



**CITY OF MCMINNVILLE
PLANNING DEPARTMENT**
231 NE FIFTH STREET
MCMINNVILLE, OR 97128

503-434-7311

www.mcminnvilleoregon.gov

DECISION, CONDITIONS, FINDINGS OF FACT, AND CONCLUSIONARY FINDINGS OF THE MCMINNVILLE HISTORIC LANDMARKS COMMITTEE FOR APPROVAL OF THE DEMOLITION OF A HISTORIC RESOURCE AT 180 NE 7th STREET

DOCKET: HL 9-18

REQUEST: The applicant has submitted a Certificate of Approval application to request the demolition of a historic resource that is listed on the Historic Resources Inventory.

LOCATION: The subject site is located 180 NE 7th Street, and is more specifically described as Tax Lot 100, Section 20AD, T. 4 S., R. 4 W., W.M.

ZONING: The subject site is designated as Commercial on the McMinnville Comprehensive Plan Map, and is zoned C-3 (General Commercial).

APPLICANT: Harold Washington, on behalf of Schoko Properties, LLC and Urban Mark, LLC

STAFF: Chuck Darnell, Senior Planner

DATE DEEMED COMPLETE: October 2, 2018

DECISION-MAKING BODY: McMinnville Historic Landmarks Committee

DATE & TIME: October 22, 2018 and November 28, 2018. Meetings were held at the Community Development Center, 231 NE 5th Street, McMinnville, OR 97128.

PROCEDURE: The structure proposed to be demolished is designated as a "Contributory" historic resource (Resource C334), and is therefore subject to the Certificate of Approval demolition review process required by Section 17.65.050 of the McMinnville City Code.

CRITERIA: The applicable criteria are in Section 17.65.050(B) of the McMinnville City Code.

APPEAL: The decision may be appealed to the Planning Commission within 15 days of the date the decision is mailed as specified in Section 17.65.080(A) of the McMinnville City Code.

COMMENTS: This matter was referred to the following public agencies for comment: McMinnville Fire Department, Police Department, Engineering Department, Building Department, Parks Department, City Manager, and City Attorney; McMinnville Water and Light; McMinnville School District No. 40; Yamhill County Public Works; Yamhill County Planning Department; Frontier Communications; Comcast; and Northwest Natural Gas. Their comments are provided in this exhibit.

Attachments:

Attachment 1 – Certificate of Approval Application

See Attachments Section of Decision Document - All other supporting documents

APPLICATION SUMMARY:

The applicant, Harold Washington on behalf of Schoko Properties, LLC and Urban Mark, LLC, submitted a Certificate of Approval application to request the demolition of a historic resource that is listed on the Historic Resources Inventory. The subject property is located at 180 NE 7th Street, and is more specifically described as Tax Lot 100, Section 20AD, T. 4 S., R. 4 W., W.M.

The historic designation for this particular historic resource relates to the structure itself. The structure, which was constructed as a single family home but was converted internally into office uses, is located north of the downtown core of McMinnville on the southwest corner of the intersection of NE Baker Street and NE 7th Street. The structure is designated as a “Contributory” historic resource (Resource C334), which is the third tier (out of four tiers) of historic resources on the Historic Resources Inventory. The statement of historical significance and description of the property, as described in the Historic Resources Inventory sheet, is as follows:

This one and a half story bungalow is being remodeled into business offices. One enters the north on red brick steps to a full-width porch which is under the extending roof. Two boxed pillars support the porch overhang on either corner and there is a low railing on either side of the entrance.

The front dormer has three windows and shed roof. The back dormer extends and is flush with the first story wall.

Beveled siding has been used with corner boards. There are roof brackets and exposed rafters.

On the east side, there is a rectangular bay with a shed roof. Fenestration is not regular. Cornice moulding is found on the windows.

The Historic Resources Inventory sheet for the resource does not include the year of original construction. However, upon further analysis of Sanborn maps for the area, the structure appears to have been constructed sometime between 1912 and 1928.

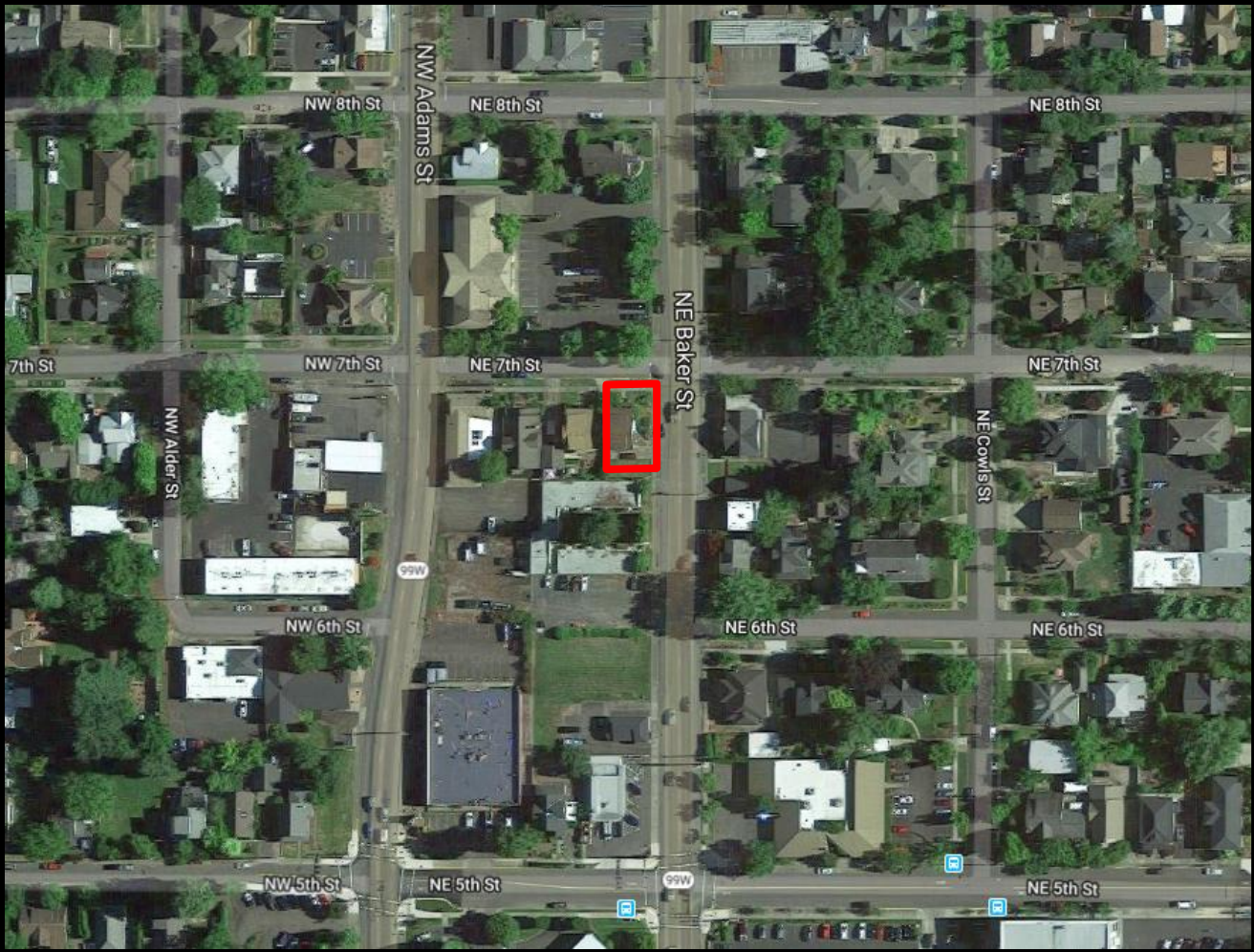
Chapter 17.65 (Historic Preservation) of the McMinnville City Code requires that the Historic Landmarks Committee review and approve a Certificate of Approval for a request to demolish any historic resource.

