

# Housing + Historic Preservation

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- Federal Historic Tax Credits preserve and create housing units
- Federal credits can be packaged with other development incentives
- Environmental and social stewardship
- Planning successful rehabilitation projects

# Federal Historic Tax Credits



Louisa Hotel, Seattle



## by the numbers...

**3,692** housing units created or rehabbed (since 1992)

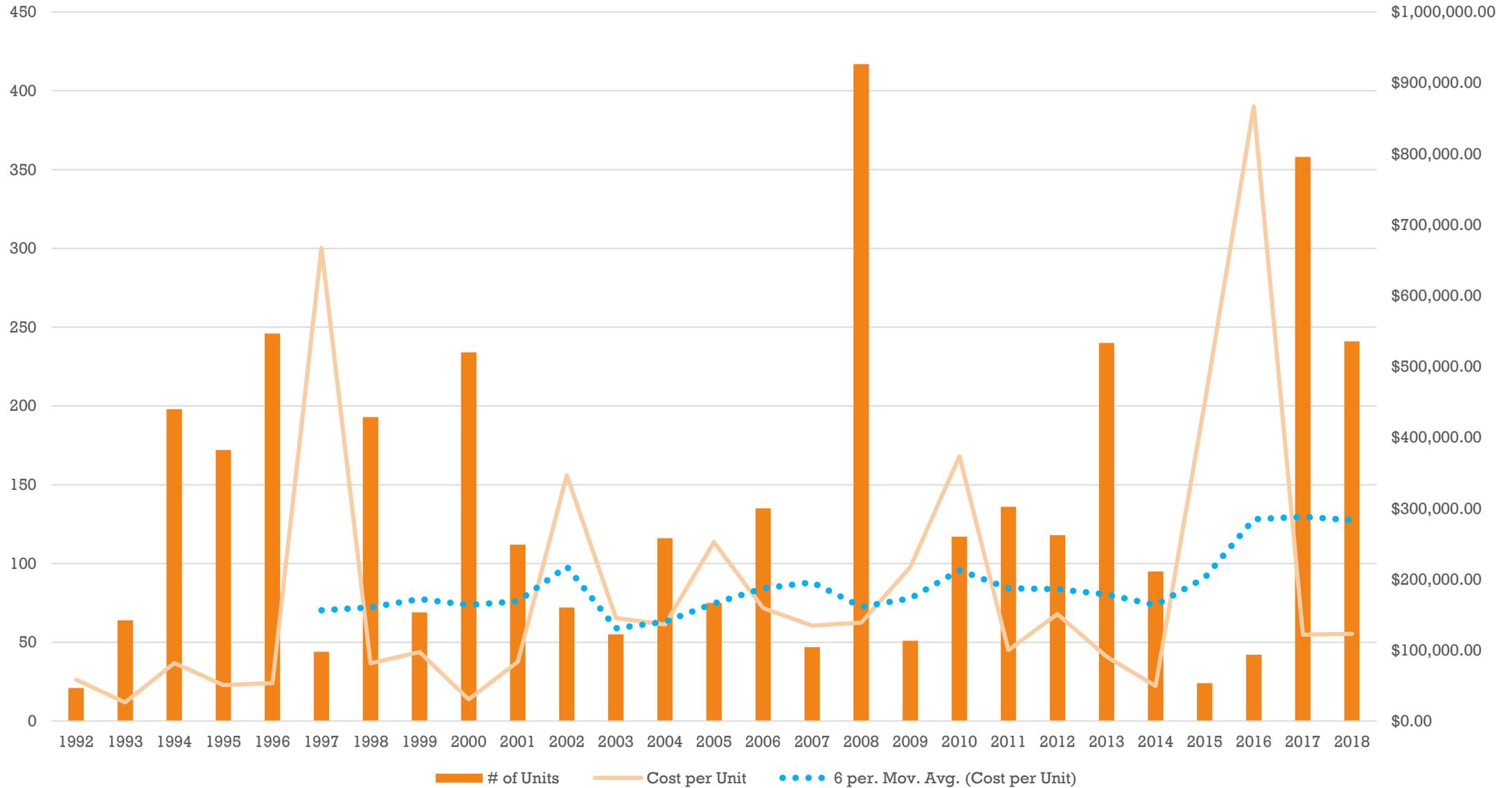
