



Request for City Council Committee Action from the Department of Community Planning & Economic Development – Planning Division

Date: May 20, 2010

To: Council Member Gary Schiff, Chair, Zoning and Planning Committee
Members of the Committee

Referral to: Zoning and Planning Committee

Subject: Local Historic Designation of the Rex Hardware Store at 2601 Lyndale Avenue South

Recommendation: The Heritage Preservation Commission adopted a resolution recommending that the Minneapolis City Council designate the Rex Hardware store at 2601 Lyndale Avenue South as a local historic landmark.

Prepared or Submitted by: Aaron Hanauer, Senior City Planner, 612-673-2494

Approved by: Jack Byers, Planning Supervisor, 612-673-2634

Presenters in Committee: Aaron Hanauer, Senior City Planner

Financial Impact (Check those that apply)

- No financial impact (If checked, go directly to Background/Supporting Information).
 Action requires an appropriation increase to the _____ Capital Budget or _____ Operating Budget.
 Action provides increased revenue for appropriation increase.
 Action requires use of contingency or reserves.
 Business Plan: _____ Action is within the plan. _____ Action requires a change to plan.
 Other financial impact (Explain):
 Request provided to department's finance contact when provided to the Committee Coordinator.

Community Impact (use any categories that apply)

Ward: 6

Neighborhood Notification: The Whittier Alliance, Lowry Hill East Neighborhood Association and property owners within 350 feet of 2601 Lyndale Avenue South were notified of the April 20 Heritage Preservation Commission public hearing and the May 20 Zoning and Planning Committee meeting on April 5, 2010.

City Goals: See staff report.

Comprehensive Plan: See staff report.

Zoning Code: See staff report.

Living Wage/Job Linkage: Not applicable.

End of 60/120-day Decision Period: Not applicable

Other: Not applicable.

Background/Supporting Information Attached:

On March 25, 2009, Machelle Norling, on behalf of the property owners SMJ Investments, submitted a Demolition of Historic Resource application for 2601 Lyndale Avenue South. At the May 12, 2009 Heritage Preservation Commission (HPC) meeting, CPED recommended that the HPC approve the demolition of the Rex Hardware Store with conditions for mitigation and recordation. The HPC, however, voted to deny the demolition permit and placed Rex Hardware Store under interim protection for a one year period to complete an historic designation study.

CPED completed additional research as part of the historic designation study for the Rex Hardware Building. During this research, CPED found that the Rex Hardware building is a prime example of an early 20th century streetcar development, captures the history of Minneapolis neighborhood hardware stores, and is a high quality example of a commercial building built in an early Utilitarian architectural style.

On April 20, 2010, CPED presented the completed designation study to the HPC. CPED recommended that the HPC **adopt** the Rex Hardware store designation study and attachments as findings of fact, and make a recommendation to the Zoning and Planning Committee of the City Council to **approve** a local designation of the Rex Hardware Store at 2601 Lyndale Avenue South. It was recommended that the designation include the entire property and exterior of the principal structure. Interior designation was not recommended. In addition, CPED recommended that the HPC **extend** the period of interim protection until the City Council has acted upon the local designation study or a period of two (2) months (to July 12, 2010), whichever comes first. The HPC, by a vote of 7-2, approved the staff recommendation.

Supporting Material

Heritage Preservation Commission Staff Report 1-5

Attachment A: Context Maps A1-A3

Attachment B: Rex Hardware Store Designation Study and Appendices B1-B34

Attachment C: Letter from Minnesota State Historic Preservation Office C1

Attachment D: City Planning Commission Memo D1-D18

Attachment E: HPC Demolition of Historic Resource Actions and Staff Report E1-E8

Attachment F: Public Comments Received After Staff Report Publication F1-F5

Attachment G: Minneapolis HPC Transcription and Actions G1-G10

Department of Community Planning and Economic Development
Planning Division

Historic Designation

Date: April 20, 2010

Proposal: Local Designation of Rex Hardware building at 2601 Lyndale Avenue South

Applicant: Machelles Norling, on behalf of SMJ Investments, LLC
(612) 940-3297

Address of Property: 2601 Lyndale Avenue South

Planning Staff and Phone: Aaron Hanauer, (612) 673.2494

Publication Date: April 13, 2010

Public Hearing: April 20, 2010

Ward: Ward 6

Neighborhood Organization: Whittier Alliance
Lowry Hill East Neighborhood Association (neighboring neighborhood organization)

Attachments: Attachment A: Context Maps
Attachment B: Rex Hardware Store Designation Study and Appendices
Attachment C: Letter from Minnesota State Historic Preservation Office
Attachment D: City Planning Commission Memo
Attachment E: HPC Demolition of Historic Resource Actions and Staff Report

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Background

On December 9, 2008, a wrecking permit was submitted for the demolition of the building at 2601 Lyndale Avenue South. After completing a historic review of the property, the Department of Community Planning and Economic Development (CPED) made the determination that the property was a historic resource and the demolition of the property would require a review by the Heritage Preservation Commission via a Demolition of Historic Resource application.

