

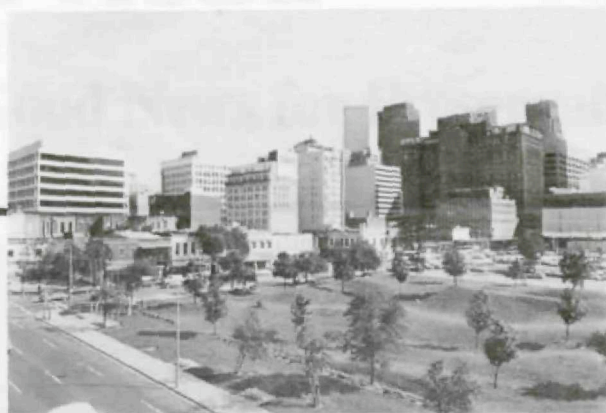
Good News for Preservation?

by all subsequent owners. Even if a building is accidentally destroyed, a new structure generally must conform to the original use and size and must also receive the preservation group's approval."

Hundreds of property owners have contributed façade easements to preservation groups in Washington, D.C., Charleston, New Orleans, and other cities since 1976. According to Warshauer, no easement donation programs have as yet been implemented in Texas.

The government recognizes the simple proposition that such a preservation burden decreases the potential uses of the property and can make it more difficult to sell (or cuts into its current value), says Warshauer. But tax breaks afforded under the donation regulations have turned out to be anything but simple. The regulations are ambiguous on the value of the donated easement, allowing it to be somewhere between the current market value of the property and its "highest and best use."

Market Square looking toward 300 block of Travis Street (Photo by Paul Hester)



The Internal Revenue Service this year initiated audits of some 50 donations in Washington and 80 in New Orleans, claiming that the rights donated to preservation groups had been overvalued. The organizations and taxpayers affected contend that, with few exceptions, the easements are valued properly, and complain that the IRS could destroy the attractiveness of the easement donation program nationwide simply by threatening audits.

The Houston group is keeping tabs on the problems encountered in other cities and has decided on a strategy to keep them from cropping up here. They

Cite Seeing

Buildings and Places that Ought to Be Recognized and Preserved

Photographs by Paul Hester

Since 1974 52 buildings, four districts, and two archaeological sites in Houston and Harris County have been listed in the National Register of Historic Places. This is only a fraction of the buildings, structures, places, and neighborhoods that could qualify for recognition, however. Lack of knowledge about the requirements for (and benefits of) National Register listing, compounded by the fear that listing will devalue property (the reverse is usually true), impose legal restrictions (it doesn't), or lead to government interference (it won't), inhibits owners of potentially worthy properties from applying to the National Register.

The National Register of Historic Places was established in 1966 as a part of the National Historic Preservation Act. It is administered by the National Park Service of the Department of the Interior through the Texas Historical Commission. The purpose of the Register is to record buildings or places that possess "significance in American history, architecture, archaeology, and culture," according to Park Service criteria.

Included here is just a sample of historically and architecturally significant Houston buildings, places, and structures that should be recognized and preserved.



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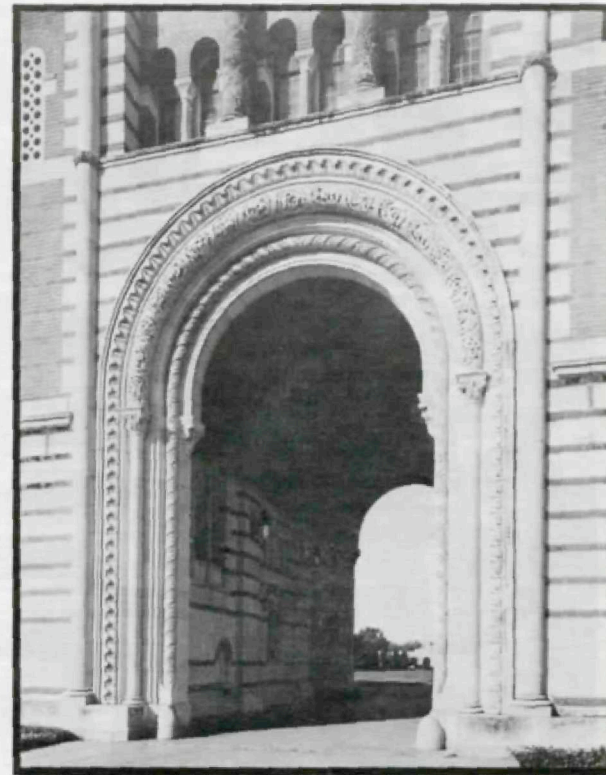
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- 1 Shadyside, Main and Montrose, 1916, George E. Kessler, landscape architect and planner
- 2 Clarke and Courts Building, West Clay and Van Buren, 1936, Joseph Finger, architect
- 3 Link House (now Administration Building, University of St. Thomas), Montrose and West Alabama, 1913, Sanguiet, Staats and Barnes, architects
- 4 Fourth Ward (Freedmen's Town) as seen from downtown
- 5 Lovett Hall, Rice University, 1912, Cram, Goodhue and Ferguson, architects

