Building Conservation: Ins and Outs

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1.0 Introduction:

Building conservation is a pursuit that municipalities, private developers, and charitable organizations have undertaken for many years. Each has it own motive for the active conservation of the built environment, such as sustainable development, profit, and the preservation of history. This paper seeks to identify the elements of interest concerned with building conservation. First, it deals with the reasons why buildings fail to be conserved or make building anew a more favorable option. These reasons are the explicit and implicit extra-costs that arise from the renovation of buildings for further use, both in terms of continued use in their intended function but also for adaptive re-use. Secondly, this paper seeks to explain the benefits that can be reaped by engaging in building conservation. These benefits include such laudable goals as sustainable development, inner-city vitality, historic preservation, and environmental protection. Thirdly, the paper investigates what policies two municipalities have developed to address the situation of building conservation in their communities. These two municipalities are the City of Champaign, Illinois, USA and the Gemeente Groningen, The Netherlands. Finally, the paper compares and contrasts the programs of these municipalities to see what factors they address in order to make building conservation an attractive pursuit.

It is the ultimate goal of this paper to be a fairly comprehensive document about the state of the art in building conservation. Hopefully, it can act as a guide for municipalities seeking to address building conservation situations in their communities. It, however, is important to note that this document does not seek tell municipalities when it is best to start building conservation programs. This decision is purely based within a community's constraints of economics and outlined planning goals.

1.1 What is building conservation?

It is important to start out this paper with a clear definition of the term "building conservation". "Building conservation" means simply the active maintenance and the re-use of existing buildings. While this definition is fairly broad, it bears the connotation that the goal of building conservation is to employ the use of existing buildings for all potential functions- offices, residences, shops- before new buildings are constructed. By doing so, the future existence of the resources of the current built environment can be insured. The proposition of this logic fits the context of Burke's definition of conservation as the purposeful preservation not only in terms of existence but usefulness as well (1976). Thus, conservation differs from preservation, which is merely the ultimate intact maintenance of building in its form at some given time as well as possibly its function (Ashworth 1991). This distinction is important since many may confuse building conservation with historic preservation. These two actions are mutually parallel courses that contain many overlapping processes and ideals. In later sections, the paper fleshes out the relationship between the two in more detail.

Furthermore, the term "building conservation" bears connotations as to what types of structures to which it is applicable. Under the broadest definition mentioned above, building conservation could apply to all buildings, but such a sweeping scope reduces one's realization that governments design building conservation policies to focus on specific categories of buildings. These categories range from historic buildings that cost too much to renovate properly to warehouse districts that have experienced abandonment for some reason of economics. Thus, building conservation only addresses those buildings which have some inherent characteristics which make them problematic for any viable use. Under this logic, building conservation policies

should not address viable rental or sales properties that are unoccupied and have only been on the market for a short amount of time. For this reason, even though a building goes unused, it does not mean that it is a candidate for a building conservation program. Likewise, problematic buildings can also be ones which currently are used for extremely specific function that without adaptation the current users will abandon them. In these cases, policies address those types of buildings just as all other problematic unused buildings. In summation, the ultimate definition for "building conservation" is the active maintenance and adaptation of existing buildings, which for some reason are problematic for use or are threatened to be unused, so as to insure their viable functional life and use.

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2.0 The Extra-Costs of Building Conservation:

The proposition of conserving buildings by trying to develop municipal level policies begs the question, "Why will building conservation not occur on its own?" The answer is simple: market failures. The invisible hand of the market economy strongly dominates the actions of the construction industry. This effect is international in scope, reaching its greatest extent in the United States with less involvement by the government in the development of real estate and its lowest in the countries of Europe where heavy government involvement exists. This hand is prevalent in construction because of the methods of the valuation of property as well as the evaluation of properties' potential for maintenance and further development (Ratcliffe & Stubbs 1996). These two processes reckon the decisions of property developers along economic terms, and within these terms, a number of extra-costs arise that are not intrinsic to new construction. It is these extra-costs that often times make the development of a new building more favorable than the upgrading of an existing one. Furthermore, one can subdivide these costs into explicit and implicit forms. As documentation suggests, building conservation projects are more likely to occur if the costs involved with them are lower (Childs, Riddiough, & Truants 1996; Williams 1997). Therefore, it is the goal of this chapter to outline these costs so that it is understood how policies can try to counter act them.

2.1 Explicit costs of building conservation projects:

It is the goal of the building conservation policies to overcome the costs that make the process of conserving buildings unattractive. The explicit costs involved are those that can be numerically accounted for during a construction project of maintenance or renovation. Most of these costs occur directly from the two banes of existing buildings: structural and functional obsolescence (Cowan 1963). Structural is the easier of the two to identify and to calculate. It entails the replacement of rotted wood eaves, of cracked brick walls, of warped floors, and of countless other types of problems. Real estate appraisers and developers actually calculate these problems of existing buildings with traditional depreciation techniques such as straight line, sum-of-the-years digits, and others. Functional obsolescence, however, is quite more problematic to determine. It occurs from some shift in technologies, cultural trends, or even geographical factors that affects how a building can be used or be perceived for use (Latham 2000). For example, a church may become functional obsolescent if the population of its congregation triples beyond the legally allowed capacity of the building. No standard measuring technique exists for functional obsolescence, and in fact, it is a skill real estate appraisers must develop over years of practice.

The tallying of these explicit costs is done most easily in a renovation project, but as mentioned they are also present in decisions of whether or not an occupier of a building should undertake major maintenance actions, such as the replacement of a roof or structural beams, or whether to forego these repairs, and thus choose to construct anew or move to another building. The role of the extra explicit costs on these decisions differ slightly than they do in a decision to undertake a major renovation of an unused building, because in many cases, they are often the only costs upon which one makes the decision since the building is presumably in one's possession. Nevertheless, these extra explicit costs are of the same origin as those in a renovation project, and therefore, one can account for them.

The best way in which to track and show the explicit extra-costs incurred through building conservation is to show the basic steps of how the decision and the actual renovation of a

building occurs. This discussion uses the term "renovator" to mean the person who is actively investigating the decision to renovate a building. In actuality, this person could be any number of people or entity (i.e. a building owner, a business proprietor, a municipal government, etc.). Just like new construction, the typical renovation project has five phases: project planning, preliminary design, constructional design, preparation, and actual construction (Tuppurainen 1990). The first two steps are the ones that have dramatically different paths than those involved with new construction. As mentioned, renovation projects add a number of explicit costs which new construction foregoes. In the project-planning phase, the renovator must determine whether to incur these costs. Project planning is the only time during a construction project that a decision can affect 100% of the actual construction costs.

First off, the renovator must determine whether a building has the appropriate specifications, such as size and layout, to meet the new qualifications of the owner's desired function (Tuppurainen 1990). For instance, a newspaper publishing company should not consider a building with vertical orientation when it needs one with linear space for its printing presses. The renovator should also determine the amount of available room around the building so that the ability to make additions to the building can be assessed. Frequently, available room for additions can make up for the existing specification deficiencies of the building. By doing this step, the renovator can help to avoid buildings that can turn out to be ill suited for proposed purposes, and therefore, he/she will not incur costs that cannot produce the desired benefits.

