

Keynote Address by Donovan D. Rypkema
Alexandria Historic Preservation Conference and Town Meeting
May 5, 2007
First Baptist Church, Alexandria

The Economics of Historic Preservation

Thank you. I appreciate the invitation to join you in this first Historic Preservation Conference and Town Meeting. Probably 40 times a year I give a presentation somewhere about the link between economics and historic preservation. Almost always afterwards someone will come up to me and say, "Boy, the place where they've really done a great job of that is Alexandria, Virginia." So lesson one of the day – you all have done a great job of putting your historic resources into economically productive use. But lesson two – and we'll come back to this one – is that is always a fragile condition that needs ongoing monitoring.

I also want to thank you for something else. When I travel and am introduced as being from Washington, frequently someone will tell me, "I used to live in Washington." To which I invariably reply, "Oh yeah? Where in Washington?" And they'll say, "I lived in Burke, Virginia" or "in Silver Spring, Maryland" or some other Washington suburb. Well, in the modified words of Lloyd Bentsen in his debate with Dan Quayle, "I know Washington, and Burke is no Washington." But people who lived in Alexandria never say that. They say, "I used to live in Alexandria." In part, I suppose, that's because your city predates mine. But I'd like to think it's more than that. I'd like to think they say, "I lived in Alexandria" because of a sense of pride in this city and the quality of life here, and that your incredible inventory of historic buildings adds considerably to both that sense of pride and that quality of life. There's nothing wrong with either Burke or Silver Spring and both are becoming rather nice places in their own right. And when they reach that qualitative level, they'll quit saying, "I'm from Washington" and start saying, "I'm from Burke, Virginia."

I'm sure many of you love what you do for a living. But I have to tell you that I have the best job in America. Every year I get to go to a hundred or so cities of every size – from villages of 450 people in the middle of Kansas to New York, Chicago, Los Angeles, and every size in between. In the last two weeks I've been in Silver City and Albuquerque, New Mexico, and in Philadelphia. In the next two weeks I'll be in Raton, New Mexico, in Baku, Azerbaijan, and San Diego.

But that's not even the best part of my job. Here's what I do. I go in, act like I know what I'm talking about, and leave. No responsibility, no implementation, no follow-through. I don't actually have to do anything. Which is probably just as well, because I don't really have many skills. But I do have one. I'm a very good note taker. I go places, watch what people are doing, what seems to succeed and what seems to fail and I take notes. And from those notes I make lists. That's what I really do for a living – I'm a list maker. And then I go around sort of regurgitating lists and pass it off as actually knowing something. Much of what you'll hear from me today is a series of lists.

Lee Webb contacted me some time ago about coming here, and my assignment was to talk about the economics of historic preservation, which I intend to do. But as I often tell preservation clients, in the long run preservation's economic impact is far less important than its educational, environmental, cultural, aesthetic, historical, and social impact. In the long run none of us really care what the compounded, discounted, internal rate of return is for the piazzas in Florence, nor are we particularly interested in the job creating impact that the building of Monticello had on the Charlottesville economy. In the long run, all of those other values of historic preservation are more important than the economic value. But as the great economist John Maynard Keynes said, "In the long run we're all dead."

In the short run, however, those who have the most influence on what happens to our historic resources – property owners, mayors and legislators and city managers, bankers, developers, investors – many of those interests – legitimately in my opinion – do care about the economic value of heritage buildings. And often it is through the door of economic impact that those decision makers become advocates for historic preservation on the other, more important grounds.

Almost fifteen years ago Peter Brink at the National Trust asked me to write a book on the Economics of Historic Preservation. Almost twenty five years ago I was getting my preservation degree at Columbia University and at that time the discussion of historic preservation and money in the same sentence was considered *déclassé*, something akin to attending an Episcopal Church social then eating your dessert with a salad fork. It just wasn't done in polite company. Well, that's no longer true. Twenty years ago historic preservation was an end in itself – save old buildings in order to save old buildings. Today the historic preservation movement is a broad-based, multi-faceted movement where historic resources are means, not ends. And preservation has become a means of downtown revitalization, neighborhood stabilization, affordable housing, luxury housing, heritage tourism, education, and, my little niche in the world, economic development.

