

# Novogradac Journal of Tax Credits

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## Revitalizing America One Storefront at a Time

By John M. Tess, Heritage Consulting Group

Over the years, the historic tax credit program has been a critical incentive in the rehabilitation of historic buildings and by extension, in the economic revitalization of America's downtowns and main streets. According to the National Park Service, in its lifetime, the tax credit program has generated \$62 billion in construction over 38,000 projects. In 2011, historic tax credit rehabilitation work totaled approximately \$4.02 billion, comprised of 937 new projects. Clearly, the program has been successful.

Today, with sustained record unemployment and with continued outmigration from our city cores, policymakers continue to search the toolbox for untapped potential. With so many of our communities defined by historic architecture, the HTC program with its successful track record seems like a logical program to build upon. Revitalized historic buildings create both a sense of community heritage and a sense of place. Besides, being in old buildings is, so to speak, "cool." Many cities have been successful in bringing new life to urban areas with the creation of housing. In many instances people are reverse commuting. Where once people traveled from the city to jobs in suburbs, many people find themselves doing the opposite. Soon the jobs will follow and our inner cities will be alive, vibrant 24/7 places again.

With respect to historic preservation, to make the HTC program even stronger it may take a reevaluation of how we treat storefronts especially in the case where original storefronts have been replaced and no historic materials remain.

### Historic Background

Our main streets and urban cores feature a wide array of architectural styles. However, these areas are predominated

by some form of commercial style architecture. More of a type of building than style, these buildings came to become common during the first half of the 20th century. Box-like in form, the structures are built to the lot lines with ground floor retail. Usually speculative real estate ventures of some form, these buildings were crafted with the specific intent of maximizing rental income. Most often, the ground floor had tall ceilings. This offered potential for a superior, if compact, building lobby. Raised ceiling heights also had the practical effect of allowing those leasing the storefronts to install a mezzanine at the rear for an office, storage or back-of-the-house. Not infrequently, the mezzanine was combined with a stair to a dedicated portion of the basement.

In design terms, these spaces were typically treated by the building's architect as a shell. Quite often, apart from the façade's pier structure, the space and storefront were left undesigned, to be completed by the tenant. Where designs were produced, they were generally generic, with a bulkhead, plate glass, and transoms. The need for transoms was largely a practical one defined by the limits of plate glass manufacturing. The use of prism glass in the transoms however did allow light to be contorted toward the back of the shop while operating transoms allowed superior ventilation. The location, form and size of doorways were almost always left to be determined by the tenant. Signage and awnings were nearly always an afterthought.

### Where We are Today

Today, it is rare to see a building with an intact storefront system. The lease of ground floor commercial space, by definition, is prone to change. Tenants come and go as the economy flourishes and fades. New uses require new treatments: green grocers and others in the early 20th

*continued on page 2*

*continued from page 1*

century favored an open storefront that allowed street displays and an easy flow in and out of the store. Other service businesses, such as bakeries or shoemakers, required behind the scenes work space. And still others, such as an upscale clothier, preferred large open show windows.

New technologies and design aesthetics also fostered change. In the years particularly—but not exclusively—building owners updated their buildings, including new ground floor treatments. Modern marble panels and metals covered “old fashioned” terra cotta, while large multistory awnings attempted to hide the building. The goals were to be new and different. In some cases even entire facades were replaced.

In tax credit projects, changes to storefronts are closely considered. As detailed in the Illustrated Guidelines for Rehabilitating Historic Buildings, “the storefront is usually the most prominent feature of a historic commercial building.” Where historic materials remain, the Secretary of the Interior’s Standards clearly and rightfully direct the rehabilitation to preservation and repair. This extends to storefronts that may not be original, but may be distinctive in their own right, such as a largely intact art moderne storefront applied to a 1910-era building.

But what if, over time, the storefronts have all changed and there is no historic material left?

Urban planning emphasizes the need to create a sense of place, to “activate” the street, to create an urban shopping and dining experience and to blur the barrier between street and building. From the pedestrian’s viewpoint, the experience of sidewalk cafes, retail displays and open air businesses give an urban setting the competitive edge against suburban malls. To a large degree, these values harken back to the late 19th and early 20th century when designs simply responded to market needs. Then and today, the goal was to use design to stimulate sales and to create that sense of place. Where a building, street or neighborhood is dilapidated, design is then used to rebrand, refresh and reboot.

It is ironic then that the safe path for storefront approval in many historic rehabilitation projects, even when no historic materials remain, is to create a might have been storefront based upon original historic designs. In many cases this means plate glass on a bulkhead with transom. Signage must be discrete, such as a system of hanging blade signs with exterior lighting. Awnings are preferred, cloth on metal frame in shed-form. Traditional materials are also preferred but modern materials, such as a commercial grade aluminum frame system, is acceptable. One might consider this a traditional and conservative aesthetic of appropriateness as opposed to historic treatments to storefronts which responded to the needs and identity of the user.

*continued on page 3*

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## Novogradac Journal of Tax Credits Information

Correspondence and editorial submissions:  
Alex Ruiz / 415.356.8088

Inquiries regarding advertising opportunities:  
Emil Bagalso / 415.356.8037

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*continued from page 2*

### Time to Rethink?

For developers of historic buildings, moving beyond this traditional aesthetic conjures nightmares of road-blocks, delays and potentially lost tenants. Open storefronts with bi or sliding doors are generally unacceptable, as are the absence of transoms or bulkheads. Creative doorway treatments, dramatic canopies and bold signage are all glitches in the review process, which translates to time and money. For the developer, the issue ultimately becomes one of bold and often just economic responsive design versus using the historic economic incentives available.

Perhaps it is time to rethink the process and make it much more flexible to accommodate the new tenants moving back or creating anew in our inner city neighborhoods and downtowns. This does not mean that good design should be given up for economics only that more flexibility should come into the equation. If there is no historic material left, if the pier structure is respected, and if the design is reversible, why shouldn't there be more flexibility in the design review process. ? Storefronts like other tenant areas are subject to continual change. More flexibility in this area will allow for more economic stimulus and encourage developers and tenants to seek out spaces in historic buildings.

This need for more flexibility is not purely theoretical. Many downtown communities and main streets continue to struggle. Somewhat abated, the flight to the suburbs still challenges many of our downtowns. So too, the migration from rural main street continues. In this, many civic leaders and entrepreneurial developers see opportunity. Much as the retail stores rebranded in the 1930s and 1950s, they see a chance to rebrand their shopping streets and urban cores – taking the historic fabric of our communities and using them as a launching pad to a new future. The bottom line is that more flexibility and market sensitivity in storefront design will save important existing resources, add to the vitality of our inner cities and act as a strong stimulus to economic revitalization and job creation in our suffering cities throughout the country. ❖



*John M. Tess is president and founder of Heritage Consulting Group, a national firm that assists property owners seeking local, state and federal historic tax incentives for the rehabilitation of historic properties. Since 1982 Heritage Consulting Group has represented historic projects totaling \$3 billion in tax credits. He can be reached at 503-228-0272 or jmtess@heritage-consulting.com.*

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*continued on page 4*

*continued from page 3*

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