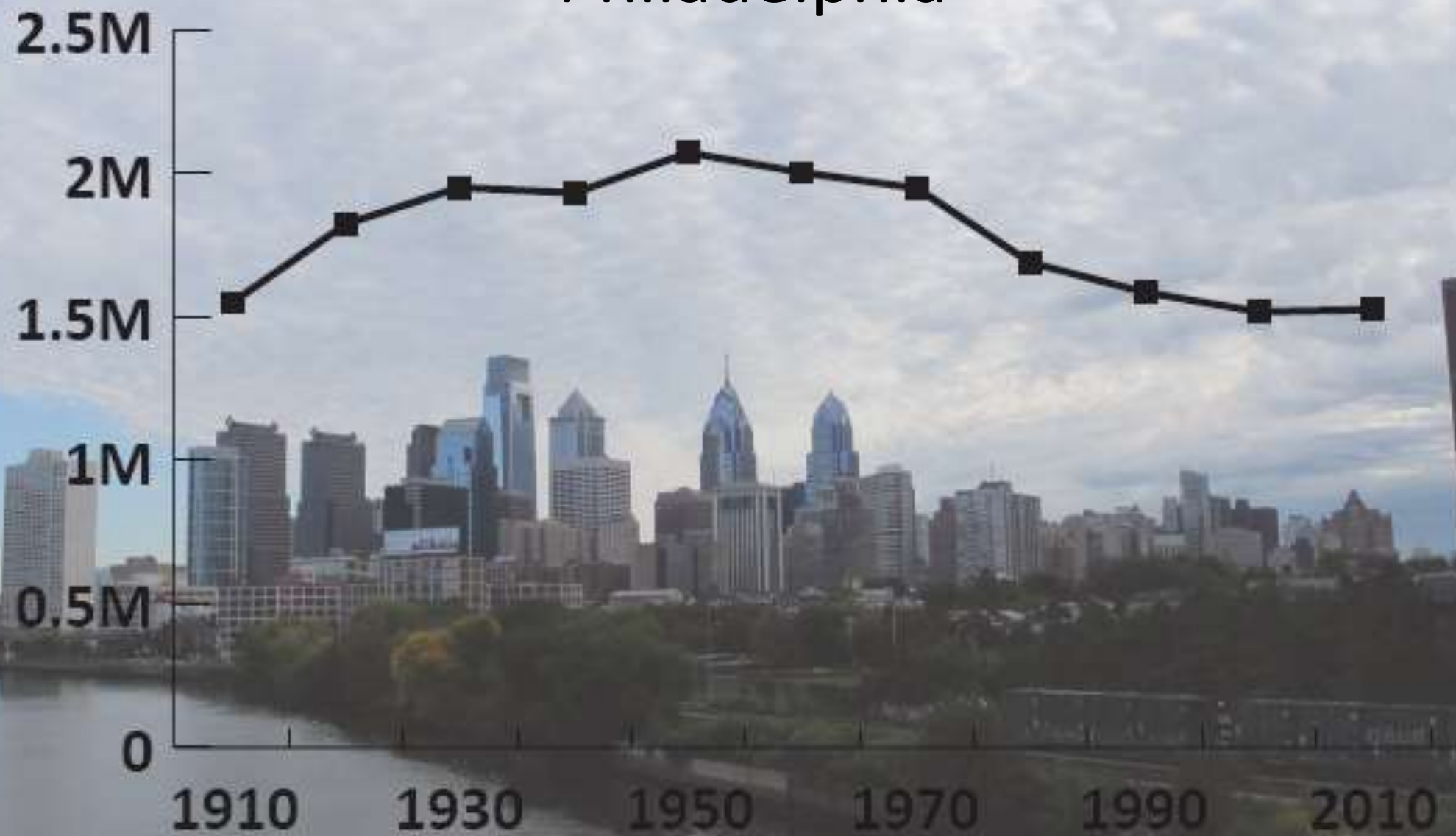


## The First Place of Return

