THE ECONOMIC IMPACT OF HISTORIC PRESERVATION DISTRICTS –

A CASE STUDY OF INDIANAPOLIS NEIGHBORHOODS

A RESEARCH PROJECT SUBMITTED TO THE GRADUATE SCHOOL IN PARTIAL FULFILLMENT

OF THE REQUIREMENTS FOR THE DEGREE

MASTER OF URBAN AND REGIONAL PLANNING

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This study will look at how local historic district designation affects assessed values. Both designated and non-designated neighborhoods will be used in the study to determine if historic designation is linked to an increase in assessed value. The literature review will provide an in-depth look at previous studies and the conclusions reached from those studies. It will also point out positive and negative aspects, found in the previous studies, associated with historic district designation. The methodology for this study was derived from a combination of studies that are discussed in this report. A case study of Indianapolis will be used to test the hypothesis.

Neighborhoods in Indianapolis will be used to draw conclusions for this study.

Previous studies have shown that property values have a tendency to rise in historic districts when compared to similar non-historic districts. This study will attempt to determine if historic district designation increases the assessed value of residential structures. I hypothesize that assessed values in designated districts will rise faster than similar non-historic districts. I also expect to find that assessed values in non-historic districts will rise at a slower rate than the designated neighborhoods. The difference between historic districts’ and non-historic districts’ assessed values will increase as the time progresses.
1. Literature Review

1.1 BACKGROUND

Historic preservation provides a community with a variety of value including cultural, environmental, social, educational, aesthetic, and historical.\(^1\) This report will attempt to create a clear picture of what impacts are associated with historic districts.

The start of historic districts as tools to preserve and maintain historic and/or architecturally significant neighborhoods began in Charleston, South Carolina in 1931.\(^2\) Charleston, South Carolina was one of the first cities to see the need to create standards that would direct new construction and building alterations to blend new construction with the historic surroundings. A form of zoning regulation was used to set the architectural standards for the Old and Historic Charleston District. This included regulations that would control changes made to the exterior of structures located within the district. The exterior of the structure was subject to guidelines that included design, texture and materials, as well as the color of all exterior surfaces. The early method used in Charleston can still be identified in many modern architectural review

\(^1\) Rypkema, The (Economic) Value of National Register Listing, 2002
standards; this district went on to be used as a model for other historic districts in the United States during that time period.  

Charleston’s historic regulations were mimicked in other cities in the United States; for example New Orleans, Louisiana. Modernization was booming in the US around the turn of the century. The US transformed from a rural agricultural society to one based on urban-industrialization. This progress and development associated with industrial development threatened the historic structures located in many cities throughout the United States; historic preservationists reacted to this threat by creating various regulations to provide protection to historic structures.

The Vieux Carre District in New Orleans, Louisiana reacted to the local threat of modernization, encroaching waterfront development, by creating an architectural review board. In 1936, the Vieux Carre Commission was given power to review plans for all new construction or alterations made to structures within the specified district. Many historic structures survived this period of modernization due to the increased efforts of preservationists.

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Not only had the South become prominent in historic preservation regulation and legislation; it had another advantage. The South’s slow progression into modern industrialization allowed many historic areas to be preserved over the years without the aid of historic preservation. The South’s unequal distribution of historic buildings and districts, in comparison to northern cities, can be linked to the region’s consciousness of history and the romanticism of the South. The

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stagnation and idealism of history in many southern cities may have saved many historic structures and districts from demolition.\textsuperscript{6}

One of the first historic districts to be identified outside of the South was Beacon Hill neighborhood located in Boston, Massachusetts. This area was recognized as a historic district in 1955. The state of Massachusetts contains a large number of early districts backed by historic preservation legislation. By 1973, over forty districts were authorized in Massachusetts.\textsuperscript{7}

In the decades leading up to 1966, historic preservation dealt primarily with the protection of individual structures; with the primary objective being preservation of nationally significant buildings from demolition. Time and money were not available during this period for restoration and protection of entire neighborhoods or districts. The lack of funds focused the preservation efforts on significant individual buildings in immediate danger of demolition and decay.\textsuperscript{8}

The first type of historic district preservation was focused on preserving the heritage of the area and promoting tourism. This type of preservation is referred to as historic museum towns. One of the most well known museum towns is Colonial Williamsburg. This approach focused on reconstruction and restoration of known historic structures on their original site. Guides and interpreters were used to create a feeling of history and to attract tourists. Other cities, after seeing the popularity of Williamsburg, realized the potential to draw tourists to their region.

The onset of WWII decreased the popularity of museum towns; the financial backing needed to recreate the towns was no longer available as most funds were used to finance the war. 9

Another type of district preservation approach emerged as the museum town approach died off. This approach kept the tourist draw of museum towns but with lesser historical significance by recreating historic villages. However, recreated villages were not based on specific cities like Williamsburg, but instead used a regional type of city for their developmental layout. The use of reconstruction, relocation, and replication allowed for the museum village to mimic a false city located within a given region. This model was considerably cheaper than the Williamsburg model, and fell out of favor as a quality form of preservation.10

Historic preservationists noticed a need to protect clusters of historic structures within a single city, but with lesser focus on reconstruction and tourism. Historic districts grew out of this need. The usage of historic districts to preserve and maintain historic neighborhoods has grown in popularity since the 1930s.

However, during the 1940s and into the late 1950s historic districts were not the most common form of preservation used throughout the United States.11 Other models of historic preservation existed. One in particular was used in Philadelphia, Pennsylvania to establish Independence Historical Park. The park was created by an act of Congress in 1948 and was completed over several decades spanning from the 1950s to the 1970s. Many of the buildings in the area, both historic and non-historic, were demolished to make way for the desired historic

structures. The goal of Independence Park was to remove all 19th Century structures and to focus attention on the existing 17th Century structures. This project had some opposing viewpoints which mimic modern controversies in historic preservation. One side argued that the 19th Century buildings should be left to show the progress and contrast of the 17th Century building style, while others felt that removing the modern buildings paid homage to the 17th Century building styles.

This project marked an important ideological shift in historic preservation; the idea of historic context. Historic context refers to the existing land uses and architecture surrounding an individual historic structure. At the start of the preservation movement, surrounding buildings were razed in order to draw attention to and mark the historic structure as significant; therefore erasing all historic context of the original site. Preservationists later began to see historic preservation not only as single buildings or areas, but as part of a living city. Many modern preservation ideologies make note of preserving the historic context.12

1.2 URBAN RENEWAL

Urban renewal marked the rise in popularity of historic district designation and the use of regulatory planning. As historic neighborhoods were razed to make room for modern improvements in older sections of the city, many people realized the need to save the remaining historic residential mass of the inner cities. Inner city freeways sectioned off neighborhoods from other residential uses. In doing this they ultimately created isolated neighborhood fragments; thus interrupting the original sense of community that once a dominant characteristic in the area.

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During this time, a new historic preservation ideology was emerging that focused on preserving the historic heritage of cities, with a movement away from older opinions of saving individual structures for use as museum-like entities. Urban renewal forced a change in thinking that moved the focus from individual buildings to larger urban areas called districts.

The Housing Act of 1949 allowed for the clearing of slums for future housing developments. The idea behind urban renewal was to entice developers with newly cleared land that was ready for development. Nearly fifteen hundred urban renewal projects were in development by the 1960s in nearly 750 cities.13

The increased number of urban renewal projects can be linked to post-war attitudes of rebuilding America with little to no acknowledgement of the country’s past. Many cities wanted to rid themselves of the negative association of the depression and war era. Housing projects, which were popular during the renewal, were stripped of all symbolism and association with the city’s past. Modern designs became popular and reaffirmed this type of thinking. The need to save America’s heritage from the modernization and demolition became apparent.14

Many of the urban renewal programs were open to use by historic preservationists. The money was used to target slum areas where much of the historic housing stock existed. Money was used to promote preservation as well as for the use in restoration of housing and neighborhoods. Later the Housing Act of 1954 allowed for funding to be used to create legislation for historic districts and create preservation programs for local governments.

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The Urban Renewal Administration granted Providence, Rhode Island funds to study an area with countless historic structures. From the study, the city prepared a preservation plan that was used as a model throughout the country. It is the basis for the zoning model of historic districts still in use today.\(^{15}\)

Urban renewal created awareness for preservation of historic districts, but it also destroyed the original layout of historic areas and demolished many portions of historic neighborhoods. The fragments that were saved are used to showcase what once was.

Fragments, surviving parts of historic neighborhoods, are usually surrounded by non-compatible uses or vacant land. Many fragments stand as isolated historic neighborhoods surrounded by empty lots cleared during the urban renewal era. Laclede’s Landing in Saint Louis, Missouri is an example of a fragment district. The district today consists of only a few remaining blocks of a once thriving 19th century commercial district. Most of the neighborhood was cleared to construct the Jefferson National Expansion Memorial in the 1930s.

As cities move into the modern era, infrastructure improvements become necessary; these improvements forced preservationists to look at entire neighborhoods or districts that were endangered by construction of filling stations, highways, and other auto related improvements. The increasing number of improvements forced a need to filter the types of non-conforming uses that were encroaching into the historic residential sectors of the city.\(^{16}\)

1.3 HISTORY OF DISTRICTS

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Preservation of districts can be achieved through various legislative processes. One way is to create a development commission in conjunction with the local governing body. The first historical agency to have control over all proposed alterations throughout the entire city occurred during 1956 in Philadelphia, Pennsylvania. The Philadelphia Historical Commission has control over all buildings even those not specially classified as historic, but are located within a designated district.

During the 1960s, it became clear to most preservation activists that it would be necessary for preservation efforts to move beyond individual structures and to take action to save what is referred to as total heritage, or the preservation of all structures including structures that are non-contributing to the overall architectural relevance of the district.

The National Historic Preservation Act of 1966 created the National Register of Historic Places which began the establishment of an ongoing registry of all structures, sites, and districts which would be considered historic. The addition of districts to the registry paved the way for modern historic preservation ideology which emphasizes the protection of entire historic areas. Many states passed similar historic preservation acts before the National adoption of the act in 1966. States such Rhode Island, Texas, and Massachusetts adopted similar legislation before 1960, but by 1966, eight other states had similar historic district legislation.17

Local regulations and laws provide an added layer of protection to historic areas. One form of local protection is provided by zoning. Overlay districts added to local zoning ordinances are used to protect locally designated districts and structures from demolition and changes in appearance.

Zoning got its start in 1916 with the New York City zoning ordinance, but was not applied in an aesthetic sense until 1954. Zoning was originally intended to protect land uses and control nuisance properties. Before the Berman v Parker decision, the “aesthetic plus” principle ruled most zoning. This required legislation to have an additional reason in conjunction with aesthetics, most notably public welfare and economic backings. The 1954 United States Supreme Court ruling on the Washington D.C. case of Berman v Parker allowed for zoning to be justified by aesthetics alone. As part of the decision, Justice William Douglas wrote “It is within the power of the legislature to determine that the community should be beautiful as well as healthy, spacious as well as clean.”\textsuperscript{18} The new interpretation on the law allowed for the legal use of zoning to protect the aesthetic quality of a place. This was later interpreted to include areas of historic preservation. The late 1950s saw an increase in the use of zoning to set up historic district legislation; Rhode Island was the first state to use this legislation in 1959.

By the early 1960s there were approximately ten states with district legislation. The legislation enabled local governing bodies to create ordinances that could regulate the aesthetic standards of an entire district. This included all properties within the local districts’ boundaries, both historic and non-historic.

The Historic Preservation Act of 1966 moved control of historic preservation from the Federal level to the State level. The act also created criteria that would allow individuals to determine which structures or districts should be considered historically “significant.” The Secretary of Interior’s Standards created guidelines outlining responsible preservation practices in the US.

The National Parks Service published a set of criteria that should be applied to evaluate historic properties for their level of historic significance. There are five main subcategories of criteria including American historic, architecture, archeology, engineering, and cultural significance that each structure applying for certification by the National Register must be evaluated against.  

One of the criteria must be met in order to meet the National Register Standards that define what is considered a historic site. Association with a significant event that contributed to the general history of an area or with a person who played a vital role in the history of an area would constitute a structure or area being deemed historically significant. If a structure embodied characteristics of a definite time period, building style, or method; or could be associated with a specific master craftsman it would be regarded as significant. Another way a structure could be considered significant is to provide information that is important to prehistory or history of an area.

The National Register is an ongoing national database, but the entries do not have to be of national significance. Nearly ninety percent of the listings are representative of state and local significance. The National Register is maintained by the National Parks Service and includes almost 58,000 listings as of 1991. There are approximately 800,000 properties on the list, with nearly eight-six percent of the properties located within a district.

