

A photograph of a historic building with a balcony and a tree with pink magnolia flowers in the foreground. The building has white columns and a red brick wall. The tree is in the foreground, with its branches and pink flowers partially obscuring the building. The sky is overcast.

Historic Preservation as Economic Development

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Introduction

- With tourism being the number one industry in the City of New Orleans, the importance of our unique historic architecture and neighborhoods to our economic health cannot be overstated. Whether or not most tourists recognize its importance to their decision to visit, this authentic context is absolutely crucial to what they hope to experience here. From carriage rides through the French Quarter and Marigny, to cemetery and late-night ghost tours, to Garden District dining and walking tours, streetcar rides uptown and partying on Bourbon Street, the through-line is the **authentic historic architecture and streetscape**.





Importance of Adaptive Reuse

- Without appropriate utilization and maintenance, New Orleans' historic architectural fabric would cease to exist which, in turn, would be devastating to the local economy.
- Blighted buildings and neighborhoods encourage crime and are a substantial drag on quality of life for locals and visitors.
- Erodes the tax base affecting the economic health of the City.
- Fortunately, many of our historic buildings are perfect for adaptive reuse for contemporary purposes as can be seen all over town.

Historic Preservation Makes Economic Sense

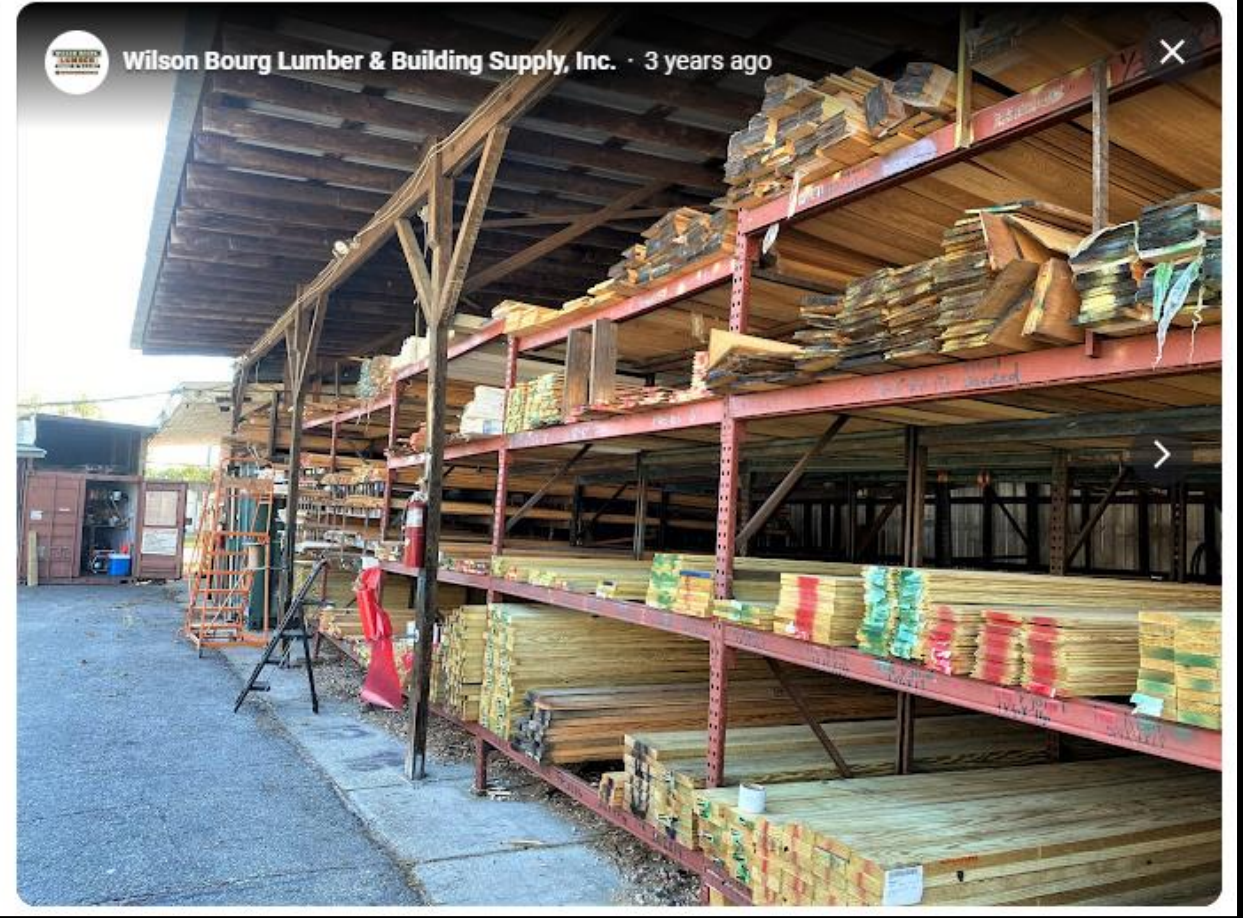
Historic preservation creates jobs

- Rehabilitation projects consist of up to 70% labor costs and most of those workers are hired locally keeping significant dollars in the community.
- These wages are then spent locally
 - Auto dealer
 - Restaurant
 - Barber
- Supports local tax base



Historic preservation impacts local suppliers and supports sustainability

- Direct local purchases combined with locally recirculated wages have a large economic impact
- Reduces energy consumed in transportation of goods which promotes sustainability



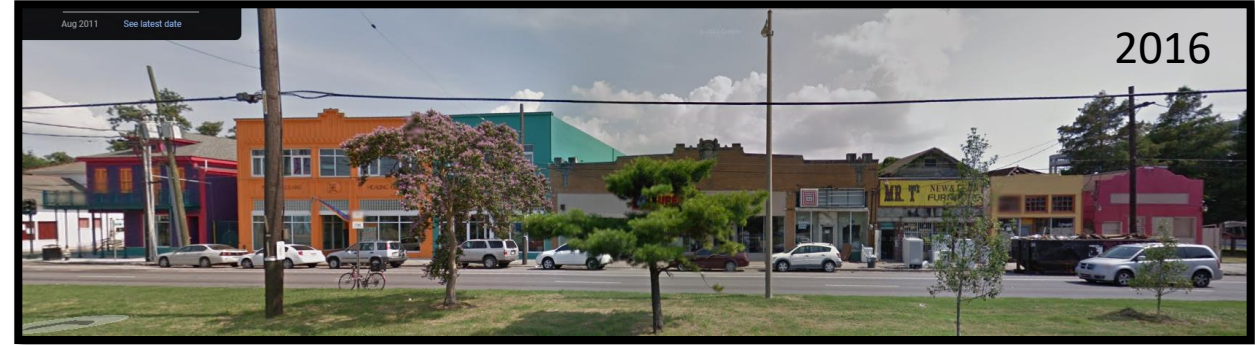
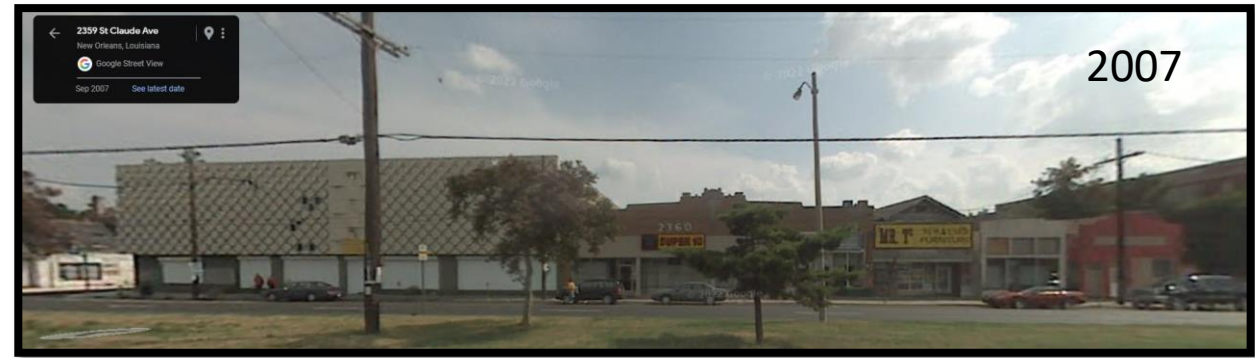


Economic benefits extend beyond the specific project itself

- New businesses are formed
- Private investment stimulated
- Increased property values
- Enhanced quality of life
- New jobs created
- Pockets of deterioration and poverty diluted

Historic rehabilitation is a “counter-cyclical” activity that stabilizes the local economy.