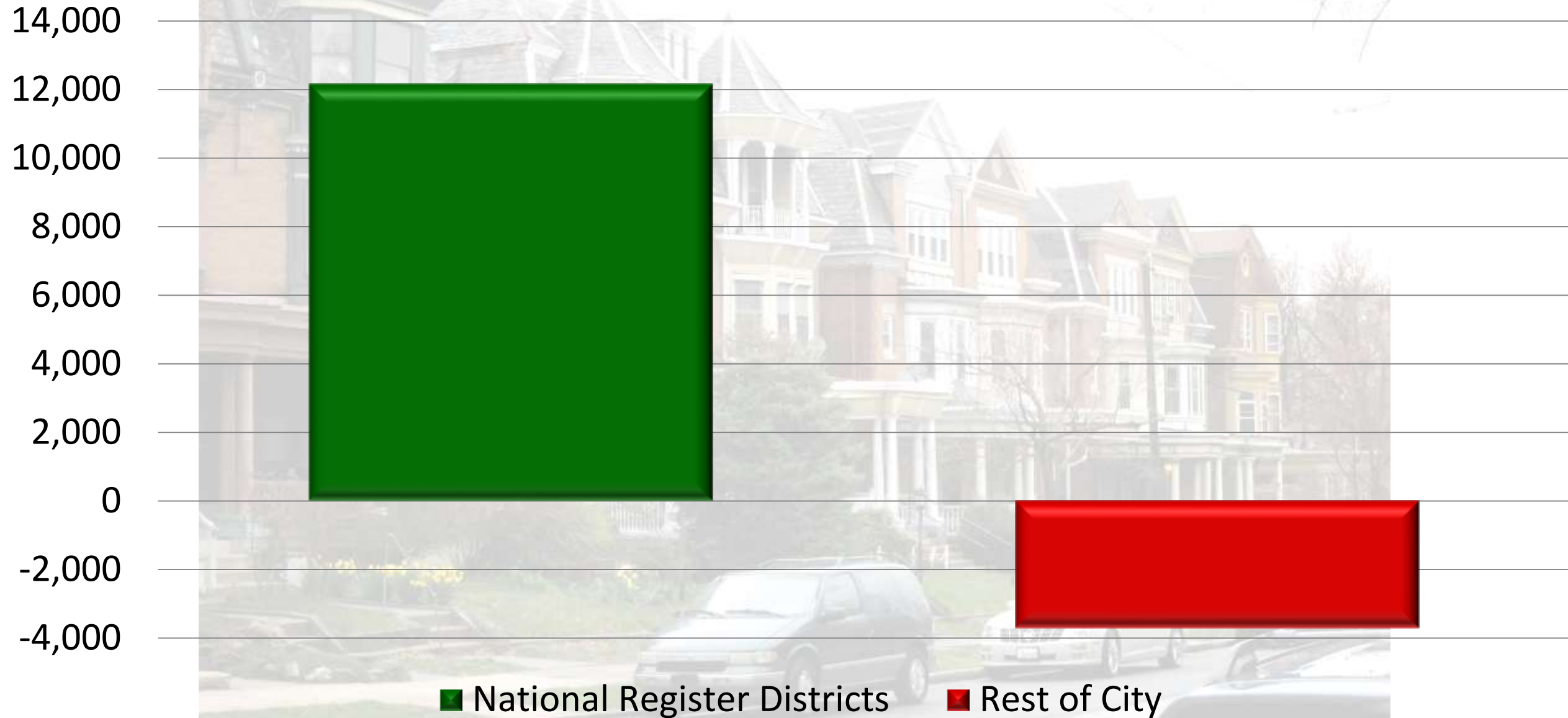




# Philadelphia



