

FINAL

**ADVISORY COUNCIL ON HISTORIC PRESERVATION (ACHP) POLICY  
STATEMENT ON HISTORIC PRESERVATION AND COMMUNITY  
REVITALIZATION**

October 26, 2016

**Introduction.** The 2010 U.S. Census revealed that, as a result of the significant decline in the economy beginning in 2008, an estimated 19 million properties were abandoned throughout the nation. As a result of the economic downturn, many buildings, in particular older and often historic properties, became vacant and abandoned. This has led to blighted conditions in many communities around the nation. Economists have compared the impacts of the economic downturn in 2008 to that of the Great Depression in the 1930s. Natural disasters, economic downturns, and the mortgage foreclosure crisis all occurred at the beginning of the 21st century, collectively eroding urban, rural, and tribal communities.

While these events resulted in significant economic impacts across the country, they accelerated declines in population, tax base, industry, jobs, and housing markets caused by structural changes to the economy. Impacts were most severe in the Midwest, Northeast, Mid-Atlantic, and the South. The estimated demolition of 200,000 properties exemplifies the extreme actions taken by many communities, resulting in the loss of residences, commercial buildings, and even entire neighborhoods. Many of the properties that were lost included historic buildings that were listed in or eligible for listing in the National Register of Historic Places. The focus of media attention on these issues centered on “legacy cities,” the term used to describe older, industrial communities. But research has revealed that suburban, rural, and tribal communities also have dealt with similar problems.

Communities identified as industrial centers were hit particularly hard and continue to struggle. These communities experienced shrinking population, declining property values, and high rates of residential vacancies and abandonments and require a holistic approach to bring about their revitalization.

In 1966, Congress passed the National Historic Preservation Act (NHPA) and declared that “the historical and cultural foundations of the nation should be preserved in order to give a sense of orientation to the American people.” It further stated that “in the face of ever increasing extensions of urban centers, highways, and residential, commercial, and industrial developments, the present governmental and nongovernmental historic preservation programs are inadequate to ensure future generations a genuine opportunity to appreciate and enjoy the nation’s rich heritage.”

The congressional findings in the NHPA remain applicable today, particularly since the economic crisis of 2008. The Advisory Council on Historic Preservation (ACHP), established by the NHPA to advise the President and Congress on matters relating to historic preservation, considers local community revitalization critical to stabilizing these economically depressed communities. In overseeing federal project reviews required by Section 106 of the NHPA, the ACHP has seen that historic preservation reviews are often not completed before federal funds are allocated. Further, the funds are often ineffectively or inappropriately used to manage redevelopment in struggling communities. Preservation options are not considered, and opportunities to reuse existing assets are missed because of the severity of the issues confronted by communities.

The ACHP sees a need to raise awareness of the potential community revitalization benefits from programs authorized by the NHPA and to provide an alternative framework for communities that have needs beyond the traditional historic preservation practices. To confront the challenge, community revitalization plans must be developed that address the disposition of vacant and abandoned properties, promote rehabilitation, create affordable housing, direct growth to target areas that have the infrastructure,

and utilize new infill construction to stabilize neighborhoods or develop mixed use projects. Such plans can benefit from using the Secretary of the Interior's Standards for the Treatment of Historic Properties (1995) (Secretary's Standards), as appropriate, as the framework for revitalizing housing, infrastructure, and commercial facilities. Further, involving historic preservation professionals who meet the Secretary's Standards as employees or contractors of local, regional, and state agencies can aid in developing and implementing effective community revitalization plans that build on historic assets.

In March 2013, the ACHP issued a report entitled *Managing Change: Preservation and Rightsizing in America*, which focused on communities addressing "rightsizing." Rightsizing applies when communities have shrinking populations, rising vacancy and abandonment, and systemic blight issues. The report clarified the role of historic preservation in rightsizing as well as noting relevant existing federal programs and policies. Reviewing extensive research, newspaper and journal articles, and organizational and institutional reports on rightsizing revealed that consideration of historic preservation issues in rightsizing decisions was often the exception. The ACHP report noted that rightsizing should include revitalization of historic fabric. Likewise, it noted that rightsizing is not uniquely an urban phenomenon. Rather, it encompasses a variety of communities, including older suburbs and rural and tribal communities. All are in need of technical assistance, education, and outreach to help residents, developers, and local officials approach revitalization using historic preservation tools that can be adapted to the 21st century.

