Heritage Preservation Commission July 11, 2022 Meeting Minutes Council Chambers – City Hall

1) Call to Order and Roll Call

President Ken Buehler called to order the meeting of the Heritage Preservation Commission (HPC) at 12:00 p.m. on Monday, July 11, 2022.

Attendance:

Attending: Ken Buehler, Stacey DeRoche, Brandon Hartung, Jess Mccullough, and Kal Randa

Absent: Jessica Fortney and Sarah Wisdorf

Staff Present: Steven Robertson and Cindy Stafford

2) Public Hearings

PL 22-105 Proposed Demolition of 118 East First Street – Steven Robertson gave an overview. On June 12, 2022, the city received an application from the owner of 118 East First Street. It was constructed in 1904 and was also known at Gray Brother's Bakery. It is a contributing building to the downtown historic district. The applicant is asking for the approval of a certificate of appropriateness for the demolition of the building. The reason for demo is because the building was damaged in a fire in November 2020 and sustained significant damage including roof and the collapse of the second floor. The damage is too severe for restoration and demolition is the best option for the building.

Applicant: Engineer Jeff Anderson (represents the owner/applicant Kevin Ruhnke) addressed the commission. He noted the building is in terrible shape and they want to make it safe for the public. The general estimate to rehab the building would be 5-7 million dollars.

Commissioners: Stacey DeRoche understands the building is in bad shape, but she doesn't know much about the history of the building. Robertson noted as a lay person, he understands the concerns about the structure and the safety of the building. DeRoche noted she feels like they are being rushed to make a decision. Jess Mccullough asked the applicant if they looked at trying to save the exterior façade of the building. Anderson stated they had a structural assessment performed and noted it is unsafe and the wall could cave in. They did not evaluate saving the exterior façade.

Public: No speakers.

Commissioners: DeRoche would like a better idea of the cost, and not just money, but the value to the community. Kal Randa would like to know the future plans for the building/site. **MOTION/Second:** Hartung/DeRoche table for more information on a cost estimate and

future plans

VOTE: (5-0)

VOTE: (5-0)

Consideration of Minutes

June 13, 2022 Regular HPC Meeting

MOTION/Second: DeRoche/Mccullough approved the minutes

4) Communications

Duluth Water Treatment Plant – 8130 Congdon Blvd – Robertson gave an overview. FEMA is received a letter from SHPO which determined there are no adverse effects. Chair Buehler asked where the new building would go. Per Robertson is will be to the west of the existing structure on the lakeside below the highway, but views of the new structure will be blocked by vegetation and it will not negatively impact the adopted preservation plan.

<u>5)</u> Report of Final Disposition of Matters Previously Before the Commission – PL22-090 Proposed Demolition of 102 East Superior Street (FKA Astoria Hotel) – Robertson gave an overview.

Applicant: Anne Stratioiti addressed the commission. She represents the owner who wishes to demo the building at 102-108 E Superior Street. The building is listed as a contributing structure to the historic district. The building has been altered and deteriorated to a point where it is no longer recognizable as a good representation of the city's architecture. She noted with the demo of this building (which is less than 50% of the original building) there is no risk of the historic district becoming delisted. This building no longer serves the public. Keeping the building would be a hardship to the owner, both financially and as a liability. There is a hazard for fire threat. She noted commissioner Jessica Fortney's comment from last meeting which mentioned willful neglect from the owner. She noted the owner bought the building in disrepair. She suggests an outreach program to help owners would have been helpful. The estimated cost to fix the building would be 2.4 million for the exterior and 9.2 for the interior. It would need to be brought to ADA standards. This would be for retail only, and would not make money back. No bank will finance. It would cost 480,000 to demo the building. Attorney Bill Burns addressed the commission. When the owner purchased the property, it was prior to any barriers to demo it were known. In reality, regulations evolve. The historic district guidelines are not yet approved by the city council. Burns noted the communication from SHPO stating they have no jurisdiction on this. Burns stated the decision now falls on the HPC. He asks the HPC to step back and accept the situation in that it is not economically feasible.

Commissioners: Brandon Hartung asked about an itemized list of repairs. Stratioti provided a copy of the itemized repair list which totaled 11+ million dollars. DeRoche noted the building as a contributing building to a historic district, and the owner had naïve thinking about there being no demo repercussions. Strioti noted the building was on the market for a while prior to them purchasing it. They probably wouldn't have purchased it knowing now what they didn't know then. Burns noted case law, and that if the property was purchased for a reason, they should be able to use it. Hartung asked about their plans for future development. Stratioti noted it is still an idea in someone's mind, and this hasn't changed since 2017. She thinks eventually they would propose a hotel, or market housing with retail below and access to the lake walk. Now she said it would be possible to place top soil and flowers. There are no immediate plans to build. Mccullough noted the number of Duluth and Superior buildings falling into disrepair. He sees both sides.

MOTION/Second: Hartung/DeRoche deny the certificate of appropriateness for the demo of 102 East Superior Street

VOTE: (3-1, Mccullogh Opposed, Buehler abstained)

- 6) Reports of Officers, Staff and Committees
- Robertson noted the planning commission had nothing this month pertaining to the HPC.
- 7) Consideration of Matters Regarding Commission Action

2022 Preservation Conference – Robertson gave an overview. There will be mini-sessions and tours of buildings with adaptive re-use. He noted emails will be coming up. The city will pay for HPC members admission.

8) Other Business None at this time.

9) Adjournment Meeting adjourned at 1:04 p.m.

Respectfully,

-DocuSigned by: Adam Futton -6F120D73DC4F4F5...

Adam Fulton – Deputy Director Department of Planning and Economic Development