**83.9%** affordable housing

**\$496m** private investment

**\$134k** cost per unit created or rehabbed

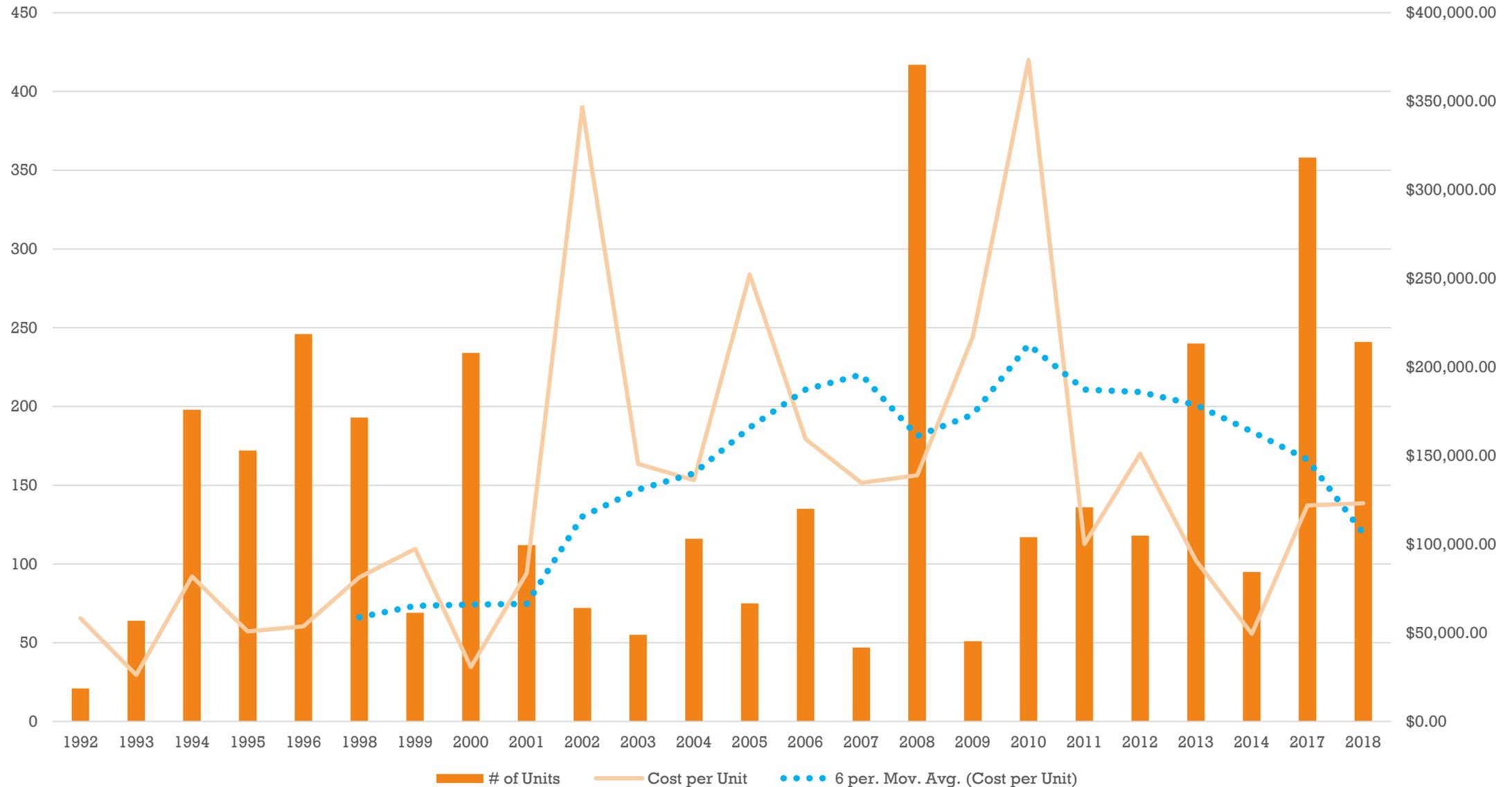


## Certified Historic Tax Credit Projects





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# Construction Costs Rising



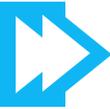
**cost per unit**

**~\$150k** Seattle metro in 2000

**~\$300k +** Seattle metro in 2018

**~\$141k** HTC rehabbed Seattle metro since 2015

# Works with other incentives



New Wilson Hotel, Anacortes - NMTC



Hotel Apartment Cisna, Bellingham - LIHTC



