

**CITY OF MINNEAPOLIS  
CPED PLANNING DIVISION  
HERITAGE PRESERVATION COMMISSION STAFF REPORT  
BZH: 26249**

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FILE NAME: 2358 West Lake of the Isles Parkway

CLASSIFICATION: Demolition of Historic Resource

APPLICANT: Eskuche Creative Group- Peter Eskuche, 612-296-7575

DATE OF APPLICATION: December 8, 2009

PUBLICATION DATE: February 9, 2010

DATE OF HEARING: February 16, 2010

APPEAL PERIOD EXPIRATION: February 26, 2010

STAFF INVESTIGATION AND REPORT: Chris Vrchota, (612) 673-5467

**A. BACKGROUND & DESCRIPTION**

The property at 2358 West Lake of the Isles Parkway is a two-story single family dwelling constructed in 1919. It was designed by architect Irwin Goldstein for Max A. Cohen, a local jeweler. Per City records, the house has a footprint of approximately 2224 square feet and total square footage of approximately 4619 square feet, plus a basement. The house is designed in a Spanish Colonial Revival style and the exterior is clad in stucco.

A wrecking contractor submitted an application to demolish the house in June of 2009. Staff determined that the demolition could not be approved administratively because the house potentially met one or more of the criterion for designation.

In the material submitted with the Demolition of Historic Resource Application, the Applicant states that the house underwent flooding in December 2007 as the result of a burst pipe. The property has been unoccupied since that time.

**B. PROPOSED CHANGES**

The Applicant is proposing to demolish the house. The Applicant has provided preliminary plans for a new house they plan to construct on the site if the demolition is approved. (See Appendix B-82-91).

**C. 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 not stated that the demolition is necessary to correct an unsafe or dangerous condition. The Applicant has included estimates for the cost of repair and mitigation work the have identified as being necessary to make the house habitable.

### **REASONABLE ALTERNATIVES TO DEMOLITION**

Per Chapter 599 of the Minneapolis Code, 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 Applicant has presented arguments that rehabilitation is unreasonable. Documentation supporting these arguments is attached, and includes a structural assessment (Appendix B-12-17), land surveyor's assessment (Appendix B-18-19) and environmental reports (Appendix B-20-63) and a heat loss evaluation (B-64-75).

The reports identify a number of substantial issues on the property, including mold, degradation of the foundation and other structural elements including the wall and roof framing systems, heat loss and drainage issues on the site. Some of these issues are related to the flooding that occurred in 2007. Others are the result of issues from the original construction of the house and the construction of additions over time.

The subject property underwent extensive water damage as the result of a burst pipe in December 2007. This, along with the fact that the rear yard of the property is improperly graded to slope towards the house, rather than away, have led to significant structural and environmental issues on the property, including mold and cracking of the foundation. These issues would need to be resolved before the house could be reoccupied. The Applicant has estimated that the cost to repair the damage to the property and remodel the house to a useable state would be \$2,152,000. (Break down for this estimate is in Appendix B-77).

These costs do not include other repairs to address the long-term causes of the problems, such as regarding the site. As outlined in the report by EDS, a consultant hired by the Applicant to assess the site (Appendix B-18-19), the present grading of the lot causes water to drain towards the house. This has lead to water intrusion and damage to the foundation and basement. The engineer stated that correcting this problem would require re-grading of nearly the entire lot, as well as raising the foundation of the house by at least one foot.

The structural assessment prepared by Ulteig recommends the complete replacement of the foundation of the house to correct structural damage. The report states that this could be possible without demolition of the house, but would require "exterior grade removal, interior finished surface removal, resurfacing of the foundation walls, waterproofing, and potential interior strengthening." The report from Ulteig also mentions that the necessary regarding would "substantially increase the lateral pressure on the foundation and is not to be performed without corrective measures in place."

The environmental report identifies a widespread mold issue on the property, caused primarily by the infiltration of water into the foundation due to the improper grading. The report also identified the presence of asbestos in a number of locations and of lead based paint on the windows.