In the last decade particularly, considerable research has been done on the economic role of historic preservation. I'd like to quickly go through some of the ways this has been true, and give you a factoid or two from the lessons that have been learned.

While most of my clients are local or state governments, downtown organizations, or preservation groups, what I really am is an economic development consultant. At the top of the list for economic development measurements are jobs created and increased local household income. The rehabilitation of older and historic buildings is particularly potent in this regard. As a rule of thumb, in the US new construction will be half materials and half labor. Rehabilitation, on the other hand, will be sixty to seventy percent labor with the balance being materials. This labor intensity affects a local economy on two levels. First, we buy an HVAC system from Ohio and lumber from Georgia, but we buy the services of the plumber, the electrician, and the carpenter from across the street. Further, once we buy and hang the sheet rock, the sheet rock doesn't spend any more money. But the plumber gets a hair cut on the way home, buys groceries, and joins the YMCA – each recirculating that paycheck within the community.

Many people think about economic development in terms of manufacturing, so let's take a look at that. For the average manufacturing concern in Virginia, every million dollars of

production means that 25.1 jobs are created. A million dollars spent on new construction will create 32.2 jobs. But that same million dollars in the rehabilitation of an historic building here in Virginia? 36.1 jobs.

A million dollars of manufacturing output in Virginia will add, on average about \$558,082 to local household incomes. A million in new construction – \$726,300 in additional local household income. But a million dollars of rehabilitation? Nearly \$780,000. Now of course the argument can be made, “Yeah, but once you’ve built the building the job creation is done.” Yes, but there are two responses to that. First, real estate is a capital asset – like a drill press or a box car. It has an economic impact during construction, but a subsequent economic impact when it is in productive use. Additionally, however, since most building components have a life of between 25 and 40 years, a community could rehabilitate 2 to 3 percent of its building stock per year and have perpetual employment in the building trades. And these jobs can’t be shipped overseas.

Now there are some economists and politicians who argue that in economic down turns public expenditures should be made to create employment. And as you all know, among politicians’ favorite forms of public works is building highways.

David Listokin at the Center for Urban Policy Research at Rutgers has calculated the relative impact of public works. Let’s say a level of government spends \$1 million building a highway. (And these days that means a highway not quite the length of this room) but anyway a million dollar highway – what does that mean? 34 jobs, \$1.2 million in ultimate household income, \$100,000 in state taxes and \$85,000 in local taxes. Or we build a new building for \$1 million. 36 jobs, \$1,223,000 in household income, \$103,000 in state taxes and \$86,000 in local taxes. Or we could spend that million rehabilitating an historic building. 38 jobs, a million three in household income, \$110,000 in state taxes and \$92,000 in local taxes. Now you tell me which is the most economically impacting in public works projects.

A second broad area of the economic impact of historic preservation is downtown revitalization. There really is a resurgence of downtowns in towns and cities of every size all over America. This is the area where I do most of my work. So I could talk for hours about why this is important. But I’ll leave it at this – I cannot identify a single example of a sustained success story in downtown revitalization where historic preservation wasn’t a key component of that strategy. Not a one. Conversely the examples of very expensive failures in downtown revitalization have nearly all had the destruction of historic buildings as a major element. Now the relative importance of preservation as part of the downtown revitalization effort will vary some, depending on the local resources, the age of the city, the strength of the local preservation advocacy groups, and the enlightenment of the leadership. But successful revitalization and no historic preservation? It ain’t happening.

In fact by far the most cost effective program of economic development - not just of historic preservation or downtown revitalization - but the most cost effective program of economic development of any kind is a program called Main Street. For twenty-two years Virginia has had an excellent state Main Street program. Main Street is commercial district revitalization in the context of historic preservation. Main Street started as a program for downtowns of small towns. In the last 25 years some 2000 communities in

all 50 states have had Main Street programs. Over that time the total amount of public and private reinvestment in those Main Street communities has been \$41 Billion. There have been 78,000 net new businesses created generating nearly 350,000 net new jobs. There have been 187,000 building renovations. Every dollar invested in a local Main Street program leveraged nearly \$26 of other investment. The average cost per job generated - \$2,500 - less than a tenth of what many state economic development programs brag about.