Fort WW Officer's Quarters, Walla Walla - LIHTC



Hillyard High School, Spokane - LIHTC



Winthrop Hotel, Tacoma - LIHTC



Publix Hotel, Seattle - NMTC

# Historic housing rehabs not utilizing ITC ▶▶



Frye Hotel, Seattle – LIHTC, HUD



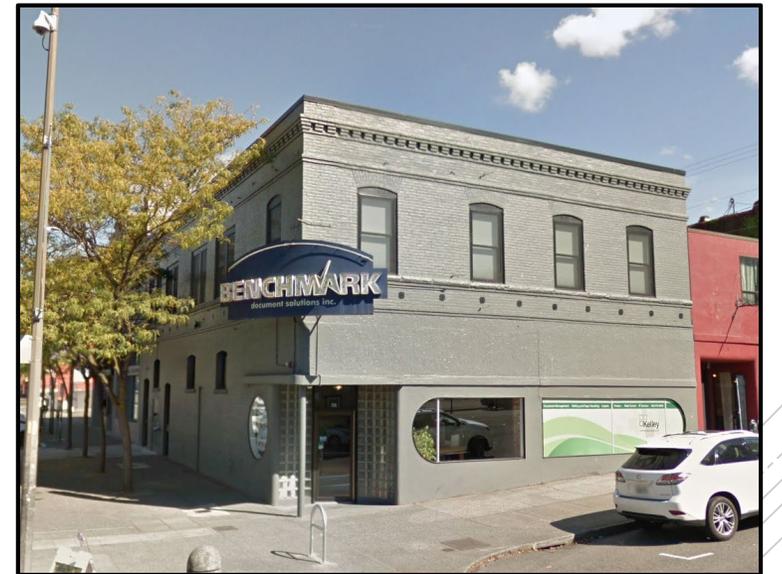
Jefferson Terrace, Seattle



Genessee Apartments, Spokane - SV



Perkins Building, Tacoma - Condos



201 E Chestnut, Bellingham - SV

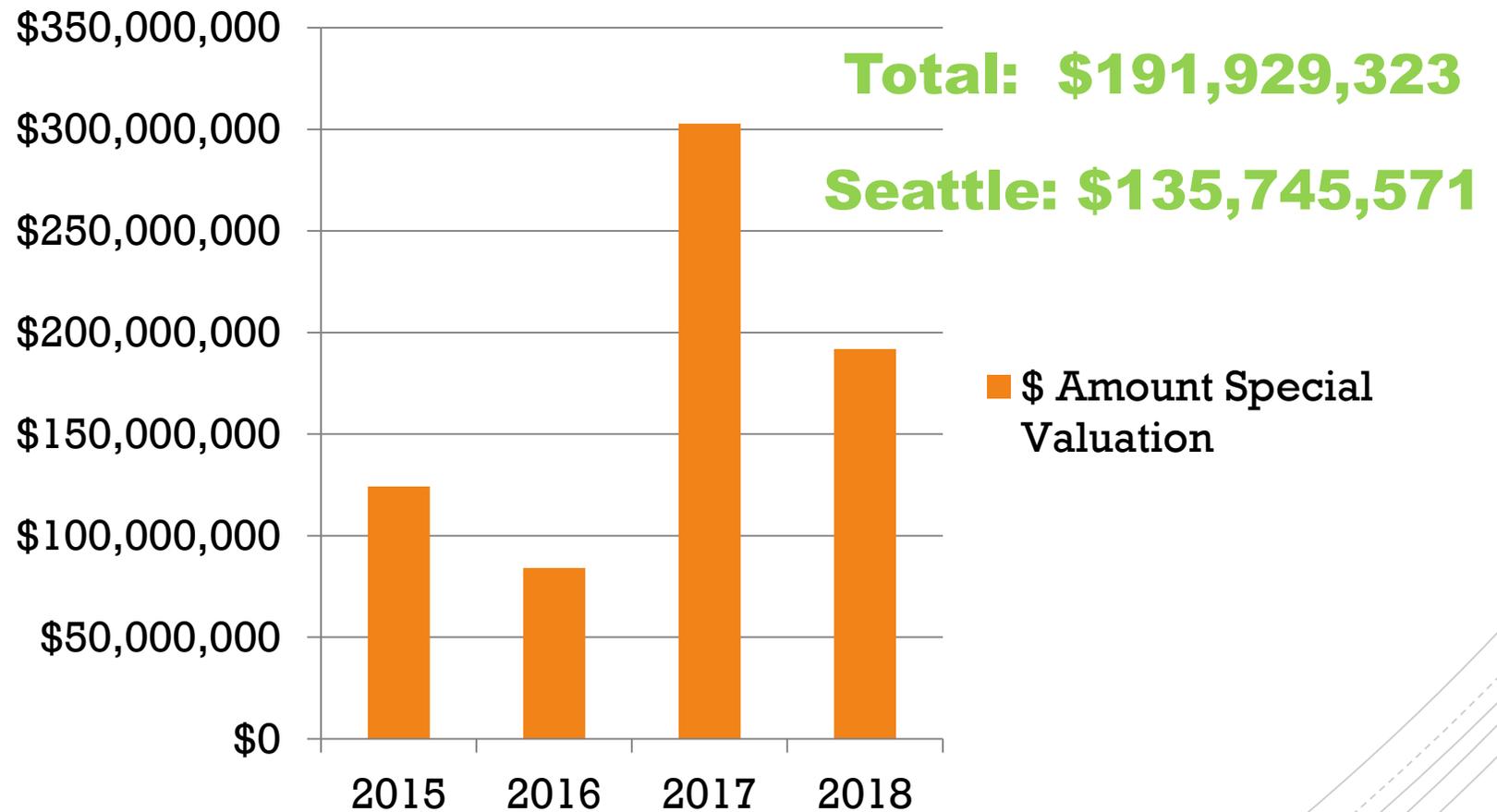


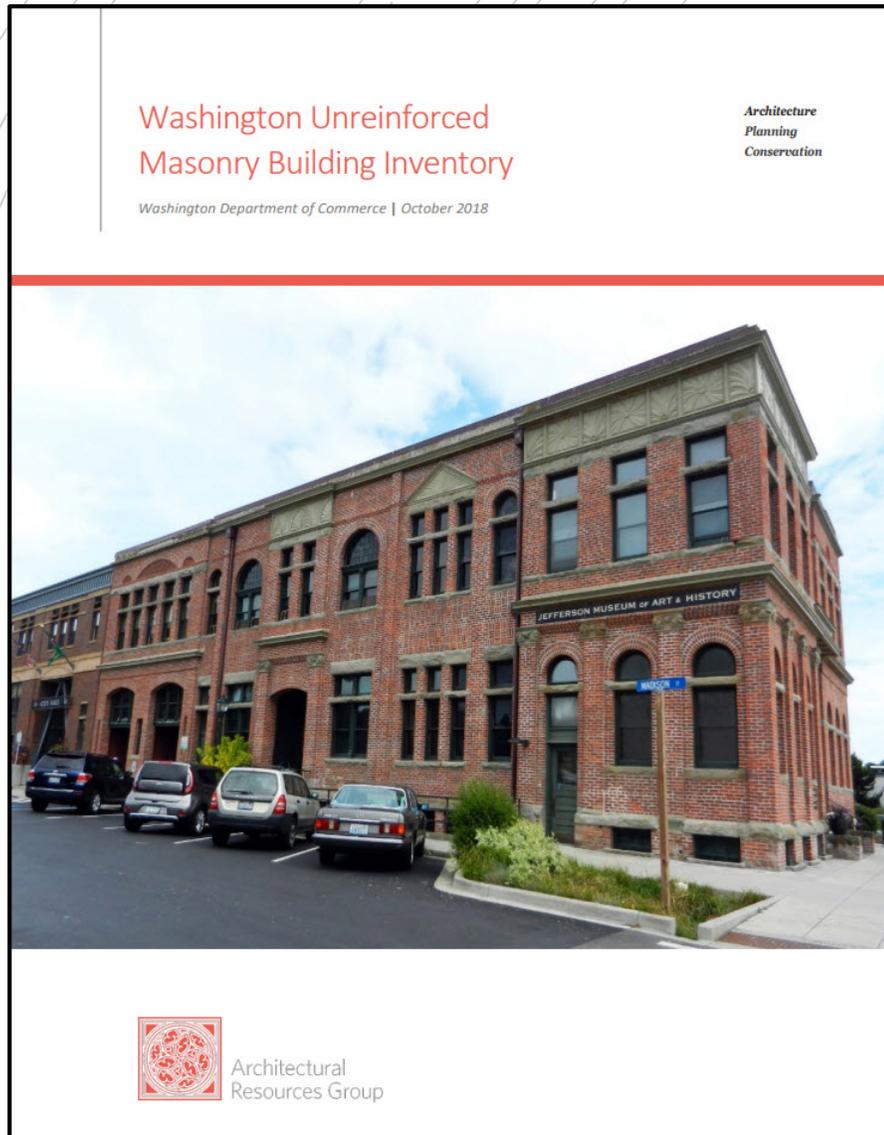
Key Difference between historic tax credits and Special Valuation:

**Special Valuation allows rehab of owner-occupied residences**

## Dollars Spent Statewide on Historic Property Rehabilitation

### \$ Amount Special Valuation





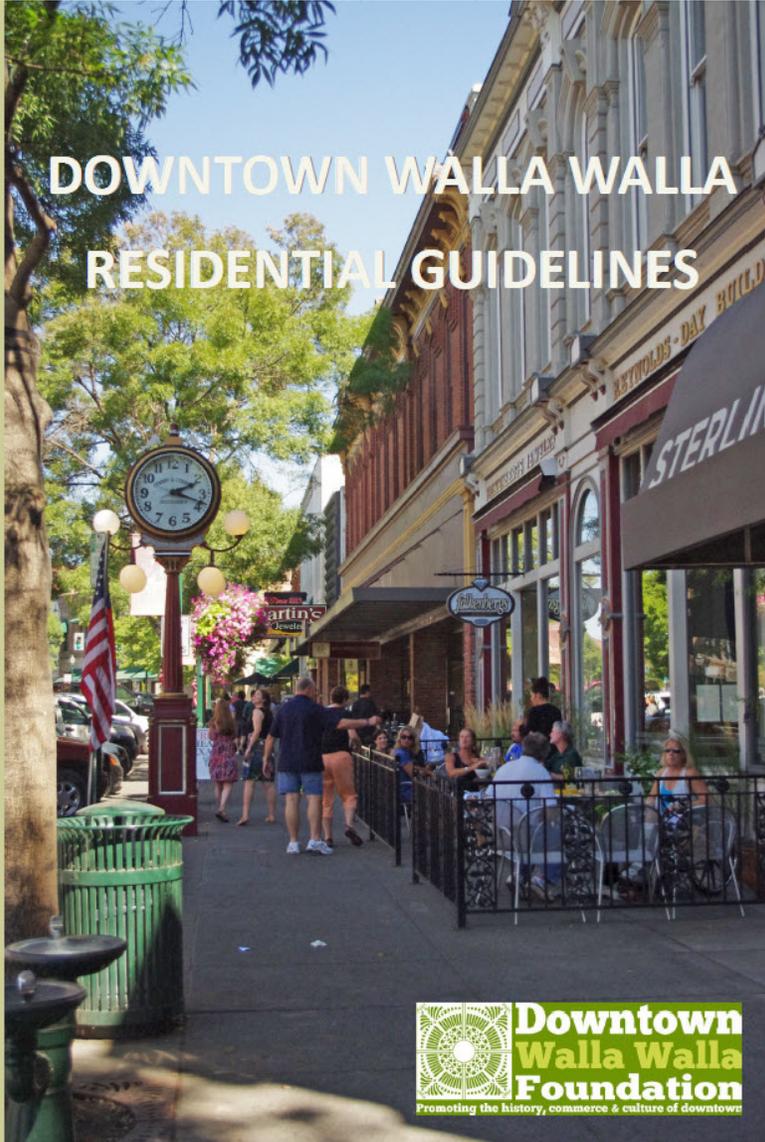
- Statewide survey of URMs
- Also included vacant upper floors
- **4,493** identified properties
- **874** of which are “vacant or underutilized” (20%)

[www.commerce.wa.gov](http://www.commerce.wa.gov)



A REFERENCE FOR DEVELOPING UPPER LEVEL DWELLINGS

## DOWNTOWN WALLA WALLA RESIDENTIAL GUIDELINES



- Development Process
- Code Compliance
- Design Standards
- Zoning Considerations
- Financial Incentives
- Community Benefits

[www.downtownwallawalla.com](http://www.downtownwallawalla.com)

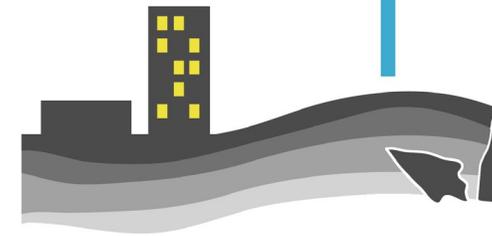


## Washington State Downtown Property Resource Guide

(in development)