**Purpose.** In accordance with Section 202 of the NHPA, the ACHP is issuing this Policy Statement to provide federal agencies; the individuals, organizations, and governments that apply for federal assistance; and their public and private partners with a flexible and creative approach to developing local community revitalization plans that involve historic properties. Likewise, the Policy Statement is intended to equip residents and community organizations with information on available tools and assist them in creating realistic strategies to integrate into revitalization plans the conservation and rejuvenation of the places and properties that define their neighborhoods.

A major goal of the Policy Statement is assisting federal agencies and their grantees and applicants, State Historic Preservation Officers (SHPOs), Tribal Historic Preservation Officers (THPOs), Certified Local Governments (CLGs), and state and local governments in complying with the requirements of Section 106 of the NHPA. Section 106 requires federal agencies to take into account the effects of their undertakings on historic properties and afford the ACHP a reasonable opportunity to comment. With a predictable and consistent policy framework, or an alternative framework developed to address the unique circumstances faced by a community, federal agencies and applicants will be encouraged to integrate historic preservation principles in holistic community revitalization strategies. The policy acknowledges that consideration of alternatives to avoid or minimize harm to historic properties is essential when planning community revitalization projects. Further, by engaging varied stakeholders in the early stages of project planning, community revitalization projects can achieve multiple community goals.

This Policy Statement builds on an earlier ACHP Policy Statement on Affordable Housing issued in 2006 ([www.achp.gov/polstatements.html](http://www.achp.gov/polstatements.html)), continuing the ACHP's efforts to promote historic preservation in community revitalization and encourage the use of it as a tool to stabilize and enhance communities that have suffered from massive structural changes to their economy. It also recognizes that other communities, under less severe economic distress, could benefit from implementing the strategies described in the principles below.

An underlying premise of the Policy Statement is the essential need for and value of local inventories and surveys, particularly in older neighborhoods that may be listed in or eligible for listing in the National Register of Historic Places (National Register) as historic districts. Only when local officials and the public are aware of the historic properties in their communities can they make informed decisions about

treatment and reuse of these assets. Likewise, the National Register status also determines whether proposals must be afforded consideration in federal project planning under Section 106, or whether historic properties can qualify as “certified historic structures” eligible to receive the 20 percent Federal Historic Preservation Tax Credit (FHPTC) for the rehabilitation of historic, income-producing buildings. Other tax incentives are often coupled with this credit to revitalize historic neighborhoods, such as the Federal Low-Income Housing Tax Credit and state and local historic preservation tax incentives. Recent studies have documented that these tax incentive programs contribute to economic development and job production, making them a primary tool for revitalizing neighborhoods that were once considered blighted.

The principles outlined below offer useful guidance that can assist communities in their efforts to incorporate historic preservation into planning revitalization efforts. Collaboration among federal, state, and local officials, SHPOs, THPOs, developers, residents, and other stakeholders is essential to successfully implement these principles. To foster such collaboration, this Policy Statement provides a framework that departs from traditional preservation doctrine in order to promote the effective contribution of historic assets to achieving community revitalization goals.

**Principles.** These principles are interpreted below to provide context for stakeholders who may consider applying them to their communities.

***I. Historic preservation principles should guide the preservation and reuse of older community assets.***

Responding to the widespread destruction of historic resources during the urban renewal programs of the 1950s and 1960s, the NHPA was established to ensure local community revitalization and economic development projects were responsive to historic preservation principles. Unfortunately, 50 years later, the provisions of the NHPA requiring consideration of historic properties in project planning are not applied consistently by federal, state, and local governments. This is particularly the case when federal funds are allocated to local communities to address substantial amounts of vacant and abandoned buildings. Historic properties should be considered and evaluated as community assets because of their ability to endure cyclical changes and continue to provide shelter and economic development to residents of all incomes. Their treatment should be informed by an analysis of alternatives, including stabilization, rehabilitation, new infill construction, and, in certain cases, demolition. When integrated into project planning as prescribed by Section 106 of the NHPA, historic preservation tools can be beneficial to achieving local revitalization goals. Rather than being viewed as part of the problem, historic properties can be adapted and reused as a viable alternative. They should be given due consideration by federal, state, and local officials when developing comprehensive and small area plans and neighborhood vision frameworks. Although historic preservation is often ignored by stakeholders who express a desire for new construction, decades of successful historic preservation projects affirm that renewed historic assets can meet community expectations for modern uses while maintaining the character that traditionally defined the area.