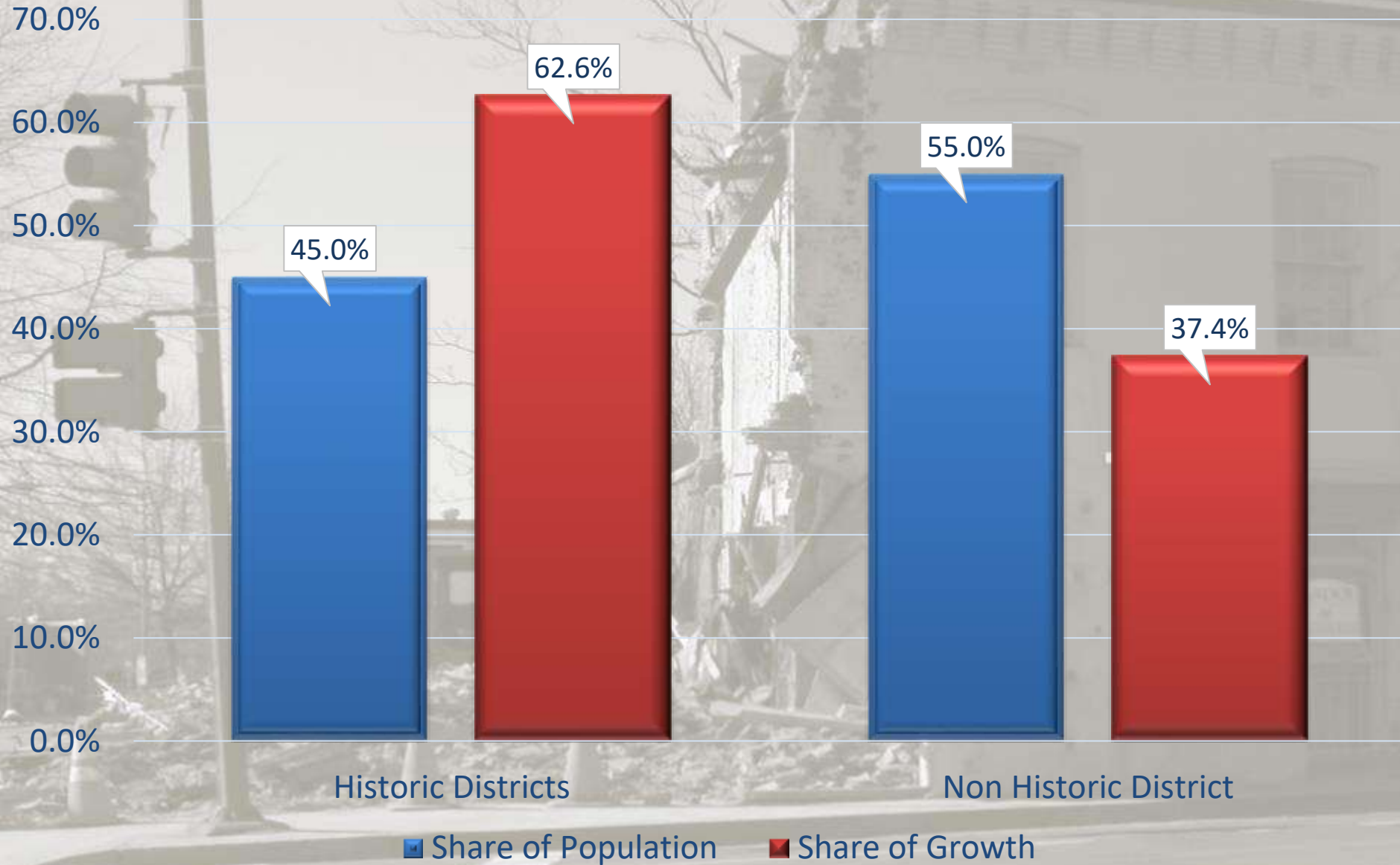
# Change in Philadelphia Population 2000 - 2010