*Washington State*  
**MAIN STREET**  
PROGRAM



DEPT OF ARCHAEOLOGY +  
HISTORIC PRESERVATION

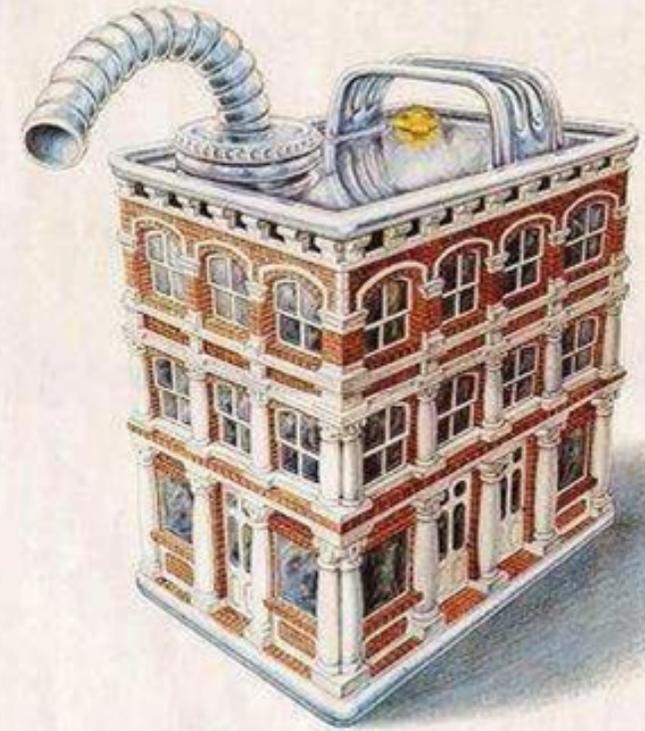


**“the greenest building is one that is already built”**

P R E S E R V A T I O N

Reusing America's Energy

Preservation Week May 11-17, 1980



It takes energy to construct a new building.  
It saves energy to preserve an old one.

It takes the energy equivalent of one gallon of gasoline to make, deliver and install eight bricks. Preserving eight old bricks instead of throwing them away and making new ones means that the energy of a gallon of gasoline can be used to meet other needs. Reusing old buildings saves the energy required to demolish and replace them with new buildings. And properly rehabilitated old buildings use no

more energy, on the average, than brand new buildings for operation. Save energy - save a building. Join the National Trust for Historic Preservation and the U.S. Department of Energy in observing Preservation Week. For details, write to Preservation Week, National Trust, 1717 Massachusetts Ave., N.W., Washington, D.C. 20036. Or contact your local preservation organization.

NATIONAL TRUST FOR HISTORIC PRESERVATION



## We Recycle Bottles. Why Don't We Recycle Buildings?

To confront climate change, we need to make the most of the buildings we already have.



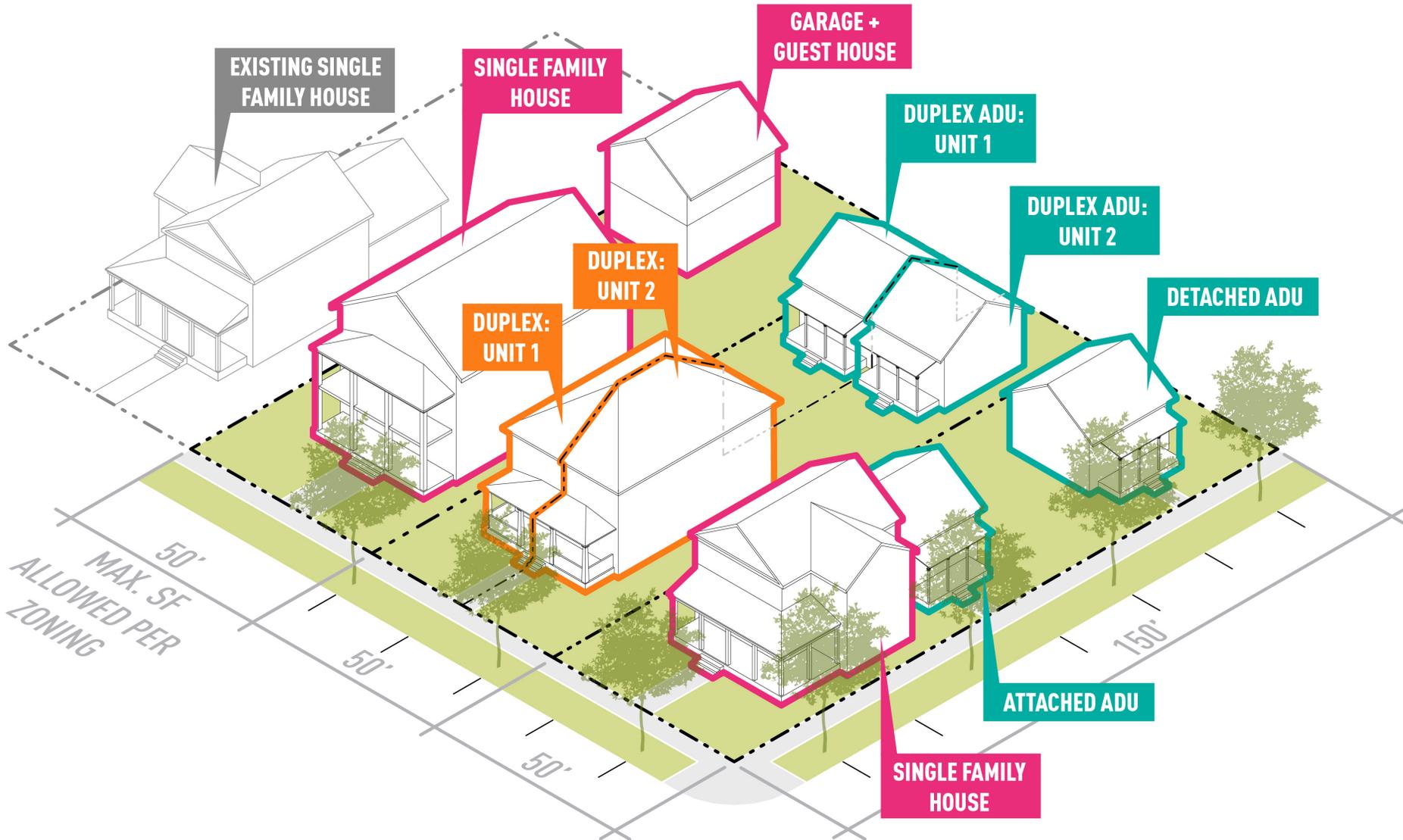
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*“A building can only be considered truly sustainable if it remains in use for long enough to justify the resources invested in its creation.”*