The Secretary of Interior’s Standards as well as other historic district legislation are used as general guidelines that must be followed during rehabilitation. The standards were created to be interpreted as needed. The rules and regulations are to evolve over time as the principles of historic preservation change over time.

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Private properties listed on the National Register do not have to adhere to any regulations regarding the alteration of the exterior of their property. The listing acts solely as recognition of historic significance and provides no protection. Protection of listings is only given when federal funds affect the structure. This includes all cases where federal dollars are used to fund the project, examples being highway, interstate construction, and urban renewal projects.

To encourage nominations on the National Register, the Federal government initiated a program that gave Federal tax incentives to income producing properties listed on the National Register of Historic Places. This was a way to encourage the business community to participate in the program.

The next era of historic preservation began in the 1960s and it brought neighborhood planning into fashion; planners set about restoring neighborhoods well into the 1970s. Neighborhoods were seen as the overarching solution to urban decay; the restoration of neighborhoods was an attempt to save the smaller “village” within the city. The increase in literature on neighborhood restoration may have been a contributing factor to the increase in district designation and the movement away from individual building designation that occurred during this time.

1.4 DISTRICT DESIGNATION

The reason behind each district designation may vary significantly even within the same city. Rehabilitation, stabilization, or economic enhancement may all be reasons that would justify the use of historic designation. Many designations can be seen as a reaction to an invading threat.

The destruction of a significant landmark, the expansion of surrounding uses or institutions,

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growth from a nearby metropolitan area/suburbanization, or natural disasters may incite residents to seek out designation as a form of protection. Many times action was not taken until after the destruction has occurred in portions of the district. Designation may then be a way to preserve the fragments that remain after devastating changes have occurred.\textsuperscript{22}

An increase in popularity of historic districts began during the 1970s. The 1970s saw a boom in private reinvestment of inner city neighborhoods which, at the time, was a trend seen throughout the entire U.S. Many older neighborhoods sought designation to protect their historic neighborhoods from high density, commercial development that was merging into older residential neighborhoods. As of the early part of the 1990s, the U.S. had over 1,200 historic districts.\textsuperscript{23} As of September 2005, there were approximately 34,400 local historic districts. This number was up from 17,000 in 2000. The data shows that the nation as a whole has embraced historic designation districts.

Similar to the national statistics, individual cities have seen an increase in the number of historic districts added. From 2004 to 2006, Memphis, Tennessee doubled the number of historic districts and Los Angeles, California saw a significant increase in the number of neighborhoods that were seeking to be designated as a local historic district.\textsuperscript{24}

Currently many neighborhoods are seeking local designation in hopes that the designation will attract buyers and boost property values. The current downturn in the housing market during the last decade, has led many neighborhoods to seek a form of economic protection. Another factor that may have increased the number of designations is an increase in developments

within the inner city. Current trends show that new developers are buying older neighborhoods and demolishing the existing historic structures to make room for new construction neighborhoods. This has created a movement of neighborhood groups pushing for local designation, which provides protection for the historic structures.²⁵

After the successful use of historic districts, planners began to use designation policies as a management tool to preserve and revitalize historic neighborhoods. Historic district statutes differ depending on the state or municipality of the effected neighborhood. Generally speaking, official boundaries are established to define the historic district. The statute also sets up guidelines for homeowners who wish to demolish or alter the exterior of a structure within a district. A commission is set up to manage the rules of the historic district. The commission is usually made up of volunteers selected by the city government. The commissioners for the district are chosen for their knowledge and insight on preservation matters.

The Indianapolis Historic Preservation Commission (IHPC) defines a historic district in the following terms, “a single property or a collection of structures and sites that possesses a high degree of integrity in all of the following areas...” The list of features includes location, design, setting, materials, workmanship, feeling, and association to a historical event.

Once a neighborhood is defined as a historic district by IHPC, the commission will provide the district with ongoing reviews of exterior work, which includes a broad spectrum of work ranging from exterior painting to new construction. The review board provides protection to the district, by evaluating all work that could affect the historic integrity of a structure or of the character of the district. The review extends to both historic and non-historic structures.

Reviews of new construction and non-historic structures ensure that the district’s historic character remains intact.

Another component of historic districts is the individual historic preservation plan that is created for each district; this is not mandated by all preservation commissions. The Indianapolis Historic Preservation Commission does require a historic area plan. The plan is a unique comprehensive review of the objectives and regulations associated with the particular district; residents of the district participate in early stages of plan creation. The plans also provide guidelines for historic renovations, new construction, and site work within the boundaries.  

1.5 TYPES OF DISTRICTS

For various reasons areas within a city are considered historically significant compared to other areas and are designated as such. The reasoning behind the designation will vary depending on the life of that district. One type of historic association that may be significant in a city is areas that once housed workers. Different types of workers’ housing exist; some were created by the government while other areas were created by private businesses or built individually.

Another significant type of area is the boomtown district. These are areas that experienced increased development based either on speculation or times of prosperity. These districts are noted by their homogenous architecture followed by a decrease or non-existent development pressure in the area for several years.

1.6 PREVIOUS STUDIES


Researchers have been studying the impacts of historic districts since the early 1970s. Studies have been conducted in New Jersey, Texas, Indiana, Georgia, Colorado, Massachusetts, North Carolina, South Carolina, Kentucky, Virginia, and elsewhere. These studies have concluded that local historic districts, in best case scenarios, appreciate at a faster rate than similar non-designated housing. In worst case scenarios, historic district housing appreciates at an equivalent rate. This section will describe the methodology and findings of studies pertaining to historic districts in the United States.  

One of the earliest studies was conducted by the Advisory Council on Historic Preservation and was first published in 1979. The national study looked at four historic districts. Savannah, Georgia, the Old Town of Alexandria, Virginia, the Strand in Galveston, Texas, and Pioneer Square in Seattle, Washington were chosen as the study areas. The study revealed that Savannah, Georgia’s historic district had a ninety-one percent increase in value compared to the county annual property value increase during the 1960s and 1970s. Alexandria, Virginia experienced an additional seventeen percent increase in the annual value of properties compared to the overall city increase in the 1970s. A Galveston, Texas neighborhood showed that selected blocks within the district saw a lesser increase in annual property values. The selected blocks experienced an eleven percent increase, while the overall city rose by twenty-eight percent in the 1970s.  

Results from the national study indicate that historic preservation acts as a viable economic activity sustained primarily through private investment. Varying aid from local, state, and federal agencies may also stimulate some of the identifiable economic impacts associated with

historic preservation. The study states that local designation of a neighborhood acts as future insurance that decreases the investment risk for private developers and/or homeowners. Before designation of the neighborhood, the values of homes in the areas were far below the regional average. After the preservation ordinances were enacted, the property values increased to a much higher value than other areas in the same city. Similar to property values, the availability of loans and lending were much easier to access after designation occurred. The designation lowered the risk for lenders and allowed for private investment for preservation activities.30

A similar study on a local level was done in Boston in 1973. The Boston Redevelopment Authority examined residential property tax assessment data for multiple Boston neighborhoods. The study found that the assessments in the study areas were higher than the overall city rate but not substantially. Beacon Hill, one study neighborhood, was designated in 1955; however, it did not show increased growth rates of assessment till 1962. This lag in growth rates shows that other factors participated in the increased rate of growth, other than solely the designation of the neighborhood. The assessment in Beacon Hill Back Bay area’s growth was exceeded by other non-designated neighborhoods in Boston. The compared neighborhoods possessed similar qualities, such as housing stock, to the Beacon Hill neighborhood. One conclusion drawn from the study was a similarity in growth rates for the designated and non-designated neighborhoods. The rates in the change of property values for the designated neighborhoods were not out of proportion to the overall change in value for the non-designated neighborhoods.

Another study conducted during the 1970s was that of The New York Landmarks Conservancy; they studied the effects of historic designation on the Park Slope neighborhood in 1977. The study encompassed three sections of Park Slope district; each section possessed different social, economic, and architectural qualities. The study found that property value increases occurred prior to designation and that market values increased at similar rates to surrounding areas. This study, similar to the Boston study, shows that other factors besides preservation ordinances played a role in the increase in property values. The time of increased property values for the Park Slope district occurred prior to designation indicating that further studies of the economic impact of historic districts is needed to determine the actual outside factors effecting historic districts.

The same study included a public opinion survey of the residents. The survey revealed that only fifteen to twenty-five (15 to 25) percent of the survey respondents mentioned historic designation in their reasons for moving into the area. This survey variable, once again, indicates that other factors are attracting people to the area; which in turn has the potential to increase the value of the historic district. The study concluded that designation did not play a major role in the increase in market values for the Park Slope District. It concluded that historic designation cannot be linked to the increase in market value.

A similar study was conducted in Washington, D.C. from 1972-1978. The study looked at five designated neighborhoods and five non-designated neighborhoods. All of the study neighborhoods had similar backgrounds including gentrification, 19th century structures, and their location within older parts of the city. The research showed that all ten districts had similar growth rates of property values. The report argued that property values were more closely tied to the stage of revitalization than to the fact that the area was designated locally.
During the late 1980s, Chicago attempted to determine the effects of historic designation on neighborhoods. This study looked at three neighborhoods, two of which were locally designated districts and the third was listed on the National Register of Historic Places. The study found that the nationally designated neighborhood saw a significant increase in market value after designation, while the locally designated neighborhoods did not see the same type of increase. The authors of the study speculate that the stringent controls associated with the local designation may be a negative point to prospective buyers. They also concluded that the National Register listing provided the neighborhood with a type of prestige without the control over the individual properties. 31

Another study of Washington, D.C. neighborhoods was conducted approximately a decade after the 1980 Chicago study. The Washington D.C. study looked at the assessed values, while the Chicago study looked at property values. The study of assessed and actual property values also provides some indication of the displacement of low and moderate income residents of historic neighborhoods. This study looked at three neighborhoods that were locally designated historic districts and three similar non-historic designated districts. The three historic districts were compared based on pre and post designation values. The study later compared the post designated values to the non-designated assessed values for the same time period. This allowed for the study to determine if historic district designation increases the property value as well as to determine if designation leads to an increased assessed value. The increase in assessed and market value will indicate if the district designation is causing displacement of low and moderate income residents.

The first portion of the study, which looked at the pre and post designation values, found that the designated districts had no increase in rate of growth after designation, but instead rose at a similar rate as the overall city. The second portion of the study, which compared the designated and non-designated neighborhoods, determined that all six neighborhoods experienced a similar rate of growth as the city overall.  

A large number of the studies found that property sales and/or assessed values of historic properties rose at a higher rate than comparable non-historic districts. Galveston, Texas saw an increase in property sales prices that were five percent higher than comparable non-designated neighborhood. Virginia Historic Landmarks Commission found in their study of Virginia historic districts, that the increase in property values ranged from twenty to one hundred and four (20 to 104) percent annually. Data for comparable districts were not included in this study. A decade later, Chicago found that five out of the six studied neighborhoods experienced a greater increase of property values compared to the median rate of the city. A parallel study found similar results when looking at median rents in the studied districts. Many of the studies attributed the rise in value to historic districts when in fact other factors may have played an even greater role in the rise. The national study conducted by the Advisory Council on Historic Preservation found that Alexandria, Virginia saw the most dramatic increase in property tax revenue in the district. This occurred 21 years after the creation of the district. During this time an increase in commercial revitalization was occurring in the downtown and could be attributed to the increase in property tax revenue. Another example of outside factors was found in Washington, D.C. in the Georgetown Neighborhood. The study of this

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neighborhood found that during the two decades following World War II, the neighborhood experienced the highest rate of average annual increase in property values in all of Washington, D.C.\textsuperscript{33}

Generally speaking, these studies show that an increase in property values is seen in historic districts throughout the U.S. However, at this time no one study can prove there is a direct relationship between historic designation and an increase in property values. Gale describes his findings in an article published by the \textit{Journal of the American Planning Association}; he claims there is little evidence to support the claim that designation of a district affects the property values either positively or negatively. He theorizes that historic preservation efforts such as rehabilitation work, private investment, and real estate speculation are all associated with historic preservation; which can inflate the value of housing in a given district.\textsuperscript{34} Donovan Rypkema explained that a listing on the National Register of Historic Places does not directly increase the economic value of a district. However, a listing on the National Register can act as a catalyst for the other factors that will improve the value.\textsuperscript{35} Another conclusion drawn from these studies is that historic districts may act as a buffer to the overall housing market. When graphed over the study period, the designated neighborhoods experienced less dramatic shifts in value compared to the overall city and non-designated neighborhoods. The district may act as an economic insulation to the highs and lows of the market.\textsuperscript{36}

1.7 POSITIVE ATTRIBUTES OF HISTORIC DISTRICTS

Preservation supporters claim that historic preservation is a successful tool for urban neighborhood revitalization due to a potential to increase property values. The rise in property values is one chief claim usually associated with historic preservation districts. A study of Texas neighborhoods found that the designation provides a sense of desirability that could potentially be marked as the indicating factor for any increase in property values.\(^{37}\) In Texas, historic designation has been associated with an increase in home value between five and twenty (5 and 20) percent over similar non-historic neighborhoods. In Memphis, Tennessee historic districts saw a fourteen to twenty-three (14 to 23) percent increase in value compared to non-historic areas.\(^{38}\)

Historic preservation experts assert that historic districts increase the value of a neighborhood. A variety of factors have been attributed to the indication of value in historic areas. Feelings of neighborhood pride are linked to historic districts; encouraging homeowners to maintain the exterior of their homes as well as the landscaping. Historic districts also encourage homeowners to make repairs and to use quality construction materials for rehabilitation work and maintenance. Another positive benefit related to historic districts is the prevention of hodge-podge styles by restricting the overall look of new construction to uniform, more cohesive styles that match the existing architecture of the neighborhood.