On March 25, 2009, Mabelle Norling, on behalf of the property owners SMJ Investments, submitted a Demolition of Historic Resource application for 2601 Lyndale Avenue South. At the May 12, 2009 Heritage Preservation Commission (HPC) meeting, CPED recommended that the HPC approve the demolition of the Rex Hardware Store with conditions for mitigation and recordation. The HPC, however, voted to deny the demolition permit and placed Rex Hardware Store under interim protection for a one year period to complete an historic designation study.

CPED completed additional research as part of the historic designation study for the Rex Hardware Building. During this research, CPED found that the Rex Hardware building is a prime example of an early 20th century streetcar development, captures the history of Minneapolis neighborhood hardware stores, and is a high quality example of a commercial building built in an early Utilitarian architectural style.

CPED is recommending that the Rex Hardware building and property be designated a Minneapolis landmark. The proposed designation meets local designation Criteria of Significance One, Three, Four, and Five, outlined in Section 599.210 of the City Code (see Appendix B for designation study).

- *Criterion One:* The property is associated with significant events or with periods that exemplify broad patterns of cultural, political, economic or social history;
- *Criterion Three:* The property contains or is associated with distinctive elements of city identity;
- *Criterion Four:* The property embodies the distinctive characteristics of an architectural or engineering type or style, or method of construction;
- *Criterion Five:* The property exemplifies a landscape design or development pattern distinguished by innovation, rarity, uniqueness or quality of design or detail.

The proposed designation of the 2601 Lyndale Avenue South is also consistent with the Minneapolis Plan for Sustainable Growth (see Appendix D for City Planning Commission memo). The designation of the Rex Hardware Store would be consistent with the Minneapolis Comprehensive Plan in meeting the following policies:

- Policy 1.1: Preserve and enhance a system of Neighborhood Commercial Nodes that includes a mix of housing, neighborhood-serving retail, and community uses.
- Policy 8.1.4: Designate resources recommended for designation from historic surveys and listed on the National Register of Historic Places which has no local protection.
- Policy 8.5.1: Identify and protect important historic and cultural landscapes.
- Policy 8.7.1 Protect historic resources from demolition and explore alternatives to demolition.
- Policy 10.10.7: Encourage the renovation of existing commercial buildings.

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In addition, the designation of the Rex Hardware Store would be beneficial to the surrounding area and be consistent with the Lyn Lake Small Area Plan. On June 26, 2009 the City Council adopted the Lyn-Lake Small Area Plan. The subject property is located within the focus area of the Lyn Lake Small Area Plan. The proposed designation of Rex Hardware would be consistent with The Lyn-Lake Small Area Plan and the document's recommended principles:

- Maintain and grow an independent and diverse business mix.
- Promote a clean, safe, pedestrian friendly urban environment.
- Maintain and cultivate a residential and commercial identity that is uniquely Lyn-Lake.

Furthermore, the designation of the subject property would provide the opportunity to maintain and grow an independent and diverse business mix in Lyn Lake that would enhance the identity of the area and promote a safe, pedestrian friendly urban environment. The intersection of 26th and Lyndale has a great collection of local, independent businesses including: Tree House Records, Common Roots Café, The C.C. Club, French Meadow, Once Upon a Crime, and The Bulldog, If the Rex Hardware Building is demolished without plans of an active use in its place it will undermine this important business community by reducing the synergy that can take place in having numerous businesses close together. In addition, the demolition of the Rex Hardware Building would undermine the pedestrian friendly urban environment by not allowing the opportunity for an active reuse to be at this location where people in the neighborhood could obtain products or services by walking.

Per the Heritage Preservation ordinance, the draft designation study was sent to the State Historic Preservation Office (SHPO) and the Minneapolis City Planning Commission for review and comment. At the April 1, 2010 City Planning Commission meeting, CPED provided the Minneapolis Planning Commission a report on how the designation is consistent with the Minneapolis Comprehensive Plan, will have a beneficial impact on the surrounding area, and is consistent with the Lyn-Lake Small Area Plan (Attachment D). The Planning Commission commented that prior to reading the designation study they did not consider the relationship of the Rex Hardware building and its relationship with commercial streetcar development as part of the building's significance.

On April 2, 2010, SHPO provided favorable comments on the designation. SHPO stated that, "Such nodes [26th Street West and Lyndale Avenue South] frequently contained a variety of small-scale, family run retail businesses such as drug stores, grocery stores, meat markets, bakeries and hardware stores. Having been in business for 91 years from 1914-2005, the Allen/Rex Hardware Store is noteworthy because it is the longest operating hardware store in Minneapolis that was originally built as a hardware store. As such, it is an ideal candidate for local designation (Attachment C1)."

