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How Much Do Design Guidelines Cost, and Why?

by **Steph McDougal**

Most state enabling legislation requires that local jurisdictions adopt design guidelines for the evaluation of historic area work permits. Historic Preservation Commissions (HPCs) use design guidelines to manage alterations, new construction, infill, and demolition within designated historic districts. As described by the National Park Service in “Creating and Using Design Guidelines,” these guidelines typically include a statement of the preservation goals for the district; a history of the district’s development over time; an illustrated description of the district’s physical features; and guidelines for maintenance, repair, material replacement, new construction, and demolition. Design guidelines cover individual buildings, and, if applicable, setting, streetscape, and landscape characteristics.

Many cities employ professional historic preservation consultants to help them develop design guidelines for historic districts, but consultant fees for these projects can vary widely. While working with a client city to develop a grant proposal budget for a preservation planning project that included design guidelines, I found a broad range of prices paid for design guidelines – some in the \$15,000–20,000 range and others up to \$100,000 or more – but no clear reason for the differences in cost.

With support from NAPC staff, I set out to determine the cost of hiring consultants to create design guidelines. This article is based on two surveys conducted in July and August 2011. The first survey asked HPC members and staff to share information about design guidelines projects in their jurisdictions and factors that might influence cost. The second survey asked preservation consultants,

who include design guidelines in their services, to rank those factors according to their influence on project costs.

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Survey of City Staff and Commissions

This survey solicited input from NAPC members. We also posted the request for responses to National Trust for Historic Preservation Forum and on McDoux Preservation's *Facebook* page. HISTPRES, the jobs website for young preservation professionals, shared the request on their Facebook page as well. Over a two-week period, we received 57 responses; of those, one was a duplicate, two were for projects other than design guidelines, and two other respondents did not complete most of the survey. This left us with 51 usable responses.

The respondents' IP addresses indicated that they were from 24 different states across the country, mostly in the Midwest and on the Eastern Seaboard. The states with the most respondents included Georgia (9), Minnesota (5), and Illinois (5). Major cities and smaller ones were represented equally. Overall, the survey respondents were sufficiently representative of the nation as a whole, although their relatively small number would categorize this as anecdotal data and not sufficient for statistical confidence.

The survey asked ten questions, including: the year when the consultant was hired; number of properties in the design guidelines area; whether the consultant was developing new guidelines or revising/expanding existing ones; amount paid to the consultant; location of the consultant's office relative to the jurisdiction; number of in-person client meetings and public meetings attended by the consultant; whether the consultant did all of the revising of the guidelines document or if local staff did some of that work; the proportion of custom vs. standard content in the guidelines document; and the respondent's overall satisfaction with the value received for money spent.

The survey findings can be summarized as follows:

- Nearly 2/3 of the respondents (33 of 53) spent \$20,000 or less for design guidelines. The rest reported spending \$21,000–50,000 (9 respondents); \$51,000–75,000 (2 respondents); \$76,000–100,000

(3 respondents); and more than \$100,000 (4 respondents).

- Nearly 2/3 of the 51 respondent projects took place in the past five years, between 2006 and 2011.
- More than half of the projects covered areas with more than 250 properties.
- One-third of the projects were revisions or expansions of existing guidelines, while 2/3 created new guidelines.
- The consultant's location relative to the jurisdiction was evenly distributed between same city, nearby city, not a nearby city but within the same state, and in a different state. The consultant's distance from the city did not seem to make a difference with regard to cost.
- More than half of the projects included 3–5 in-person client meetings.
- More than 2/3 of the projects included 1–3 public meetings or workshops.
- The projects split nearly evenly in terms of who (consultant or staff) made revisions to the guidelines document. Comments from respondents revealed a wide range of HPC staff participation in the writing and revising of the guidelines document.
- Most of the design guidelines included in this survey used an approximate 50/50 ratio between custom content and standard text and images.
- The average satisfaction rating was 4.05, on a scale where 1 = extremely unsatisfied and 5 = extremely satisfied. Eighty-seven percent of respondents who paid more than \$20,000 reported feeling satisfied by the value they received for the money spent. That number was slightly lower (73%) for the under-\$20,000 projects.

An analysis of the survey data showed little or no correlation between many of these factors and the total cost of the consultant's time. However, three factors stood out.