Financial benefits are also closely related to historic district designation. Tax credits and matching grants for home maintenance may also be provided to homeowners in designated neighborhoods. In California, historic homeowners save between forty and sixty (40 to 60)

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percent a year on property taxes. In Scottsdale, Arizona, homeowners in historic districts may be reimbursed up to fifty (50) percent of the total cost of home improvements, up to ten thousand dollars.39

Decreased crime rates are another added benefit linked to the designation of districts. One national study conducted by the Advisory Council on Historic Preservation published in the 1970s found that crime rates may be lowered in the designated districts. In addition to lowered crime rates, the study also found that a shift from blighted urban area to prestigious historic district caused an increase in the sense of place after designation. Also documented in the same study was an increase in demand for new and restored housing stock in the designated neighborhoods.40 The sense of place can be attributed to committed neighbors, home repairs, decrease in vacancies, as well as new residents moving into the area.

The increase in neighborhood pride and organization is attributed to historic preservation; the increase in commitment to the neighborhood may be linked to a rise in property values. Advocates of historic preservation of urban neighborhoods have claimed that designation provides a positive benefit for the neighborhood as well as surrounding areas. The designated area will impact the surrounding neighborhoods causing spillover to occur. Spillover is a term that describes the impact that one investment area can create increased investment in adjacent areas. Local designation, in many cases, can act as a catalyst for other private investment in the surrounding neighborhoods.41

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1.8 NEGATIVE ATTRIBUTES OF HISTORIC DISTRICTS

An increase in reinvestment in inner city neighborhoods has led to the gentrification of low and moderate-income neighborhoods. Historic preservation can play a role in the gentrification process. Local designation creates insurance that the neighborhood will remain or become a well maintained area. Because of this and other reasons, such as a perceived increase in property values and desirability, the demand for housing in a once blighted area increases. This increase in value forces low and moderate income residents out of the neighborhood when the property taxes increase to reflect the new demand; causing displacement.\(^{42}\) Similarities have been noted between the displacement seen from historic districts and the federal urban renewal projects and clearance of the 1960s.

The gentrification process has led to an increase in social advocacy to deter local governments from designating lower income historic neighborhoods. In contrast to the urban renewal projects, historic designation advocacy does not have an identifiable target. The urban renewal projects were easily identifiable and affected larger populations during a very particular timeframe. The effects of designation are long term and affect individual residents sporadically as property and assessed values begin to increase.\(^{43}\) Advocacy groups are therefore protesting against historic district commissions, local preservation offices, planning commissions, and other units of local governments. The advocacy groups are urging to stop gentrification and displacement of low and moderate income residents from historic district designation.

The issue of gentrification of urban areas can not be seen as black and white; causing many groups to dispute the claims both for and against the idea. Gentrification has the potential to

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improve impoverished areas through stabilization, increasing property values, reducing vacancy rates, encouraging surrounding development, improving diversity, decreasing crime, and sparking privately sponsored rehabilitation efforts.

The cost and benefits associated with gentrification are reflected on a small group of individual stakeholders. Studies suggest that gentrification causes a rise in property values which are seen as a positive to the middle and upper class homeowners. But this higher class positive is seen as a negative to the lower income, tax burden homeowners. The increased value also obstructs new lower income families from moving into the newly gentrified area due to quickly increasing rent rates. The process of gentrification decreases the affordable housing stock in the area and displaces many low income families. Other negative outcomes of gentrification include community conflict, unsustainable speculation, change in local services and cost associated with services, and increased housing pressures on nearby low income areas.44

Another highly recognized attribute of historic districts is based on the control over private property to which homeowners must adhere. Landowners within the district may fear that they will no longer be able to use the property as they desire. Restrictions of exterior alterations, yard alterations, demolitions, new construction, as well as a change of use are the main restrictions connected to local historic district legislation.45 Strict regulations can increase the cost of construction and home maintenance. A homeowner in Rockford, Illinois led an unsuccessful campaign to alter the lines of one historic district to exclude his home. He applied

to install vinyl siding on a historic home, but was denied permission due to the regulations associated with the historic district.\textsuperscript{46}

The last issue deals with increased property values. It may be viewed as a positive to most, but for low and moderate income residents increased property values may create an economic burden. As property values inflate, property taxes increase as well. Increased property tax impacts homeowners on limited or fixed incomes. Disabled or retired homeowners are the most vulnerable to these changes. Renters may also be affected by property tax increases. Landlords may be forced to increase rent rates to cover the additional tax cost associated with the historic district. Increased rent may force low or moderate income residents to leave the area. Increased economic burden and displacement of renters, elderly, and low income populations are directly related to the increase in property values which may have some connection to historic designation of a neighborhood.\textsuperscript{47}

\textbf{1.9 Other Factors Associated With Historic Districts}

Previous studies and reports have shown that historic districts have a mixed outcome. Positive and negative attributes are connected to historic districts and these factors affect various populations differently. It has been concluded that the preservation of a historic neighborhood provides a benefit to the entire city by enriching the city with history, culture, and educational values. But because of the negative aspects one must consider whether we should preserve everything.


Other factors have been attributed to an increase in property values in historic districts. Speculation in real estate may increase investment in targeted neighborhoods. Rehabilitation of existing units within the district, both commercial and residential, may increase the value. Infill via new construction of units in historic districts and surrounding areas can cause an increase in property values. Improvements to public infrastructure, such as sidewalks and streets as well as enhancement of public service delivery to areas are associated with an increase in value not linked to historic preservation. These factors may cause property values to increase and may be associated with historic preservation, but can occur with or without local designation of the neighborhood. This set of factors is backed up by the previous studies done on historic districts.

Donovan Rypkema explains that there are a set of forces that can affect the economic value of historic districts; physical, social, economic, and political. Physical forces can account for the actual physical condition of a housing unit, but is also as broad as the condition of streets, sidewalks, parks, public maintenance, and nearby properties. The social forces are the values that people attach to certain characteristics. As more people attach a value to historic qualities, the value of the historic housing will economically improve. The economic force deals with the value of use. Adaptive re-use of structures will increase the economic value of the buildings. Adaptive re-use is the change from a no longer in demand use to a use that is compatible to modern day demand. The last force is political. The economic value of a historic district will increase when political forces emphasize historic real estate.

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The political force also plays a role in the effectiveness of a historic district. The effectiveness depends on the strength of the legislation and level of support from the government. The setup of the legislation as well as the methods used to govern the district must be organized and strong. Many variables relating to regulation of districts are needed for a successful impact. Rules and regulation for the affected housing should be clearly written. The preservation commission should be properly staffed. Educational outreach programs should be active and involve all property owners, the real estate community, architects, builders, and others. Decisions from the historic commission should be consistent and predictable. The varying degree of control provided by the local regulations will impact the success of the district.

The National Register of Historic Places may also have an impact on the neighborhood. The actions of the neighborhood and local government play a role in determining the success of the district. One possible situation would be that after a neighborhood is listed on the National Register, it will prompt the neighborhood to seek local designation. If the local municipality agrees, the neighborhood will then receive protection in the form of local legislation for historic districts. The local real estate market must also take action. Local realtors should be educated in the economic value of historic districts. At the same time, buyers in the local market will need to become aware of the same knowledge.

Neighborhood advocacy groups play a large role in determining the success of an historic district. Active participation in neighborhood organization will provide a needed insurance to potential investors. The creation of a National Register listing may spur the creation of citizen

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advocacy groups, but once listed the neighborhood group should continue their outreach programs to improve the neighborhood even further.\textsuperscript{52}

\textsuperscript{52} Rypkema, D.D. (2002). The (Economic) Value of the National Register Listing. \textit{CRM}. 
2. Assessment in Indiana

2.1 ASSESSMENT OVERVIEW

The assessed value in Indiana is the sum of all real and personal property. Real property is defined as the land and all buildings on a particular parcel. Personal property is the inventory or belongings on the site. Assessed value is also defined as the dollar value of all taxable property determined by the assessor.  

Indiana’s assessments are made at the local level by either a township or county assessor. The rules that guide the assessment are provided by the Department of Local Government Finance, which is a sector of the State government. Township assessors are elected every four years. These assessors may work solely or have a staff. The Center Township Assessor in Marion County has a staff of twenty-five to thirty people depending on the need. The amount of staff is dependent on the density of a township, with higher, more urban townships having larger staffs than rural townships. Not all assessments are done at the township level; on July 01, 2008 the

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State of Indiana removed the township assessor position for all townships with less than 15,000 parcels. 55

The first judicial challenge of the Indiana tax assessment came from the Town of St. John; the town claimed inconsistencies existed among the various regions’ assessment practices. The challenge indicated that these inconsistencies did not allow for a fair and equal assessment to be made throughout the State of Indiana. The Indiana Supreme Court, in 1998, determined the rules governing assessment in Indiana were unconstitutional. The General Assembly then modified the rules to make Indiana’s assessment based on the market value. 56

Assessments made before 2002 were based on the True Value Tax system. Assessments were made every ten years during this time. This system determined the assessed value based on the cost to replace a structure, the amount was then depreciated to reflect the age of the structure. Historic homes, under this system, were under assessed since assessments did not account for the market value. 57 The last reassessment using the True Value Tax system occurred during the 1995 pay 1996 period. 58

In 2002 the use of the New Market Value system took effect. The new system used portions of the previous system, but added in a market valuation portion. The cost of construction was still a factor; however, comparable sales data was used to adjust the assessment value to reflect its value in the current market. 59 The New Market Value system attempts to assess property value

based on a prediction of the actual selling price in the current market. The prediction of the selling price can be done in three ways. One is the comparison of similar, recently sold properties within the same tax district. The second method, and the most widely used due to its similarity to the True Value Tax system, measures the cost of construction depreciated to reflect the age and then adjusted to reflect the actual selling price in the area. The last method is capitalization, which is the dividend of the annual income and the rate of return.\(^{60}\)

Other factors outside of the construction cost and comparable sales determine the assessment of a property. Each structure is scored based on its condition comparable to others in the area. The quality of materials used for both the exterior as well as the interior will affect the assessment value. The overall size, building systems, and comparable sales in the area play a role in determining the assessed value of a property.\(^{61}\)

Reassessment is the actual inspection or revaluation of all parcels in the state. The last reassessment took place during the 2002 pay 2003 period and is scheduled to take place again in the 2011 pay 2012 period. The reassessment process is done to maintain consistency with the market. To keep up with changes in the market, trending is used between reassessments. Trending is the annual updating of the assessment to reflect the market. The 2006 pay 2007 period was the first year that trending occurred. This process does not include an inspection of the property. It is based on the updated change in the average sales price for the district.\(^{62}\)

Historic homes were by and large considered under assessed before the New Market Value system took effect. Under the new assessment system, historic homes are assessed based on


their market value. The construction cost is still depreciated to reflect the age; however, the quality and condition of historic homes will have a great effect on their assessed value. The use of the reassessment data as well as trending data will be used to look at the assessed values for the properties located within the study areas.
3. Methodology

3.1 METHODOLOGY OVERVIEW

The methodology for this study was derived from previous studies on the same topic. The overarching goal of the study is to determine if local historic designation status does increase the assessed value of a neighborhood. To test the hypothesis, three locally designated neighborhoods will be analyzed against three non-locally designated comparable neighborhoods. Each set of historic and non-historic neighborhood groups will be compared to one another over a fifteen year period spanning from 1994 to 2009.