With these factors determined, the next step is assessing the functional worth of the building and making a rough estimate of the costs of renovating it (Zelouf 1992). The costs of renovation should not exceed the future functional worth of the building. To determine the future functional worth, the current functional worth and the costs of renovation should combine to equal the desired product. As an example, if one purchases a building for $100,000 and makes $60,000 worth of renovations, he/she should be able to reap $160,000 or more of functional utility from the building over its lifespan. Any utility less than $160,000 would mean the costs of renovations exceed the functional worth of the building. This factor helps to way heavily against many renovation projects since often it is difficult to determine both the actual current and future functional value of a building. For current occupants, a building's total functional worth often times cannot be retained even with the most extensive renovations, and thus moving or building anew is more economical for them.

During this phase, the renovator should also examine the building's records and review previous repairs to it (Shales & Roddewig 1984; Zelouf 1992). A review of these records may reveal extra elements that must be repaired during renovation. For example, crack repairs on support pillars may have been temporary, and they might hide the true structural integrity of those pillars. Such findings could increase the costs of renovations dramatically. Likewise, it might show that a number of repairs previously considered necessary might be less extensive or unnecessary. For instance, if solid foundation repairs had been completed in the past, currently planned repairs may be unneeded. Knowledge of previous repairs to a building is crucial to assessing the viability of renovation projects.

If after these steps the renovator has determined that a building is a viable option, a complete analysis of the physical quality of the building must be undertaken (Shales & Roddewig 1984; Tuppurainen 1990). This study can vary in cost depending on the size of the building, but it is always a necessary cost renovation projects must incur. Without such a study, the renovator could easily invest large amounts of money on a building that could turn out to be impossible to renovate within the budget constraint of the project. With the data collected from this study, the renovator can finally determine whether or not to begin the renovation process.

After progressing beyond the project-planning phase, the design phases can also contribute to the extra-costs of renovations (Tuppurainen 1990; Zelouf 1992). While the architects and engineers do not have to start from scratch with their design, existing structures present unique challenges. Designers frequently must use inventive ways to expand the function of the building to conform to its future use without seriously hurting its integrity. These inventive ways can frequently cost more in design fees, because they might require more man-hours of specialized labor than designing a completely new structure. The future use of the building usually determines how extensive these extra design costs may be. For instance, a housing renovation that seeks to only improve its function as a place of residence usually requires less creative changes than the conversion of a factory into a shopping mall. These design features might also impose extra-costs during the construction phase since they may require more time, special materials, and skilled labor to construct.

Likewise, local laws and conventions about materials and design specifications can affect the renovation design so that it creates extra-costs during the construction phase (Larkham 1996; Ratcliffe & Stubbs 1996). Many times older buildings may be located in preservation zones which require renovators to rebuild property within certain design specifications. These specifications can often require that renovations use certain building materials in order to maintain the character of the neighborhood. For example, laws might require renovators to guarantee a certain level of façade quality by adding artistic adornments, such as wood shingling or stucco. Again, the results of these factors can raise the costs of renovation by adding expensive materials, more time for construction, and specifically skilled labor.

The preparation phase of a renovation project, which includes the bidding and awarding of contracts, usually acts as it does during other types of construction (Tuppurainen 1990; Latham 2000). The renovator, however, should take extra precautions to insure that the bidders know the specifics and scope of the project. As will be discussed, renovation can present a number of hidden requirements that may result in many “change orders”, which are officially documented and approved changes to the construction specifications outlined by an architect and/or an engineer. Great numbers of change orders can greatly slow and raise the costs of construction projects due to the time and investigation by skilled labor that they can require. The renovator should insure that the contractors have the experience of dealing with the unknowns in a renovation project. To provide this extra information, the renovators may have to pay for more work by the architects and engineers.

The construction phase of a renovation project can also contribute a number of extra-costs beyond those of a normal building project (Zelouf 1992). The site setup and precautions of a renovation project can be greater than those of some new construction. Site setup includes the provision of safety measures on a construction site, the allocation of space and construction of facilities for contractor offices, and the depositing of construction materials needed in the initial construction phases. Since most renovation projects take place in existing neighborhoods, the contractor must erect temporary partitions to secure space on streets for equipment as well as to protect against dust and debris from demolition. This factor can be especially costly in heavy traffic and business districts. In addition to these extra precautions, the workday may be limited if the construction is in a residential neighborhood in order to protect residents from noise/vibration pollution. All these precautions add more costs.

In addition to these precautions, the actual preparation of the building for construction adds a number of costs (Zelouf 1992). Any demolition and gutting of the structure can consume large amounts of time and money. The costs of preparation can escalate considerably if the

presence of hazardous substances, such as asbestos or lead-based paint, is located in the building. The removal of these substances costs more than normal ones due to the safety measures required for workers and the substances' ultimate disposal. Combined, the extra site precautions and preparation consume around 30% of the budget for a renovation project, which is a considerable amount.

Another significant cost for renovation projects is bringing up the building to current building standards (Shales & Rouddewig 1984; Zelouf 1992). Building codes are constantly changing, and often they place greater requirements on things, such as energy conservation and structural integrity. It can often be more difficult to engineer ways to retrofit older buildings to meet these new standards, and in turn, these retrofits can have high costs to produce the desired result. For example, an older brick building may require the highest grade of insulation just to meet the minimum energy conservation standards of the community. These retrofitting costs are especially prevalent in more elderly structures, but most renovation projects will experience them to some degree.

In addition to these extra-costs, the construction phase often sees costs rise due to the most feared situation of renovation projects: unknown problems with the building (Tuppurainen 1990; Sutherland 1999). Even with the extensive precautions of the project-planning phase, almost all renovation projects will have some amount of extra work beyond that described in the construction specifications due to problems found during the construction phase. On renovations, the true extent of necessary construction is rarely known until construction actual begins. For example, the structural integrity of wood support pillars, which once were thought stable, may be determined inadequate once floors obstructing the view of the foundation are removed. These unknown conditions of a building can raise the costs of even minor renovations quickly.

2.2 Implicit costs of building conservation projects:

In addition to these numerous explicit costs, building conservation often involves a number of implicit costs. Implicit costs are concealed costs that may not be obvious to an owner, an architect, an engineer, or a contractor, but nonetheless, they do affect people's choice over whether to construct anew or conserve a building. Often these costs may be unable to be tracked through conventional accounting methods. The reason for this fact is that a renovation project incurs these costs due to its interaction with the rest of society and governments. Implicit costs have the ability to hinder building conservation projects as much as explicit ones do. For the sake of continuity, the same process to describe the explicit costs with all its assumptions is used here as well

During the project-planning phase, the renovator should check into the condition of the neighborhood around the building. Mainly, the renovator should be aware of whether or not the new proposed use of the building will conform to the existing atmosphere of the neighborhood. While zoning laws often determine land use, many times even legally conforming uses can come at odds with existing neighbors. This situation is especial present with structures located in designated historic areas (Larkham 1992). If this is the fact, the residents of the area can slow and sometimes block building renovation projects through protests to local government officials. In such a situation within the U.S., the renovator might have to pay a great number of legal fees in order to protect whatever the current investment in the project is. Frequently, these cases have the potential to escalate to mud slinging matches in which the renovator's name and reputation can be lessened. While these situations can be rare, persons looking to undertake a construction project may avoid the option to renovate a building altogether to dodge such land mines.