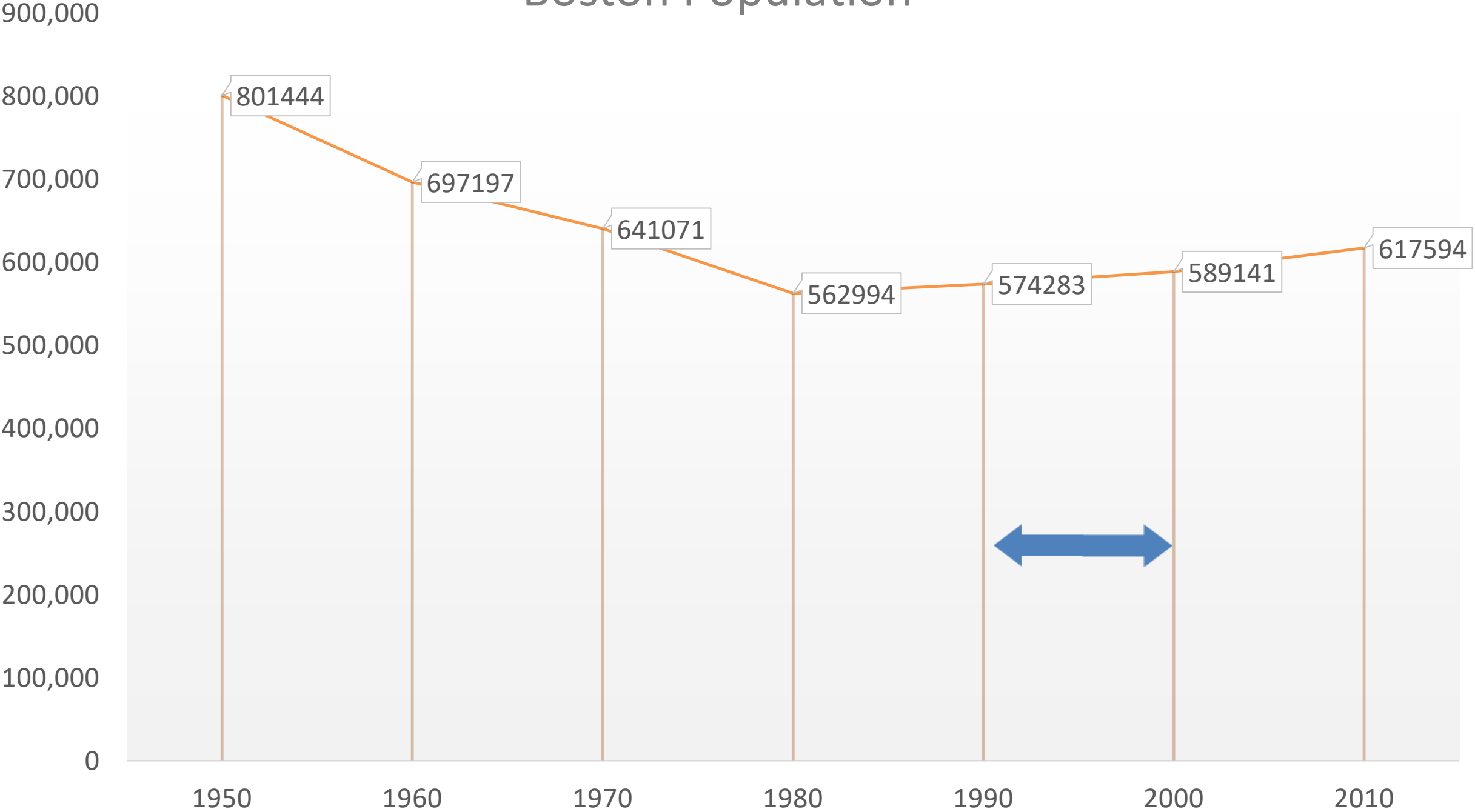


# Back to Where in the City?

## Washington, DC 2000 - 2010



# Boston Population





# Back to *Where* in the City?

## Boston 1990 - 2000



A bar chart with two bars. The left bar is blue and represents the 'Historic Districts Share of Population' at 22.7%. The right bar is red and represents the 'Historic Districts Share of Growth' at 36.0%. Both bars have a subtle drop shadow to the right and bottom.

Metric	Share
Historic Districts Share of Population	22.7%
Historic Districts Share of Growth	36.0%

