

Preservation Oriented Rehab Investment in Small Town America

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Let's look at an example of what small, neighborhood/main street-level, preservation oriented rehab has done for communities over the last 40 years. I'll use a small Midwestern town of 18,000 people called Hannibal, Missouri, (I live in Hannibal now).

This Hannibal, Missouri example looks at just the rehab dollars, not including the cost to purchase the property, spent on average for 200 projects ranging from single family projects to typical small, main street rehabs. Keep in mind I'm not including the added value the money spent adds back into the local economy. I'm just talking about the direct investment dollars spent for these 200 rehab projects over 40 years.

200 projects completed with an average investment for each of \$100,000 = \$20,000,000. That's not chicken feed folks. Multiply that by just 200 other towns the same size, across the country, and we're talking about \$4,000,000,000 over 40 years. In larger cities the rehab costs will be even more as well as the number of projects. These are generally bank financed, private rehabs without tax credits or taxpayer rehab money. Do the math for your community.

As a historic property developer, partner and consultant doing single family homes & small commercial projects, my firm's been involved in the rehab of 163 historic properties over my 41 year career. In six medium sized Midwestern communities, at an average rehab cost of \$150,000, this direct investment has generated \$24,450,000 and I'm not alone. Just over 70% of all the rehab dollars spent on these projects went to labor. Talk about real job creation.

NEVER be defensive about preservation, do your research and ALWAYS be on the offense.