The current location of the historic resource is identified below (outline of property is approximate):

Attachments:

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The structure as it exists today can be seen below:

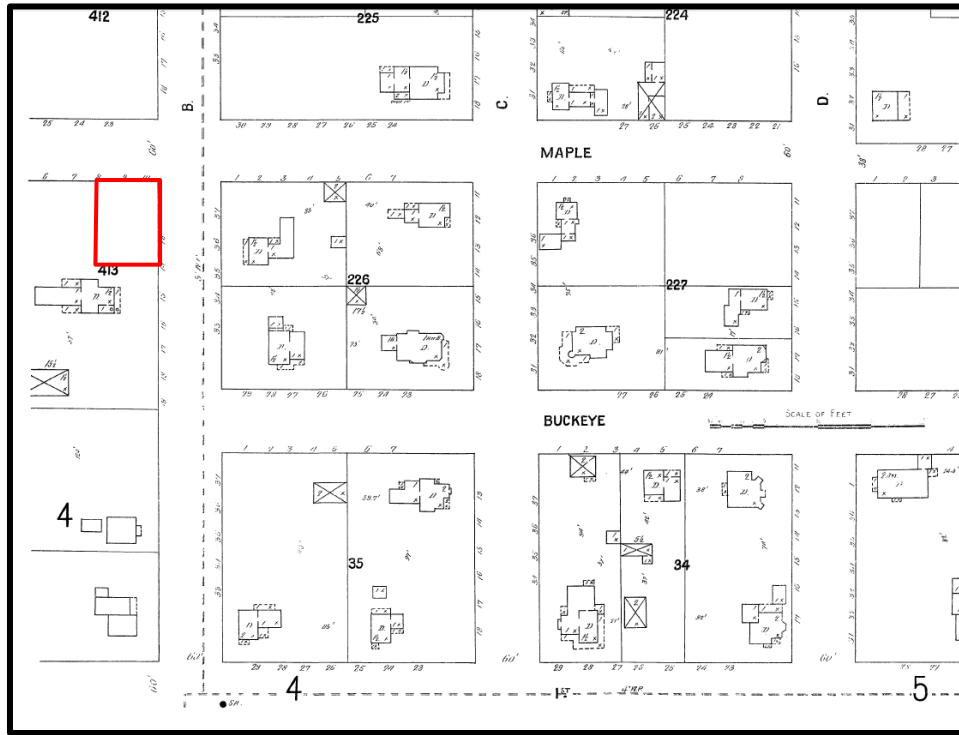


The Sanborn maps showing the property are also identified below (outlines of property are approximate):

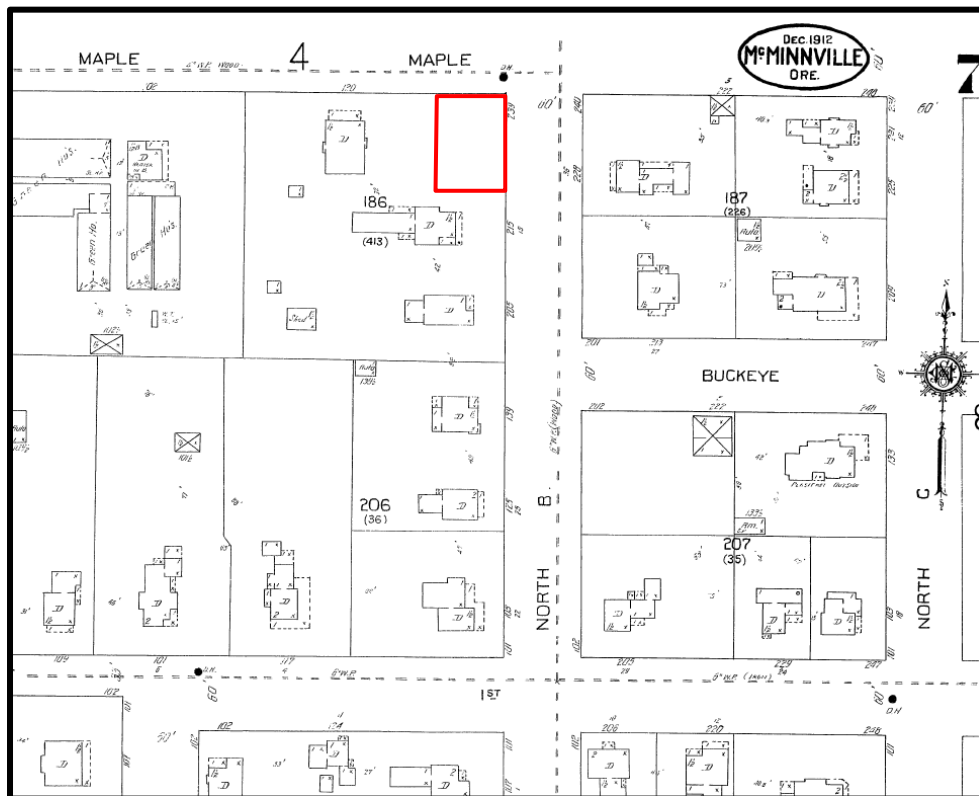
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1912 Sanborn Map (Sheet 7):

