

Tools For Managing Change: Strategies to Guide Growth and Promote Preservation in Chestnut Hill

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Chestnut Hill is a Philadelphia neighborhood with a unique and distinguished local identity. An early railroad suburb of Philadelphia, Chestnut Hill boasts residences by the City's leading 19th century architects such as G.W. & W.D. Hewitt, Horace Trumbauer and Wilson Eyre and prominent 20th century architects including Louis Kahn, Mitchell/Guirgola and Robert Venturi. In 1997, then Mayor Ed Rendell declared Chestnut Hill a "Philadelphia's Garden District," a testimony to the neighborhood's natural wonders, found in the Wissahickon Valley portion of Fairmount Park and in local conservation areas such as the Morris Arboretum. These defining features can be retained and enhanced as Chestnut Hill welcomes change and growth.

Planning methods, programs and policies will influence development in Chestnut Hill to preserve valued qualities and features while also promoting a vibrant, livable and inclusive neighborhood. This report presents strategies for managing change in Chestnut Hill, providing recommended Tools that can be implemented locally to guide development and preservation. These Tools have been divided into three themes, reflecting the three leading issues perceived by the Chestnut Hill community: 1) Preserving Architectural Integrity; 2) Managing Subdivision and Redevelopment of Land; and 3) Protecting the Wissahickon Watershed.

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1. Preserving Architectural Integrity

1.a. Local Historic District

Tool

A local historic district is a collection of historic resources that are within a geographic boundary or linked thematically. A National Register Historic District does not place obligations or restrictions on the owner. A local historic district does place restrictions on the building owner, providing more protection to the building and neighborhood.

In Philadelphia, the Historical Commission designates and oversees local historic districts. Anyone can nominate a district for review by the Commission. For buildings in a local historic district in Philadelphia, the Historical Commission has jurisdiction over the “entire exterior envelopes of buildings, their sites and all site appurtenances”(Philadelphia Historical Commission). The Commission’s staff reviews all building work that requires a permit or that changes a property’s external appearance, including roofing, masonry and pointing, gates and fences, painting and window replacements. Most of these reviews are approved within a few days by Commission staff. For more complicated cases, the Historical Commission and the Architectural Committee will conduct a review. The Commission determines its decision based on The Secretary of the Interior’s “Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings,” as well as a consideration of the proposed work, its compatibility within its surroundings, and the design. For larger projects, the Commission recommends conferring with staff early in the project’s planning stages. The Philadelphia Historical Commission does not have control over new construction, but has a 45-day period of comment.

There are 125 locally designated historic sites in Chestnut Hill, with a high density situated on Summit Street north of Germantown Avenue. Chestnut Hill was designated as a national historic district in 1985, and includes 1,987 contributing properties. The District recognizes Chestnut Hill as a distinct residential neighborhood with a range of architectural styles, and significant historic resources dating from the 18th through 20th century.

Example

Brookline, Massachusetts is a good example of a community that has used local historic districts to influence new development. In Brookline’s five historic districts, the Preservation Commission has the power to “prevent demolition or inappropriate alteration of exterior features of any building within the district, as well as the construction of any new building which would be incongruous with the historic aspects or architectural characteristic of its surroundings”(Brookline Preservation Commission). The town has created Specific Design Guidelines to encourage appropriate design and ease the application process.

The Brookline Preservation Commission reviews all new construction, including new buildings on subdivided properties. Applicants meet with Commission staff for a preliminary design discussion before the formal design process. The criteria for new construction includes guidelines for the placement and size of garages, and the Commission will make recommendations as to the size, shape, and setbacks of the building.

Impacts

A 2010 study carried out by Econsult for the Preservation Alliance of Philadelphia identified positive economic impacts linked to the local historic districts in Philadelphia, including a positive effect on property values. According to the report, homes within a local district are found to trade at a 22.5 percent premium to homes that are not in historic districts. The homes in a historic district have a 2.0 percent increase in values related to

the city average once they are designated, and each following year they appreciate at an annual rate that is 1 percent higher than the city average (Econsult 2010).

Chestnut Hill can pursue designation as a local historic district. The protections provided by a historic district will regulate alterations to existing buildings, preserving the architectural integrity of the neighborhood's many significant structures. A historic district will also help to maintain property values.