- Preservation projects are generally modest in scale
- Remain affordable when large construction projects are not
- More feasible to property owners during financial hard times
- Utilize local labor and supply chains
- Incremental property-by-property reinvestment is more realistic
- Leads to more stable local economy than large scale one-shot, quick fix strategies (casino, shopping mall, stadium, etc)
- Success measured through compounding impact of multiple smaller scale projects over time



- Owning a property within a historic district provides a sense of security that an inappropriate or out-of-scale new project won't adversely affect the owner's investment when real estate cycle swings into a boom phase again.
- **Regulations control that!**



Older buildings make great incubator spaces for small businesses and non-profit start-ups.

- Moderate rehabilitation costs less than new construction
- Initial occupancy costs lower
- Tend to be more centrally located
- Usually offer a wide range of purchase prices
- More funds available for business expansion and job creation.



Historic preservation an effective strategy to attract and retain small businesses.

Historic buildings/districts are ideal locations for small businesses:

- Character of buildings/neighborhoods appealing
- Near tourist and residential areas
- More attractive cost/square foot
- Appropriate space per employee

Historic preservation is an effective strategy to attract larger business/industry, too.

Companies recognize that employees want quality of “place” in which to live along with other requisite amenities.





“Historic preservation is a phenomenon that contributes to the quality of life, improving the image of a community and, in turn, attracting business and industrial development and fostering tourism.”

- Report to the Joint Study Committee: Economic Development Through Historic Preservation