***II. Historic preservation should be incorporated in local planning efforts that focus on sustainability and smart growth.***

The core principles in sustainability and smart growth have been embraced by urban and rural communities nationwide during the past decades. Smart growth is a cohesive group of planning principles that are focused on creating sustainable development patterns. Sustainable communities are focused on conserving and improving existing resources, including making historic assets such as buildings, neighborhoods, and communities greener, stronger, and more

livable. Both smart growth and sustainability can foster historic preservation, emphasizing the value in preserving and reusing historic properties that illustrate the character of communities rather than filling up landfills with building materials. Successful historic preservation techniques often bring together both historic properties and compatible new construction to create a dynamic and attractive environment. Preserving historic properties not only retains streetscapes and original settings but also can create a focal point for a community to embrace its history, culture, and sense of place. This can be a major contribution to achieving community revitalization goals to stabilize distressed communities and to promote long-term viability.

***III. Historic preservation should be incorporated into plans prepared by local governments that receive financial and technical assistance to build resilient communities.***

In the aftermath of natural disasters, climate change events, and unanticipated emergencies, disaster recovery projects are often designed to revitalize and rebuild resilient communities. Communities also adopt practices before disaster strikes to make themselves more resilient. Resilient communities are better able to recover from disasters and disruptions in a sustainable way and maintain their vitality and viability. Achieving community resiliency goals consistent with local historic preservation priorities requires aligning federal funding with local rebuilding visions, cutting red tape for obtaining assistance, developing region-wide plans for rebuilding, and ensuring that communities are rebuilt to better withstand future threats. Maintaining, rehabilitating, and reusing existing historic buildings can contribute to stabilizing and revitalizing neighborhoods. Community recovery and revitalization plans should be specific in their use and treatment of historic properties and coordinated with plans for new construction and infrastructure. Recognizing that historic preservation strategies are compatible with resilient community goals will enable planners to create housing choices, foster a sense of place, generate jobs, maintain walkable neighborhoods, and preserve open spaces. All these factors are critical to promoting resilient communities that include integration of historic properties.

***IV. Historic property inventories and surveys prepared by digital mapping and other traditional methods are tools that can assist communities seeking federal, state, and local resources for planning and revitalization projects.***

Historic property inventories and surveys developed by qualified professionals documenting historic properties within a local community are frequently incomplete and dated or too often completely lacking. The absence of this basic information can result in the inadvertent loss of historic properties as well as delays in project planning and implementation. Without the historical context explaining the evolution of neighborhoods and the significance of existing building stock, decision making is uninformed. In contrast, communities that have current, up to date historic property inventories and surveys which provide historic context; identify architecture, archaeological sites, and cultural resources; and define historic districts are able to assist local officials and developers in preparing effective revitalization strategies. When local governments use this tool in advance of applying for grants and loans, they can identify areas that should be given special attention in project planning and gather input from residents on what is important to them about their neighborhoods. Also, inventory and survey information allows local officials the flexibility of de-listing National Register properties when the integrity is lost due to neglect and extensive amounts of abandonment of historic properties.

***V. The flexibility inherent in the National Register criteria should be recognized by state and local governments when considering the significance of resources within distressed communities.***

The National Register is broad enough to recognize and include under-represented communities and find creative approaches to recognize the history and culture of areas and resources preserved against tremendous odds. It should be recognized that as communities have aged and assets have been neglected, particularly in distressed communities, physical integrity may suffer. However, such resources may still possess cultural and social significance that may qualify them nonetheless for their associative value to the community and as embodiment of broad patterns of history. Where local communities have prepared lists of local landmarks unique to the city, those resources may very well meet the National Register criteria for eligibility on the local level. Section 106 reviews can factor in this information when considering alternatives and mitigation. Federal and state agencies that prepare National Environmental Policy Act documents should already be including local heritage and culture under chapters on *Social and Economic Conditions* and *Cultural Resources*.