I said that Main Street began as a program of economic development in the context of historic preservation for small town downtowns. In recent years, however, the fastest rate of growth in Main Street programs has been in neighborhood commercial districts in larger cities. The first and hugely successful Urban Main Street program is in Boston where it was the top economic development priority for Mayor Menino. Subsequently there have been urban Main Street programs established in Baltimore, San Diego, Philadelphia, Milwaukee, Dallas, Detroit, Washington, and elsewhere.

Another area that consistently emerges as a major component of preservation's economic impact is heritage tourism. Ask someone in the business of economic analysis and they'll tell you how tricky trying to figure out exactly what "tourism expenditures" are. If I rent a car and drive to New York City for a weekend is the toll on the Jersey Turnpike a tourism expenditure or not? Well, I'm not an expert in econometric modeling, so I've avoided trying to calculate composite numbers. Instead I've simply looked at the incremental difference between the expenditures of heritage visitors and other types of tourists. Virginia is one of the states that subscribe to a giant survey data base that questions households about did they travel, where, how much did they spend, etc. The data is sortable. So in a study a few years ago we sorted out the patterns of heritage visitors here. We defined heritage visitors as those who did one or more of the following: visited a museum (in the Commonwealth around 90% of the museums are history museums), visited a Civil War battlefield, or visited an historic site. And we contrasted those patterns with visitors to Virginia who did none of those things. Here's what we found: heritage visitors stay longer, visit twice as many places, and on a per trip basis spend 2 ½ times as much money as other visitors. Wherever heritage tourism has been evaluated this basic tendency is observed: heritage visitors stay longer, spend more per day, and, therefore, have a significantly greater per trip economic impact.

Some individual historic sites have done their own analysis. Biltmore, the great estate in the mountains of Western North Carolina commissioned a study of their local impact – and you can see these numbers – 760 employees, \$215 million to the local economy, \$5 million in taxes, etc. But to me the most impressive number is this one – for every \$1 a visitor spent at Biltmore itself, over \$12 was spent elsewhere – hotels, restaurants, gas stations, retail shops, etc. Biltmore was the magnet to come to Asheville, but for every dollar the Biltmore reaped, others garnered another \$12 – impressive leveraging of resources.

Now I said that I've never tried to estimate total tourism dollars, but there are lots of people smarter than I who have. The University of Florida in conjunction with Rutgers did an economic analysis of historic preservation in Florida. Now for non-Floridians, that is not a state that immediately comes to mind as being heritage tourism based. We tend to think of Disney World, beaches, and golf courses. Tourism is clearly the largest industry in Florida.

But just the heritage tourism portion of that industry has impressive impacts, with over \$3 billion in expenditures, half a billion in taxes, and over 100,000 jobs. And while most of the jobs, predictably, are in the retail and service industries, in fact nearly every segment of the economy is positively affected.

I am not a tourism expert, but I'm even less of a Biblical scholar. But there's a bible verse that many of you will recognize. It comes from Matthew 16:26, and goes, "So what is a man profited, if he shall gain the whole world, and lose his own soul?" I would suggest to you that the verse can be altered just a bit to ask the question, "So what is a community profited, if it shall gain the whole world, and lose its own soul?" When historic preservation is done right, the biggest beneficiaries are not the tourists, or even the restaurants, motels, and gas stations. The biggest beneficiaries are the local citizens who gain a renewed appreciation of their own community and its unique history.

Perhaps the area of preservation's economic impact that's been looked at most frequently is the effect of local historic districts on property values. It has been looked at by a number of people and institutions using a variety of methodologies in historic districts all over the country. And the most interesting thing is the consistency of the findings. Far and away the most common result is that properties within local historic districts appreciate at rates greater than the local market overall and faster than similar non-designated neighborhoods. Of the several dozen of these analyses the worst case scenario is that housing in historic districts appreciates at a rate equivalent to the local market as a whole.