# Zoning Challenges – Missing Middle





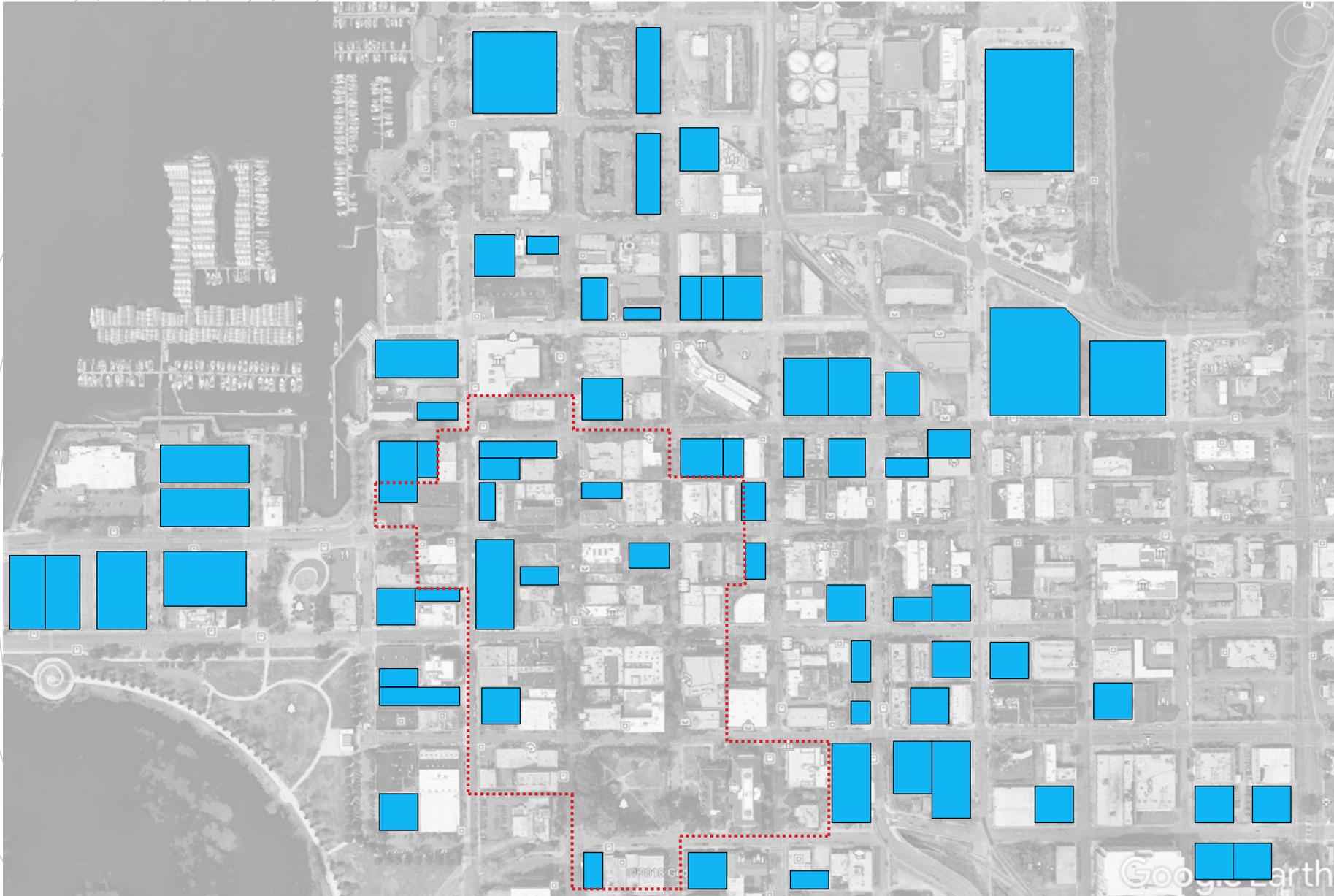
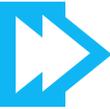
## Downtown Projects | Recent and Underway