Sources

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City of Philadelphia "City Of Philadelphia Historic Preservation Ordinance, Chapter 14-1000 With Pertinent Excerpts From Other Sections Of The Zoning Code" 2012, (accessed 2/2017 <http://www.phila.gov/historical/PDF/historic%20preservation%20code%208-22-2012.pdf>)

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1.b. Overlay Zoning District for Historic Properties

Tool

A Historic Resource Overlay District is designated on the municipal Zoning Map or through designating criteria, such as properties identified on a Historic Resource Inventory. In addition to the permitted uses of the underlying zoning district, the properties are also allowed additional uses and often relief from area and bulk regulations such as setbacks, impervious cover or height limitations. To remain within the Historic Resource Inventory and benefit from the additional permitted uses, the property must maintain its criteria of integrity.

Example

In Lower Merion, the Historic Resource Overlay District includes Class I Historic Resources and Class II Historic Resources. The Historical Architectural Review Board or the Historical Commission must first review the additional permitted uses prior to the Board of Commissioners' approval, although these bodies are only advisory. Uses permitted by a Class I Historic Resource include the following: a bed and breakfast, studio, gallery or gift shop, accessory apartment, a historic resource home occupation for employees, a large house converted into a multifamily home, and a religious building converted into dwelling units. Uses permitted by a Class II Historic Resource are more expansive, including those uses for Class I Resources with more options.

Impacts

The Historic Resource Overlay District in Lower Merion Township serves as a supplemental tool for a community that retains a large amount of historic fabric, enhancing existing preservation restrictions. Lower Merion has seven local historic districts, and the Historic Resource Overlay includes buildings within these districts as well as individually locally listed structures. According to the Lower Merion Preservation Planner, the Historical Commission does not receive very many requests for the additional permitted uses that are incentivized by the Historic Resource Overlay District, but the tool is found to be a good contribution to an existing set of preservation tools. The township recently received a request for the conversion of a space above a carriage house to be used as an apartment.

Sources

Interview with Preservation Planner, Lower Merion Township, March 17, 2017.

Lower Merion Township, "Article XXVIA: Historic Resource Overlay District", (accessed 3/2017
<http://www.ecode360.com/6534511>)

1.c. Demolition Delay and Review

Tool

A demolition delay ordinance can be created as an amendment to the building code, as a stand-alone ordinance, or as a bylaw in an existing historic preservation or zoning ordinance (Paulus 2007). Demolition review (also referred to as "demolition delay ordinance" or "demolition ordinance") is a tool that "provides communities with the means to ensure that potentially significant buildings and structure are not demolished without notice or some level of review by a preservation commission"(Miller 2006). Demolition review does not prevent demolition but it allows for a time period for review, to find alternatives to demolition, to preserve or document certain characteristics or to pursue local historic designation and may therefore be a deterrent.

Examples

The demolition review process allows communities to protect historic assets without listing all of them locally. Some demolition reviews apply to all buildings over certain age. In Boston, all demolition permits go through the landmark commission, which establishes the age of the building to determine eligibility, with those over 50 years old subject to the policy. In Wilton, Connecticut, the applicant of the demolition permit is responsible for proving the age of the building. Other demolition review processes apply to structures that have been already recognized in a survey or on a state or national register. Furthermore, other demolition ordinances are applied by geographic area, covering all buildings within a certain extent. For example, Baton Rouge and Boston are cities that have written demolition ordinances for all buildings in the downtown. In Boston, demolition review applies to buildings within certain boundaries (as well as all structures over a certain age). Some of these geographic areas include residential neighborhoods, such as the Jamaica Plain Neighborhood Design Overlay District.

Demolition review is practiced in many cities, including Boston, Portland, Washington, D.C., Cambridge, Chicago and Denver. The activities that trigger a demolition review vary by city, and often are defined as a minimum percentage of the building that is demolished or removed. As Miller (2006) writes in a comprehensive study for the National Trust, demolition ordinances vary in their success. For communities with understaffed historic preservation offices, demolition review is an effective method for protecting historic resources.

Impacts

Demolition reviews are suited to cities that lack the capacity to locally list all of their historic resources, and therefore need a tool to ensure that historic buildings, or those that contribute to a neighborhood, are not demolished without notice. This tool is not as proactive as sometimes necessary, because preservation is only triggered by potential demolition. However, demolition delays do work. In Massachusetts, demolition reviews are “considered overwhelmingly successful”(Miller 2006).

Demolition review would be an effective tool in the City of Philadelphia, particularly because the city lacks a citywide survey of its historic fabric and a property cannot be nominated for local historic protection once its demolition permit has been filed. A demolition review would be an effective mitigation strategy, and it would allow more open and transparent transactions on the part of both developers and preservationists. Today, preservationists in Philadelphia conduct nominations in a guarded and hurried process to outpace the filing of potential demolition permits, causing tensions between city officials and preservation advocates. A transparent demolition review would involve a public process, and would give advocates and community members the time and platform for discussing potential demolitions. For Philadelphia, the triggers for a demolition review would need to be such that they protect the City’s widespread historic fabric but not dissuade development and growth. If age is the variable that catalyzes demolition review, the City would need to conduct a study to determine the actual ages of buildings, as much of the public records are inaccurate.

