CITY OF MINNEAPOLIS
CPED PLANNING DIVISION
HERITAGE PRESERVATION COMMISSION STAFF REPORT

FILE NAME: Building #9, 5101 Minnehaha Avenue (AKA the Infirmary and Domiciliary #9)

DATE OF APPLICATION: April 28, 2009

APPLICANT: Gilbert Acevedo, Minnesota Department of Veterans Affairs, 612-728-7348

PUBLICATION OF STAFF REPORT: May 26, 2009

DATE OF HEARING: June 2, 2009

APPEAL PERIOD EXPIRATION: June 12, 2009

CATEGORY: Historic Resource

CLASSIFICATION: Demolition of a Historic Resource

STAFF INVESTIGATION AND REPORT: John Smoley, Ph.D., 612-673-2830

DATE: May 26, 2009

A. BACKGROUND

Building #9, 5101 Minnehaha Avenue (AKA the Infirmary and Domiciliary #9) is a three-story tan brick building designed in the Art Deco style. On April 28, 2009 the Minnesota Department of Veterans Affairs submitted a complete Demolition of a Historic Resource application to demolish the subject property. On May 7, 2009 Landwehr Construction, Inc. submitted a Wrecking Permit to demolish the building. Following its demolition, the Minnesota Department of Veterans Affairs intends to seek funding to construct a new skilled nursing facility onsite.

B. DESCRIPTION

Building #9 was built from 1934 to 1936 as a Federal Emergency Relief Administration project. Designed by H.G. Bowstead and built by workers under the supervision of Works Progress Administration District Director H.L. Richards, the building served as the infirmary on what was then known as the Minnesota Soldiers' Home. In the early 1970s the building was converted from an infirmary to a domiciliary. A 1997 remodel replaced the roof, interior finishes, interior fixtures, HVAC system, and exterior masonry mortar. In 2007 the building was vacated due to structural safety concerns.

C. PROPOSED CHANGES

The Applicant seeks to demolish this building. Following its demolition the Applicant intends to seek funding to construct a five-story building that is 40% larger than Building #9. The new building will provide space for skilled nursing care. The new building will also meet accessibility standards specified by the Americans with Disabilities Act of 1990.

D. NECESSITY OF DEMOLITION

The Minneapolis Code of Ordinances, Title 23, Heritage Preservation, Chapter 599 Heritage Preservation Regulations states that before approving the demolition of a property determined to be an

historic resource, the commission shall make findings that the demolition is necessary to correct an unsafe or dangerous condition on the property, or that there are no reasonable alternatives to the demolition. In determining whether reasonable alternatives exist, the commission shall consider, but not be limited to the significance of the property, the integrity of the property and the economic value or usefulness of the existing structure, including its current use, costs of renovation and feasible alternative uses. The commission may delay a final decision for a reasonable period of time to allow parties interested in preserving the historic resource a reasonable opportunity to act to protect it.

Unsafe or Dangerous Condition

The Applicant has demonstrated that demolition of Building #9 is not necessary to correct an unsafe or dangerous condition, though an unsafe condition certainly exists. A 2007 evaluation by Clark Engineering Corporation found enough corrosion in the building's steel structural system to recommend that the entire building no longer be occupied until an extensive shoring system is installed. Nevertheless, an estimate submitted with the application indicates that the building could be repaired for $13,300,000. Repairs include the cost of not only removing but also replacing existing brick, damaged by the application of a sealant prior to 1998. This sealant has trapped moisture in the building that has not only caused the deterioration of the structural system but also produced such extensive brick spalling and deterioration that the brick is unserviceable.

Reasonable Alternatives to Demolition

The Applicant has demonstrated that rehabilitation is technically feasible (as discussed above), though this would require replacement of most of the remaining exterior building materials that date back to the district's period of significance, 1888-1937, a span of time which encompasses Building #9's first two years of existence. Nevertheless, demolition is a reasonable request, given the very limited amount of historic building materials, both interior and exterior, that would remain after the building is made safe for habitation and adapted for use as an accessible skilled nursing care facility. Such demolition should include actions designed to mitigate for the loss of the historic resource.

The commission may require a mitigation plan as a condition of any approval for demolition of an historic resource. Such plan may include the documentation of the property by measured drawings, photographic recording, historical research or other means appropriate to the significance of the property. Such plan also may include the salvage and preservation of specified building materials, architectural details, ornaments, fixtures and similar items for use in restoration elsewhere.

