

PRESERVATION SHORE TO SHORE: MAKING MICHIGAN COMPETITIVE THROUGH HISTORIC PRESERVATION



Michigan's State Historic Preservation Plan

2007 - 2012



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Preservation Shore to Shore:

Making Michigan Competitive through Historic Preservation

Michigan's State Historic Preservation Plan 2007-2012

Contents

The Vision for Historic Preservation in Michigan.....	4
Goals and Objectives 2007-2012.....	5
Making Michigan Competitive	
Historic Preservation and Economic Development.....	8
Cultural/Heritage Tourism: Expanding a Top Michigan Industry.....	11
Retain Historic Schools.....	13
Michigan Needs a Healthy Detroit.....	15
Where We Are Today	
A Change in Climate 2001-2006.....	19
The Challenges.....	21
Michigan's Preservation Programs 2001-2006.....	25
Office of the State Archaeologist.....	37
Results of the 2005 Survey.....	39
Progress Report: Preservation Highlights 2001-2006.....	40
The Planning Process.....	45
Methodology.....	46
Selected References.....	48

The Vision for Historic Preservation in Michigan

Participants in a 2005 historic preservation survey conducted by the State Historic Preservation Office (SHPO) were asked “What is your vision for preservation in the state of Michigan in the next five years?” The following is a compilation of their responses.

Michigan’s citizens and state and local governments recognize the value of historic resources in defining the state’s sense of place. The public takes a stand to protect the state’s heritage and establishes a strong grassroots movement with the ability to elect leaders that take action to preserve historic buildings and sites and enable their reuse. A statewide education/public relations initiative reinforces the importance of historic preservation to Michigan by creating a better understanding of it.

A proactive state policy on preservation is adopted that ensures Michigan’s past is integrated with the new development required for its future. Preservation funding becomes a higher priority for both legislators and citizens due to increased awareness of historic preservation’s contribution to Michigan’s economy.

Historic preservation is at the forefront of economic development in Michigan for its ability to create prosperous downtowns and magnet neighborhoods. Individual communities see historic resources as assets and undertake efforts to document and protect them. New preservation incentives are created to make all levels of rehabilitation projects feasible. As a result, there is a dramatic increase in investment in the reuse of Michigan’s existing urban infrastructure. This, in turn, slows sprawl and helps preserve the state’s rural lands and communities.

Historic building rehabilitation and the associated savings in energy and resources embodied in reusing existing materials, together with landfill savings, is recognized as an important environmental practice. Environmentalists promote preservation along with “green building” technologies.

The city of Detroit grows as a popular destination city and a desirable place to live.

Michigan is a state that shows pride in its history and uses it to enhance the quality of life for all its citizens and draw visitors from around the world.



Marshall Blues Festival

Photo: Bruce Smith

Making it Happen

The following goals and objectives have been identified as important to making the preservation vision for Michigan a reality. They are purposefully broad to enable use by a wide range of organizations. When reading through them, ask how you or your organization can help to accomplish them and how they can be included in your organization's work plans.

1. Create greater public awareness of the importance and value of Michigan's built environment.

- Collect statistics and develop new measures that show the positive impact of historic preservation on state and local economies and quality of life in Michigan's communities
- Promote sense of place in Michigan communities and demonstrate that historic resources are unique and irreplaceable
- Create an effective cultural/heritage tourism model that utilizes Michigan's historic resources
- Promote the ecological benefits of historic building rehabilitation through saving energy and material and reducing waste sent to landfills

2. Increase preservation incentives.

- Include historic preservation tax credit provisions in state tax policy that replaces the Single Business Tax, repealed effective December 31, 2007
- Expand the state preservation tax credit for income producing properties
- Increase incentives for private sector, small business owners undertaking small to mid-size rehabilitation projects
- Develop local incentive and low interest loan programs that assist homeowners in designated historic districts
- Establish new incentives that make historic building rehabilitation a competitive and viable addition to other economic development strategies

3. Advocate for preservation and adopt legislation that will increase the reuse and protection of Michigan's historic resources.

- Increase public advocacy for the preservation of Michigan's historic resources
- Adopt a state policy that recognizes historic preservation as a public good and results in the consistent treatment of historic resources across the state
- Establish state policy that acknowledges and specifies the role of the State Historic Preservation Office
- Strengthen Michigan's Local Historic Districts Act (Public Act 169 of 1970)
- Establish a review of state-funded projects for their effect on historic resources (similar to the federal Section 106 review)
- Amend the Municipal Planning Act (Public Act 258 of 1931) to include the consideration of historic resources in municipal plans

4. Build alliances and broaden partnerships.

- Develop and expand partnerships between state agencies, local governments and organizations undertaking community development, economic revitalization, and smart land use initiatives to ensure the inclusion of preservation practices
- Broaden the preservation constituency by reaching out to minorities and diverse groups
- Establish a stronger connection between historic preservation and environmental issues, including green building (LEED) and renewable energy innovations
- Encourage the unification of history, arts, and cultural groups at the state, regional, and local level to create a louder voice and increased support for preservation
- Provide training in preservation techniques to contractors, homeowners, and construction technology students to make rehabilitation work more readily available and cost effective

5. Better integration of historic preservation in planning initiatives.

- Work to include preservation at the forefront of discussions on diversifying the state's economic practices
- Recognize that the revitalization of the city of Detroit is an issue of statewide importance and work to develop a preservation plan for the city
- Make historic resource survey data available through Geographic Information Systems (GIS)

6. Increase funding for preservation.

- Increase funding for State Historic Preservation Office programs
- Establish a statewide historic preservation trust fund
- Increase private and corporate support for preservation activities
- Work with foundations to establish preservation as a funding priority
- Better integrate historic preservation within existing programs that offer public sources of funding
- Support funding for the statewide preservation non-profit similar to other premier cultural organizations



MAKING
MICHIGAN
COMPETITIVE

Historic Preservation and Economic Development

Preservation Tax Incentives Encourage Investment

Historic preservation resulted in more than \$1.9 billion in direct investment and the creation of more than 22,000 jobs in Michigan between 2001 and 2005. It is an economic development strategy that meets Michigan's needs. Historic preservation:

- Positively impacts local economies in both job creation and investment
- Uses existing infrastructure, returns obsolete buildings to tax rolls, increases property and resale values, and reduces building material waste in landfills
- Incorporates all ten tenets of Smart Growth
- Retains a community's sense of place and improves the quality of life of its citizens

Federal and state preservation tax credit programs enable developers and property owners to claim up to a 25 percent credit on rehabilitation investments in historic properties.

Preservation Tax Credit Summary FY 2001- 2005

Total Number of Projects	174
Total Jobs Created	22,283
Total Rehabilitation Investment	\$675,868,524
Additional Investment	\$226,288,564
Total Direct Impact	\$1,028,459,081
Total Economic Impact	\$1,930,616,169

Michigan has only begun to tap this development strategy that annually brings more than \$300 million to the state's economy. Historic preservation is making a strong contribution to Michigan's effort to diversify its economic base and create a new economic development model. It is a strategy that is particularly well suited for moving the state in the direction it wants to go. Wherever preservation has been embraced—in communities such as Grand Rapids, Kalamazoo or the Midtown area of Detroit—it has been responsible for dramatic turnarounds in the surrounding area. Investment has increased, and perceptions of the area have changed for the better. Once-isolated and deteriorating areas are now lively places to live, work, and play.



*Michigan Theater, Jackson
Photo: Todd Walsh*

Cultural Economic Development Strategy

The Department of History, Arts and Libraries worked with a wide range of stakeholders to create a cultural economic development (CED) plan for the state. CED is based on using the state's cultural assets and creative talent to spark economic growth, create jobs, and promote downtown revitalization. Though creative-based industries—such as design, art, museums, theaters, film, and music—have long been part of Michigan's economy, the public and private investment they bring to the state is often overlooked because accepted economic development indicators are not geared to measure this kind of investment. Michigan's CED strategy will help document the role that art and culture play in Michigan's economy and will encourage communities to cultivate, promote and market key cultural industries. CED strategy goals include increasing entrepreneurship in the arts through business skill development and creating affordable living and workspace for artists. Increasing the state's tourism revenue by developing its cultural/heritage tourism product is also a goal. Historic preservation is an important piece of the strategy because it promotes pride of place, improves the quality of life in a community, and can result in affordable living and work conditions. The Cultural Economic Development strategy can be viewed at www.michigan.gov/ced.

Need for a Comprehensive Urban Reinvestment Policy

Michigan needs a focused urban policy that works to improve the quality of life in the state. According to *Follow the Money*, a report by the Michigan Land Use Institute, "The state's failure to use public dollars to encourage smarter economic development hurts every Michigan resident." It also hampers the state's ability to attract a young work force. Michigan ranks forty-seventh in the nation in attracting 25- to 34-year-olds. The state's current budget situation excludes any influx of new money into programs to jumpstart the effort. In order to survive, the state must redirect its existing policies to create the economy of the Twenty-first century.