The time period was fixed due to limited availability of local assessed value data. The only data that was available at the time of this study was from 1994 to 2009. Originally, the study set out to look at assessed values ten years before and ten years after local designation to identify if historic properties’ assessed values rose after designation. This information was not obtainable; therefore, this portion of the study will not be included. This limitation on accessible assessed value data for Indianapolis forced the study to focus on values after designation had occurred as opposed to how district designation changed the assessed value of neighborhoods.
Another limiting factor altered the overall methodology of the study. Due to the lack of existing data and the fact that all data had to be manually collected and entered reduced the study from a twenty year continuous span to a fifteen year sporadic span.

In the end, the final methodology will allow for the adequate study, indicating the impact of historic district designation on assessed values. It will show the changes that occur in both historic and non-historic districts when looking at assessed values.

3.2 Historic District Selection

The next portion of this study will summarize the local historic districts in Indianapolis, IN. Indianapolis was chosen as the case study due to its proximity to Ball State University and the number and diversity of its existing historic districts. The neighborhood summaries will provide a brief overview of each district and identify the various aspects that either allowed for their inclusion or exclusion from this study.

The neighborhood selection process was determined by looking at the location, age, and architectural styles to determine which neighborhoods have enough similar qualities to be considered comparable to nearby non-historic neighborhoods. The criteria for the selection process were broad enough to allow for interpretation based on the availability of existing comparable neighborhoods.

In order to be considered for this study, the historic district could not have a particularly distinct or unusual development pattern or architectural styles not common to the area. Each study district had to be mostly residential in nature with only a few individual properties listed on the National Register of Historic Places. Similar development and architectural time periods were
necessary in order to match a historic district with an adjacent non-historic neighborhood.

Other atypical features may cause for any district to be omitted from the study.

The most defined criterion for neighborhood selection was based on geographic location.

Center Township in Marion County, IN was the boundaries for this study; all historic districts located outside this geographic area were excluded. Many of Indianapolis’ historic districts are located either downtown or just east of downtown. This uneven distribution of districts may have caused an uneven amount of Eastside neighborhoods to be part of the study; however no consideration was given to the location of each historic district within Center Township.

Indianapolis’ historic district legislation allows for two types of protection areas to be given to a neighborhood. The first is a traditional historic district; this provides the most protection and has a focus on architecture and the built environment. There are eleven historic districts in Indianapolis and ranging in age from only a few years to some dating back several decades. The second type of protection is the conservation district, which focuses on preserving community and sense of place. There are far fewer conservation districts. Only five districts have been established in Indianapolis, and almost all of them were established during the 1990s. In order to understand the effects of local designation in Indianapolis, both types of districts were included. Since there are considerably more historic districts, two of the three districts will be historic districts with the remaining study district being a conservation district.

In choosing the comparison neighborhoods, consulting with staff at the Indianapolis Historic Commission and Indianapolis City Government allowed for the majority of the decisions to be made based on the expertise of the staff. Other factors that were considered were location in
comparison to the historic district, age, development patterns, land use, architectural styles, and some consideration was given to new development.

3.2.1 Chatham-Arch and Massachusetts Avenue Historic District

Located in the northeast quadrant of Center Township, the Chatham-Arch district is less than one mile from Monument Circle. Interstates I-65 and I-70 make up the east and north boundaries of the district. It also contains one of the four original diagonal streets, Massachusetts Avenue that dissects the district at a forty-five degree angle.63

The district experienced its highest concentration of development during the late 19th century and development continued into the 1930 and 1940s. The end of WWII signaled a decline for the area. During the early part of the 1980s Chatham-Arch and Massachusetts Avenue saw its first decade of reinvestment since WWII. Because of the disinvestment for nearly half a century, the area lost many of its historic structures; only a fragment of the existing structures remain. Besides general neglect and decay, urban renewal and interstate highway projects played a major role in the loss of historic structures within the district. The transportation network was disturbed during the 1960s interstate projects and left many dead end streets. The interstates also created physical boundaries which isolated areas from other neighborhoods and city services.64

63 Chatham-Arch and Massachusetts Avenue Historic Area. US. City of Indianapolis Historic Preservation Commission. Indianapolis, IN: IHPC, 2006.
64 Chatham-Arch and Massachusetts Avenue Historic Area. US. City of Indianapolis Historic Preservation Commission. Indianapolis, IN: IHPC, 2006.
There are two distinct subareas that make up the historic district. The first is Chatham-Arch which was first listed on the National Register of Historic Places in 1980, the same year that the City of Indianapolis designated the area as a local historic district. Chatham-Arch is mainly residential in nature and contains single family, two-family, and multi-family housing options. There is a mix of housing types that include workers’ cottages, middle class residences, rental duplexes, apartment buildings and flats, commercial buildings, and large homes.

Massachusetts Avenue makes up the remainder of the district. This area is marketed as one of the six cultural districts in Indianapolis; visitors and residents can access shopping, dining, cultural, and entertainment venues located along the diagonal street. The commercial district contains a majority of 19th century commercial buildings that have residential space above the units which contain retail, residential, office, governmental, and industrial uses.

Due to the addition of the Massachusetts Avenue commercial corridor to the district this district will not be used as part of this study. The mixture of commercial and residential structures could potentially create an unequal comparison between other neighborhoods.

### 3.2.2 Fayette Street Historic District

The area that is now known as Fayette Street was once home to African-Americans, Irish, Greek, and other European immigrant residents around 1830. The housing styles were as diverse as

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66 Chatham-Arch and Massachusetts Avenue Historic Area. US. City of Indianapolis Historic Preservation Commission. Indianapolis, IN: IHPC, 2006.


68 Chatham-Arch and Massachusetts Avenue Historic Area. US. City of Indianapolis Historic Preservation Commission. Indianapolis, IN: IHPC, 2006.
the area’s residents; Queen Anne homes were constructed next to more modest Shot-gun style homes.\footnote{Fayette Street Historic Area Plan, US. City of Indianapolis. Indianapolis Historic Preservation Commission. Indianapolis, IN: IHPC, 1995.}

The Central Canal was built around 1830 and is one of the oldest man-made features in the city. It is listed as an American Water Landmark by the American Water Works Association. The canal provided many employment opportunities for the residents of the area, thus creating a connection to the neighborhood. Many companies constructed factories near the canal to take advantage of the newest form of transportation.\footnote{Department of Metropolitan Development. “Historic Preservation.” IndyGov. Indianapolis Government. 8 Sept. 2008 <http://indygov.org>.

The residents of the neighborhood sought employment at the nearby factories. One notable employment base was the Madame C. J. Walker Co. which made cosmetics targeted towards the African American community and provided well paying jobs to many of the residents.

In modern times, much of the area was cleared to make way for the development of the Indiana University-Purdue University campus. Only a few clusters of original structures remain. With development plans beginning for the area, the neighbors banded together to move historic structures closer to the larger clustering of remaining residences. This allowed for the historic structures to be nominated for local designation, which provided protection to the buildings.\footnote{Fayette Street Historic Area Plan, US. City of Indianapolis. Indianapolis Historic Preservation Commission. Indianapolis, IN: IHPC, 1995.}

The movement of structures from their original locations creates a unique situation for the district and therefore excludes it from this report.

\subsection*{3.2.3 Fletcher Place Historic District}
The Fletcher Place District is located on the south side of Indianapolis less than one mile southeast of downtown Indianapolis. Calvin Fletcher is the original owner of the land on which the neighborhood is located. It was platted in 1857, but was not referred to as Fletcher Place until 1872. The neighborhood is bounded by East Street, I-65/70, the Conrail tracks, and Virginia Avenue.\footnote{Indiana University-Purdue University Indianapolis. (1994). The Encyclopedia of Indianapolis. (D. J. Barrows, Ed.) Bloomington, IN, USA: Indiana University Press.}
The area was settled by German and Irish immigrants and was one of the first developments adjacent to the original mile square.\textsuperscript{73} The area was developed as primarily residential and remains that way today. A commercial corridor connecting Fountain Square and the Mile Square ran along Virginia Avenue.

The area is made up of mostly cottage style homes that vary from one to two stories in height. Most of the residential structures were built during 1865 to 1890. In later years, Central European and Italian immigrants constructed Italianate, Federal, Gothic Revival, Queen Anne, and Eastlake-Stick style residences in the area.\textsuperscript{74}

The current shape of the district is irregular due to the construction of both Interstate 65 and Interstate 70 through the area. Subsequently only a fragment of the original neighborhood exists today.

Fletcher Place was designated as a historic district in 1980 by the City of Indianapolis.\textsuperscript{75} Two years later, the district received national recognition when it was listed on the National Register of Historic Places in 1982.\textsuperscript{76}

Fletcher Place will be used as one of the historic districts in this study. The location of the district on the south side of Center Township and the predominately residential nature of the neighborhood make it a good candidate to show the effects of designation. The comparable

\textsuperscript{74} Indiana University-Purdue University Indianapolis. (1994). \textit{The Encyclopedia of Indianapolis}. (D. J. Barrows, Ed.) Bloomington, IN, USA: Indiana University Press.
\textsuperscript{75} Fletcher Place Historic Area Plan. US. City of Indianapolis. Indianapolis Historic Preservation Commission. Indianapolis, IN: IHPC, 1980.
neighborhood that will be paired with Fletcher Place is Holy Rosary/Danish Church Neighborhood.

3.2.4 *Fountain Square Historic District*

The name Fountain Square is connected to the continued location of a fountain at the major intersection of Virginia Avenue, East Street, Prospect Street, and Shelby Street; a fountain has stood in that particular location since 1888.

The district experienced its highest growth during the beginning of the 20th century and is considered to be the oldest area still in use outside the central business district. 77,78

The area is mainly a linear commercial district located along Virginia Avenue; this avenue is one of the four original diagonal streets in Indianapolis and is the only one still intact. The avenue connects the district to the urban core of Indianapolis.

The Fountain Square district was listed as a local historic district in 1984. 79

This district will not be used in this thesis due to the combination of residential and commercial uses. The location along the diagonal street also makes it unique, as Virginia Avenue is predominately commercial in nature and remains the only intact diagonal in downtown Indianapolis.

Figure 2: Herron Morton Place, Indianapolis, IN
3.2.5 Herron-Morton Place Historic District

Throughout the first half of the 19th century the area north of Indianapolis was rural land. The wooded areas were favored by picnickers, while other portions of the area remained marsh-like with streams running throughout the landscape.\textsuperscript{80} The land was purchased by the Indiana State Board of Agriculture to house the Indiana State Fair Grounds in 1859. The Civil War brought changes to the area, when it was used as an encampment for prisoners. By 1890, the site was sold and divided into 280 residential lots to be developed into an upper class neighborhood north of Indianapolis. None of the original topography or natural features still exists within the district.\textsuperscript{81}

The area was a prestigious residential area up until WWI. After this period affluent residents began to move further north. During the years of expansion impressive homes were built in the Queen Anne, Italianate, Tudor Revival, and American Four-Square style were constructed.\textsuperscript{82} From the 1930s to the 1970s the area experienced a period of neglect and lost nearly one third of its original structures.

Bounded by 22nd Street to the north, 16th Street to the south, Pennsylvania Street to the west, and Central Avenue to the east; the Herron-Morton Place District is located on the North side of Indianapolis approximately one and a half mile from the city center.

\textsuperscript{80} Herron-Morton Place Historic Area Plan. US. City of Indianapolis. Indianapolis Historic Preservation Commission. Indianapolis, IN: IHPC, 1986.
\textsuperscript{82} Indiana University-Purdue University Indianapolis. (1994). The Encyclopedia of Indianapolis. (D. J. Barrows, Ed.) Bloomington, IN, USA: Indiana University Press.
The protection of the historic structures was realized and the City of Indianapolis placed the Herron-Morton Place Historic District on its list of local historic districts.\textsuperscript{83} The district was recognized on a national level three years earlier when it was listed on the National Register of Historic Places in 1983 for its architectural significance.\textsuperscript{84}

Herron Morton Place will be used in this study. The amount of new construction will show the effects of development on the value of historic districts. The district’s location and date of designation make it a good candidate for the study. This district will be compared to Fall Creek Place, which is located directly north of Herron Morton Place Historic District.

3.2.6 Irvington Historic District

Irvington is located on the western edge of Warren Township, five miles east of downtown Indianapolis. Today the area is primarily residential, but it was originally platted as an independent suburban town in 1870. The City of Indianapolis annexed Irvington in 1902.

The original plat of Irvington deviated from the traditional street grid found in Indianapolis; the area included winding, picturesque streets that were typical of Victorian Romantic landscapes. Its naturalistic plan is considered to be the largest existing example of its kind in Indianapolis.