Now why would that be the case? Intuitively one might say, "If I have to go through one more hoop to do something with my property that must, *prima facie*, adversely affect my property value." Well, it stems from that old cliché that the three most important things in real estate are location, location, location. But what does that mean? It means what you already know – that the economic value of real estate stems not from within four walls and a roof but rather the context within which the individual property exists. I travel all the time and with regularity I'll be in some town and they'll drive me through their great old neighborhood, point out some big historic house and say, "If that were in Washington, DC where you live it would be worth \$3 million." Yeah, but it ain't! Real estate gets its value largely from its context. The economic role of land use regulations in general but local historic districts in particular is protecting the context within which an individual property exists. Nobody is paying a premium for the privilege of having to go and appear before some goofy historic district commission. Rather it is the assurance that the lunatic across the street isn't going to be allowed to do something with his property that will have an adverse impact on the value of your property.

Every five years or so *Time* and *Newsweek* will have a cover story on the "back to the city" movement. And indeed that really is happening all over the country. Washington DC is certainly no exception. I live downtown exactly half way between the White House and the Capitol and a block and a half from the National Archives. The 1990 population in what is now my zip code was 11 – and that was probably mostly homeless. The 2000 population was 901 and I can look out my window and see 1000 units built since the Census.

But wherever you look, the "back to the city" movement hasn't been back to the city in general, but back to the historic neighborhoods within the city. There may be new

construction and new neighborhoods built eventually, but the first attraction back to the city is invariably historic areas. Our former mayor in Washington, Anthony Williams, established an ambitious but commendable goal of attracting 100,000 new residents to Washington over the next decade. So we looked at what had happened to Washington during the decade of the 90s. The overall population of Washington fell in that 10 year period from 607,000 to about 572,000. But that pattern certainly was not consistent throughout the city. Had Washington's historic districts declined at the same rate as did the rest of the city, the 2000 population would have been less than 562,000. Conversely had the entire city grown at the rate the historic districts grew, our population in 2000 would have been over 621,000. When "back to the city" happens, historic districts are the first magnet.

A frequently underappreciated component of historic buildings is their role as natural incubators of small businesses. It isn't the Fortune 500 who are creating the net new jobs in America. 85% of all net new jobs are created by firms employing less than 20 people. One of the few costs firms of that size can control is occupancy costs – rents. In both downtowns but especially in neighborhood commercial districts, a major contribution to the local economy is the relative affordability of older buildings. It is no accident that the creative, imaginative, small start up firm isn't located in the corporate office "campus" the industrial park or the shopping center – they simply cannot afford the rents there. Older and historic commercial buildings play that role, nearly always with no subsidy or assistance of any kind.

Pioneer Square in Seattle is one of the great historic commercial neighborhoods in America. The business management association there did a survey of why Pioneer Square businesses chose that neighborhood. The most common answer? That it was a historic district. The second most common answer? The cost of occupancy. Neither of those responses is accidental.

One area is a bit less obvious. You know we all diligently recycle our Coke cans. It's a pain in the neck, but we do it because it's good for the environment. Land fill throughout the country is increasingly expensive in both dollars and environmental quality. Now even though a quarter of everything dumped at the landfill is from construction debris, we don't often think about the environment in relation to the demolition of historic buildings. But let me put it in context for you. Let's say that today we tear down one small building like one of these in Alexandria. We have now wiped out the entire environmental benefit from the last 1,344,000 aluminum cans that were recycled. We've not only wasted an historic building, we've wasted months of diligent recycling by the good people of Alexandria. Now why doesn't every environmentalist have a bumper sticker saying "Recycle your aluminum cans AND your historic buildings." Either that or let us off the hook from having to sort those Coke cans every week.

There is no movement in America today that enjoys a more broad based support across political, ideological, and geographical boundaries than does *Smart Growth*. Democrats support it for environmental reasons, Republicans for fiscal reasons, big city mayors, rural county commissioner, there are Smart Growth supporters everywhere. The increasing public volume and political expenditures of Smart Growth's opponents is in direct relationship to Smart Growth's broad and growing support.