Probably the most considerable implicit costs of renovations are benefits created by renovators that escape their grasp. Renovators often pay all the costs for the renovation of a building, but just like many economic transactions, the renovations produce externalities (Davis & Whinston 1966; Graham, Ashworth & Tunbridge 2000). Externalities, a microeconomics concept, are benefits or costs incurred by society when an individual entity undertakes an action. For instance, when someone gets a flu shot, that person does not expose his friends to the virus. Thus, those friends reap an external benefit without having to pay for it. Similarly, renovation projects produce external benefits for which the renovator pays and which society, especially those people in the building's neighborhood, receive. For example, when one renovates a building, the improved appearance raises the quality of the overall appearance of the neighborhood. By simply improving the appearance, the renovator's actions allow all neighboring owners to undertake self-beneficial actions, such as raising rental rates or selling their buildings for higher values. Thus, the entity who renovates pays for all the extra bonuses received by the other owners. Like most people, renovators are often unwilling to pay for another person's gain.

Situations like this one are possible due to the extreme interdependence between the property value of a building and the condition of its surrounding area. Maintained neighborhoods produce external benefits to individual property values, and neighborhoods in disrepair produce external costs to property values. Frequently, this relationship of real estate externalities is the cause of the continued degradation of blighted neighborhoods. In blighted areas, even minimal external benefits can produce large marginal gains for society. For this reason, owners of these properties are often the most apprehensive at undertaking renovation projects in such areas, and so they choose to spend their money on other new investments.

Related to this concept, renovated buildings often have higher assessed property taxes than new ones on the fringe of a city. This fact is again due to the relationship between property value and the location of the building. Even when a renovated building is in a blighted area, the property value can increase dramatically due to the building's location to existing infrastructure and services. The decision of whether to incur these extra taxes usually weighs heavy on renovators' minds. Frequently, owners will seek out tax breaks for a number of years so that they can undertake a renovation project. Altruistic local government officials find ways to provide such breaks when they feel the project will produce enough external benefits to society. Less admirable officials pursue these breaks for owners if they feel it will create benefits for them alone. Nonetheless, higher property taxes are always a consideration for people looking to purchase and improve real estate.

Another implicit cost that arises from a government's actions is the reduction of profits by the implementation of rent control policies (Muttalib 1985). Rent control policies set the maximum amount for which a property's owner can charge a tenant. They are usually only applied to residences, but they are possible in commercial buildings within areas that governments wish to develop economically. By setting the maximum rents, the government scares renovators away from these buildings because they are not always able to recuperate the costs of renovation with the allowed level of rents. In essence, these policies impose an implicit cost by lowering the future capitalization potential of building. As can be expected, such a cost weighs heaviest on the renovations of buildings with potential for high property taxes, such as those in inner-city locations.

2.3 Summary about extra-costs:

As mentioned above, the explicit and implicit extra-costs of building conservation greatly affect a renovator's decision concerning buildings. These costs are not always easily tallied, especially those dealing with the functional worth of a building or those arriving from interactions with society. Ultimately, any government policy used to address building conservation must seek to overcome these extra-costs. The policies can achieve this feat in a number of ways, including basic subsidies, tax incentives, and expert advice. But as can be seen by the range and nature of the costs, a single silver bullet program may be impossible. The case studies sections of this paper will further point how various programs work to overcome these costs.

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3.0 The Benefits of Building Conservation:

Just as the extra-costs section answered the question "Why does building conservation not occur on its own?", this section addresses an equally intriguing question, "Why conserve buildings at all?" One must answer this question in order to be a proponent of any government policy that supports the conservation of buildings. Without such a basis, one will inevitable fall prey to the argument that if building conservation was a worthy goal then the market economy will value it as such, and thus, why should it be the concern of a local municipality? Therefore, it is the goal of this section to provide this basis from which to argue.

3.1 Contributing to sustainable development:

The simplest benefit by far for one to envision for building conservation is its contribution to the idea of sustainable development. The notion of sustaining the built environment is not new, but it has gained considerable ground in recent years in most nations of the Western World. To this end, buildings represent what Falk has called "past energy stored up in a usable form" (1993). The re-use of such structures actual represents the continued use of the labor and materials of the past, and thus, one can theoretically calculate the value of a renovated building versus a new one by just looking at the amount of energy and materials used. In this approach, one would see the actual amount of goods saved through renovation. As mentioned in the previous chapter, there are a great number of intrinsic difficulties in calculating a building's value, and for this reason, it leads many to view a building's value in the same terms as a fossil fuel's: non-renewable. Once they are gone, they are gone forever.

Unlike fossil fuels, however, buildings do have the ability to act as recyclables on par with such things as aluminum cans and newspapers. Thus, building conservation has the environmentalism aspects of sustainable development. For example, the estimated construction and demolition waste of the U.K. is around 70 million tons, which represents about 16% of the national total (Heath 2000). Even if renovators could recycle a fraction of this waste through building conservation, it would be quite a beneficial achievement for environmental preservation. The recycling elements of building conservation extend beyond just the re-use of the materials of construction but to the site as well. Instead of the possible choice of using undeveloped land for a building, building conservers obviously always re-use an existing developed location. Therefore, building conservation contributes to the preservation of environmental landscapes (Ravetz 2000). Due to the limited locations for new development within existing neighborhoods, most new developments will occur on the periphery of the city on undeveloped land. Site re-use preserves these undeveloped landscapes so that they can provide viable open space and close farmland for urban dwellers. In sum, building conservation embodies the best reasons for sustainable development: environmental protection and resource re-use.

3.2 Economic advantages of compact cities:

In line with the sustainable development benefits, active building conservation maintains the developed areas of cities, which in of itself helps to contain their growth. Therefore, building conservation contributes to the potential economic benefits of compact cities. While the extent and nature of these benefits are contested (Gordon Richardson 1997), research shows that the potential for these benefits does exist (Jacobs 1961; Shore 1995; Ewing 1997; Churchman 1999). One of these benefits is the maintenance of the existing property tax base of developed areas.

While a new building outside developed areas could possibly return any taxes lost through the under-use of any one existing building, it, however, fails to contribute to the preservation of entire area's tax base. Worse than the possible new construction occurring outside the existing areas of a municipality is when this new construction moves into a neighboring municipality. As mentioned in the previous chapter, the value of a property relate directly to the state of neighboring buildings, and the value of a property is directly related to the amount of property taxes it contributes. Thus, the condition of an entire neighborhood directly affects the amount of property taxes it produces. By conserving buildings, municipalities therefore can conserve their tax bases.