Section 106 of the National Historic Preservation Act of 1966 (NHPA) requires Federal agencies to take into account the effects of their undertakings on historic properties, and afford the Advisory Council on Historic Preservation a reasonable opportunity to comment. The responsible federal agency, in this case the Minnesota Department of Veterans Affairs, determined that the demolition of Building #9 would affect historic properties, since Building #9 is part of a district listed in the National Register of Historic Places. The Applicant submitted a draft memorandum of agreement (attached, pages 93-100) that indicates that the Minnesota State Historic Preservation Office has determined that demolition of Building #9 will have an adverse effect upon the historic district, but that demolition with mitigation is acceptable.

According to this draft agreement, as mitigation for the demolition of the NRHP-listed Building No.9, the Minnesota Department of Veterans Affairs will:

1. Prepare a Minnesota Historic Property Record (hereinafter "MHPR") as mitigation for the demolition of the NRHP listed Building No.9. The MHPR shall be prepared in accordance with the SHPO's *Minnesota Historic Property Record Guidelines* by professionals who meet the qualifications set forth in *The Secretary of the Interior's Professional Qualification Standards* (44 FR 44738-9) for architectural history. The completed MHPR shall be submitted to and accepted by the SHPO prior to the initiation of the demolition of Building No.9.

2. Prepare an article for *The Minnesota Preservationist* magazine as mitigation for the demolition of the Building No.9. The article shall document how water proofing can damage historic brick buildings, using Building No.9 as a case study to show what happens it waterproofing is applied to a brick building. This article shall be published within 12 months of the signing of this PA.

3. Incorporate the following elements into the site selection and design for the new development:

i. The creation of a compatible and historically sensitive entry into he Minnesota Veterans Home campus to mitigate for the loss of Building No.9, which served as the visual terminus to the bridge over Minnehaha Creek, the primary means of access to the campus, during the period of significance for the historic district.

ii. An interpretive element that commemorates and tells the story of Building No.9.

The agreement states that the Applicant shall consult with the SHPO and NPS to determine an appropriate location for the new development and develop a design for the new building and its associated improvements. The new development shall be sited and designed in accordance with *The Secretary of the Interior's Standards for the Treatment of Historic Properties* and the MNRRA Comprehensive Management Plan. The design for the new building, including the site selection and placement, shall give consideration to creating a compatible and historically sensitive entry into the Minnesota Veterans Home campus to mitigate for the loss of Building No.9, which served as the visual terminus to the bridge over Minnehaha Creek, the primary means of access to the campus, during the period of significance for the historic district. The final design for the new building and its associated improvements shall require the timely approval of the SHPO, NPS, and VA before construction can commence.

Should the new development result in an adverse effect to a historic or archaeological property that cannot be avoided, the agreement stipulates that the Minnesota Department of Veterans Affairs shall consult with the SHPO, VA, and the NPS to determine and implement the appropriate mitigation.

For the proposed new development, the agreement stipulates that the Minnesota Department of Veterans Affairs will hold two public meetings to obtain comments on the effects of the proposed new development on historic and archaeological properties. The first meeting shall be held after the completion of the pre-design phase for the proposed new development to allow the public to comment on the proposed location and design of the new development and its potential effects on historic properties. The second public meeting shall be held after schematic design is completed, but before design development is completed, to allow the public to provide additional comment on the location and design of the proposed new building and its associated improvements, as well as on any potential effects the proposed development may have on historic and archaeological properties and on possible mitigation for any potential adverse effects to historic and archaeological properties. For both meetings, the Minnesota Department of Veterans Affairs shall give public notice announcing the date, time, and location of such meetings and distribute notices directly to potentially concerned individuals and organizations.

In addition to these actions, staff recommends the project be conditioned to ensure the Heritage Preservation Commission reviews and approves the design of the proposed new construction prior to the approval of the Wrecking Permit. Such review should help ensure that any new construction does not damage the integrity of a district that has experienced considerable infill over time (Attachment D).

Significance

The subject property is listed in the National Register of Historic Places as part of the Minnesota Soldiers' Home Historic District. Designated in 1989, the district is significant under criteria A (Associated with events that have made a significant contribution to the broad patterns of our history) and C (Embody the distinctive characteristics of a type, period, or method of construction, or that represent the work of a master, or that possess high artistic values, or that represent a significant and distinguishable entity whose components may lack individual distinction) due to its outstanding concentration of Richardsonian Romanesque, Classical Revival, and Art Deco architecture; its landscape, designed by prominent landscape architect Horace Cleveland; being the only locality in Minnesota that provided health care for disabled military veterans for many years; and because it was the first state-run site in the nation to offer centralized, major medical services to veterans. For these same reasons, the district, including Building #9, appears eligible for local designation under criteria 1, 4, and 6:

> (1) The property is associated with significant events or with periods that exemplify broad patterns of cultural, political, economic or social history.
> (4) The property embodies the distinctive characteristics of an architectural or engineering type or style, or method of construction.
> (6) The property exemplifies works of master builders, engineers, designers, artists, craftsmen or architects.