Sources

Julia H. Miller, “Protecting Potential Landmarks Through Demolition Review” (Washington: National Trust for Historic Preservation, 2006)

Emily Paulus, “Protecting Historic Resources Through Demolition Review” (Concord: New Hampshire Division of Historical Resources, 2007), (accessed 3/2017
https://www.nh.gov/nhdhr/publications/documents/demolition_review.pdf)

1.d. Local Tax Credit for Historic Rehabilitations and Restorations

Tool

An enabling legislation by a state can give localities the ability to adopt local tax credits for the rehabilitation of historic buildings. In practice, some tax credits are targeted at a certain building type and others are more general, depending on what type of rehabilitation investments the state seeks to encourage.

Examples

The South Carolina Abandoned Buildings Act is a 25% tax credit for the rehabilitation of vacant buildings for commercial use. The bill applies to all vacant buildings. Preservation advocacy groups encourage developers to combine the credit with the 10 percent state and the 20% federal historic preservation tax credits for historic rehabilitations.

Baltimore City Tax Credit for Historic Rehabilitations and Restorations offers a 10-year credit granted on the increased property value. The credit applies to residential and income-producing commercial historic properties. To receive the credit, the building must be situated within a National Register or local historic district, the property owners must invest at least 25% of the home's assessed value into the rehabilitation project, and the project must adhere to Baltimore City's historic preservation guidelines (National Trust 2014).

North Carolina's State Mill Rehabilitation Tax Credits target the rehabilitation of historic textile, tobacco or furniture plants. The credit can be applied to income and non-income producing properties for a certified rehabilitation. The credit varies throughout the state, but some counties will provide as much as a 40% state tax credit.

Impacts

The passage of the South Carolina Abandoned Buildings Act was partly supported by a study revealing its economic benefits. According to a National Trust report (2014), a study found that "every dollar spent on the tax credit will generate an additional \$19 to \$21 in South Carolina's economic output. For every \$500,000 of tax credits earned by developers, it will create between 100 to 150 new jobs" (National Trust 2014). Challenges to this program include a low per-project cap of \$500,000, which advocates would like to see lifted to encourage larger projects.

Since the establishment of the Baltimore City Tax Credit in 1996, more than 3,300 buildings have been restored. Over \$850 million has been invested in historic properties. The investments have leveraged more than \$4 billion in additional economic activity.

Since the State Mill Rehabilitation Tax Credits in North Carolina was enacted in 2006, over \$431 million has been invested in completed projects (and, as of 2014, another \$628 million was planned).

Sources

"Extra Credit' Rehabs." *Forum Journal* 28 no. 2 (Winter 2014).

"Baltimore City Tax Credit for Historic Restorations and Rehabilitations" Baltimore City Website, 2016, (accessed 3/2017 <http://chap.baltimorecity.gov/tax-credits>)

1.e. State Tax Credit for Historic Restorations and Restorations

Tool

The Federal Historic Preservation Tax Incentives program is provided for the rehabilitation of historic income-producing buildings, offering tax credits equal to either 10% or 20% of the renovation costs. More than half of states in the United States offer additional tax credits for the rehabilitation of historic properties, with some offering credits for the renovation of owner-occupied homes.

The Federal Historic Preservation Tax Incentives program offers a 10% credit for the rehabilitation of buildings built prior to 1936 but not considered historic, and a 20% credit for rehabilitation and preservation work to a certified historic structure that is listed in the National Register of Historic Places or as contributing to the significance of a registered historic district. The National Park Service, the Internal Revenue Service, and State Historic Preservation Offices administer the 20% credit.

State Historic Tax Credit (HTC) programs exist in approximately 30 states, including Pennsylvania. State HTC programs vary widely, by the subsidies they provide and the money available each year in credits. Adopted in 2012, the Pennsylvania Historic Preservation Tax Credit (HPTC) applies only to income-producing properties. The state is limited to distributing \$3,000,000 in tax credits per fiscal year. In preparation for the passage of the Pennsylvania HPTC, the state calculated that a program in Pennsylvania would "enable the feasibility of 25 to 50 percent more rehab projects per year" (Oakman and Ward, 2013).

A nationwide study finds that states with HTC programs are found to leverage more federal economic development resources from the federal HTC program (Oakman and Ward, 2013). In the first year of the Pennsylvania HPTC program, the number of qualified applicants outnumbered the \$3 million in available funds, with 15 projects receiving credits through the program (Doyle, 2014).

