ADDRESSING COMMUNITY REVITALIZATION THROUGH
NEIGHBORHOOD CONSERVATION DISTRICTS

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Abstract

This research paper presents a comprehensive overview of neighborhood revitalization’s accruing benefits from conservation district designation. From essential characteristics that make a good neighborhood conservation district ordinance to how residents can revitalize the appearance of their property after a neighborhood conservation district has been implemented, research shows that neighborhood conservation districts can provide advantages to existing homeowners, prospective homebuyers, investors, the neighborhood in general, and the community at-large. The potential for associated advantages increases with awareness of conservation and neighborhood revitalization efforts. Utilizing existing neighborhood conservation district examples as models and current market conditions, this study demonstrates to city officials, non-profit agencies, and private partners that conservation districts are a good tool for encouraging reinvestment and rehabilitation in distressed neighborhoods as they can provide existing homeowners, prospective homebuyers, and investors with the opportunity to make wise investments in growing communities.
Introduction: What is a Neighborhood Conservation District?

Overview of Conservation Districts

The national housing market is seeing signs of improvement as the United States continues to progress out of the country’s recent economic depression. The market has recently seen several positive changes including an increase in the number of new homes listed for sale, an increase in the number of closed home sales, and an upward shift in the median home sales price. Research suggests that the improving market trends are in part a result of the implementation of neighborhood conservation districts under preservation law. Furthermore, researchers state that neighborhood conservation districts are a leading factor for the positive change in the national housing market because areas throughout the country, with conservation designations, are beginning to obtain a newfound sense of orientation and place as a result of neighborhood revitalization. In accordance with neighborhood’s respective zoning ordinances, conservation districts can bring meaning back to communities as revitalization efforts positively impact and reshape residential areas to preserve unique community characteristics through regulations that can also increase property values.
What is a Neighborhood Conservation District?

More commonly known than conservation districts, the United States first enacted local historic districts “in the 1930s to protect historic sites and neighborhoods from demolition, insensitive alterations, and out-of-character new construction. Today, the U.S. has established more than 2,300 local historic districts across the nation” (Fine and Lindberg, 2002, p. 13). Historic districts vary in size and often attract the interest of middle- and high-income households. Therefore, historic districts can contribute to the displacement of lower-income residents. While historic district ordinances do not have stringent maintenance requirements; older homes require time and energy to restore. Due to the specific standards for historically designated homes, rehabilitation costs often tend to be high and can make it rather expensive to own historically designated property.

As an alternative to local historic districts, conservation districts emerged to provide greater flexibility in the use of building materials, scale of new and remodeled homes, and the regulation of incompatible uses and demolition with fewer detailed architectural controls and design reviews. For instance, there are neighborhoods that are older, yet stable, and have no historic designation; however, they are threatened by an influx of duplex conversions or student rentals near university campuses. These neighborhoods often include middle-class households who are striving to conserve their neighborhoods to protect them from forces that could change the character of their community as well as negatively affect their property values. Neighborhood conservation districts’ regulations can revitalize neighborhoods’ character and improve property values by permitting development that is compatible only with the neighborhood’s existing character.
While changes are permitted in both historic and conservation districts, “historic district protection is designed to ensure that when changes occur, they do not destroy the unique qualities of the district whereas neighborhood conservation district protection is designed to ensure that a neighborhood’s distinctive qualities are taken into account when changes occur” (Cambridge Historical Commission, 2012). While the two types of districts work very similarly, neighborhood conservation districts are tailored to meet the needs of their particular communities and are less strict. Most changes can be reviewed on the spot by Planning or Historical Commission Staff Members whereas changes in local historic districts require design review processes for unique architectural features such as wood windows. Therefore, neighborhood conservation districts are able to achieve their conceptual plans and purposes of preservation efforts at lower costs because their standards of regulation tend to be less strict than historic districts.

Conservation districts’ preserve “neighborhood qualities and characteristics that assist in stabilizing communities, promoting redevelopment that contributes to the neighborhood character, and discouraging the underutilization of property in urban environments” (Preservation Resource Center of New Orleans, 2012). These goals help to ensure that cities and counties can plan and design tasks that target maintaining and improving designated areas of interest.

**Conservation Districts Serve as a Neighborhood Revitalization Tool**

Two waves of neighborhood rehabilitation efforts have been identified as conservation districts emerged as an insistent and important force in the revitalization of
American cities in 1975 (Myers and Binder, 1977, p. 2-3). Both waves help to initiate neighborhood revitalization for conservation efforts to provide “a more predictable course of community development, an efficient building permits process without the necessity of a Commission review, and a means of self-determination for residential and commercial neighborhood organizations” (City of San Antonio Planning Department, 2012).

The first wave of neighborhood conservation efforts is exemplified largely by private equity in examples, such as on page seven, when households strive to conserve their neighborhood with vested interests. Alternatively, neighborhoods in the second wave of conservation efforts are distressed communities where, instead, public-private partnerships initiate a revitalization plan (Myers and Binder, 1977, p. 3-4). The two waves of neighborhood conservation efforts thus, in combination, serve a broad range of neighborhoods with a variety of different household incomes. Furthermore, the two waves allow for the “provision for the proper housing of the whole American people” to be met and achieved (United States Federal Home Loan Bank Board, 1940, p. 3).

The two waves of neighborhood revitalization for conservation efforts can, as they are initiated by different groups, have different effects on affordable housing and property values; however, addressing neighborhood revitalization through both waves ensures adequate housing for all income-levels. In the first wave, existing homeowners engage in neighborhood revitalization to conserve their community’s character and property values. Focused on improving the neighborhood for the existing residents, homeowners can address neighborhood revitalization to close the rent gap and to improve
the quality and future value of their homes. The term rent gap can be defined as a disparity between the existing property value (capitalized ground rent) and the potential property value (potential ground rent). The potential property value is calculated by determining the site’s highest and best use (Clark, 1995, p. 1490). This production side theory of urban gentrification demonstrates how homeowners in the first wave of neighborhood revitalization perceive investment opportunities and potential profit gain by preserving the unique characteristics of their community.

![Diagram of rent gap](image)

**Figure 1. The rent gap**

Figure 1’s illustration of the rent gap theory shows how, on the basis of investments spent in large scale renewal projects, the gap between the actual or capitalized ground rent and the potential ground rent can be closed after the first wave of neighborhood revitalization. Homeowners’ decisions to invest are conditioned by the quality of their neighborhood. Furthermore, homeowners’ actions are often based on the search of profit and neighborhood enhancement.
The second wave of neighborhood revitalization through conservation efforts is led by public-private partnerships. This wave gathers funding sources to rehabilitate distressed communities and to provide positive homeownership investment opportunities for low-income and first-time homebuyers. Through this process, neighborhood revitalization and conservation efforts can help restore the value that distressed communities once obtained. Furthermore, rather than demolishing vacant and dilapidated residential structures; neighborhood revitalization can preserve the existing architectural character, livability, and economic and social diversity throughout such neighborhoods. Rehabilitation and redevelopment can work to prevent the loss of housing affordability and can work against many long-time residents fear “that a teardown and rebuild process will turn formerly mixed-income communities into homogeneous, upper-class enclaves” (Fine and Lindberg, 2002, p. 6).
Chapter 1: Existing Neighborhood Conservation District Models

There are many different types of neighborhood conservation districts. Some have rules that are very similar to those for historic districts, with detailed architectural controls and design review processes; however, they differ from historic districts mostly in their flexibility to use different building materials such as modern or energy efficient windows and doors. Others focus on the scale of new or remodeled buildings and their placement on building lots as they relate to the neighborhood’s surrounding infrastructure through regulations such as setbacks, building heights, and peaked roofs. However, some neighborhood conservation districts do not contain detailed architectural standards.

The first four existing neighborhood conservation district models demonstrate how neighborhood revitalization can be addressed to achieve a set of community goals without detailed guidelines. While these neighborhood conservation districts remain successful, they often have vague design review processes that can lead to resident frustration. Alternatively, existing neighborhood conservation district models five through seven demonstrate specific guidelines for uses within their designated districts. For example, the Town of Boone, North Carolina, existing neighborhood conservation
district model five, established a neighborhood conservation overlay district that they
designed to address over-occupancy problems in a single-family neighborhood by
limiting the amount of off-street parking in the district and the number of unrelated
persons within each dwelling unit.