According to Roger Hamlin of the Institute of Public Policy and Social Research at Michigan State University, in the report *Analysis of Michigan's Local Economic Development Policies to Promote Aging City Revitalization*, for the past two decades Michigan's inner cities have been left to decline and have been given little assistance from legislators and public officials. One reason for this lack of interest was the belief that the constituents who fled to the suburbs in the 1970s had little interest in urban revitalization. The rampant outbreak of suburban sprawl in the 1990s changed that. Now that Michigan is looking for land use policies that will help curb sprawl and make better use of the state's resources, investment in inner cities is viewed as smart growth. It is a way to attract new economy workers and it will improve the quality of life of all of Michigan's citizens by serving as an antidote to sprawl. This echoes the findings of the Governor's Michigan Land Use Leadership Task Force in their final report published in 2003.

“Historic Preservation should be applied more broadly, not only because of its cultural and aesthetic benefits, but because it is such a powerful tool for fostering housing and economic development.”

*David Listokin, et al
The Contributions of Historic
Preservation to Housing and
Economic Development
Fannie Mae Foundation,
Housing Policy Debate, 1998*

Hamlin conducted a survey that found that support for incentives to promote private investment in inner-city redevelopment was consistently high across ethnic, religious, income, political party and geographic groups. Ninety-three percent favored tax breaks for families to buy and fix-up homes in central city neighborhoods, and 85 percent favored tax breaks to businesses that locate in traditional downtowns.



93% favor tax breaks for families to buy and fix-up homes in central city neighborhoods

85% favor tax breaks to businesses that locate in traditional downtowns

*Survey conducted by Roger Hamlin
Michigan State University
Institute for Public Policy,
Social Research, and Urban Affairs, 2002*

In addition to historic preservation tax credits, in-roads have been made in urban reinvestment through the governor's Cool Cities initiative, the Core Community legislative package, and the Cities of Promise program. But sometimes even these programs lack innovation and fall back on "old school" development practices. More can be done to encourage the inclusion of the rehabilitation and reuse of historic buildings in Michigan's urban cores and new urbanism and green building principles in new development. To date, there have been a number of studies and a lot of suggestions, but few programs implemented to accomplish the goal. A comprehensive strategy remains to be developed.



Downtown Dearborn

Cultural/Heritage Tourism: Expanding A Top Michigan Industry



Lakeside Inn, Lakeside

Photo: April Vosburgh

Tourism is one of Michigan's top three industries, providing over 350,000 jobs and bringing in more than \$12 billion in revenue to the state each year. Tourism has changed in recent years. Technological improvements, security issues, and increased gas prices have all contributed to how people view travel. Today, more people take day or weekend trips and fewer annual week-long vacations. They are more interested in traveling to places that offer something different from what they experience at home; they look for regional flavor, local products, and one-of-a-kind experiences that can only be found in communities with a strong sense of place. According to Historic/Cultural Traveler, more than 41 percent of 143.5 million travelers visited a historic building or landmark while three in ten visited a historic community or town. Baby boomers are the largest population of travelers; they also take the most trips to historic/cultural sites. These travelers typically have a college education, get their travel information from the Internet, and usually travel by car making "getting there" as important as the destination itself.

Niche markets that specialize in heritage, cultural, rural, or eco-tourism are on the rise. The state of Michigan is a perfect candidate for cultivating these new markets.

Long valued as a tourist destination for its lakes and natural beauty, in the past the state has invested its promotional dollars in marketing Michigan's natural resources. Michigan also has a variety of cultural resources—rural, maritime, and architectural—that appeal to diverse populations. By incorporating the state's cultural and heritage resources into a comprehensive tourism strategy based on authenticity and quality, tourism revenues in the state could be substantially increased.

There is already a foundation for the creation of a new tourism product that incorporates the state's history and culture. The establishment of heritage areas such as the Keweenaw National Historic Park and the MotorCities National Heritage Area blazed the way. Michigan Heritage Routes such as US 12 and Woodward Avenue offer excellent opportunities to expand the state's cultural/heritage tourism experiences. The Michigan Historical Center partnered with lakeshore communities to create web-based maritime heritage tours. The State Historic Preservation Office recently received a grant from Preserve America, a White House initiative, to develop a regional cultural/heritage tourism program in southwest Michigan, to serve as a model for developing heritage and cultural tourism programs in other regions of the state.

Geo-tourism — tourism that sustains or enhances the geographical character of the place being visited — its environment, culture, aesthetics, heritage, and the well being of its residents.

*Center for Sustainable Destinations
National Geographic Society*

The Michigan legislature recently approved \$7.5 million in temporary funding for Travel Michigan to expand its marketing efforts outside of the state. As a result, hits to the Travel Michigan website increased 46 percent in one year. A grassroots effort is already under way, coordinated by the Tourism Industry Planning Council, Michigan State University, and Travel Michigan to create Michigan's first comprehensive strategic plan for the travel industry. Michigan should work to diversify its travel products by developing its cultural/heritage tourism potential.



Downtown Traverse City

Photo: Todd Walsh

“Take a pair of scissors, cut all the historic resources out of any copy of the [visitor’s guide] and you won’t find a lot left.”

*New Hampshire Preservation Alliance
Alliance News
Winter 2005*

Retain Historic Schools

Any economic revitalization strategy that refocuses investment on Michigan's downtowns must pay attention to the condition of the neighborhoods and schools that surround them. It must encourage cooperation between the school board and the local government to ensure that the community as a whole is working toward the same goals.

Neighborhood schools have long been an integral part of a community's quality of life. The proximity of a quality school can be an important factor in a family's decision of where to live. Historic neighborhood schools offer small, more personal education settings within walking distance of homes in established neighborhoods. They are often the heart of the neighborhood and a center of activity in the community. Schools are an important part of both an individual's and a community's sense of place. They provide an experience that is shared between generations; seeing grandparents, parents, brothers, and sisters cheering together at a sporting event attests to that. Schools are one medium that transforms individuals into community.

School buildings were a symbol of civic pride when they were constructed. They were meant to evoke respect through the high quality of their design and construction. Unfortunately, historic school buildings are often devaluated in our society because the policy of "deferred maintenance" is considered a reasonable economic practice. Any building that is left to age without being maintained, repaired, or updated will no longer be seen as an asset to the community. In the preservation world this is called "demolition by neglect" because it results in the abandonment and destruction of once viable buildings. Michigan's historic schools often suffer from this syndrome.

There seems to be a lack of coordination among local entities regarding historic schools that has them seemingly working at cross-purposes. For example, a local government may be implementing programs to bring populations back to the core city; at the same time school districts are closing historic neighborhood schools and building new schools outside of town. The city council may have established a local historic district to protect the historic fabric of a neighborhood but according to Michigan's Revised School Code, historic district design guidelines do not have to be followed when work is undertaken to the exterior of a school building even if it is located in a designated local historic district.

The governor has made finding new ways to improve Michigan's schools part of her *Jobs Today, Jobs Tomorrow* economic recovery plan for the state. But what does "improving" mean: Upgrading existing neighborhood school buildings so they are part of a cohesive plan to refocus economic development to existing communities in order to curb sprawl and create Cool Cities? Or abandoning historic school buildings and constructing new schools on the edge of town? If the choice is new construction, what will be the state's policy on the historic school buildings that are left behind in our neighborhoods? Will there be incentives for marketing them to developers for a new use?



Battle Creek High School, Battle Creek

Michigan’s leaders should address the issue of historic school buildings and put in place policies that will ensure that they continue to positively affect the quality of life and sense of place of communities. The decision of whether to retain or abandon a historic school building should not be made in isolation; instead, it should be made in conjunction with other municipal planning efforts.



Central High School, Grand Rapids



Former East Lansing High School/Hannah Community Center
Photo: Todd Walsh

Michigan Needs a Healthy Detroit

The Truth Hurts

Detroit is Michigan's largest city. When people outside the state think of Michigan, they think of Detroit. Detroit is Michigan's beacon to the world. Yet only 36 percent of the respondents to the 2003 State of the State Survey, conducted by the Institute of Policy and Social Research at Michigan State University, thought that the well being of the city of Detroit was very important.

It is no secret that the city has been in decline. Its population has slipped below one million. At 14.6 percent it has the highest unemployment rate of the nation's fifty largest cities; the percentage of people living below the poverty level in Detroit is more than two and one-half times the national median. With 81.6 percent of the city's population African-American, there is little diversity. Disinvestment in the city has impacted the ability to provide social services to its citizens. The city's woes can make it more difficult for southeast Michigan businesses to compete with other large cities in recruiting a quality workforce—they sometimes have to pay higher salaries to get people to look beyond Detroit's tarnished image.

We as a state cannot afford to turn a blind eye to conditions in Detroit. The city's image impacts efforts to market Michigan to outside investors who could create new jobs here. We all need to assist Detroit's leaders and citizens as they create and implement a plan for the city's recovery.

Preservation Jump-Starts the Comeback

Though few people seem to know about them outside the city, there have been a number of success stories in Detroit over the past five years, and the rehabilitation of historic buildings has been at the heart of many of them. Historic preservation has played a key role in revitalizing targeted areas of the city, and rehabilitation projects have led to billions of dollars in further investment in Detroit's downtown core. The turnaround began in the late 1990s with a handful of courageous, individual developers who laid the foundation for the rebirth of the historic districts in Midtown, Woodbridge, and the Woodward Avenue corridor. The success of the apartment and loft projects they created by adapting historic buildings showed others what could be accomplished through investment, commitment and hard work.