1. These projects might have become more expensive over time. Out of the 16 projects that took place between 1995–2005, 75% cost less than \$20,000. In contrast, only 53% of the 39 projects completed after 2005 cost less than \$20,000. This could be attributable to several factors:

First, hourly rates have almost certainly increased over the past 15 years. For example, one consultant contacted for this article with 25 years of experience in developing design guidelines stated that the costs of

doing business (in particular, health insurance and travel) have increased significantly. A recent study revealed that the cost of health insurance premiums has more than doubled since 2001 (see: <http://facts.kff.org/results.aspx?view=slides&topic=3>).

In addition, the consultant noted that clients expect – and today’s computer software makes this possible – more detailed documents that include a greater number of photographs and illustrations in color, and this also drives up cost.

Finally, cities may be contracting more often with larger firms, which would likely have higher overhead costs and command a higher rate – due to collective experience and/or a more prominent regional or national profile – than a solo practitioner or small shop.

2. More meetings might equal higher costs. The most expensive projects (over \$100,000) involved more than six meetings with the client and more than six public meetings or workshops. However, many under-\$20,000 projects also had 6 or more meetings with clients and the public, and the combination of the consultant’s location and number of meetings do not correlate with a higher project cost.



The most expensive projects involved several direct meetings with consultants

3. The cost might be affected by the proportion of revisions to the document made by the consultant versus HPC staff. For projects in the \$51,000–\$100,000 range, all revisions were made by the consultant. In the two cases where \$100,000+ guidelines documents were revised by staff, one project continued to be revised, based on additional feedback from the public, after the consultant’s contract had expired; in the other case, HPC staff apparently did most of the initial writing and the consultant made revisions. According to the respondent, “The staff

worked extensively on the content, design and policy of the guidelines. It was very time consuming, much more than expected. It was almost as if the consultant was there just to organize and put on paper what we came up with.” In hindsight, perhaps this question also should have asked about initial content development, not just revisions.

Survey of Consultants

It stands to reason that a consultant’s fee will be determined by the amount of work and/or number of hours that a project requires, but what drives that workload? With the first survey’s data in hand and questions still to be answered, I created a second survey just for consultants.

A link to this second survey was sent to a selection of 33 consultants, all of whom appear on one or another SHPO’s list of historic preservation professionals and who have been identified as providing design guidelines services. I tried to include consultants from around the country; firms of different sizes, including solo practitioners; and both architects and historians. Eight people responded, including several who provided follow-up detail via email.

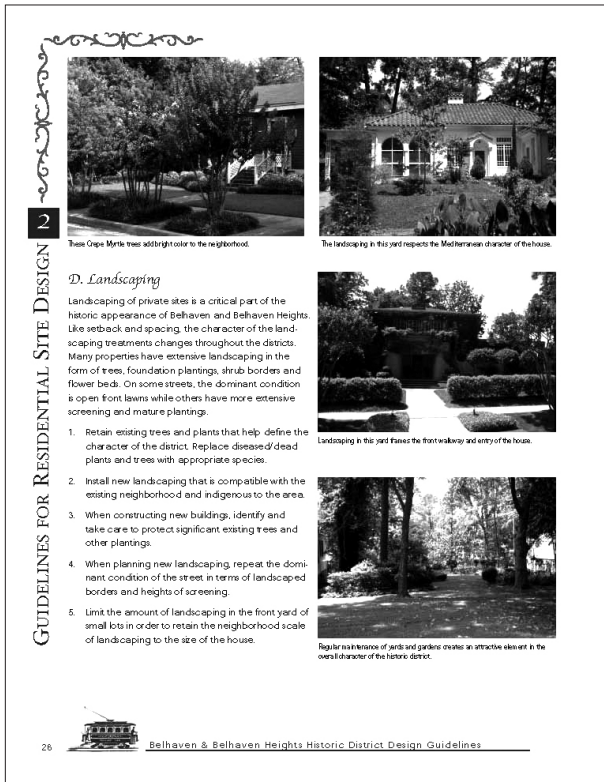
This second survey asked the consultants to rank the same factors from the first survey, in terms of each factor’s influence on the cost of design guidelines. In addition, the survey asked how many employees were typically assigned to work on a design guidelines project (to establish whether team size made a difference in the cost), and how far the consultant travels for these projects.