### Underway/Completed

- 123 4th Ave:** 138 new apartment units with 7,000 sf of ground floor retail. Currently leasing. 
- 222 Market:** A Euro-style local artisan market, that includes a distillery, creperie, oyster bar, florist & commercial/rental kitchen and market. 
- 321 Lofts:** 36 apartments (two two-bedroom apartments; four studio apartments; and seven one-bedroom apartments on each floor. Currently leasing. 
- Annie's Artist Flats:** Rehab of existing Montgomery Ward building into an artists' space with 11 studios, open gallery space, 18 residential units with common areas. A new building with 48 mid-level rent units will replace the surface parking lot on 5th. Expected opening in 2018. 
- Billy Frank Jr Place:** 43 affordable housing units for homeless veterans and young adults, and the disabled. Opened June 2017. 
- Campus Lofts:** 43 units that include both apartment and town-home options located close to the Capital Campus. Currently leasing. 
- Columbia Place:** 7 story mixed use building approximately 300,000 sq. ft. Includes street level retail, office, 115 residential units and parking. 
- Legion Square Remodel:** Conversion of ground floor offices into retail space, with an awning and other pedestrian improvements along the Adams Street frontage.
- Mud Bay:** New location for Downtown Corporate Headquarters.
- Providence Community Care Center:** Several agencies under one roof to serve people who need treatment for mental illness, health conditions, drug abuse and personal trauma.
- State's 1063 Building:** 5-story state office building at 11th and Capitol.
- The Olympian:** The 6800 sq ft building at 522 Franklin St is being re-purposed for commercial use.



# Infill Development Opportunities



Downtown Olympia  
Surface Parking Lots





## Seattle, WA

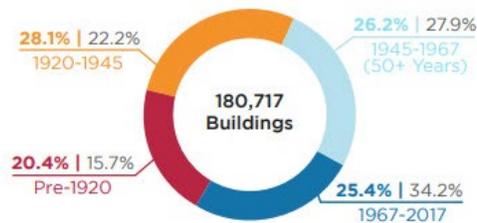
83.9 mi<sup>2</sup> | Pop: 684,451 | 18<sup>th</sup> Most Populous U.S. City | Est. 1869

**Blocks of older, smaller, mixed-age buildings** play a critical role in fostering robust local economies, inclusive neighborhoods, and sustainable cities. The Preservation Green Lab report, *Older, Smaller, Better*, leveraged the ideas of **Jane Jacobs** to show why preservation and building reuse matter for successful communities. The *Atlas of ReUrbanism* expands this research to 50 U.S. cities, demonstrating that **Character Counts**.

### Building and Preservation Facts

Parcels/Buildings	Seattle	50-City Average
Total	180,717	204,038
Per Square Mile	2,156	1,436
Median Year Built	1946	1952
On Nat'l Register of Historic Places	1.2%	6.8%
Locally Designated	0.5%	4.3%
Historic Tax Credit Projects	33	27.5

Year Built By Period, Seattle | 50-City Average



In **Seattle**, compared to areas with large, new structures, character-rich **blocks of older, smaller, mixed-age buildings** contain...



**78% greater population density**



**36% more jobs in small businesses and 24% more jobs in new businesses**



**64% more women and minority-owned businesses**

### ■ The Atlas of ReUrbanism | A Tool for Discovery

Developed by the **Preservation Green Lab**, the Atlas of ReUrbanism is part of the National Trust for Historic Preservation's **ReUrbanism** initiative. Explore the buildings and blocks of Seattle and other American cities further by visiting:

[www.atlasofreurbanism.com](http://www.atlasofreurbanism.com)



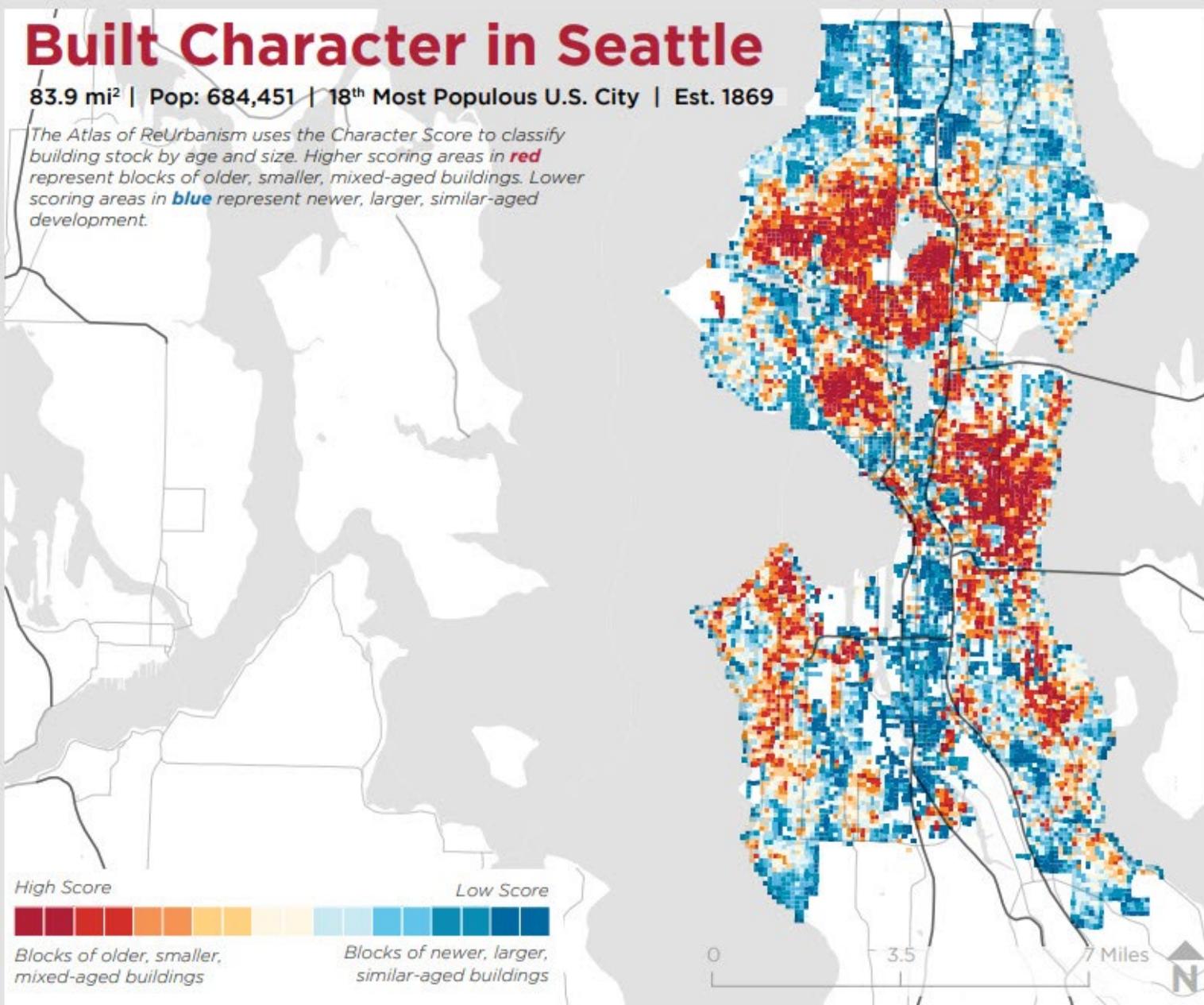
National Trust for Historic Preservation  
Preservation Green Lab