At the April 20, 2010 Heritage Preservation Commission meeting, the HPC is scheduled to act upon the designation and make a recommendation on the designation to the Zoning and Planning Committee. The Zoning and Planning Committee is scheduled to take place on May 20, 2010 and the subsequent full City Council meeting is scheduled to take place on May 28, 2010.

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At this time, CPED staff also recommends extending the period of interim protection until the HPC has acted upon the local designation study or a period of two (2) months (to July 12, 2010), whichever comes first.

Findings:

1. The property at 2601 Lyndale Avenue South was constructed in 1914 as a neighborhood hardware store, and continued to operate as a neighborhood hardware store until 2005.
2. The property at 2601 Lyndale Avenue South is significant based on Criterion One. Rex Hardware is associated with significant events or with periods that exemplify broad patterns of cultural, political, economic or social history. Even though Minneapolis still has neighborhood hardware stores throughout the city, Rex Hardware, more than any other hardware store building in Minneapolis illustrates the economic rise and fall pattern of neighborhood hardware stores as a collection in the 20th and 21st centuries. Rex Hardware operated as a hardware store for most of the 20th century, and ended operation in the early part of the 21st century because of the impact of large hardware chains and shifting homeownership trends in the surrounding neighborhood.
3. The property at 2601 Lyndale Avenue South is significant based on Criterion Three. Rex Hardware contains or is associated with distinctive elements of city identity. The Clark J. Allen/Rex Hardware Building is an important part of the City of Minneapolis' commerce history as a neighborhood hardware store. The building holds the distinction of being the longest operating hardware store in Minneapolis that was originally built as a hardware store (91 years).
4. The property at 2601 Lyndale Avenue South is significant based on Criterion Four. Rex Hardware embodies the distinctive characteristics of an architectural or engineering type or style, or method of construction. The Allen Hardware building was completed in a Utilitarian architectural style. The building represents a clean, pre-modern, one-story commercial storefront building from the early 20th century. Built of red brick masonry, the building contains a simple corbelled cornice, large store front windows, and a brick chimney. At this time, the City of Minneapolis does not have another commercial-use landmark designed in this architectural style.
5. The property at 2601 Lyndale Avenue South is significant based on Criterion Five. Rex Hardware is associated with development pattern distinguished by innovation, rarity, uniqueness or quality of design or detail. The Rex Hardware Store (originally known as the Clark J. Allen Hardware Store) at 2601 Lyndale Avenue South is a quality example of streetcar era commercial development common in Minneapolis between 1890 and 1930, specifically it serves as a high-quality example of commercial development for the Bryant Avenue Streetcar Line.
6. The designation of the Rex Hardware building is consistent with the Minneapolis Comprehensive Plan policies 1.1, 8.1, 8.5, 8.7, and 10.10.
7. The designation of the Rex Hardware Store is consistent with the Lyn-Lake Small Area Plan in that it preserves the existing fabric and feel of the Lyndale Avenue. At this time, there is no substitute development pending for 2601 Lyndale Avenue South. The demolition of the building at 2601 Lyndale Avenue South would eliminate an important part of this historic, intact, commercial node.

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8. On May 12, 2009 the Minneapolis Heritage Preservation Commission took action to establish interim protection and directed the Planning Director to commence a designation study.
9. Interim protection has been in effect since May 12, 2009. Unless further action is taken by the Heritage Preservation Commission, interim protection will expire on May 12, 2010.
10. In order to complete the designation process, the City Council shall make the final decision on all designations. A vote from the City Council on the designation is scheduled for May 28, 2010.
11. An extension of interim protection for two months will allow the designation study process to be completed while the subject property is under interim protection.
12. During the interim protection period, no alteration or minor alteration of a nominated property (including all buildings, structures, and landscape features) is allowed except where authorized by a certificate of appropriateness or a certificate of no change, as provided in the city's preservation ordinance.
13. The Rex Hardware Building is recommended for property and exterior designation. Interior designation is not recommended.

Staff Recommendation

CPED staff recommends that the Minneapolis Heritage Preservation Commission **adopt** the Rex Hardware Store Designation Study and attachments as findings of fact and submit the same together with a recommendation to the Zoning and Planning Committee of the City Council to **approve** a local designation of the Rex Hardware Building at 2601 Lyndale Avenue South. The designation shall include the property and exterior of the principal structure. Interior designation is not recommended.

CPED staff also recommends that the HPC **extend** the period of interim protection until the City Council has acted upon the local designation study or a period of two (2) months (to July 12, 2010), whichever comes first.