1. The Upper Doon Conservation District

The Upper Doon Village in Kitchener, Ontario was the first area to be recognized
as a conservation district in the city in 1988. Its intent in the designation was to “conserve
the intrinsic rural and historic character of the village to ensure that new development,
both within and outside the Village, did not destroy the area’s character and to conserve
the charming ambience to ensure that new development is complementary and supportive
of that ambience” (Kovacs et al., 2008, p. 130). The Upper Doon Village has a rich
history in its distinct industrial heritage; however, the area also presented a strong value
in their blend of built structures and natural features located in their subdivisions. These
aspects create a unique opportunity for the rural neighborhood.

The Upper Doon Village conservation district’s designation process included the
following objectives:

“aesthetics such as conserving the visible history and the preservation of the rural
and historic character of the former village; social objectives that included the
maintenance of a small village atmosphere; and economic objectives including
limiting non-residential uses in the district with the aim of furthering the
development of the area as a residential community” (Kovacs et al., 2008, p. 130).

These objectives were set in place to ensure that the Upper Doon Village did not
obtain a museum-like character that is often experienced in historic districts, but were
instead intended to safeguard the vibrant living character in the neighborhood.

Furthermore, when residents were asked about the conservation district, they reported that they saw the designation as a way to keep history alive in the area for current residents and future generations to come. One way that they are able to keep the history alive in the Upper Doon Conservation District is for “homeowners of historic buildings to renovate their properties in line with established guidelines, while owners of newer structures are often encouraged to complementarily alter components of their homes to strengthen the character of their districts” (Kovacs et al., 2008, p. 132).

Research shows that residents living in the Upper Doon Village are overall very satisfied with the conservation district designation guidelines in their neighborhood. One resident, who moved into the neighborhood post-designation, “indicated that they had moved there because it was a conservation district and because they knew the character of the area would be protected” (Kovacs et al., 2008, p. 134). Compared to the remaining portions of Kitchener, homes in the Upper Doon District performed significantly better than the market trend or near to the city average. The somewhat higher than average home sales trend when compared to the city average “mirrors what residents in the district expect from their community’s designation” (Kovacs et al., 2008, p. 139). Furthermore, the trend clarifies that conservation district designations can assist in maintaining and appreciating home values at greater rates than city averages as well as improving the ability to sell the properties, if chosen to do so.
2. The Greenland Hills Conservation District

The Greenland Hills Conservation District is located in the shadows of Dallas’ Central Business District on the Northeast side of the city. In the western portion of the city’s M Streets, the Greenland Hills neighborhood offers a collection of 1920s Tudor-style homes. To conserve the area and after a two-year planning process, Greenland Hills obtained conservation district status in 2002 to “discourage demolition of its existing houses and to limit new construction to certain architectural types” (Lubens and Miller, 2003, p. 2).

Residents have drafted their conservation district legislation to make it very difficult to construct new buildings in the Greenland Hills neighborhood if they are not in accordance to the wishes of the existing homeowners. According to the ordinance, a
“group of persons who collectively own more than fifty percent of the land and fifty percent of the buildings must initiate the process” before the drafting of a development or demolition plan is even considered (Lubens and Miller, 2003, p. 2). Similar to the Upper Doon District, this ensures that plans within the conservation district are in accordance with the goals of the neighborhood to preserve the character and integrity of the structures and land.

Residents who live in the Greenland Hills Conservation District treasure their homes and the surrounding area because of the many distinctive architectural features that give the area such a strong identity. The neighborhood continues to see the construction of new “McMansion” homes; however, since the conservation designation was established the number of new homes that have been built in the neighborhood has drastically slowed down. Most “McMansion” homes are two-story dwellings and range between 3,500 and 4,000 square feet. Although this style is nearly double the size of the Tudor-style cottage, they blend in well with the original cottages found throughout the neighborhood that date back to the 1920s.
Prior to the Greenland Hills Conservation District designation in 2002, homes in this community were run-down and very inexpensive. A buyer could purchase a 1,600 square foot home for $25,000, plus renovation costs. Real estate values in this district have dramatically increased over the past decade. Most homes in the neighborhood have been fully renovated; however, if a homeowner could find a “shell” home in Greenland Hills, he or she should expect to pay at least $180,000 to buy it today. Dallas’ Home List stated that if a buyer does not need a lot of space, he or she can find beautifully upgraded, renovated original cottages with around 1,600 square feet for between $300,000 and $400,000. “These homes offer great curb appeal, original hard wood floorings, and updated kitchens with nice size private backyards” (Guzel, 2009). New construction is listed between $600,000 and $750,000. The larger, newly constructed homes offer “open unique floor plans, gourmet kitchens, hardwoods, and upgraded cabinets; they
characteristically keep the traditional look of the Tudor style with front porches, cross gabled roofs, front facing gables, and porthole windows” (Guzel, 2009).

The conservation district ordinance requires new construction and conversions to “be built in the High Tudor style and must be compatible with original houses” to ensure the area’s strong architectural identity is preserved (The M-Streets/Greenland Hills Conservation District Ordinance, 2002, p. 15). Therefore, the popular trend regarding second-story additions towards the back of the home does not hinder the appearance or character of the homes throughout the neighborhood, but instead, these homes continue to increase in their value. Homes that have constructed updated second-story additions on the back of their dwellings are reportedly 2,500 to 3,000 square feet and sell for nearly $600,000 today. Ken Lampton, a certified residential specialist and expert on the Dallas M-Street homes, stated in his blog,

“Investment in any Greenland Hills Conservation District home will pay big dividends in the future. And, as one who appreciates the Tudor-style, I am glad the area will retain much of its present charm as it is redeveloped in accordance to the ordinance for the conservation district in the coming decades” (2010, p.1).

3. The Bozeman Neighborhood Conservation Overlay District

The idea of establishing a conservation overlay district in Bozeman, Montana arose in 1990 when the city updated their master plan. The conservation overlay district was adopted on November 24, 2003 to design and support the use of the original town site area, containing many historically significant buildings, eight National Register Districts, and the areas in between (Morris, 1992, p. 23). In addition, the City of Bozeman’s Unified Development Ordinance (UDO) works to recognize that development within the conservation overlay district is unique and distinctive due to the originality and
Addressing Community Revitalization through Neighborhood Conservation Districts

historical significance of the area. Therefore, the ordinance, through the conservation overlay district, works to protect the development configuration throughout the neighborhood.

Figure 2. “The Bozeman Conservation District is one of the largest in the nation—it covers about 60 percent of the city and encompasses nearly all buildings more than 50 years old” (Morris, 1992, p. 23).

The ordinance states that “the intent and purpose of the conservation district designation is to stimulate the restoration and rehabilitation of structures, and all other elements contributing to the character and fabric of established residential neighborhoods and commercial or industrial areas” (“H Street, NE”, 2004, p. 35). In an effort to protect areas located throughout Bozeman that have significant land planning and architectural character, the UDO further states that new construction will be invited, and is even encouraged; however, additions’ designs must contribute to the existing conserved aesthetic character and function in surrounding areas. New design is considered to be an aspect of strong, dynamic, and changing communities.
Alterations and changes made within the neighborhood conservation overlay district require approval from the Design Review Board (DRB). This ensures that the city maintains “the elements that are unique to each neighborhood while adding to their character to enhance property values through neighborhood stabilization” (“H Street, NE”, 2004, p. 36). Rehabilitation projects are encouraged through an Annual Historic Residential Rehabilitation Workshop through the Historic Preservation Advisory Commission’s (HPAC) Design Services Bank. The bank consists of professional architects and historians who volunteer their time for the betterment of the city. Furthermore, events such as the workshop, walking and guided home tours, and the City’s designated Bozeman Historic Preservation Week every year in June assists in preserving the conservation district and the values attached to the area.

“As residents have become more familiar with the historic district and conservation district programs and the goals behind each, they have come to appreciate the double-district system and how it can serve the preservation and revitalization needs of the community” (“H Street, NE”, 2004, p. 37). Overall, the educational activities that the City of Bozeman has utilized to lead the development of and within the conservation district overlay has proved to be very successful since its designation in 2003 and has spurred a restoration boom in the city since. The Neighborhood Conservation Overlay District has greatly improved the historic integrity of the entire city, including the property values of homes throughout the area.