And the Smart Growth movement has a clear statement of principles, and here it is:

- Create range of housing opportunities and choices
- Create walkable neighborhoods
- Encourage community and stakeholder collaboration
- Foster distinctive, attractive places with a Sense of Place
- Make development decisions predictable, fair, and cost effective
- Mix land uses
- Preserve open space, farmland, natural beauty and critical environmental areas
- Provide variety of transportation choices
- Strengthen and direct development toward existing communities
- Take advantage of compact built design.

But you know what? If a community did nothing but protect its historic residential and commercial neighborhoods it will have advanced every Smart Growth principle. In fact, any Smart Growth strategy that doesn't have historic preservation at its core is stupid growth, period.

So I have a question for you: what is the most pressing economic development challenge of 2007? Affordable housing. For a long time housing affordability was a social service issue – how do we house the least fortunate among us. Today it has become a central economic development issue.

And what is the most significant economic development variable in the year 2007? Quality of life.

I would suggest to you that historic preservation has a vital role to play in both of those.

Many of you know Dick Moe, the president of the National Trust. Well Dick is a smart guy, and has been around Washington for a long time and since he's been at the Trust he's pushed the Trust to be more active on the policy front. Dick was early on in the Smart Growth movement, in many cases dragging other preservationists kicking and screaming into the anti-sprawl movement. Many preservationists, frankly, didn't initially understand the connection. But we do now and that's to Dick's credit.

So three years ago Dick looked around, saw that Smart Growth had its own momentum and pondered internally what the next major Trust policy initiative should be. He'd been hearing this emerging issue of affordable housing so wanted to understand what link, if any, there was between housing affordability and older and historic houses. So we took a look.

Of the many lessons learned, here are some of the most telling:

- In the market place older and historic houses – those built before 1950 – disproportionately meet the housing needs of those of modest means
- The majority of this older, affordable housing is simply provided by the market, with no subsidies, incentives, or government intervention of any kind.
- If today we had to replace the pre-1950 housing being occupied by households living at the poverty level, using the most cost effective Federal program it would cost the tax payers \$335 Billion dollars – that’s like paying for another Iraq war.

Well if affordable housing – what the ULI calls workforce housing – is a critical need and if older housing is disproportionately meeting that need, then there must be a major effort going on to keep this housing inventory viable, right? Alas, that’s not the case. In the every day, seven days a week, 52 weeks a year for the last thirty years we’ve lost 577 units of older and historic housing – 80% of which were single family dwellings. I say “lost”, but it’s not that we misplaced them. A few were destroyed by tornados and a few hit by lightning, but the vast majority of them were consciously torn down.

And for those with the most historic significance? The 90s are generally seen as a decade rather enlightened about historic preservation. But during that ten years removed forever were 772,000 housing units built before 1920, arguably our most historic.

The result? We are systematically tearing down what is affordable and building what is not.

But people of modest means need more than just low rent. They also need proximity – to schools, shopping, work, and transportation. Where are those daily needs nearly always nearby? In our older and historic neighborhoods. Where are those daily needs almost never nearby? – new subdivisions.

I earlier said that affordable housing was the most critical economic development challenge today and that that cliché – quality of life – was the most significant economic development variable. Now there are some who think that “quality of life” is simply a function of urban design. And everybody has their own name for it – New Urbanism, Traditional Neighborhood Development, Transportation Oriented Development, and at the National Governors Association they call it New Community Design. And in their publication – *New Community Design to the Rescue* – they too have established a set of principles, and they are these:

- Mixed use
- Community interaction
- Transportation/walkability
- Tree lined streets
- Open space

- Efficient use of infrastructure
- Houses close to the street
- Diverse housing
- High density
- Reduced land consumption
- Links to adjacent communities
- Enhances surrounding communities
- Pedestrian friendly

Great list. But you know what? We don't need new community design to rescue us. That list of principles is exactly what our historic neighborhoods are providing right now. We just need to make sure they are protected.

I agree that good urban design is a part of "Quality of Life". But ultimately quality of life will be determined by five senses: the sense of place, the sense of evolution, the sense of ownership, the sense of identity and the sense of community itself.