Examples and Impacts

The current federal HTC program only applies to income-producing property. Some states offer HTC programs for historic owner-occupied homes. A Historic Homeownership Assistance Act was proposed as a federal program to offer tax credits for owner-occupied homes, but it has not been enacted. The federal HTC

program spurred over \$25 billion in private investment in its first 25 years, and a historic homeownership model could promote similar investments (Rypkema, 2002).

The Connecticut Historic Homes Rehabilitation Tax Credit program is designed for owners of historic owner-occupied homes. The program offers a 30% tax credit, up to \$30,000 per dwelling unit, for the rehabilitation of 1 to 4 family buildings. The building must have one owner-occupied unit for five years. The program applies to homes that are listed on the National or State Register of Historic Places, and it is largely administered by the State Historic Preservation Office.

The Delaware Historic Preservation Tax Credits are available for owner-occupied residences. A study finds that in the first 10 years of the program, from 2001 to 2010, the \$34.3 million in tax credits spurred private investment of over \$166 million in rehabilitation expenditures (Rypkema, 2010).

Sources

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National Park Service, "Federal Historic Preservation Tax Incentives for Rehabilitating Historic Buildings: 35th Anniversary" (National Park Service, Washington: 2012)

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2. Managing the Subdivision of Land

2.a. Transfer of Development Rights

Tool

The Transfer of Development Rights (TDR) program is a zoning tool that allows the development potential from lands desired for conservation and limited development (a "sending area") to be transferred to areas

where growth and development is planned (a “receiving area”). The sending area is conserved through a conservation easement or covenant, or it is restricted by low-density residential or agricultural use.

In a TDR program, owners of environmentally sensitive lands or historic landmarks can voluntarily sell the development rights of their property to developers in a designated area targeted for development. As the Pennsylvania Land Trust Association describes: “These landowners are given an option under municipal zoning to legally sever the ‘development rights’ from their land and sell these rights to another landowner or real estate developer for use at another location. The land from which the development rights have been severed is permanently protected through a conservation easement or other appropriate form of restrictive covenant, and the development value of the land where the transferred development rights are applied is enhanced by allowing for new or special uses, greater density or intensity, or other regulatory flexibility that zoning without the TDR option would not have permitted” (Pennsylvania Land Trust Association). Recipients of the development rights apply the transfer in the form of increased density or new uses.

To establish a TDR program, a municipality must establish the option in the municipal zoning ordinance. A sending area must be designated geographically or by criteria, determining an area of high conservation value. Philadelphia currently does not have TDR transactions in the zoning code, although the Pennsylvania Municipalities Planning Code provides an enabling legislation for Pennsylvania municipalities. Four municipalities in Lancaster County have enacted this program towards the preservation of agricultural lands.

Philadelphia developed a TDR program 1991 but it was written out of its zoning ordinance in 2012, mainly due to lack of interest and application in the City. The TDR program was established as an effort to protect historic landmarks in Center City, allowing more than 200 historic property owners the opportunity to sell their development rights to developers of new buildings in locations targeted for growth and density. The proceeds would be used for maintenance or improvements to the landmarks. The TDR program provided additional density bonuses to new development, with these bonuses priced slightly less than other bonuses in order to make the program more financially attractive to developers (Harris, 1992). According to conversations with Philadelphia practitioners, the Philadelphia administration has expressed an interest in reestablishing a TDR program (interview with Preservation Alliance, 2017). If a TDR program were to be created, the City would conduct public discussions concerning the appropriate receiving zones for added height bonuses. In addition, the City would need to designate an entity to track the development rights, acting as the “bank” for the development rights receipt and sale.

Example

In King County, Washington, TDRs have been used to protect low-income housing, historic landmarks and rural land on the outskirts of Seattle. A decrease in development pressure in downtown Seattle threatened the system’s success, at which the city established a TDR bank (Marquitz, 2004). Since its inception, the program has successfully protected 141,500 acres of rural/resource land (King County website)

Impacts

TDR programs are complex structures and they are not always successful. A study by Pruetz and Standridge finds that an effective TDR must have a receiving site with enough demand to motivate developers to buy the additional development rights for added density. In addition, the authors find that a successful TDR program has strict development regulations in the sending-area. In most of the successful TDRs studied in the report, the sending area is rural in character with a density of one dwelling per 5 acres.

