PLANNING DIVISION STAFF REPORT

May 4, 2020



PREPARED FOR THE LANDMARKS COMMISSION

Project Name & Address:	7-11 N Pinckney Street
Application Type(s):	Public Interest Variance from the Historic Preservation Ordinance to allow a Certificate of Appropriateness to be issued for the Demolition of a Designated Madison Landmark
Legistar File ID #	<u>60204</u>
Prepared By:	Heather Bailey, Preservation Planner, Planning Division
Date Prepared:	April 27, 2020
Summary	
Project Applicant/Contact:	Mark Binkowski, Urban Land Interests
Requested Action:	The Applicant is requesting that the Landmarks Commission grant a Public Interest Variance from the Historic Preservation Ordinance to allow a Certificate of Appropriateness to be issued for the demolition of a Designated Madison Landmark.

Background Information

Parcel Location/Information: The subject site is a Designated Madison Landmark

Relevant Ordinance Sections:

- **41.09** ALTERING OR DEMOLISHING LANDMARKS. No person may do any of the following without a certificate of appropriateness issued under Subchapter F:
 - (1) Add a new structure to a landmark or landmark site.
 - (2) Materially alter a landmark or the exterior of a landmark.
 - (3) Demolish or relocate a landmark or any part of a landmark.
 - (4) Install a sign on the exterior of a landmark or on a landmark site.
 - (5) Divide any lot comprising all or part of a landmark site, or voluntarily grant any easement on that lot if doing so may impair the preservation, maintenance, exterior appearance or historic character of the landmark or landmark site.
- **41.18 STANDARDS FOR GRANTING A CERTIFICATE OF APPROPRIATENESS.** A certificate of appropriateness shall be granted only if the proposed project complies with this chapter, including all of the following standards that apply.
 - (2) <u>Demolition or Removal</u>. In determining whether to approve a certificate of appropriateness for any demolition or removal of any landmark or structure within a historic district, the Landmarks Commission shall consider all of the following, and may give decisive weight to any or all of the following:
 - (a) Whether the structure is of such architectural or historic significance that its demolition or removal would be detrimental to the public interest and contrary to the general welfare of the people of the City and the State.
 - (b) Whether a landmark's designation has been rescinded.
 - (c) Whether the structure, although not itself a landmark structure, contributes to the distinctive architectural or historic character of the historic district as a whole and therefore should be preserved for the benefit of the people of the City and the State.

- (d) Whether demolition or removal of the subject property would be contrary to the policy and purpose of this ordinance and/or to the objectives of the historic preservation plan for the applicable historic district as duly adopted by the Common Council.
- (e) Whether the structure is of such old and unusual or uncommon design, method of construction, or material that it could not be reproduced or be reproduced only with great difficulty and/or expense.
- (f) Whether retention of the structure would promote the general welfare of the people of the City and the State by encouraging study of American history, architecture and design or by developing an understanding of American culture and heritage.
- (g) The condition of the property, provided that any deterioration of the property which is self-created or which is the result of a failure to maintain the property as required by this chapter cannot qualify as a basis for the issuance of a certificate of appropriateness for demolition or removal.
- (h) Whether any new structure proposed to be constructed or change in use proposed to be made is compatible with the historic resources of the historic district in which the subject property is located, or if outside a historic district, compatible with the mass and scale of buildings within two hundred (200) feet of the boundary of the landmark site.
- Prior to approving a certificate of appropriateness for demolition, the Landmarks Commission may require the applicant to provide documentation of the structure. Documentation shall be in the form required by the Commission.

41.19 VARIANCES.

- (1) <u>General</u>. A property owner who applies for a certificate of appropriateness under Subchapter F may request a variance from one or more standards under Sec. 41.18. The Landmarks Commission may vary one or more standards under Sec. 41.18 for any of the following reasons:
 - (a) Economic hardship under sub. (4) below.
 - (b) Historic design under sub. (5) below.
 - (c) Alternative design under sub. (6) below.
 - (d) Projects which are necessary for the public interest under sub. (7) below.
- (7) <u>Public Interest Variance</u>. The Landmarks Commission may grant a variance allowing the construction of a new structure, or the alteration, demolition or removal of an existing structure, which would otherwise be prohibited under Sec. 41.18, if the Commission finds that a variance is necessary in the public interest. A variance is necessary in the public interest if the Commission finds all of the following:
 - (a) The proposed building, object, site or structure provides unique, high priority benefits to the general public.
 - (b) The benefits to the general public under sub. (7)(a) above substantially outweigh the strong public interest in preserving historic resources expressed in this chapter.
 - (c) There are no reasonable alternatives to granting a variance that would allow the proposed project to occur in the city and satisfy the standards of this chapter.

Analysis and Conclusion

The applicant is requesting a Public Interest Variance from the demolition standards for securing a Certificate of Appropriateness to demolish the landmark buildings at 7-11 N Pinckney. This request is part of a larger redevelopment that would combine several parcels. The proposed redevelopment would incorporate the landmark building at 1 N Pinckney (American Exchange Bank), demolish the buildings at 7-11 N Pinckney but salvage the second story façade on 7 N Pinckney for incorporation to the new structure. The request before the Landmarks Commission at this point is just the variance request to demolish 7-11 N Pinckney. In order to move forward, the proposal would also need Certificates of Appropriateness for the land combination and new construction, and an advisory recommendation to the Plan Commission for development adjacent to a Landmark.