Likewise, this maintenance of buildings in existing areas benefits municipalities by maximizing the use of existing infrastructure. When new construction occurs, most municipal governments fit at least part of the bill for new infrastructure in an area. This infrastructure includes gas pipelines, telephone lines, fiber optic cables, roads, and public transportation facilities. In this sense, maximizing the use of existing infrastructure falls into the same logic of conserving the energy of constructed buildings. In addition, the expansion of infrastructure means that the municipality must pay for the maintenance of a wider area since it is comprised of both the new and old areas. This greater amount of maintenance also comes with the crumbling tax base mentioned above.

Building conservation can also help address problems of de-population of city areas in terms of resident, working, and shopping populations (Jacobs 1961; Burchell & Listokin 1981; Shore 1995; Churchman 1999; Heath 2000). The viability of a built area is directly proportional to the number of people who use it on a daily basis. Areas experiencing abandonment and degradation of the building stock lose their viability as a place for these populations to use. This effect is a great contributor to the continued decline of inner cities, especially those of the U.S.; it is also highly dependent upon other factors of inner-city decline. Building conservation can greatly aid against this decline by affecting the hardware that a neighborhood needs to attract people.

3.3 Aiding Historic Preservation:

As mentioned in the introduction, the relationship of building conservation and historic preservation is not one to one, but they have many things in common. They both feel the continued use of older buildings is important, they both try to maintain the integrity of the build environment, and they both see buildings as an indispensable portion of an area's heritage. The only difference is the slight variation in the end product, a perfectly intact structure for historic preservation and a used functional building for building conservation. Despite this distinction, building conservation does act as a historic preserving agent. It performs this role by sheerly maintaining elements of the past which a building has. For instance, a conserved church that only retains its form but not its use still echoes to future generations the past in both city form and cultural landscape. On a greater scale, the conservation of entire neighborhoods that also contain historically preserved buildings can coordinate the preservation of context in which those buildings were set. More importantly a conserved neighborhood can maintain the viable use of those historic, preserved buildings, because just as mentioned above, building conservation contributes greatly to the maintaining of neighborhoods' viability of places for people to use. Ultimately, historic preservation and building conservation can have a symbiotic relationship.

Scholars also make an argument for the psychological benefits that can arise from the conservation of existing landscapes (Latham 2000; Larkham 1992 & 1996; Graham, Ashworth & Tunbridge 2000). Drawing from the field of environmental psychology, they assert that the built

environment provides reference not only for directions around the city in everyday life but to the past and cultural ideals of society. The exact relationship conservation has on peoples' lives is quite difficult to measure, but some studies show that it has had the influence of stabilizing group and individual identities (Hubbard 1993). This effect, however, varies greatly dependent on socio-economic and cultural groups as well as time periods. Despite these shortcomings in the extent of this benefit, building conservation can play the lead role in capturing it by retaining those structures that make up the environment in which people interact.

3.4 Expediency and expansion of construction:

As mentioned in the previous chapter, renovation projects have a number of extra-costs beyond those of new construction that often make them less favorable. This situation is not always the case, and often, renovations can be cheaper and quicker (Latham 2000). While the market usual spots these buildings, it can often miss them because those people looking for facilities may altogether ignore renovation options since they are inclined to the extra-costs previously stated. Building conservation policies could help provide a system to make knowledge about these buildings possible, and thus, those people in need of buildings could reap the benefits of time and money available in them.

In almost contrast to this benefit, renovation construction is more labor intensive than new construction because it requires more laborers. The constraints of an existing building prevent the use of much large-scale machinery, which can quicken the pace of construction. While it is often the case this slows down renovations, it can expand the number of workers on construction projects and/or increase the skill level needed for them. Therefore, these two factors of labor requirements make building conservation better for local economies and tradesmen. While the two benefits mentioned often run counter to each other, one can perceive of a situation that requires more skilled laborers and still be quicker and cost less than a new construction project.

3.5 Conclusion about benefits:

The benefits of building conservation encompass a wide range of potential windfalls for municipalities, the construction industry, and the environment. These stakeholders can only capture these benefits through the active pursuit of building conservation. The best way conceivable to reveal these benefits is through the development of policies. These policies do make concessions of money and labor, and therefore, one must determine when the benefits outweigh these concessions. The ultimate problem with any cost-benefit relationship is that for it to be effective one must be able to measure the costs and benefits accurately. This predicament can cloud the decision-making process on whether municipalities should establish building conservation policies. Luckily, many municipalities can clearly make the judgment that the benefits do outweigh costs and that establishing policies are necessary and worthwhile endeavors. The next two chapters investigate two municipalities with such policies, and they try to bring light to how they try to capture these benefits, how they overcome the extra-costs of building conservation, and why they seek building conservation.

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4.0 Case Study 1: Champaign, IL USA:

The City of Champaign, Illinois is much like any other medium-sized American city. It resides within West-Central Illinois, and together with its twin-city of Urbana, their population reaches around 110,000 with Champaign comprising the largest portion. These two cities act as the primary urban center to surrounding agricultural lands and farming communities. The cities are also home to the main branch of the University of Illinois, which is the biggest employer in the urban area and is comprised of some 35,000 students. The cities are also host to a number of production facilities for large companies, such as AC Humco, Motorolla, and Rockwell. The urban area also is located within just over two hours driving time from three major urban centers: Chicago (136 mi/217 km), Indianapolis (120 mi/192 km), and St. Louis (165 mi/264 km). While the two cities tend to act as one functional urban unit, each has its own separate municipal government to oversee its development.

The development of the City of Champaign has occurred much like any other American city over the past thirty years. Up until the end of the 1970s, the downtown had acted as the major employment, retail, and entertainment center for the City. Into the beginning of the 1980s, more and more of the residential population started to suburbanize away from the city center. The retail and employment services followed this population and began to locate on the periphery of the City. By the end of the 1980s and the beginning 1990s, the further dispersal of population hastened, and the pace of the retail functions' exodus from the city center quickened immeasurably with the arrival of more and more big-box retail chains. In the meantime, the city center and the other previously developed areas with their older buildings had undergone disuse and physical decline, and by the middle of the 1990s, really only the traditional downtown services, such as banks, government buildings, and law offices, remained.

To combat this trend, the City of Champaign has adopted a number of strategies over the years. Some have focused on infrastructure investments, some on economic development projects, and some have used more marketing approaches to attract users to downtown. Two of these programs have used building conservation as a component to try and revitalize the established areas of the City: the Enterprise Zone Program and the Redevelopment Incentive Program (RIP). Through these two programs the City has been able to conserve its older buildings and capture some of the benefits by doing so.

4.1 The Enterprise Zone Program:

The enterprise zone concept has been a curiosity in the planning field since its creation by the British planner Peter Hall in 1977. Hall envisioned that taxes and planning regulations had doomed the poorest areas of cities to languish forever since they could not afford these encumbrances and compete with the best areas on the same terms. To counter this effect, he suggested that governments should section of these areas and remove all the restrictions that hindered them, in his own words, "a free port" in which unrestricted capitalism would reign supreme. Within such a system, businesses and trade would flock to these areas to gain the benefits they offered, and in turn, the people and the physical environment of the area would benefit from all this new investment by receiving jobs and new construction. Hall's "free port" idea eventual developed over the years into the enterprise zone concept, and it has taken on many incarnations throughout Europe and the United States at all levels of government. Each enterprise zone program has the same basic concepts, but each differs upon what concessions individual

governments are willing to grant. They never truly encompass the full removal of restrictions Hall suggested.

