

Michael Gehr, chair, called the meeting to order at 4:42 p.m. on Thursday, April 14, 2016, in the Conference Room, Fourth Floor, City Hall. A roster of the members of the commission and the technical posts they fill are on file and available upon request. Also present were commission members L. Allen, C. Davis, S. Silas, and S. Taylor. S. Bockmiller, Development Planner/Zoning Administrator, and D. Calhoun, Secretary, were present on behalf of the Planning and Code Administration Department.

APPROVAL OF MINUTES – March 24, 2016:

MOTION: (Davis/Silas) So moved (to adopt the minutes as submitted).
DISCUSSION: None.
ACTION: APPROVED (Unanimous)

CONSENT AGENDA

61 East North Avenue – Joyce Barrett – Deck Addition, Case No. HDC 2016-05.

Adjacent to 37 West Antietam Street – City of Hagerstown – Hagerstown Cultural Trail Improvements (Paver Area, Asphalt Driveway, Landscaping), Case No. HDC 2016-06.

There was no opposition from the public or from the commission on either of these cases.

MOTION: (Davis/Silas) Mr. Chairman, I have reviewed the materials submitted in Cases HDC 2016-05, 61 East North Avenue and HDC 2016-06, Adjacent to 37 West Antietam Street, and their associated staff reports and recommendations, and I have viewed the properties in question. The staff reports recommend approval of these applications as consistent with the applicable standards adopted by the Commission, and no one has appeared at this hearing with concerns about, issues with, or objections to these applications. Therefore, I move that this Commission adopt the staff evaluations and recommendations in these cases as its own and grant Certificates of Appropriateness to the aforementioned cases.
DISCUSSION: None.
ACTION: APPROVED (Unanimous)

DESIGN REVIEW

None.

WORKSHOP

248 South Prospect Street – Vanessa Garcia – Shutters.

Staff advised that Ms. Garcia has indicated that she will be repairing the existing shutters rather than replacing them. This workshop was canceled.

66 West Washington Street (Delta Building) – Scott Bowen, representing Ash Azadi - Demolition.

Several months ago a workshop was conducted about replacement of the Delta Building which is an “A” resource in the Downtown Local Historic District. The owner is interested in replacing the building. The purpose of this workshop is to discuss the monetary considerations of redevelopment vs. demolition and rebuild. If the figures provided justify demolition of the existing building, the owner will come back for review of a Certificate of Appropriateness for the demolition and replacement building. The commission’s structural engineer was asked to review the proposal. The last time this was discussed, staff and the commission had concerns that the building would be demolished with no plans for a replacement building. One of the commission’s main concerns was leaving a “hole” in the city’s most important streetscape.

Discussion: Scott Bowen, architect for the owner, stated that as a comparison he used the figures for the rehab of the Patterson Building. The Delta Building has unique situations associated with it, namely a collapsed wall in the rear. Ash Azadi, the property owner, provided a spreadsheet (meeting file) which demonstrates costs associated with rehabbing the building and value of the building after rehab vs. costs associated with demolishing the building and building fresh and the value of the new building. Mr. Azadi states in his memo that the existing building would be worth \$1.7 million after renovation. Mr. Matonak, the commission’s structural engineer, clarified that Mr. Azadi’s memo addresses the owner’s return if the building was brought up to code for lease and rental at today’s rates or the total value of the building after upgrades. Mr. Bowen added that when the time comes, Mr. Azadi would have an appraiser attend the meeting to verify what the property would be worth after improvements.

Mr. Matonak determined that based on the figures provided, the owner would lose approximately \$400,000 if the building was renovated. Mr. Bockmiller asked if historic district tax credits were figured into the equation. Mr. Bowen stated that he mentioned the historic district tax credits to Mr. Azadi. Mr. Gehr pointed out that if the Delta building is handled in the same manner as the Patterson (i.e., renovated but not restored) it might not qualify for tax credits.

Ms. Allen noted that the commission’s architectural historian, Dr. Paula Reed, indicated this building is unique and one of a kind. Anyone who purchases an historic building needs to realize these buildings need constant attention.

Concerning the comparisons, Mr. Gehr noted that a new building would most likely have a larger footprint which would boost the square footage and help a newer building make a more favorable return on the investment. Mr. Bowen added that the owner is considering other options, including a five- to six-story building. The design of the new building has not been determined.

Mr. Bockmiller stated that while it is beneficial to see what the replacement building will look like, the most important consideration is whether this would be an unnecessary loss. In particular, could this building be fixed up and still give the owner a reasonable return on the project. At this point, the commission is not evaluating what type of building is proposed to go in the Delta building's place—only the numbers and whether the existing “A” resource building can be saved in an economical manner.

Mr. Gehr noted the smaller building (renovated historic resource) will be well below the \$1.2 million. The numbers are fairly close between renovation and a new building, minus any demolition of the Delta Building. Demolition could be as much as the difference in cost. The new building would have a higher appraised value. Mr. Bockmiller pointed out that a taller building would change the numbers as well. Mr. Matonak stated that the 11,000 square feet proposed for the new building should not have any bearing on the commission's deliberations. It is a matter of renovation vs. new construction based on the value of a renovated building of similar size upon completion. The renovation costs compared to the worth of a new building will constitute the hardship. Mr. Bockmiller added that if the commission feels the building is too far gone, the applicant can go directly to a Certificate of Appropriateness for the demolition. The hardship discussion is for back-up purposes only. If the HDC is inclined to allow the demolition, the hardship stage will provide the numbers to back it up.