Attachment G: Minneapolis Heritage Preservation Commission Transcription and Actions

April 20, 2010, Room 317 City Hall

Staff: Aaron Hanauer

Planning Supervisor: Jack Byers

Date of Z&P Meeting: May 20, 2010

ITEM SUMMARY

Address: 2601 Lyndale Avenue S, Rex Hardware (Clark J. Allen Hardware), Ward 6

Description: Designation Study and Extension of Interim Protection

Action: Adopt the Rex Hardware Store Designation Study and attachments as findings of fact and submit the same together with a recommendation to the Zoning and Planning Committee of the City Council to approve a local designation of the Rex Hardware Building at 2601 Lyndale Avenue South. The designation shall include the property and exterior of the principal structure. Interior designation is not recommended.

In addition, extend the period of interim protection until the City Council has acted upon the local designation study or a period of two (2) months (to July 12, 2010), whichever comes first.

TRANSCRIPTION

Chair Larsen: Alright, we have our next item on the agenda, item number 2, 2601 Lyndale Avenue South, Rex Hardware Building, the Clark J. Allen Hardware. This is an historic resource, ward 6. this is a designation study, the receipt of the designation study and seeking interim protection. Mr. Hanauer.

Staff Hanauer: Good afternoon, Chair Larsen and commissioners. In May of 2009 CPED brought forward a demolition of an historic resource application and recommended demolition of the Rex Hardware Building, with conditions. But it was the Heritage Preservation Commission that recommended or voted to deny the demolition application and directed staff to complete that designation study. At that meeting, the direction from the commission was to really look at the significance of the Rex Hardware building in relations to the commercial corridor streetcar development. After completing the designation study, CPED is recommending designation of the Rex Hardware store as an historic landmark.

In the report there were four designation criteria that CPED believes this property meets. Criterion 1, exemplifies broad patterns of economic history; Criterion 3, it embodies distinctive elements of city and neighborhood identity; Criterion 4, its architectural style; and Criterion 5, a

quality example of built landscape or development pattern. It is that last one that CPED thought was the main criteria that the Rex Hardware store met. CPED believes the Rex Hardware store is a quality example of a streetcar development. Built in 1914 between that period of when the streetcar development started in 1890 and when the streetcar system started their initial decline in about 1930. The intersection, or the node, of 26th and Lyndale retains all four of the buildings from the late 19th and early 20th century. Those commercial buildings spread out from this Lyndale Avenue intersection. CPED, in the report, mention that this is the best representation of an intact node along the Bryant Avenue streetcar line that still remains and that the Rex Hardware store is important to retain that node and that intersection.

Moving on to Criterion 4, the architectural style: The Rex Hardware building was built in a simple, utilitarian architectural style. The Rex Hardware store is an early straightforward example of this architectural style. The flat roof, red brick, large plain windows and simplified cornice compared to the neighboring properties built in the 19th century. It was felt that the Rex Hardware Building was a good example of the Utilitarian architectural style, which the City of Minneapolis does not have any commercial use buildings designated in this style.

The other two supporting Criterion 1 and Criterion 3. The Rex Hardware store exemplifies broad patterns of economic history in that it is representative of the rise of hardware stores in the late 19th and early 20th centuries and then the fall of the neighborhood hardware stores in the early 21st century. Then Criterion 3, distinctive elements of city and neighborhood identity. Staff could not find another hardware store that was originally built as a hardware store that was in operation longer than the Rex Hardware store. The Rex Hardware store was in operation for 91 years. We felt was noteworthy.

As far as the designation of the Rex Hardware store in being in compliance with the comprehensive plan, there were 4 policies highlighted in the staff report: to preserve and enhance a system of neighborhood commercial nodes that includes a mix of housing, neighborhoods serving transit and community uses; to identify and protect important cultural and historic landscapes; three, to protect historic resources from demolition; and finally to encourage renovation of existing commercial buildings.

The designation of the Rex Hardware store as highlighted in the report is consistent with the Lynn Lakes Small Area Plan. In addition, the State Historic Preservation Office, provided favorable comments stating such nodes as the 26th Street West and Lyndale Avenue South frequently contained a variety of small scale family run retail businesses such as drug stores, grocery stores, meat markets, bakeries, and hardware stores. Having been in business for 91 years, from 1914 to 2005, the Allen Rex Hardware store is noteworthy because it was the longest operating hardware store in Minneapolis. As such it is an ideal candidate for local designation.

For public comments, in the addendum packet, I believe you received one letter not in support of the designation. There was also a letter from the property owner that highlighted their analysis of the staff report as well as a letter from the Whittier Alliance who took a vote and recommended favorably for the designation.

Before going into that recommendation of designation, I want to note that CPED is also recommending an extension of interim protection so we can finish up the review under interim protection.

CPED is recommending that HPC adopt the Rex Hardware designation study and attachments as findings of fact and submit the same together with the recommendation to the zoning and planning committee of the City Council to approve a local designation of the Rex Hardware building at 2601 Lyndale Avenue South. The designation shall include the property and exterior of the principal structure. An interior designation is not recommended. The second part of the recommendation is that the HPC extend the period of interim protection until the city council has acted upon the local designation study or a period of two months to July 12, 2010, whichever comes first.