According to the consultant survey, which – again – can only be considered anecdotal, only “number of properties” received two #1 rankings, and the only factor to not receive a #1 ranking was “number of presentations to commissions or city council.” With that said, adding the rankings resulted in a total score for each factor; those scores were, from lowest (most influential) to highest (least influential):

Amount of customization of content (26)
Amount of revisions expected to be completed by consultant (27)
Number of public meetings or workshops (27)
Number of in-person meetings with the client (30)
Number of presentations to commissions/council (32)
Distance from the consultant’s office to the client’s location (34)
Number of properties in the guidelines area (36)

While the amount of customization tops this list, if most surveys include approximately the same amount of custom content (50%), then that factor is probably not responsible for the disparities between project costs.

or workshops was far fewer. Given the amount of preparation required for public meetings, it makes sense that those would have more weight, in terms of influencing project costs, than a meeting with city staff.



Conclusion

Although the data collected so far clearly leaves some questions unanswered, cities may be able to control the cost of design guidelines by carefully defining and managing the scope of a consultant’s work, in order to most effectively use their time. Some ideas for doing this include:

- Find alternative ways to disseminate information and gather public feedback that can be handled by city staff, so that fewer public meetings are needed.
- Use technology tools such as *Skype* or web conferencing to minimize the number of in-person meetings required (and, therefore, consultant travel time and associated costs).



Customization of content can affect the total cost of design guidelines

We can also assume that the number of presentations is likely to be the same for each project; for example, with one to the preservation commission at the beginning of the project and another at the end, and then one presentation each to the planning and zoning commission and city council. If this factor is fairly consistent from project to project, it also would not significantly affect project costs.

Taking those two factors off the list, we are left with the amount of revisions and number of public meetings as the items having the greatest influence on project cost, and the consultant’s location and number of properties having the least influence. Those results echo the findings in the first survey.

The number of meetings with the city fell somewhere in the middle, and looking back on the first survey data, we can see that many of the projects included numerous meetings with city staff – the number of public meetings

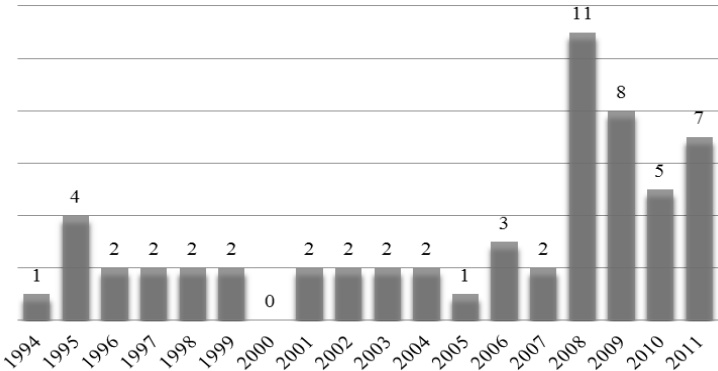
Tools like webconferencing can cut down on the costs of travel for consultants to your community for client meetings and presentations

- Actively manage the review and revisions processes so that someone at the city is responsible for collecting, collating, and organizing suggestions for changes to the document – and resolving any contradictory comments – before that information is forwarded to the consultant. Try to limit the number of rounds of revisions as much as possible.

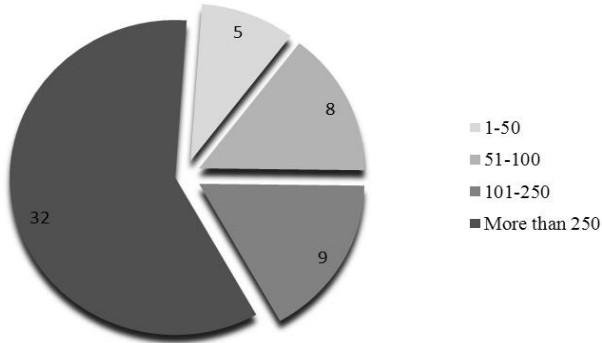
Design guidelines are a vital tool for managing historic districts and conserving their integrity and aesthetic appeal. Although the costs to create design guidelines have risen over the past 15 years, they remain affordable, and cities have the ability to actively manage those costs.