## **SIGNIFICANCE**

The subject property is considered to be a contributing resource to the Lake of the Isles potential historic district. Designation was pursued for the Lake of the Isles district in 1984 but was not completed. Surveys of the area in 1983 and 2006 both recommended that the property be included as a contributing resource to the potential district. Neither survey identified the property as being eligible for individual designation either locally or nationally.

According to the report entitled *Lake of the Isles Historic District* prepared by Muriel Nord, John Fried, Dan Jones and Mary Murphy in 1984, "Lake of the Isles and its surrounding park land is significant as an important component of Minneapolis' nationally renowned park system that gave rise to a locally significant collection of residences." The report also identified a number of locally and nationally significant architects who designed houses within the potential historic district, including William Channing Whitney, Harry Wild Jones, Frederick Kees, and many others.

Based on the information included in the report, it is likely that the Lake of the Isles potential historic district is eligible for local designation under criteria number three and criteria number six.

*Criteria #3 is: The property contains or is associated with distinctive elements of city or neighborhood identity.*

The Lake of the Isles potential historic districts contains a collection of residential structures primarily built from 1905-1930. The majority of the houses are larger, stately homes. A wide variety of architectural styles are represented. This collection of high end houses, along with the parks, parkway, and Lake of the Isles itself make up a distinct element of City identity.

The subject property was constructed during the period of significance for the potential historic district and has been identified as a contributing resource. Reconnaissance surveys of the area have not suggested that the subject property is individually eligible for designation under this criterion.

*Criteria #6 is: The property exemplifies works of master builders, engineers, designers, artists, craftsmen or architects.*

The *Lake of the Isles Historic District* report identified 18 locally and nationally significant architects who designed structures in the potential historic district. Irwin Goldstein, the architect for the subject property, is not among those identified. While the Lake of the Isles potential historic district is likely eligible for designation under criterion #6, the subject property would likely not contribute to the significance of the district in this regard because it does not appear to be the work of a master builder, engineer, designer, artist, craftsman or architect. Reconnaissance surveys of the area have not suggested that the subject property is individually eligible for designation under this criterion.

## **INTEGRITY**

The National Register traditionally recognizes a property's integrity through seven aspects or qualities: location, design, setting, materials, workmanship, feeling, and association. The building retains its integrity, as outlined below:

*Location:* The house was built on the site in 1919. The property retains its integrity of location.

*Design:* The original main structure of the house remains in tact. While no permits can be located for them, the Applicant has identified the side wings of the house and the rear garage as later additions. While these additions do not perfectly match the design of the original structure, they are not so dramatically out of character with the rest of the house so as to impair the integrity of design. The house retains its integrity of design.

*Setting:* The Lake of the Isles potential historic district is comprised of a collection of large single family built in the early 20<sup>th</sup> century. While some of the residences have been replaced or modified, the neighborhood is still defined by the presence of large, high-styled residential dwellings and their relationship to the lake and Lake of the Isles Parkway. The integrity of setting remains.

*Materials:* The house is clad stucco. Portions of the stucco show evidence of water damage through the presence of cracking, staining and mold. The windows and original roofing material, soffit and fascia have been replaced. The integrity of materials does not remain.

*Workmanship:* The house appears to have been built with minimal decoration or detail. The most notable decorative elements include a dental trim element just beneath the roofline and a decorative carving beneath the main entrance pediment, both of which remain intact. The integrity of workmanship remains.

*Feeling:* As a large, stately single-family dwelling in a neighborhood defined by the presence of such structures, the property retains its integrity of feeling.

*Association:* Research has not indicated that the property has any association with historically significant persons or events.

## **ECONOMIC VALUE OR USEFULNESS OF THE EXISTING STRUCTURE**

*Economic Usefulness of the Existing Structure:* The subject property is located in the R1- Single-Family Residence district, which allows primarily for low-density single-family dwellings.

The house is in need of substantial repair and rehabilitation in order to be reoccupied. The scope of work needed includes complete replacement of the foundation, re-grading of much of the site, and mold and asbestos remediation throughout the structure. The estimated cost of remodeling provided by the Applicant is \$2,152,000. This estimate does not include repair or replacement of structural elements, including the foundation, or re-grading of the site.