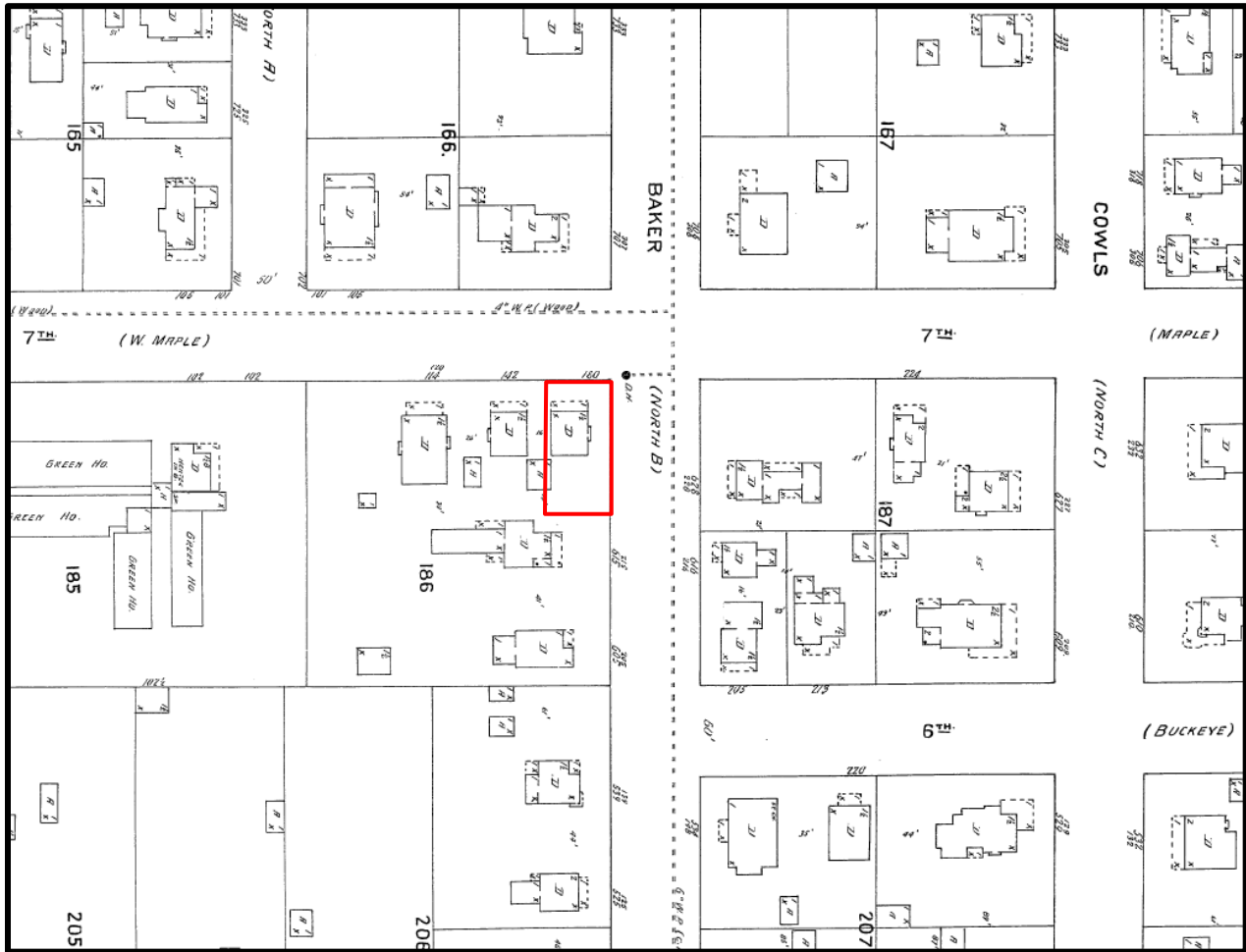


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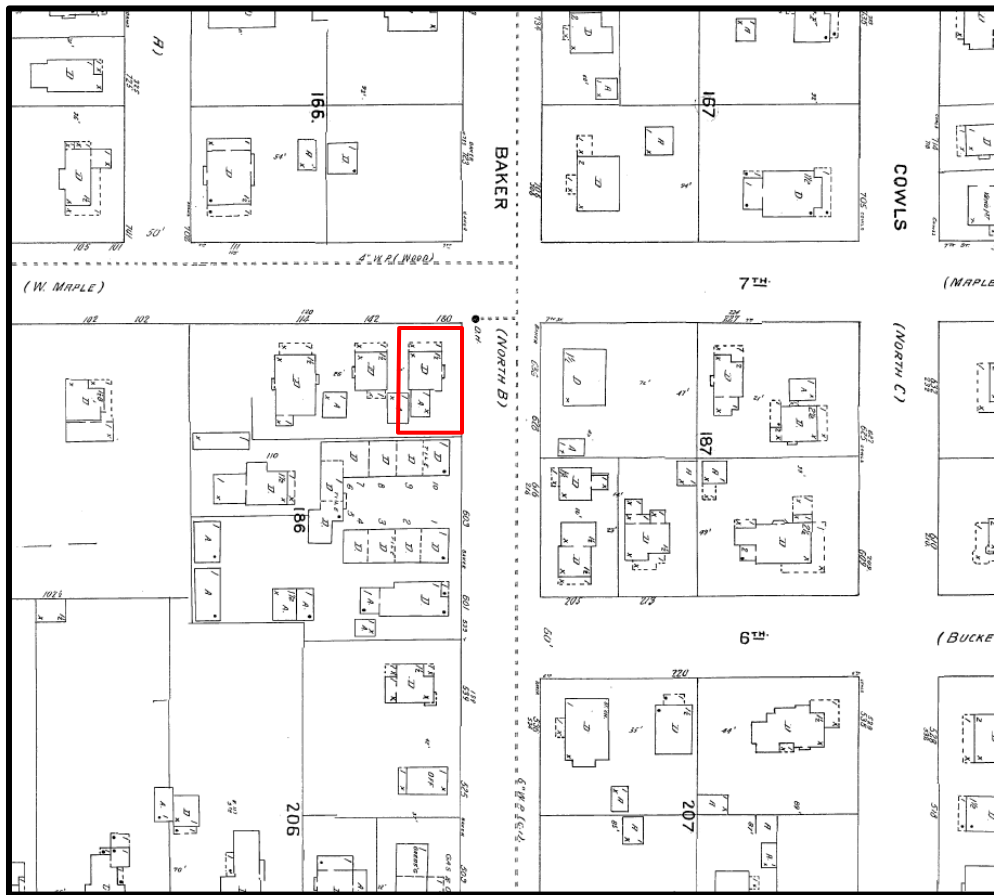
1928 Sanborn Map (Sheet 10):



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CONDITIONS:

1. That within 20 (twenty) days of notification of the Historic Landmarks Committee's decision, the applicant shall place notice in the "News-Register" advertising that for a period of not less than 120 days, the subject structure will be available for relocation. The applicant will place such notice in a minimum of two editions of the "News-Register". The applicant shall also advertise the availability of the subject structure for relocation in postings on Craigslist, in the McMinnville, Salem, and Portland areas. The applicant shall also notify a minimum of four (4) local real estate agents of the availability of the subject structure for relocation. During the 120-day period following the required advertising, the applicant shall also place a posted notice on both right-of-ways adjacent to the property noticing the offering of structure for relocation. Evidence of the advertisement and the property posting shall be provided to the Planning Department prior to the issuance of the demolition permit for the subject structure.
2. That the issuance of the demolition permit shall be delayed for 120 days from the first day of advertising the subject structure for relocation.
3. That, as proposed by the applicant in the supplement to the application submitted on November 14, 2018, the applicant shall make available for the party that may complete the relocation project the dollars the applicant would otherwise expend for the demolition of the resource. As further proposed in the supplement to the application, the amount made available shall be \$10,000, which is based on the cost estimates provided in the Certificate of Approval application. The terms of the removal agreement shall be subject to review by the Planning Director or their designee.

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4. That prior to the issuance of the demolition permit for the subject structure, a minimum of 20 (twenty) digital photographs documenting exterior views of the subject structure shall be submitted to the Planning Department.

ATTACHMENTS

1. Certificate of Approval Application (on file with the Planning Department)
2. Public Testimony - Email - Michael Hafner – Received October 19, 2018
3. Public Testimony - Email – Margaret Wallace – Received October 22, 2018
4. Public Testimony – Email – Michael Hafner – Received November 27, 2018
5. Public Testimony – Email – Joe McLaughlin – Received November 27, 2018

COMMENTS

Agency Comments

This matter was referred to the following public agencies for comment: McMinnville Fire Department, Police Department, Engineering Department, Building Department, Parks Department, City Manager, and City Attorney; McMinnville Water and Light; McMinnville School District No. 40; Yamhill County Public Works; Yamhill County Planning Department; Frontier Communications; Comcast; and Northwest Natural Gas. The following comments had been received:

- McMinnville Engineering Department:

We have reviewed proposed HL 9-18, and do not have any comments.