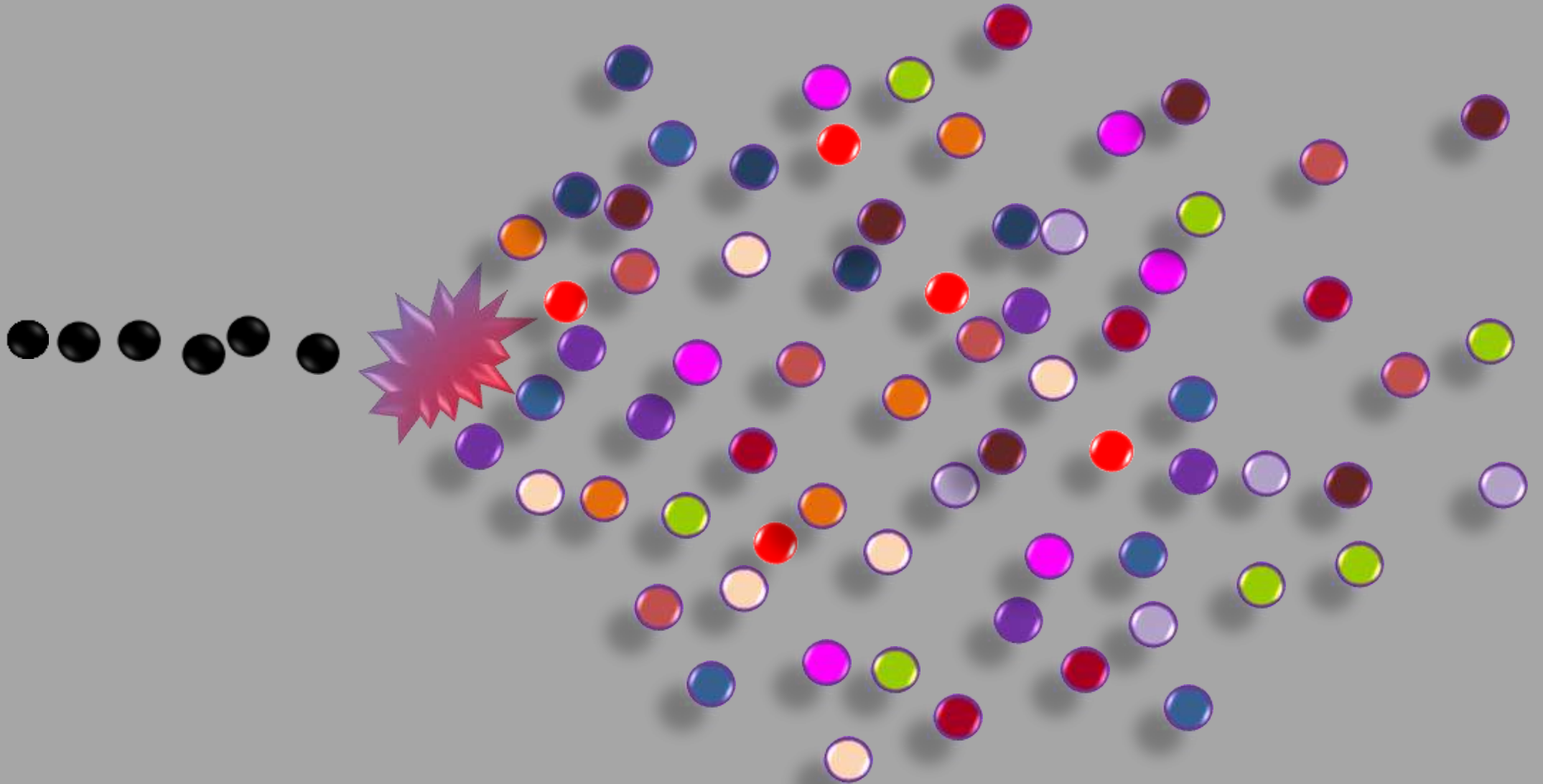
**22.7%**

Historic Districts Share of Population

**36.0%**

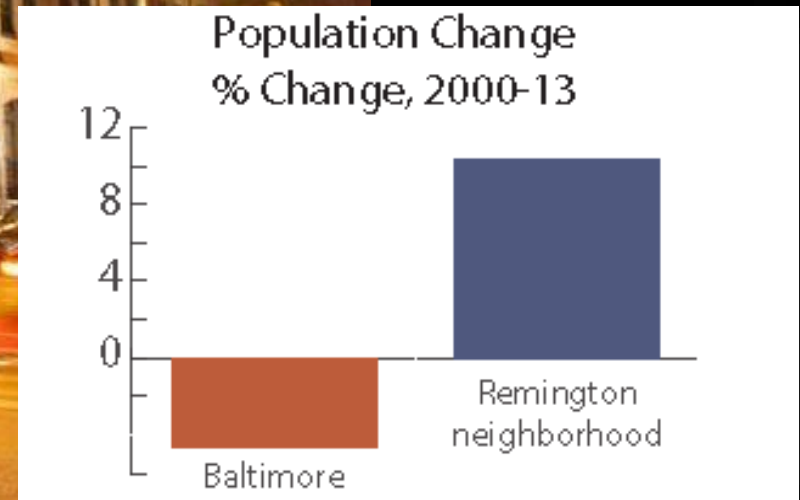
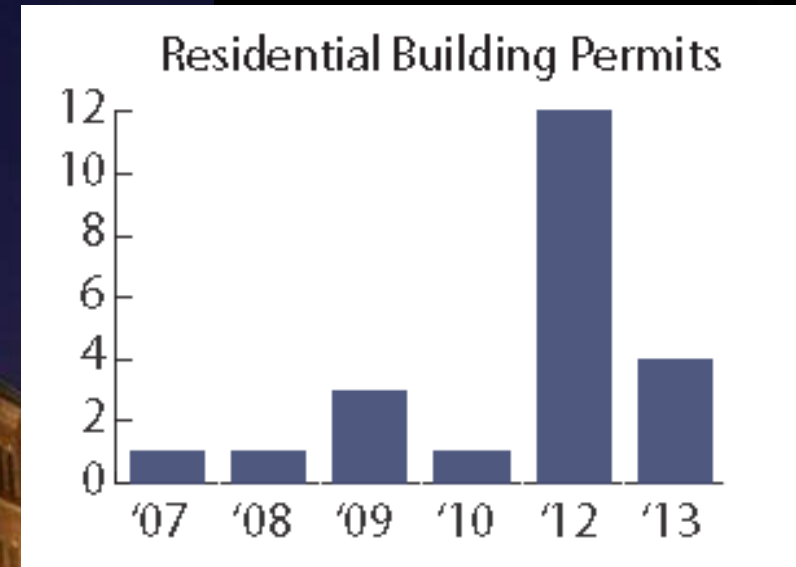
Historic Districts Share of Growth

