

SUGGESTED APPROACH FOR AUGUST 27 MEETING
OF THE AD HOC COMMITTEE

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The purpose of this communication is to strongly advise against a balancing test that pits tax revenue for new construction against the value of historic preservation in a historic district. Experience has shown us that testimony on the balancing test brings forth prodigious testimony on value and cost that are not only unreliable and unsubstantiated but pit two values against each other that should not be compared. The purpose of a landmarks district is to promote rehabilitation and preservation. It is not useful to ask a City Commission or the City Council is to make a comparison that should never be made in the first place.

The general public and particularly individuals who do, or intend to, own property in historic districts should have the clearest possible understanding of what the implications of ownership in a historic district require. Following is an idea to make that information graphically clear.

Attached is a copy of Page 89 of the Downtown Plan/Madison-Wisconsin adopted July 20th, 2012 noting the potential landmark structures and contributing buildings in the Mansion Hill National Historic District. Page 87 shows the Mansion Hill local historic district with all of the contributing buildings. I suggest that we use something like this map to define possible development sites such as the Verex parking lot on West Gilman Street indicated as A; a property owned by National Guardian Life Insurance Company on North Pinckney Street indicated as B; the Bethel Lutheran Church parking lot located on North Carroll Street indicated as C; the Lakeshore at 122 E. Gilman Street and the adjacent Haase Towers Apartments immediately to the west on East Gilman Street indicated as D; and the Highlander Apartments at 122 West Gilman Street indicated as E.

I am suggesting this simple approach because everyone can understand it. People would know what buildings should be rehabbed and which properties would be available for an infill according to the standards of the Mansion Hill Historic Plan and Development Guidelines Handbook. The important benefit to be gained by adopting this approach would be to clarify which buildings have a future only as rehabilitated or restored structures. They would be off the table as development sites. This is important because the two uses could have dramatically different economic values.

Let me begin with a property that has a nominated future as a development site. The constraints on the value of that property would be that new construction would be permitted according to the limits prescribed by zoning and, probably more controlling, the requirements of the Landmarks Ordinance, and even more specifically, by the Mansion Hill Development Plan and Development Handbook, in the case of the Mansion Hill Historic District. All of the remaining properties would have futures related to preservation and restoration.

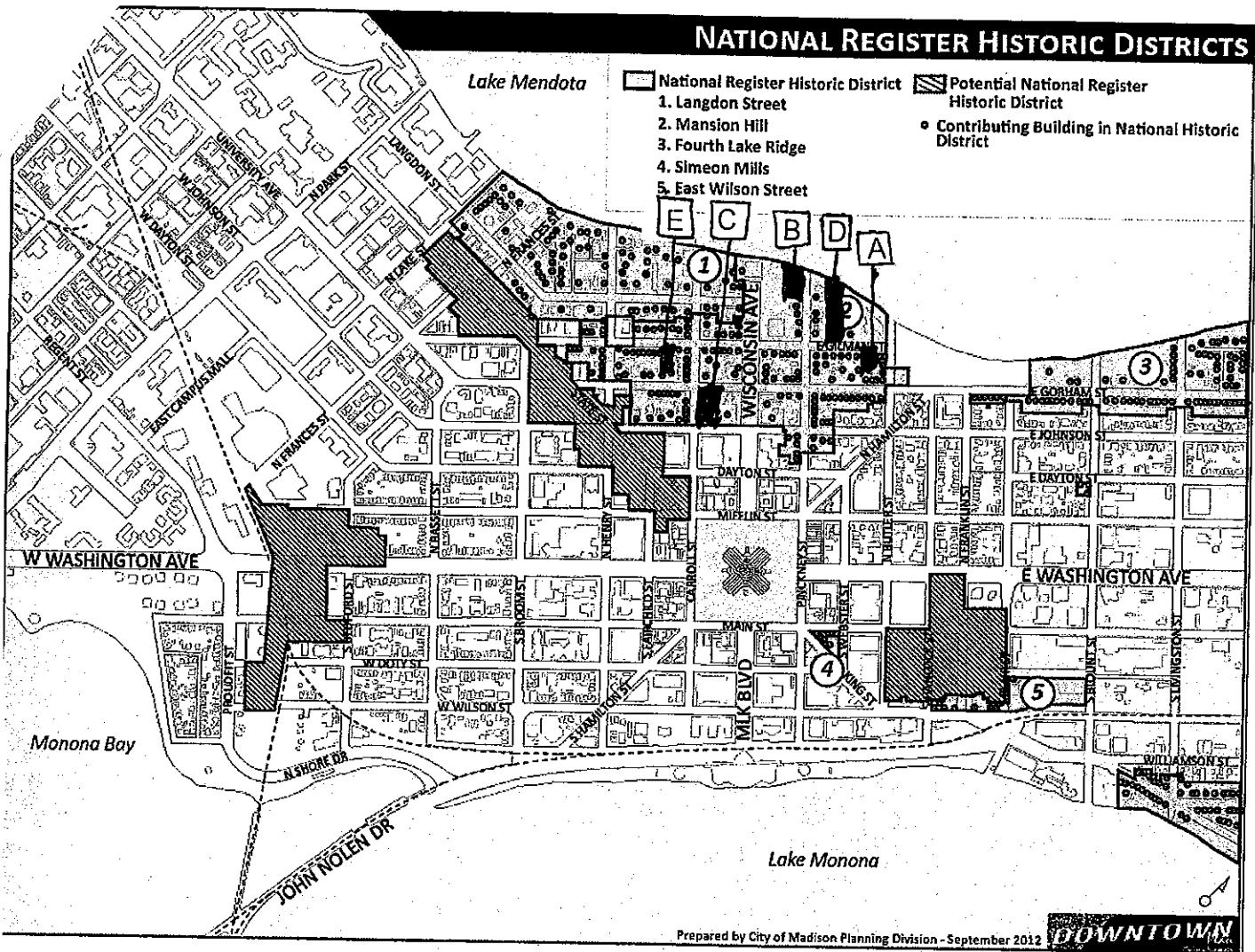
In my testimony before I have mentioned the last property on the 1800 block of North Lincoln Park West in the Old Town Historic Triangle, Historic District, in Lincoln Park, Illinois. Forty years after the Historic District was created, almost all of the other properties in the neighborhood had been rehabilitated and restored. One large frame house cut up into a number of apartments remained with its fake brick tarpaper peeling, its trim unpainted and its cheese metal door advertising that no one gave a damn about it. It sat there and sat there. Finally, the owner realized that he did not have a development site and sold the property to a lawyer with a large family who gutted the property leaving only its visible exterior and rehabilitated it into a fine looking single-family residence that was a replica of what had existed originally. What was the economic effect? The economic effect was that a neglected original building was worth around four times more after it was rehabilitated than in its rundown condition. That was a plus but it cannot be ignored that the valuation of the entire neighborhood was maintained or possibly even somewhat enhanced by the fact that no one was able to skip out on the requirements of Chicago's Landmarks Ordinance.