I'll be happy to answer any questions you may have.

Chair Larsen: Alright, questions of staff at this time? Commissioner Anderson.

Commissioner Anderson: Tell me how does the neighborhood, in recent actions, has the neighborhood been supportive? Originally they were, do they remain supportive?

Staff Hanauer: Chair Larsen, Commissioner Anderson, I would look to that letter. And you are right, back in 2009 the neighborhood did take the time to come to this meeting and was in opposition to allowing the demolition of the Rex Hardware store. This letter, submitted to you by the neighborhood, is consistent with the 2009 action.

Chair Larsen: Commissioner Elliott.

Commissioner Elliott: When we saw this originally in 2009 there was a lot, I feel like I remember there were other documents? I thought there was a reuse or a plan for the site that was here, and I also feel like maybe there was more documentation on the state of the building. Can you summarize where we were at that point?

Staff Hanauer: Sure, Commissioner Elliott, you are correct. In 2007 there was approvals for a mixed use building at this site. Those approvals have lapsed, there is no plans for the site. As for the condition of the property, no additional information was submitted about the structural analysis in addition to what was provided to you last time. The repairs, I believe the property owner is here to talk about those elements, but rough repairs and repointing and some floor work on the inside were some of the elements that I believe were in that structural analysis.

Chair Larsen: Other questions of staff before we open up the public hearing? Seeing none, we'll open up the public hearing. Is there anybody that wishes to speak either for or against this application, please step forward. State your name and address for the record.

Machelle Norling: Good evening, I'm Machelle Norling and I'm representing SMJ who owns the property. This is a picture of the proposed plan that was approved in 2007 that addresses your question. The neighborhood group was on board with that. As stated before, if you may

remember, economic, no bank backing, and then of course the approvals lapsed. I can't present any new plans until I get the demolition permit, so I'm kind of caught. But as I stated last time, this is still the original plan. The bottom floor is in cooperation with the French Meadow Bakery across the street. They want to use that as a retail space and the rest of the property is going to be condos. I don't know what I can really add that hasn't already been stated in the previous meeting and in the letter that I submitted for today. The basic chronological happenings of this was the building was closed in 2005, the owners no longer wanted to have or operate a hardware store, I think they retired actually. And when we came into the process in 2007 the building had been vacant for those two years and the plan was always to take that building down and the apartment house next door, which already has been demolished, to build this structure. The bottom line is, the building is now worth less than what we paid for it and this size building will never recoup the cost of renovation for one tenant, it's just not possible. So I don't know how much more I can emphasize that, but that was always the plan originally. The process we went through with the city and the neighborhood group was approved and then of course lapsed, but now I'm stuck and here it sits. The condition of the building, to address your previous question, is not safe because it sits empty still. I've boarded it up, I've locked it up, I've personally kicked out drug people from this place and have had to go down there numerous time to keep reinforcing the locks. There's nothing to be done about it in its current state. It was gutted for demolition according to the 27 steps that the city requires before you submit the application for demolition. So it's basically a shell. There's nothing inside. The whole basement is full of asbestos, so I've had to have that blocked off to meet all the standards you have to do in order to take a building down. So there it sits. I have no economic recourse to rehabilitate this building and then not be able to pay back any money that I would have to borrow, which would be a very difficult enterprise given the fact that it's not worth what I owe, so that's kind of where it sits. The only real qualification the building meets according to these standards is that it was a significant presence in the community for a very long time. But of course since 2005 that is no longer the case. And no one else is going to move into this building and make it a hardware store again. The cost of bringing this building up to code is astronomical, first and foremost because you would have to replace everything to meet current code, because it was built in the early 1900s as you know. So it is a real economic conundrum here, and that's pretty much all I can say that hasn't already been said before. If you have any questions, I'd be happy to answer them.

Chair Larsen: Questions? None at this time, thank you. Anybody else, please step forward. Please state your name and address for the record.

Craig Keppler: Good evening, Commissioners, Craig Keppler from the law firm of Lindquist and Vennum, council for the property owner. I'm not going to reiterate what the property owner has said in her letter other than to point out that the building itself has been modified at least a couple of times in its lifetime by the addition of some cinder block structures and a garage, etc., so it is not even in its current state an intact representation of the architecture of the architect whose work is referenced in the staff report. As the property owner noted, it is economically infeasible to redevelop the property, and in fact the property owner right now is left servicing the mortgage on the property with no income from it. Her only task really is to chase vagrants out and to try to board up the locks and reinforce the doors, etc., when they get in. From my perspective, designating the property would essentially be a taking and the next thing we would

be dealing with, with respect to the city, would be a condemnation proceeding for compensation from the city because there really is no economic use for the structure if it is designated. It's the only single-floor structure on the corner of this intersection. Its footprint is relatively small and given its square footage and the cost of rehabilitating it, as the property owner has said, you can't recoup the cost by putting a single tenant into the property. So I really do think it is a decent case for taking a claim against the city. If you have any questions for me, I'd be happy to answer them otherwise I don't have anything else to add.

