

## **HPC File #16-001**

### **716 Wilson Street, Dayton's Bluff Heritage Preservation District, by the Saint Paul Housing and Redevelopment Authority, for a demolition permit to raze the William Schornstein house.**

HPC staff presented the staff report and based on the findings, staff recommended approval of the demolition permit application provided the following conditions are met:

1. Prior to demolition, the applicant shall remove non-original siding and wrap to reveal the historic exterior of the residence and the building shall be documented following the Minnesota Historic Property Record (MHPR) archival photo documentation standards prior to demolition, at the owner's expense. Two copies of the 2012 HPC reviewed plans in 11" x 17" format will be accepted in lieu of as-built drawings. Two copies of the documentation shall be forwarded to the HPC in both printed form and as TIFF files on an archival quality CD (one copy of the documentation to be delivered to the Ramsey County Historically Society.)

Chair Dana requested that everyone present be careful not to make inferences or be inflammatory in the way comments are made or questions are asked. There are people who are involved in this work and these properties who could be personally offended by inferences about personal behavior.

Joe Musolf, Project Manager, PED, representing the HRA, said HRA staff believes a decision to allow demolition is warranted considering the structural condition of the building and lacking economic viability of the building. The structural condition review that was included with the application cited numerous structural deficiencies. The structural engineer concluded that the building is in poor structural condition and repairs would likely be relatively costly. They have worked diligently to find an economically viable rehabilitation proposal for the building. They have received two developer proposals. The first one in 2012, for a five unit rehabilitation project in conjunction with other adjacent properties, requesting a total of approximately 2.7 million dollars in subsidy. They determined it was not an economically viable proposal. A second proposal, in 2013, was for demolition and a multifamily redevelopment project also in conjunction with adjacent properties. The subsidy needed on that proposal was not determined, but preliminary conversations with the proposer led them to believe that it wouldn't be an economically feasible project. In the spring of 2015 they requested assistance from HPC staff and the Preservation Alliance of Minnesota to identify any other interested developers. Three new developers were contacted, but no proposals emerged.

At questions from the Commissioners, Mr. Musolf confirmed that the City has been willing to sell the property for as little as a dollar and contribute money to proposal, but they are still unable to sell it. He also confirmed that the proposal in 2013, for multifamily housing, was from Dayton's Bluff Neighborhood Housing Services.

Commissioner Trimble stated he has concerns because Dayton's Bluff Neighborhood Housing Services wanted to see the building torn down in order to build a multi-family project and that

doesn't seem to be a good reason to get rid of a house that is contributing. He said that some of the estimates seem to be incredibly high and he questioned if anyone has contacted groups like Habitat for Humanity, which has been doing some rehab work around the City, rather than just building a brand new home.

Mr. Musolf said that the short answer is yes. The single family program under the umbrella of the Inspiring Communities Program, which was preceded by the Neighborhood Stabilization Program and the Invest Saint Paul Initiative, has resulted in 160 rehabs around the City including 16 in the Dayton's Bluff Heritage Preservation District. Habitat for Humanity has been an important partner in both rehabilitation and new construction, and it's correct that their model often results in lower subsidy. They have always participated in their request for proposal and have had interest in other properties in their inventory.

Ms. Spong made a point of clarification regarding the multifamily proposal that included a 2.7 million dollar subsidy. The project was not for new construction. It was a project that involved rehabbing 208-210 Bates, 216-218 Bates, and 716 Wilson. There were no plans for new construction, and that was not what was presented earlier.

Commissioner Trimble stated it may not have been presented, but the plans existed.

Commissioner Trimble referred to the fire report that stated almost all of the damages were on the porch and didn't go up into the roof. It seems that this is something that could be taken care of if the property were to be rehabilitated.

Mr. Musolf stated that the fire damage was primarily contained to the porch and the front rooms of the main floor of the house, however, the smoke and soot damage was extensive.

In response to Chair Dana's question pertaining to salvage opportunities during demolition, Mr. Musolf said they don't specifically call for that in their demolition specifications, although it is allowed and assumed that it happens by their demolition contractors.

Patty Lilledahl, Housing Director, PED, representing the HRA, was present for questions.

Tom Dimond, 2119 Skyway Dr., stated that this is a really important issue. This is a wholesale demolition of a historic district located on the east side. There was a lot of push back internally within the City and other quarters when the work was being done on the adoption of this historic district. This historic district is treated quite differently than anywhere else in the City. There would never be a suggestion to demolish this many buildings in another historic district within Saint Paul.

What is also very troubling is the misinformation and false premises that are being used to justify this application. The numbers and arguments being given to do this are false. He isn't implying that anyone is lying, but they are not telling you the basis of these premises. For example, converting this to a four bedroom house, and lifting it up and moving it on a new