In 1873, Irvington was selected to be the location of Northwestern Christian University later renamed Butler University. In the years following the selection, the area began to take on a

\textsuperscript{83} Herron-Morton Place Historic Area Plan. US. City of Indianapolis. Indianapolis Historic Preservation Commission. Indianapolis, IN: IHPC, 1986.
A campus-like atmosphere. The campus was completed in 1928, but only one of the structures exists today.\textsuperscript{85,86}

The district has examples of almost every major style of American architecture including Italianate, Second Empire, Victorian Gothic, Queen Anne, Colonial Revival, and Tudor Revival; but is best known for its collection of Arts and Crafts architecture. Irvington is home to the only known example of a Gustav Stickley-designed house in Indiana.\textsuperscript{87} In 1987 Irvington was listed on the National Register of Historic Places for its architectural significance as well as its community planning, development, and landscape architecture.\textsuperscript{88} The City of Indianapolis began the designation process and completed an interim report, which protected the district until the final report was completed in 2006.

The Irvington Historic District will not be included in this report. The variety of architectural styles and the unique layout of the district will not allow for comparisons to other selected neighborhoods. The district is not located within the boundaries of Center Township.

3.2.7 Lockefield Gardens Historic District

Lockefield Gardens was developed on forty-seven acres located in the northwest quadrant of the city. Indiana Avenue, one of the city’s original four diagonal streets, dissects the district.


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The area originated as a Public Works Project to create segregated, affordable housing during the 1930s for the African American population. The plans for this development, created by William Earl Russ and Merrit Harrison, would later serve as the model for public housing in other parts of the United States. One of the significant features of the project was the addition of an elementary school on the site. Another distinctive feature was the amount of open space incorporated into the original plan; only twenty-five percent of the total land was covered by structures.

During the 1950s court decisions opened up traditionally white areas to middle class African-Americans, allowing for the more affluent families to relocate outside of the segregated housing development. This spurred disinvestment in the area and caused overall decay to occur within the boundaries of housing project.89

The Lockefield Garden Historic District was locally designated as a Historic District in 1985; however many of the structures had already been demolished during the earlier decade. Only a few structures still exist along Blake Street.90

This Historic District will not be included in this report due to its unique situation as the only public housing district designated as a historic district.

3.2.8 Lockerbie Square Historic District

The Lockerbie Square Historic District occupies sixty acres on the city’s east side. The area was developed as a residential district adjacent to the historic commercial core of Indianapolis. The

district contains ninety structures; a majority of the structures are one story, one and one-half story, or two stories in height.

The development pattern of Lockerbie Square placed buildings in close proximity to one another on narrow lots. The streets in the district are primarily made of asphalt with brick gutters and limestone and granite curbs.

Similar to other nearby districts, the area suffered a period of decay after WWI. The decay led to an increased awareness of the area and spurred historic preservation pioneers to begin to look at this area for renewal. Lockerbie Square is considered to be one of the original areas that focused on neighborhood restoration in Indianapolis. The City of Indianapolis designated Lockerbie Square as a local Historic District in 1967. However, the original plan primarily focused on creating a tourist destination and in 1978 the city adopted a more modern historic area plan that’s focal point was centered on neighborhood restoration. That plan was updated in 1987. The district was nationally designated in 1973. 91

As the first district to be designated, the Lockerbie Square historic district has a reputation which may alter the outcome of the comparisons between neighborhoods. The designation date of 1967 is the earliest date of designation giving the district more time to appreciate in value.

3.2.9 The Old Northside Historic District

The Old Northside is located just north of downtown Indianapolis and originated as a wealthy, affluent residential Northside neighborhood. The wealthy citizens of Indianapolis built mansions

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in the wooded, rural area north of the commercial district in the late 19th century to escape the overcrowding and bad conditions associated with city living.

The Old Northside experienced a decrease in popularity around the 1840s, when residents began to move north to newly developed neighborhoods. After the turn of the century, the area became known as the Old Northside. Since this time, the area has lost nearly half of its original structures.

The Old Northside was listed on the National Register of Historic Places in 1978. The City of Indianapolis followed suit and designated the area a local Historic District one year later in 1979.

The Old Northside Historic District will not be used in this study. It is one of the earlier historic districts, designated in 1978. It’s close proximity to Herron Morton Place would not provide enough geographical variety; this coupled with its early designation date make it unusable in this study.

3.2.10 St. Joseph Historic District

St. Joseph Street provides the namesake for the St. Joseph Historic District. The multi-use district possesses a mixture of land uses including single and multi-family residential,

commercial, and industrial uses. The original development occurred during the later portion of the 19th century and early parts of the 20th century.

The residential development in the district is the most notable. There are twenty-three structures that are individually listed on the National Register of Historic Places. The district is also home to the most significant collection of rowhouse buildings in the city. St. Joseph has a variety of architectural styles including: Italianate, Queen Anne, Romanesque Revival, Tudor Revival, 19th century commercial buildings, Renaissance Revival, and Carpenter-Builder. There are two Civil War era cottages, as well as commercial buildings that date back to the 1860s located within the district.96,97

Both the National Register of Historic Places and the City of Indianapolis designated the St. Joseph area as a Historic District in 1991.98

The amount of individual National Register Listings creates a unique situation that will not allow for direct comparison with other local districts, therefore it will not be included in the study. 

3.2.11 Wholesale Historic District

The area now known as the Wholesale District developed during the 1860s as a commercial center for the City of Indianapolis. Today, the district still functions as the commercial center for

the city. The district is home to the largest collection of 19th century and turn of the century commercial buildings in Indianapolis.99

The construction of the Hoosier Dome, later known as the RCA Dome, in 1983 as well as the reuse of historic structures to complete the Circle City Mall prompted city officials to designate the district as a local historic district. In 1987 an interim plan was created to protect buildings from demolition until a full plan was adopted in 1990.100

The National Register of Historic Places listed the district in 1982 for its architectural significance and history. The name was later changed to the Indianapolis Union Station – Wholesale District to incorporate the historical significance of the railroad on downtown Indianapolis.101

Due to its predominately commercial nature and large scale developments, the Wholesale Historic District will not be used in this report.

3.2.12 Woodruff Place Historic District

Woodruff Place Historic District is located on the east side of Indianapolis’ downtown. The neighborhood is located within ten blocks of the original Ralston Plan and compromises eighty acres of land and contains two hundred and sixty-one parcels in the district.102

Woodruff Place was planned as a residential suburb that would emit a park-like atmosphere.

The neighborhood contains many distinctive features including three boulevard drives each

bisected by grassy esplanades, spacious lots, cast-iron statuary located along each of the
esplanades, and multi-tiered fountains located along the three major north-south drives.

The neighborhood was platted by James O. Woodruff between 1872 and 1873. The structures
in the district range in age from fifty to one-hundred and thirty years of age. The majority of
homes in the district are Victorian, but many Queen Anne style homes can be found. The J.
Francis Burt House was constructed in 1875 and is an early example of the Eastlake or Late Stick
style.\(^{103}\)

In 1972, Woodruff Place was listed on the National Register of Historic Places.\(^{104}\) Five years
later, the City of Indianapolis began an adoption process to designate the neighborhood as a
locally significant historic district. The process was never completed. The neighborhood
eventually received local designation in 2001.\(^{105}\)

Woodruff Place historic district is very unique in both architecture and planning. At this time,
there is not an appropriate comparison neighborhood located within proximity to the historic
district. Due to its uniqueness, Woodruff Place will not be included in this study.

\(^{103}\) Department of Metropolitan Development. “Historic Preservation.” \textit{IndyGov}. Indianapolis
Historic Places}. National Parks Service. 8 Sept. 2008
<http://www.nationalregisterofhistoricplaces.com/in/marion/districts.html>.\(^{105}\) \textit{Woodruff Place Historic Area Preservation Plan}. US. City of Indianapolis. Indianapolis Historic
Figure 3: Cottage Home Conservation District, Indianapolis, IN
3.3 CONSERVATION DISTRICTS

3.3.1 Cottage Home Conservation District

Cottage Home Conservation District is located on the near eastside of Indianapolis. The area was platted between 1865 and 1868 and continued the traditional street grid found in other parts of Indianapolis.

The district consists of primarily residential uses with light-industrial, retail, and other special uses scattered throughout the area. The early German-American residents were employed by the rail lines that transect the neighborhood. Historically speaking, the neighborhood was home to majority working class families.

Modest, vernacular cottages building from 1870 to 1892 provide Cottage Home with its name. Gable front, L-Plan, and Cross Gable styles exist within the district.\textsuperscript{106} Examples of vernacular architectural are prominent in Cottage Home, with many surviving homes designed by the local architectural firm Vonnegut and Bohn.\textsuperscript{107}

The neighborhood is bounded by 10\textsuperscript{th} Street, Oriental Street, Michigan Street, and I-70. The district was listed on the National Register of Historic Places in 1990, however, five years later

\textsuperscript{106} Indiana University-Purdue University Indianapolis. (1994). \textit{The Encyclopedia of Indianapolis}. (D. J. Barrows, Ed.) Bloomington, IN, USA: Indiana University Press.

the district was expanded. The City of Indianapolis did not designate Cottage Home as a conservation district until 2007.

Cottage Home conservation district will be included as part of this study to show the early effects of historic designation as well as the effects that conservation districts play on the assessed values. Windsor Park neighborhood will be used as the comparison neighborhood.

3.3.2 New Augusta Conservation District

The community of New Augusta was founded in 1855. It is one of the two remaining 19th century railroad towns that exist in Marion County. The town was originally called Hosbrook, but the name New Augusta was given to the town by the US Post Office in 1878. The majority of the town’s development occurred during the 1870s. The town never extended past its 1889 additions, making it a great example for railroad development in the city. Other similar developments have been lost due to suburban growth, infrastructure improvements, or modifications to structures.

The district has many defining characteristics linked to its 19th century roots. The district has a high number of rural outbuildings and accessory structures. It also has multiple examples of 19th century barns and storage buildings capturing its 19th century rural past. The development

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pattern is defined by the lack of sidewalks and curbs, houses that are spaced from the adjacent houses, and natural boundaries that define the front yards of homes.\textsuperscript{111}

The National Register of Historic Places listed New Augusta on the National Register of Historic Places in 1989 due to its significance in architecture as well as its historical significance.\textsuperscript{112} The City of Indianapolis designated the district as a Conservation District a decade later.

The location of the New Augusta Conservation District will not meet the criteria for use in this report. The district is also unique due to the fact that very few examples of railroad towns exist in Indianapolis. This unique characteristic will not allow for equal comparison between the other districts.

3.3.3 Ransom Place Conservation District

The Ransom Place Conservation District is located northwest of downtown Indianapolis. It is a small pocket of modest, vernacular houses. Only a small portion, three blocks of the larger neighborhood, still exists. The area was once home to one of the city’s most prominent African-American communities. New development has removed and isolated the current neighborhood, only leaving a fragment of the original structures.\textsuperscript{113}

The district’s structures consist primarily of one story, frame construction dwellings. The lots in the neighborhood are narrow with shallow setbacks. The street pattern is a continuation of the traditional grid pattern found in Indianapolis and sidewalks can be found throughout the

\begin{footnotesize}
\begin{itemize}
\item \textsuperscript{111} New Augusta Historic Area Plan. US. City of Indianapolis. Indianapolis Historic Preservation Commission. Indianapolis, IN: IHPC, 1999.
\item \textsuperscript{113} Ransom Place Historic Area Plan. US. City of Indianapolis. Indianapolis Historic Preservation Commission. Indianapolis, IN: IHPC, 1998.
\end{itemize}
\end{footnotesize}
neighborhood. Indiana Avenue, one of the original diagonal streets dissects the neighborhood. Along this diagonal, houses are oriented towards the diagonal street.\textsuperscript{114}

Ransom Place was listed on the National Register of Historic Places in 1992 because of its association with the African-American community.\textsuperscript{115} The City of Indianapolis designated the district as a local Conservation District to protect the historic quality of the community.

The Ransom Place Conservation District will not be used in this report. New development adjacent to and within the historic boundaries of the neighborhood has detracted from the residential nature of the area. Due to the highly commercialized surroundings, this neighborhood will not be included.

3.4 COMPARISON NEIGHBORHOODS

3.4.1 Holy Rosary/Danish Church Neighborhood

The Southeast side neighborhood of Holy Rosary/Danish Church was named for the two namesake churches built during the 19\textsuperscript{th} and 20\textsuperscript{th} century. The neighborhood was officially platted in 1854 only one half mile from Monument Circle.\textsuperscript{116} The neighborhood is bound by I-65/70 on the east and south, Virginia Avenue to the northeast, and South East Street bounds the neighborhood to the west.