Chair Larsen: Any questions? Ok, none at this time, thank you. Is there anybody else that wishes to speak either for or against this application, please step forward. Please state your name and address for the record.

Marion Biehn: Good afternoon, Marion Biehn, executive director for the Whittier Alliance. Thank you for considering this designation. The neighborhood did vote in favor of supporting the recommendation to designate Rex Hardware at 2601 Lyndale for historic preservation. We have been in the process of doing a context study throughout the whole neighborhood to identify buildings that are contributing to our neighborhood in the 6th Ward and this is one of them that from a commercial standpoint, from an architect's standpoint, from the timeframe that it operated as a small business by independent owners all contributes to the history of not only Whittier but of Minneapolis. And these are elements and components of the city that we support as being important to preserve. The building at this point, it was vacated by the Shomms who I know are not important people in the grander scheme of life but were, should be commended, they were just generous and warm people and ran a very good business for a very long time. But we did try to find someone else to come in and use the building as a hardware store, and it just didn't seem to work out. French Meadow did have a couple ideas for it, but that didn't work out and then we were hit with the current economic morass. I think at this point as kind of demolition by neglect. The opportunity was missed for restoration, it had another recommendation for something else in the interim when it could have really been preserved and I hope that effort will pick up again with the designation. So I really encourage you support the staff recommendation and adopt the findings and get this property under permanent protection so it can be restored both for the Whittier neighborhood and the city. Maybe not an apt comparison, but I guess as a comparison that I can just think of without giving too much research to it is the Mill City didn't have too much to it to recommend it for restoration or designation either, and that's certainly an important part of our riverfront and our history. So the Rex Hardware building still has a lot of life in it and I hope you can see that and adopt the findings. Thank you.

Chair Larsen: Thank you. Commissioner Elliott, do you have a question?

Commissioner Elliott: I did have a question about the neighborhood support. If I understand correctly from staff, the neighborhood had previously voted, or they previously supported the redevelopment plans and the demolition of the building? I'm curious what, about the neighborhood, changed, was it finding more information or was it a change in residents, what happened between the initial support and now the support for saving the structure.

Marion Biehn: I'd have to go back in my files to find exactly ... the support for the new development was not enthusiastic. It was there, but it was not enthusiastic. We worked with the developer for a long time trying to get something that was to what could be approved or supported. And that did happen but nobody was very unhappy when it didn't move forward.

Chair Larsen: As I recall correctly, there were certainly members of the neighborhood who were here at the time of the demolition application who were opposed to the demolition. I don't know or recall if the neighborhood had taken an official position at that time, when the demolition came forward?

Marion Biehn: Yes, it had taken ... June of '09 ... at that time the request was that the motion was that the claims of the condition of the property at 2601 Lyndale, the former Rex Hardware, including but not limited to the collapse of the roof, that those things be considered during the application for the demolition. That's what the motion was at that point. That's the one I have with me. And then there was, I don't know if we had another motion for regarding the demolition itself, but that hearing was later on, wasn't it?

Chair Larsen: I think that was back in May. In May we held a meeting regarding the ... was when we voted to ...

Marion Biehn: I remember being here speaking against the demolition and there were several property owners who were also here, not property owners but community members.

Chair Larsen: That's my recollection as well. Alright, other questions for this particular speaker? Thank you. Any other ...

Machelle Norling: I'd just like to address those points. Last time there was several people who had e-mailed in that were in support of the demolition from the city in that area where they lived. And again, today, there is a copy of another person that had e-mailed for demolition. But the one thing that has not been addressed either in the previous meeting or yet today is if the neighborhood group wants to renovate and have the opportunity, then why don't they, who is going to pay for it? This question is never brought up. There's a lot of people that want, well you should just sell it ... well there's no way to do that because no one will buy it knowing they can't do anything with it. Which is again another point that I had brought up last time. But they want a plan, but don't want to participate in it, and it seems a bit backward that the person that owns it doesn't have the freedom to do what was approved and accepted. And it wasn't unenthusiastically. It was a lot, it was more than 18 months of back and forth, back and forth, trying to accommodate everybody's desires. Which you should do in a place like that, it's a great neighborhood. But this plan does fall into the scope of the Lynn Lake idea of mixing work and pleasure. And that was the whole idea from the very beginning which is why it was only two stories, because that part of the neighborhood shouldn't have huge 15-floor apartment buildings. So it very much was a cooperation process with the architect and the builder who is no longer a part of the thing because it has taken too long. But still working with the architect, still working in cooperation with French Meadow Bakery, so that's that I guess.

Chair Larsen: Ok, thank you. Is there anybody else that wishes to speak either for or against this application please step forward. Ok, seeing none we'll close the public hearing.
Commissioner Kelley.