The creation of the Inn on Ferry Street was a flagship project for the revitalization of the Midtown area along Woodward Avenue, which began with the restoration of Orchestra Hall. Midtown includes eleven historic districts and cultural icons such as the Detroit Institute of Arts, the Masonic Temple and Theater, and the Charles H. Wright Museum of African American History. The Inn, a project of the University Cultural Center Association (UCCA), turned four Victorian homes and carriage houses into a bed and breakfast. It received recognition from the National Trust for Historic Preservation in 2002. Its success strengthened the UCCA's resolve to implement its redevelopment plan for Midtown. The plan centers on bringing housing to the area and includes rehabilitating historic buildings for condominiums and retail/office use. It also includes infill construction, street beautification, greenway development, and the improvement of neighborhood parks.

“A hurricane and flood imperiled New Orleans’ wonderful buildings. The threat to Detroit’s is a rising tide of indifference, neglect and greed. The tragedy in New Orleans happened in a matter of hours. The tragedy of Detroit has been a slow-motion disaster over many years.”

*John Gallagher
Detroit Free Press
September 10, 2005*

More than \$1.5 billion in public and private investment has been generated in Midtown to date. One of the newest projects was the completion of the \$125 million Detroit School of the Arts, an addition to historic Orchestra Hall.

Moving Forward at Full Throttle

Other success stories have been bittersweet for preservationists. For example, Compuware Corporation's world headquarters, which opened in the Campus Martius area of downtown Detroit in 2002, is built on the site of the demolished J. L. Hudson's department store building. It brought 4,000 workers to downtown and, as a result, four historic commercial buildings on Woodward Avenue, including the former F.W. Woolworth building, were rehabilitated as the Lofts of Merchants Row, providing 157 new living spaces. The Albert Kahn-designed, eighteen-story Kales Building, built in 1907 as the headquarters for S. S. Kresge, was rehabilitated for luxury apartments in 2004 and is over 90 percent full. Plans to rehabilitate the Book-Cadillac Hotel are going forward. These are just a small sample of the extensive revitalization efforts currently going on in Detroit. Rehabilitation and new construction projects are bringing living spaces, restaurants, cafes, stores, and businesses to downtown Detroit and such neighborhoods as New Center, Corktown, and Mexicantown.

Which Path to the Future?

The city of Detroit is at a crossroads regarding which path it will take to its future. The grip of the old urban renewal mentality, tearing historic buildings down and leaving vacant lots in the hope that a developer will ride in on a white horse, is still strong. There seems to be a misplaced belief that demolishing an abandoned building is a cure for deeper ills such as homelessness and drug use. Fiscal worries continue to add to the uncertainty of what the city will be able to do in the future to provide a safe, comfortable living environment for its citizens.

Of concern to preservationists was the demolition that occurred prior to Super Bowl XI, which Detroit hosted in February 2006. The city's drive to present a more attractive face to the millions of visitors and television viewers who watched the game included using state money to demolish a landmark building on Grand Circus Park, the 1907 Italian Renaissance Statler Hotel. The loss of other historic buildings like the Madison Lenox Hotel and the Motown building was equally distressing to preservationists. What occurred in Detroit prior to the Super Bowl spotlighted the need to solidify a comprehensive urban reinvestment strategy for the state that would integrate municipal planning with state-sponsored urban redevelopment initiatives like Cool Cities.

While the demolition of downtown commercial buildings is a common occurrence in Detroit, the city has protected over 4,400 resources in 91 local historic districts, many in residential neighborhoods such as Boston Edison, Indian Village, Hubbard Farms, Corktown, Russell Woods-Sullivan and Sherwood Forest. Detroit is a city of unique neighborhoods that few people know much about. Promoting the use of the state preservation tax credit to property owners in these neighborhoods to assist them in maintaining and improving their properties would be advantageous to the city. Well-maintained neighborhoods that people feel safe living in and visiting could help to turn the city's image around.

In 2006 Detroit preservation groups met with representatives from the National Trust for Historic Preservation and created a task force called the Greater Detroit Preservation Coalition. The Coalition's goal is to develop an articulate, unified preservation message for the city. Its focus is to determine the role historic preservation can play in the future of Detroit. The group will work to build partnerships with foundations, corporations, and community development organizations to garner their support in identifying, using, and retaining Detroit's cultural and architectural identity and create a revitalization plan for the city's future.

Detroit Lives!

Several websites showcase the modern urban lifestyle emerging in the city through the reuse of historic buildings, new development, and the preservation of the city's historic neighborhoods. Examples include:

- Model D www.modeldmedia.com
- University Cultural Center Association www.detroitmidtown.com
- Cityscape Detroit www.cityscapedetroit.org
- Preservation Wayne www.preservationwayne.org

*WHERE
WE ARE
TODAY*



A Change in Climate

The climate for historic preservation has improved dramatically in Michigan during the past five years (2001-2006). A series of opportunities worked together to reshape thinking about historic preservation and the role it plays in Michigan's economic recovery. Today preservation is viewed as a key component in successful revitalization projects across the state. Here are some of the significant events that contributed to the change:

State Historic Preservation Tax Credit

Adopted in 2000, the 25 percent state tax credit provides homeowners with assistance in the rehabilitation and maintenance of residential buildings. Tied to the creation of local historic districts in communities with populations over 5,000, the credit provides a needed reward to property owners that undergo design review of their projects. As a result, there has been increased support for the protection of historic resources in communities across the state.

Creation of the Department of History, Arts and Libraries

In 2001 five agencies related to arts and culture were united under the Department of History, Arts and Libraries (HAL). These agencies—the Michigan Historical Center, the Michigan Council for Arts and Cultural Affairs, the Library of Michigan, the Michigan Film Office, and Mackinac State Historic Parks—share the mission of enriching Michigan's quality of life and strengthening the state's economy by providing access to information, preserving and promoting Michigan's heritage, and fostering cultural creativity.

Smart Growth Governor

When Governor Jennifer Granholm was elected in 2002, Michigan chose a leader who supports the tenets of Smart Growth. Governor Granholm was the first Michigan governor to publicly recognize historic preservation through a governor's award program. She has actively encouraged the use of preservation in her economic development plan to create communities that are attractive to diverse populations and an educated workforce.

Michigan Main Street Program

A statewide Main Street Program was established in January 2003. Main Street is an incremental approach to community revitalization built on training and self-reliance. Through design, promotion, organization, and economic restructuring a community can revitalize its traditional downtown. The effort to create the statewide Main Street program brought together — for the first time — diverse stakeholders interested in revitalizing Michigan's downtowns.



Governor Jennifer M. Granholm
Photo: David Olds

Michigan Land Use Leadership Council

In February 2003 through Executive Order Number 2003-4, Governor Granholm appointed the bipartisan Michigan Land Use Leadership Council and charged them with identifying “the trends, causes, and consequences of unmanaged growth and development” and providing recommendations:

designed to minimize the negative economic, environmental, and social impacts of current land use trends; promote urban revitalization and reinvestment; foster intergovernmental and public-private land use partnerships; identify new growth and development opportunities; and protect Michigan’s natural resources, including farmland and open space, and better manage the cost of public investments in infrastructure to support growth; to identify the trends, causes, and consequences of urban sprawl and provide recommendations to minimize the negative effect of current land use patterns on Michigan’s economy and environment.

Recommendations in the council’s final report, *Michigan’s Land, Michigan’s Future*, focused on reinvestment in urban cores, the adaptive reuse of existing buildings, and the utilization of existing infrastructure. The report, which served as the foundation for changing land use practices in Michigan, recognized historic preservation as a best practice for the state.



Arbaugh Building, Lansing



CSS-designed Bike Path

Photo: Michigan Department of Transportation

Context Sensitive Solutions

In December 2003, Governor Granholm issued Executive Order 2003-25, which requires Michigan’s Department of Transportation (MDOT) to utilize context sensitive solutions (called context sensitive design in the directive) for transportation projects whenever feasible. Context sensitive solutions (CSS) is a collaborative, interdisciplinary approach to transportation design. Its purpose is to find solutions that preserve a community’s scenic, aesthetic, historic and environmental resources while maintaining safety and mobility. MDOT developed a departmental CSS policy and draft implementation plan in 2005 with a great deal of stakeholder involvement.

The Challenges

According to a survey conducted by the State Historic Preservation Office in 2005, the greatest harm to Michigan's historic resources comes from the laissez-faire attitude of citizens and governments towards the state's visual history. Michigan's residents do not seem to connect the history of their ancestors with the physical reminder that they left behind—the houses, parks, and schools they built with pride and hard work. Though we appreciate their stories and are interested in our family genealogies, we ascribe little value to the historic buildings they constructed and do not work to protect them. As a result, every day we lose a little more of what makes Michigan—Michigan.