Survey Results (Page 1/4)

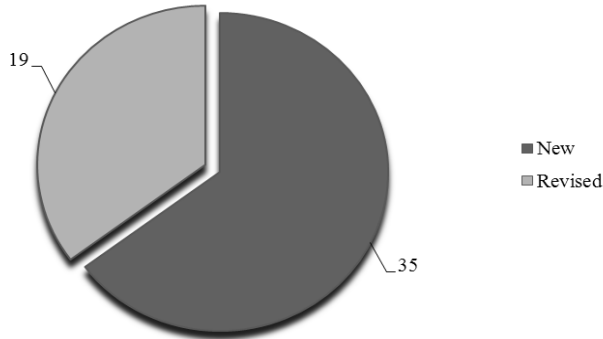
1. In what year did your City hire a consultant to develop design guidelines for an area that included historic buildings?



2. Approximately how many properties were contained in the area affected by the design guidelines?

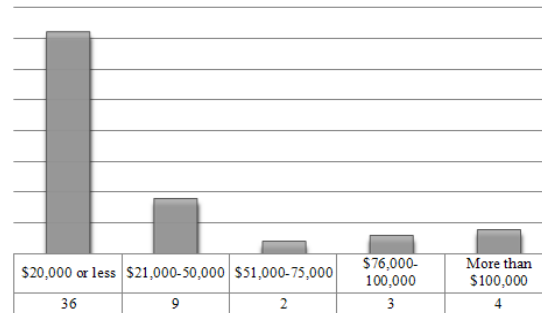


3. Was the consultant hired to revise or expand existing design guidelines, or did they develop new design guidelines?

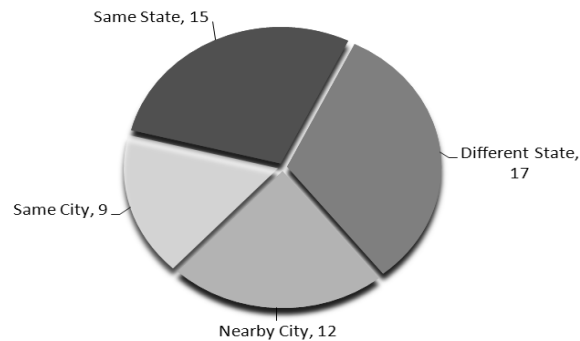


Survey Results (Page 2/4)

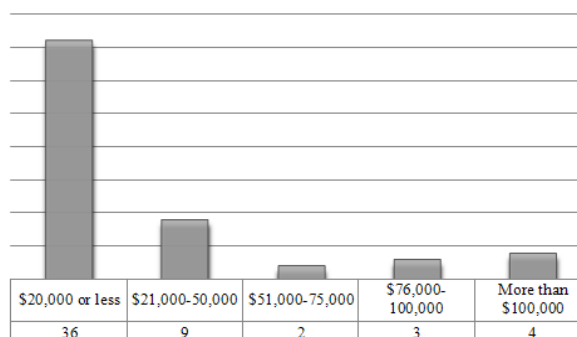
4. About how much did the City pay the consultant for the design guidelines?



5. The consultant's travel costs may have had an effect on the total price of design guidelines. Which of the following statements best describes the office location of the individuals who worked with your City?

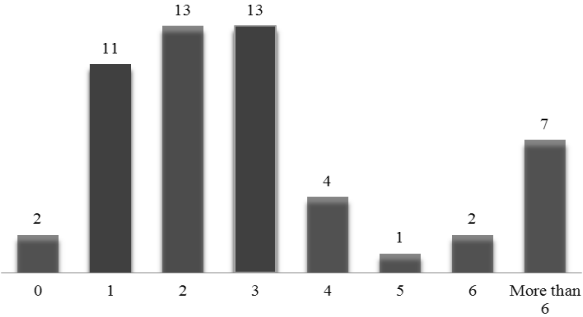


6. How many meetings with City Staff did the consultant attend in person? (Not via Skype, Web-based conferencing, or other electronic means)