The storefront addressed as 7 N Pinckney was part of a building that was originally constructed in 1899 for the Olson & Veerhusen men's clothing store, which operated in this location until 1975. This building is significant for having the longest association with a menswear retail business in Madison. The adjacent storefront (7-11 N Pinckney) was constructed in 1906 and housed the Keely & Neckerman drygoods store, the Harry S Manchester men's clothing store, and then Tittle & Sons Meat Market before Olson and Veerhusen expanded into the space in 1951. While the second story of 9-11 N Pinckney has lost its cornice, it still retains the narrow belt course of smooth-faced white stone that creates a continuous sill for the original window openings. Above the windows there is light-brick infill in the location where the cornice was once installed, and at the top of the façade the stone coping remains. While certainly less decorative than the adjacent building, the second story is able to convey its early 20th century commercial history.

The variance request states that it is in the public interest to allow a for a development on the square with extensive structured parking below grade, retail uses at the street level, and high density office space above. The application states the existing building at 7-11 N Pinckney is blighted and the buildings on N Pinckney are largely used for office spaces, which does not drive foot traffic for that side of the Capitol Square. The applicant also contends that the facades of 7-11 N Pinckney are largely lacking their historic character.

The subject property was part of a slate of landmark designations that occurred in 2008. All of them were significant as part of an assemblage of the last block on the Square that conveyed the commercial history of downtown Madison at the turn of the last century. The Madison Trust for Historic Preservation published a context entitled "Preserving the Most Intact 19th and Early 20th Century Block on the Square," which served as the research base for each of the nominations. Rather than creating a commercial historic district, the nominations came in as individual landmark nominations for the buildings that had significant histories and were still able to convey their historic associations.

This property was addressed at the time as 7 and 9 N Pinckney. Both storefronts had been significantly altered over time to accommodate new and ongoing uses. The second-story façade of 7 N Pinckney still retained the Claude & Stark-designed Italian Renaissance Revival ornamentation and the second-story façade of 9-11 N Pinckney still retained enough original building fabric to convey its historic associations. Both storefronts are significant as part of the architectural context of the commercial history of Block 101, and for being the home of the Olson and Veerhusen menswear store.

On March 24, 2008, the Landmarks Commission unanimously recommended this property be designated a landmark. At the April 22, 2008, Common Council meeting, the alders took into consideration the recommendation of the Landmarks Commission and a formal objection from ULI. The developer offered that they could incorporate the terracotta window surrounds from the second story of 7 N Pinckney as the most significant element on those buildings in lieu of designation. After 90 minutes of discussion, the Common

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Council approved the building at 7-11 N Pinckney as a designated landmark. The building has not had substantial exterior alterations since its designation as a City landmark 12 years ago.

In pre-application meetings with ULI, staff advised the applicant that their proposal would not meet the demolition standards in the Historic Preservation Ordinance. Further, staff advised that the salvage of a portion of the façade of the building would not meet either the standards or intent of the preservation ordinance. Based upon that guidance, the applicant is asking for a variance to the standards for granting a Certificate of Appropriateness for demolition of a landmark.

A variance is meant to be a rare exception to the rules. The Landmarks Commission is tasked with determining if this request meets those high standards. The charge from the MGO 41.01 "Policy and Purpose" section of the Historic Preservation Ordinance specifies that preserving historic resources is, among other things, supposed to:

- ensure that the City's growth sensitively incorporates the City's historic resources
- recognize that the City's historic resources are economic assets that can attract residents and visitors, create jobs, stabilize and improve property values, and stimulate business and industry
- promote the use of and investment in historic districts and landmarks for the education, pleasure and welfare of the people of the City.

A discussion of the relevant ordinance sections pertaining to the demolition follows:

41.19 VARIANCES.

- (7) <u>Public Interest Variance</u>. The Landmarks Commission may grant a variance allowing the construction of a new structure, or the alteration, demolition or removal of an existing structure, which would otherwise be prohibited under Sec. 41.18, if the Commission finds that a variance is necessary in the public interest. A variance is necessary in the public interest if the Commission finds all of the following:
 - (a) The applicant cites substantial benefits to an increased tax base, increase in employment opportunities downtown, and more publicly accessible parking. Most of these are indirectly beneficial to the general public. The proposed development would be private property and most directly for a private interest. In order to meet this standard, the proposed project would have to have substantial benefits to the general public, which would outweigh the strong public interest in preserving historic resources expressed in the preservation ordinance. The Landmarks Commission must determine if the primarily economic benefits of the redevelopment outweigh the public benefits of cultural heritage.
 - (b) Per the landmark nomination, the subject property has the public benefit of its architectural significance as being part of the assemblage of buildings on the most intact portion of the Capitol Square dating to the turn of the last century, and for its history as being the home of the longest-running menswear store downtown. By approving the nomination, the Common Council held that this building is significant to the City's architectural and social history.
 - (c) The project as proposed would not be able to occur in its current configuration without the scraping of the landmark. Without demolishing the subject property, the proposal would need to be significantly reconfigured or need to occur at a different location.

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Recommendation

Staff believes the standards for the public benefit variance are not met and recommends the Landmarks Commission deny the request.