No State Policy on Historic Resources

While many states—including Alaska, Florida, Kansas, New Jersey, and Wisconsin—have adopted state policies that outline the importance of their historic resources and how they should be treated, Michigan has not. Kansas's state policy, for example, declares:

The historical, architectural, archaeological and cultural heritage of Kansas is an important asset of the state and its preservation and maintenance should be among the highest priorities of government.

Adopting a state policy on historic resources provides the framework for how they are treated throughout the state. It underscores their importance and ensures they receive appropriate consideration in state-funded projects. This is especially important since the state has identified the revitalization of existing urban cores as an important land use and economic development policy for Michigan.

Repeal of the Single Business Tax

The Single Business Tax (SBT), enacted in 1976, was a general business tax levied by the State of Michigan, to replace seven separate business taxes. The SBT was a value added tax set to expire in 2009. Claiming that the SBT was a hindrance to Michigan's economic growth, legislation was passed to repeal the tax at the end of 2007. Repeal of the SBT will also result in the repeal of the tax abatements and credits associated with it—including the State Historic Preservation Tax Credit. In June, Public Act 140 of 2006 was signed authorizing tax credits for historic rehabilitations under way when the SBT expires, but preservationists must work to ensure that the preservation tax credits are included in the SBT's replacement business tax structure.



Brush Park Historic District, Detroit

Photo: Todd Walsh

Limitations on the State Historic Preservation Tax Credit

The State Historic Preservation Tax Credit has proven to be a successful development tool, but it could be made even more effective by addressing the following issues:

- Property owners that qualify for the 20 percent federal tax credit must claim it first before they can receive a state credit. They can then only receive an additional 5 percent of the 25 percent state credit for a total credit of 25 percent. Increasing the available state credit to the full 25 percent for income producing properties—in addition to the 20 percent federal credit—would make the program more attractive for all project sizes.
- Currently state credits can be claimed only after all eligible expenses have been accounted for and the project receives final certification. Eligible expenses include soft costs such as research, architecture and design, engineering, financing, contracting fees, labor and materials. This can be problematic for small-building owners—such as those found in traditional downtowns—because small projects usually have a higher soft to hard cost (materials, labor) ratio. Allowing the credits to function on a “claim as you go” basis would significantly increase the program’s benefit to the small and mid-size rehabilitation project market.
- The Michigan historic preservation tax credit has a single assignment rule that makes it difficult for income producing property owners to syndicate tax credits because it requires individual investors to become partners in a project, which increases the investor’s risk and liability. Syndication is a financial strategy that allows a developer to monetize the future credits at the beginning of the project as part of the overall financing. The process works by allowing investors to participate in a fund that manages the process and assumes the risks while passing the credits on to member investors. As currently written, the state tax credit law prohibits the pass through of the credits from the fund to the individual investor, forcing investors to participate directly in a project and greatly reducing the value and opportunity to syndicate.

“I believe it’s more important than ever to enhance the quality of life, tourism, and economic development in Michigan by actively supporting preservation of the state’s assets. All levels of government need to recognize it’s a win-win situation in the long run. This state can’t wait until all is lost and expect to come out a winner.”

Survey Respondent

Correcting these issues would make the state tax credit program more attractive to both in-state and out-of-state investors and would substantially increase the rate of investment in Michigan’s historic resources and urban cores.

“New is Better” Attitude Devalues Historic Resources

Michigan suffers from what one survey respondent called a “social disinterest” in its historic resources. By buying into the premise that new is better, we devalue our heritage and fail to treat historic resources as community assets. The art of the state’s historic architecture goes unappreciated even though the design, workmanship and quality of materials cannot be economically duplicated today. The loss of continuity with our past leaves us with a barren future. Though individuals may be personally dismayed when they see a piece of their childhood—the state’s heritage—demolished, the collective attitude of Michigan’s citizens is one of resignation. There is an acceptance that the loss of historic buildings equals “progress” and the fear that if a community tries to take a stand and direct how it develops, developers will go elsewhere.

A Disconnect: Sense of Place and Historic Preservation

There has been increased discussion about the importance of “sense of place” and “community character” as strong economic and community development tools, but few Michigan governments are adopting policies that encourage the protection and reuse of historic buildings in order to preserve that character. Historic preservation seems to be the elephant in the room—everyone knows it is the way to achieve the goal of retaining a sense of place, but no one wants to make the commitment to protect historic resources. Instead, there is often talk of using “less stringent” guidelines, perceived to be more palatable to property owners, even though such lesser guidelines won’t produce the desired results.

Persistent Misinformation About Historic Preservation Practices

In Michigan the attitude toward historic preservation has long been shaped by misconceptions about the process and procedures of historic district designation. As a result many significant historic resources have been lost or left unprotected. Survey respondents indicated that the lack of knowledge of preservation practices at the local government level was especially damaging. Community leaders should be encouraged to learn the facts about preservation in order to make decisions about their historic resources that are based in reality, not on hearsay.

Little Hard Data on Preservation’s Economic Benefits

Until recently, there has been little hard, statistical data collected in Michigan about how historic preservation can benefit a community. An economic impact study published by the Michigan Historic Preservation Network in 2002 showed that preservation is a powerful economic development tool that creates jobs, increases property and resale values, and stimulates further investment. However, it showcased only a small number of communities and provided little information on commercial development. As a result, Michigan preservationists have had to rely on studies

“I’ve come to see the connection between Michigan’s attitude toward historic preservation, its attitude toward land use in general and the larger implications for economic development. A viable historic preservation strategy is an essential component of any effort to foster smart growth and maintain beautiful, vibrant communities that citizens will be proud of and want to live in.”

Survey Respondent

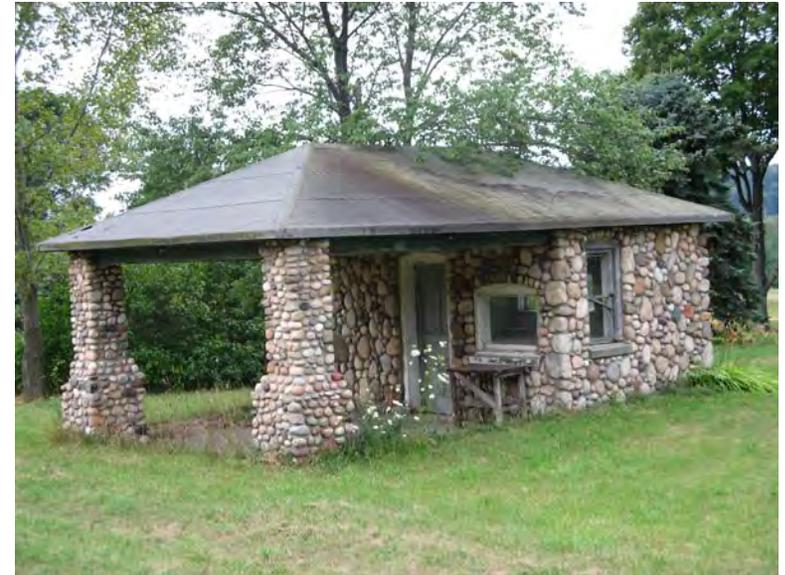
from other states that do not carry the same weight or generate the same buy-in that statistical studies of Michigan's communities would. Without hard facts, it is difficult to convince naysayers of the powerful, positive effect preservation can have on local economies.

State's Economic Challenges Hurt Preservation Efforts

The governmental belt-tightening going on across the state has had an effect on historic preservation. Many cities have lost historic preservation staff, and hiring freezes have prevented their replacement. Funding for preservation education programs and publications has all but dried up. Identification and incentive programs are at a minimum. Maintenance funds for historic resources are diminished or non-existent. All this is at a time when there is a push to refocus development on urban cores that contain a concentration of historic resources. It seems to be the best and worst of times for preservation in Michigan.

Preserving Michigan's Rural Landscape

While it is important to focus resources on Michigan's long-neglected downtowns, the need to protect the state's rural landscape cannot be ignored. According to a study by the Michigan Land Resource Project, southwest Michigan's "Fruit Belt" will suffer the most from development pressure over the next few years. Agricultural lands in southeast Michigan have already succumbed to sprawl development as people move farther out into the country from inner ring suburbs. By 2040 it is predicted that Michigan will lose a quarter of its fruit-producing land. The negative environmental consequences that result from replacing agricultural land with sprawl—loss of crop diversity, animal habitats, and recreation lands—and the higher costs of providing services to new developments are well known. Less understood are the negative impacts that result from the erosion of the state's character, history, and quality of life. When people visit Michigan five years from now will they still be able to taste fresh fruit, view barns and flowering orchards, and experience sunshine glittering on the water as they drive through the countryside? Or will they drive past gated communities that block their view of the lake and eat at chain restaurants located between strip malls? Michigan must understand that protecting its rural landscape will positively impact more than just the state's agricultural economy. It also affects tourism, lifestyle, and the ability to bring new businesses and workers to Michigan.