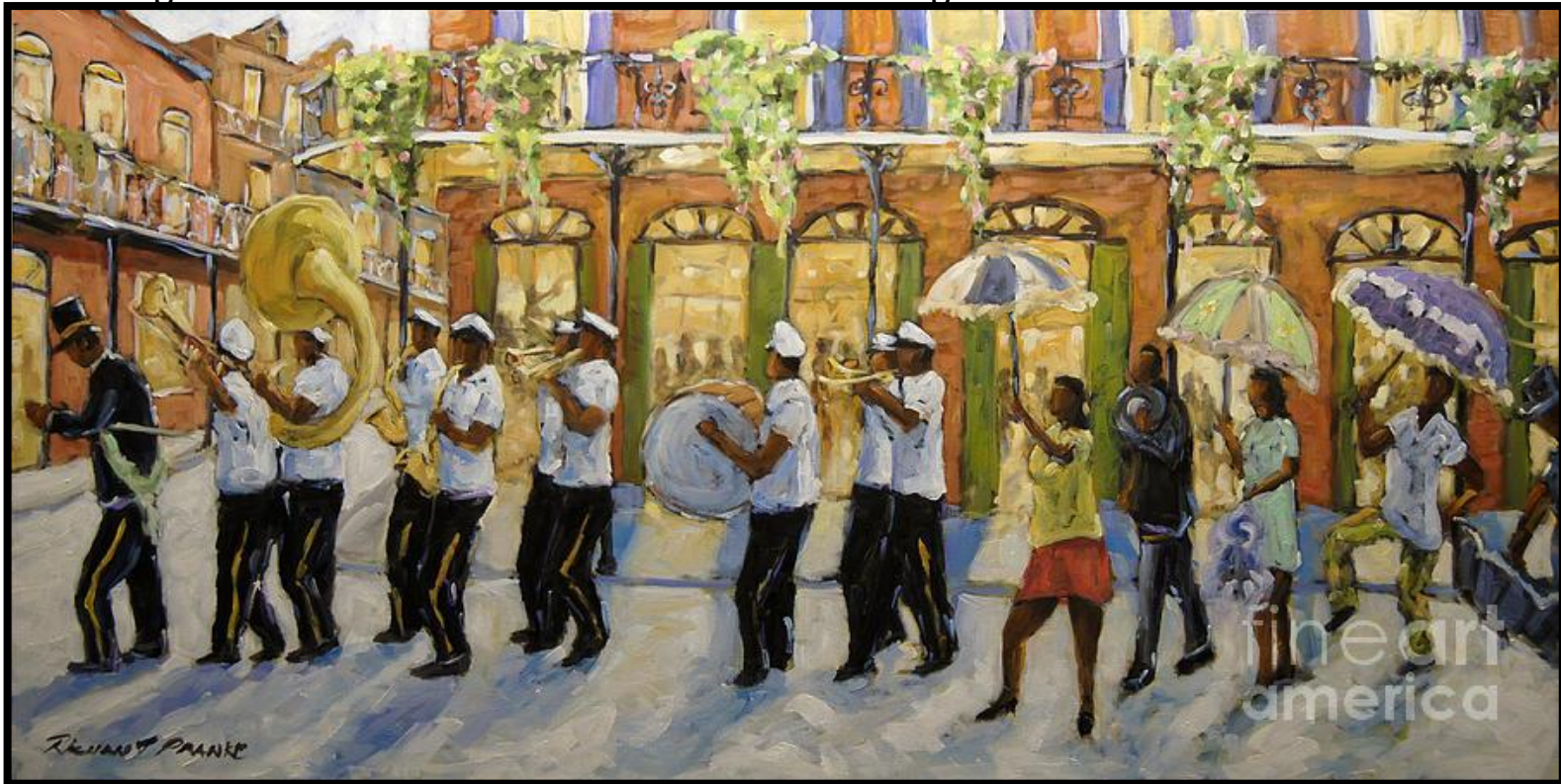


Beauty, Grace, Diversity and Authenticity

Historic preservation is a critical economic development strategy for New Orleans. Our unique inventory of historic architecture and neighborhoods is vital to our draw as an international tourist destination. **Without its preservation we are ANYWHERE ELSE!**

Historic preservation is important to quality of life.

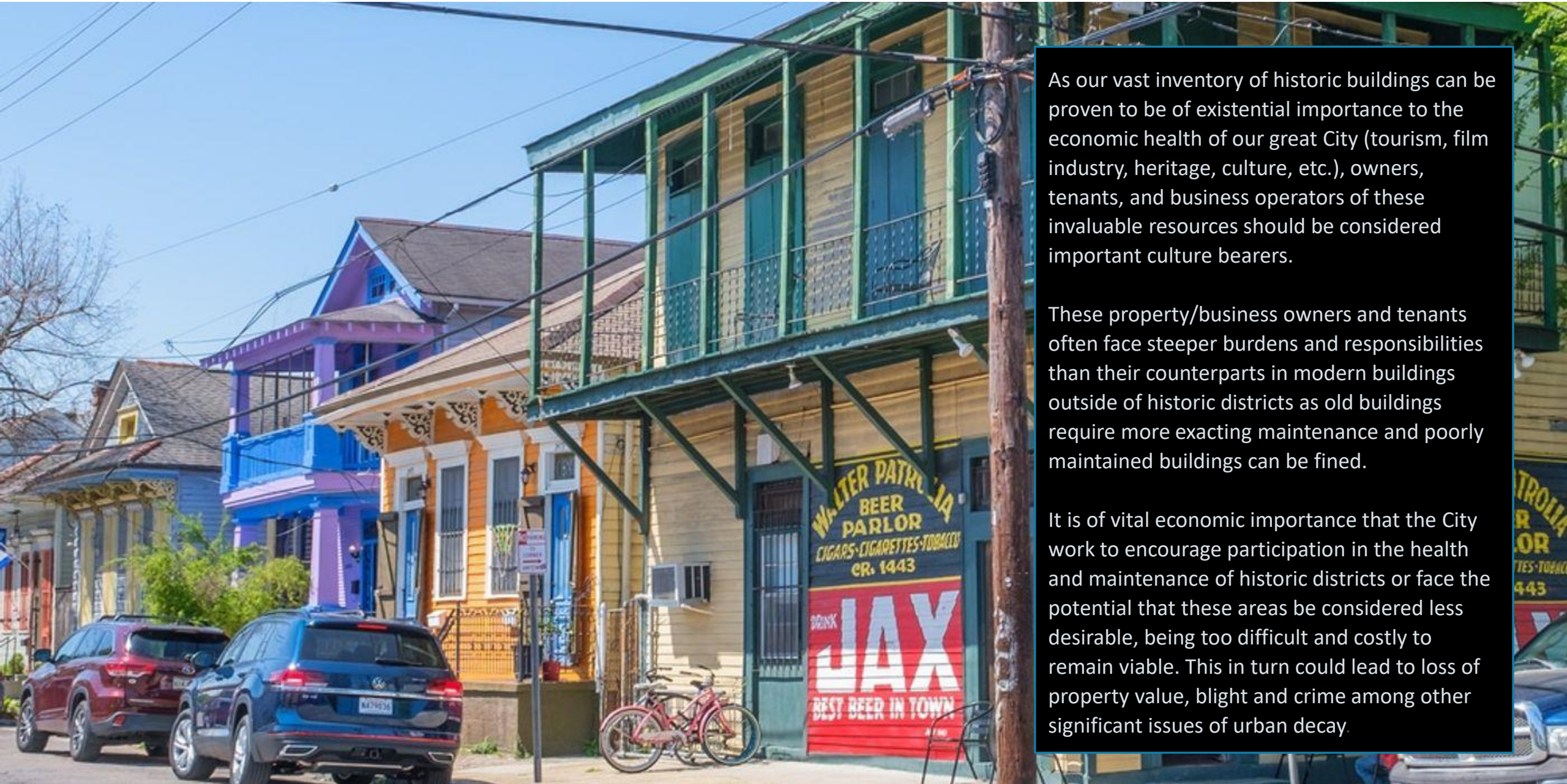
- Historic buildings differentiate one community from all others.
- Many quality-of-life activities are housed in historic buildings.
 - Museums
 - Libraries
 - Theaters
- Quality of historic buildings and settings speak to community's self-image.
- Imagine New Orleans without her historic buildings. **You cannot!**