Rehabilitation and restoration within the Bozeman Conservation Overlay was spurred by the designation and has also “been made easier in recent years by the changes
enacted with the UDO” (“H Street, NE”, 2004, p. 37). Residents no longer have to jump through repetitive and confusing hoops that formerly governed the uses of land in the Bozeman Neighborhood Conservation Overlay District. Today’s regulations reflect a more streamlined process as “the UDO serves to combine all the necessary elements into one integrated, user-friendly, accessible document that can serve all purposes at once as it recognizes the distinctive nature of development within the district and encourages the retention and protection of Bozeman’s development configuration” (“H Street, NE”, 2004, p. 37). Furthermore, combining the necessary neighborhood zoning elements provides the city with the ability to grant properties a deviation from the existing zoning ordinance to ensure that the demolition of historic and conserved properties cannot unnecessarily occur. Instead, the UDO encouraged compatible new construction in areas of need. Compatible new construction also assisted the community in regards to increasing property values. Derek Strahn states, in his article entitled “In the Case of Historic Preservation, Size Really Does Matter,” that Bozeman’s older neighborhoods “remain some of the most coveted in the community, with property values significantly higher than those for similarly sized properties elsewhere in town” (“H Street, NE”, 2004, p. 37). The strength in regards to increased property values is greatly attributed to the UDO as it works to protect the older areas within the conservation overlay and to enhance the architectural significance throughout the community. Furthermore, the conservation district overlay has instilled a successful wave of redevelopment and revitalization in the City of Bozeman. In fact, Bozeman’s Department of Planning “has been inundated in recent years with so many projects for the growing city that it can hardly keep up” (“H Street, NE”, 2004, p. 37).
4. The Lockland Springs-East End Neighborhood Conservation Zoning Overlay District

The Lockeland Springs-East End Neighborhood is a large area near Downtown Nashville, TN where the City uses conservation zoning as “a tool to protect and preserve its architectural heritage, stabilize property values and promote affordable housing, provide residents with greater control over development in their neighborhood, preserves natural resources through building materials, and nurtures a sense of community as it provides a sense of place” (Lockeland Springs-East End Neighborhood Conservation Zoning Overlay Design Guidelines, 2011, p. 3). The first phase of residential development began in 1868 as Nashville’s central business district pushed neighborhood development outward due to its fast development. Therefore, the Lockeland Springs-East End Neighborhood has a variation of architectural styles ranging from Italianate and Queen Anne characteristics in its earliest houses to bungalows and romantic English cottages that completed the development at what Nashville called their turn-of-the-century.

In the 1950s and 1960s, “urban renewal added a significant amount of incompatible architecture to the area…as did the building boom of the mid-1980s when new, low-quality duplexes replaced a number of older homes” (Morris, 1992, p. 21). The incompatible growth and building boom concerned city councilman, John Summers, as he felt that the number of rental properties was leading to demolition by neglectful homeowners and thus depressing property values. While aware that the Lockeland Springs-East End Neighborhood was not yet able to quality for historic designation, Summers sought an alternative for the neighborhood that once prided itself on its distinct character and architectural type of homes. The Lockeland Springs-East End

The Neighborhood Conservation District Zoning Overlay guidelines were designed to “stabilize property values, prevent the loss of architecturally or historically important buildings, affect the design of new construction by prohibiting new development that is not in character with the neighborhood and additions that lessen the architectural importance of buildings” (Morris, 1992, p. 22). Councilman Summers stated that since the conservation district overlay was established over two decades ago, the Lockland Springs-East End Neighborhood has carefully weighed what buildings can be encompassed in the district, as a proposal to add 400 structures was denied in 1991, and as property values have stabilized and incompatible infill development has been put to an end. The neighborhood is now an attractive place for first-time homebuyers.

5. Town of Boone, North Carolina Neighborhood Conservation District Overlays

The Boone Town Council created the Neighborhood Conservation Zoning District “to promote public health, safety, and welfare, to stabilize and maintain a suitable low-density living environment for family life, and to maintain and preserve the value of existing property” (Town of Boone Unified Development Ordinance, 1997).

Established as an overlay zoning district, the Town of Boone has six neighborhood conservation districts. Specifically, in addition to meeting the guidelines for the neighborhood conservation districts’ underlying zoning districts and the intent of a neighborhood conservation district, the Town of Boone has detailed requirements
regarding rental properties to ensure their low-density living environments maintain their high property values. Rental properties within a neighborhood conservation district in Boone require all tenants to complete a residential parking registration form with the city administrator. Tenants who can provide proof of residency in one of Boone’s six neighborhood conservation districts with eligible personal identification and vehicle registration are issued parking stickers for their vehicle in the neighborhood conservation district they designated on the residential parking registration form. The stickers must be permanently attached to eligible vehicles. Tenants are also required to annually renew their parking stickers and to pay all required nominal fees. The rental property parking requirements within the Town of Boone’s Neighborhood Conservation District Overlays ensure that “no more than two unrelated persons per dwelling unit will be issued parking stickers” to limit the number of vehicles within the community and households with many unrelated persons to preserve a family-oriented living environment (Town of Boone Unified Development Ordinance, 2012).

The neighborhood conservation district guidelines also require all rental property owners to ensure their tenants are adequately notified of all applicable neighborhood conservation district requirements. To enforce this requirement, all rental property owners who reside more than fifty miles from the Town of Boone are required to “designate in writing a local managing agent residing within Watauga County that will be responsible for all matter concerning occupancy of such rental property” (Town of Boone Unified Development Ordinance, 2012).
6. The Lincoln Park Neighborhood Conservation District

The Lincoln Park Neighborhood Conservation District Plan was approved and adopted in 2007 by the City of Rockville, Maryland. The purpose of the Lincoln Park Neighborhood Conservation District is to preserve the existing character of the streetscape and community through site design and development standards. Character traits that are deemed essential to the preservation of the residential neighborhood include: streetscapes, setbacks, driveways, walkways, retaining walls and fences, relation to other structures and the street, landscaping elements, size, height, and the massing and location of structures on building lots (Lincoln Park Neighborhood Conservation District Plan, 2007).

Traditionally, residential structures in Rockville are sited on lots in a manner that emphasizes a progression of public to private spaces. For instance, Rockville defines the sites in Lincoln Park by requiring streetscapes that lead to sidewalks, sidewalks that lead to landscaped yards, front walkways that connect to an entry door, and covered porches that are adjacent to the private spaces within a Lincoln Park Neighborhood Conservation District home. The homes’ character hallmark lot configuration consists of long and narrow lots; generally fifty feet wide by two hundred feet deep. The Lincoln Park Neighborhood Conservation District allows for 6,000 square foot residential building lots; however, original platted lots ranged between 10,000 to 12,000 square feet. Due to the neighborhood’s 19th century history featuring dependence on wells, septic drainage fields, vegetable gardens, and keeping livestock; lot sizes and shapes should be retained throughout the Lincoln Park Neighborhood Conservation District for their character hallmark (Lincoln Park Neighborhood Conservation District Plan, 2007).
“New Construction or additions should be designed so that the building height, scale, massing, volume, directional emphasis, setback, materials, and façade designs reflect the character and architectural context established by the community and surrounding structures. It should not conflict with or have an adverse impact upon the character of the streetscape and community character” (Lincoln Park Neighborhood Conservation District Plan, 2007).

Principal structures can cover only thirty-five percent of the lot and can be no taller than twenty-five feet high at the roof’s midpoint; however a twenty-nine foot height can be permitted utilizing a graduated forty-five degree line of sight slope from the front property line to the new highest point of new construction (Lincoln Park Neighborhood Conservation District Plan, 2007). Lincoln Park structures require a twenty-five foot front setback, twenty foot rear setback, and seven feet side setbacks. In addition, living spaces, not including attics or basements, average between 1,200 to 1,500 square feet. These requirements are enforced upon the existing subdivision as the resubdivision of existing original lots, assemblage of separate lots for new development, and pipestem lots
are not permitted. Below is a picture of a new house that is permitted under the Lincoln Park Neighborhood Conservation District design and development standards. 325 Lincoln Avenue is less than twenty-five feet high with one and a half stories, has a 1,120 square foot lot coverage excluding the front porch, a full basement, substantial entryway, and no garage.

7. The San Jacinto Neighborhood Conservation District

The San Jacinto Neighborhood Conservation District was created in 2009 and is located in the City of Galveston, Texas. The San Jacinto Neighborhood reflects an original historic street grid system that allows for the community to be both sustainable and walkable. Furthermore, the neighborhood conservation district serves as an example for New Urbanist communities across the country as it “reflects the character of a traditional neighborhood while maintaining close proximity and interaction with its
buildings and the streets to activate the streetscape and allow for discourse between neighbors” (The San Jacinto Neighborhood Conservation Plan, 2010). Making an effort to have an active resident population ensures the neighbors are passionate and involved in the community. Therefore, San Jacinto Neighborhood Conservation Residents’ active efforts benefit their community and ensure the value of the neighborhood remains high.

