

Landmarks Commission
January 22, 2014

Peter Ostlind

I would like to speak tonight to the consideration of a Certificate of Appropriateness for the requested demolition of 127 W. Gilman St. Specifically I will speak to condition 'f' of the ordinance standards you will be considering.

This is the standard for considering whether a structure is in such deteriorated condition that it is not structurally or economically feasible to preserve or restore it.

The applicant has provided the Commission with three professional reports to address this standard. In the 30+ years I have been involved in the construction industry I have prepared numerous similar inspections of buildings as well as budgets for the renovations of these properties. I have not inspected the structure at 127. Rather like the Commission I am relying of the information provided by the applicant as the basis for my remarks.

The first part of standard 'f' is whether or not it is structurally feasible to restore the building. None of the three reports state that the structural deficiencies noted cannot be repaired. In fact they all suggest just the opposite.

The Buss report of 2000 provides a detailed description of the work required and a budget for completing this work. The Severn report of 2002 provides a list work required to "bring the building back to its proper maintenance level." Likewise the Pierce report of 2013 makes recommendations for repairs and concludes that the structure under current loads is stable.

The next part of standard 'f' concerns whether it is economically feasible to preserve or restore the structure.

The Pierce report does not speak to economic issues.

The Severn report questions the economic feasibility but provides no economic analysis to evaluate this concern. The report concludes with the statement that "It appears that the cost of repairs will approach or exceed the cost of total building replacement." If the standard for the Commission were to evaluate the cost of repairs versus the cost of constructing a new similar structure I believe the Landmarks ordinance would come down in favor of repair and maintaining existing structures. That is the very essence of the historic districts. It is also worth noting that included in the repairs deemed necessary by Severn and included in his cost assumptions are non-structural items generally considered part of regular maintenance such as replacing the roofing, siding repairs, interior renovations and replacement of HVAC equipment.

The Buss report provides a complete budget including structural repairs and complete renovation of the building. Again the work includes many items that are considered general maintenance or normal renovation for these types of buildings such as roofing replacement, painting, flooring, mechanical

upgrades and landscaping. Of the total high range estimate for all work of \$358,000 roughly \$80-90,000, including general conditions, profit and overhead, is attributable to structural repairs. The costs associated with structural repairs that the applicant has provided are about 25% of the overall renovation costs. The balance of the budget is for standard building maintenance items, products with limited lifespans and part of the renovation that is associated with any building over time.

The applicant has owned this building for 19 years and acknowledges that for the past 11 years they have been making "numerous efforts to garner support for more appropriate housing at this location." In other word for more than half of their ownership their focus has been on demolition rather than on maintaining the building. This is further documented by their statement that in these past 11 years they have only invested an average of \$1000 per year into the building.

On the other hand in an effort to show their preservation credentials the applicant states that they have invested \$4.4 million in their buildings in the University Heights and Mansion Hill Historic Districts in the last 7 years.

In addition to the 20 buildings they own in Mansion Hill there appear to be another 3 in University Heights. So assuming that none of the \$8.5 million cost of constructing their most recent apartment building in University Heights is part of their maintenance expenditures this works out to an investment on average of over \$27,000 per year per building.

Clearly the applicant understands what it takes to maintain the integrity of structures when they want to. On the other hand with regard to 127 W. Gilman the applicant has known for at least 13 years that there are structural repairs that are needed but have intentionally decided not to take any actions to preserve the integrity of this building.

The information provided by the applicant shows that it is both structurally and economically feasible to preserve this building. Further to the extent that they may face any hardship on account of the current condition of the building it is clear that this is self-created. The applicant has failed to make a case for a Certificate of Appropriateness for the demolition of 127 W. Gilman St. under standard 'f' of the ordinance.