- McMinnville Water and Light:

MWL has no comments on this application.

Public Comments

Public notice was mailed to owners of properties within 300 feet of the subject site, as required by Section 17.65.070(C) of the McMinnville City Code. After the continuation of the Historic Landmarks Committee review of the application, an additional public notice was mailed to the same property owners notifying them of the continuation of the application. The Planning Department received two items of public testimony since the initial public notice was mailed, which are as follows:

- Email - Michael Hafner – Received October 19, 2018 (Attachment 2)
- Email – Margaret Wallace – Received October 22, 2018 (Attachment 3)
- Email – Michael Hafner – Received November 27, 2018 (Attachment 4)
- Email – Joe McLaughlin – Received November 27, 2018 (Attachment 5)

FINDINGS OF FACT

1. Harold Washington submitted a Certificate of Approval application to request the demolition of a historic resource that is listed on the Historic Resources Inventory. The subject property is located at 180 NE 7th Street, and is more specifically described as Tax Lot 100, Section 20AD, T. 4 S., R. 4 W., W.M.
2. The historic resource is designated on the Historic Resources Inventory as a “Contributory” resource, and has the resource number of C334.

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3. The site is currently zoned C-3 (General Commercial), and is designated as Commercial on the McMinnville Comprehensive Plan Map, 1980.
4. Notice of the demolition request was provided to property owners within 300 feet of the subject site. The Planning Department received two items of public testimony prior to the public meeting.
5. A public meeting was held by the Historic Landmarks Committee on October 22, 2018 to review the proposal. The applicant requested a continuation of the application prior to the October 22, 2018 meeting. The Historic Landmarks Committee continued the application and completed the review of the proposal during their next regularly scheduled public meeting on November 28, 2018.
6. The applicant has submitted findings (Attachment 1) in support of this application. Those findings are herein incorporated.

CONCLUSIONARY FINDINGS

McMinnville's Comprehensive Plan:

The following Goals and policies from Volume II of the McMinnville Comprehensive Plan of 1981 are applicable to this request:

GOAL III 2: TO PRESERVE AND PROTECT SITES, STRUCTURES, AREAS, AND OBJECTS OF HISTORICAL, CULTURAL, ARCHITECTURAL, OR ARCHAEOLOGICAL SIGNIFICANCE TO THE CITY OF McMINNVILLE.

Finding: **Goal III 2 is not satisfied by the proposal.**

The focus of the comprehensive plan goal is to restore and preserve structures that have special historical or architectural significance. A demolition clearly does not meet that intent. The Historic Landmarks Committee, after reviewing the evidence and hearing the public testimony, decided that other criteria for the consideration of the demolition were not met and therefore the demolition was denied.

GOAL X 1: TO PROVIDE OPPORTUNITIES FOR CITIZEN INVOLVEMENT IN THE LAND USE DECISION MAKING PROCESS ESTABLISHED BY THE CITY OF McMINNVILLE.

Policy 188.00: The City of McMinnville shall continue to provide opportunities for citizen involvement in all phases of the planning process. The opportunities will allow for review and comment by community residents and will be supplemented by the availability of information on planning requests and the provision of feedback mechanisms to evaluate decisions and keep citizens informed.

Finding: **Goal X 1 and Policy 188.00 are satisfied.**

McMinnville continues to provide opportunities for the public to review and obtain copies of the application materials and completed staff report prior to the McMinnville Historic Landmarks Committee review of the request and recommendation at an advertised public meeting. All members of the public have access to provide testimony and ask questions during the public review and meeting process.

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McMinnville’s City Code:

The following Sections of the McMinnville Zoning Ordinance (Ord. No. 3380) are applicable to the request:

17.65.040 Certificate of Approval Process. A property owner shall obtain a Certificate of Approval from the Historic Landmarks Committee, subject to the procedures listed in Section 17.65.050 and Section 17.65.060 of this chapter, prior to any of the following activities:

- A. The alteration, demolition, or moving of any historic landmark, or any resource that is listed on the National Register for Historic Places;
 - 1. Accessory structures and non-contributing resources within a National Register for Historic Places nomination are excluded from the Certificate of Approval process.
- B. New construction on historical sites on which no structure exists;
- C. The demolition or moving of any historic resource.

Finding: **Section 17.65.040 is satisfied.**

The applicant submitted an application for a Certificate of Approval to request the demolition of the structure, which is listed on the Historic Resources Inventory as a “Contributory” historic resource per Section 17.65.040(C).

17.65.050 Demolition, Moving, or New Construction. The property owner shall submit an application for a Certificate of Approval for the demolition or moving of a historic resource, or any resource that is listed on the National Register for Historic Places, or for new construction on historical sites on which no structure exists. Applications shall be submitted to the Planning Department for initial review for completeness as stated in Section 17.72.040 of the McMinnville Zoning Ordinance. The Historic Landmarks Committee shall meet within thirty (30) days of the date the application was deemed complete by the Planning Department to review the request. A failure to review within thirty (30) days shall be considered as an approval of the application.

- A. The Historic Landmarks Committee may approve, approve with conditions, or deny the application.

Finding: **Section 17.65.050(A) is satisfied.**

The Historic Landmarks Committee, after reviewing the request during a public meeting and offering an opportunity for public testimony, decided to approve, with conditions, the demolition request and Certificate of Approval.

- B. The Historic Landmarks Committee shall base its decision on the following criteria:
 - 1. The City’s historic policies set forth in the comprehensive plan and the purpose of this ordinance;

Finding: **Section 17.65.050(B)(1) is not satisfied.**

The City’s historic policies in the comprehensive plan focus on the establishment of the Historic Landmarks Committee, however, the goal related to historic preservation is as follows:

Goal III 2: To preserve and protect sites, structures, areas, and objects of historical, cultural, architectural, or archaeological significance to the City of McMinnville.

The purpose of the Historic Preservation ordinance includes the following:

Attachments:

Attachment 1 – Certificate of Approval Application

See Attachments Section of Decision Document - All other supporting documents

- (a) Stabilize and improve property values through restoration efforts;
- (b) Promote the education of local citizens on the benefits associated with an active historic preservation program;
- (c) Foster civic pride in the beauty and noble accomplishments of the past;
- (d) Protect and enhance the City's attractions for tourists and visitors; and
- (e) Strengthen the economy of the City.

The focus of the comprehensive plan goal and the purpose of the Historic Preservation chapter are to restore and preserve structures that have special historical or architectural significance. A demolition clearly does not meet that intent. The Historic Landmarks Committee, after reviewing the evidence and hearing the public testimony, decided that other criteria for the consideration of the demolition were satisfied and therefore the demolition was approved with conditions.

2. The economic use of the historic resource and the reasonableness of the proposed action and their relationship to the historic resource preservation or renovation;

Finding: Section 17.65.050(B)(2) is satisfied by the proposal, and conditions of approval are included to ensure that this criteria is satisfied.

The historic resource was originally constructed as a single family home, but in the 1980s was remodeled and converted to commercial office uses. The building was leased out to individual businesses periodically since the time it was converted to office uses. The applicant has provided the most recent property tax information, which show a real market total value of \$204,250 in the 2017 tax year. The real market value of the building on the subject property is shown at \$101,663 in the 2017 tax year. The applicant has stated that the "only economic use of this Historic Resource as it exists today is the fact that it creates a minimal amount of tax income" and that the applicant would be "improving the property values of this property through the demolition of this building and the adjacent ten-plex structure in order to develop the new multi-tenant building and parking lot".