\textsuperscript{116} Indiana University-Purdue University Indianapolis. (1994). \textit{The Encyclopedia of Indianapolis}. (D. J. Barrows, Ed.) Bloomington, IN, USA: Indiana University Press.
Figure 4: Holy Rosary/Danish Church Neighborhood, Indianapolis, IN
The first residents of the area were of Danish decent and built rental cottages inhabited by laborers of German, Irish, Scottish, and Welsh origins. The neighborhood experienced an ethnic shift from Danish to Italian residents; by 1910 ninety percent of the population was Italian.\footnote{National Register of Historic Places. (2010, June 28). Holy Rosary Danish. Retrieved June 28, 2010, from NationalParksService.gov: http://www.nps.gov/nr/travel/indianapolis/holyrosarydanish.htm} This shift is most notable in the two namesake churches, each built by the dominating ethnicity of the two eras, Danish and later Italians.

The area is home to a large grouping of 19\textsuperscript{th} century, modest vernacular cottages with the earliest house built around 1857. The most recently constructed home was built during the 1940s. Virginia Avenue, one of Indianapolis's original diagonal streets contains scattered commercial structures and anchors the only commercial corridor located within the neighborhoods boundaries. Holy Rosary/Danish Church was listed on the National Register of Historic Places in 1986.\footnote{Indiana University-Purdue University Indianapolis. (1994). The Encyclopedia of Indianapolis. (D. J. Barrows, Ed.) Bloomington, IN, USA: Indiana University Press.}

The neighborhood is anchored to the west by the sprawling Eli Lilly Corporate Headquarters.\footnote{Indiana University-Purdue University Indianapolis. (1994). The Encyclopedia of Indianapolis. (D. J. Barrows, Ed.) Bloomington, IN, USA: Indiana University Press.}

\subsection*{3.4.2 Fall Creek Place Neighborhood}

Fall Creek Place is bounded by 22\textsuperscript{nd} Street to the south, Pennsylvania Street to the west, Central Avenue to the east, and the northern boundary is defined by Fall Creek waterway. The
Figure 5: Fall Creek Place Neighborhood, Indianapolis, IN
neighborhood is approximately two and one half miles from Monument Circle in downtown Indianapolis. The neighborhood continues the traditional grid street pattern found in the surrounding areas.

Once known as “Dodge City,” Fall Creek Place was home to deteriorated homes and plagued by high crime rates. In 2001, the Department of Housing and Urban Development (HUD) awarded Indianapolis a $4 million grant to stimulate both public and private reinvestment of the neighborhood. The Indianapolis neighborhood is now nationally known for its urban renewal efforts. More than 400 new homes have replaced vacant and deteriorated lots and many of the historic homes have undergone renovations.121

3.4.3 Windsor Park Neighborhood

The East side neighborhood known as Windsor Park has traditionally been home to a working class population. Most of the homes in the area were constructed between the 1880s and 1920s. A variety of housing styles exist including: Queen Anne, Victorian wood-frame, Four Square Doubles. Both single family and multi-family housing options are found in the neighborhood.

The neighborhood is located approximately five minutes from Indianapolis’s downtown. I-70 bounds the neighborhood to the west, while Spades Park creates the northern boundary. Jefferson Avenue and 10th Street make up the east and south boundaries respectively.

Windsor Park’s location adjacent to Spades Park, part of the Indianapolis Park’s System, allows residents to enjoy many greenspaces and recreational opportunities. The winding streets and

ample amounts of greenspace located within the neighborhood show its roots in early 20th century neighborhood planning.\textsuperscript{122}

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3.5 NEIGHBORHOOD COMPARISONS

3.5.1 Herron Morton Place and Fall Creek Place

<table>
<thead>
<tr>
<th>Distance to Monument Circle</th>
<th>1.5 miles</th>
<th>2.5 miles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Boundaries</td>
<td>22nd, 16th, Pennsylvania Sts, Central Ave</td>
<td>Fall Creek, 22nd, Pennsylvania Sts, Central Ave</td>
</tr>
<tr>
<td>Street Pattern/Neighborhood Planning</td>
<td>Traditional street grid</td>
<td>Traditional street grid</td>
</tr>
<tr>
<td>Date Platted/Established</td>
<td>1890</td>
<td>Public/Private Partnership est. 2001</td>
</tr>
<tr>
<td>Land Use</td>
<td>RES</td>
<td>RES</td>
</tr>
<tr>
<td>Architectural Styles</td>
<td>Queen Anne, Italianate, Tudor Revival, American Four-Square</td>
<td></td>
</tr>
<tr>
<td>Founding Residents</td>
<td>Affluent residents</td>
<td></td>
</tr>
<tr>
<td>Other Notable Features</td>
<td>Former State Fair grounds and Civil War Prisoner Encampment</td>
<td>Area awarded $4 million in funds to spur public/private investment, nationally known urban renewal project</td>
</tr>
</tbody>
</table>

These two neighborhoods have many similarities including resurgence in new construction within their boundaries. Both neighborhoods are located on the Northside of downtown Indianapolis and are extensions of the traditional street grid found in the city. Central Avenue acts as the eastern boundary for both neighborhoods; Pennsylvania is the western boundary. Separating the two neighborhoods is 22nd Street. Herron Morton Place is located approximately one and one half miles north of Monument Circle; Fall Creek Place is about another mile to the north.

Herron Morton Place was developed in the late 19th Century and reflects the architectural styles of the times, Queen Anne, Italianate, Tudor Revival, and American Four-Squares. While both neighborhoods fell on troubled times spanning the decades between 1930s to the later part of
the 20th Century, Fall Creek Place saw a higher rate of demolition leaving less housing stock than its southern counterpart.

Because of the high land vacancy and high crime rate, the Department of Housing and Urban Development awarded the area with $4 million in funds to spur public and private investment. Herron Morton Place has seen a similar revival in private investment with many new construction projects completed. The neighborhoods reappearance of new development is plainly seen throughout both areas. The architectural and development style of new construction in Herron Morton Place is reflected in many ways throughout Fall Creek Place. Many of the new structures in Fall Creek Place and Herron Morton Place are modern in decoration with traditional shapes and massing blending the new with the existing historic structures.

3.5.2 Cottage Home and Windsor Park

<table>
<thead>
<tr>
<th>Distance to Monument Circle</th>
<th>Cottage Home Historic District</th>
<th>Windsor Park Neighborhood</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1.5 miles</td>
<td>2.5 miles</td>
</tr>
<tr>
<td>Boundaries</td>
<td>10th, Oriental, Michigan Sts, I-70</td>
<td>I-70, Spades Park, Jefferson Ave, 10th St</td>
</tr>
<tr>
<td>Street Pattern/Neighborhood Planning</td>
<td>Traditional street grid</td>
<td>Altered Street Grid</td>
</tr>
<tr>
<td>Date Platted/Established</td>
<td>1865-68</td>
<td>1854</td>
</tr>
<tr>
<td>Land Use</td>
<td>Mixed RES, COM, and light IND</td>
<td>Mixed RES, COM, and light IND</td>
</tr>
<tr>
<td>Architectural Styles</td>
<td>Modest vernacular cottages (Gable Front, L-Plan, Cross Gable)</td>
<td>Vernacular (Queen Anne, Victorian wood-frame, Four Square Doubles)</td>
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<tr>
<td>Historic Preservation Listings</td>
<td>NRHP: 1990, CD: 2007</td>
<td>None</td>
</tr>
<tr>
<td>Founding Residents</td>
<td>German Americans</td>
<td>Working class</td>
</tr>
<tr>
<td>Other Notable Features</td>
<td>Vonnegut and Bohn architects</td>
<td>Spades Park, amble greenspace</td>
</tr>
</tbody>
</table>

Figure 8: Cottage Home and Windsor Park, Neighborhood Comparison
Both neighborhoods are located on the Eastside of downtown Indianapolis, Cottage Home being one and one half mile from Monument Circle. Windsor Park is slightly further north, located two and one half miles from Monument Circle. Interstate 70 acts as an eastern boundary for both neighborhoods, they also share 10th Street as one of their bounding streets; 10th Street is Cottage Home’s northern boundary while it acts as Windsor Park’s southern boundary.

The neighborhoods close proximity to one another make them very comparable; they share many similar features. Both neighborhoods have a variety of land uses, where residential properties dominate in number, but commercial and light industrial uses can be found within each neighborhood.

Both neighborhoods were established during the middle of the 19th Century; Windsor Park predates Cottage Home by only a decade. German Americans were the first residents of Cottage Home, but both neighborhoods housed many of the city’s working class residents.

The majority of homes in both neighborhoods are based in vernacular architecture in the Cottage style. Windsor Park’s architecture is more varied in style than Cottage Home; with residential structures reflecting Queen Anne, Victorian Wood-Frame, and American Four-Square styles.

3.5.3 Fletcher Place and Holy Rosary/Danish Church

Fletcher Place and Holy Rosary/Danish Church neighborhoods are located on the South to Southeast side of Indianapolis approximately one and one half miles from Monument Circle. The street pattern of each neighborhood is an extension of the traditional street grid found in most downtown Indianapolis neighborhoods. The majority of land uses found in both
neighborhoods would be categorized as residential; however, each neighborhood has a small commercial corridor located along Virginia Avenue.

Both of the neighborhoods were platted outside the Mile Square during the middle of the 18th Century, Holy Rosary/Danish Church began in 1854 and Fletcher Place following a few years later in 1857. Immigrants were the primary residents during the development of the neighborhoods; Holy Rosary/Danish Church was inhabited by Danish immigrants while Fletcher Place was home to German and Irish immigrants. Around the turn of the century, a shift in ethnicity occurred, and both neighborhoods become thriving Italian neighborhoods.

During the early years of the neighborhood vernacular cottages were the building style of choice. With the onslaught of Italian and Central European residents in Fletcher Place new styles emerged. The turn of the century brought construction of Italianate, Federal, Gothic Revival, Queen Anne, and Eastlake-Stick style architecture.

<table>
<thead>
<tr>
<th>Distance to Monument Circle</th>
<th>Fletcher Place Historic District</th>
<th>Holy Rosary/Danish Church Neighborhood</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.5 miles</td>
<td>1.5 miles</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Boundaries</th>
<th>East St, I-65/70, Conrail tracks, Virginia Ave</th>
<th>I-65/70, Virginia Ave, S. East St.</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Street Pattern/Neighborhood Planning</th>
<th>Traditional Street Grid</th>
<th>Traditional Street Grid</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Date Platted/Established</th>
<th>1857</th>
<th>1854</th>
</tr>
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</table>

<table>
<thead>
<tr>
<th>Land Use</th>
<th>RES</th>
<th>RES, some COM</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Architectural Styles</th>
<th>Vernacular cottage, later Italianate, Federal, Gothic Revival, Queen Anne, Eastlake-Stick style</th>
<th>Vernacular cottages</th>
</tr>
</thead>
</table>

|------------------------------------|-----------------------|-------------|

<table>
<thead>
<tr>
<th>Founding Residents</th>
<th>German and Irish immigrants, later Central European and Italian immigrants</th>
<th>Danish immigrants, later Italian immigrants</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Other Notable Features</th>
<th>Construction of I-65/70 destroyed many residential lots</th>
<th>Two namesake churches reflect changing residential makeup of neighborhood</th>
</tr>
</thead>
</table>

Figure 9: Fletcher Place and Holy Rosary/Danish Church, Neighborhood Comparison

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4. Analysis

4.1 ANALYSIS OVERVIEW

The assessment data used in this study spans from 1994 to 2009 and reflects the many changes in tax assessment practices that have occurred in the state of Indiana over the last decade. All assessment data predating 2002 was assessed using the True Value system; which assesses properties based on condition and materials and then detracts value based on the age of the structure. This system is considered to undervalue historic structures located inside and outside historic districts. The last reassessment using this system occurred in the 1995 pay 1996 tax period. Due to the inefficiencies of the True Value tax system, the first two years in the study time period will show a significant under evaluation of historic structures located within each area.

The 1994 and 1995 data sets are irrelevant when looking at long term changes; however, I choose to leave them in the data and analysis of this study due to the limited amount of existing data for assessments in Indiana.

All assessment data collected after 2002 reflects the switch to the New Market Value tax system; which assesses the value of structures based on a predication of the potential selling price. With the use of this system, most historic structures saw a significant increase in the
assessed value of their property due to the addition of a market component of the assessment process.