*Economic Value of the Existing Structure:* The Hennepin County Assessor's Office estimates the total value of the property to be \$2,325,000, with \$640,200 being the value of the land and \$1,684,800 being the value of the structure. The Applicant has stated that the value determined by

the Assessor was for the property in the “pre-flood” state. The property owner has appealed the assessment. The estimated cost of remodeling provided by the Applicant is \$2,152,000 or \$467,200 more than the estimated value of the structure in its “pre-flood” condition.

#### **D. PUBLIC COMMENTS**

Staff received one e-mail about the proposed demolition prior to publication of the staff report. It is attached in Appendix C.

#### **E. 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. (2001-Or-029, § 1, 3-2-01; 2009-Or-023, § 9, 3-27-2009)

**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 (1) 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. (2001-Or-029, § 1, 3-2-01; 2009-Or-023, § 10, 3-27-2009)

**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. (2001-Or-029, § 1, 3-2-01)

**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. (2001-Or-029, § 1, 3-2-01)

**599.460. Review of demolitions.** 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. (2001-Or-029, § 1, 3-2-01; 2009-Or-023, § 13, 3-27-2009)

**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. (2001-Or-029, § 1, 3-2-01)

**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). (2001-Or-029, § 1, 3-2-01; 2009-Or-023, § 14, 3-27-2009)

## **F. FINDINGS**

1. The property is eligible for local designation as part of the Lake of the Isles potential historic district. The property has not been nominated for local designation. The district has not been nominated for local designation since 1984.
2. The property has not been recommended for evaluation or designation as an individual landmark.
3. While there are no outstanding orders from the City, the building is currently vacant and in need of substantial repairs in order to be reoccupied.
4. The Hennepin County Assessor's Office estimates the total value of the property to be \$2,325,000, with \$640,200 being the value of the land and \$1,684,800 being the value of the structure.
5. The Applicant has submitted estimates for remodeling the existing structure totaling \$2,152,000. This estimate does not include the cost of re-grading the site or replacing the foundation as recommended by the structural engineer to abate the water infiltration and associated mold problems.
6. The Applicant has proposed to construct a new single-family dwelling that would replace the existing single-family dwelling on the site.

## **G. STAFF RECOMMENDATION**

Staff recommends that the Heritage Preservation Commission adopt staff findings and **approve** the demolition application of the property at 2358 West Lake of the Isles Parkway with the following condition:

1. A photographic recordation of the property shall be prepared and submitted to staff that is in accordance with the guidelines of the Minnesota Historic Property Record. The recordation shall include all exterior spaces including outbuildings and site design.

## **H. ATTACHMENTS**

### Appendix A- Material Submitted by Staff

- A-1 350' Map
- A-2 Hennepin County Assessor's Data
- A-3- A-4 Mead & Hunt Survey Sheet
- A-5- Lake of the Isles Historic District Inventory Form from 1983
- A-6- Map of Lake of the Isles Potential Historic District- CLG Survey, 2006
- A-7-A-10- Lake of the Isles Historic District , HPC District Manual #6- cover, pages 1-3
- A-11-A-14- Lake of the Isles Master Plan: Document for Consultation, prepared for Minneapolis Park Board- cover, pages 1-3

### Appendix B- Material Submitted by Applicant

- B-1 – B-3- Application Form
- B-3 – B-11- Letter from the Applicant
- B-12- B-17- Structural Assessment
- B-18- B-19- Land Surveyor's Assessment
- B-20-B-63- Environmental Report
- B-64-B-75- Heat Loss Evaluation
- B-76-B-78- Builder's Proposal and Bid for Remodeling
- B-79-B-81- Builder's Proposal and Bid for New Construction
- B-82-B-91 Proposed New Residence Drawings
- B-92-B-120- Existing Residence Photos

### Appendix C- Materials Submitted by Others

- B-1- E-mail from Resident

**Attachment A:** Submitted by CPED staff

**Attachment B: Materials submitted by Applicant**

## **Attachment C: Submitted by others**