



MICHIGAN HISTORIC PRESERVATION NETWORK

HISTORIC RESOURCES IN MICHIGAN JEOPARDIZED BY HOUSE BILL 5232

Michigan's historic places drive economic development, attract businesses, draw tourists and new residents, create a sense of place, and enhance our quality of life. Keeping these historic places is so important that historic preservation has been upheld as a public purpose under the U. S. Constitution—preserving historic resources is a valid governmental goal and local historic district ordinances have been upheld as an appropriate means to secure that goal. Local historic districts are the only way for communities to manage and protect their historic assets, and Michigan enables local historic districts through Public Act 169 of 1970. **78 communities to date have chosen to enact ordinances to protect their historic assets** at the local level, under current state law. House Bill 5232 seeks to drastically change Public Act 169, jeopardizing the efficient and fair process for establishing local historic districts already in place, reducing protection given to resources in local historic districts, and diminishing the authority of local historic district commissions and local legislative bodies.

Weakens Protection for Historic Resources & Reduces Local Control

- This bill would make it exponentially more difficult for a community to establish a local historic district by requiring a 2/3 majority consent from property owners within the boundaries of a proposed district before the district could even be studied. It would then later require that 2/3 majority of the local legislative body vote in favor of the district. Property owners currently have a voice in the process through meetings and public hearings and a local legislative body typically will not vote in a favor of a district if there is not broad community support.
- This bill would make it impossible for local legislative bodies to act quickly to head off a sudden development threat. Currently, in municipalities with a historic district ordinance, a local legislative body can place threatened resources under study for local designation and delay development or demolition in that area for up to 6 months. Requiring a petition of local property owners to obtain a 2/3 majority consent before a historic district study committee could even be appointed would eliminate the local body's ability to act quickly under threat.
- This bill would reduce reliance on accepted, best-practice Standards used nationwide for historic district commission decision-making, introducing uncertainty into the process. The Secretary of the Interior's Standards for Rehabilitation that commissions currently use across the state would be optional, jeopardizing how federal rehabilitation tax credit projects could be successfully completed and potentially impacting the ability of Certified Local Government communities to receive state grant funds.
- This bill would change the appeals process for an aggrieved property owner within a local historic district. Instead of appealing to a neutral state board, which has appellate jurisdiction because of its expertise, appeals would be heard at the local level where political and development pressures could affect the outcome. Local appeals could also be costly to a municipality.

KEY IMPLICATIONS OF HOUSE BILL 5232:

Loss of local government authority. Owner consent for establishing a local historic district places a community's ability to protect what it finds important in the hands of a few private property owners.

Loss of neutral appeals process. Currently, over 95% of applications for work that historic district commissions review are approved and fewer than eight appeals are heard per year—there was only one appeal in the past year.

Loss of reliable review standards. Allowing for optional standards that are "in the best interest of the community" is extremely vague and might have nothing to do with historic preservation.

Loss of the Certified Local Government program. Since 2003, nearly \$1.5 million in grant funds have been awarded to rehabilitation and other preservation projects in communities with local historic districts. The proposed changes to the law could jeopardize this program.