# Historic Preservation as *Catalyst*





# Baltimore – Miller's Court





# Downtown Columbia, SC

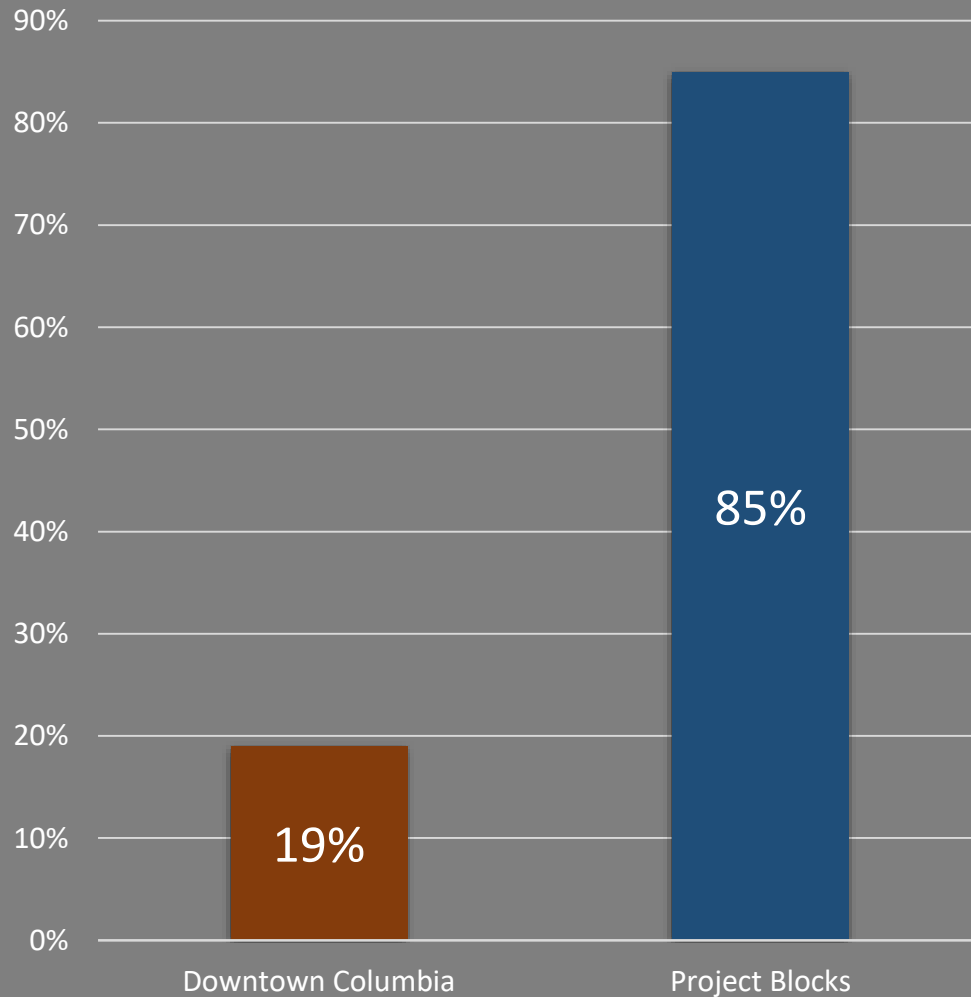
## Catalytic Impact of Projects using Preservation Easements