Commissioner Kelley: This is a difficult case. I felt conflicted about this in 2008 and I still do. The intersection taken as a whole is very nicely preserved. There's four beautiful commercial buildings on all four corners. I think that that's rare enough to be notable. It's true, though, that this property is not being used to its best potential at this time and what we have for the future is a question mark. If we fail to protect it, it will come down and then it may or may not reappear as an attractive commercial building such as the one in the plans. This is arguably a better outcome than the Rex Hardware building sitting vacant for years. But it is just a probability. It's not a certainty. If we protect the building, it may or may not be developed by others into an attractive and contributing part of the business community or it may sit vacant. Again, we have four separate possibilities of what could happen and we don't know what will develop in actuality. All we can do right now is roll our dice. If we protect it, we protect its potential for the future and if we don't, we don't. I think either of those are reasonable outcomes, or reasonable decisions. But I would favor, because we are the Heritage Preservation Commission, I would favor betting on the development of this older building despite its challenges and hurdles. So I am going to make a motion that we adopt the designation study and the attachments as findings of fact, direct the ... let's see, approve the local designation of the Rex Hardware building and extend the period of interim protection.

Chair Larsen: Ok, so there's a motion on the floor. Is there a second to the motion?

Commissioner Anderson: I'll second the motion.

Chair Larsen: Ok, Commissioner Anderson. Discussion on the motion? Commissioner Mack.

Commissioner Mack: Well, like Commissioner Kelley I'm conflicted. I have very fond memories of the creaking wood floors of Rex Hardware and finding the most obscure little thing you might need for your house. But this is one of those cases where I don't feel that my nostalgia or the value of the building on the landscape in the neighborhood, which I agree is desirable, will be long term a good solution because I don't think it is likely that it can be brought back to a useful life. So having it as a shell of a former life isn't in my mind a good testimony to its past. So I will vote against the motion.

Chair Larsen: Discussion on the motion? Commissioner Elliott?

Commissioner Elliott: Well I am echoing everyone's conflict over this particular case, but one of the points that I'm having the most difficulty with is Criterion 5, which was mentioned as being the most important, which if I'm interpreting Mr. Hanauer's designation study, it's the development and maintaining the development of all four corners. I guess what I'm questioning is whether we wouldn't be able to maintain that pattern in the landscape better with the proposed development versus a vacant building. It is my understanding of this area that per the Lynn Lake Small Area Plan, that's what's desired for that corner and would be encouraged for that corner.

So that pattern of the landscape, if I'm interpreting it correctly, that pattern, that landscape pattern, will be maintained by the Lynn Lake Area Plan whether or not this building is there. So I'm having trouble separating whether it's the building that best represents that landscape plan or say the zoning and potential re-use of the lot that better fits that part of the designation study that we should be supporting. And I have to admit that I haven't decided which one is the better way to, whether this particular building or whether a new building better represents that pattern. So I'm undecided, I guess is my bottom line.

Chair Larsen: Ok, Commissioner Lackovic.

Commissioner Lackovic: I'm undecided as well, for the same reasons that she just stated and every time I think I'm making progress in one direction or the other something else comes up which sets the balance back. One of the things I'm struck with in addition to the comments that have been made by fellow commissioners is the financing plight. It's very hard to get money for new construction right now, especially for this kind of development. So that's, as Commissioner Kelley pointed out, a big if. It's one side of the balance. On the other side is if this property is designated as a historic resource, there are tax credits that could be available and there may be some additional funding, resources, that would be made available to you through that avenue. So now the balance kind of shifts again. So I'm also just really conflicted. Again, if the use is probably what I think everybody is hanging on to here, that importance of maintaining that neighborhood niche, which again that new development could possibly do. On the other hand it is a warm and fuzzy building and the scale is right and you'd like to be able to think that it too could be salvaged given the right approach, but this is a tough one and I don't know. I've been flipping a coin all afternoon back and forth.

Chair Larsen: We don't recommend flipping coins. Commissioner Lemmon?

Commissioner Lemmon: So I think the one thing, because obviously this is a difficult decision, but the question in front of us doesn't, if we separate everything we know, which I know is difficult, but the question right now in front of us is the designation of this particular building. And separate from kind of the overall comprehensive plan and what could potentially be built there, if we loose that building have we lost the context of what that core, those intersections, and you know we have very few of them actually in tact. There's one on 46th that still has at least 3 of the buildings, but very few of them have all 4 of those remaining buildings. I think that the one thing I agree with Ginny is the fact that those tax credits right now, with both federal and state available, ups the ability to do some of this. And when we think about potentially redevelopment of that site I think in my mind about how many times we've talked with potential property owners or even property owners about how they may mitigate the harm that they would do to the original building. I think, ok, what are the other potential developments that could occur with this site and perhaps the neighboring site that they also already own. And is there a way to integrate the memory, if you will, not just of Rex Hardware but of that whole intersection within a design that would allow for tax credits. So that's kind of looking toward the future but what I think we need to look at today is do we need to preserve that building to preserve that intersection? I guess when I look at it that way, I would have to say yes and not think of, and I understand the financial hardships. I hold client's hands all the time trying to figure out where