Gas Station, Shelby

Photo: Diana Clark

Michigan's Preservation Programs, 2001-2006

National Historic Landmarks

The **Ford Piquette Avenue Plant** was designated a National Historic Landmark in February 2006, becoming one of 2,500 landmarks designated nationally. Built in 1904, the three-acre plant is located in Detroit's Milwaukee Junction neighborhood. Designed by Field, Hinchman, and Smith of Detroit, the three-story brick building is significant as the birthplace of the assembly line system for automobile construction and of the Model T—the automobile that changed the world. The first Model T was built at the Piquette plant in 1908 and 12,000 more were built there before operations were moved to a larger facility in Highland Park.

National Register of Historic Places

There are more than 1,550 Michigan designations—encompassing over 10,000 resources—to the National Register of Historic Places. Between 2001-2006, eighty-four listings were added. Highlights from this period include:

The Acres in Galesburg, a naturalistic twenty-one-acre residential suburb designed by Frank Lloyd Wright. Established as a co-op in 1949 by a group of scientists from the Upjohn pharmaceutical company, the district contains four Usonian homes and a house designed by a Taliesin School fellow, each built on a one-acre circular lot.

Portland downtown commercial district, enables property owners to take advantage of the federal tax credit program. Portland is also a Michigan Main Street community,

Rosedale Park, a 1920s subdivision in Detroit consisting of more than 1,500 buildings

Laurium, a village in the Keweenaw Peninsula, with more than 600 resources

The **Walter and May Reuther House** on Paint Creek in Oakland County. Reuther was a leader in the world labor movement from 1936 until 1970 and served as the head of the United Auto Workers. Reuther worked with the architect Oskar Stonorov on the design of the International Style-influenced building, which was constructed in 1951.



Weisblat House, Galesburg

Photo: Pamela O'Connor

The **Pickle Barrel House** in Grand Marais, built in 1926 by Reid, Murdoch, and Company, a food manufacturer, as a summer cottage for Chicago Tribune cartoonist William Donahey, who drew a popular cartoon called the “Teenie Weenies.” The company retained Donahey to design labels for its brand of “Teenie Weenie” food products. “Teenie Weenie” pickles were packaged in a miniature oak barrel with a label designed by Donahey. The house, designed by Harold Cunliff of the Pioneer Cooperage Company, is a popular tourist attraction for visitors to the Pictured Rocks area.



Pickle Barrel House, Grand Marais

Photo: Cathy Egerer

Michigan Historical Markers

One hundred and five state historical markers were ordered between 2001 and 2005.

Highlights include:

- Two markers that honor significant African American historical sites in Detroit.

Paradise Valley. Once the site of a thriving African American business district that grew between 1910 and 1950, when Detroit’s black population increased from 5,000 to 300,000, the district was demolished through urban renewal and the federal highway program. The Paradise Valley commercial district, centered at the corner of Adams Avenue and St. Antoine Street, housed black-owned businesses from medical centers to retail shops to clubs and restaurants. Dinah Washington and Duke Ellington were among those that performed there.

The **Ossian Sweet House.** Ossian Sweet was an African American doctor who purchased a house in a white neighborhood in 1925. A mob of protesters pelted the house with rocks and bricks in an attempt to drive the Sweets from their home. A protestor was killed and the Sweets were charged with murder in what became one of the most celebrated cases in Detroit’s legal history. Clarence Darrow, the well known Scopes trial lawyer, defended the Sweets.

- The **Piquette Avenue Ford Plant**, birthplace of the Model T and the idea of the assembly line for automobile construction.
- **Ottawa Beach Resort** constructed on the shores of Lake Michigan beginning in 1886. Many prominent business people, furniture makers, and politicians, including the family of former President Gerald R. Ford, owned vacation cottages here.

Michigan Main Street

The Michigan Main Street program, an economic revitalization program based in historic preservation, began in June 2003 with the selection of four communities: Boyne City, Calumet, Marshall and Portland. The program is managed through the cooperative efforts of the State Historic Preservation Office (SHPO), the Michigan State Housing Development Authority (MSHDA), and the National Main Street Center.

In June 2004 the Michigan Main Street program added three additional communities: Clare, Muskegon and Niles, as well as a staff architect. In June 2005, Grand Haven, Howell, Ishpeming and Midland were inducted into the Michigan Main Street program. New to the program in 2006 are Iron Mountain and Lansing Old Town.

Each year the Michigan Main Street program accepts up to four new communities and provides hundreds of thousands of dollars in technical services, including façade rehabilitation drawings, a market study, community development training, volunteer training and other practical workshops. As the table below suggests, the volunteer-driven Main Street program is revitalizing traditional downtown commercial districts.

Michigan Main Street Communities 2003-2005*

New Businesses	35
New Full-Time Employees (FTE)	102
Private Investment	\$760,800
Volunteer Hours	21,100
Facade Rehabilitation	\$79,900

* Due to insufficient data, figures are incomplete and represent minimum values.



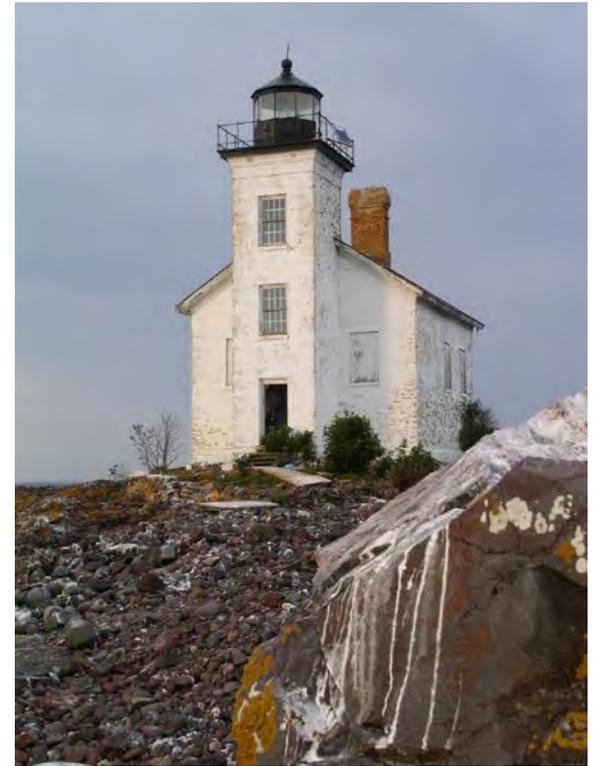
Michigan Lighthouse Assistance Program

The state of Michigan has 120 lighthouses along its 3,200 miles of shoreline—more than any other state. Lighthouses were built in the United States as early as 1789 and continued to be built until after World War II, but modern technology has made them obsolete. No longer is a keeper required to live on site to service the lights that remain to ensure safe navigation. In 1999 the Coast Guard announced it was decommissioning seventy Michigan lighthouses. To facilitate their transfers to new owners and assist in their protection and preservation, the Michigan Lighthouse Project was established. Since 2000 approximately \$5,277,000 has gone toward the restoration of Michigan's Lighthouses through grants from the Michigan Lighthouse Assistance Program, the Clean Michigan Initiative, and the Transportation Enhancement program and associated matching funds. Introduced in 2001, the Michigan "Save Our Lights" license plate generated more than \$900,000 in revenue for lighthouse restoration between 2001 and 2006.

Eighteen of Michigan's lighthouses were listed in the National Register of Historic Places between 2001-2006.

Michigan Lighthouse National Register Listings 2001-2006 by County

Alpena Light, Alpena	Menominee Pierhead Light Station, Menominee
Charlevoix South Pierhead Light, Charlevoix	Middle Island Light, Alpena
DeTour Reef Light Station, Chippewa	Minneapolis Shoal Light Station, Delta
Fourteen Foot Shoal Light Station, Cheboygan	Muskegon South Breakwater Light, Muskegon
Frankfort North Breakwater Light, Benzie	Muskegon South Pierhead Light, Muskegon
Lansing Shoals Light Station, Mackinac	North Manitou Shoal Light Station, Leelanau
Ludington North Breakwater Light, Mason	Poe Reef Light Station, Cheboygan
Manistique East Breakwater Light, Schoolcraft	Poverty Island Light Station, Delta
Martin Reef Light Station, Mackinac	Spectacle Reef Light Station, Cheboygan



Gull Rock Light Station
Photo: Bryan Lijewski

Historic Preservation Tax Credits

The use of historic preservation tax credits to rehabilitate historic buildings leverages private investment capital in Michigan's communities and creates a "ripple effect" by stimulating other economic activities in adjacent areas. The Heartside and Wealthy Street Historic Districts in Grand Rapids are excellent examples. Rehabilitating a historic building for a new use regenerates the tax revenue that was lost to the city while a building stood empty. It creates more local jobs than new construction, and it results in a landscape that is attractive to residents and tourists, an important consideration in a state where tourism brings more than \$12 billion in revenue to Michigan annually. Rehabilitated historic buildings provide a range of rental rates that encourage business start up and attract diverse businesses--85 percent of all new jobs in America are created by small businesses.