2006 - 2016

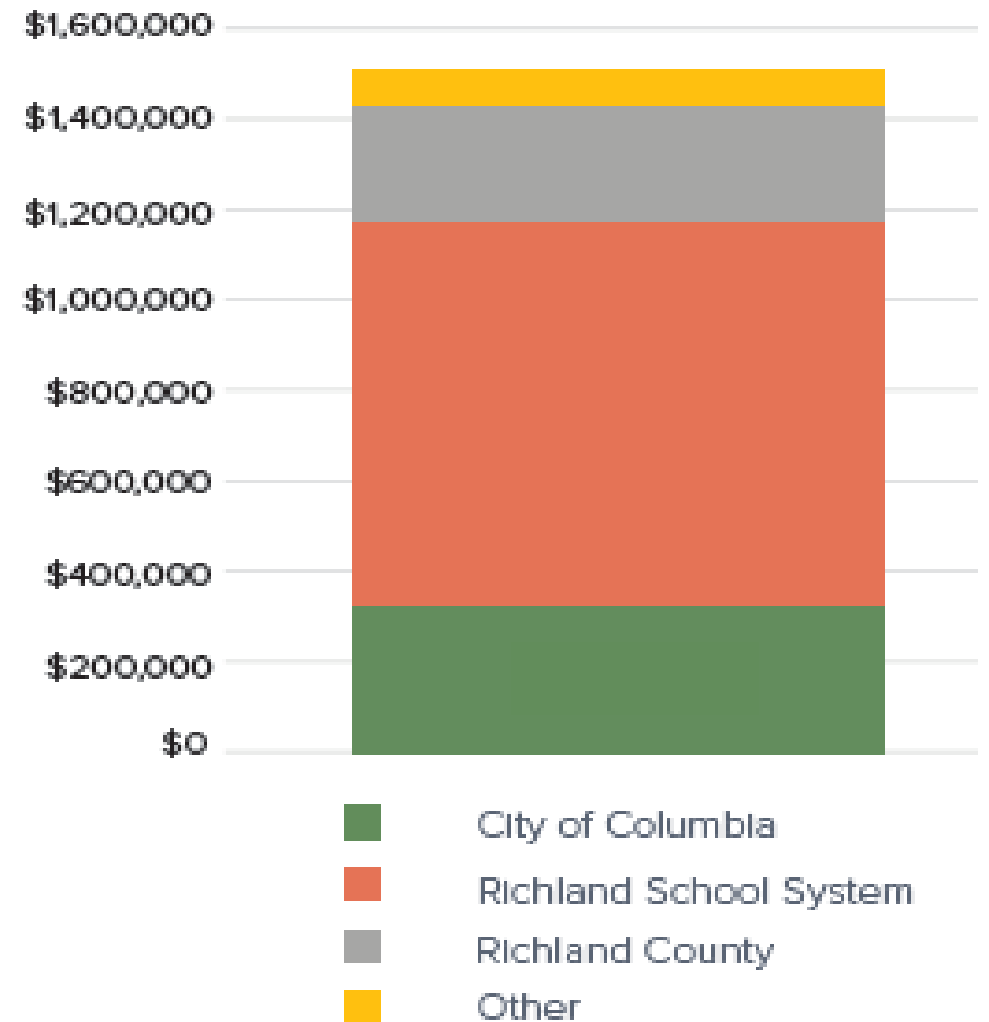




## Property Values 2006-2016



## Increase in Property Tax Revenues from Project Blocks, 2006-2016



## THE JURY IS IN

Impacts of  
Landmarks Illinois'  
Richard H. Driehaus  
Courthouse Initiative

Prepared for  
Landmarks Illinois by  
PlaceEconomics

June 2015



10 new  
businesses



\$95,960 in  
streetscape  
improvements



Book written  
about the history  
of the Courthouse  
and Lady Justice



Macomb Beautiful  
ground  
improvements



Planned  
clock repairs  
\$35,000



Influenced  
nearby county



Increased  
attendance at  
historic site



Increased  
nighttime events  
on the square



4 downtown  
facade  
restorations



8 new  
businesses



\$300,000 in  
facade grants



6 new upper-floor  
housing units



\$290,000 in streetscape  