The applicant has also stated in their narrative that "There is no current economic use of the property as it exists today due to the current deterioration of the building as it stands" and that the resource "cannot be reasonably preserved or rennovated (sic)". These statements are based on the condition of the structure and the estimated cost to renovate the structure. The applicant has provided cost estimates for the renovation of the structure, as well as for the demolition of the existing structure and replacement with a similar structure. It should be noted that the cost estimate for the replacement of the structure, and the narrative that speaks to the replacement, assumes that the demolition of the existing structure would be approved. However, the applicant has stated in their application and narrative that they have no intention of replacing the structure, should the demolition request be approved. Their intention, as shown in the "proposed use" site plan, is to construct a surface parking lot with 5 parking spaces that would connect to the surface parking lot on the property to the south (which is proposed to be redeveloped into office use).

Therefore, the cost estimates to renovate the existing structure should be analyzed and considered in terms of the economic use of the historic resource and the reasonableness of the proposed action. The applicant did provide a second cost estimate for the renovation of the structure, and also clarified that both of the renovation estimates provided were for the renovation of the structure under commercial building code standards to bring the structure back to its prior commercial use.

The renovation cost estimates provide line item estimates for a variety of work, with the total for the first cost estimate (provided by Washington Roofing) being between \$510,000 and \$575,000, and the total for the second cost estimate (provided by Weeks Construction, Inc.) being \$467,880. Both cost estimates include administrative costs, and statements that unforeseen issues or costs are not included in the estimates. Some of the larger line items are related to the deteriorated conditions of the existing structure (which are documented in the application and will be discussed in more detail below during

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the description of the physical condition of the historic resource). Those larger line items include new plumbing (\$62,000 in first estimate, \$35,000 in second estimate), new electrical (\$48,500 in first estimate, \$31,000 in second estimate), installation of new siding (\$41,000 in first estimate, \$32,000 in second estimate), flooring (\$39,500 in first estimate, \$4,500 in second estimate), installation of perforated pipe to improve drainage around the structure (\$26,000 in first estimate, \$11,500 in second estimate), foundation repairs (\$25,000 in first estimate, \$24,500 in second estimate), and new drywall (\$24,000 in first estimate, \$16,000 in second estimate).

The applicant has argued that the structure in its current condition has no economic use, and that the level of investment required (estimated at between \$467,880 and \$575,000) is beyond what a reasonable person would spend to bring the existing structure into a current economic use. The applicant has also argued that the renovation required is not reasonable given the level of significance of the historic resource, which is a Contributory resource and the third tier on the Historic Resources Inventory. To further support the argument that the renovation of the existing structure is not reasonable, the applicant proposed to make available the funds that the applicant would otherwise spend on demolition of the resource to someone that would be interested in moving the resource and renovating the structure. Specifically, the applicant proposed to make available \$10,000 for the party that would be involved in the relocation of the structure, the value of which was developed based on the cost estimates provided with the application. The availability of those funds would provide a financial incentive to someone interested in renovating the structure, as they could receive the structure at no cost and also have all or most of the costs of moving the structure covered by the applicant, which would test whether the renovation of the structure is economically reasonable.

The Historic Landmarks Committee found that the economic use and reasonability of the applicant's proposal satisfied the review criteria. Conditions of approval are included to ensure that the applicant make the structure and funding available for moving and relocation. One condition of approval specifically requires that the applicant make the structure available for moving and relocation for a period of at least 120 days. The condition also requires that the applicant provide notice on the property and in the local newspaper, on Craigslist, and to local real estate agents making them aware of the availability of the resource for moving and relocation. Another condition of approval requires that the demolition permit for the structure be delayed for 120 days from the first day of advertising the structure for relocation. Another condition of approval requires that the applicant make available the \$10,000 that were proposed by the applicant to the eventual party that may complete the relocation project, and that the terms of the removal agreement shall be subject to review by the Planning Director or their designee.

The Historic Landmarks Committee has found that, should no party come forward to move and relocate the structure during the 120-day timeframe, the renovation costs are not economically feasible and that the renovations required are not reasonable and do not warrant the preservation of the historic resource.

3. The value and significance of the historic resource;

Finding: **Section 17.65.050(B)(3) is not satisfied by the proposal.**

The applicant stated in their application that the historic resource is "considered Contributory and is not within the downtown core boundary". Other statements throughout the applicant's findings and narrative related to this review criteria are that the "building is not a unique structure", "has been modified into a multi-use building and no longer represents its original historical attraction", "has never been listed as a public building", and "is NOT listed on the National Registry of Yamhill County".

While the structure is not listed on the National Register of Historic Places, the structure is listed on the McMinnville Historic Resources Inventory as a contributory resource. Properties that are listed on the Historic Resources Inventory are not identified in any type of document recorded against the property records, but the property owner at the time of listing in 1987 would have been notified of the listing. As the property changed ownership, it becomes a responsibility of the new owner to verify the status of the

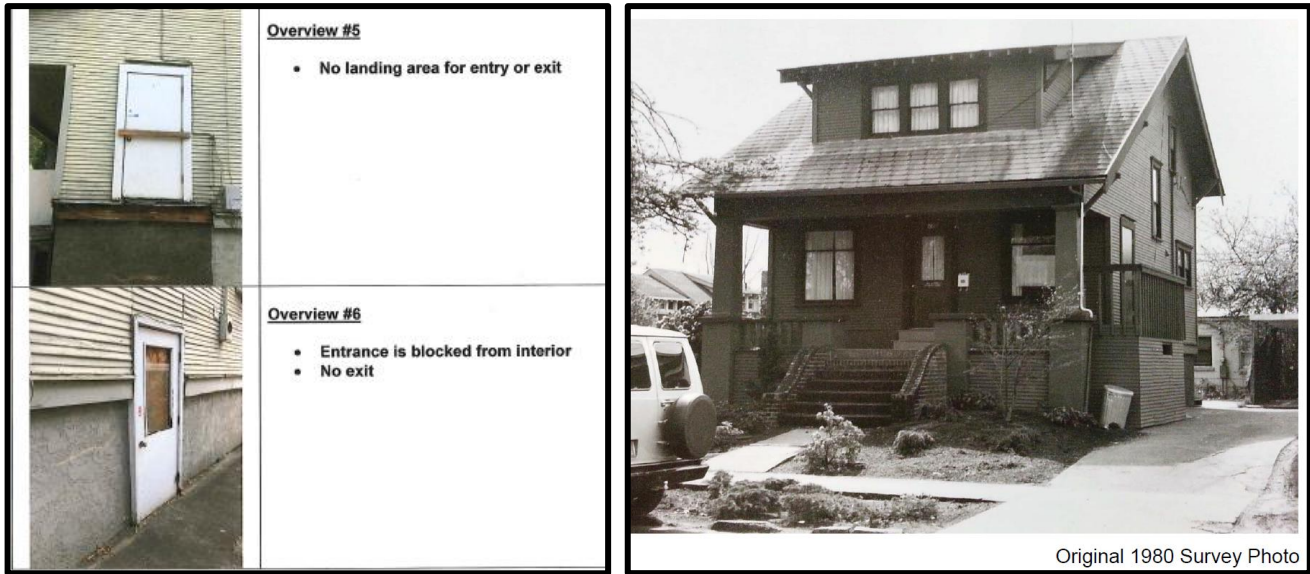
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property with the City of McMinnville Planning Department as part of their due diligence in the purchase of the property.

