City of Charlottesville Board of Architectural Review Special Meeting August 30, 2000

Minutes

Present:
Joan Fenton (Chair)
Jesse Hook
W.G. Clark
Preston Coiner
Lynne Ely
Linda Winner
Wade Tremblay
Ken Schwartz
Joe Atkins

Also Present: Tarpley Vest Jim Tolbert

Ms. Fenton called the meeting to order at 5:01 p.m. She indicated that as this was a continuation of the previous meeting, the portion for public comment would be considered closed. She opened the floor first to Doug Harnsberger, the architect hired by the city, to comment on the fax the Board had just received, and then to the applicant.

CERTIFICATE OF APPROPRIATENESS APPLICATION BAR 00-3-17-00 101, 105, 107, 111 East Main Street

Mr. Doug Harnsberger addressed the Board. He indicated that he has a list of 22 projects that his firm has done in Richmond, as well as fax numbers and contacts of developers that his firm has worked with, which he is willing to share with Mr. Slagle. He then addressed the questions contained in the fax. He stated that there are a number of developers who make a handsome living doing historic rehabilitation on warehouse conversions and historic commercial adaptations in Richmond, and added that he would help put the applicant in touch with them. He then clarified that he did not recommend demolition of building number 107, as it is considered a contributing structure, according to the Department of Historic Resources; rather, he recommends re-facing the existing structure, removing the pre-cast concrete and designing a new brick fa‡ade

that would be compatible with its neighbors. He added that the building's designation as a contributing structure would make it eligible for the 45 percent tax credit. Concerning the economic feasibility analysis, he indicated that he had not had enough time as of yet to do that adequately, but generally, the guideline of \$60 to \$70 per square foot is good indicator of construction costs for commercial rehabilitation. However, with the 45 percent tax credit, that cost would likely be cut in half, and so rehabilitation could prove to be quite profitable, particularly in a larger project. Concerning question five in the fax, he indicated that two structural engineers did look at the tying back of the fa‡ade at building 111, and commented that the cables were slack and were not, in fact, working. Most likely, they were there for support in case demolition, or whatever was going on adjacent to the building, required the cables to catch the wall in the event it separated. He added that in their inspection, they did not see any evidence of separation. Concerning office space, he commented that the easiest way to program the buildings would be for apartment use on the upper floors, and retail on the first. If the applicant preferred to put offices on the upper floors, it would be possible, in his opinion, to adequately strengthen the floors. Concerning foot plates, he indicated that they did not do any overlaying of apartment layouts or residential apartment layout type usage, but added that if the one-storey additions were pulled off the back and new construction was added, there would be ample space to do new apartment layouts and provide an elevator core and circulation to meet ADA and BOCA standards. He then stated that tax credits apply to both hard and soft costs, and added that new construction is eligible for tax credits, so that HVAC equipment and electrical equipment, for instance, could be rolled into the historic rehabilitation budget. However, he is aware that the frame and the work outside of the wall of the historic work would not be eligible for the 45 percent tax credit. He indicated that asbestos abatement, tax credit applications, permits, licensing, and developer's own fees could all be rolled into acceptable rehabilitation costs. Concerning guarantees for new construction, he indicated he believes the applicant could get something in writing from the State Preservation Office that any work going into the restoration of building 107 would qualify for tax credits. He stated that although the fa‡ades are not unique in the sense that they do not represent the only Colonial Revival or Italianate fa‡ades in Charlottesville, they nevertheless contribute to the overall texture of the Historic District. In his opinion, the fa‡ades are of good quality, with the

exception of 107, and cannot be replicated in new construction. Concerning complying with current code requirements, he commented that there is always friction whenever one is dealing with an historic building and there is a gap between the modern building code and the historic building, and added that, as Mr. Wibberley indicated, there is no need to bring an historic building completely up to modern code standards. He addressed briefly the various ways this gap could be creatively addressed, including sending a letter of variance to the city official.

Ms. Fenton indicated that there would be time later to address questions to Mr. Harnsberger, and called for the applicant to make his presentation.

Mr. Tim Slagle thanked the Board for hearing this matter for a third time. He stated that an important concept was the meaning of "historic," and indicated that according to the dictionary definition of the word, the buildings under consideration were not qualified to be designated as such, as they were associated with neither a famous architect nor a famous resident. He stated that this was especially important because the City of Charlottesville statutes concerning demolition were based upon the state statute, which addresses the historicity of a building, but does not consider its economic situation or cultural aspects. He commented that, in his opinion, Mr. Harnsberger had not adequately researched the issue, and the report provided no proof that the buildings should be preserved on the grounds of their historic status. Concerning the tax credits, he indicated that although there are clever things that can be done to take advantage of them, there is the risk that several years down the line, some things could come back to haunt the applicant, in the form of penalties, interest, or denial of credit, should the applicant decide to renovate the buildings. Mr. Slagle then commented that Mr. Harnsberger is only the architect on these projects, not the developer, and so he is not the one who has the primary decision as to whether or not a project is economically feasible. He added that the information provided by Mr. Harnsberger simply was not sufficient to determine whether renovation would be financially worthwhile. Concerning the question of whether the developer would need to wait one year if the demolition is denied by the BAR, he commented that most likely, the buildings would remain vacant and boarded up for that time, and in his opinion, that would be the wrong message to send to residents and visitors to the Downtown Mall. If the applicant is forced to wait a year, the carrying cost incurred would run about \$200,000, which would be better spent on actual construction. He then asked the Board to

consider D&R Development's track record, citing several projects on the Downtown Mall, and added that the proposed project would contribute to the vitality of the city.