foundation, is not what it takes to preserve this building. That is not what the market place would do. This creates crazy artificial project costs of \$600,000 to \$675,000 for this house. Nobody in their right mind would do that. People in their right mind could very easily rehabilitate this house without any trouble. He stated you can't get these properties for a dollar. People have paid better money than that for these properties to rehab them to high quality restorations, but they are not allowed to due to the restrictions and limitations. He has national and local awards for properties he has rehabilitated in the neighborhood including the National Trust for Historic Preservation. No one from the HRA has ever contacted him to see if he would be interested in doing one of these projects. They are not reaching out for other opportunities. He has restored a property on Bates that the HRA was going to tear down. He urged them not to tear it down and to put it up for bids. It was in very bad condition, a car had literally run into the house. He pushed for them to put it up for bid and after numerous attempts to purchase it finally ended up before elected officials where he was finally able to purchase the property. He has restored it and received national awards. It has been an asset to the community ever since. He is not the only person or group who is interested in doing these cost effective high quality rehabilitations in the neighborhood. The City, rather than being an asset, is being the detriment. They don't even fix roofs on buildings they own and then cite private property owners and on their properties. For example, the house he rehabbed with his own money and received an award on, was cited by the City for planting flowers and grass on the boulevard. They told him if he didn't remove them from the boulevard they would prosecute him. He did go before the City on this issue that eventually turned out to be legislation that allowed everybody around the community to be able to plant flowers on their boulevard. That's the craziness of this process. This property and every other one on the list is economically viable and can be done by the private market if the process would allow it. The way it is currently set up the private market is not allowed to do so and it's destroying our community on the east side and they are the ones who pay the price for that mistake.

Another reason he hopes the Commission votes these down, or at least tables them to after the first of the year, is that they don't have an elected representative until after the first. When there is this kind of impact potentially to a community they ought to have an elected representative who they can speak to before that decision is made.

Sage Holben, 705 Fourth Street E, stated she is on the Board of Directors for the Dayton's Bluff Community Council and Chair of the Land Use Committee, but largely tonight she is speaking as a resident. Out of respect of Dayton's Bluff Community Council, and the people it represents, she advocates that the decision to raze this property and the other Dayton's Bluff properties on the list be laid over so that the Community Council and interested residents are given time and opportunity to give input to these actions. This request is in respect to transparency between our city and our District Council, as well as District 7, and the integrity of the architecture, the economics, and the neighborhoods of Dayton's Bluff. She has lived in this neighborhood for 16 years and seen houses transformed into beautiful homes with stable families. This will not continue to happen if this demolition goes through. Please postpone this until they have a new council person elected and until they gain community stability.

Jean Comstock, 729 Sixth Street East, stated she is a member of the Dayton's Bluff Community Council Land Use Committee. The reason she remains on the Committee is to have an opportunity to learn about things that are happening in the neighborhood before decisions are made so that she can add input. She was disappointed to learn that she didn't even hear about these slated demolitions until a few weeks ago. There has been miscommunication in how this has happened and she would encourage the Commission to hold these and not make a decision tonight. There is a group of citizens who are concerned about this and they are asking for some time to do some more thoughtful consideration of these houses. She would like to see if they could find people willing to come and renovate these houses themselves.

In response to a question from the Commission, Ms. Comstock stated that the Land Use Committee has not had time to review these applications they only learned about them two weeks ago.

Ms. Holben stated they are going through some reorganization and they have not had the opportunity or the staff to look at this. With more time they could certainly take some action on these applications.

Aron Thomas, 742 Plum, stated he and his girlfriend moved to Dayton's Bluff specifically because it's a historic district. It's hard to see these houses be vacant in the first place, and it's harder to think that the contributing structures are being considered for demolition. He agrees that stabilization is important, but he also thinks that part of the reason why the district was created was to stabilize it in terms of preserving the historic properties. He thinks that as a neighborhood they should take advantage of any reprieve, temporary or otherwise, from the demolition proposals. They should try as a community to come up with a plan that can address properties that end up in this state so that it doesn't get to the point of demolition.

HPC staff read written testimony into the record requesting that the items pertaining to the demolition of HRA owned properties in the Dayton's Bluff Heritage Preservation District be withdrawn from the October 8, 2015, Heritage Preservation Commission agenda pending a community meeting to consider the impacts and/or opportunities that the properties in question represent to the Dayton's Bluff community. The letter includes sixteen names of people in support of this request: Lou Ann Norquist, Barry Madore, Benjamin Mason, Jennifer Mason, Karin DuPaul, Erica Schneekloth, Aron Thomas, Casie Radford, Carla Riehle, Carrie Obry, Sage Holben, Cliff Carey, Carol Carey, Bob Parker, David Durant, and Tammy Durant.

The public hearing was closed.

Ms. Spong provided clarification on their requirements for timely reviews of applications. She cited Chapter 73 of the City's Legislative Code. The HPC has a 60 day review period and if they do not approve or deny or approve with conditions within 60 days of the date of the application it's automatically approved. The HPC also needs to comply with State Statute 15.99, 60 day rule, which requires a timely review from the date of a complete application to making a decision. There is an opportunity to provide an extension for another 60 days, up to 120 days,

if the Board deems there is additional information that is needed. In Minnesota we are kept from laying over something indefinitely because of 15.99.

Commissioner Wagner asked if the applicant would be amenable to withdrawing their applications in light of the public testimony that is in support of not making decisions on these properties until they have proper representation at the City Council level.

Mr. Musolf stated he is aware of the letter read into testimony. It was delivered to the Executive Director of the HRA, Jonathan Sage-Martinson, and he responded by stating they would not be withdrawing the applications.

Commissioner Trimble moved denial of the request for demolition. Commissioner Wagner seconded the motion.

Commissioner Trimble stated that on page 5 of the staff report it said that there is no other historical associations with this property. He respectfully disagrees. The architect, Augustus F. Gauger, is certainly worthy of mentioning as the designer.

Ms. Boulware stated he was only involved with the Schornstein Grocery. HPC staff could not find any record or association of him with the Schornstein house or garage.

Commissioner Hill commented on an article he read regarding demolitions across the City. These properties tonight would represent 2 to 4% of all demo permits in the City. He understands the community's frustration in being blindsided. This is not a way to go about community development.

The motion to deny passed by a vote of 8-0.