The Illinois Enterprise Zone Program has been in effect since 1982, and it has granted various concessions: property tax abatement for a number of years, tax credits for employees, and sales tax exemption on construction materials (HUD 1986). Municipal governments have only been able to qualify portions of their cities for an enterprise zone if they meet certain established levels of criteria relating to blight, such as high unemployment or population loss. The program has also limited the extent of the zones to thirteen square miles. Municipalities have been able to determine who qualifies for most of the benefits and what extent of the benefits they receive. They usually have targeted these benefits at businesses and developers. Champaign received its enterprise zone in 1986. The zone has encompassed a large portion of the developed area of the City including downtown, the retail area around the University known as Campus Town, and a few older residential areas. The zone has also included many undeveloped portions of the City.

As is to be expected, the primary goals of the enterprise zone program have been economic development and job creation. The government has tailored the incentives of the zone primarily to these goals. The sales tax abatement on construction materials, however, has produced a strange effect of building conservation (Phillips 2000). All building owners within the enterprise zone have been able to qualify for the concession as well as those seeking to construct new buildings. The other qualification has been that the construction materials must be purchased within the municipality. The current sales tax has been set at seven and a half percent, which means on a project of $2,000 dollars, the owner can save $150 in taxes. According the Zone Administrator Kevin Phillips, this savings has been substantial to homeowners wishing to maintain their older homes. Likewise, businesses have employed this savings to make upgrades to meet handicap accessibility standards and other code requirements. This effect of building conservation has not been isolated in the Champaign zone or even those in the State of Illinois, but it has been an offshoot of most zones, most notably the flagship enterprise zone in the London Docklands (Cox 1995).

The biggest problem with this program has been the inability to measure the extent to which it acts as an effective building conservation agent. The reimbursement for the taxes comes directly from the State's Comptroller, and the Zone Administrator only has had to record when and where the owners used the abatement. This system has made the reimbursement an "off-the-books" concession with no one really sure how much has been given up to achieve the conservation of these buildings. The inclination of the administrator, however, has lead to the conclusion that the concessions have been fairly unsubstantial, because tax abatement receivers must purchase the materials within the municipality. This fact means large-scale projects have been limited in the amount of money they can receive since often they must order large quantities of materials from outside the municipal area. With these thoughts in mind, the tax abatement has acted successfully for building conservation on a minor scale. It has helped people to maintain the viability of their buildings in terms of structural and functional worth. The fact that the concessions have been employed primarily by home owners and small businesses means the program has aided those who would most likely put off maintenance and renovations, since these two groups usually have the least capital available for such projects. Even such small inferences as these ones have displayed the merits of the program as a building conservation agent.

4.2 Redevelopment Incentive Program:

While the City of Champaign did not intend the building conservation aspect of the enterprise zone program, it has created a specific program to deal with the problems it had been experiencing with its older areas: the Redevelopment Incentive Program (RIP). The City developed the RIP in 1994 as a system to distribute grants for building repairs and renovations in the neighborhoods in the most need of them. The first RIP area was the main downtown area, known as the Downtown district, and it corresponds with the downtown Tax Increment Financing District[1]. The City has also established three more districts, the North First Street district, the East Side district, and the Campustown district. It has also expanded the size of the Downtown district.

A Recently Finished RIP Project

The program works by designating these geographic areas as the place in which property owners or occupants can qualify for construction grants. The City awards the grants based whether the renovator's building and improvements meet two criteria points out of a maximum of eleven, which include the re-use of underutilized building, a building with historic value, and building code improvements. The one universal qualification of improvements is that they must be permanent and all must not overly restrict the further use of the building. Depending on the number of criteria points received, the higher the points, the higher the level of grant with a maximum of twenty percent (20%) of the costs of improvements or $100,000 (Until the end of 1998 this amount was $150,000). A property can only qualify for a total of $100,000 over a five-year period. The renovator must undergo an extensive application and approval process that includes the submission of a budget, description and pictures of the current structure, and description of work to be done. An assistant from the planning department takes the applicant through the process. The applicant must receive approval from an interdepartmental committee. After this approval, if the amount of the grant is over $15,000, the applicant's assistant presents the project to the City Council for final approval. When an applicant receives full approval, the City only pays out the grant, either via an escrow account or directly, when the construction is complete. At the time of completion, the renovator must present all actual project cost information, undergo a final tour of construction to insure it fulfills all requirements, and return any unused portion of the grant.

For construction projects that meet less than two criteria points, the City has designed a Minor RIP grant that can apply only to permanent exterior improvements. The same system for the normal RIP grant applies except that the maximum amount available for a property is $10,000. Any amount that a property receives for a Minor RIP grant contributes to the total amount it can receive over five years for any RIP grant (as mentioned above).

The funding for the RIP grants comes from a variety of sources. The largest portions of the Downtown and East Side districts arise from the TIF districts located within them, but they also receive money form the general economic development fund of the City. The North First

[1] TIF Districts are an economic development tool intended for rejuvenating areas by setting aside the difference between the property tax revenues before renewal and those after it for re-investment specifically in the area. Often these reinvestments go into infrastructure, such as roads and sewers.

Street district receives its funds from a TIF district and an Urban Development Aid Grant, which is awarded from the federal government, and the Campustown district takes its funds from a municipal tax on food and beverages. The City places these funds in accounts for each district, which can only receive a certain amount per year. The only true limit on the life expectancy of the districts is with the funds received from the TIF districts, which are limited to ten years by the State enabling legislation.

A perfect example of the RIP has been the Leseure Building (211 N. Neil St.). Constructed around 1910, the building acted as a storefront for much of its life with approximately 4,400 sq. ft. in two floors. Suffering from under-use in recent years, renovators undertook a massive project to turn the bottom floor into a bar and restaurant and the upper floor into three apartments. The renovators contributed over $500,000 to the building renewal and received the maximum grant amount of $100,000 from the RIP (thus $600,000 in total project costs). The administrators have viewed the buildings dual use as a perfect example of the RIP's goal to make the downtown area more vital by both attracting commercial users as customers for the bar and grill and residential users as inhabitants of the apartments.

The Renovated Leseure Building

The RIP co-creator and administrator Karen Stonehouse noted that the pure intention of it was to bring about the re-use and revitalization of underutilized developed areas (2001). A goal she has felt that the program has attained. In her opinion, the RIP has accomplished its goal primarily due to two reasons: it allows the renovators to determine the viability of re-use and it allows renovations to compete with new construction. The first has been crucial since it allows the market to take an active and not passive role. The government could have bought the necessary buildings and carried out the conservation process, but the renovations implemented might not have suited what potential future occupants would have needed. Thus, the market has determined the most viable options for the buildings. Second, the grants have lowered the cost of renovations, and thus, they have addressed the problem of the extra-costs inherent in the renovation process. In combination, these two aspects try to work with the market instead of against it.

