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HISTORIC TAX CREDIT TOOL BOX

Historic Rehabilitation Opportunities for Public Housing: A Q&A with HUD Federal Preservation Officer Nancy E. Boone



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The development of any society is often reflected in the resulting built environment.

Applying this premise to the evolution of public housing in the United States, there is a distinct evolution of architectural styles that were developed to respond to the housing crisis of the mid-20th century. The public housing movement dates to the 1930s, when housing reformers sought to address poverty by creating a program that provided quality housing with distinctive architectural design. Midcentury public housing plays an important role in our history and offers excellent opportunities for historic rehabilitation with local, state and federal incentive programs. This month, we sat down for a conversation with Nancy E. Boone, the

U.S. Department of Housing and Urban Development (HUD) federal preservation officer (FPO), to discuss these opportunities.

Q: How did you come into historic preservation? How did you come to be the federal preservation officer for HUD?

A: Growing up in in New England, I always loved history and old buildings. When I learned of



Image: Courtesy of U.S. Department of Housing and Urban Development
Nancy E. Boone,
HUD federal
preservation
officer

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historic preservation as a possible career path, I was hooked. After earning a [master's degree] in historic preservation at Columbia University, I worked for the Vermont state historic preservation office for the next 30 years. When the FPO job was advertised seven years ago, I jumped at the chance for a new challenge. Affordable housing and community revitalization were longtime interests and both are central to HUD's mission. I bring a historic preservation perspective to those areas at HUD.

Q: What is your vision for historic preservation as the HUD federal preservation officer? To what extent in your position do you get involved in individual projects? As you see it, what is the interplay between your office, the state and local housing authorities, and state historic preservation offices?

A: I see potential for historic preservation to contribute to many things that we do at HUD and want to help others see the potential too. Preservation is all about keeping buildings in ongoing active use. We have promoted the value of historic buildings for affordable housing, including the availability of the federal 20 percent historic tax credit (HTC), in webinars and training. More than 800 people registered for one such recent webinar. It and accompanying HTC guidance are posted online.

HUD has a unique statutory authority that directs cities, counties and states to assume HUD's responsibility for environmental compliance, including Section 106 review, in programs like Community Development Block Grant, HOME and public housing capital funds. HUD staff is not directly involved in those project reviews but offers technical assistance and training to local governments that serve as responsible entities (RE). In other programs like Recapitalization and Multifamily Housing, HUD staff conducts the Section 106 review. As FPO, I provide assistance in resolving major issues in projects that impact historic properties

and provide guidance and training on how to navigate the Section 106 process.

Q: HUD's Rental Assistance Demonstration (RAD) program was created in order to give public housing authorities (PHAs) a powerful tool to preserve and improve public housing properties and address deferred maintenance. RAD also gives owners of four additional HUD "legacy" programs (Rent Supplement, Rental Assistance Payment, Section 8 Moderate Rehabilitation and McKinney Vento Section 8 Moderate Rehabilitation) the opportunity to enter into long-term contracts that facilitate the financing of improvements. Moving forward how do you see RAD working together with HTCs?

A: RAD can involve rehabilitation, demolition, and/or new construction and often involves some of each on large-scale projects. The HTC is a strong incentive to consider rehabilitation of historic public housing developments because it can bring additional equity to a project. HUD, specifically the Office of Recapitalization which manages the RAD program, has seen several properties preserved with the help of historic tax credits and we expect to see more.

Since many RAD projects also include the low-income housing tax credit (LIHTC), I'd like to see more guidance on meshing the two credits. (LIHTC is administered by the Department of the Treasury, not HUD, and does not undergo Section 106 review.)

Q: As a follow-up to the previous question, is HUD undertaking any initiatives to facilitate the pairing of RAD with HTCs in historic rehabilitation projects?

A: RAD conversions sometimes involve early to mid-20th century public housing developments that are now considered historic. PHAs are increasingly aware of how HTC can bring additional resources to the table, and we have seen RAD conversions involving HTCs

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which are adaptive reuse of buildings designed for other purposes and RAD conversions involving HTCs for rehabilitation of historic public housing structures. One of the challenges in doing a RAD rehab of traditional public housing using the HTC is the question of how much of the interior gets modified. Many of the early public housing structures were designed around living experiences that don't match current expectations—small room sizes, for example. We've seen a variety of approaches to how this is handled.

HUD also provides training to federal employees on the HTC program as well as other preservation opportunities. For example, we recently trained HUD employees on the historic and architectural value of traditional public housing and the important part that the HTC can play in funding capital improvements in properties that are converting to RAD. We want HUD staff to recognize opportunities for preservation and to build those opportunities into discussions they have with local public housing authorities about their properties. (HUD does not own public housing.) We will continue to stress the potential of pairing the HTC and RAD in forthcoming webinars and conference presentations.

Q: The NPS is particularly sensitive to changes to corridors, finishes, windows and floorplan. How do you reinvent historic public housing while maintaining the character?

A: The Secretary's Standards call for preserving interior spaces and features that are "important in defining the overall historic character of the building." Conversations about interiors in historic public housing focus on identifying those character-defining elements. Is a typical 1930s floorplan of tiny rooms devoid of detail an important historic feature that should be preserved, or should it be acceptable to reconfigure layouts for modern open living (and foster ongoing residential use)? Each HTC project raises the question. For Section

106, the Advisory Council on Historic Preservation's Affordable Housing and Historic Preservation policy provides some flexibility. It states: "Review of effect in historic districts should focus on exterior features." Historic windows, where they still exist, are generally recognized as significant and important to preserve, with energy efficiency upgrades and abatement of any lead paint hazard.

Q: One challenge that developers face when rehabilitating public housing, especially when maintaining the housing as affordable housing, is creating livable spaces. This entails accommodating for the Americans with Disabilities Act, energy efficiency and building code standards, as well as standard tenant amenities including HVAC and appliances. What do you see as the interplay between preservation and livability?

A: Over the course of my career, I have seen again and again how historic buildings can be successfully adapted for modern, efficient living. It's not a question of if, but how. I had an opportunity to undertake a major rehabilitation project when I used the HTC to rehabilitate a deteriorated 1803 inn for five units of affordable housing. The Standards and other NPS publications contain a wealth of knowledge to guide preservation efforts. Preservation architects and other preservation professionals can help developers bring livability and preservation together in projects that create good housing, boost resident pride and enhance community.

A lot of public housing built in the 1930s, '40s, and '50s was built to certain design standards that are considered outdated, e.g., lack of closet space, size of door openings, overall square footage. These old design standards not only create a challenge when trying to preserve the original integrity of the structures but also when trying to ensure that the units are "marketable,"

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particularly if the PHA or developer is attempting to attract a mix of incomes.

Q: As HUD moves into a new generation of “historic” resources, buildings from the 1960s and 1970s, what is HUD’s greatest opportunity to intertwine historic preservation and affordable housing?

Understanding is the basis for appreciating old buildings—understanding the stories they tell about times past and our collective history. We are about to embark on a research project about public housing of the 1950s, ’60s, and ’70s that will inform how we evaluate the significance of sites from that period, and ultimately how to decide which ones merit preservation

as good examples of the type. The study will provide a context for evaluating eligibility of midcentury public housing for the National Register of Historic Places, and consequently, eligibility for the HTC.

Conclusion

Public housing constructed in the midcentury period is increasingly viewed as historic and may qualify for HTCs. As explored in conversation, there are opportunities for rehabilitating historic public housing utilizing HTCs and the RAD program. As local housing authorities and developers look for ways to finance renovations, the HTC and RAD program can help to fill the gap. ❖

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