Ms. Fenton opened the meeting up to questions from the Board members for either the applicant or ${\tt Mr.}$ Harnsberger.

Mr. Tolbert commented that it would be very helpful to look at projections on renovating the existing structures, and asked the applicant if he had any available. Mr. Slagle replied that he did not have any pro formas available for the Board to look at, although they had been prepared. He added that in general terms, although there would be the possibility for a small return should they renovate rather than demolish the structures, it would not be big enough to make the venture worthwhile.

Mr. Coiner asked why the applicant feels there is a need to board up the buildings. The applicant replied that that is to protect against damage to the property by vandals, as well as against injury to anyone who might trespass on the property. He added that Mr. Castillo, the owner of Antojito's and the only tenant of the buildings, had visited his office recently and even he recommended tearing the buildings down.

Mr. Coiner then commented that according to his dictionary, the term "historical" refers to whatever existed in the past, whether it is regarded as important or not. Mr. Slagle replied that there is a difference between historic and historical, although he is not aware of any legal definition of either term.

Ms. Fenton called for further questions. Seeing none, she called for comments from the Board.

Ms. Ely requested Mr. Harnsberger to speak to the issue of the one-storey additions to the rear of 107 and 111, and the two-storey addition to 105. Particularly, she asked him to comment on whether or not they are integral to the historic structure. Mr. Harnsberger indicated that he had not had adequate time to evaluate that, and recommended that John Wells, with the Department of Historic Resources, be requested to do an evaluation. He stated that the point he was trying to make is that there is a precedent for doing a removal of a nonsignificant addition to an historic structure, and that in his opinion, the Department would most likely be happy to see these particular additions taken down. He then added that, concerning the historicity of the buildings in general, the determination of their

historic significance by the Department of Historic Resources should be sufficient, and he would be happy to show in more detail later on why he fully supports that determination.

Ms. Fenton asked if there were further comments or questions. Seeing none, she called for a motion.

Mr. Slagle asked if it would be possible to have his attorney address the difference in meaning between historic and historical, but Ms. Fenton commented that it was now time for a motion.

Mr. Schwartz made four separate motions to deny the application for demolition, one for each property, based on the criteria identified in the previous meetings. He indicated that at earlier meetings, the majority of the Board had expressed the opinion that most of the issues had not been demonstrated sufficiently to justify a vote in favor of demolition, and that still pertained. He added that his motions for denial were further based upon the information provided by the architect, Mr. Harnsberger, and on the applicant's failure to provide any new information regarding the issue of economic feasibility. He then thanked Mr. Harnsberger for stepping forward on short notice and brining his professional expertise to bear on this issue.

Mr. Clark seconded all four motions. He then commented that the vitality of the downtown is very evident, and that is based in large part on its historic character. Therefore, it is myopic to argue about the word "historic" as it applies to an individual structure, particularly to structures that have contributed for approximately 100 years to the history of the Downtown Mall.

Mr. Tremblay commented that he felt real sympathy for the owners and developers, considering the long period of abandonment of the buildings and their generally poor condition, but it was the applicant's responsibility to provide a strong economic argument against restoration and rehabilitation of contributing structures to the Downtown Mall. As that had not been provided, he could not support the application to demolish.

Ms. Fenton asked if there were any further comments on the motions. Seeing none, she called for a vote. All four motions carried unanimously.

Ms. Fenton commented that everyone appreciates and supports what D&R Development has done in the city, and that this action by the BAR was taken only in the interest of protecting the buildings.

Ms. Fenton asked if there was any other business before the Board.

Ms. Vest commented that a date for the next Worksession needed to be selected.

Ms. Fenton asked what was happening with the request to make the BAR application process 21 days. Ms. Vest indicated that the Planning Commission at their meeting on September 12th would be considering extending the deadline for BAR applications from the existing 10 days prior to meeting, to 21 days prior to meeting. She added that the purpose of extending the deadline is to allow opportunity to gain better information and resolve any issues and allow the Staff to do a better job preparing Staff reports. She commented that the Board members would be welcome to come to the Planning Commission meeting, if they were interested in the issue.

Mr. Tremblay asked what sort of hardship the extension would pose to applicants, many of whom have relatively modest issues or relatively modest projects, considering the fact that the BAR only meets once a month. Ms. Fenton replied that the question has come up repeatedly as to whether the Board is willing to meet twice a month. She indicated that previously, the Board was not willing, but it perhaps should be considered again since the districts have been enlarged. She added that in the case of emergencies or particular problems, some applicants could be squeezed in early.

Mr. Coiner asked Ms. Vest to explain the notification process, namely in regard to whether or not signage would be put on the property. Ms. Vest commented that that is not part of this proposal now, but the Board could certainly make that recommendation. Discussion followed about the Board having requested this before, and it was generally agreed that the matter should be raised again.

Mr. Clark commented that the Board could extend the deadline on a trial basis, and just see how it works and what problems it stirs up. He stated that although no one likes time added onto their projects, three weeks in the beginning of a project is not much of a burden. He recommended putting Ms. Vest in a position to seek out or identify those cases where the delay poses special problems, and to be able to move on them without having to come before the Board, particularly in the case of small projects.

Ms. Fenton requested the Board members to pick dates and issues for the next Worksession. She commented that at the next meeting, she would like to consider

items that can be dealt with administratively, such as copper roofs or other issues that do not have to come before the BAR. General discussion followed, and October 10th, 2000, was selected as the date for the next Worksession, with the suggestion that Board members keep the 3rd open as well.

Mr. Coiner made a motion to adjourn. Mr. Atkins seconded the motion, and it carried unanimously. Whereupon, the meeting was adjourned at 6:05 p.m.