Sources

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- Rick Pruetz and Noah Standridge, "What Makes Transfer of Development Rights Work?" American Planning Association December 2008
- Phyllis J. Marquitz, "Transfer of Development Rights", The Agricultural Law Resource and Reference Center, Penn State, June 2004 (accessed 3/2017 at <https://law.psu.edu/centers/aglaw.cfm>)
- King County Website, "Transfer of development rights in King County, Washington" (accessed 3/2017 at <https://green2.kingcounty.gov/TDR-Exchange/>)
- Donna Harris, "Philadelphia's Preservation Incentive: The Value of the TDR", *Forum Journal* 6, no. 5 (September/October 1992)
- Interview with Advocacy Director at Preservation Alliance of Philadelphia, March 20, 2017.

2.b. Neighborhood Conservation District

Tool

Administered by the Planning Commission, a Neighborhood Conservation District (NCD) is an overlay district used to preserve neighborhood character in areas that may lack the historical, architectural, or cultural significance to qualify as a local historic district. A NCD establishes specific guidelines for alterations to existing structures and the design of new buildings.

NCDs are tools used "preserve neighborhood character, retain affordable housing, and protect an area from inappropriate development by regulating new construction"(McClurg, 2011). A NCD is used for an area that may not have the consistent historical, architectural or cultural significance to qualify as a local historic district.

In Philadelphia, Queen Village and Overbrook have the designation. Enabling legislation for NCDs was passed in Philadelphia in 2004. The Philadelphia City Planning Commission administers the District, with a planning

department staff member representing the NCD. The NCD applies restrictions to the design of new construction and alterations to existing buildings. In Queen Village, for example, NCD review is triggered by new construction, use of vacant lot, demolition, and alterations of buildings. The guidelines apply to windows, materials, building height, signs, parking, and street frontage of residential and commercial/industrial properties. To protect the character of the street, the Queen Village NCD also regulates fencing and curb cuts on private property. As of Spring 2017, the City of Philadelphia is reportedly hesitant to take on more Neighborhood Conservation Districts because of the resources required to develop and maintain a NCD.

Example and Impacts

Neighborhood Conservation Districts do not prevent the subdivision of land, but they can influence the setbacks, street frontage and massing of the new buildings introduced within the neighborhood. By retaining the spatial characteristics of the street front, new subdivisions will less dramatically change the character of the neighborhood. West Chester, Pennsylvania contains several Neighborhood Conservation Districts. The Districts include regulations pertaining to minimum lot width and size per "Block Class." Some of the neighborhoods include larger lots with wide street fronts that are protected through the Neighborhood Conservation District.

Sources

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"14-504 /NCO, Neighborhood Conservation Overlay District" in The Philadelphia Code electronic version, (American Legal Publishing Corporation: 2017).
Rebecca Lubens and Julia Miller, "Protecting Older Neighborhoods Through Conservation District Programs" *Preservation Law Reporter* (Jan.-Mar. 2002-03)

2.c. Revolving Fund

Tool

A revolving fund enables the rehabilitation and maintenance of historically significant properties through purchase or donation. Administered by a nonprofit, a revolving fund can be used to give loans for rehabilitations, or to buy properties and resell them with certain preservation restrictions.

There are two types of revolving funds: a loan fund and an acquisition fund. Both are performed by a nonprofit corporation. The nonprofit will include additional preservation restrictions upon the buildings that are subject to the acquisition or loan, through easements and protective covenants. An acquisition fund is used by the organization to purchase, restore and then resell a property. The entity will use capital to acquire the property in fee simple, and then use more capital to fund rehabilitation, eventually recuperating these finances through the resale of the property. The capital is then used to purchase and restore another property. A loan fund is used by the entity to loan capital to another entity (organization or individual) in order to rehabilitate or acquire a property. The loan is repaid with interest over a determined term, with those payments deposited back into the fund to be used for other loan projects.

With a revolving fund, the acting organization can target the needs of a specific neighborhood and follow a targeted mission. The organization should establish goals, objective, policies and procedures. A stated preservation mission will help guide decisions about acquisition or loans, as staff members make decisions about the fund and board members deliberate and approve those decisions. The board of directors or, more likely, an overseeing committee will be responsible for the fund. The composition of the overseeing committee is vital to the success of the program. The committee should be a small group that includes professionals “such as bankers, real estate agents, developers, architects, contractors, lawyers, accountants, planners, business leaders, social service providers, government officials, neighborhood leaders from target areas, and/or other well-connected individuals”(National Trust for Historic Preservation, 2014). As the National Trust writes, it is also important to have staff with experience in real estate and financing. Depending on the size of the fund, this staff could be a single employee who is dedicated to managing the program solely or manages the program with other tasks. The National Trust also recommends that the organization seek consulting services of a real estate attorney during transactions, and the services of banker or accountant to either develop accounting systems and records for the fund, or manage the fund on behalf of the organization. Other consultants can assist with the rehabilitation building project.

