AFFORDABLE HOUSING AND HISTORIC PRESERVATION

Advisory Council on Historic Preservation’s Policy Statement
Adopted November 9, 2006
National policy encompasses both preserving historic resources and providing affordable housing. The National Historic Preservation Act (NHPA) of 1966, as amended, directs the Federal government to foster conditions under which modern society and prehistoric and historic resources can exist in productive harmony and "fulfill the social, economic, and other requirements of present and future generations." Similarly, affordable housing legislation like the Cranston-Gonzalez Act of 1990, which aims to "expand the supply of decent, safe, sanitary, and affordable housing," anticipates historic preservation as a tool for meeting its goals. Actively seeking ways to reconcile historic preservation goals with the special economic and social needs associated with affordable housing is critical in addressing one of the nation's most pressing challenges.

In issuing this policy statement, the ACHP, consistent with Section 202 of the NHPA, offers a flexible approach for affordable housing projects involving historic properties. Section 106 of the National Historic Preservation Act (Section 106) requires Federal agencies to take into account the effects of their actions on historic properties and afford the ACHP a reasonable opportunity to comment. This policy provides a framework for meeting these requirements for affordable housing.

Federal tax incentives provide opportunities for historic preservation and affordable housing to work together, including the Low-Income Housing Tax Credit and the Historic Rehabilitation Tax Credit. Projects taking advantage of the Historic Rehabilitation Tax Credit must be reviewed
by the National Park Service (NPS) for adherence to the Secretary of the Interior's Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings (Secretary's Standards) in a separate and distinct process. Review of these projects is more comprehensive than Section 106 review and necessitates early coordination with NPS and the State Historic Preservation Officer (SHPO) since work must adhere to the Secretary's Standards to obtain the tax credit. Nonetheless, coordination with Section 106 consultation and these reviews frequently occurs.

In an effort to better focus Section 106 reviews for affordable housing, the ACHP encourages Federal and State agencies, SHPOs, Tribal Historic Preservation Officers (THPOs), local governments, housing providers, and other consulting parties to use the following principles in Section 106 consultation.

Historic buildings provide affordable housing to many American families. Affordable housing rehabilitation can contribute to the ongoing vitality of historic neighborhoods as well as of the businesses and institutions that serve them. Rehabilitation can be an important historic preservation strategy. Federal agencies that help America meet its need for safe, decent, and affordable housing, most notably the U.S. Department of Housing and Urban Development (HUD) and the U.S. Department of Agriculture's (USDA's) Rural Development agency, often work with or near historic properties.

The ACHP considers affordable housing for the purposes of this policy to be Federally-subsidized, single- and multifamily housing for individuals and families that make less than 80% of the area median income. It includes, but is not limited to, Federal assistance for new construction, rehabilitation, mortgage insurance, and loan guarantees.
IMPLEMENTATION PRINCIPLES

I. Rehabilitating historic properties to provide affordable housing is a sound historic preservation strategy.

II. Federal agencies and State and local government entities assuming HUD’s environmental review requirements are responsible for ensuring compliance with Section 106.

III. Review of effects in historic districts should focus on exterior features.

IV. Consultation should consider the overall preservation goals of the community.

V. Plans and specifications should adhere to the Secretary’s Standards when possible and practical.

VI. Section 106 consultation should emphasize consensus building.

VII. The ACHP encourages streamlining the Section 106 process to respond to local conditions.

VIII. The need for archaeological investigations should be avoided.
Rehabilitating historic properties to provide affordable housing is a sound historic preservation strategy. Continued investment in historic buildings through rehabilitation and repair for affordable housing purposes and stabilization of historic districts through the construction of infill housing should be recognized as contributing to the broad historic preservation goals of neighborhood revitalization and retention.

Federal agencies and State and local government entities assuming HUD’s environmental review requirements are responsible for ensuring compliance with Section 106. Federal agencies, notably USDA Rural Development and HUD, provide important funding for affordable housing. These Federal agencies, and funding recipients assuming HUD’s environmental review requirements, must comply with Section 106. SHPOs, THPOs, and local historic preservation commissions provide expert opinions and advice during consultation. Consultation should be concluded and outcomes recorded prior to the expenditure of funds.

Review of effects in historic districts should focus on exterior features. Section 106 review of effects focuses on the characteristics that qualify a property for listing in the National Register of Historic Places. The significance of historic districts is typically associated with exterior features. Accordingly, unless a building is listed or considered eligible for listing in the National Register as an individual property or specific interior elements contribute to maintaining a district’s character, review under Section
106 should focus on proposed changes to the exterior. In all cases, identifying the features that qualify a property for inclusion in the National Register defines the scope of Section 106 review.

IV. Consultation should consider the overall preservation goals of the community. When assessing, and negotiating the resolution of, the effects of affordable housing projects on historic properties, consultation should focus not simply on individual buildings but on the historic preservation goals of the broader neighborhood or community. If the affected historic property is a historic district, the agency official should assess effects on the historic district as a whole. Proposals to demolish historic properties for new replacement housing should be based on background documentation that addresses the broader context of the historic district and evaluates the economic and structural feasibility of rehabilitation that advances affordable housing.

V. Plans and specifications should adhere to the Secretary's Standards when possible and practical. The Secretary's Standards outline a consistent national approach to the treatment of historic properties that can be applied flexibly in a way that relates to local character and needs. Plans and specifications for rehabilitation, new construction, and abatement of hazardous conditions in affordable housing projects associated with historic properties should adhere to the recommended approaches in the Secretary's Standards when possible and practical.
Projects taking advantage of the Historic Rehabilitation Tax Credit must be reviewed by the National Park Service for adherence to the Secretary’s Standards in a separate and distinct process that benefits from early coordination. The ACHP recognizes that there are instances when the Secretary’s Standards cannot be followed and that Section 106 allows for the negotiation of other outcomes.

VI. Section 106 consultation should emphasize consensus building. Section 106 review strives to build consensus with affected communities in all phases of the process. Consultation with affected communities should be on a scale appropriate to that of the undertaking. Various stakeholders, including community members and neighborhood residents, should be included in the Section 106 review process as consulting parties so that the full range of issues can be addressed in developing a balance between historic preservation and affordable housing goals.

VII. The ACHP encourages streamlining the Section 106 process to respond to local conditions. The ACHP encourages participants to seek innovative and practical ways to streamline the Section 106 process that respond to unique local conditions related to the delivery of affordable housing. Programmatic Agreements often delegate the Section 106 review role of the SHPO to local governments, particularly where local preservation ordinances exist and/or where qualified preservation professionals are employed to improve the efficiency of historic preservation reviews. Such agreements may also target the Section 106 review process to local circumstances.
that warrant the creation of exempt categories for routine activities, the adoption of “treatment and design protocols” for rehabilitation and new infill construction, and the development of design guidelines tailored to a specific historic district and/or neighborhood.

VIII. The need for archeological investigations should be avoided. Archaeological investigations should be avoided for affordable housing projects limited to rehabilitation and requiring minimal ground disturbance.