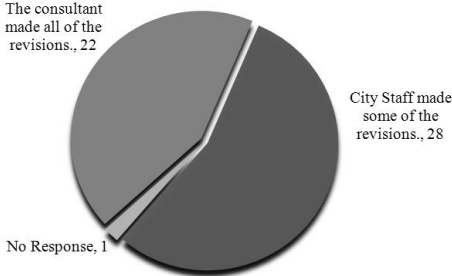


Survey Results (Page 3/4)

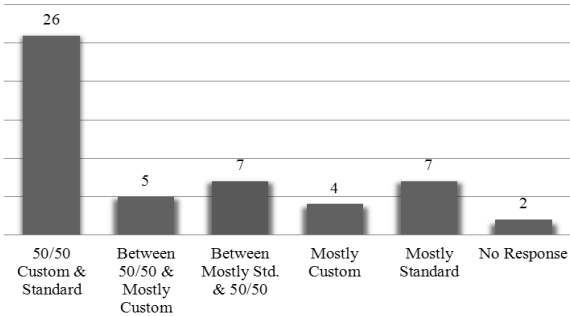
7. How many meetings with the public did the consultant attend during the development of the design guidelines?



8. During this project, did the consultant make all revisions to the design guidelines document, or did City Staff make some of those revisions?

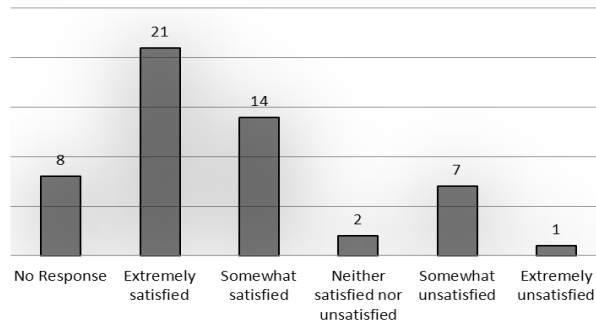


9. Approximately how much of the design guidelines document was custom, rather than standard information?



Survey Results (Page 4/4)

10. How satisfied were you with the value you received for the money spent?



Survey results are also available on the NAPC web site: www.uga.edu/napc

RENEWING NAPC MEMBERS:

continued from page 3



Kathy Helmer (Landmarks and Historic Preservation Commission - Medford, OR)
Lary P. Hesdorffer (Vieux Carré Commission - New Orleans, LA)
Nancy Hiestand (Historic Preservation Commission - Bloomington, IN)
William Iseminger (Collinsville HP Commission - Collinsville, IL)
Jeanne Johnston (Lexington Historic Commission - Lexington, NC)
Robert Kinney (Sanford Historic Trust - Sanford, FL)
Michael Levanthal (Arlington County Government - Arlington, VA)
Cynthia Linker (City of Black Hawk - Black Hawk, CO)
Veronica Litterer (City of Charles City HP Commission - Charles City, IA)
Jaclyn Ludowese (Codington Co. Historical Society - Watertown, SD)
Autumn Rierson Michael (Michael Preservation Group, LLC - Davidson, NC)
Christine Palmer (City of Bothell Landmarks Preservation Board - Bothell WA)
Tim Paris (City of Topeka Planning Commission - Topeka, KS)
Wanda Parrish (Spotsylvania HP Commission - Spotsylvania, VA)
Linda V. Prescott (Chelmsford Historical Commission - Chelmsford, MA)
Jennifer Pruitt (Carson City Historic Resources Commission - Carson City, NV)
Glen Roberson (Oklahoma Historical Society - Oklahoma City, OK)
William P. Rohe (Historic Architectural Review Board - Sewickley Heights, PA)
Jennifer Schreck (Steilacoom Preservation & Review Board - Steilacoom, WA)
Ray Scriber (LA Division of HP/ Louisiana Main Street - Baton Rouge, LA)
Shari Thornes (Brookings HP Commission - Brookings, SD)
Town of Concord Historic Districts Commission (Concord, MA)
Stephanie Trueblood (Town of Hillsborough - Hillsborough, NC)
Becky Weaver (City of Hillsboro Texas - Hillsboro, TX)
Jeremy Wells (Bristol, RI)
Anita Williamson (City of Waxahachie - Waxahachie, TX)
Jim Wilson (Clay County HP Commission - Vermillion, SD)
Alan Woodruff (Incorporated Village of Bellerose - Bellerose Village, NY)