The San Jacinto Neighborhood Conservation District’s intent is to ensure an inclusive and active place to provide its current and future residents the comfort that their investment in their neighborhood is stable as its development standards enhance qualities that contribute to the economy of the neighborhood. Another core goal of the San Jacinto Neighborhood Conservation District is “to protect and enhance the community’s livability to promote neighborhood revitalization for economic purposes that ensure “San Jac” is a place where people want to live, work, and do business” (The San Jacinto Neighborhood Conservation Plan, 2010).

The San Jacinto Neighborhood prides itself of the area’s history and identity by its distinguishable and character-oriented buildings such as the Front Gable House, Gulf Coast Cottage, and I-House. Front Gable homes are one or one and a half story cottages with the gable end towards the street. Gulf Coast Cottages have one or one and a half side gables with front dormers and insert porches. The I-House is a two story house with double front porches and a centered front entry.
The San Jacinto Neighborhood Conservation District design guidelines help to ensure that the character remains in the community through residential rehabilitations, demolitions, and new construction that amounts from damaging weather, such as Hurricane Ike, recovery efforts. The “preservation and reinvestment in the City’s heritage and inventory of older structures stabilizes property values within the district and reduces conflict to prevent blight by promoting new compatible development that encourages and strengthens civic pride and the quality of life” (The San Jacinto Neighborhood Conservation Plan, 2010).

Building height for new construction and elevations must not be lower than eighteen feet or higher than thirty-four feet. In addition, “property owners should elevate their houses to meet base flood elevations and windstorm requirements for safety and sustainability” (The San Jacinto Neighborhood Conservation Plan, 2010). Front setbacks for new or relocated residential structures must be placed between seven feet, two inches and seventeen feet, four inches from the front property line. Front stair projections are permitted to encroach into setbacks up to five feet from the front property line to meet Federal Emergency Management Agency (FEMA) floor plain requirements. Side and rear setbacks are regulated by the property’s base zoning regulations. Lot sizes cannot
exceed 10,280 square feet and curb cuts are permitted only to a maximum width of fifteen feet.

Front porches that face the home’s primary street are also an important building component within the neighborhood conservation district as they provide outdoor living spaces and allow for community member interaction. New construction must ensure that the primary entry is located beneath a front porch. Streetside porches “must be at least four feet deep and at least a third of the length of the front of the house” (The San Jacinto Neighborhood Conservation Plan, 2010).

The design guidelines also encourage active fronts and window patterns that are consistent with the architectural character of San Jacinto. Facades must accommodate a minimum of twenty-five percent of the area with openings. Additionally, window
proportions must be vertical; displaying a two-to-one minimum ratio. Materials include the use of wood or smooth cementitious siding.

Demolition and relocation of structures within the San Jacinto Neighborhood Conservation District are the only matters that require review and approval by the Landmark Commission; however, “the retention of salvageable, contributing housing stock within the neighborhood is strongly encouraged” (The San Jacinto Neighborhood Conservation Plan, 2010).
Chapter 2: A Comparison of Existing Conservation District Models

Learning the benefits of neighborhood conservation districts designation and home buying within such communities can encourage cities to engage in reinvestment and rehabilitation projects to help their low-income and first-time homebuyer population make wise investments in prosperous neighborhoods. The first step in doing so includes knowing the different sections of a neighborhood conservation district and how its guidelines differ from the rules in a traditional zoning district.

The Neighborhood Conservation District Ordinance

Some neighborhood conservation districts are incorporated into their city or town’s zoning ordinance while others have a separate detailed document that specifically addresses only the district’s purpose, intent, history, and design guidelines. For instance, the Town of Boone’s Neighborhood Conservation Overlay District is a section within the Town’s Unified Development Ordinance. Included in Article IX Zoning Districts and Zoning Map, the ordinance discusses the purpose and intent for the creation of the town’s neighborhood conservation district, lists its six neighborhood conservation districts and
their boundaries, and the requirements for all properties located within the neighborhood conservation districts.

Broader, but in a separate document; the Lockeland Springs-East End Neighborhood Conservation Zoning Overlay Plan does not go into specific details regarding design guidelines such as setbacks, building heights, and roof pitches but the planning document does include general sections regarding: the history of the neighborhood, design guidelines, the purpose of the design guidelines, a map showing the boundaries of the neighborhood conservation district, new construction and additions, demolition, relocation, and definitions. Broader neighborhood conservation district plans, such as models one through four in the previous chapter, are often subject to a design review process. Design review processes can be particularly long and costly to homeowners due to the vagueness of the conservation plan.

The third type of neighborhood conservation district ordinance is also separate from the city or town’s zoning ordinance; however, this plan provides detailed design guidelines that do not require a design review process. Utilized for neighborhood conservation district models six and seven in the previous chapter, the Lincoln Park Neighborhood Conservation District Plan and San Jacinto Neighborhood Conservation District Plan show that design review processes are not essential characteristics to revitalize a community if there are specific design and development standards listed within the ordinance. Sections within this type of neighborhood conservation district ordinance include: purpose and intent, history of the community, boundaries of the district with an attached map, development standards for new construction (i.e. building
height, setbacks, lot size, driveways and curb cuts), lot coverage standard for additions, streets, building types, demolition, and relocation. Home demolition and relocation do not require a design review process; however, they do require approval from the Planning Commission prior to the action taking place.

The two types of neighborhood conservation district ordinances that are separate from the city or town’s zoning ordinance have similar provisions; however, the chapters contain different amounts of information in each type of conservation district. Conservation models one through four have chapters that contain vague design guideline information. For example, the Lockeland Springs-East End Neighborhood Conservation District Ordinance says, in regards to new construction and additions’ height guidelines, “new buildings must be constructed to the same number of stories and to a height which is compatible with the height of adjacent buildings” (Lockeland Springs-East End Neighborhood Conservation Zoning Overlay Handbook and Design Guidelines, 2011). Without a specific height to reference in the ordinance, a homeowner or developer could be denied in their design review process and be forced to go through the process multiple times. Alternatively, the San Jacinto Neighborhood Conservation District Plan says “the height regulation allows for construction within ten percent from the full range of pre-1985 structures’ height on both block faces; therefore, a new residential structure may be built to a height between eighteen and thirty-four feet” (The San Jacinto Neighborhood Conservation Plan, 2010). Providing less room for error ensures the process remains quick, easy, and helpful to the neighborhood residents.
The neighborhood conservation district ordinance differs from the traditional zoning district ordinance because conservation districts do not regulate the community’s land uses. Instead they provide design and development guidelines to protect unique and distinctive qualities of their neighborhoods that contribute to the overall character and identity of the community. Neighborhood conservation districts do not identify permitted or special uses because the ordinance’s intent is to preserve, protect, and enhance the established character within the residential neighborhood. However, the neighborhood conservation district is similar to traditional zoning districts as they both regulate design guidelines such as height, lot size, and setbacks.

**Essential Characteristics for a Good Neighborhood Conservation District**

After examining many details of a variety of conservation district ordinances in the previous chapter, the characteristic that is essential for a good neighborhood conservation district is to tailor the ordinance to the specific community’s history. Broad procedures and regulations for neighborhood conservation districts will not likely achieve the goals and objectives stated in an ordinance, but will instead cause difficult review processes for homeowners and developers.

Neighborhood conservation districts should first identify the community’s history and what their area prides itself on because these factors can help define what is most important to conserve in a neighborhood conservation district. The Upper Doon District in Kitchener, Ontario, for instance, has a rich history in its distinct industrial heritage. Conserving the fundamental rural and historic significance of their village (through their
conservation district’s guidelines) works to ensure that the character of their community is not destroyed. Conservation efforts also safeguard the vibrant living character in the neighborhood and, as a result, the residents say they see the designation as a way to keep history alive in the area for current residents and future generations to come.

Similarly, the Lockeland Springs-East End Neighborhood Conservation Zoning Overlay District in Nashville, TN guided its conservation district legislation to protect its neighborhood that once prided itself on its distinct character and architectural type of homes. Tailored to their needs, the conservation district serves as tools to protect and preserve the neighborhood’s architectural heritage and strong property values from building booms and low-quality housing complexes. These essential characteristics contribute to a sense of community as the regulations and guidelines provide the residents with a sense of place.

Another essential characteristic for neighborhood conservation districts is that they do not displace, or attempt to “buy-out”, their existing residents through revitalization efforts or the conservation district designation process. Gentrification, defined as “a spontaneous process of revitalization and redevelopment of a central neighborhood, which provokes a rise in residential property price and hence a population turnover in favor of middle-upper classes,” is a foremost component within historic districts; however, conservation districts are more often established to better the sense of place for the existing residents and future generations of the community (Diappi and Bolchi, 2008, p. 6). As a commonality amongst conservation district legislation, the
United States Federal Home Loan Bank Board (1940) stated that growth and
development should no longer

“be measured in terms of restless people, pushing ever westward and scoring
striking increases and population and material wealth...instead an increasing
effort must now be made to consolidate our material and social gains and to
conserve our economic and human resources by placing a stronger accent on the
development of maximum benefits from what we already possess” (p. 4).