The structure was already being remodeled into business offices at the time of its listing on the Historic Resources Inventory, and included some of the exterior additions and entrances referred to in the applicant’s narrative and shown in the photos, as seen below:



The significant historic and architectural features that were described in the statement of historical significance on the Historic Resources Inventory sheet still exist on the historic resource today. Those include the “red brick steps” leading to the “full-width porch which is under the extending roof”, “boxed pillars” on the porch, a “front dormer” with “three windows and shed roof”, a “rectangular bay with a shed roof” on the east side of the structure, a “back dormer” that “extends and is flush with the first story wall”, “beveled siding... with corner boards”, and roof brackets.

The applicant has noted that some of these features have deteriorated or been changed. Wooden handrails have been added to the red brick steps leading to the porch. The applicant has stated that the original pillars on the porch were round, but were boxed in at a later date. The beveled siding is still in place, but is in poor condition. The applicant also noted that the roof brackets as they were described in the Historic Resources Inventory sheet are not actually roof brackets, but are gussets to support the roof. However, these features still exist today and contribute to the character and significance of the historic resource. The boxed pillars existed at the time of the listing of the structure on the Historic Resources Inventory. The roof brackets, or gussets, are still in place and provide the decorative roof bracket feature that is evident on many Craftsman bungalows in McMinnville, even if they are not true, functional roof brackets. The overall form of the structure is still almost entirely the same, including the front dormer with a shed roof, a rectangular bay with a shed roof on the east side of the structure, and the back dormer that extends and is flush with the first story wall.

Historic resource as it existed in 1980 and currently (2018):

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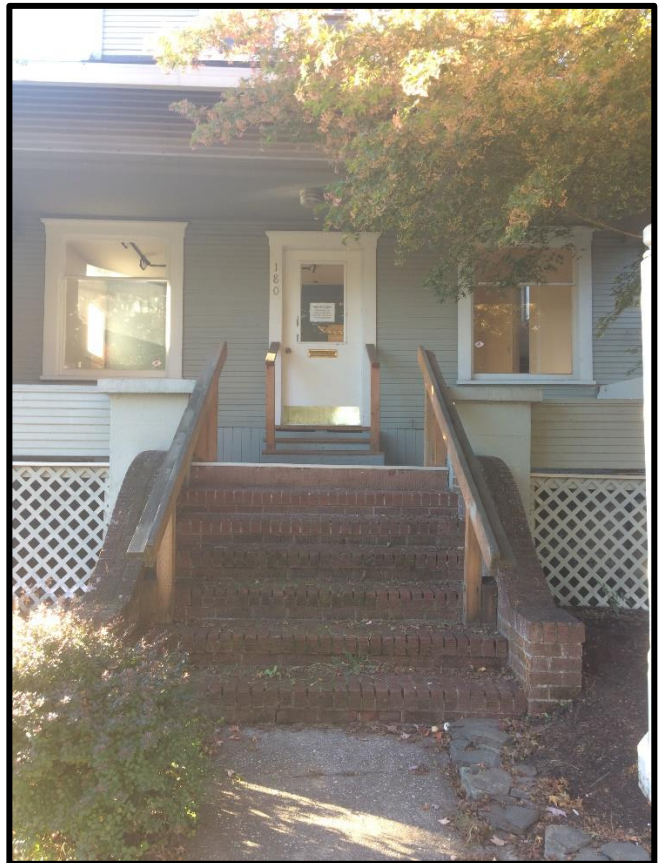
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Original 1980 Survey Photo



Close up views of the existing condition of overall architectural form and historic details including “red brick steps”, “full-width porch which is under the extending roof”, “boxed pillars” on the porch, a “front dormer” with “three windows and shed roof”, a “rectangular bay with a shed roof” on the east side of the structure, and a “back dormer” that “extends and is flush with the first story wall”:



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The applicant did provide additional findings in the most recent supplement to the application narrative stating that significance of the historic resource being the third tier of the Historic Resources Inventory does not warrant the level of investment required to renovate the structure back to current building code standards. This is discussed in more detail above. The applicant has also argued that their proposal to make funds available to someone that would be interested in moving the resource and renovating the structure would test the criteria related to the value and significance of the historic resource, because if the resource was found to be a resource of value and significance, there would be interest in its preservation at another site.

However, the Historic Landmarks Committee has found that the historic resource does retain value and significance based on the fact that the significant historic and architectural features that were described in the statement of historical significance on the Historic Resources Inventory sheet still exist on the historic resource today, as described in more detail above. The Historic Landmarks Committee did find that other review criteria were being satisfied that outweighed the value and significance of the historic resource, as described in findings for other applicable review criteria.

4. The physical condition of the historic resource;

Finding: **Section 17.65.050(B)(4) is satisfied.**

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The applicant provided photos serving as evidence of the existing physical condition of the historic resource. The structure has deteriorated due to failure to maintain the exterior and interior of the structure, and there are also some additions and renovations that may have been completed improperly. On the exterior of the structure, photos were provided showing damaged siding, rot damage in some of the wood features in the stairs, porch walls, and doors. Some of the additions to the main structure, such as stairs serving added entries, are in poor condition with wood rot and are separating from the main building. Photo #24 and photo #77 state that the front porch is not connected to the main structure and that the red brick steps are falling away from the porch.

There are also photos that the applicant provided as evidence of the poor physical condition of the interior of the building. There appears to be mold in many areas in the basement and potential water damage in some of the walls and ceilings, which could be the result of improper drainage on the site and around the foundation of the building. Much of the interior of the building has been altered and remodeled in a manner that is not consistent with the historical period of construction and there does not appear to be any original materials on the interior of the building.

While there are issues with the interior of the building, there are no standards in place in the City's Historic Preservation requirements (Chapter 17.65) that require any particular form of construction or design on the interior of a historic resource. The historic resource is also a contributory resource, so there is no requirement that the renovation of the structure meet any Historic Preservation design standards or requirements in Section 17.65.060 of the McMinnville City Code. The Historic Landmarks Committee found that it is likely that the interior of the building would require a complete remodel with the removal and replacement of much of the building materials and finishes, but most of the work could be completed and still preserve the overall exterior architectural form of the structure that still exists today.

Many of the issues on the interior that the applicant describes and shows with photos as being more extensive, such as mold and water damage, could be addressed by, first improving the exterior of the building as described in the renovation cost estimate provided (replacing siding and doors properly and directing water away from the foundation – photo #13 stated that drainage was not connected), and then remodeling the interior of the building. Other exterior improvements that were included in the renovation cost estimate, such as shoring of foundation walls, waterproofing, and installation of drainage/perforated pipe would prevent further damage and significantly improve the physical condition of the historic resource. There is also a potential for the additions to the property, such as the stairs from added entries and exits that are separating from the building, being removed and the entries or exits being closed as other renovations occurred.

Given that some level of investment would improve the physical condition of the resource, the Historic Landmarks Committee does find that the existing physical condition of the historic resources is poor, and that the poor physical condition of the resource, together with other findings for review criteria and conditions of approval, satisfy the review criteria related to the physical condition of the resource.