The last reassessment to occur in Indiana was during the 2002 pay 2003 and would reflect the change to the New Market Value system. Beginning in 2006 pay 2007 period, the State of Indiana began the process of trending to maintain an up-to-date record of all assessed values. Trending is the annual update of assessed values based on actual selling prices of similar properties located within the same tax district.

In the following analysis section charts have been included to aid in the description and understanding of the analysis. Under each chart the data used to create the chart can be found along with a legend indicating which bar is associated with each geographical area. The same color scheme will be used throughout this study to increase the readability and comprehension of the data. Please note that chart data begins with the most current and comprehensive data, 2009.

4.2 AVERAGE ASSESSED VALUE OF HISTORIC DISTRICTS OVER TIME

In almost every year analyzed in this study, Fletcher Place historic district has had the highest average assessed value of all three historic districts. Fletcher Place is the oldest of the three historic districts, established in 1857. Besides containing the oldest plat date, the historic district was the first to receive local historic district status among the three study districts and may indicate that in the long run historic designation causes structures within a district to appreciate in assessed value. Fletcher Place was designated as a local historic district in 1980.
The historic districts in this study have progressively increased in average assessed value in almost every year with the exception of Fletcher Place from 2006 to 2007 and Cottage Home from 2007 to 2009. Cottage Home’s designation date of 2007 does not provide ample data to assess whether or not its status as a local district has affected the average assessed value for the neighborhood.

4.3 PERCENTAGE OF TOTAL ASSESSED VALUE FOR HISTORIC DISTRICTS

Under the updated tax system, structures within historic districts tend to have higher assessed values than comparable non-historic districts. This can be seen in data from the years preceding the change from the True Value Tax System to the Market Value Tax System, Cottage Home’s
average assessed value is very similar to the other two districts. However, after the switch to a market based assessment system, the two historic districts are assessed at a higher value. The fact that at that time Cottage Home was not a local historic district may indicate that the market values residences located within historic districts.

Figure 11: Total Average Assessed Values

4.4 TOTAL AVERAGE ASSESSED VALUES FOR ALL RESIDENTIAL PARCELS

Much of the data indicates that beginning in 2005 historic structures, both located in historic districts and those not located in historic districts, increased significantly in assessed value. The
spike in value after 2005 can be attributed to the change in assessment techniques in Indiana. The tax restructuring took effect during 1996. The True Tax System was last used during the 1995 pay 1996 schedule. The New Market Value system allows for comparable assessments of both historic and non-historic structures, because market values were integrated into the assessment process of structures. With that said, the chart shows that all neighborhoods, with the exception of Holy Rosary/Danish Church, have increased in assessed value over the time period of this study.

Herron Morton Place historic district, Fall Creek Place, Cottage Home conservation district and Windsor Place show a steady climb in total average assessed value. Holy Rosary/Danish Church steadily increased in average assessed value from 2005 to 2007, but from 2007 to 2009, there was a negative change in total assessed value. Fletcher Place decreased in value during 2007, but experienced an increase of twenty-four percent from 2007 to 2009.

The other two historic districts have only slightly higher land values than their comparable non-historic districts. One hypothesis for this discrepancy is the lack of market values used in calculating the assessed land values. This would not reflect the public’s desire to reside in historic districts. Tax assessment during this time period focused on physical features and age of the structures.

4.5 CHANGE IN ASSESSED VALUE FROM 1994 TO 1995

Every neighborhood, with the exception of Holy Rosary/Danish Church, declined in average assessed land value. Three neighborhoods: Herron Morton Place, Fall Creek Place, and Fletcher Place’s land value declined by twelve percent. Cottage Home and Windsor Park’s land value
declined by four and six percent respectively. Holy Rosary/Danish Church increased their average land value by just one percent.

The average assessed value of improvements in the neighborhoods experienced a varied increase from 1994 to 1995, ranging from twenty-three to fifty-five percent increase in improvement value. Cottage Home and Herron Morton Place, both local districts, had the largest increases followed by Fall Creek Place and Windsor Park with thirty-eight and thirty-one percent increases.

The most significant increase in total average assessed value was seen in Cottage Home historic district. The total assessed value in the district rose by forty-five percent from 1994 to 1995. Holy Rosary/Danish Church’s total assessed value increased the least of the six, only showing a twenty percent change.

4.6 CHANGE IN ASSESSED VALUE FROM 2005 TO 2006

Every neighborhood in every category experienced an increase in assessed value. Some neighborhoods that stand out, Cottage Home and Windsor Park, had the greatest and least increases of all six study areas. The fact that they are comparable neighborhoods may have some significance or may also indicate that conservation district association does not play as much of a factor as a historic district.

Cottage Home historic district encountered the greatest increase in assessed value overall. The neighborhood also had the highest increases in land and improvements. The average assessed value of land in Cottage Home increased by thirty-six percent from 2005 to 2006. The next largest increase occurred in Fletcher Place, which increased by only ten percent.
The average assessed value of improvements in Cottage Home increased by over one hundred and fifty percent. The next greatest increase in total assessed value occurred in Holy Rosary/Danish Church, this area saw the assessed value of improvements increase by one hundred and forty-four percent. The total assessed value for Cottage Home was approximately ten percent greater than the next largest increase, which was Holy Rosary/Danish Church neighborhood.

The three local districts had the largest increases in average assessed land value. The top three increases in average improvement values were Cottage Home conservation district, Holy Rosary/Danish Church neighborhood, and Herron Morton Place historic district. However, it should be noted that Holy Rosary/Danish Church has inconsistencies in the data that show a higher average assessed improvement value for 2006 to present. With Fletcher Place historic district in close fourth, the historic districts fared well in the category of improvements.

4.7 CHANGE IN ASSESSED VALUE FROM 2006 TO 2007

Two of the three historic districts during the 2006 to 2007 time period underwent a decrease in assessed value. Fletcher Place saw an increase from 2007 to 2009, but decreased by five percent overall and faced a seven percent decline in land value between 2006 and 2007.

The biggest decrease of this time period was seen in Cottage Home’s assessed land value, which decreased by nearly a quarter. Even with this drastic drop in land value, Cottage Home historic district grew in total assessed value by two percent.

The major change in value occurred in Holy Rosary/Danish Church; this neighborhood experienced a one hundred and seventy-six percent increase in land value, with an overall total increase of thirty-nine percent. This substantial increase is linked to the increase in parcels
which occurred in 2006. These parcels contain no information before 2006 therefore dragging down the assessed value of all prior years.

The remainder of the neighborhoods, both historic and non-historic saw little change in the assessed value of land, improvements, and total value. Herron Morton Place increased its total assessed value by nine percent. Fall Creek Place gained one percent in improvement values and reported no change in land value. Windsor Park experienced no change in any category.

4.8 CHANGE IN ASSESSED VALUE FROM 2007 TO 2009

Holy Rosary/Danish Church neighborhood experienced the greatest change when referencing the 2007 to 2009 time period; the average assessed value of land in the neighborhood dropped by almost fifty percent, causing the total average assessed value to drop by almost ten percent.

Cottage Home conservation district also suffered a negative loss in average assessed land value; it was a minimal decline of four percent. During the same time period, Cottage Home’s comparison neighborhood Windsor Park’s assessed land value increased by five percent.

Some other significant changes occurred in both historic districts. Herron Morton Place incurred a twenty percent increase in average assessed land value; while it’s comparison neighborhood Fall Creek Place’s land value increased by only seven percent.

Fletcher Place historic district had an increase in the average assessed value of improvements; increasing by almost thirty percent, with a twenty-four percent increase in the total average assessed value for the neighborhood.
The Cottage Home historic district was the only historic district to endure any loss in assessed value.

The non-historic districts experienced slightly more declines; Holy Rosary/Danish Church saw a decline in both the land value and total assessed value.

### Table: Percent Change in Assessed Value

<table>
<thead>
<tr>
<th></th>
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<tbody>
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<td></td>
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<td>improv.</td>
<td>totals</td>
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<td>HMP</td>
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<td>8%</td>
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<td>HR/DC</td>
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<td>4%</td>
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<tr>
<td>CH</td>
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<tr>
<td>WP</td>
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*2001 - 2005

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<td>WP</td>
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*2005 - 2009

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<td>WP</td>
<td>7%</td>
<td>44%</td>
</tr>
</tbody>
</table>

* indicates time periods that span 4 or more years and will not be used for analysis purposes.

**Figure 12: Percent Change in Assessed Value**

### 4.9 Change in Assessed Value from 2006 to 2009

This time period will reflect the changes made to the Indiana assessment procedures and should represent actual change in the assessed values of both historic and non-historic districts. Holy...
Rosary/Danish Church saw the greatest increase in total average assessed value from 2006 to 2009. The neighborhood saw a forty percent increase in average land value as well as a twenty-four percent increase in the assessed value of improvements.

Two of the historic district, Fletcher Place and Cottage Home, were the only two neighborhoods to endure a decrease in average assessed land values. Cottage Home decreased the most, reporting a thirty percent decrease in land value.

4.10 PERCENTAGE OF TOTAL ASSESSED VALUE

Local historic districts appear to provide stability to the average assessed value, based on the tax data for the time period in this study. All three local historic districts show very little fluctuation in their average assessed value, while the non-local districts’ assessed value average tends to rise and fall over the given time period.

Before the change in tax assessment practices in 2005, all six neighborhoods tended to have similar average total assessed values. In 2006 and subsequent years, the percentage of non-historic districts begins to diminish; as the historic districts’ percentage of the whole begins to increase. By analyzing the data, it has revealed that as time progresses, the assessed value of historic districts is beginning to make up a larger portion of the total value of all neighborhoods of similar age and quality. The addition of market values, which shows a public’s desire to live in certain areas, in compiling assessed values for individual parcels may show some indication of allure and perceived value of local designation.

4.11 PERCENTAGE OF AVERAGE ASSESSED VALUE
Charting the average assessed value shows the tendency for historic districts to provide stability to the assessment of structures within historic district boundaries. The three historic districts show a gradual increase in average assessed value over time, where the non-historic districts are less gradual and show only minor increases in average value.

Cottage Home Historic Districts does not follow this assumption in the same manner as the other historic districts. During the time between 2007 and 2009, the average assessed value for the district experienced a slight decline of $416. Holy Rosary/Danish Church also experienced a decline during the same time period. That neighborhood’s average assessed value dropped over $10,000. This may indicate that historic preservation districts do provide stability; a minor variation of $400 versus a major drop over $10,000 over a 2 year period.

4.12 FINDINGS FROM THE ASSESSED VALUES FOR ALL RESIDENTIAL PARCELS

The only comparison grouping where land values in historic districts were lower than the non-historic land value is Fletcher Place and Holy Rosary/Danish Church. The difference in land values between the two neighborhoods is less than one thousand dollars. When looking back through the additional study years, Fletcher Place historic district has a higher land value beginning in 2006 and continues to be higher than Holy Rosary/Danish Church back to the 1994 assessment.

4.13 1994 AVERAGE ASSESSED VALUE FOR ALL RESIDENTIAL PARCELS
The data for 1994 is unchanged from the 1995 assessed value data. There were some decreases in average assessed land values from 1994 to 1995; this could be a reaction and subsequent application for reassessment on the part of homeowners in the area. The only area that did not experience a decline from 1994-1995 tax periods was Holy Rosary/Danish Church neighborhood.

4.14 1995 ASSESSED VALUE FOR ALL RESIDENTIAL PARCELS

The assessment value of older structures before the change to the market based tax system is highly visible when looking at both the 1995 and 1994 tax assessment values. The two older historic districts, Herron Morton Place and Fletcher Place which were both given local historic status in the 1980s, fared much better than Cottage Home, which received local status in 2008. Cottage Home has a lower average assessed land value than its comparable neighborhood, Windsor Park.

The data from the two 1990s assessments reflect the 2001 assessment data. During this time, the historic districts were generally valued less than their comparable non-historic neighborhoods, with the exception of Herron Morton Place and Fall Creek Place.
The data from the 1990s does not include any market value data, therefore only taking age and physical characteristics into account when determining the assessed value of the structure.