This quote shows that a fundamental aspect of a conservation district is that it can
work with its existing materials and residents to preserve what the neighborhood prides
itself on and to ensure that community character is able to continue and flourish
throughout the neighborhood and into the future.
Chapter 3: Neighborhood Conservation District Implementation

If a community wants to implement a neighborhood conservation district in their area, the first step is to gain the required property owner support within the proposed neighborhood conservation district boundaries. For instance, the San Jacinto Neighborhood Conservation District “began actively pursuing designation in 2006 by sending two mailings to every property owner within the proposed neighborhood conservation district boundaries in an effort to collect the required property owner support” (The San Jacinto Neighborhood Plan, 2010). A minimum of fifty-one percent of the property owners must support the neighborhood conservation district to continue with the planning process.

Public participation ensures that the protections and controls embodied in communities’ conservation legislation are appropriate and distinct to the needs of particular neighborhoods. An important tool in gathering public support and participation is the leadership of a strong development team consisting of the local government, nearby not-for-profit agency, and the private sector. The development team can assist the community with implementing the neighborhood conservation district by working
alongside the residents to gather more support for the designation process, to better understand the history and character of the neighborhood for preservation efforts, and to write the neighborhood conservation district plan.

The local government typically implements a conservation district by adopting a zoning ordinance amendment to create a neighborhood conservation district plan. Stated within the ordinance and plan; neighborhood conservation districts “regulate new construction, major alterations or additions to existing buildings, and demolition” (Morris, 1992, p. 13). They also require that new construction and conversions are compatible with existing structures through architectural standards and the materials used in the surrounding area. This point is made to ensure that residential character is protected and massive redevelopment is avoided.

There are two neighborhood conservation districts that can be implemented, either overlay or stand-alone. The type of district is stated in the neighborhood conservation district plan and is determined prior to the district’s establishment. Overlay districts have added zoning requirements that are placed on a specific area, such as a neighborhood conservation district, in addition to the underlying zoning ordinance. Stand-alone districts combine zoning restrictions with overlay district’s goals to create a new zoning district.

Focus Neighborhoods

Neighborhoods and communities that contain the special character that drives conservation districts should be sought out across the United States. Determining which
neighborhoods are most appropriate for conservation zoning and the criteria that should be used to designate a district “depends on what the community is trying to accomplish” (Morris, 1992, p. 14). Kelly B. Bissinger argues that neighborhoods with significant architectural and historic merit and distinct character could be considered better for conservation efforts over others. Some areas, in particular, that could be considered for conservation efforts include: “transitional areas located adjacent to historic districts, areas that do not yet meet the standards required for historic district designation, areas that have one or more characteristics that require special protection to preserve (such as residential character or affordable housing), and areas where property owners are unable or unwilling to meet the requirements applicable to historic districts” (Bissinger, 2007, p. 7). Such areas can begin to pursue neighborhood conservation district designation with the assistance of the community’s residents through the first wave of neighborhood revitalization.

Through the second wave of neighborhood revitalization, city officials can target distressed and blighted neighborhoods that prided themselves in their community’s significance in the past. This goal can restore the historic charm to the community as “older, established urban neighborhoods, which, though still sound, are worthy of preservation and are capable of many years of normal use if property maintained” (United States Federal Home Loan Bank Board, 1940, p. 4). A good place to start could be in the many inner city neighborhoods that were left deteriorated from urban sprawl and the rapid move to the suburbs throughout the United States in the 1970s and 1980s. Neighborhood revitalization efforts in a focus area capable of conservation district designation can generate investment opportunities, create new market-rate and affordable
housing opportunities, and improve property values in a formerly dilapidated neighborhood.

**Financial Tools to Assist with NCD Implementation**

The second wave of neighborhood revitalization, led by public-private partnerships in distressed urban neighborhoods, often requires the assistance of financial tools to ensure enough funding is secured to make a meaningful and holistic impact on older and established communities. There are several financial tools and incentives that, with support from local and federal agencies, can be used as catalysts to further continue establishing conservation district regulations for neighborhoods and communities throughout the United States.

*Homeownership Zones*

The first of several successful federally funded programs, provided by the U.S. Department of Housing and Urban Development (HUD), is the Homeownership Zones (HOZ) Initiative. The HOZ program was founded and launched in 1996 to expand homeownership throughout the country. The national goal through the HOZ initiative “is to test the idea that cities can transform their blighted areas into vibrant communities by creating entire new neighborhoods of mixed-income single-family homes, called Homeownership Zones” (U.S. Department of Housing and Urban Development, 2010). This initiative targets areas with several hundred new homes that are within close proximity to major employment centers.
HUD requires that “at least 51 percent of the homebuyers assisted with HOZ funds must have incomes that do not exceed 80 percent of the HUD-determined area median income, adjusted by family size” (U.S. Department of Housing and Urban Development, 2010). For example, a household of four people in Marion County, Indiana in 2010 must have had an income that did not exceed $31,550 to be included in the 51 percent of homebuyers assisted with HOZ funds. Additionally, if awarded funding, the grantees are eligible to engage in the following activities: property acquisition, build or rehabilitate housing, finance site preparation, provide direct financial assistance to homebuyers, provide homeownership counseling, construct public improvements, and special economic development activities including new housing construction under limited circumstances through Community-Based Development Organizations (CBDOs).

Presently, there has not been a designated amount of funding for a new round of HOZ applicants; however, there have been two competitive funding rounds for potential recipients to apply for and possibly receive the Homeownership Zone Initiative grant in the past two decades. Six winning applicants were awarded the first HOZ Initiative grant, the Economic Development Initiative funds, with Section 108 loan guarantees in 1996. In the following year, HUD awarded six additional applicants with Nehemiah grant funds. Currently, five of the twelve awarded applicants are still active in their HOZ projects.

Nearly all of the HOZ grantees have completed or are nearing completion in their demonstration program projects. In a 2007 evaluation of these projects, HUD concluded
that “the HOZ Initiative successfully demonstrated that cities can use mixed-income homeownership housing to transform their blighted areas as, today, many of the HOZ demonstration sites have become, or are becoming, viable communities” (U.S. Department of Housing and Urban Development, 2010). Although this process takes time through careful planning, geographic targeting, and a long-term economic commitment; the Homeownership Zone initiative program has presented evidence that it has improved the quality of life in its grantees’ communities.

Indianapolis, Indiana is a successful 1997 grantee example. As one of only twelve cities in the nation to be awarded this grant, the City of Indianapolis proposed a bold and aggressive redevelopment plan that promised to recreate an inner city neighborhood and to return it to its proud past. The City of Indianapolis was awarded a Homeownership Zone Grant worth $4,057,500 to construct 269 new homes and to rehabilitate 44 existing homes in Fall Creek Place; a 189-acre community located just north of Downtown Indianapolis. Located within the City’s Enterprise Community in Center Township; “this area, at the time of the Homeownership Zone designation, had the highest poverty rate and the greatest level of physical distress of Indianapolis’s nine townships…due to on-going economic distress and large tracks of vacant land” (U.S. Department of Housing and Urban Development, 2010).

The City of Indianapolis used its HOZ Initiative funding to demolish large areas of blighted homes, to improve local streets and nearby infrastructure, and to develop a working system of open green space. In December 2005, Fall Creek Place had completed 375 homes; including 330 new homes and 45 rehabilitated homes (Fall Creek Place
Fourth Year Annual Report: December 1, 2004-November 30, 2005). The comprehensive plan and approach to redeveloping Fall Creek Place with an HOZ Initiative grant also convinced private builders and lenders to join the City of Indianapolis in the undertaking of the dilapidated area of the city. The public-private partnership team effort, including sixteen partners and funding from the Homeownership Zone Grant, HOME funds, Community Development Block Grant (CDBG), and others, worked together to ensure that new and existing homes would fit together seamlessly to reflect historic patterns such as homes with front porches. Furthermore, “the comprehensive approach convinced homebuyers to purchase in the area and new homebuyers received financial assistance and homeownership counseling” (U.S. Department of Housing and Urban Development, 2010).

