



Planning, Development & Transportation

Community Development & Neighborhood Services





281 North College Avenue
P.O. Box 580
Fort Collins, CO 80522.0580


970.416.2740
970.224.6134- fax
fcgov.com

MEMORANDUM

Date: July 23, 2020

To: Mayor and Councilmembers

Thru: Darin Atteberry, City Manager 
Kelly DiMartino, Deputy City Manager 
Caryn Champine, Planning, Development & Transportation Director 
Paul Sizemore, Community Development & Neighborhood Services Director 

From: Karen McWilliams, Historic Preservation Manager 

Re: Responses to Questions on Landmark Designations of Housing Catalyst Properties

Introduction

This memo addresses questions raised at the July 21, 2020 City Council Meeting regarding landmark designation and specifically the designation of three properties owned by Housing Catalyst. In addition to staff's response, memorandums from Housing Catalyst and the Landmark Preservation Commission (LPC) have also been provided.

Landmark Designation and Effective Use of City Resources and the LPC

- Landmark designation is a core function of the City's historic preservation efforts, and supports Council's goals and major focus areas identified in the 2020 Strategic Plan:
 - Affordability: Provides owners access to equitable funding opportunities for rehabilitation and repairs; furthers options in housing regardless of income level;
 - Equity, inclusion, and diversity: Recognizes important elements of Fort Collins' history that reflect the lives and culture of all residents, past and present;
 - Environmental sustainability: Recognizes that older buildings (20% of Fort Collins' buildings) can be made energy efficient through simple, low-cost rehabilitation; and that their demolition contributes to the loss of embodied energy, increased landfill waste, and financial, material and energy expenditures for replacement buildings;
 - Community vibrancy: Protects and retains aspects of our community that provide Fort Collins with its unique character and promotes residents' sense of stewardship and belonging.
- Landmark designation furthers the action items identified in City Plan's Historic Resources Preservation Program Plan and in the 2018 Historic Preservation audit, by "Encouraging the

designation of historic properties to retain Fort Collins sense of place and to promote the City's social, economic and environmental sustainability goals.”

- The City has adopted the U.S. Department of the Interior and National Park Service (NPS) standards for evaluating the eligibility of properties for designation. These Standards regulate the standards and methodology for determining historic eligibility, evaluating for significance in one or more of four categories and for retention of integrity against seven measures. The NPS standards require that eligibility be determined by professionals whose education and training meet federal requirements.
- Prior to being presented to Council, an application for designation is first vetted by professional staff for its ability to meet the NPS standards. Most older buildings do not have the requisite levels of significance and integrity to meet the standards for individual designation. Those that do qualify are brought to the Landmark Preservation Commission (LPC) for its consideration. The property is then forwarded to Council with LPC's recommendation to approve or deny the application.
- Economic studies show that historic designation is often associated with a stabilization or increase in property values relative to comparable non-designated properties, with the increase being more pronounced for commercial properties than residential. For example, Clarion Associates, Inc. found that, between 1979 and 2016, the value of buildings in the Old Town Historic District increased by 629% compared to 279% for immediately surrounding non-designated buildings. Property values in Denver's residential landmark districts increased modestly (238% to 197%) or remained flat relative to non-designated areas, while Durango saw property values in its historic residential districts rise by only 155% compared to 199% in non-designated areas.

Housing Catalyst Properties

- At Council's August 4, 2020 meetings, staff is bringing forward for consideration on Second Reading the landmark designation of three properties, 331 S. Loomis Street, 1016-1018 Morgan Street, and 228 Whedbee Street. As with virtually all designations, these are voluntary requests by Housing Catalyst. The properties are unusual in that they are subject to federal oversight due to Housing Catalyst's relationship with the Department of Housing and Urban Development.
- The primary motivation for designation of the three properties is to meet Housing Catalyst's federal Section 18 requirements for continued protection of the properties following sale:
 - Landmark designation will maintain the properties' eligibility for National Register listing; and will mitigate any adverse effects of their sale by ensuring that they continue to receive protection from alterations that do not meet the federal Secretary of the Interior's Standards for Historic Properties, adopted by Council as the City's standards.
 - A benefit of Landmark designation of these properties is that it furthers Housing Catalyst's interest in ensuring that the new owners have access to financial programs to help fund sustainable rehabilitation and repairs.
- These three properties are not part of the City's current Historic Survey Project for proactively identifying eligible properties. As part of the Section 18 review of the sale, Housing Catalyst contracted with a professional consulting firm to survey and assess the historic eligibility of all 44 properties, of which these three were identified as significant. The properties' eligibility was confirmed by the State Historic Preservation Office.

- If Council chooses to not designate the properties, Housing Authority and the State Historic Preservation Office will enter into a process to identify an alternative strategy to maintain the properties' eligibility following their sale and protect them from inappropriate alterations in the future. This will delay Housing Catalyst's sale.