The program has also contained two design elements that have made it well suited to accomplishing its goal: it is criteria based and it has an easy bureaucratic process for approval. The first design element has been crucial in assuring that the City can reap the benefits it desires, basically all of those listed in the previous chapter. Without this element, many benefits could escape without any recourse for their loss. Furthermore, by attaching most criteria to existing buildings and permanent improvements, the program has insured that the benefits are those that building conservation can achieve. The second design element of easy bureaucratic entry for applicants has been crucial in attracting users. If this element did not exist, it could have scared away many renovators with an unnecessarily complex process. Thus, it could have fallen short of its goal due to disuse. Ultimately, these design elements have been crucial to the workings of the RIP grants.

4.3 Conclusions about Champaign's Programs:

The conservation programs of Champaign have worked basically on the same premise: the market must be involved to make building conservation successful. This fact may have been

just an offshoot from the overall goal of the programs to promote economic viability of developed areas, a goal in which the market must take the lead. For whatever the reason, the programs have worked to involve the market through making renovation a more viable economic option. This situation has been primarily the result of the municipality's monetary involvement, either with RIP grants or with sales tax concessions. In addition, the concern of the City in the economic viability of developed areas has been in and of itself beneficial to promoting building conservation. In sum, the City has worked effectively within its constraints in the pursuit of building conservation.

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5.0 Case Study 2: Groningen, The Netherlands:

Groningen is a moderate sized city located in the northern Dutch province of Groningen. Long considered the primary city for the three northern provinces, it has a population around 170,000, which makes it the seventh largest city in The Netherlands. The City rests in a primarily agricultural area, and as such, it acts as the primary urban center for it. Groningen is also home to the University of Groningen and the Hanzehogeschool, which give the City a student population of around 36,000. Groningen is also situated within close proximity of three major urban centers: The Ranstad (Amsterdam, Rotterdam, The Hague) in the western Netherlands under three hours traveling time (around 110 miles/176 KM), the German Ruhr Region (Bonn, Cologne, Düsseldorf) to the south around fours travel time (around 204 miles/328 KM), and the Belgian Triangle (Brussels, Antwerp, Gent) around four hours travel time to the southwest (around 218 miles/351 KM). Groningen's major employer is the University, but the Gasunie, a semi-private company in charge of natural gas mining, and the national PTT Post also have large facilities in the City.

Groningen has developed much like other Dutch cities over the past thirty years. The principal guiding force behind development has been the Gemeente Groningen, which is the local municipal government. Under the direction of the federal spatial planning agency, the Dutch federal government has advocated a strict compact cities policy in order to provide adequate room for future needs of population and the economy (Knagt 1996). The main principals have been to limit development to adjacent portions of cities, to redirect as much development as possible to pre-developed locations, and to try to provide services and infrastructure for all types of transportation (automobile, bicycle, bus, etc.). The federal government has created the framework for this policy, but the responsibility of actually implementing has rested with the municipal governments. In conjunction with this arrangement, municipal governments also have had the greatest amount of planning power with the ability and requirement to create both structural plans (struktuurplannen) and local land use plans (bestemmingsplannen). All development has had to strictly adhere to these plans, but as with most market economies, private developers have built most developments. Therefore, the municipal governments have not always held the strictest reign on these developments for fear they might travel to other municipalities. Such an action would also result in a loss of both property tax revenues and jobs. The amount of private construction has also increased in recent years as the federal government has consistently been decreasing its subsidies for residential construction developed by the government (VROM 1997).

Within such a compact city policy, building conservation has to be at the forefront of goals if such a policy is to be successful. The Gemeente has a difficult challenge in trying to maintain such a policy that requires high-density proximity of all manner of land uses, especially within the city center (Ashworth 1997). Thus, the Gemeente Groningen constantly must employ policies of its own design that address how to bring about building conservation so that it can be effective. These policies also must deal with an extreme variety of buildings in terms of both function and age. An examination of building conservation in Groningen can be a fairly representative of the state of the art.

5.1 Kanjer Plan for Historical Buildings and Other Solutions:

As can be expected within most European cities, Groningen has a great number of historical buildings dating from a wide range of time periods. The historical management system in The Netherlands is quite complex with three levels of designation for a structure: National

Monument (Rijksmonument), Provincial Monument, and Local Monument (Stedelijkemonument). National and Local Monuments by far makeup the most structures with designations. The constraints on the use of monuments also vary with the level designation with National Monuments restricting every use or alteration that would damage the historical character of the structure. Local Monument restrictions are more lenient and their use is determined by their designation within land-use plans, but structural changes that would damage their historical nature are forbidden. The National Monuments receive subsidies from the national government that specifically pay for the maintenance of those structures, while local monuments are the responsibility of gemeentes, which must allot money from their general fund to conserve them. In addition to individual structures, districts and whole towns can receive historical monument designation.

Groningen has all manner of these monuments and within the inner city a number of districts which restrict changes to historical urban design elements (facades, streetscapes, etc.). As one can imagine, these monuments create a minefield through which the Gemeente Groningen Department of Historical Monuments staff must find some route to achieve their conservation, especially in the case of the local monuments whose funding comes from the local base. In addition, the number of structures with historical merit is fairly great. Thus, the Gemeente must determine the buildings most in need of aid for conservation.

For this purpose, the Gemeente enacted the Kanjer Plan in 1996 (Haafteen & Pennewaard 2001). The plan has acted as a basic outline of what monuments deserve funding and in what order they should receive it. The plan started with two criteria for a building to make the list: it was built between 1850 and 1940 and it had lost its original function. The Gemeente determined these buildings as the best to invest since they often miss out on receiving subsidies from other sources, such as federal grants. The types of building have been of a wide range, including schools, laboratories, warehouses, and a swimming pool. The plan narrowed down the range of possibilities and determined the definitive list based on architectural merit, historical significance, and current condition. The established list chose fourteen structures which were most deserving of grants, and in addition, it prescribed to the list an extra thirty-seven of which sixteen can be upgraded to the active list at any one time until 2006. The funding for the subsidies has come from two sources: an initial fund of nine million Guilders from the urban renewal budget (Stadsvernieuwingsfonds) and whatever money the Department of Historical Monuments allots from its annual budget (usually around two million guilders). The Department usually has spent the majority of its budget on the Kanjer Monuments. The size of grants has also varied with each project.

The primary focus of the plan has been first to maintain the structure's condition and second to insure a viable use. Whenever possible, the Department has advocated for uses as similar to the original function as possible. By doing so, the historical morphology of the structure has been able to remain intact. But, this function matching has not always been possible so other uses have been sought. The Gemeente has urged renovators to chose other functions besides residential, because this use has typically required greater alterations. Beyond this guideline, all uses are permissible which meet zoning and land-use ordinances. The only stipulation with new uses has been that they must minimize the amount of change done to the structure. As can be seen, this system has placed a greater emphasis on the historic elements of the buildings more than their functionality.