The Greeks had a phrase – *horror vacui* – the intolerability of no-place-at-all. Many places in America have approached that *horror vacui*. On a trip to California I picked up a copy of the Sacramento Bee one morning and read a local columnist – Steve Weigand – and here's what he wrote. "And from the Brave New World of the Internet comes the following new term. "Generica: fast food joints, strip malls and subdivisions, as in 'we were so lost in Generica, I didn't know what city it was.'"

Generica isn't just a California phenomenon. Generica is happening everywhere and I would suggest it is at the heart of the challenge of economic development, smart growth and quality communities. Generica undermines all five senses – the sense of place, of evolution, of ownership, of identity and of community.

In his book *The Good Society* sociologist Robert Bellah writes, "Communities, in the sense in which we are using the term, have a history – in an important sense they are constituted by their past – and for this reason we can speak of a real community as a 'community of memory', one that does not forget its past." Generica diminishes each of the five senses; preservation of the historic built environment enhances each of the five senses, and constitutes the physical manifestation of a "community of memory". Historic preservation builds both community and place; Generica destroys both community and place. But as preservationists, we are now facing an attack from another direction. We've been plagued by it in Washington for a couple of decades, and much to my dismay I recently read about it happening here in Alexandria – the lunacy of the facadomy

Not the most surreal dictionary written by Salvador Dali on drugs could define historic preservation as maintaining a four-inch depth of a brick façade. Either a justification can be made for replacing the building because it causes economic hardship, or it can't. If

there is no economically feasible way to save the building, we ought to demand a high quality new building be built in its place. If there is not demonstrated economic hardship we ought not to settle for this Halloween preservation – saving the mask and throwing away the building. This is the worst of both worlds. There is no historic preservation, by any sane definition, and yet we’ve encumbered the developer with the extraordinary cost of removing an entire building behind the skin and pasting it back on again.

My little niche of the preservation world is the economic impact of historic preservation. I can promise you, every one of the positive economic benefits of preservation are wiped out when the facadomy takes place

Every time the historic preservation commission accepts – or in most cases mandates – this facadomy as “historic preservation” it not only makes it more likely to happen again, it also has taxpayers and elected officials shaking their heads in wonder and saying, “This is what preservation is about”?

And when I thought that the south side of F Street constituted the ultimate in absurdity then comes the north side. How is this preserving our built heritage? This is what happens when boards, commissions, and their staff don’t have the political will to do the right thing. We might as well have this Oklahoma version of the facadomy.

Now a couple of months ago I was on a panel with a real estate developer who now envisions himself as a urban scholar. And he said, “You preservationists are just going to have to put up with these façade projects, because density is a moral imperative.” Well, unless I want to live in Iran, I think I’ll leave the deciding of what it a moral imperative is to the church, the synagogue and the mosque. But not thirty days after I heard that we have to live with facadomies for the sake of density, I read this great report written by Terry Holzheimer, the director of Arlington Economic Development. And what did he conclude? I want to quote his report:

While both [Georgetown and Alexandria] have increased their development intensity over the past two hundred years, it has been within generally the same development envelope prescribed by the street grid and height and scale of the original buildings. Furthermore, their street grids have accommodated traffic levels associated with 21st Century America. With development intensities above 50 jobs and residents per acre, it is perhaps surprising how intensely developed older American cities actually were.

And he goes on to conclude:

Relatively high intensity development can be achieved within constraints posed by the height, form and texture of traditional communities as is demonstrated in places such as Georgetown and Alexandria.

If density is a “moral imperative” then our historic neighborhoods and commercial centers are already more than contributing their share. Your density in downtown Alexandria is almost five times that of the Dulles corridor, and yet provides a sense of

place, the sense of evolution, the sense of ownership, the sense of identity and the sense of community. Those ought to be the moral imperatives, not fake preservation.