![1995 Assessed Value of All Residential Parcels](image)

**Figure 14: 1995 Assessed Values**

### 4.15 2001 ASSESSED VALUE OF ALL RESIDENTIAL PARCELS

Windsor Park neighborhood has a higher average assessed land value than its comparable local conservation district, Cottage Home, for the 2001 tax period. During the 2001 tax period, Cottage Home was not listed as a local conservation district, which could provide some reasoning to this variation. It is possible that the fact that Cottage Home was listed as a local conservation district the assessed value of the parcels in the district increased.
The 2001 tax period is the first period that indicated Windsor Park as having a higher average assessed improvement value over Cottage Home. It is also the first year to show Herron Morton Place’s improvement value higher than Fall Creek Place. During this time period, and years prior, Fall Creek Place neighborhood experienced a heavy decline. The area only showed signs of improvement after the announcement of the public-private partnership aimed to improve the heavily vacant neighborhood.

\[ \text{Figure 15: 2001 Assessed Values} \]

4.16 2005 ASSESSED VALUE FOR ALL RESIDENTIAL PROPERTIES

The tax assessment data for 2005 shows that all three historic districts contain a higher average assessed land value when compared to the three non-historic comparison neighborhoods. This is the first set of data that would reflect the new amendments to the practice of determining
assessed values in Indiana. When looking at the changes over time, it will show an exaggerated increase in the value of all older structures due to the addition of market value consideration.

It is hard to compare the actual assessed value from 2005 to those values given in 2006 due to the restructuring of how assessments were completed. The 2005 data is based on the old system, which does not include market value. However, the data still shows that the two locally designated districts, Fletcher Place (historic district) and Cottage Home (conservation district), have higher assessed improvement values when compared to the non-historic neighborhoods.

Cottage Home historic district experienced the greatest increase out of all the study neighborhoods. From 2005 to 2006, the historic district increased its’ average improvement value by over one hundred and fifty percent. Windsor Park, the comparable non-historic

![Figure 16: 2005 Assessed Values](image)

2005 Assessed Value for All Residential Parcels

<table>
<thead>
<tr>
<th>Residential Parcels</th>
<th>Assessed Value in Dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>HMP</td>
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<td>FCP</td>
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<td>Improv.</td>
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<td></td>
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</tr>
<tr>
<td></td>
<td>$4,587</td>
</tr>
</tbody>
</table>
neighborhood, only gained twenty-eight percent in average improvement value. The difference in averaged assessed improvement value between the two neighborhoods jumped from merely twenty-one percent in 2005 to over an eighty percent difference one year later.

The other two neighborhoods saw a less significant change in the difference between one another’s assessed improvement values. The first group, Herron Morton Place and Fall Creek Place, had a difference of twenty-eight percent; where the non-historic district remained the higher valued neighborhood. The second grouping of Fletcher Place and Holy Rosary/Danish Church experienced a fifty percent difference. The second comparison group was more volatile, in terms of improvement value, than the other comparison groupings.

4.17 2006 ASSESSED VALUE FOR ALL RESIDENTIAL PARCELS

All three historic districts’ land values were assessed at a higher value than the comparable non-historic districts during the 2006 tax period. Cottage Home historic district was the only area to report change. The area’s assessed land value increased by thirty-six percent from 2005 to 2006, only to decline by approximately twenty percent the following tax period.

The 2006 tax period again provided similar results as the previous two tax periods, with Herron Morton Place historic district showing a lesser average assessed improvement value compared to Fall Creek Place. Fletcher Place historic district, in 2006, was valued thirty-six percent higher when looking at the average assessed improvement value. Similar to the previous periods, Cottage Home historic district and Windsor Park had an eighty-three percent difference in assessed value of improvements.
Herron Morton Place and Fall Creek Place experienced the least amount of change from 2006 to 2009. The differences in improvement value between the two neighborhoods have been small and incrementally declining, ranging from twenty-one percent difference in 2006 to fifteen percent in 2009.

The second comparison group, Fletcher Place and Holy Rosary/Danish Church has experienced the most instability of the three groups. The differences between these two neighborhoods’ assessed improvement value is characterized by its irregular patterns of change from 2006 to 2009; the difference in values peaked at thirty-six percent, but has dropped as low as fifteen percent the next year. The range in differences has not been large, but has gone from thirty-six percent difference in 2006, to fifteen percent in 2007, back to over thirty percent in 2009.

The third group continually showed a difference in improvement value of over seventy-five percent between the historic and non-historic neighborhoods. Cottage Home has constantly shown higher values in average assessed improvements.

Figure 17: 2006 Assessed Values
4.18 2007 ASSESSED VALUES FOR ALL RESIDENTIAL PARCELS

The 2007 assessments are very similar to the 2009 data, with the exception of the Holy Rosary/Danish Church neighborhood. During the 2007 tax period many of the parcels within the neighborhood saw an increase in infill construction. Parcels that before 2007 did not exist or receive tax assessment were created and given an assessment value.

The other two comparison groups remained virtually stagnant when compared to the 2009 data. Holy Rosary/Danish Church neighborhood was the only neighborhood that saw any significant changes from 2007 to 2006. The assessed land value in the area incurred a nearly two hundred percent increase. Another sizable change that transpired during the 2007 period occurred in Cottage Home historic district; the area experienced a small decline in the assessed value of the land, but came out positive overall.

![2007 Assessed Value for All Residential Parcels](chart.png)

**Figure 18: 2007 Assessed Values**
The average assessed values for improvements made during the 2007 tax period follow the same pattern as the 2009 data. Generally, most of the neighborhoods’ improvement values remained stable between 2007 and 2009, the only exception being Fletcher Place historic district which saw a twenty-seven percent increase in improvement value. No other neighborhood experienced a change of over twelve percent during this time period.

Fletcher Place and Holy Rosary/Danish Church had a smaller difference between the improvement values of the two neighborhoods, fifteen percent compared to thirty-four percent in 2009. This shows, from 2007 to 2009, an increase in the value of improvements occurred in the historic district.

The third comparison group experienced the opposite type of growth. The difference in average assessed improvement value of Cottage Home and Windsor Park was seventy-eight percent in 2009; however, in 2007 the difference in value between the two areas was eighty-seven percent. Between 2007 and 2009, Cottage Home’s averaged assessed improvement value was stagnant, reporting no change in assessed value.

Fall Creek Place had a higher average improvement value compared to Herron Morton Place during the 2007 tax period. Both Fall Creek Place and its comparison neighborhood, Herron Morton Place historic district, only showed a small increase ten and eight percent respectively between 2007 and 2009.

4.19 2009 ASSESSED VALUES FOR ALL RESIDENTIAL PARCELS

Two-thirds of the comparison groups indicate a higher land value in the historic districts during the 2009 tax period. This stability of historic districts may provide a sense of desirability, therefore increasing the value of land located within local districts. In the two groups where the
historic district has a higher land value, the difference between the two districts’ land value is over fifty percent higher than their

According to the 2009 Indianapolis assessment data, local historic districts generally have higher average assessed improvement values. The only exception in this study is Herron Morton Place historic district, which has a lower average improvement value than the comparable non-historic district, Fall Creek Place. Fall Creek Place, in previous years, has been the focus of a private-public partnership between the City of Indianapolis and local developers, which may be one of the primary reason behind the increased average assessed improvement value.

When looking at the two remaining historic districts, they report higher average assessed improvement values than their comparable non-historic neighborhoods. Fletcher Place historic district and Holy Rosary/Danish Church report a thirty-four percent difference in average improvement value, while Cottage Home historic district and Windsor Park have a nearly eighty percent difference in value. This may be an indication that structures within historic districts are assessed at a higher rate.

![Figure 19: 2009 Assessed Values](image)
5. Conclusion

5.1 FINDINGS

Based on research and previous studies I hypothesized that the results of this study would indicate that historic preservation districts would increase assessed value of properties located within their boundaries. In my research of historic preservation literature, I found that many texts indicate that a rise in property value is associated with local district designation. In the case of Indiana assessment, market value is one component used to determine the assessed value of a property. With this knowledge of assessment practices I applied the assumption to assessed value. I concluded that historic districts would affect the assessed value of properties in a positive manner.

My assumptions on what I would find from the analysis of this study proved to be somewhat incorrect. The data and analysis did not produce any solid, compelling results. No significant trends could be identified or used to make assumptions.

My original hypothesis that historic districts would provide stability to the assessment of structures within historic district boundaries proved to be true. The three local districts showed a gradual increase in the average assessed value over time, where during the same time period
the non-historic districts experienced a less gradual increase and show only minor increases in average value.

The study did indicate that the previous practice of tax assessment in Indiana failed to properly represent the actual value of historic properties. All historic properties in this study saw a significant increase in assessed value after the switch to the New Market System. This system integrated the use of market values into the reassessment process, therefore presenting a more accurate representation of value.

In addition to a more accurate value, the New Market System allowed for assessed value data to represent the increased market value of historic properties located within local districts. This was illustrated in the analysis of assessed value data recorded after the restructuring of the assessment process. The study found that under the New Market System, historic and conservation districts tended to have higher assessed values than the comparison neighborhoods.

I have also concluded that as historic districts age, the assessed value of the properties’ located within their boundaries will experience a steady increase. The analysis of the assessment data showed that Fletcher Place historic district consistently had one of the highest assessed values. Fletcher Place is also the oldest neighborhood in the study, as well as the oldest historic district in the study. This indicates that as districts age, assessed value increase.

5.2 LIMITATIONS

The findings of this study proved to be inconclusive because of problems in the methodology. Due to many limiting factors the hypothesis of this study was not fully tested. With more time
and a greater access to data, this study could prove the question I set out to answer; do local historic districts affect the assessed value of properties?

The main limitation of this study was the lack of assessed value data for the City of Indianapolis. Enormous amounts of time were spent searching for the location of data. The only data that was made available to the public was from 1994 to 2009. This data did not provide an opportunity to look at pre-designation values as I had originally intended to include in this study. This time period also straddled two different assessment practices, which skewed the data and falsely showed a massive increase in the assessed value of all the properties.

Trending of assessed values did not begin till the 2006 pay 2007 cycle, and provided another limitation on the study. Very few actual reassessments occurred from 1994 to 2009 providing even less data. If the State of Indiana had performed regular reassessments or had trending data from earlier years, the study would have more data to draw conclusions. Overall, the lack of data proved to be a detrimental error that insured that this study would not be as beneficial as other similar studies.

After understanding the limited amount of data available for the City of Indianapolis, it is easy to settle on that fact that the study area did not possess the qualities needed to sufficiently understand the effects of local designation on assessed value.

Other problems occurred throughout the study that affected the overall outcome. Cottage Home conservation district appeared to be a successful candidate for one of the locally designated neighborhoods. However, the date of designation did not provide ample time and data to assess the effect of local designation on the properties located within its boundaries.
Another issue associated with Cottage Home, was the overall decision to include a conservation district in the study. Conservation districts, in Indianapolis, have varying degrees of governance and widely differ from the rules and regulations of local historic districts. Including the conservation district added an unnecessary variable to the study and further muddled the findings.

Another problematic neighborhood was Fall Creek Place. Similar to the inclusion of a conservation district, the inclusion of an area highly funded by a public-private improvements project involuntarily added another needless variable.

The data for Holy Rosary/Danish Church neighborhood has some discrepancies that may show a false sense of increased assessed value. In 2006, new parcels were added to the City of Indianapolis’ assessed value data for this neighborhood. When the parcels were added, no information existed for the years prior to 2006; therefore, it appeared that the average assessed value for the Holy Rosary/Danish Church neighborhood increased radically.

5.3 FUTURE STUDIES

In conclusion, alternative choices made during the developmental stage of the methodology portion of this study might have lead to a more conclusive and comprehensive study on the effects of historic preservation districts on the assessed value of structures. Additional factors and influences outside the realm of this study did not allow for a full understanding and eventual answer to overarching question laid out in this study. Local and National housing depreciations and general recessions in the economy may have altered the outcome of this study.
Reevaluating this study again in ten years or more would allow for future studies to draw more defined conclusions about the effects of historic preservation on assessed value. Time will eliminate the need to use data compiled under the True Value tax system which significantly undervalued historic structures in all areas of Indiana. This will allow for a true comparison of assessed values over a specified time period. Time will also allow for a fuller view of the highs and lows associated with any housing market, and conclude if historic districts do provide a type of buffer to the overall market forces. Allowing the population to adequately appreciate and understand the benefits of historic districts may, in the future, show a greater spread in the value of historic districts when compared to the non-locally designated neighborhoods.

Overall, this study showed that historic preservation districts provide stabilization to the assessed value, and may even cause an increase in assessed value. Local districts in Indianapolis have a slightly higher increase in assessed value compared to the similar non-local districts. The findings of this study also suggest that over time, historic districts have the potential to increase the assessed value.


**Chatham-Arch and Massachusetts Avenue Historic Area.** US. City of Indianapolis Historic Preservation Commission. Indianapolis, IN: IHPC, 2006.


**Fletcher Place Historic Area Plan.** US. City of Indianapolis. Indianapolis Historic Preservation Commission. Indianapolis, IN: IHPC, 1980.