***VI. Early consideration of alternatives to avoid or minimize adverse effects of projects involving historic properties is essential to ensure the proper integration of historic properties in community revitalization plans.***

Effective utilization of historic properties to support community revitalization goals requires that preservation be an integral part of local planning from the outset. Strategic efforts to stabilize local neighborhoods in communities experiencing unprecedented amounts of vacancies and abandonment and substantial population loss should consider alternatives that can have a positive impact. Comprehensive neighborhood plans, small area plans, and more targeted vision frameworks should disclose the criteria and processes local officials use to determine specific treatment for buildings and sites. SHPOs can also provide technical assistance when resources are available. Likewise, communities with CLGs that work closely with SHPOs can participate in local administrative reviews and provide advice regarding how historic properties may be affected by community revitalization plans. SHPOs and CLGs can work with the local community development agencies and land banks to determine how they can facilitate building preservation, rehabilitation, and revitalization, as well as plans proposed for substantial demolitions in target areas or on a community-wide basis. Essential to effective early planning is the engagement of the local community that is affected by the proposed action.

***VII. Effective citizen engagement that reflects the diversity of the community can assist in identifying historic properties and cultural resources that should be recommended for preservation.***

The consultation process carried out under Section 106 is designed to elicit effective and informed citizen engagement. Public participation will help to identify places and historic properties important to the community early in the consultation process and foster creative solutions that accommodate the community's heritage with revitalization. Special attention should be given to including diverse residents in communities that have been overlooked in prior identification efforts. Places associated with under-represented communities are not broadly listed on the National Register, so it is important that local officials make citizen engagement a priority when evaluating properties for National Register eligibility in the Section 106 process or developing surveys and inventories. SHPOs can often assist local officials in providing historic context statements for such properties and existing information on community resources. Involving local academic institutions, civic organizations, professional associations, neighborhood associations, and tribal representatives in the work of local preservation commissions and architectural review boards can help ensure that the views of all segments of the community inform the identification and evaluation of historic properties. Citizen engagement also is critical in the analysis of project alternatives to deal with adverse effects of revitalization

projects on historic properties. Many of the outcomes from Section 106 reviews are shaped by recommendations from citizens who participate as consulting parties in the process. Federal and local officials provide guidance and technical assistance to facilitate citizen engagement in completing inventories and surveys, developing local project plans, and participating in the required project review processes.

***VIII. Indian tribes may have an interest in urban and rural community revitalization projects and the effects they may have on historic properties to which they attach religious and cultural significance.***

It is important to involve Indian tribes in Section 106 reviews, particularly in the identification and evaluation of historic properties and assessment of effects. Since THPOs and Indian tribes are required to be invited to participate in Section 106 as consulting parties, federal and local officials should become familiar with those Indian tribes that have ancestral and historic associations with their communities. It is important that planners look beyond archaeologists in assessing the significance of sites, as these resources often have traditional cultural or religious value to Native Americans. Indian tribes can also contribute to local sustainability efforts based on their ecological and environmental knowledge of geographic areas to which they have traditional ties. Involving THPOs and Indian tribes early in Section 106 consultations allows them to advise the federal agency of protocols that should be followed in the event of unanticipated discoveries of sites. Finally, Indian tribes can provide relevant input to the agency officials in developing mitigation measures when sites cannot be avoided.

***IX. Tax credits and tax incentives can be used to promote historic preservation projects that preserve local assets.***

Recent research conducted on the impacts of using Federal Historic Preservation Tax Credits (FHPTC) have revealed that investments in historic rehabilitation have greater positive impact on employment, state and local taxes, and the financial strength of the state than new construction. The use of FHPTCs, Low Income Housing Tax Credits, state historic tax credits, and local historic tax credits can often be combined to provide neighborhoods with financial, social, and economic benefits. Local governments should consider how these incentives can be used to fund not only major projects but also small and mid-size neighborhood projects that involve local historic properties. SHPOs are uniquely situated to leverage FHPTC projects, having worked closely with the National Park Service and developers on previous projects. Further, local officials can collaborate with federal regional and field offices, land banks, SHPOs, and local real estate agents to identify vacant and abandoned buildings that are candidates for rehabilitation. By focusing on stabilizing anchor buildings in a neighborhood, local governments can protect these sites and make them available to developers who intend to revitalize target areas with major projects such as those for affordable housing and transit-oriented development.

***X. Flexibility in the treatment of some historic buildings in Section 106 reviews can help achieve broader neighborhood preservation goals.***

Sometimes historic neighborhoods confront significant abandonment and serious deterioration of building stock, such that rehabilitation and reuse becomes an overwhelming challenge. Participants in Section 106 consultations should be receptive to considering different treatment measures, including new infill construction meeting the Secretary's Standards, substitute materials, and strategic demolition, when there is concurrence that such an approach is the best approach to achieving broader community revitalization and preservation goals. It is strongly encouraged that federal agencies and applicants utilize historic preservation professionals to help

determine when and how it may be appropriate to apply flexibility in the treatment of individual buildings.