The newly transformed vibrant mixed-income community of existing and first-time homeowners created an impact that stretched far beyond the neighborhood’s boundaries. In December 2005, Mayor Bart Peterson said:

Fall Creek Place “has become the model—both locally and nationally—for community revitalization. The Fall Creek Place model, which is already at work in other redevelopment initiatives, stresses the importance of comprehensive community revitalization, creating strong public-private partnerships, and maintaining a neighborhood’s character while engaging long-time residents in redevelopment initiatives” (Fall Creek Place Fourth Year Annual Report: December 1, 2004-November 30, 2005).

Neighborhoods such as Fall Creek Place and The Lockeland Springs-East End Conservation District are comparable because they possess “the kind of neighborhood design that progressive developers of new subdivisions look to as a model” (Lockeland

Consistent with the HUD Homeownership Zone grant, 51 percent of the homes were sold to households earning at or below 80 percent of the area median income. Fall Creek Place exceeded this requirement “with 192 total affordable homes in the completed development; the Project Team provided 25 percent more homes for low/moderate income homebuyers than required” (Fall Creek Place Fourth Year Annual Report: December 1, 2004-November 30, 2005). Furthermore, nearly seven out of ten, or 69 percent, of the redeveloped neighborhood’s residents made their first home purchase when choosing to live in Fall Creek Place. The developers also worked very hard not to displace nearly ninety existing homeowner-occupants.

The Fall Creek Place Neighborhood was awarded an Outstanding Use of Public Funds to Leverage Private Investment through the HUD 2003 Homeownership Zone Award. Conservation district designation could further Fall Creek Place residents’ homeownership counseling opportunities as well as ensure property values do not substantially decrease for resale purposes; similar to the reasons why the Lockeland Springs-East End Neighborhood Conservation District was established.

Neighborhood Stabilization Program

Another financial tool that can be used as a catalyst for urban revitalization to encourage an improvement in neighborhood property values is the Neighborhood Stabilization Program (NSP) grant; also issued by the U.S. Department of Housing and Urban Development. Similar to the HOZ Initiative, “the NSP was established for the
purpose of stabilizing communities that have suffered from foreclosures and abandonment” (U.S. Department of Housing and Urban Development, 2010). This federal program provides grants to states and local governments on a formula basis to permit the acquisition and purchase of foreclosed and abandoned homes to redevelop residential property areas.

Since 2008, the NSP has provided three rounds of competitive grant funding to states, local governments, and nonprofits. The first round of funding was authorized under the 2008 Housing and Economic Recovery Act (HERA). In 2009, the second round of funding was authorized under the American Recovery and Reinvestment Act. Lastly, the third round of funds was authorized under the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010. President Obama’s administration provides great hope for the future of NSP funding. In 2011, President Obama introduced the American Jobs Act. This stimulus bill set aside money for different programs including fifteen billion dollars for Project Rebuild; essentially the fourth round of NSP funding. Future funding for Neighborhood Stabilization Programs can be expected throughout President Obama’s second term in office.

The NSP is a component of the Community Development Block Grant program; whose main goal is to provide a flexible program for communities with adequate resources that can address the wide range of unique needs for a multitude of development initiatives throughout the United States. The CDBG program “provides annual grants on a formula basis to 1,209 general units of local and state governments” (U.S. Department of Housing and Urban Development, 2010). As an important tool for tackling many of
communities’ most serious challenges, the CDBG program “works to ensure decent affordable housing, to provide services to the most vulnerable in our communities, and to create jobs through the expansion and retention of businesses” (U.S. Department of Housing and Urban Development, 2010).

More flexible than the HOZ Initiative, the Neighborhood Stabilization Program provides options to grantees by allowing them to develop and design their own programs and funding priorities within the program’s goals. Twenty-five percent of the funds must be appropriated “for the purchase and redevelopment of abandoned and foreclosed homes or residential properties that will be used to house individuals or families whose incomes do not exceed fifty percent of the area median income” (U.S. Department of Housing and Urban Development, 2010). Examples of eligible uses include: establishing financing mechanisms appropriate for low- and moderate-income persons (those whose income does not exceed 120 percent of the area’s median income) to purchase and rehabilitate abandoned or foreclosed residential properties, demolishing blighted structures, and creating land banks for underprivileged areas for redevelopment.

A good example that demonstrates how NSP dollars can be positively used to acquire and to rehabilitate foreclosed or abandoned housing stems from the Nguyen family in Arlington, Texas. Although homebuyers cannot receive direct financial assistance from the U.S. Department of Housing and Urban Development, NSP funds can be used to help the homebuyers purchase particular homes through an application process. “To date, Arlington has received $2 to be used to acquire and rehabilitate foreclosed or abandoned homes” (Home Sweet Home, 2009). The City of Arlington,
located about thirty minutes west of Dallas, designed their Neighborhood Stabilization Program to aim at stabilizing their neighborhoods that were experiencing the highest foreclosure rates. A map showing the Arlington, TX Neighborhood Stabilization Program target areas can be seen below in Figure 3.

Figure 3. New Neighborhood Stabilization Program (NSP) Target Areas in Arlington, TX

The Nguyen’s were the first family in Arlington to purchase a home through the NSP. A portion of the federal stimulus money went towards rehabilitating a vacant home.
in a south Arlington neighborhood that the family of four now call their home. The Nguyen’s were eligible for assistance in purchasing and rehabilitating their home because they met the HUD income limits, successfully completed eight hours of HUD homebuyer education, and they were able to qualify for their mortgage. Although the first, the Nguyen’s were alongside over twenty other families in Arlington’s target area to close on their new homes through the Neighborhood Stabilization Program in Texas; thus making their dreams of homeownership come true while revitalizing the local community.

Through the Neighborhood Stabilization Program, the City of Dallas and its surrounding suburbs are instilling a series of tools to preserve the character and value of their local neighborhoods for conservation district designation. Alongside historic districts, their efforts to enable conservation districts and neighborhood stabilization program overlays are increasing homes’ property values and abilities for strong resale potential. Although allowing for demolition and remodeling, these methods of preservation require a process of permits to protect the value and integrity of Dallas and its surrounding areas. In fact, Dallas’s housing facts show that homes in their conservation districts and neighborhood stabilization overlays equal or exceed the resale value of similar homes on streets right outside the districts’ boundaries. Therefore, instilling conservation district regulations alongside HUD’s Neighborhood Stabilization Program grantees recipients can further enhance the character and property values throughout the community.
POE VI

Another federally funded program that can transform public housing throughout the United States is the HOPE VI program, originally known as the Urban Revitalization Demonstration (URD). The program began in 1992 and has provided funding every year since fiscal year 2010. Similar to the HOZ and NSP initiatives, the HOPE VI program’s specific elements include: 1) changing the physical shape of public housing, 2) establishing positive incentives for resident self-sufficiency to empower the local community, 3) lessening concentrations of poverty throughout portions of the city to promote mixed-income communities, and 4) forging partnerships throughout the local neighborhood partnerships to create support and residents for the low-income residents in the area (U.S. Department of Housing and Urban Development, 2012).

Public housing authorities are eligible to apply for this funding opportunity to develop affordable housing in communities through revitalization efforts. Efforts can range from various approaches such as major rehabilitation, demolition of distressed housing, acquisition of land for new construction, and implementing community support service programs for local residents. A recent grantee recipient who is using their federally funded grant money to revitalize a development within their communities to better promote their local neighborhoods is The Housing Authority of the City & County of Denver.

Denver, Colorado’s South Lincoln community plans to use its $22 million HOPE VI grant to fully redevelop a 17.5-acre site by 2018. The Denver Housing Authority anticipates replacing 182 outdated apartments in an area, deemed by the city, of
Addressing Community Revitalization through Neighborhood Conservation Districts

concentrated poverty and physical distress. Photos of the distressed area and its site plan for improvement can be seen below in Figure 4.

Figure 4. Denver Housing Authority’s Redevelopment with HOPE VI Funding in South Lincoln Neighborhood.

To best improve the community overall, the newly planned equitable neighborhood will be built around transit opportunities and walkable amenities that
includes 457 affordable homes; “147 units will be made available at market rates, creating a mixed-income neighborhood” (Benfield, 2012).

Denver’s new South Lincoln community will “deliver maximum benefits to both existing and new residents” through its walkability, “transit-oriented city way, equitability, green design, and close proximity to downtown jobs and services” (Benfield, 2012). With the plan to dramatically improve the South Lincoln area through the numerous redevelopment phases funded by the HOPE VI grant, a conservation district designation could be implemented to protect the community from additions or demolitions that could disrupt or harm the community’s newly added value. Developers could work alongside not-for-profit groups and the local government to utilize such investment opportunities to revamp nearby blighted neighborhoods while also working to prevent the dislocation of the area’s existing residents and inviting new residents at the same time.