Right to left: Radoff Building, 1860, 1896, and Texas Commerce Motor Bank, 1981, I. M. Pei and Partners and 3D/International, architects (Photo by Paul Hester)

will wait until later this year, when new IRS regulations are to be published, before proceeding with property evaluations. They recommend that anyone contemplating façade donations engage as appraiser the firm with the most conservative record in the country and the best track record with the IRS. The group is currently working with a number of appraisal firms.

Warshauer points out that the IRS has challenged preservation easements most successfully in cities that already have strong historic preservation ordinances. This, he contends, could actually work in favor of Houston preservation interests.

"The IRS argues that since state restrictions and city ordinances in New Orleans, for example, already protect so many buildings, a property owner there is really not giving much away when he gives up a façade easement," says Warshauer. "In Houston, of course, the situation is much different. A property

owner here is largely unrestricted, and donating a façade easement is *really* encumbering the property. That makes the donations much more valuable and at the same time harder to contest."

The Houston group also hopes to avoid another prob-

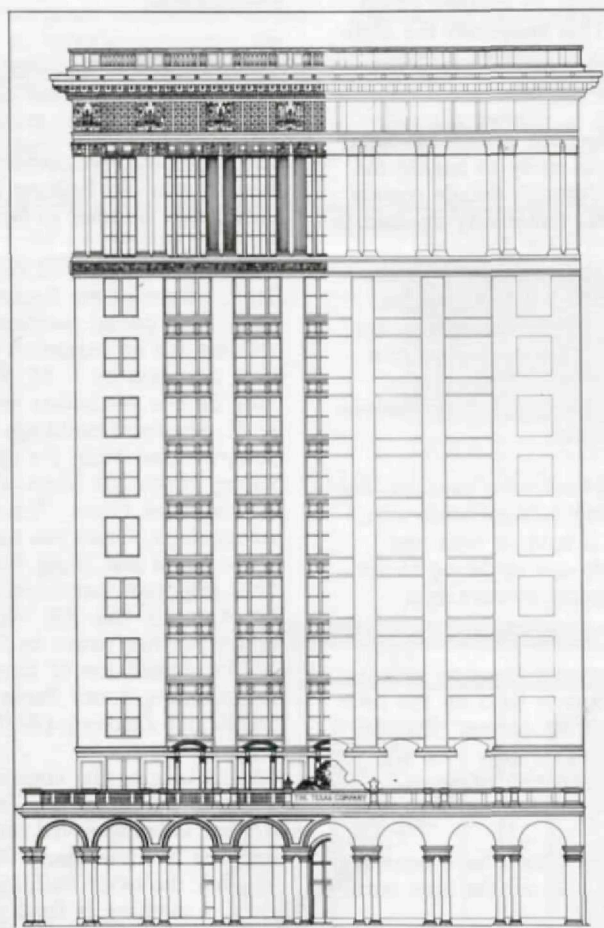
lem that has cropped up in New Orleans and other cities: competition between groups that accept façade easements.

"In New Orleans there are three different groups, each providing different services and each charging



6 Eastwood Elementary School, Telephone Road and McKinney, 1916, Maurice J. Sullivan, architect; 1927, Harry D. Payne and James Ruskin Bailey, architects

8 Texas Company Building, San Jacinto and Rusk, 1915, Warren and Wetmore, architects (Drawing by Roger Cooner, Jeff Holcomb, and Randy Lore)



7 Lockwood Drive Bridge, Lockwood Drive over Buffalo Bayou, 1928, James Gordon McKenzie, engineer. This concrete counter-weight steel lift-span bridge is slated for demolition by the City of Houston.

9 Petroleum Building, Texas and Austin, 1927, Alfred C. Bossom with Briscoe and Dixon and Maurice J. Sullivan, architects

10 Niels Esperson Building, Travis and Rusk, 1927, John Ebersson, architect

11 Brady House, Wilmer and Milby, ca. 1860