Now before I close I want to tell you what I learned at two conferences in Europe a couple of years ago – one in Barcelona and the other in Geneva. In Geneva was the annual Congress of ISoCaRP – the International Society of City and Regional Planners. I joined that organization. I have never considered myself a planner and don't now. But the Spanish word for what we call city planner is *urbanista*. So that's why I joined – I want to be an urbanista. Anyway 200 people from 47 countries and 60 or so presentations. I heard one about the importance of traditional buildings and building patterns to neighborhood vibrancy in Lisbon; another about a new organization of historic towns in Turkey, one about the nearly missed opportunity of using the small, vernacular historic housing stock in Shanghai as counterpoint to its obsession with the high-rise glass and chrome typology which is defining its image as an emerging world city, and reinvestment in traditional buildings in Iran as part of an overall municipal strategy.

But perhaps most enlightening was a final session billed the Mayors' Summit. Eight mayors from four continents talked about their strategies for building their cities' futures. In every instance a key component of that strategy was restoring the past. And not, by the way, primarily for heritage tourists, but for the citizens of their cities.

In Barcelona was the World Urban Forum sponsored by UN Habitat. 5000 participants from nearly every country on the globe. There were five days of plenary sessions, dialogues, networking meetings, and other events. Now there were certainly sessions devoted specifically to heritage conservation. Some of these were put on by UNESCO, others by the Swedish government and its national heritage board. And I learned a lot from these presentations, but wasn't so surprised that such sessions were planned.

Here was the surprise – heritage conservation permeated horizontally sessions throughout the conference and was being promoted by those not remotely identified as preservationists, was being promoted as an important vehicle for other ends. A representative of the International Labor Organization encouraged the restoration of heritage buildings for the jobs that would create – a form of labor intensity without simply padding public payrolls. At a day long on Public-Private Partnerships, investment in heritage buildings was seen as an excellent laboratory to make such partnerships viable and acceptable in emerging economies. In a master plan for one of the venues put forward as part of Spain's bid for the 2012 Olympics, the new development was scaled to both extend and to reflect the existing historic city center. There was considerable discussion about the implications of gentrification in historic cities around the world, and a UNESCO task force is looking into the problems and solutions there, but there was also an emphasis that any response to gentrification needed to be within the context of those historic buildings, not their demolition.

I think at this entire conference there was only one concept promoted more than heritage conservation and that was sustainable development. Although the iterations of sustainability vary widely around the globe, and there are numerous approaches, the reuse

of historic buildings was mentioned in session after session as an integral part of the sustainability movement – historic preservation as smart growth around the world.

Finally, in Geneva I met an Australian woman who told me about a recently completed study there where they looked on a GIS basis where their heritage resources were located and where their creative class tended to cluster. And lo and behold it was the same places. Where the creative class chose to be was where there was the distinction, and evolution, and differentiation of heritage resources.

In America today there are thousands of advocacy movements. And most of them are “rights” movements: animal rights, abortion rights, right to life, right to die, states rights, gun rights, gay rights, property rights, women’s’ rights, and on and on and on. And I’m for all of those things – rights are good. But I would suggest to you that any claim for rights that is not balanced with responsibilities removes the civility from civilization, and gives us an entitlement mentality as a nation of mere consumers of public services rather than a nation of citizens. A consumer has rights; a citizen has responsibilities that accompany those rights. Historic preservation is a responsibility movement rather than rights movement. It is a movement that urges us toward the responsibility of stewardship, not merely the right of ownership. Stewardship of our historic built environment, certainly; but stewardship of the meaning and memory of our communities manifested in those buildings as well.

The widely admired American author Eudora Welty in her collection of essays entitled *The Eye of the Story* wrote, "it is our describable outside that defines us, willy-nilly, to others, that may save us, or destroy us, in the world; it may be our shield against chaos, our mask against exposure; but whatever it is, the move we make in the place we live has to signify our intent and meaning."

I conclude with the Welty quotation because her last line ought to be our guidepost for how we act toward our own communities – “...the move we make in the place we live has to signify our intent and meaning.” The places we live ought to be valuable places, places with significance, places with meaning.

Historic preservation adds significance, adds meaning, and importantly adds value. That’s why historic preservation needs to be a central strategy of every community. Thank you very much for having me here this afternoon.

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