Integrity

Integrity is the ability of a property to communicate its historical significance. To retain integrity properties must possess at least several, and usually most, of the seven aspects of integrity: location, design, setting, materials, workmanship, feeling, and association. Even after the proposed repairs, Building #9 will retain its integrity, as evident in its possession of six of the seven aspects of integrity.

Location: Building #9 remains in its original location, thus building possesses integrity of location.

Design: No additions or major changes have been made to Building #9's exterior form and details. The application includes cost estimates to restore all of these features. Even after such a restoration, the building would possess integrity of design.

Setting: The property's integrity of setting remains intact. The building continues to stand on the northern border of the Minnesota Soldiers' Home Historic District. While infill has occurred over time in this district, the essential character of the district remains intact.

Materials: The Applicant submitted an analysis of work required to repair Building #9 to make it safe for human habitation. This analysis prescribes complete replacement of the building's structural system, brick, windows, precast parapet, decorative precast elements at the top of each building pilaster, decorative precast band at the base of the walls, all precast windowsills, utility doors, roof, and foundation waterproofing system. Once the repairs are complete, the building will not possess integrity of materials.

Workmanship: The analysis of work submitted by the Applicant includes replacement of the vast majority of the building's exterior materials and details. This in-kind replacement will preserve Building #9's integrity of workmanship.

Feeling: The building's integrity of feeling remains intact. Though it has been converted from a hospital to a domiciliary, Building #9 continues to function as a care facility for disabled veterans within the Minnesota Soldiers' Home Historic District. Its exterior design remains intact. Even considering some recent mechanical equipment upgrades and replaced windows, Building #9's exterior appearance would be make it readily identifiable to its original builders, occupants, and staff.

Association: The building retains integrity of association remains intact. Building #9 continues to function as a care facility for disabled veterans within the Minnesota Soldiers' Home Historic District.

Economic Value or Usefulness of the Existing Structure

As a state owned property, Building #9 has not been valued by the Hennepin County Assessor. Despite its condition, Building #9 clearly possesses economic value. The Applicant submitted an estimate of work necessary to repair the building and restore its exterior appearance. This estimate equals $13,300,000. This sum is just over half of the estimated cost of a new facility that is only 40% larger than the existing facility.

Following the proposed demolition, the Applicant intends to seek funding to construct a five-story building that is 40% larger than Building #9. The new building will provide skilled nursing care. The new building will also meet accessibility standards specified by the Americans with Disabilities Act (ADA) of 1990. The Minnesota Department of Veterans Affairs estimates that the new building will cost $26,000,000.

Given its successful use as both an infirmary and domiciliary, Building #9 appears to be well-suited for conversion to a skilled nursing facility. Unfortunately, the application does not include estimates of the cost of restoring and upgrading the interior or adding a new wing to Building #9. Nevertheless, demolition of Building #9 is a reasonable request, given the very limited amount of historic building materials, both interior and exterior, that would remain after the building is made safe for habitation and adapted for use as an accessible skilled nursing care facility.

E. PUBLIC COMMENT

Staff received no public comment on the proposed project.

F. APPLICABLE POLICIES

The following are policies from The Minneapolis Plan: Minneapolis's Comprehensive Plan, adopted in 1999 that are applicable to this application:

Policy 1.7: "Minneapolis will recognize and celebrate its history." This policy is supported by an

implementation step that states, “Encourage new developments to retain historic structures, incorporating them into new development rather than demolishing them.”

G. APPLICABLE ORDINANCES

Chapter 599. Heritage Preservation Regulation

ARTICLE V. DESIGNATION

599.210. Designation criteria. The following criteria shall be considered in determining whether a property is worthy of designation as a landmark or historic district because of its historical, cultural, architectural, archaeological or engineering significance:

(1) The property is associated with significant events or with periods that exemplify broad patterns of cultural, political, economic or social history.

(2) The property is associated with the lives of significant persons or groups.

(3) The property contains or is associated with distinctive elements of city or neighborhood identity.

(4) The property embodies the distinctive characteristics of an architectural or engineering type or style, or method of construction.

(5) The property exemplifies a landscape design or development pattern distinguished by innovation, rarity, uniqueness or quality of design or detail.

(6) The property exemplifies works of master builders, engineers, designers, artists, craftsmen or architects.

(7) The property has yielded, or may be likely to yield, information important in prehistory or history.