Federal and State Historic Preservation Tax Credits

Year	Total Projects	Rehabilitation Expenditures	Direct Investment	Indirect Impact	Total Economic Impact	Number of Jobs Created
2002	20	\$152,101,076	\$2,103,660	\$175,793,399	\$329,998,135	3,809
2003	35	\$80,948,412	\$24,191,894	\$119,858,949	\$225,000,255	2,597
2004	53	\$147,537,714	\$6,603,424	\$175,720,897	\$329,862,036	3,807
2005	56	\$273,783,947	\$192,682,493	\$531,771,742	\$531,771,742	11,522

Local Historic Districts and Certified Local Governments

Sixty-five Michigan communities have local historic district ordinances pursuant to Michigan's Local Historic District Act, Public Act 169 of 1970 as amended. Others use advisory ordinances or historic overlay zones as a means of protection. The total number of designated local historic districts is 700. Single resource districts comprise 534 of those districts, while multiple resource districts number 166. More than 20,000 historic resources are protected under local historic district designation. Rehabilitation of historic properties within these districts is eligible for state historic preservation tax credits. Certified Local Governments (CLG) are participants in a National Park Service program. The State Historic Preservation Office is required to set aside 10 percent of the federal funding it receives to operate its programs through the Historic Preservation Fund for CLGs. Michigan currently has eighteen CLGs.

Michigan Communities with Local Historic District Ordinances

Adrian	Canton Township*	Green Oak Township	Linden	Niles	Saugatuck
Allegan *	Charlevoix	Grosse Pointe Farms	Livonia	Northville	Southfield
Ann Arbor*	Chelsea	Hart	Lowell	Oakland Township	Troy
Battle Creek*	Clarkston	Holland*	Mason*	Plymouth	Traverse City
Bay City*	Detroit*	Holly	Menominee*	Pontiac	Utica
Benton Harbor	East Lansing*	Huntington Woods	Midland	Port Huron	Vergennes Township
Birmingham	Farmington Hills*	Jackson*	Monroe*	Portage	Warren
Boyer City	Flint	Kalamazoo*	Mount Clemens	Rochester Hills	Washtenaw County*
Cadillac	Frankenmuth	Kentwood	Mount Pleasant	Royal Oak	Waterford Township
Calumet	Franklin	Lansing*	Muskegon	Saginaw	Ypsilanti*
Calumet Township*	Grand Rapids*	Lathrup Village	New Baltimore	Saline*	

*Certified Local Government

Michigan's Twenty-Five Largest Residential Local Historic Districts

Community	District Name	Number of Resources	Date Established
Grand Rapids	Heritage Hill	1,311	1973
Detroit	Russell Woods/Sullivan	1,000	1999
Ann Arbor	Old West Side	917	1978
Kalamazoo	Vine Area	904	1990
Detroit	Boston Edison	900	1974
Ypsilanti	Ypsilanti	810	1978
Detroit	Hubbard Farms	604	1993
Pontiac	Seminole Hills	580	1990
Battle Creek	Old Advent Town	515	
Detroit	Sherwood Forest	435	2002
Kalamazoo	Stuart Area	389	1982
Traverse City	Central Neighborhood	385	1983
Ann Arbor	Old Fourth Ward	373	1983
Saginaw	Heritage Square	349	1975
Jackson	Under the Oaks	333	1990
Detroit	West Village	325	1983
Detroit	Oakman Boulevard	300	1989
Pontiac	Modern Housing Corp	264	1990
Detroit	Indian Village	243	1971
Grand Rapids	Fairmont Square	241	1999
East Lansing	College Grove	233	1988
Flint	Carriage Town	231	1984
Detroit	Atkinson Avenue	225	1984
East Lansing	Chesterfield Hills	217	1988

Michigan's Five Largest Commercial Local Historic Districts

Community	Historic District	Number of Resources	Year Established
Calumet	Civic & Commercial	137	1997
Traverse City	Downtown	124	2000
Pontiac	Pontiac Commercial	101	1990
Ann Arbor	Main Street	96	1989
Battle Creek	Central Business	67	1981

Certified Local Government Grants 2001-2006

Year	CLG Community	Project	Grant Award
2001	Allegan	Allegan Community Center Feasibility Study	\$15,000
	Canton Township	Cherry Hill National Register Nomination	\$7,000
	Detroit	South Cass Corridor Survey	\$24,586
	Detroit	Engine House #11 Exterior Restoration	\$40,000
	Washtenaw County	Hack House Museum Restoration	\$28,000
			2001 Total: \$114,586
2002	Detroit	Fort Wayne Theater and Guardhouse Roofs	\$31,000
	Detroit	East Jefferson National Register Nomination	\$16,000
	Lansing	Automobile Heritage Historic Resource Survey	\$14,000
	Monroe	River Raisin Archaeological Management Plan	\$17,000
	Washtenaw County	HistWeb:Washtenaw County Historic Resources in GIS - Phase I	\$14,500
			2002 Total: \$92,500
2003	Canton Township	Michigan Historic Cemeteries Preservation Guide	\$5,000
	Detroit	South Rosedale Park National Register Nomination and Informational Brochure	\$30,000
	Jackson	Downtown Jackson Intensive Level Survey	\$15,000
	Ypsilanti	Freight House Rehabilitation Project	\$30,000
			2003 Total: \$80,000

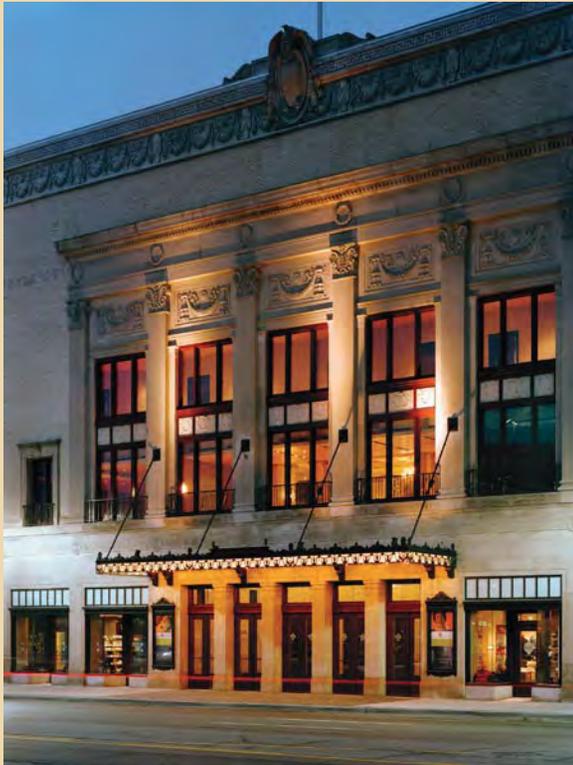
Year	CLG Community	Project	Grant Award
2004	Allegan	Griswold Auditorium Rehabilitation Project	\$45,000
	Washtenaw County	HistWeb:Washtenaw County Historic Resources in GIS - Phase II	\$25,000
	Washtenaw County	Design Guidelines Workshop	\$5,000
	Various CLGs	Scholarships to the National Alliance of Preservation Commissions Conference	\$2,500
			2004 Total: \$77,500
2005	Detroit	Eastern Market National Register District Boundary Expansion and Promotional Brochure	\$7,200
	Jackson	Michigan Theater Rehabilitation Project	\$25,000
	Washtenaw County	Village of Manchester Survey and Local Historic District Ordinance and Study Report	\$21,600
	Ypsilanti	Freight House Rehabilitation Project	\$25,000
			2005 Total: \$78,800

Governor's Award for Historic Preservation 2003-2006

With the establishment of the Governor's Award for Historic Preservation in 2003, Governor Jennifer Granholm became the first Michigan governor to officially recognize historic preservation achievements in the state. The Governor's Award recognizes Michigan people and communities that combine planning, vision, creativity, and progressive thinking with an appreciation for the state's history and character. Recipient projects demonstrate the highest preservation standards, reflect a sense of cooperation through strong partnerships, serve as a catalyst for positive change, and encourage further investment in the community.

Year	Community	Project	Recipients
2003	Jackson Shelby Township	Jackson Post Office Packard Motor Car Company Proving Ground	Consumers Energy Shelby Township, Ford Motor Land Development Corporation, and the Packard Motor Car Foundation
	Niles	Fort Saint Joseph Archaeological Investigation	City of Niles, Fort Saint Joseph Museum, Western Michigan University, and Support the Fort
	Kalamazoo	Rehabilitation of a 1910 Residence in the South Street Historic District	John and Judith Pulver
	Ann Arbor	Rehabilitation of an 1892 Residence in the Old Fourth Ward Historic District	Jeff and Ellen Crockett
2004	Detroit	Orchestra Hall	Save Orchestra Hall, The Detroit Symphony Orchestra, and donors
	Ann Arbor Township	Maple Road-Foster Street Bridge	Washtenaw County Road Commission, Barton Village Trustees, Citizens for Foster Bridge Conservancy, and Ann Arbor Township
	Big Rapids	Nisbitt and Fairman Buildings	Big Rapids Housing Commission and Hollander Development Company
	Escanaba	Escanaba Junior High School	Escanaba Area Public Schools and Diekema Hamann Architects

