

## **HPC File #16-005**

### **737 Plum Street, Dayton's Bluff Heritage Preservation District, by the Saint Paul Housing and Redevelopment Authority, for a demolition permit to raze the Gotthielf Christoff house and garage**

HPC staff presented the staff report and based on the findings staff recommended denial of the demolition permit application. Staff noted that the structural condition is fair to good, the staff report states poor.

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, HRA staff, said he wanted to thank the HPC staff for all the work that they have done to respond to a significant work load that came to the Commission all at one time. He said that again they believe that a decision to allow demolition is warranted considering the structural condition of the building and the lacking economic viability of the building. The structural condition review 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 costly. They have worked diligently to find an economically viable rehabilitation proposal for this building. They received one proposal in 2012 requesting a subsidy \$334,000 and determined that it was not economically viable. They have offered the request via Request for Proposal two times in 2013 and 2014 and the requests did not result in any proposals. In the spring of 2015 with the assistance of HPC staff they identified three more interested developers, but no proposals emerged.

Upon questions from the Commissioners, Mr. Musolf confirmed that the subsidy requested in 2012 was \$334,000.

In response to Commissioners questions, Ms. Boulware stated the square footage is 2,154 above ground.

Ms. Spong stated that the subsidy is not the rehab cost. The subsidy request is an amount of the total development cost. Mr. Musolf confirmed this and said when he refers to subsidy it is a calculation that is presented to the HRA by the proposer. It takes into account the difference between the anticipated total development cost and the expected revenue from a future sale.

Commissioner Wagner said that the subsidy represents \$155 per square foot of subsidy and presumably the developer requesting the subsidy will be including some amount in addition. Being an architect himself he knows a little bit about what it takes to rehab buildings and what construction costs are and he finds the figures to be considerably higher than he would expect. He is trying to understand where that discrepancy lies and why the HRA is getting numbers that

are so high. It seems there is a breakdown in the system somewhere. We've heard testimony that there are ways to do these rehabs in a more economical way that would make them viable. It's important for everyone to understand what is going on here.

Mr. Musolf said that the proposal that the HRA received in 2012 showed a total development cost of \$470,500 with a projected sale of the renovated house at \$165,500 for a subsidy request of \$305,000. This also assumed a land cost right down to zero so that would be an additional \$29,500 HRA investment the cost the HRA had in purchasing the property. In regards to the \$470,500, certainly the developer has an idea about profit, and the HRA acknowledges that and they underwrite and vet that. In this particular circumstance, this house also has some very significant costly challenges associated with its site. In the rear of the property the elevation change from where the drive way is to where the adjacent property is to the rear, there is almost a 20 foot change. There are significant costs associated with stabilizing what is a challenging site condition. There is also a large wall on the side between this property and the adjacent apartment building.

Ms. Boulware added that there was a prior Project Manager who worked for PED that she worked with prior to this on 737 Plum Street. There was a developer that had done other projects in the historic district. They were proposing things that didn't comply with guidelines or proposing more expensive things to get a better layout. They proposed to replace all of the windows and not all of them would need to be replaced. They proposed to tear down the garage and build a new one, but the garage could have been reused. They proposed to tear off all of the siding and completely reside the entire building. They proposed to relocate the staircase and the circulation of the interior. There was a lot of over and above projects that they were proposing. The plans received with the packet show an idea of what they were looking to do. She was working with the applicant to revise their proposal but the project did not move forward. She stated it could cost a lot less for a rehab and that was what they were working towards.

Mr. Musolf stated that he is not sure if the retaining wall he mentioned earlier is actually on this property. It may not have been something that contributed to the cost estimate.

Tom Dimond, 2119 Skyway Dr., thanked the Commission and said it really makes a big difference for the community. He would like to reiterate he cares very much for the community. The opportunity for the future of the neighborhood is great. They want to be part of the decisions for their neighborhood. He said he would like to sit down and brainstorm ideas on what they can do in the future. When the City works with the neighborhood they do amazing things.

Sage Holben, 705 Fourth Street East, requested that this permit to demolish be denied so the community can give their input. She would like to preserve transparency. She appreciates this process.

Aron Thomas, 742 Plum Street, wanted to add that this house is a great example of why the creation of the historic district is important in the first place. The apartment building next door is perched on top of that retaining wall and unfortunately this house is going to have trouble for the rest of its life so long as that apartment building is there. That retaining wall that is holding up the apartment building is blocking the first floor windows along that side of the house. If the district had been created earlier that apartment building would have never been built the way that it is with its gutter dumping the water right on top of the retaining wall.

Jean Comstock, 729 Sixth Street East, requested that they deny the application to demolish this property. She also thanked the Commission for the opportunity to be heard on this issue and thanked the staff.

Kirsten Scanlan Madore, 326 Maria Avenue, requested that they deny the application to demolish this property.

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.

Commissioner Riehle made a motion to deny the application of demolition. Commissioner Trimble seconded the motion.

The motion passed by a vote of 8-0.