People are the key!

Without the thousands of dedicated property/business owners/tenants who tirelessly work to maintain their buildings, and to great cost and personal sacrifice, these invaluable resources would be lost forever. And with them, to a substantial degree, the economic integrity of this city and region.



As our vast inventory of historic buildings can be proven to be of existential importance to the economic health of our great City (tourism, film industry, heritage, culture, etc.), owners, tenants, and business operators of these invaluable resources should be considered important culture bearers.

These property/business owners and tenants often face steeper burdens and responsibilities than their counterparts in modern buildings outside of historic districts as old buildings require more exacting maintenance and poorly maintained buildings can be fined.

It is of vital economic importance that the City work to encourage participation in the health and maintenance of historic districts or face the potential that these areas be considered less desirable, being too difficult and costly to remain viable. This in turn could lead to loss of property value, blight and crime among other significant issues of urban decay.

Resources

Office Of Cultural Development
Division Of Historic Preservation
Tax Incentives



Historic Rehabilitation Tax Incentive Programs

The Division Of Historic Preservation administers two historic rehabilitation tax incentive programs. These can be utilized independently or stacked to provide maximum credits. Click the links below for information on the two programs.

[State Historic Tax Credit Program](#)

[Federal Historic Tax Credit Program](#)

<https://www.crt.state.la.us/cultural-development/historic-preservation/tax-incentives/index>



For centuries, Main Streets have been the cultural, historic, economic, civic, and emotional hearts of our towns and cities. Forming at the center of a city or neighborhood, a community's Main Street brings together a complex amalgam of uses, creating an economically self-sustaining ecosystem of retail and wholesale businesses, personal and professional services, government, entertainment, dining, industry, worship, lodging, and public assembly.



- <https://www.crt.state.la.us/cultural-development/historic-preservation/main-street/>

Sources:

- The Economics of Historic Preservation- A Community Leader's Guide
By Donovan D. Rypkema
- "Treasure in the Walls"
<https://www.sanantonio.gov/Portals/0/Files/HistoricPreservation/Deconstruction/Treasure%20in%20the%20Walls.pdf?ver=2021-04-25-115830-417>



Thank you

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