



HISTORIC TAX CREDIT TOOL BOX

Floor Plans: When do they Matter?

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Successfully navigating the historic tax credit (HTC) process quite often is the result of anticipating a project's challenges. Nothing derails a schedule and budget more than being caught off guard by unexpected conditions tied to the Part 2 review, particularly ones that return the project back to basic design development.

When it comes to the exterior of a building, a developer can very quickly assess the relative integrity, importance and condition. Readily visible, the exterior is the part of the building featured in historic photographs and postcards. Changes are usually well-documented, whether in newspaper accounts or public permits. Public discussions about the building, found in guidebooks or architectural assessments, revolve almost exclusively around the exterior, identifying salient important features.

Not so much with interior spaces. When interior spaces are discussed, those references typically are reserved for grand spaces of high design, such as a lobby, theater or fraternal hall. Upper-floor interiors—the working floor spaces—are rarely discussed. The reason is that these spaces can and do change significantly over time in response to changing

markets, changing design standards and changing technologies.

By way of example, many downtown office buildings were substantially changed following World War II. In response to market conditions, building lobbies and elevator lobbies saw wholesale modernization. HVAC became a standard amenity, which meant new ductwork hidden above dropped tile ceilings. The same happened with fluorescent lighting. “Office space” as a concept has been redefined through the years. And as leases changed, individual spaces were redecorated with varying levels of vigor. Hotels and apartments experienced parallel changes.

It is easy to understand why a developer may assume that apart from those grand spaces of high design, the interior of a building is secondary and of no particular significance. That would be an unfortunate assumption.

The National Park Service Perspective

In all tax credit projects, the National Park Service (NPS) has 100 percent design review. This includes the entirety of the building envelope (exterior and interior) as well as any associated new construction. Hence, what happens on the interior of a building is

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something the NPS can, and does, weigh in on. Whether the developer thinks the interior is special or not, in tax credit projects, NPS with SHPO (State Historic Preservation Office)’s input, will make a determination about what may and may not be done to the upper floors.

In its evaluation, the NPS is guided by the Secretary’s of the Interior’s Standards for Rehabilitation (Standards). The standards are broad guidelines intended to assist in the property’s long-term preservation. Almost by definition, the approach dictated by the Standards is a conservative one focused on retaining fabric wherever possible.

Thus, while a developer may want to remove interior elements for one reason or another, the NPS approach would nearly be the opposite: If you cannot demonstrate that it is not significant, then perhaps it may be and therefore should be preserved.

Returning to the question of interior floor plans, the NPS perspective is outlined succinctly in Preservation Brief 18, *Rehabilitating Interiors in Historic Buildings*”: “A floor plan, the arrangement of spaces, and features and applied finishes may be individually or collectively important in defining the historic character of the building and the purpose for which was constructed ... Interior components worthy of preservation may include the building’s plan [sequence of space and circulation pattern], the building’s spaces [rooms and volumes], individual architectural features, and the various finishes and materials that make up the walls, floors and ceilings.”

Ideally, from the NPS perspective, the goal is to find a compatible use that requires minimal alteration to a building.

Types of buildings can be grouped: Theaters and fraternal halls are noted by their high design assembly space. Industrial buildings by the open, flexible and

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Image: Courtesy of 225 Baronne Complex LLC
The 225 Baronne Building in New Orleans was recently adapted by HRI into an Aloft Hotel.

largely utilitarian spaces. Hotels and offices by their sequences from ground-floor lobby to upper-floor lobby to corridor to private space. Yet, within each category, the specific building is unique—its history, its evolution over time, its condition and its potential reuse. As a result, NPS tends to evaluate interior treatments balancing consistency with a case-by-case approach.

The Developer’s Challenge and Opportunity

Ultimately, it is the developer’s responsibility to demonstrate that the proposed redevelopment meets the Secretary’s Standards. Often, for a variety of reasons, developers prefer to start with a blank canvas—gutting as much of the building as possible and then working backward. Such an approach usually is counterproductive in HTC projects. It tends to slow reviews and wastes time in design and redesign.

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Again, Preservation Brief 18 offers a wiser path forward: As a starting point, the project team should survey, identify and evaluate the interior—looking at those interior components that convey the building’s sense of time and place, its “historic character.” While this discussion can and does intersect with several Secretary Standards, the salient requirements are twofold: first, the project team must come to understand and articulate how the building historically functioned; and second, how any proposed demolition work does not contravene those Standards addressing historic materials, features and finishes.

225 Baronne Building/Aloft Hotel

As a rule of thumb, the NPS is disinclined to approve substantial alterations of a floor plan. It does, however, generally allow secondary corridors to be truncated. In exceptional circumstances where one or two floors have exceptional design integrity, there may be a tradeoff between retention of museum-quality interiors and more aggressive demolition elsewhere. And there are examples where missing corridors are evoked in the design but not fully recreated. However, the onus is on the project team to show why what is being proposed makes sense within the context of the Secretary’s Standards and should be allowed.

Image: Courtesy of Heritage Consulting Group
225 Baronne was marked by flexible tenant-driven interior design.



One project that enjoyed such latitude was the 225 Baronne Building in New Orleans. Constructed as a speculative venture in 1962, the 28-story building was the first major office building to be constructed in New Orleans’ Central Business District (CBD) since before World War II. Developed by Chicagoan John Mack and designed by Alfred Shaw, its timely construction allowed the CBD to capture benefit from NASA’s \$502 million investment at Michoud in East New Orleans and the rapid absorption of the building’s 421,000 square feet of office space dramatically demonstrated the continued viability of the downtown as the city’s economic heart.

In stark contrast to the prewar office buildings, 225 Baronne was marked by flexible tenant-driven interior design. Floor plans varied according to need on each 25,000 square foot floor. This included full- and half-floor tenants. Walls were limited and were modern framed gypsum board. As the office market moved forward and 225 Baronne dropped to a Class B office, floors were released and subdivided. The only constant in the floor plan was a pair of elevator lobbies along the backside of the building, which opened to a perpendicular corridor that ran the width of the building against that backside. Supplemental corridors were created as needed for subdividing and leasing. New Orleans-based developer HRI recently adapted 225 Baronne into an Aloft Hotel. Because the floor plates were designed to be flexible, and because the sequence of spaces was well articulated in both the National Register nomination and Part 2 application, NPS approved a plan that retained the elevator lobby and cross corridor and allowed flexibility beyond.

Conclusion

Successful development cannot afford to be presumptive. While the exterior of a building is the public face and often considered that which is most important, the treatment of the interior is also a critical issue. Upper floors may be “plain Jane” with nondescript elevator lobbies leading to simple double-loaded corridors. But

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that plain-Jane appearance should not be dismissed as unimportant. If the materials are vintage and the walls permanent, interior configuration will be an issue as it speaks to how the building operated.

NPS's review of the treatment of upper floors depends on numerable factors and ultimately addressed on a case-by-case basis. In this, the project team is best served by anticipating the NPS conservation orientation and by understanding how NPS evaluates these spaces. This would be done by fully understanding and articulating 1) how the building historically functioned, 2) what is

the hierarchy of interior spaces, and 3) why what is being proposed meets the Secretary's Standards. As in other situations, the more aggressive the developer's concept, the wiser it is to plan earlier discussions. ❖

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