Public-Private Partnership Funding: an Alternative to HUD Programs

16 Park, Downtown Indianapolis’s newest eco-friendly apartment community, is a good example of an investment opportunity for affordable housing in a run-down neighborhood. The Indianapolis Housing Agency “is financing most of the 16 Park project with nearly $28 million in federal and state tax credits and another $4.4 million in federal stimulus funds” (Schouten, 2009). Located at 16th Street & Park Avenue, the newly developed complex offers one bedroom, two bedroom, three bedroom apartments and townhomes for rent. Prior to 16 Park being at this location in Indianapolis, Insight Development Corporation ran a troubled low-income housing project called Caravelle
Commons. Cory Schouten said, “the 1970s suburban-style complex sits in the middle of a historic urban neighborhood and invites crime with is dead-end streets and fenced-in apartment homes that surround crowded parking lots” (2009).

Talk of redevelopment took place for nearly a decade; however, it became a reality with a $400,000 grant from a city housing trust fund (Schouten, 2009). The Indianapolis Housing Agency worked with local developers to acquire the property from the Near North Development Corporation and quickly began drawing plans that could revitalize the blighted stretch of 16th Street in Downtown Indianapolis. The Indianapolis Housing Agency demolished the former apartment buildings and surrounding boarded-up homes to rebuild a mixed-use affordable and urban housing community on an expanded footprint. The rehabilitation was guided by the project’s main goal; to improve the connection between the Herron-Morton Place Neighborhood, a local historic district dedicated to restoration and renewal efforts, and the housing that this site location offers off of 16th Street (Schouten, 2009).

Schouten said, “The Indianapolis Housing Agency, which administers the federal Section 8 program, hoped to hold on to current residents of the Caravelle Commons complex, which was 100-percent occupied” (2009). Nearing completion, the 16 Park apartments and townhomes are now being rented to interested tenants at affordable rates with the option to utilize the federal Housing Choice Voucher program known as Section 8, if individuals and families qualify. This goal worked to ensure that the culture of the neighborhood remained the same as well as prevented a large number of residents from being displaced to other communities.
Revitalizing the Appearance of Property after NCD Implementation

Once a neighborhood has defined the boundaries of a new neighborhood conservation district, determined whether neighborhood revitalization will occur through the first or second wave, identified funding, and designation has been established, some residents may remain unsure of what they can and cannot do to their property after implementation. Residents can look to their neighborhood conservation district ordinance or neighborhood conservation chapter in the traditional zoning ordinance, dependent on whether the district is an overlay or stand-alone zone, to determine the guidelines applicable to their neighborhood and property. Properties in neighborhood conservation districts are not frozen in their current state; however, the neighborhood conservation district establishes design and development guidelines to ensure that unique and significant architectural and characteristic qualities are taken into account when changes to property do occur.

The differences among neighborhood conservation district ordinances stem from how they are specifically tailored to the neighborhood they address and the type of buildings that lay within their designated conservation district boundaries. As noted in the previous chapter, not all neighborhood conservation district ordinances have specific guidelines. Instead, some ordinances list vague standards and then require all changes to be reviewed by a commission or design board. Ordinances that list specific provisions for residents, who want to remodel their home after their neighborhood has been designated a conservation district, provide accessible and quick revitalization tools to the community.
Conservation district models six and seven offer specific design and development standards to guide their homeowners in neighborhood revitalization efforts. Both Lincoln Park and San Jacinto require similar building heights for new construction. The maximum actual height of new construction in the Lincoln Park Neighborhood Conservation District is twenty-five feet from the grade to the ridgeline (Lincoln Park Neighborhood Conservation District Plan, 2007). Whereas the San Jacinto Neighborhood Conservation Plan provides residents with a minimum and maximum height; “new residential structures may be built to a height between eighteen and thirty-four feet” (The San Jacinto Neighborhood Conservation Plan, 2010).

New and relocated structures must also abide by setback standards. Homes and additions in Lincoln Park must be at least twenty-five feet from the front property line whereas San Jacinto requires residential structures to be placed between seven feet, two inches and seventeen feet, four inches from the front property line. San Jacinto’s Neighborhood Conservation District Plan focuses more on resident interaction; therefore, bringing entryways and front porches closer to the sidewalk can encourage more communication between homeowners.

Lot sizes assist in protecting the continuity of strong property values because they can reflect the historic pattern of a community. The Lincoln Park Neighborhood Conservation District Plan says “lot size and shape are characteristics and hallmarks of Lincoln Park and they should be retained” (2007). Assembly of separate lots and the resubdivision of existing original lots for new development are not permitted. Therefore, Lincoln Park requires that original platted lots, ranging from 10,000 to 12,000 square feet
in size, to remain intact. Similarly, San Jacinto has a maximum lot size area of 10,280 square feet. Although the two district’s lot sizes compare in size; Lincoln Park lots are long and narrow whereas San Jacinto has more rectangular shaped lots as they each preserve their original land plats. Furthermore, maintaining the existing street network and not permitting additional streets preserves the character of the community.

Specifically, Lincoln Park does not permit cul-de-sacs accessing structures set back from the main roads. In addition, San Jacinto permits curb cuts to a maximum width of only fifteen feet.

Common across all neighborhood conservation district models, the demolition and relocation of structures in the community is strongly discouraged. Homeowners cannot demolish their properties without the review and approval of the local plan commission, council, and/or board. This process requires application fees and has a typical time frame of one to two months (The San Jacinto Neighborhood Conservation Plan, 2010). Approvals to demolish neighborhood conservation structures are only given when a property presents a threat to public safety and there is no economic alternative. Furthermore, while the relocation of salvageable contributing housing stock outside of the neighborhood is strongly discouraged, homeowners cannot make this decision alone. Relocating a structure into or out of a neighborhood conservation district requires commission approval.

Front porches, entryways, windows, building materials, and street trees are preserved for their unique character and contribute to the significance of the homes in the neighborhood conservation district. Homeowners cannot change these aspects without
referring to their neighborhood conservation district ordinance. While the Lincoln Park Neighborhood Conservation District Plan does include these community aspects in the district’s purpose and intent, the ordinance does not list specific materials and sizes. Instead, the ordinance says “materials and design elements for new construction or additions should be selected that are sympathetic with surrounding buildings in the district” (Lincoln Park Neighborhood Conservation District, 2007).

Differently, the San Jacinto Neighborhood Conservation Plan states that streetside front porches must be at least four feet deep and at least a third of the length of the front of the house. In addition, front porches must also comply with the neighborhood conservation district front setback requirements. Door and window openings are required to accommodate a minimum of twenty-five percent of the façade area requiring a minimum two-to-one vertical ratio. Sympathetic materials in San Jacinto include wood and smooth cementitous siding.
Chapter 4: Advantages of a Neighborhood Conservation District

For Neighborhood Residents

Findings regarding the effects of conservation designation status on residential property values have been explored and reveal “a positive effect on residential sales prices for homes located within a conservation district. In addition, there is a positive effect on residential sales prices for homes located within 150 feet of the conservation district” (Diaz III, 2008, p. 226). However, due to the fact that neighborhood conservation district regulations were only recently introduced, the long-term effects of their regulations are not yet known. Although the impact of conservation regulations on residential property values has not yet been explored because of their recent introduction; values are expected to be similar to those of homes within historic districts.

For Prospective Homebuyers

In 1991, “Congress established goals for the purchasing of mortgages originated to low-income borrowers and for homes located in traditionally underserved (low-income
and minority-occupied) urban neighborhoods, in an attempt to ease potential liquidity constraints in these market segments” (Santiago et al., 2010, p. 172). Since then, the Department of Housing and Urban Development (HUD) has made it its mission through recent Presidential administrations to expand low-income and minority homeownership rates through neighborhood revitalization efforts. Pilot programs such as the Housing Choice Vouchers for home-buying option produced a remarkable increase in homeownership rates among low-income and minority households in the late 20th century; however, “the heralded explosion of home foreclosures of the last few years has signaled retrenchment on many of these indicators” (Santiago et al., 2010, p. 172).

A home foreclosure is a legal process that occurs when a borrower has stopped making payments to his or her lender or has fallen behind in payments or otherwise defaulted on the loan. When this occurs, the lender forces the sale of the home used as the collateral for the loan to recover the remaining balance owed on the property. Foreclosures are often sold at rock-bottom prices and present an opportunity for prospective homebuyers who are not in a hurry and who have time to wait out the process as “bank-owned properties sell for an average discount of nearly 41 percent off the price of “normal” homes for sale” (Esswein, 2011, p. 74). Therefore, purchasing a foreclosed home can be a great investment for prospective homebuyers who are financially capable of taking on the requirements of homeownership as the properties present the opportunity for rehabilitation and profit gain.