Example

The Historic Savannah Foundation Revolving Fund acquires properties through donation, options or outright purchase of historic properties. A property qualifies for the Revolving Fund if it is endangered, has historical significance (National Register listed or eligible) and marketable for sale. The fund then markets the house locally and nationally to find a buyer who agrees to preserve and maintain the integrity of the structure.

Historic Boston Incorporated (HBI) protects properties with easements as properties move through their revolving fund, or receive other types of assistance. The easements protect properties in perpetuity from “from unsympathetic or inappropriate exterior or interior alterations, neglect, or demolition”(National Trust for Historic Preservation, 2014).

Impacts

The Historic Savannah Foundation tracked the economic impact of its revolving fund's efforts in a defined neighborhood. In 2003, the Foundation purchased 13 properties in the Thomas Streetcar District, a neighborhood known for its many abandoned and neglected properties. The funds were made available from a \$250,000 private donation, a grant from the 1772 foundation, and contributions from community members. The rehabilitation of these 13 properties motivated the improvement of adjacent properties, catalyzing the revitalization of the neighborhood. The HSF determined that from 2001 to 2013, values for the 13 HSF properties increased from 69% to 2522%, and the values of neighboring properties increased from 268% to 3385% (National Trust for Historic Preservation, 2014).

Nonprofit organizations are not exempt from property taxes, though they may be able to seek exemptions. If a nonprofit intends to resell a property for residential or private use, however, it would not be sensible to remove the property from tax rolls. Additional costs for properties should also be taken into account upon the acquisition, including expenses such as security, emergency maintenance and utility costs (National Trust for Historic Preservation, 2014). The revolving fund will also need to cover costs of loan repayments, bank service charge, an annual audit or financial statement, and additional staff.

Sources

National Trust for Historic Preservation, "SCAD Measures Revolving Fund Impacts", *Forum Journal* 29 no.1 (Fall 2014).

2.d. Easements and Acquisition Methods

Tool

An easement, also known as a covenant or restriction, is a private, legal interest that imposes protections upon a property. The easement remains attached to the property as it transfers hands to subsequent owners. An organization can craft an easement to achieve certain intended preservation outcomes and protect certain aspects of a property.

Easements can be used to preserve land (conservation easements) and architectural features (preservation easements). Preservation easements protect historic buildings, and conservation easements prevent development of open spaces and environmentally significant lands (Watson et al, 2007). A conservation easement restricts use of a property, is recorded with the deed and grants the right to enforce the restriction to a tax-exempt charitable organization or a government agency (Small, 1992). The landowner must voluntarily give up certain development rights, and the owner may continue to live on the land. In the instances where a charitable donation of the easement is offered, and meets the conservation purpose test of the federal tax laws, the owner may be eligible for a tax donation. Preservation easements control changes

to a building's character defining features, by regulating additions or requiring maintenance. Preservation easements can protect only the exterior of a building, or the entire structure including the interior.

Easements are usually perpetual, but "term" easements are also implemented to last for a defined period of time (two or three decades, for example). Purchasing an easement is often more advantageous to a nonprofit than buying a property outright, because the nonprofit will not be encumbered with the costs of owning, maintaining and managing the property (Watson et al, 2007).

Other Methods for Controlling Property Rights

If an organization finds it challenging to acquire a property outright in fee simple or to purchase an easement, there are other strategies for gaining control of a property. As above, a revolving fund can serve as a mechanism for acquiring and reselling a property with an easement attached. An installment plan is another method for creating an easement, as the organization contracts with the property owner to buy the easement in an installment plan, "enabling the organization to spread its outlay of funds over several years and the owner to spread out the capital gains from the sale" (Watson et al, 2007). In a Bargain sale, the easement is sold for less than its full value and the owner may receive a charitable contribution deduction, on federal income taxes, for the difference between the sale price and the actual value of the easement.

A property can be acquired through various methods aside from an outright purchase. In a Bargain Sale agreement, the property is sold for less than its fair market value. This technique can help leverage grant funds by providing a match, donated by the owner, therefore reducing the amount of funds that need to be raised to preserve a property. In some instances, the seller may receive a charitable contribution deduction in income taxes for the difference. An Option is a legally binding agreement that allows the holder of the option to purchase or lease the property at a fixed price within a specific period of time. This strategy allows the holder to have the time to find a buyer or raise capital to purchase the building. A property may be also conveyed to an organization with certain conditions, such as a Life Estate wherein the donor occupies a property for the remaining duration of her/his life. Depending upon the conservation goals, a life estate give property might be owned and operated by the organization, or might be sold as income property, funding other preservation/conservation mission-related activities. Right of First Refusal is a legal agreement that allows an organization the ability to match any purchase offer on a property within a certain period of time, such as 30 to 90 days.