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5. Whether the historic resource constitutes a hazard to the safety of the public or its occupants;

Finding: **Section 17.65.050(B)(5) is not satisfied.**

The applicant argued that the historic resource's "physical condition including additions and modifications are a safety hazard as these elements are separating from the original structure" and also that the resource "has become a structural hazard to fire, life and safety". The applicant references the photos of the existing physical condition of the property to support their argument that the physical condition is creating a safety hazard. The applicant provided evidence from their insurance company, PayneWest Insurance, showing that they will not provide building coverage due to the non-acceptability of the structure due to underwriting guidelines.

The building is currently sitting vacant, so does not constitute a hazard to its occupants. The applicant did provide additional findings in the most recent supplement to the application narrative stating that the resource does constitute a hazard because "the interior is not occupiable as it currently exists". However, the current condition exists due to previous neglect in maintenance of the structure, and now that the structure is vacant, occupancy of the building would require building improvements. Therefore, the Historic Landmarks Committee finds that the building is not a hazard to its occupants.

The applicant did not provide many findings for how the historic resource constitutes a hazard to the safety of the public. The applicant did state that they have "had to call the police to remove transients numerous times". Other than that issue, which could be addressed with more secure entrances and exits, it is unclear from the materials provided whether the historic resource constitutes an immediate hazard to the safety of the public. If the property owner invested the amount necessary to restore or reconstruct the existing structure, even at a minimum to better secure the structure and stabilize the additions separating from the structure, the potential public safety hazard would no longer exist.

Therefore, the Historic Landmarks Committee finds that the current potential hazards could be mitigated and do not warrant a demolition of the historic resource.

6. Whether the historic resource is a deterrent to an improvement program of substantial benefit to the City which overrides the public interest in its preservation;

Finding: **Section 17.65.050(B)(6) is satisfied.**

The applicant has provided findings arguing that the resource is related to an improvement program located on the property to the south. This improvement program was shown in the site plan near the beginning of the staff report, and the applicant is arguing that the demolition of the historic resource would provide access to NE 7th Street and additional parking for that improvement program. The applicant has stated that the redevelopment project to the south is valued at \$4 million, which they argue is a substantial benefit to the City. The applicant has stated that the improvement program will provide the following substantial benefits to the City:

- It will allow a portion of the project traffic to exit onto a "side" street, i.e., NE 7th Street, which will allow disbursement of traffic onto either NE Adams or NE Baker Streets rather than all onto NE Baker Street. In the future, this will be even more significant as the traffic load on NE Adams and NE Baker Streets increases.
- The City will, as a direct result of Applicant's approximately \$4 million improvement program, receive increased annual tax revenue for the City's urban renewal district, or perhaps \$25,000 per annum depending on the project's ultimate valuation.
- The City is currently facing a shortage of available retail space. Applicant's improvement program includes 16,000 square feet of space approximately one-half of which is spoken for. Applicant is finding that much of the demand is from new businesses. Conversation is ongoing for much of the remaining development.

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Attachment 1 – Certificate of Approval Application

See Attachments Section of Decision Document - All other supporting documents

- The area to be occupied by Applicant's improvement program includes unattractive unimproved lots and a rundown vacant stucco apartment complex which will be razed as a part of the urban renewal improvement program.
- The City will gain an attractive commercial development in a location that is now a significant, highly visible but unattractive area. Consider, for example, the redevelopment of the adjacent MACK building.

The Historic Landmarks Committee finds that the retention of the historic resource would be a deterrent to the current improvement program described by the applicant, and that this was a more influential review criteria being satisfied by the demolition request. Given the scope of the applicant's proposed improvement program and the applicant's proven history of delivering redevelopment projects in a timely manner, the Historic Landmarks Committee, together with other findings for review criteria and conditions of approval, finds that the proposal satisfies this review criteria.

7. Whether retention of the historic resource would cause financial hardship to the owner not outweighed by the public interest in the resource's preservation; and

Finding: **Section 17.65.050(B)(7) is satisfied.**

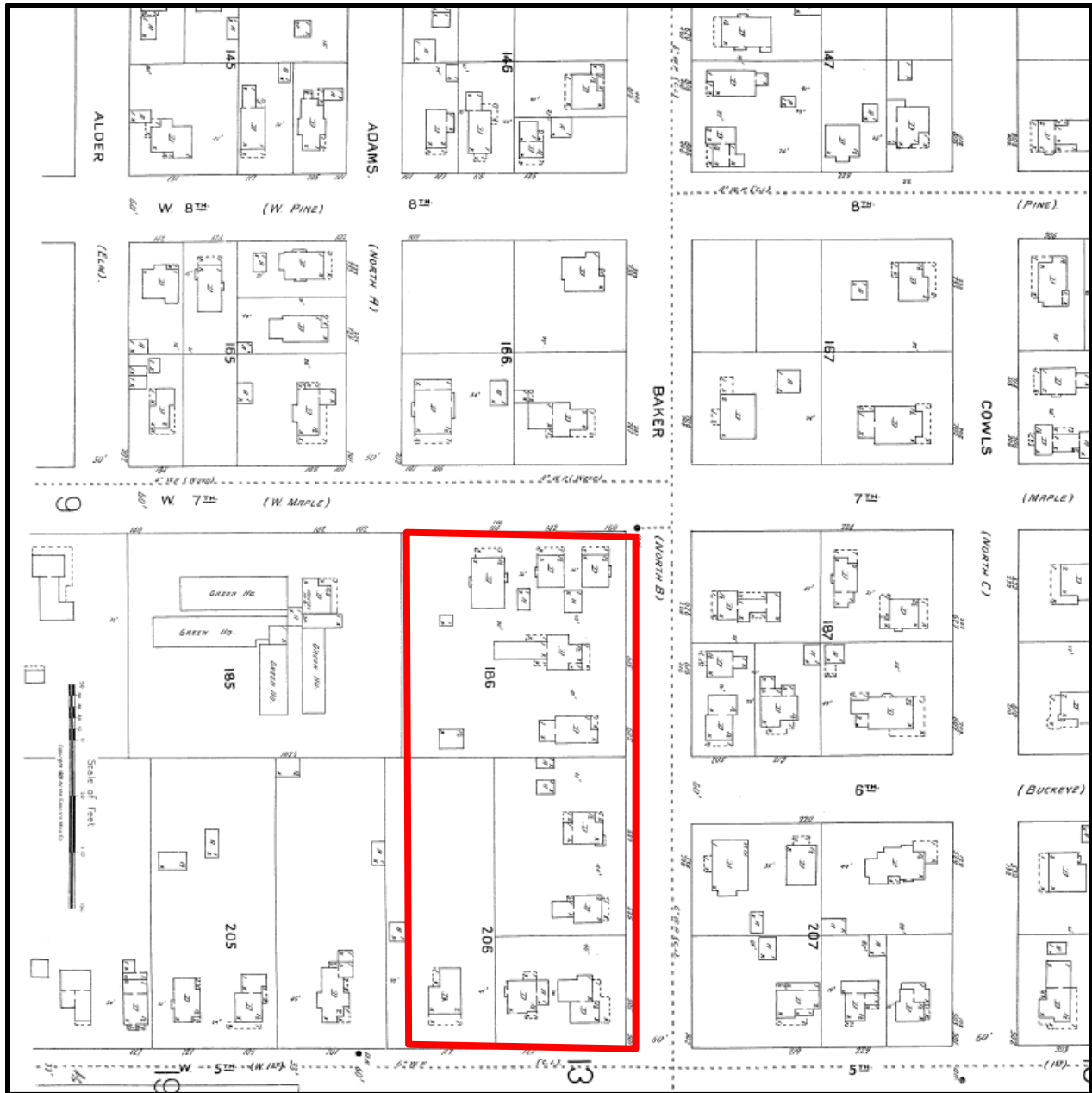
The applicant has expressed concern that the retention of the historic resource would cause financial hardship. As described in more detail above, the applicant is arguing that the level of investment required for the historic resource to be rehabilitated is not economically feasible. The applicant has provided two cost estimates for the renovation of the structure, which are estimated at between \$467,880 and \$575,000. The applicant is arguing that those costs "would result in a significant financial hardship to the Applicant".