It should be noted that the Old Town Historic Triangle District is of approximately the same vintage as Mansion Hill. Some properties existed before the Chicago fire and others were replacements for buildings that were burned. Many of the structures are much more modest because they were workers' houses. Visitors from all over the world visit the neighborhood when they travel to Chicago. This can be how Madison's historic neighborhoods can be valued if we stick with it and make it clear what can and cannot be redeveloped.

As the Ad Hoc Committee works on the redrafted ordinance we all hope that not just the Committee and the City Council, but the general public as a whole, can understand that if Madison wants successful historic districts like other cities have, and that inspiring confidence in those districts on the part of the owners is the most important fundamental ingredient in the potential success of those districts.

Clarity should be the most important aspect as opposed to a balancing test that somehow pits possible increased tax revenue or density against success as a historic district. In the case of the Mansion Hill Historic District, and possibly the rest of Madison's historic districts, the clarifying map could define which properties are definitely off limits to infill development and which ones possessed characteristics that made them at least possible development sites. Rehabbing and restoration can involve choices that have very different costs, should we include beveled glass windows or just stick with plain for now, that are safer to make if the owner need not worry about being disappointed by an unexpected, adjacent development. All across the country historic districts that are the most reliable are the most successful. If we intend to shut the door on development in some areas, let's really shut it and give ourselves a chance to reap the benefits that that action will produce. It may not be possible in all cases to define what potential development sites in historic districts are, but why not try to take away the vagaries that existed in the past that have led to expensive and protracted battles zapping the energy and resources from the very historic districts that the City has optimistically created.

NATIONAL REGISTER HISTORIC DISTRICTS



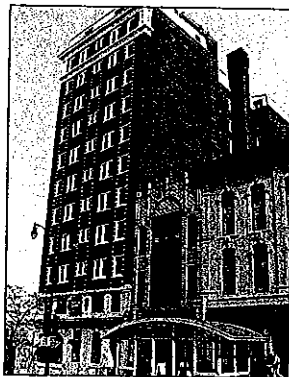
National Register of Historic Places

There are 40 individual properties within the Downtown planning area in the National Register of Historic Places (some of which are also local landmarks). All or a portion of five National Register historic districts, with a total of 259 contributing buildings, are located within the Downtown planning area. Of these, 112 buildings are not protected by the Madison Landmarks Ordinance because they are not designated landmarks or located in a local historic district. Although National Register districts are not locally regulated, preserving the buildings within them identified as contributing buildings is a goal of this plan. Properties within National Register districts but identified

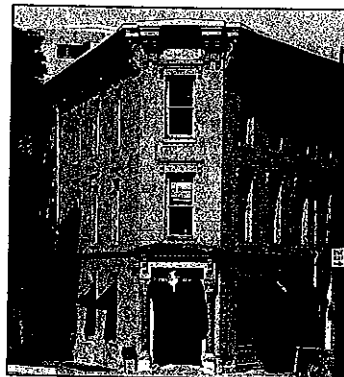
as non-contributing should have more flexibility in their potential for redevelopment.

Tax breaks are available for many improvements to National Register properties and those within National

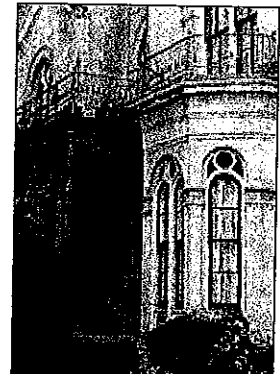
Register historic districts. Expanding these districts to coincide with local historic districts will provide additional incentives for property owners to improve their buildings without imposing additional regulations.



Belmont Hotel



Suhr Building



Pierce House

These photos are examples of buildings listed on the National Register of Historic Places or in a National Register Historic District.