Example

Historic Richmond uses right of first refusal paired with preservation easements to protect buildings that it has purchased and resold through its revolving fund. Many of the buildings that Historic Richmond has protected through its revolving fund, about 95%, have since been locally protected through the Richmond preservation zoning ordinance, rendering the existing protections less necessary. Though Historic Richmond usually waives its Right of First Refusal to purchase a property, however, retaining that connection to a

property does allow the organization to connect with the property owners and have a conversation about maintaining the structure and its significance (Historic Richmond interview, 2017).

Sources

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Elizabeth Watson et al, *Establishing an Easement Program to Protect Historic, Scenic, and Natural Resources* (Washington: National Trust for Historic Preservation, 2007).

Interview with Preservation Specialist at Historic Richmond, March 20, 2017.

3. Protecting The Wissahickon Watershed

3.a. Environmental Land Use Standards

Tool

Environmental standards for development can help protect a watershed. The Chestnut Hill neighborhood lies within the Wissahickon Watershed Overlay District (WWOD). The district regulates development to prevent flooding and improve the quality of the creek. The City's Impervious Coverage Map defines the geographic areas of the neighborhood that are more strictly regulated; this Map should be further reviewed to ensure that the Wissahickon Creek and its tributaries are adequately protected. Land use standards can reduce stormwater runoff, through: watershed planning, land conservation, aquatic buffers, site design, erosion and sedimentation control, stormwater best management practices, and the regulation of non-stormwater discharges (Finkler, 2010).

The WWOD states that new construction and earth disturbances must be regulated by setbacks, prohibiting new impervious ground cover "within 200 feet of the bank of a surface water body or within 50 feet of the centerline of a swale"(Philadelphia Code, 14-1603.2). In addition, all land within the overlay district is mapped to show the limit of impervious ground coverage that is permitted, ranging from 20% (Category 1) to no limit (Category 5). For those designated as Category 5, there is no limitation of impervious ground coverage, however lots larger than one-half an acre must be developed to reduce runoff. For categories 1 through 4 where impervious cover is limited from 20% to 45%, respectively, additional impervious coverage may be permitted in accordance with certain stormwater runoff management practices and approval by the Water Department and other agencies. Lastly, earth moving regulations apply to all new development and earth disturbance: "during and after construction and to all construction site clearing and earth moving within the Wissahickon Watershed"(Philadelphia Code, 14-1603.2). This applies to earth moving or additional impervious coverage over 500 square feet, except those located within the Category 5 Impervious Coverage Map.

Example

The Chesapeake Bay Foundation promotes Low Impact Development (LID) as a method for managing stormwater. LID encourages soil infiltration by minimizing impervious surfaces, conserving natural vegetation, and protecting streams and wetlands (The Chesapeake Bay Foundation, 2004). The Foundation suggests that new development reduce impervious cover by 10 to 50 percent and preserve 40 to 80 percent of sites as open space by clustering buildings. The Chesapeake Bay Foundation suggests cluster zoning and natural area conservation to preserve forests, shallower front setbacks to shorten driveways and create more inviting walkable neighborhoods, alternative smaller turnarounds in cul-de-sacs to reduce the landscaping in the middle of a roundabout, shared driveways that, reduced parking, and narrower streets to reduce impervious surfaces. Although use of reduced impervious cover, redesigned cul de sacs and clustering have more applicability to lower density suburban contexts, the LID use of underground infiltration systems, porous sidewalks and street tree stormwater treatment trenches, could all contribute to improved water quality in the Wissahickon watershed.

Impacts

The William Penn Foundation is undertaking a ten-year effort, known as the Delaware River Watershed Initiative (DRWI) with the goal of protecting and restoring water quality. The science (provided by the Academy of Natural Sciences and other partners) and modeling from this effort, along with research at the University of Pennsylvania could help inform the most effective places for mitigating stormwater impact.

Natural Resource Protection Ordinances establish performance standards for development that reduce or mitigate the impact to natural systems. The WWOD could be updated to incorporate such standards that typically limit disturbance to steep slopes; limit the percentage of trees that can be removed; establish replacement standards for tree removal; and require restoration of stream buffers, a welcome addition to the current setback in the WWOD.

Sources

United States Environmental Protection Agency, *Handbook for Developing Watershed Plans to Restore and Protect Our Waters*, (Washington: United States Environmental Protection Agency, 2008)
Chesapeake Bay Foundation, "A Citizen's Guide To Stormwater Management in Maryland"
(Annapolis: Chesapeake Bay Foundation, 2004)
Peter Finkler, "The Need to Reduce Impervious Cover to Prevent Flooding and Protect Water Quality", Report for Providence Water Supply Board and the National Park Service, 2010.