As described in more detail above, the Historic Landmarks Committee found that the historic resource does still retain much of the overall architectural form and historic detailing that existed at the time the structure was listed on the Historic Resources Inventory. Also, the historic resource in question is located in an area that was originally constructed with other residential homes of a particular architectural form and character. The two properties immediately to the west of the subject historic resource, at 142 NE 7th Street and 114 NE 7th Street, are also listed as contributory historic resources on the Historic Resources Inventory (resource numbers C331 and C328, respectively). These historic resources were constructed in the same time period, with the property immediately adjacent to the west, at 142 NE 7th Street, first being shown on the Sanborn maps in 1928, the same year that the historic resource in question was shown. The structure immediately adjacent to the west was also constructed in almost the exact same architectural form as the historic resource proposed to be demolished, with a full-width front porch under an extended roof, pillars supporting each end of the front porch, a front dormer with shed roof and three windows, and a back dormer that is flush with the first story wall. This row of three bungalows with Craftsman architectural form and features, all of which are listed on the Historic Resources Inventory, creates a continuity of historic resources in an area that is void of many other buildings with historic character. From the 1928 Sanborn map, the block that the historic resource in question is located on appears to have previously contained more structures of a similar size as the remaining historic resources on the south side of NE 7th Street. The 1928 Sanborn map can be seen below (outline of the block in question is approximate):

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Attachment 1 – Certificate of Approval Application

See Attachments Section of Decision Document - All other supporting documents



Attachments:

Attachment 1 – Certificate of Approval Application

See Attachments Section of Decision Document - All other supporting documents

Photos of the historic resources that contribute to the historic character of the block are provided below:



This continuity of existing historic resources does create a public interest in the preservation of the historic resource in question at the current location at 180 NE 7th Street. However, the applicant has proposed to make available the funds that the applicant would otherwise spend on demolition of the resource (\$10,000) to someone that would be interested in moving the resource and renovating the structure. This would provide a financial incentive to someone interested in renovating the structure, as they could receive the structure at no cost and also have the costs of moving the structure covered

Attachments:

Attachment 1 – Certificate of Approval Application

See Attachments Section of Decision Document - All other supporting documents

by the applicant. This would not only test whether the renovation of the structure is economically reasonable and whether the public finds value and significance in the resource to warrant the renovation (as discussed in findings for review criteria in Sections 17.65.050(B)(2) and 17.65.050(B)(3) above), it would also preserve the structure itself. Maintaining the structure and the resource, albeit in another location, would preserve some level of public interest by retaining the historic resource. This would not contribute to the continuity of existing historic resources in the immediate area, but would preserve the resource for future use and would serve the public interest in the retention of the resource.

Therefore, the Historic Landmarks Committee finds that the public interest would be benefited if the resource could be moved, renovated, and preserved, and that if no party comes forward to move and relocate the structure during the 120-day timeframe, that the public interest did not outweigh the applicant's financial hardship, as described in more detail in the findings of economic use of the resource, in the retention of the resource.

8. Whether retention of the historic resource would be in the best interests of a majority of the citizens of the City, as determined by the Historic Landmarks Committee, and, if not, whether the historic resource may be preserved by an alternative means such as through photography, item removal, written description, measured drawings, sound retention or other means of limited or special preservation.

Finding: **Section 17.65.050(B)(8) is satisfied.**

The Historic Landmarks Committee has found that the applicant has proposed a means by which to test that the demolition review criteria related to reasonability, economic use, value, and significance are satisfied (as discussed in findings for review criteria in Sections 17.65.050(B)(2) and 17.65.050(B)(3) above). This proposal would also provide a means for the resource to potentially be moved and retained. Specifically, the applicant is proposing to make available the funds that the applicant would otherwise spend on demolition of the resource (\$10,000) to someone that would be interested in moving the resource and renovating the structure. This would provide a financial incentive to someone interested in renovating the structure, as they could receive the structure at no cost and also have the costs of moving the structure covered by the applicant. If this proposal resulted in the moving and retention of the resource, some public interest would be served in the retention of the resource. If no party comes forward to move and relocate the structure during the 120-day timeframe, that the public interest did not outweigh the applicant's financial hardship in retention of the resource.

Conditions of approval are included to ensure that the applicant make the structure and funding available for moving and relocation. One condition of approval specifically requires that the applicant make the structure available for moving and relocation for a period of at least 120 days. The condition also requires that the applicant provide notice on the property and in the local newspaper, on Craigslist, and to local real estate agents making them aware of the availability of the resource for moving and relocation. Another condition of approval requires that the demolition permit for the structure be delayed for 120 days from the first day of advertising the structure for relocation. Another condition of approval requires that the applicant make available the \$10,000 that were proposed by the applicant to the eventual party that may complete the relocation project, and that the terms of the removal agreement shall be subject to review by the Planning Director or their designee.

The Historic Landmarks Committee has found that, should no party come forward to move and relocate the structure during the 120-day timeframe, and together with the other applicable review criteria, the retention of the resource would not be in the best interest of a majority of the citizens of the City. If no party comes forward during the 120-day timeframe, another condition of approval is included to require that a minimum of 20 (twenty) digital photographs documenting exterior views of the subject structure be submitted to the Planning Department prior to the issuance of a demolition permit to provide for additional and alternative documentation of the historic resource.

Attachments:

Attachment 1 – Certificate of Approval Application

See Attachments Section of Decision Document - All other supporting documents

17.65.070 Public Notice.

- A. After the adoption of the initial inventory, all new additions, deletions, or changes to the inventory shall comply with subsection (c) of this section.
- B. Any Historic Landmark Committee review of a Certificate of Approval application for a historic resource or landmark shall comply with subsection (c) of this section.
- C. Prior to the meeting, owners of property located within 300 feet of the historic resource under consideration shall be notified of the time and place of the Historic Landmarks Committee meeting and the purpose of the meeting. If reasonable effort has been made to notify an owner, failure of the owner to receive notice shall not impair the validity of the proceedings.

Finding: **Section 17.65.070(B) and Section 17.65.070(C) are satisfied.**

Notice of the Historic Landmarks Committee's consideration of the Certificate of Approval application was mailed to property owners located within 300 feet of the historic resource. An additional public notice was mailed to property owners located within 300 feet of the historic resource to notify those owners of the applicant's request to continue the application and have the application reviewed by the Historic Landmarks Committee at their November, 28, 2018 meeting. Copies of the written notices provided to property owners are on file with the Planning Department.

CD:sjs

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Attachment 1 – Certificate of Approval Application

See Attachments Section of Decision Document - All other supporting documents