## Built Character in Seattle

83.9 mi<sup>2</sup> | Pop: 684,451 | 18<sup>th</sup> Most Populous U.S. City | Est. 1869

The Atlas of ReUrbanism uses the Character Score to classify building stock by age and size. Higher scoring areas in **red** represent blocks of older, smaller, mixed-aged buildings. Lower scoring areas in **blue** represent newer, larger, similar-aged development.



## High v. Low Character Score

Use the table below to compare high- and low-character score areas in terms of their density and diversity, inclusiveness, and economic vitality.

High Character Score Areas

Low Character Score Areas

### Density & Diversity

	High Character Score Areas	Low Character Score Areas
Avg. Population/Grid Square <sup>†</sup>	71.4	40.2
Median Age (Years) <sup>†</sup>	39.0	41.4
Avg. Between Age 18-34 <sup>†</sup>	27.6%	23.8%
Avg. Foreign Born <sup>**</sup>	15.7%	19.8%
Avg. New to County <sup>**</sup>	6.0%	5.4%
Avg. People of Color <sup>†</sup>	29.0%	34.8%
Avg. Housing Units/Grid Square <sup>†</sup>	36.4	20.5
Avg. Vacant Homes <sup>†</sup>	6.3%	6.7%
Avg. Owned Homes <sup>†</sup>	62.0%	64.5%

### Inclusiveness

	High Character Score Areas	Low Character Score Areas
Total Women and Minority-Owned Businesses <sup>**</sup>	3,031	1,851
Avg. Affordable Rental Housing Units <sup>†</sup>	76.9%	81.3%

### Economic Vitality

	High Character Score Areas	Low Character Score Areas
Total Jobs in Small Businesses <sup>***</sup>	42,434	31,270
Total Jobs in New Businesses <sup>***</sup>	8,216	6,641
Total Jobs in Creative Industries <sup>***</sup>	35,197	56,090

<sup>†</sup>Data from the 2010 Census

<sup>\*\*</sup>Data from the 2010-2014 5-Year Estimates of the American Community Survey

<sup>\*\*\*</sup>Data from Dun & Bradstreet, 2016.

<sup>\*\*\*\*</sup>Data from LEHD LODES, 2014



- **Substantial Alterations**
- **Elevators / Accessibility**
- **Seismic Retrofit**
- **Fire Safety / Separation**
- **Emergency Egress**
- **Energy Efficiency**

# Case Study – Kleinberg Building (2017) ▶

- Upper floor vacant since 1920s
- 4 new housing units created
- Higher end:  
\$175k / unit
- Ground floor:  
restaurant



Kleinberg Building, Ellensburg (2012)



Kleinberg Building, Ellensburg (2017)

# Case Study – Kress Department Store



S.H. Kress & Co. Building, Wenatchee (2018)

- Half of upper floor owner-occupied in c2010
- Other half under rehab
- Projected cost: \$150k (1 unit)

# Case Study – Hallett House (2014)



- Historically single-family residence subdivided in 1950s
- Extensive exterior repairs – master masons and fine carpenters
- \$200k for 12 units:  
**\$16,667/unit**



Hallett House, Medical Lake (2014)

## Case Study – Cambridge Apartments (2018) ▶▶



Cambridge Apartments, Medical Lake (2014)

- Substantial alteration
- Seismic retrofit
- LIHTC – Bellwether Housing
- Phased construction (~25 residents remained on site)
- \$23,592,969 for 157 units = **\$150k / unit**



- New student housing: apartment-style dorms (private)
- Reuse of large common spaces: auditorium, gymnasium, wide corridors
- \$6.86M for 34 new 3-4br and studio units:  
**\$202k/unit** (~70k / bed)



Cheney High School, Cheney (2017)



Fort Walla Walla Officer's Quarters, Walla Walla (2016)

- c1860s Officer's Quarters now used for transitional housing at VAMC Walla Walla
- LIHTC - Catholic Charities Housing
- 4 duplexes (\$4.8 M) + 2 new buildings
- Added 16 units for total of 24 units = **\$202k / unit**

Thanks for Listening!



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**THANKS FOR COMING!**



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