improvements



\$787,500 in value of  
hours volunteered

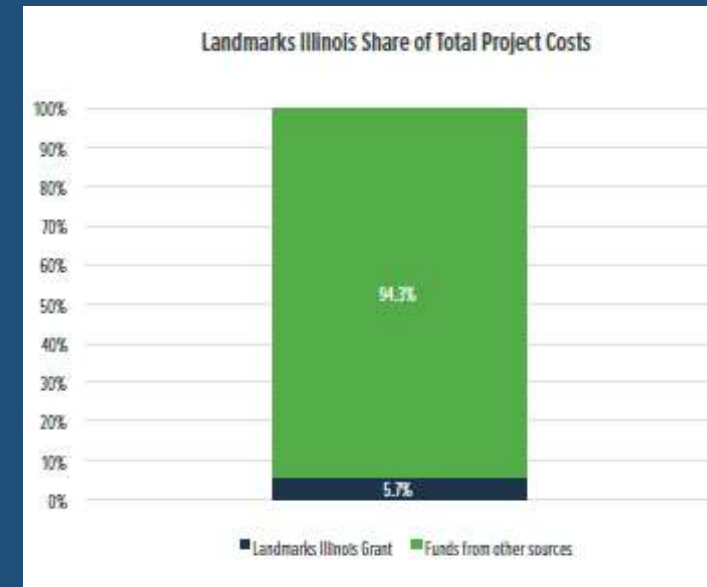
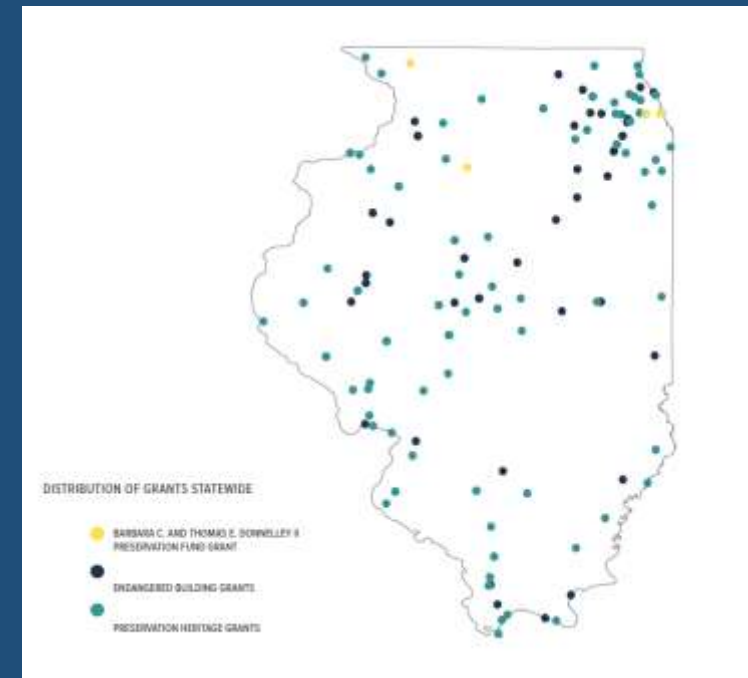


Reduced  
utility bills



Increased  
events







A black and white aerial photograph of a city skyline. On the left, a large, ornate Gothic cathedral with multiple spires and intricate stonework dominates the foreground. To the right, a dense cluster of skyscrapers rises, including a prominent clock tower with a large face. The background shows more distant buildings under a hazy sky.

*Thank you very much!*

Donovan Rypkema  
*PlaceEconomics*  
[www.PlaceEconomics.com](http://www.PlaceEconomics.com)





**BONNIE MCDONALD**  
President & CEO  
bmcdonald@landmarks.org  
(312) 922-1742  
@LIPresident  
www.landmarks.org

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