

June 25, 2021

To the honorable Chair and committee members:

1100 S. 5th Street, Ste. 319 Milwaukee, WI 53204 P: 414.220.0530

The Milwaukee Preservation Alliance urges you to support the creation of the Puddlers' Cottages Historic District, which would help preserve important history, maintain needed affordable housing, protect property owners' investments, and reflect the desire of the community, all while maintaining the rights of property owners. ZND has in the past expressed support for proactive designation such as this that identifies places of historic cultural value to the City and community and seeks to protect them *before* there is an explicit threat. Designation was **unanimously** recommended by the HPC in recognition of the proposed district's historic value. In doing so, the HPC confirmed that these small buildings maintain the level of integrity and historical significance needed for designation, which is the only tool available to create a public process before demolitions could be permitted. This view is shared by the public, evidenced by the fact that, at the time of this writing, every one of the 19 public comments submitted are in support of the designation.

The public process is an important part of what historic designation entails. Historic designation says that a place is so important to a community that **the entire community deserves a voice in its future**. In this case, this row of Puddlers' Cottages is the best remaining physical remnant of the factory that built the community, and its loss would be detrimental to the neighborhood and City. **Designation does not stop future changes to a property**, nor does it constitute a taking, as can be confirmed by the presence of preservation ordinances in thousands of cities throughout the country. Instead, recognizing that the properties have value to the entire community, it allows for a public process before certain changes (including demolition) are approved. It gives the public a voice on the future of a public historical asset that contributes to the character of the community and adds value to the neighborhood.

Changes, including additions, can still be permitted on designated properties by **working with HPC to find win-win solutions** that honor property owners' wishes and the community value of preservation. In the rare instance where an agreement cannot be reached, the property owner can appeal to ZND, which can approve an individual exception, while still protecting the rest of the district.

Aside from the historical value and public process of designation, designating these homes will help to **protect affordable housing** in Bay View during a time when it is more critical than ever. Older, smaller single-family homes like these provide a diversity of Naturally Occurring Affordable Housing (NOAH) without requiring the subsidies necessary for affordable housing through new construction. A recent study in Chicago showed that pre-1909 homes have <sup>1</sup>/<sub>3</sub> the market value and provide rents <sup>1</sup>/<sub>2</sub> those of new construction homes. Preservation of the Puddlers' Cottages aligns with the City's developing Affordable Housing Plan and can help prevent Bay View from becoming out of reach for many Milwaukeeans.

All Milwaukeeans deserve the opportunity to choose from a variety of housing types in Bay View, and if these homes came down to demolition, their replacements would inevitably be less affordable. Further, the prospect of large, high density buildings on this block is not only impractical due to the small lot sizes, but it would be incredibly difficult if not impossible for the new construction to be as affordable as the cottages they would replace because of the economic realities of new construction development. There are other areas of Bay View that, for many reasons, would be more appropriate for increased density.

Additionally, <u>studies</u> show that a home's location in **a historic district does not depress its property value** but helps protect it through both bubbles and collapses. Owners of the Puddlers' Cottages, by virtue of their inclusion in the existing National Register Historic District, are already able to take advantage of Historic Tax Credits to help return 25% of qualified rehabilitation expenditures on preservation work (roof, exterior, paint, HVAC, electrical, furnaces, structural elements, etc.). Local designation improves on this value by providing a check for district neighbors who might make a change to their home that would devalue a neighboring house without their say.

By encouraging rehabilitation over demolition, **designation also creates jobs**. Rehabilitation puts more of its resources into labor costs as opposed to the predominantly material costs associated with new construction and thus supports the local economy by keeping money local and <u>supporting local jobs</u> rather than sending money elsewhere for materials.

Finally, in providing for a public process before demolition would be permitted, **designation also protects the environment** by keeping valuable and useful building materials out of landfills, which require large amounts of land and taxpayer resources and are damaging to the environment. "Embodied carbon" (emissions associated with the construction process and materials) accounts for <u>72% of carbon</u> <u>impacts</u> on building projects, but with restoration, these impacts are nominal. Renovating an existing home vs. demolishing it and constructing a new home on the property has <u>the same carbon impact</u> as removing 93 vehicles from the road for an entire year. As responsible stewards not just of our history but of our future, these environmental costs must be considered.

For these reasons, we believe this row of homes along S. Superior St. deserves designation as a historic district and urge the Committee's support. Thank you as always for your hard work on behalf of the people and places of Milwaukee.

Respectfully,

Jeremy Ebersole Executive Director Milwaukee Preservation Alliance