that money is going to come from and what are going to be the options for doing that. But sometimes it's about getting really creative about how we look at it. And I know the creativity and the energy put forward in trying to do this is enormous. So I understand that, but I think in some ways if we look at, are we willing to right now without knowing what the future of that is, knowing that potentially that plan isn't going to be able to be funded, and that's just one plan, are we ready to lose the memory of, and I'm not just talking about that building because you could say, yes, the Rex Hardware we all think, it was a great place, and I'm not even thinking from the standpoint of what I remember being there. I'm thinking of the standpoint of what it potentially could be used for. I will admit as a preservation architect I tend to have a sensitivity towards that, but there is something we lose. New construction can never give us the same character, even something as simple as the Rex Hardware footprint has. So I guess I will vote yes for the designation.

Chair Larsen: Ok. Commissioner Kelley.

Commissioner Kelley: I already made one speech, so this will be a single remark. If I were weighing the certainty of an occupied and attractive new commercial building against the certainty of Rex Hardware remaining standing but empty my motion would have gone the other way. But given the two uncertainties here, I believe that we must err on the side of caution and preserving this beautiful intersection.

Chair Larsen: Commissioner Crippen?

Commissioner Crippen: I think I will defer to Commissioners Lemmon and Kelley because I think they said what I was going to say, so I support their statements.

Chair Larsen: Ok, Commissioner Anderson.

Commissioner Anderson: I want everyone on the commission to remember that our main, our decision depends on is this historic property or is it not? There are other venues for the applicant to go to but our mission is to save historic buildings and this has been in my mind decidedly been determined to be an historic building.

Chair Larsen: Thank you, Commissioner Anderson. Ok, any further discussion? Ok, seeing none, we'll call the roll.

Clerk: Commissioner Elliott?

Commissioner Elliott: Aye.

Clerk: Harrison?

Commissioner Harrison: Aye.

Clerk: Anderson?

Commissioner Anderson: Aye.

Clerk: Lemmon?

Commissioner Lemmon: Aye.

Clerk: Larsen?

Chair Larsen: Nay.

Clerk: Kelley?

Commissioner Kelley: Aye.

Clerk: Mack?

Commissioner Mack: Nay.

Clerk: Crippen?

Commissioner Crippen: Aye.

Clerk: Lackovic?

Commissioner Lackovic: Aye.

Chair Larsen: Ok, that motion carries.



**RESOLUTION 2009R-XXX
By Councilmember Schiff**

**Resolution of the Minneapolis City Council
Designating the Rex Hardware store at 2601 Lyndale Avenue South as a
Historic Landmark.**

Whereas, the Rex Hardware store building (originally known as the Clark J. Allen Hardware store) is located at 2601 Lyndale Avenue South in the Whittier Neighborhood; and

Whereas, the Rex Hardware store building meets Local Designation Criterion One in that it exemplifies broad patterns of economic history, Criteria Three, in that it is associated with distinctive elements of city identity, Criterion Four, in that it embodies the distinctive characteristics of an architectural style, and Criterion Five, in that it is associated with a development pattern of quality design/detail; and

Whereas, the Rex Hardware store building, built in 1914, is a quality example of streetcar era commercial development common in Minneapolis between 1890 and 1930, specifically it serves as a high-quality example of commercial development for the Bryant Avenue Streetcar Line; and

Whereas, the Rex Hardware store building was completed in a Utilitarian architectural style and represents a quality, early example of this architectural style; and

Whereas, the Rex Hardware store building illustrates the economic rise and fall pattern of neighborhood hardware stores as a collection in the 20th and 21st centuries; and

Whereas, the Rex Hardware store building holds the distinction of being the longest operating hardware store in Minneapolis that was originally built as a hardware store (91 years); and

Whereas, the designation of the Rex Hardware store is consistent with *The Minneapolis Plan for Sustainable Growth* (2009) and the *Lyn-Lake Small Area Plan* (2009); and

Whereas, the Rex Hardware building local designation study has been reviewed and commented upon by the Minnesota State Historic Preservation Office and the Minneapolis City Planning Commission; and

Whereas, the Minneapolis Heritage Preservation Commission (HPC) held a public hearing on April 20, 2010 and recommended to the Standing Committee on Zoning and Planning that the Rex Hardware store at 2601 Lyndale Avenue South become a local historic landmark with exterior designation protection; and

Whereas, on May 20, 2010 the Standing Committee on Zoning and Planning recommends designation as a historic district; and

Now, therefore, be It Resolved by The City Council of The City of Minneapolis:
That the Rex Hardware historic landmark designation will include the entire property and exterior of the principal structure.