Year	Community	Project	Recipients
2005	Grand Rapids	Berkey and Gay Furniture Factory and American Seating Company	Pioneer Construction
	Kalamazoo	Rehabilitation of an 1891 Residence in the Vine Neighborhood Historic District	Breisach Family
	Battle Creek	Youth Building	Finlay Development
	Benton Harbor	Fidelity Building	Schostak Brothers and Company and The Sterling Group
	Detroit	Merchant's Row	
Grand Rapids	Ebling Building and Residences, Fairmont Square Historic District	David and Barbara Huyser	
2006	Niles	"Big Brown Take Down" Removal of 1970s Aluminum Cladding from Two Blocks of Historic Commercial Buildings	City of Niles Planning Department, the Southwestern Michigan Economic Growth Alliance, the Niles Downtown Development Authority, and the Greater Niles Community Development Corporation
	Saginaw	Temple Theater Restoration	Peter and Samuel Shaheen
	Sault Ste. Marie	DeTour Reef Lighthouse	DeTour Reef Light Preservation Society
	Charlevoix	Castle Farms (Loeb Farm Barn complex)	Linda and Richard Mueller
	Dearborn	Fordson High School Addition	Dearborn Public Schools and TMP Associates
	East Lansing	Saint's Rest Archaeological Investigation	Michigan State University
	Royal Oak	B & C Grocery Building	Jon A. Carlson
	Traverse City	City Opera House	City of Traverse City, City Opera House Heritage Association, City Opera House LLC, and Quinn Evans Architects
Warren	General Motors Technical Center	General Motors Corporation and Building Conservation Associates, Inc.	



Orchestra Hall, Detroit



City Opera House, Traverse City

Photo: Todd Walsh



*714 Wheaton Avenue, Kalamazoo
Photo: Jeff Breisach*

Office of the State Archaeologist

The Office of the State Archaeologist (OSA) marked several milestones during the past five years.

Michigan Archaeology Month

Since 2003 Governor Granholm has officially proclaimed October as Michigan Archaeology Month. The OSA, which has been holding an annual Archaeology Day with the Michigan Historical Museum (MHM) since 1997, expanded the program into a month-long forum that features tours, talks, and hands-on activities about archaeology at numerous locations across the state. Michigan Archaeology Month events are sponsored by chapters of the Michigan Archaeological Society and by members of the Conference on Michigan Archaeology. The OSA and the MHM provide coordination and publicity. In 2005 more than seven hundred people attended these events.

Digging Up Controversy Exhibit

During 2003-2004 the OSA partnered with the MHM in planning and implementing a temporary exhibit entitled, "Digging Up Controversy." The exhibit portrayed the case of the "Michigan Relics," in which fake artifacts were made by hoaxers during a period from about 1890 to 1920. Unsuspecting citizens were duped into paying for the opportunity to "discover" the forgeries, which were sometimes planted in actual archaeological sites. The exhibit, which also included several examples of other archaeological hoaxes, drew well over 30,000 visitors during its eleven-month run. The OSA also installed several smaller displays depicting nineteenth century addictions, the Chippewa village of Shin-gwah-koos-king, childhood school and play, and pre-contact ceramics, all of which included artifacts from national register-listed and eligible sites.

Thunder Bay National Marine Sanctuary and Underwater Preserve

In 2000 the National Oceanic and Atmospheric Administration (NOAA) provisionally established the Thunder Bay National Marine Sanctuary and Underwater Preserve in Alpena in partnership with the State of Michigan. The OSA played a prominent role in helping the sanctuary become a reality. In 2002 the OSA hired its first marine archaeologist, who is stationed at Thunder Bay, where he works to identify, record and manage significant shipwrecks and other underwater cultural resources. In 2005 the sanctuary became a permanent establishment and moved into its new quarters in a beautifully refurbished building.



Shipwreck, Thunder Bay

Photo: Wayne Lusardi

Archaeological Collections

One of the important roles that the OSA fulfills is as a repository that meets the federal requirements for the curation of archaeological collections. During the past five years, the OSA has received collections resulting from 128 Cultural Resource Management (CRM) projects and 15 research projects on sites eligible for or listed in the National Register of Historic Places. It acquired more than 250 boxes of artifacts and records from CRM projects when an archaeological contractor went out of business. When Alma College ended its archaeology program, OSA accepted its collections and associated records from 207 sites documented through surveys funded by National Park Service Historic Preservation sub-grants. OSA is currently negotiating a similar agreement with another university that will soon end its archaeology program.

New Protective Legislation Sought

In the realm of preservation, the OSA continued to carry out the archaeological aspects of the State Historic Preservation Office's (SHPO) federal program. This included the review of more than 1,000 projects annually in fulfillment of the Section 106 requirements of the National Historic Preservation Act. Currently, the OSA and the SHPO are working with legal counsel within the Department of History, Arts and Libraries to draft state legislation that would serve to protect not only those cultural resources on state land, but also those resources that may be affected by state-funded projects. The OSA also annually reviews more than 5,000 state actions, including oil, gas and mineral leases, state forest projects, state lands released for public sale, and underwater salvage permits.



*Grand Traverse Light Excavation
Photo: Dean Anderson*

Results of the 2005 Preservation Survey

Results of the 2005 Preservation Survey

In the summer of 2005, a survey was sent to over five hundred people connected to the preservation of Michigan's resources whether as a developer, consultant, local official, historic district commissioner, city planner, historical society member, or state government employee. Here is a summary of their responses.

The most important reason to preserve Michigan's historic resources:

1. Protect Heritage
2. Community Revitalization
3. Economic Development
4. Quality of Life
5. Sense of Place

Michigan's most threatened historic resources:

1. Commercial
2. Farm/Agriculture
3. Schools
4. Residential
5. Public Buildings

6 to 1 would support a state bond issue to create a cultural resource fund

Top Threats to Michigan's Historic Resources:

1. Lack of knowledge and/or understanding of historic preservation and its benefits
2. Sprawl and inefficient land use
3. Lack of funding and incentives to make rehabilitation projects cost effective
4. Short sightedness and lack of vision by public officials and developers
5. Land economics and greed
6. Lack of a cohesive state policy toward historic resources

Something to think About - Potential Opportunities

- Allow Michigan's colleges and universities to syndicate restoration projects to interested alumni and other parties who take advantage of the [preservation] tax credits and then "gift" the restored buildings back to the institutions.
- Set recycling limits for universities, municipalities, and non-profits (in order to get their tax status and their tax monies from the state) and include buildings, streetscapes, parks & sculptures in the list of credits on that recycling
- Develop an apprentice/journeyman curriculum for high school and/or college students that provides students with voc-ed training in plumbing, carpentry, masonry while providing low cost labor for rehabilitation projects. Could be a volunteer work program or students could work to pay off college loans
- Tax abatements or tax freezes for properties designated as local historic districts similar to what is provided by obsolete property certification or Act 198 for industrial properties.



*PROGRESS REPORT:
PRESERVATION HIGHLIGHTS
2001-2006*

Michigan Main Street Program Established

In 2001 stakeholders from around the state met to discuss a community revitalization strategy for Michigan's downtowns. The establishment of a statewide Main Street program for Michigan emerged as the top strategy. In 2002 a contract was signed between the Michigan Economic Development Corporation and the National Trust for Historic Preservation's Main Street program to create a program in Michigan. Main Street is a comprehensive, action-oriented approach to economic development based on a four-point approach that includes design, organization, promotion, and economic restructuring. The ratio of reinvestment in an individual community is high—\$39.96 is reinvested in each community for every \$1 spent to operate a local Main Street program. As of November 2006, thirteen Michigan communities are participating in the Main Street program: Boyne City, Calumet, Clare, Grand Haven, Howell, Iron Mountain, Ishpeming, Lansing Old Town, Marshall, Midland, Muskegon, Niles, and Portland.



Revised State Building Code Benefits Historic Buildings

The Michigan Rehabilitation Code for Existing Buildings, adopted in 2003, allows for more flexibility in applying building code requirements to National Register-listed or locally designated historic buildings. Building code is typically written to meet the needs of new construction. In the past, rehabilitation projects were often required to comply with code even though it meant the loss of significant historic features. The revised code enables the retention of historic materials and features while protecting public safety and makes rehabilitation easier and more cost effective.

Elimination of the State Tax Credit Sunset Clause

When the Michigan state tax credit legislation was signed into law in 1999, it contained a sunset clause that stated the incentive could be rescinded in five years. The success of the program resulted in the early elimination of the clause in 2001. In 2005 alone, the state preservation tax credit program generated over \$1.9 million in investment in residential historic resources in twenty-six communities.

Reports Promote Economic Benefits of Historic Preservation

The Michigan Historic Preservation Network, the state's preservation nonprofit, worked with Clarion Associates of Denver, Colorado, to develop a statistical report on how historic preservation benefits Michigan communities. The report, entitled *Investing in Michigan's Future: The Economic Benefits of Historic Preservation*, was the first of its kind in Michigan and was instrumental in showing the broad range of positive effects historic preservation has on property and resale values, job creation and reinvestment. A second report, entitled *A Civic Gift: Historic Preservation, Community Reinvestment, and Smart Growth in Michigan*, was the result of a partnership with the Michigan Land Use Institute and was included in its smart growth series. The report used case studies to highlight successful preservation projects in five communities and show how the projects sparked further investment. Both publications made the case for including historic preservation in state and local economic development strategies.