***XI. Private resources can contribute to local revitalization efforts and also leverage public funds.***

Private resources are instrumental in ensuring most community revitalization efforts are successful and transformative. Examples of federal grant and loan programs used in conjunction with private resources for local revitalization efforts include the Department of Transportation's TIGER Program and the Environmental Protection Agency's Brownfield Grants. These programs require local communities to provide matching funds, which are often solicited from the private sector. Local institutions such as universities, hospitals, foundations, banks, land banks, and local businesses are frequently the source for matching funds. In addition, they often partner with developers on multi-use projects that benefit the community as a whole. Banking institutions are able to get credit under the federal Community Reinvestment Act (CRA) program when they contribute to local revitalization efforts. A bank's CRA performance record is taken into account when evaluating its overall performance. Therefore, project proponents and local officials should reach out to local banking institutions to discuss strategies regarding loans for commercial and residential community revitalization projects. When using private resources to assist with revitalization projects, local officials should inform the funding entity of the importance of the local historic preservation principles to the community to ensure they are not inadvertently compromised.

***XII. Flexible and programmatic solutions developed as part of Section 106 reviews can expedite historic preservation reviews as well as more effectively address the chronic demolition of historic properties.***

Community revitalization projects with federal involvement require compliance with Section 106 and other federal environmental laws. Frequently, programmatic solutions that address the broad effects resulting from the implementation of multiple projects can expedite compliance with regulatory requirements, improving the efficiency of project delivery. Section 106 Programmatic Agreements, which are quite varied, are intended to manage multiple projects that result in similar types of effects, can respond to local conditions, foster community preservation goals, and expedite project reviews. Such agreements often clarify that plans and specifications developed for local community revitalization projects should adhere to the recommended approaches in the Secretary's Standards, when feasible, and qualify for simplified reviews. When communities cannot consistently adhere to the Secretary's Standards, they should consider developing project plans that are based largely on the Secretary's Standards but provide greater flexibility. The public interest in preservation should guide planning, such as focusing reviews on exterior features and limiting reviews of interior spaces to those areas open to the public. Planning for larger scale revitalization projects should occur in advance of submitting applications for federal monies, and allow local officials to target any grants received into grants and loans to areas that can be stabilized. Given the often changing financial market and the passage of time in many communities where revitalization activities are limited, securing and stabilizing buildings may be a useful interim measure. It can avoid the loss of substantial numbers of historic properties in areas that may ultimately rebound.

***XIII. Creative mitigation that balances historic preservation values and program goals should be explored by stakeholders and incorporated into Section 106 outcomes.***

“Creative mitigation” is a concept that allows federal agencies, in consultation with stakeholders, to use non-traditional approaches to compensate for adverse effects that cannot be avoided or offset by using standard mitigation techniques. In Section 106 reviews, standard mitigation measures are customarily directed at the affected historic property and may include recordation, data recovery, or curation. Sometimes the public benefit of using these standard measures is minimal, and allocation of funds for other preservation activities would be prudent. Federal agencies, SHPOs, CLGs, and other consulting parties are encouraged to be open to creative mitigation when consulting to resolve adverse effects on historic properties. Any mitigation for the loss of historic properties or materials should both provide public benefit and be commensurate with the extent of loss. The activities proposed in creative mitigation measures also should leverage the federal assistance in a manner that produces broader public benefits. Discussions about creative mitigation should be initiated early in the Section 106 review process when options can be objectively evaluated and before project plans and commitments become firm. Creative mitigation measures ultimately should advance community-wide preservation goals discussed during Section 106 reviews. Examples of creative mitigation that have been successful include the development of local historic preservation ordinances; acquisition and relocation of historic properties to alternate sites in a historic district; funding for landscaping and streetscape improvements in a district; and guidance on managing vacant and abandoned properties in the community.

**Conclusion.** Federal, state, and local officials; applicants; residents; and preservationists are encouraged to use the above principles when developing community revitalization plans and coordinating Section 106 reviews. Please visit the ACHP’s website, [www.achp.gov](http://www.achp.gov), to view helpful case studies and best management practices and to learn about webinars that can further expand knowledge of these historic preservation tools and how they are being used throughout the nation.