599.230. Commission decision on nomination. The commission shall review all complete nomination applications. If the commission determines that a nominated property appears to meet at least one of the criteria for designation contained in section 599.210, the commission may direct the planning director to prepare or cause to be prepared a designation study of the property. In cases where an application for demolition is initiated by the property owner, the planning director may determine that the property owner bears the full financial responsibility of conducting the designation study. In all cases, the planning director shall define the scope of services for a designation study, review qualifications of agent conducting study and make a determination of what constitutes a final submission upon completion.

599.240. Interim protection. (a) Purpose. Interim protection is established to protect a nominated property from destruction or inappropriate alteration during the designation process.

(b) *Effective date*. Interim protection shall be in effect from the date of the commission's decision to commence a designation study of a nominated property until the city council makes a decision regarding the designation of the property, or for twelve (12) months, whichever comes first.

Interim protection may be extended for such additional periods as the commission may deem appropriate and necessary to protect the designation process, not exceeding a total additional period of eighteen (18) months. The commission shall hold a public hearing on a proposed extension of interim protection as provided in section 599.170.

(c) *Scope of restrictions*. During the interim protection period, no alteration or minor alteration of a nominated property shall be allowed except where authorized by a certificate of appropriateness or a certificate of no change, as provided in this chapter. (2001-Or-029, § 1, 3-2-01)

ARTICLE VIII. HISTORIC RESOURCES

599.440. Purpose. This article is established to protect historic resources from destruction by providing the planning director with authority to identify historic resources and to review and approve or deny all proposed demolitions of property.

599.450. Identification of historic resources The planning director shall identify properties that are believed to meet at least one of the criteria for designation contained in section 599.210, but that have not been designated. In determining whether a property is an historic resource, the planning director may refer to building permits and other property information regularly maintained by the director of inspections, property inventories prepared by or directed to be prepared by the planning director, observations of the property by the planning director or any other source of information reasonably believed to be relevant to such determination.

599.460. Review of demolition permits. The planning director shall review all building permit applications that meet the definition for demolition to determine whether the affected property is an historic resource. If the planning director determines that the property is not an historic resource, the building permit shall be approved. If the planning director determines that the property is an historic resource, the building permit shall not be issued without review and approval by the commission following a public hearing as provided in section 599.170.

599.470. Application for demolition of historic resource. An application for demolition of an historic resource shall be filed on a form approved by the planning director and shall be accompanied by all required supporting information, as specified in section 599.160.

599.480. Commission decision. (a) *In general*. If the commission determines that the property is not an historic resource, the commission shall approve the demolition permit. If the commission determines that the property is an historic resource, the commission shall deny the demolition permit and direct the planning director to prepare or cause to be prepared a designation study of the property, as provided in section 599.230, or shall approve the demolition permit as provided in this section.

(b) *Destruction of historic resource.* Before approving the demolition of a property determined to be an historic resource, the commission shall make findings that the demolition is necessary to correct an unsafe or dangerous condition on the property, or that there are no reasonable alternatives to the demolition. In determining whether reasonable alternatives exist, the commission shall consider, but not be limited to, the significance of the property, the integrity of the property and the economic value or usefulness of the existing structure, including its current use, costs of renovation and feasible alternative uses. The commission may delay a final decision for up to one hundred-eighty (180) days to allow parties interested in preserving the historic resource a reasonable opportunity to act to protect it.

(c) *Mitigation plan.* The commission may require a mitigation plan as a condition of any approval for demolition of an historic resource. Such plan may include the documentation of the property by measured drawings, photographic recording, historical research or other means appropriate to the significance of the property. Such plan also may include the salvage and preservation of specified building materials, architectural details, ornaments, fixtures and similar items for use in restoration elsewhere.

(d) *Demolition Delay.* The commission may stay the release of the building, wrecking or demolition permit for up to one hundred-eighty (180) days as a condition of approval for a demolition of an historic resource if the resource has been found to contribute to a potential historic district to allow parties interested in preserving the historic resource a reasonable opportunity to act to protect it. The release of the permit may be allowed for emergency exception as required in section 599.50(b).

H. STAFF RECOMMENDATION

CPED recommends that the Heritage Preservation Commission **adopt** staff findings and **approve** the project subject to the following condition:

1. The Heritage Preservation Commission shall review and approve the design of the proposed new construction prior to the approval of the Wrecking Permit.

ATTACHMENTS

A. Vicinity Map (provided by staff)
B. Initial Submittal (provided by Applicant)
C. April 23 Resubmittal (provided by Applicant)
D. Aerial Oblique Photograph of Historic District (provided by staff)