3.b. On Site Septic Monitoring

Tool

A monitoring, rehabilitation and replacement program for septic tanks reimburses residents the cost of repairing or replacing a septic tank. An onsite septic tank should be inspected and maintained every 2 to 3 years. If a tank is not properly maintained, untreated or undertreated wastewater is released into the watershed, releasing nitrates and phosphates that degrade habitats and contaminate drinking water. Several thousand homes in Philadelphia manage their own sewage with on-site septic tanks. Many of these homes are in Chestnut Hill, although their locations are not recorded and tank maintenance is not monitored.

Example

The Catskill Watershed Corporation (CWC) was established to protect the watershed that serves New York City and its suburbs. The region has approximately 22,000 residential properties serviced by private septic systems, posing a particular risk to the New York City watershed (NYC DEP). To ensure that untreated water is not released into the watershed, the Corporation administers the Septic Rehabilitation and Replacement Program to offer all residents in the West-of-Hudson NYC Watershed a reimbursement of 100% of the costs of repairing or replacing a septic tank. The New York Department of Environmental Protection assists the program, providing \$84 million in funding. Since its establishment in 1997, the Septic Rehabilitation and Replacement Program funded the repair or replacement of 4,600 septic systems (NYC DEP). The CWC also offers maintenance and regular pump-outs for homeowners.

Impacts

In the Philadelphia suburbs, many municipalities have adopted septic system registration, inspection and maintenance programs. As daunting as the task may sound, municipalities are typically covered by only a handful of septic companies. Reaching out to the service providers, and making them aware of registration requirements, creates ready-made proponents who want to the business and will seek out homeowners.

Sources

Catskill Watershed Corporation website, (accessed 3/2017 CWOnline.com)

New York City Department of Environmental Protection website "Septic Systems", (accessed 3/2017 http://www.nyc.gov/html/dep/html/watershed_protection/septic_systems.shtml)

3.c. Urban Forestry

Tool

Trees filter and regulate the flow of water, slowing the fall of rainwater and infiltrating water into the ground. This process of absorption and slowing prevents flooding during rain events that can shock a city's drainage

and carry contaminated stormwater to a river. Forests also help to remove nutrients such as phosphates and nitrates, and contaminants such as oils, pesticides and solvents from soil and water (Cotrone).

Example

In Savannah, a tree ordinance ensures that the existing tree canopy is not threatened: "Except as provided in this chapter, a property owner shall not clear (as defined in section 4-10004) or permit the clearing of property or the removal of any tree without first obtaining a clearing permit as provided for in section 4-10006." The city's ordinance also provides for the protection of all trees over 2 inches in diameter on undeveloped land, or over 15 inches in diameter on developed property.

Impacts

An urban greening program in Chestnut Hill could take a multi-pronged approach combining both regulatory tools and voluntary efforts. For example, the subdivision and land development ordinance could require street trees along all street frontages; and parking lot landscaping. The zoning ordinance could require trees along watercourses, triggered by permits. The non-profit community and civic organizations could undertake voluntary tree planting programs.

Educating landowners about the benefits of native plants, and providing lists of plant material suitable for different circumstances (for example, shade trees, buffer plantings, parking lot landscaping, streambank restoration) can also help to restore the land and water quality. A subdivision and land development ordinance can include approved plant species. Local non-profits can educate owners and encourage the use of native plants through plants sales, demonstration gardens, and educational forums.

Chestnut Hill retains large institutional properties where best management practices and tree planting can be executed to help restore the health of the watershed. In many of the watershed's remaining forests, deer browse has eliminated the understory, the next generation of forest. Without regeneration and management of invasive plants, management of deer and planting of trees and native vegetation, the health of the watershed is unlikely to improve. A non-profit conservancy or private consultant may assist with stewardship planning for landowners. Institutional landowners are already being targeted through outreach efforts in the Philadelphia Upstream cluster, as part of the William Penn Foundation's DRWI.

Sources

City of Savannah, "Landscape and Tree Ordinance", (accessed 3/2017
<http://www.savannahga.gov/DocumentCenter/View/880>)

Vincent Cotrone, "The Role of Trees and Forests in Healthy Watersheds", PennState Extension,
(accessed 3/2017 <http://extension.psu.edu/plants/green-industry/landscaping/culture/the-role-of-trees-and-forests-in-healthy-watersheds>)

Natural Lands Trust *Land for Life – A Handbook on Caring for Natural Lands* (Natural Lands Trust, July 2014).