Exterior of the Noorderbad

The Gemeente has considered the Kanjer Plan a success in a recent review (2000). The plan to date has completed the restoration or renovation of eighteen buildings with a number of others nearing completion. Five of the finished buildings have undergone complete renovations to other uses. The changes have been from such things as schools and warehouses to housing and offices. In the opinion of the main administrator, the best example had been the conversion of the Noorderbad, a swimming pool building dating to the early part of the 20th century. The renovators have changed the building over to a library and a community center. Such projects have only been possible through the efforts of the Kanjer Plan.

The Gemeente has also tried to keep an open dialogue with those owners who are on the secondary list. By doing so, they have been able to inform owners about the importance of conservation. Under this influence, five building owners have undertaken restorations and renovations without financial grants. Such an effect has shown the extent to which the Gemeente has pursued the Kanjer Plan.

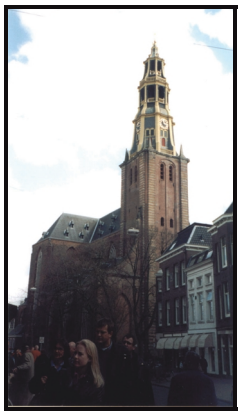
Renovated Interior of the Noorderbad

The Kanjer Plan has had a number of strengths and weaknesses that have affected its implementation. The primary strengths of the program have been its financial inducements and the active role the Gemeente has taken in its implementation. The lessening of the explicit costs of the conservation projects through the use of grants has been crucial to insure the program can work within the constraints of the market, and by taking an active role in working with building owners, the Gemeente has been able to limit possible implicit costs, such as protests from citizens who might see the building alterations as detrimental to neighborhoods and the community as a whole. The perceived weaknesses have been mainly within the Gemeente's side of the implementation. As mentioned earlier Groningen has a wide range of historical buildings, this fact has meant it has been no easy task determining the various questions such a program creates: Which buildings should qualify and why others do not?, How much subsidy does a building deserve and why so?, and When are renovations too much and when are they not enough? While these have been hindrances, they have been mostly opinioned based and thus, they have been open for interpretation. Within such a context, it is nearly impossible to determine an absolute measure of success.

In addition to the Kanjer Plan, the National government has charged the Gemeente with the oversight of the condition of National Monuments. Annually, the Gemeente has had to review the condition of the National Monuments so that the National Government can determine how much to allot for their maintenance. In 2000, this amount was 1.2 million Guilders. The money has been receivable by the owners under the stipulation that they maintain the historical character for the buildings. For this reason and the strict restrictions placed on alterations for National Monuments, owners have had difficulty finding productive re-uses for buildings that have lost their original functions. Some of the best examples of this situation have been with monumental

churches. The Dutch population has been undergoing a large secularization process so much so that attendance and financial contributions to churches have been declining (Knippenberg & De Vos 1988). This trend has resulted in the slow degradation of church buildings, especially those of the monumental level since their size and age requires greater investment than newer structures for upkeep. The current National Monuments budget has allotted around thirty percent (30%) of its budget purely for these buildings (Suhlmann & Sijtsma 1999).

To bolster this funding which often has been insufficient for structures of such age, the owners have been able to find supplemental incomes from various uses. A good Groningen example has been that of the Aa-Kerk. Originally constructed in the 15th century, it has been rebuilt twice in its history in 1671 after a fire and 1710 after a total collapse. With the growing secularization of the population, the church, which is located in the center city, has gone unused as a church for the past twenty-five years. The non-profit organization that owns the church, Stiching der Aa-Kerk, has opened the church for use as a meeting center for rental. Users have been able to rent out a small and large section of the church for five-hour periods for balls, wedding receptions, and all other occasions. The organization has charged 800 Guilders for the small part (around 200 people) and 1,100 Guilders for the large portion (around 500 people). While this function has not created large revenues for the church, it has helped in conserving it for future generations.



Spire of the Aa-Kerk

5.2 School Building Re-Use Program:

As mentioned, gemeentes have had to take an active role in the planning and development of their cities to insure the success of the compact city goal of the Dutch government. Thus, they have often undertaken building development prior to its market need to guarantee it would take place where they wished it. The Gemeente Groningen has been typical in this case, and throughout the late 1960s and 1970s constructed on the northern edge of the city massive residential neighborhoods with all the associated facilities, such as retail space, schools, and community centers. Population trends, however, have made these neighborhoods a failure as far as habitation rate. The government had planned for a greater population increase on the national scale and it had hoped to direct as much as possible to the less populated North. By the 1990s, this population had not arrived and within Groningen the southern neighborhoods proved a more popular location for residences, especially with those of the higher-income groups. This situation has led to under-populated buildings and an oversupply of useable facilities, namely schools. In addition, many other schools have been going unused, due to the overall population decline especially at the younger cohorts as the population has become older.

The Department of Economic Affairs has just developed a policy to try and re-use the school buildings that have gone unused due to oversupply (Cats & Huizinga 2001). Having just been approved in December 2000 by the city council, the Department has designed the program to re-use the buildings to bring neighborhood economic functions to the area. It has been hoped that by bringing economic employment centers to these areas that they can retain and attract people to use and to inhabit them. Furthermore, the Department has seen this program as a chance to bring about functioning mixing to primarily residential areas and to garner the cyclic effects to neighborhood vitality that such mixes can bring. On the national level, gemeentes have been pursuing this goal as well (Damen Consultants 2000).

Examples of the School Buildings

The Department has designed the program so that it has the biggest role in its implementation. The Department started the program with the purchase of fifteen schools from the Educational Department of the Gemeente for 10 million Guilders. These schools have ranged in size from 600 to 2,500 meters squared. From this point onward, the Department has begun to market the schools to developers and business owners, who are able to purchase the buildings under a set of conditions. The Department has set three guiding principals for these conditions: the design must be able to handle more than one firm, the buildings must retain a low rent level, and the buildings must be capable of handling a certain number of employees. Based on these principals, the Department will determine what the levels of the conditions should be for each project. The Department has also established that it will grant up to 700 Guilders per square meter for renovations of the most unfavorable buildings for business uses. The Department also pledged to aid with the granting of building permits to those renovators who agree to the preset conditions. The Department has received its funding for the project from both local and national government funds for urban renewal.

While the program has just begun, one can make inferences about the potential strengths and weaknesses of the program. The most obvious is the active role of the Department trying to provide a viable use for the buildings. In the words of the administrator Jans Catz, the buildings represent the "hardware" necessary for economic development, and therefore, the future business functions conversely act as the battery for the continued conservation of the buildings. In addition, the grants can aid in making the renovations more viable options when compared with new buildings. On the other side, the conditions placed on re-use are obviously the biggest potential weakness. As mention in chapter two, restrictions to function are already a hindrance to conserving buildings, any extra artificial creations by the government can only further detract from the school buildings appeal to future users. As to how these strengths and weaknesses will affect the outcome of the program, it will remain unclear until the program is well underway.

5.3 Conclusions about Groningen's Building Conservation Programs:

The Gemeente Groningen has had to develop building conservation programs so that it can aid the greater goal of a compact city. These policies have provided money based incentives as well as allowing the Gemeente's Departments' to take active roles in pursuing the conservation of the buildings. Most important of these roles has been the departments' endeavors to find viable functions for the buildings so as to insure their future use. The weaknesses, however, have been more on the fact that they have placed restrictions to these future functions. In this investigation, it has remained unclear how much these facets of function have balanced out each other. The one

thing that has been ascertained has been that Groningen has been able to conserve many of its buildings and enjoyed some the benefits for doing so.