With more than two million United States homes in the foreclosure process, lenders are aiming to sell them as quickly and efficiently as possible to recoup as much of
the defaulted loan as possible (Esswein, 2011, p. 74). Many of these homes have been demolished in a disturbing pattern approaching epidemic proportions in neighborhoods full of historic character and architectural significance across America. Adrian Scott Fine and Jim Lindberg (2002) described the teardown process as:

“Developers look for properties in established neighborhoods where there is a potential to build far more square footage than is contained in the existing home. The existing house is purchased and bulldozed, the lot is scraped clean, a much larger new home is erected, and the completed project is offered for sale” (p. 1).

The picture shown above is a great illustration of why neighborhood conservation districts are a good community revitalization tool as it demonstrates how bulky homes can break a neighborhood’s established building pattern.

Vacant, foreclosed homes lose potential profits and give a ghostly feel to the neighborhood. In addition, foreclosures’ effects can also expand into neighborhoods and
entire towns as well. However, taking advantage of the large supply of foreclosed homes throughout the United States can provide mutually exclusive external benefits to the lenders, the larger society at hand, and prospective homebuyers.

While undervalued properties are teardown targets for developers, such areas should be of great focus for implementing a conservation district designation to protect the neighborhoods and to ensure that control is not lost to the supersizing of the American house. Encouraging neighborhood revitalization through newly designated conservation districts can revive the character of the existing neighborhoods while improving the area’s value and restoring a sense of community.

Purchasing a home in a revitalized community that is or has the potential to become a neighborhood conservation district is a wise investment for low-income, first-time, and all potential homebuyers. Homes in neighborhood conservation districts are protected from negative community influences, inadequate nearby construction, and the demolition of historical and architecturally significant characteristics that add to the properties’ values. Potential homebuyers should keep in mind that property within neighborhood conservation districts provide a better return on investment than property located in areas that are not designated for conservation efforts.

Most newly rehabilitated communities that can qualify for neighborhood conservation district designation seek a mixed-income population and are thus willing to work with all prospective homebuyers. Furthermore, financial assistance programs in neighborhood conservation districts not only provide stability for both structures and values in the surrounding community, but they also help low-income and first-time
buyers stabilize their financial goals to improve the economy at-large. These characteristics, combined, provide a strong investment opportunity for those that decide to purchase a home within a neighborhood conservation district in today’s market.

For Investors

Investors can purchase abandoned, vacant, and foreclosed homes at bargain prices for the purpose of neighborhood revitalization and then sell the redeveloped properties to prospective homebuyers. These actions not only provide investors with an investment opportunity that holds the potential for substantial profits, but also focuses on improving distressed neighborhoods. Research shows that newly constructed homes in lower-end neighborhoods can gain the most in value from conservation designation under preservation law in reestablished communities. This research could further support the implementation of future conservation districts throughout the United States and show that well-managed change with “the proper integration of policies affecting historic buildings, land use and streetscape, new construction, and activities of local organizations” can lead to long-standing physical and economic strengths in neighborhoods throughout the country (“H Street, NE”, 2004, p. 6).

For the Neighborhood in General

Facilitating guidelines for specific neighborhoods through overlay or stand-alone zoning in a conservation ordinance ensures that areas of significance can be preserved while remaining a part of the city in general. This detail encourages a unique benefit
within neighborhood conservation districts that leads residents’ property values to remain strong as the community gives off a good feeling and portrays a desire for others to want to live within the area.

Differing from other homeownership opportunities, homes in neighborhood conservation districts are ensured holistic protection from negative effects that may occur outside of their community. Furthermore, homeowners do not have to worry about their neighbors not caring for their properties or the character of their community changing for the worse. Neighborhood conservation districts serve as a mechanism that directs guidelines regarding construction and alterations in order to ensure that the neighborhood’s historical and architectural significance is properly maintained for the present and future generations to live within the neighborhood conservation district.

Investing in a home located within a neighborhood conservation district, or implementing a new conservation district in a recently revitalized historically significant community, is a wise decision for all homebuyers and investors. Conservation district ordinances provide protection against incompatible new construction that can significantly alter the neighborhood community and each of the individual homes throughout the area. Homeowners, buyers, and investors benefit from this aspect of conservation district ordinances in the sense of long-term stability that is not guaranteed in neighborhoods that are not governed by conservation laws. Furthermore, the long-term stability assists in sustaining strong and positive residential real estate values whereas neighborhoods that do not carry the designation can be affected from negative influences of the market and surrounding environment at any time.
While some homeowners remain hesitant about implementing conservation district designation in their community as they feel that they carry the same heavy stipulations as homeowner associations, neighborhoods that have implemented a neighborhood conservation district say “they have found it to be one of the most effective means to provide individual property owners with a say in the development of their neighborhood” (Wellesley Historical Commission). Therefore, rather than boards and commissions stipulating the rules and regulations regarding the development and future of the neighborhood, current homeowners can voice the opinions regarding where growth and updating should occur while, at the same time, their neighborhood character is preserved.
Chapter 5: Conclusion

As an alternative to local historic districts, conservation districts emerged to provide greater flexibility in the use of building materials, scale of new and remodeled homes, and the regulation of incompatible uses and demolition with fewer detailed architectural controls and design review processes. Neighborhood conservation districts provide a sense of place and meaning to communities through revitalization efforts that positively impact, reshape, and preserve unique property characteristics. Implementing a conservation district through neighborhood revitalization efforts can ensure that future construction is compatible with the existing character of the area to promote strong residential real estate values of the homes in a neighborhood.

Conservation districts provide neighborhoods with the opportunity to combine preservation and planning policies as neighborhood revitalization and land use tools. Establishing a neighborhood conservation district can be achieved through public policy. To pursue the topic regarding how to implement a neighborhood conservation district, local officials and homeowners must gain the required property owner support within the proposed neighborhood conservation district boundaries. Including the public in the
planning process ensures that the protections and controls embodied in neighborhood’s conservation district legislation are appropriate and distinct to the needs of particular neighborhoods.

An important tool in gathering public support in the pursuit of a neighborhood conservation district designation is a strong development team that consists of the local government, nearby not-for-profit agency, and the private sector. To gather more information regarding neighborhood conservation districts, the development team and homeowners should study other cities’ neighborhood revitalization and conservation district models. In pursuit of neighborhood conservation district designation, local officials and homeowners should be aware of the different sections of a neighborhood conservation district and how its guidelines differ from the rules in a traditional zoning district. Learning the benefits of neighborhood conservation districts designation and home buying within communities can encourage cities to engage in reinvestment and rehabilitation projects to protect their architecturally significant and character filled neighborhoods.

After understanding the dynamics of neighborhood conservation districts, the development team and homeowners should put together an implementation strategy that recognizes the role of each partner in the planning process, the wave of neighborhood revitalization with funding sources, the type of neighborhood conservation district (overlay or standalone), and goals to achieve through the designation process. Although the level of participation from each of the stakeholders will vary from city to city, each sector participating in the pursuit of implementing a neighborhood conservation district is
a necessary component in the planning process. Together, the stakeholders can have a major impact on the future development and preservation as a reflection of a community’s history and architectural character and significance through the implementation of a neighborhood conservation district.

In the pursuit of neighborhood conservation district designation, local officials and homeowners can also seek the assistance of financial tools to help gather the required property owner support, staff the development team, implement the neighborhood conservation district, and make any city owned improvements such as infrastructure. Dependent on whether the conservation district is established by the first or second wave of neighborhood revitalization efforts, there are a variety of tools that can be used to encourage neighborhood reinvestment and rehabilitation. The funding tools in the first wave of neighborhood revitalization mostly come from private equity. Whereas, in the second wave of neighborhood revitalization, neighborhood conservation districts can utilize Department of Housing and Urban Development grants and federal and state tax credits.

As a catalyst for revitalization, a method of retaining affordable housing, or as protection from development pressure, incompatible infill construction, or demolition, the implementation of a conservation district can maintain structures and their values to provide a sense of place that cannot be provided through regular zoning or a historic fabric alone. Due to their stable conditions and strong community ties, neighborhood residents, prospective homebuyers, investors, and the neighborhood in general can take advantage of the opportunity to invest in rehabilitated and protected neighborhoods with
the hope of achieving a valuable and growing investment in the pursuit of neighborhood conservation district designation.
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