Michigan Historic Preservation Network Field Representative

The Michigan Historic Preservation Network (MHPN) received a grant from the National Trust for Historic Preservation and the Americana Foundation in 2004 and 2005 to hire a field representative to assist communities in their preservation efforts. Having a field representative on staff has enabled the MHPN to expand its efforts in community outreach, fundraising, training, and preservation advocacy. The MHPN was recently named a recipient of a 2005 Advocacy Training Grant from the National Trust for Historic Preservation.

Increased State Partnerships Among State Agencies

The effort to establish a Michigan Main Street program resulted in an exciting new relationship between state agencies. For the first time, the State Historic Preservation Office, the Michigan State Housing Development Authority (MSHDA), and the Michigan Economic Development Corporation (MEDC) worked closely together to reach the same goal. The resulting partnership led to collaborations on other projects and the inclusion of historic preservation as a central component in the Cool Cities Initiative. In addition, MSHDA and MEDC have been key players in the development of the Cultural Economic Development Strategy for the state led by the Department of History, Arts and Libraries. A new paradigm for program development has been established at the state level that will improve community and economic revitalization efforts in Michigan.

Enhanced Michigan Historical Marker Legislation Passed

New state legislation was adopted for Michigan's Historical Marker program. Public Act 488, adopted in 2002, requires that work undertaken on a historic resource that has a Michigan Historical Marker must follow the *Secretary of the Interior's Standards for Rehabilitation*. If work does not meet the standards, the marker will be removed. For the first time, the Michigan Historical Marker program can be considered a preservation program, not just an honorary designation.

Traveling Through Time Published

The University of Michigan Press, working with the State Historic Preservation Office, released an updated guidebook, *Traveling Through Time: A Guide to Michigan's Historical Markers*, for the nearly 1,500 state historical markers that have been erected across the state. The guide was first published in 1991. It is an excellent public relations tool and serves as a resource for tourists and residents who want to learn more about Michigan's history. Royalties from the book support State Historic Preservation Office programs.

Michigan's Historic Sites Online Goes GIS

The state's database of National Register and State Register-listed properties was upgraded to a Geographic Information System (GIS) in 2004. This new application, *Historic Sites Online*, enables users to search for Michigan's historic sites by keyword or location, and provides background information about the property as well as images. Nearly 16,000 hits were recorded for *Historic Sites Online* in 2005. Use of *Historic Sites Online* is required as part of the SHPO Environmental Review process.

Historic Context Statement on Schools

A statewide historic context statement provides background information on the people, time periods, and trends that helped shaped Michigan schools. In 2003 a study of public school buildings in Michigan, entitled *An Honor and an Ornament: Public School Buildings in Michigan*, was completed by ICON architecture, inc. of Boston, Massachusetts. The report explains the developmental history of Michigan's school buildings including their styles and types and the architects associated with them. Historic schools are recognized as one of the nation's most threatened historic resources. This study provides information that can be helpful in deciding the fate of historic school buildings; whether they should be updated and continue in use as schools or sold and rehabilitated for a new use.

Woodward Avenue Named Michigan's First National Scenic Byway

In June 2002 Woodward Avenue (M-1) became a National Scenic Byway, the first roadway in Michigan to receive this designation. Administered by the Federal Highway Administration, the Byways Program "recognizes a distinctive collection of American roads, their stories and treasured places." Woodward Avenue has been a significant transportation route for the city of Detroit for over three hundred years. It blossomed with the success of the automobile industry. In 1909 the first mile of concrete highway constructed in the world was laid on Woodward Avenue between Six and Seven Mile Roads. In 1919 the first three-colored traffic light was installed. Woodward Avenue became a major artery through Detroit when it was widened to eight lanes beginning in 1926. Once known as the "busiest street in the nation," the twenty-seven mile highway is home to cultural icons such as the Detroit Institute of Arts and the Fox Theatre. Woodward Avenue was designated a Michigan Heritage Route in 1999 and is part of the MotorCities Automobile National Heritage Area.

US-12 Named a Michigan Heritage Route

The Michigan Department of Transportation designated more than 200 miles of US-12 from Detroit to New Buffalo a Michigan Heritage Route in May 2004. Also known as the Sauk Trail, the Chicago Road, and Michigan Avenue, the route passes through eight Michigan counties on its way to Chicago. It is one of the oldest transportation routes in the state, first serving as the major east-west corridor for Native Americans. In the 1820s it became a Military Road and then the primary road for the massive wave of settlers that entered the state after the opening of the Erie Canal. The designation will assist communities in developing a cultural/heritage tourism plan for the corridor. A video entitled *From Moccasins to Main Street*, developed with Transportation Enhancement funds, has been released to promote the heritage route.



Cultural/Heritage Tourism Grant from Preserve America

In May 2006 the State Historic Preservation Office (SHPO) received a grant from *Preserve America*, a White House initiative that encourages local community efforts to preserve—and use—our nation’s cultural heritage. The National Park Service administers the program. The purpose of the grant is to establish a regional cultural/heritage tourism program for a 170-mile corridor between New Buffalo and Ludington, old US 31, and the Lake Michigan shore. The SHPO will partner with thirteen local communities (New Buffalo, Benton Harbor, St. Joseph, South Haven, Grand Haven, Saugatuck, Douglas, Holland, Muskegon, Montague, Whitehall, Pentwater, and Ludington); Beachtowns, Inc.; Travel Michigan; the Michigan Council for Arts and Cultural Affairs; and the Michigan Department of Transportation (MDOT). Work will include a historic resource survey, development of community tourism strategy plans, a visual assessment of entry points to the communities and the overall region, workshops and training opportunities, and the creation of a Regional Cultural/Heritage Tourism Advisory Board. The two-year grant will provide the foundation for an application to the MDOT Heritage Route program.





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The purpose of this plan is to provide a framework for the preservation activities of state and local agencies, preservation organizations, and the nonprofit, public, and private sectors. This plan will serve to direct historic preservation in the state of Michigan for a five-year period from 2007 through 2012.

Though budget constraints limited the ability to conduct preservation-specific forums in preparation for the plan, historic preservation has been included as a topic of discussion in an above-average number of statewide planning initiatives over the past three years. These initiatives have involved local citizens, state agencies, and nonprofit organizations and have specifically addressed how historic preservation can contribute to community revitalization, economic development, and the creation of a new land use paradigm in Michigan. Examples include:

- The Department of History, Arts and Libraries (HAL) was a participating member in the governor's Michigan Land Use Leadership Council (MLULC) in 2002. The MLULC's final report included a number of recommendations for the inclusion of historic preservation as a sound land use policy for Michigan.
- The creation of the Cool Cities Initiative, an economic revitalization program, refocused state resources to Michigan's downtowns. The State Historic Preservation Office (SHPO) staff participated at the program planning level and continues to be actively involved. Cool Cities is a grassroots driven program and dozens of site visits and workshops were held in local communities to discuss the initiative with local stakeholders. Historic preservation continues to be a prominent topic in Cool Cities discussions.
- The Michigan Department of Transportation's efforts to develop a policy on context sensitive solutions for transportation projects. Planning teams included representatives from the private and public sector and one committee was dedicated to discussions of community development and historic preservation.
- The Department of History, Arts and Libraries worked with representatives from arts and culture-related organizations to develop a cultural economic development strategy for the state. Historic preservation is a key component of the strategy.
- The National Trust for Historic Preservation brought together the wide range of preservation organizations that exist in the city of Detroit in an effort to develop a coalition that can work collaboratively and have a stronger voice about the role historic preservation can play in the city's revitalization.
- For the first time in its twenty-five-year history, the Michigan Historic Preservation Network (MHPN), Michigan's statewide preservation nonprofit, has had a field representative on staff. For the past two years, the field representative has worked with communities across Michigan and shared their concerns with the preservation community at large.

In addition the SHPO developed a written survey in December 2004 and included it in all correspondence mailed from the SHPO during a four-month period. The survey was also distributed at workshops and at the annual conference of the Michigan Historic Preservation Network in April 2005. The response to this effort was minimal. As a result, the survey was revised in late spring 2005 and an e-mail list of more than 500 stakeholders was developed using information gathered from Internet websites. Stakeholders included board members from organizations such as the Michigan Association of Planners, the Michigan Association of Realtors, the Michigan Downtowns Association, the Michigan Economic Developers Association, the Detroit Historic Neighborhood Coalition, the Michigan Historic Preservation Network, and the Michigan Metropolitan Planning Council, as well as attendees from historic preservation workshops, Cool City Initiative participants, historic district commissioners, and others. In addition to the stakeholders list, the revised survey was also sent to a 250-member historic preservation listserv and the Michigan Main Street listserv. An interactive version of the survey was placed on the SHPO website to facilitate response. Within a two-week period more than 150 responses were received.

SHPO staff used the information obtained through participation in the statewide planning initiatives and the survey responses to assess the goals of the last planning cycle, identify new threats and opportunities for historic preservation, and determine the goals for the next five years. A draft plan was submitted to a list of stakeholders for review and comment.

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