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6.0 Comparison of Champaign's and Groningen's Programs:

As shown in the case studies, Champaign and Groningen have made a commitment to building conservation. They have adopted programs that try to address all aspects involved with trying to make building conservation a successful and beneficial endeavor. They, however, adopted programs that differ along various lines, and for this reason, it is worthwhile to investigate the similar and dissimilar elements. The investigation is able to show what elements are necessary for a building conservation program and those that can be seen as unique to the two planning systems. These elements should be useful to designers for any future programs concerning building conservation.

6.1 Common Elements:

Four common elements exist in the all the programs of the two municipalities: involvement of private interests, financial inducements, reductions of the unknown, and constraints on re-use. The most intriguing and important element of the programs is that they seek to involve the private market workings to bring about building conservation. It is no small coincidence that this is the case. The governments realize that it would be futile for the programs to try and rely totally on government funding and efforts, because it would be too costly in terms of money and time. Furthermore, the programs try to place as much responsibility to the private market as possible so that it can use the buildings in a way that guarantees their viability for variety of uses. Without the private market, the programs would fall well short of being able to garner many of the benefits from conserving buildings.

The use of financial inducements is an important element of making sure the private market works with the programs. As shown in chapter two, the biggest hindrance against building conservation is the extra-costs attached to it when compared with a new construction. While the level of subsidies and how they are administered have varied greatly, these subsidies none the less all aid in lowering these extra-costs to make the conserving of buildings more feasible and profitable for private interests. Without such a dedication, the policies would ignore the workings of the private market, and thus, they would make the buildings mainly only valuable for government and non-profit uses. Whether the amount of money awarded has been the most effective amount or even worth the expense, it is unclear. Sufficed to say, this research does not try to find an answer to this question with the exception of this inference that all program administrators view the buildings conserved as worth what they have spent. Further research is needed to truly establish the level of subsidies that would be worthwhile.

Likewise, the reduction of the unknowns of renovations works towards the same goal of trying to reduce the extra-costs of building conservation. This reduction, however, specifically targets those implicit costs. The programs all involve some element of trying to work with the renovator through which the government can insure that he/she will not incur any protest to the alterations they have chosen. This initiative makes the construction process go more smoothly and quickly by insuring that all elements are planned before any action is taken. It benefits the government by allowing it to bringing the private market into close cooperation with government goals. While this cooperation does benefit private interests, it also hinders them by making them work at a pace that corresponds with that of the governments, which can be slower than they wish. The question of whether these two elements of coordination balance each other is not totally certain.

Finally, the most curious of the common elements is the fact that all the policies with the exception of Champaign's enterprise zone program put constraints on the buildings' uses. This fact limits the ability of the market to choose the most profitable use for each building, which in turn, this arrangement limits the attraction of building conservation to private interests. It, however, does guarantee that the benefits the governments wish to reap are received. The governments in order to give funding must insure they know ahead of time what the product will be. This manner is the only way a government can make logical justification for the appropriation of funds. Furthermore, the constraints primarily apply to morphology which indicates that the governments have some vested interest in conserving the past and historical character of not only the building but also the existing streetscape. This fact further shows the close correlation between the goals of historical preservation and building conservation.

6. 2 Contrasts of the programs:

Only two real contrasts exist amongst the programs, and they correspond along the lines of the two countries: the level of involvement by the municipal governments and the level of concern over future functions. The most striking of these two is the first, because the two cities almost have a polar relationship in their approaches. Champaign's programs are very low pursuit by the government, they act more as opportunities that renovators can choose to use if they wish. They try to create a favorable market for pursuing building conservation by giving the incentives of grants and tax breaks to those who are hedging on whether to improve property. This system is very passive in nature. On the reverse side, Groningen's programs are very active. They have prepared a list in the case of the Kanjer Plan and purchased property in the school re-use program. These actions are very aggressive in the pursuit of building conservation. The programs define without question the buildings desired for conservation. Such a drive truly gives the impression that those buildings outlined will be conserved. These differences between the two cities can be representative of the differences in the extent of urban planning responsibility and power enjoyed by each. Champaign's programs are traditionally American in the sense that it is there to supplement the market to insure that it develops in a form as orderly as possible. On the reverse, Groningen's programs are very Dutch since they actively define the areas of development for the market. Such a dichotomy is probably the case in many programs of the two cities.

Similar to this contrast of the two programs, the pursuit of a function for the buildings varies with the two cities. As mentioned in previous chapters, obtaining a viable function for a building is paramount in insuring that building conservation is successful. Champaign's programs are more open and they try to let the market determine what function is best suited for them. In this sense, the programs state that the market can sustain the buildings on its own if the hindrances against doing so are lowered. Conversely, Groningen's policies whenever possible seek a function for the buildings, definitively in the school re-use program and as much as possible in the Kanjer Plan. The arrangement of the goals of the programs, historic conservation and economic development, also reflect this fact further showing the future of these buildings are predetermined. This situation further exhibits the high level of orderly planning involved in the Dutch system. Thus, Champaign and Groningen pursue the same ends of building conservation, but they differ on how much involvement it will require of them to achieve this goal.

6.3 Conclusions about the Comparison:

Champaign and Groningen have much in common when it comes to their approaches to conserving buildings. These common elements signal that inherent factors exist that must be addressed when trying to adopt a building conservation program. If such factors are ignored, the

success of the programs can be damaged. Just as these common elements show these inherent qualities in building conservation programs, the dissimilarities reveal that policy makers create programs within the traditions and allowances in which they work. This fact may be more useful than the revelation of the inherent factors, because it ultimately shows that there are always multiple roads to one destination. If policy makers can see this fact, maybe they can find a shorter path to the goal of building conservation.

7.0 Conclusion and Suggestions for Further Research:

The entirety of this paper points to the fact that building conservation is both possible and laudable from the perspective of municipal governments. In seeking to achieve building conservation, policy makers must diligently look at the problems that lead to the under-use of existing buildings. They also must find a suitable fashion to overcome these problems so that they may reap the numerous economic, social, and environmental benefits associated with building conservation. It is also crucial that they insure the concessions given to achieve building conservation are not wasted by renovators on projects that do not lead to buildings with an inappropriate level of modern and future functional worth.

This last statement is the most pressing challenge with the implementation of a building conservation program, and it is in this instance that further research can be of the most valuable use. Any further research should try to quantify the exact relationships between concessions and benefits. One possible study could just focus on what percentage of a renovation project's budget if provided by a municipal government would insure that the project occurs. Another possible study could try to quantify the level of benefits received from building conservation programs. As mentioned earlier in the paper, the precision of these figures will never be 100 percent, but any quality studies will give a deeper insight into what is needed to perfect approaches to building conservation. This insight in the end shall be of great use in trying to improve the quality of building conservation programs and in turn, the welfare of cities everywhere.