Ms. Allen asked if the owner has made any attempts to repair the building. Mr. Bockmiller stated that he was not aware of any attempts to fix the building. The wall of the ell began to collapse during Mr. Azadi's ownership. Mr. Matonak added that the front portion of the building is nearing the point of collapse. Mr. Gehr indicated that it is aggravating to have to lose an “A” resource, however, the deterioration has been happening for many years, even before the building was purchased by Mr. Azadi.

As an alternative to demolition, Mr. Gehr suggested saving the front of the building and creating a new building in the rear. Mr. Bowen stated the owner has not expressed any interest in that scenario. Mr. Bockmiller added that there is nothing left of the historic front in that the first floor has been severely modified with the creation of the storefronts. Much of the historic integrity has been lost. Mr. Matonak noted there is an impressive double brick chimney on this property.

Ms. Allen did not believe the monetary figures would be enough. Mr. Silas believed if the numbers provided by the owner are accurate, he felt the \$400,000 loss is a hardship and he would be inclined to vote in favor of a Certificate of Hardship. Commissioners Davis and Taylor agreed with Mr. Silas. Mr. Bockmiller felt there were still some holes in the figures provided by the owner that needed to be buttoned up. The ell could be demolished and the front portion stabilized and secured until such time as approvals for the rest of the replacement building are in place.

Mr. Gehr noted that demolition of the front of the building should not occur until the HDC is assured of what is going to be built in its place. He asked about the owner's timeframe for the project. Mr. Bowen indicated that the owner has several investors and banks interested in the project for a new building. Many investors are interested in the University System of Maryland-Hagerstown student housing opportunities. The owner would like to move fast needs to make sure there is sufficient funding. Mr. Bockmiller added that the owner is also under pressure from the City to resolve the issue of the collapsing ell to the rear of the building

Ms. Allen asserted that the owner is part of the problem since he did not stabilize the building in the first place. If demolished, she asked what standard a new building would be reviewed against. Mr. Bockmiller explained that any new building would be reviewed as an "E" resource, and it would not have to replicate the removed structure. Mr. Gehr stated the owner would have to meet the commission's guidelines for new construction (compatibility with massing and scale of the district, etc.). He added that once a building is torn down, something has to be built in its place within 18 months or the new building has to comply with state stormwater management requirements, which on a small lot, will be costly. If the commission would approve demolition for this building, the owner may want to consider a phased project (demolish the ell and keep the front until a design is approved for a new building). The clock starts ticking when ell comes down and area is grassed. They would need to be quick because of the stormwater management requirements.

If an application for Certificate of Hardship is denied, the building would not be allowed to be demolished. The options in that case would be to appeal the commission's decision to Circuit Court or to wait another year and try again. The same application cannot be considered by the HDC within 12 months. There was a straw poll, and all but one member believed that the data provided was generally accurate and sufficient to justify demolition upon receipt of accurate estimates of the value of the existing building after rehab.

Commission members discussed the troubling trend of owners allowing buildings to deteriorate; owners unwilling to consider selling their deteriorating buildings; high costs associated with renovating buildings. Mr. Gehr stated that experienced trades people are retiring and younger workers are not being trained in specialty fields.

2016 Preservation Awards – Call for Nominations.

City Hall Tower railing was suggested as an additional honoree, and the commission concurred. No other recommendations. The other honorees include:

- 115-117 South Potomac Street – All the vinyl siding has been removed; however some of the windows are still boarded up.
- 51 East Franklin Street – Removed the vinyl siding and restored the historic storefront.

**Historic District Commission
MINUTES**

**April 14, 2016
City of Hagerstown, Maryland**

- First Hose Fire Co. Archival Center – This was interior work, however, the fire company did a great job exposing the tin ceilings.
- 71 West Franklin Street (corner of West Franklin and Jonathan Streets) – The owner replaced the hodge-podge of windows on these storefronts and also brought the bay window into compliance.
- 43-45 South Potomac Street (former Ben’s Flower Shop) – The replacement windows are modern but they did a good job of matching the historic windows.
- 100 North Potomac Street (The Patterson Building). Building was renovated for student housing at University System of Maryland-Hagerstown.

MOTION: (Davis/Silas) So moved (to recommend the above projects for preservation awards).

DISCUSSION: None.

ACTION: APPROVED (Unanimous)

Mr. Bockmiller will schedule the awards ceremony for the May 17 Mayor and Council meeting.

NEW BUSINESS

None.

OLD BUSINESS

- Mr. Bockmiller stated that he will begin working on revisions to the Design Guidelines next week.

ANNOUNCEMENTS

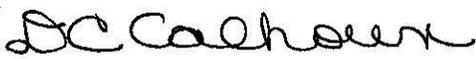
- Ms. Davis announced that she will be out of town for the April 28 meeting. Mr. Gehr reminded members that he will miss three meetings in a row starting in May.

ADJOURN

It was moved and seconded that the meeting adjourn (5:45 p.m.).

4/24/2016

Approved



Debra C. Calhoun – Secretary