

**CITY OF MINNEAPOLIS
CPED-PLANNING DIVISION
HERITAGE PRESERVATION COMMISSION STAFF REPORT**

FILE NAME: Revisions to Title 23, Chapter 599 Preservation – concerning matters related to Historic Resources, Review of Demolitions, and other “housekeeping” clarifications.

CATEGORY/DISTRICT: Citywide

SUBMITTED BY: Community Planning Economic Development
Department (CPED)

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A. BACKGROUND

Demolition

Section 599.460 of the Minneapolis Code of Ordinances requires that preservation staff review all applications for a demolition permit to determine whether the affected property is an historic resource. Over the past few years Minneapolis has been dealing with a steadily increasing level of demolition activity. In 2006, CPED-Planning staff reviewed 57 wrecking permit applications. In 2007, the number grew to 191. In 2008, there were 317 wrecking permits were reviewed by staff. The increase in demolition activity has caused staff to review a higher volume of wrecking permits. A by-product of this higher volume of reviews is that it has allowed staff to identify areas that are in need of refinement:

- In the preservation ordinance, and also
- In the processes through which demolitions are handled at the Minneapolis Development Review (MDR) counter and through subsequent internal review and processing.

Staff has identified six challenging trends and issues involving demolition that have proved to be troublesome for staff, residents, applicants and elected officials. We are proposing a series of administrative and ordinance changes to address the issues and to clarify regulations, policy, and practice.

1. Construction Permit Loophole – Avoidance of Public Hearing

Description of problem: By seeking and applying for a remodeling permit (BIRE) for demolition instead of wrecking permit (BWM), some property owners have circumvented the required review of demolition permits through the preservation ordinance. This

practice has been especially problematic when all but a single wall of a building is being removed for construction of a new building.

Proposed remedies:

- A. *Administrative change:* The Construction Code Services division of the Regulatory Services Department will soon release an “Administrative Announcement” stating that the removal or enclosure of 60 percent of the wall and roof requires a Building, Wrecking and Moving permit (BWM), not a remodeling permit (BIRE). Requiring a BWM for such large-scale changes will trigger the appropriate review of demolition through the preservation ordinance.
- B. *Ordinance Amendment:* Create definition of Demolition in 599 to reflect the Administrative Announcement.

2. Lack of Public Notice

Description of problem: State law requires wrecking contractors to notify immediately adjacent neighbors prior to a demolition.

Proposed remedies:

- A. *Administrative change:* Minneapolis Development Review will include the language from the International Building Code Section 3307- Protection of Adjoining Property in the wrecking application checklist. This section requires the notification of adjacent property owners to a proposed demolition ten days in advance of the demolition.
- B. *Administrative change:* At the time of application, Minneapolis Development Review will also provide wrecking contractors with a sample letter to use for notification.
- C. *Administrative change:* Minneapolis Development Review will revise the BWM application process form so that it requires Applicant to confirm that they understand and will comply with their state required obligations for public notice related to demolitions.
- D. *Administrative change:* CPED-Planning will add preservation permits (BZH) to the weekly report on land use applications it currently publishes for neighborhood groups and council members. This being the case, neighborhood groups and council members will now have a regular report in which to monitor applications for demolition (and other preservation-related applications) in their area.

3. Confusion in the public and among property owners regarding CPED resources available to “save” eligible properties by funding designation studies.

Description of problem: In describing the duties of local officials, Chapter 599 currently states that the Planning Director will “prepare or cause to be prepared” designation studies when they are required. It does not currently stipulate who pays for designation studies. The CPED-Planning budget typically allows for the resources to conduct designation studies that are part of the defined work plan for the department or for those designation studies that come as part of a larger city priority. A specific pot of money is not established and waiting so that CPED can conduct designation studies to fend off every market-driven proposal to tear down eligible historic resources. In cases where demolition is initiated by

a private property owner, CPED's policy has been to require the property owner to fund the designation study.

Proposed remedies:

- A. *Ordinance Amendment:* Revise Ch. 599 to stipulate that designation studies originating from Demolition of Historic Resource initiated by property owners may be required to be paid for by the Property Owner. Provisions are proposed to ensure that the scope of services is defined by City staff and that the final project is reviewed by city staff prior to submission to the Heritage Preservation Commission.
- B. *Ordinance Amendment:* Revise 599 to include a fee for Demolition of Historic Resources Application.

4. Protecting the entirety of potential historic districts when threats are posed through individual cases.

Description of problem: In cases where a single demolition is sought within a larger area that is considered a potential historic district, neighbors may come out in opposition to an individual demolition because of how a structure contributes to the neighborhood or area. Out of fairness, CPED-Planning has not sought to burden the individual property owner seeking demolition with the cost of a designation study for the entire district. However, a property that is contributing to a potential historic district is not necessarily eligible for designation as an individual landmark and so the resulting designation study may not yield the information necessary to maintain the integrity of the larger potential district.

Proposed remedies:

- A. *Administrative change:* Create "Historic Review Letter" process, form, and fee to provide statement of no-significance (see above description).
- B. *Ordinance Amendment:* Update thresholds of demolition defined in ch. 599.
- C. *Ordinance Amendment:* Create language for "Demolition Delay" which would allow the HPC another option besides calling for a designation study. This option would allow the HPC to stay the demolition for a period of time so that interested neighbors might pursue their own options for saving the property – usually through purchase or through preparation of a nomination for possible designation.

5. Wrecking Permit application being confused with property due diligence

Description of problem: Too many property owners apply for a wrecking permit as a means to pursue due diligence research on historic qualifications of property. In recent years as economy has worsened, some property owners seek to demolish their property without adequate consideration of the consequences a vacant parcel would have on their surrounding neighbors. Too often property owners do not seek available city help in conducting their due diligence beforehand. Consequently they are using a construction permit application to initiate a preservation review of their property. Construction permits are meant for projects that have already received their required reviews, not as a research technique. The practice causes confusion within MDR since in many cases, no plans for

replacement construction have been submitted, no land use approval has been granted, and no other construction permits are sought.

Currently, the CPED Preservation and Design Team offers verbal review of a property's historic potential (technically similar to the mandatory wrecking review) for customers at the MDR counter or to callers through 3-1-1. Additionally, CPED-Planning currently offers profile information regarding the historic status of designated properties on the HPC website.

Proposed remedy:

A. *Administrative change:* The CPED Preservation and Design Team will create "Historic Review Letter" process, form, and fee to provide property owners with a statement of potential historic significance of their property and its eligibility as a local landmark. This letter will certify for property owners the findings of the staff review of the property *prior* to the submission of a BWM permit. This letter will provide reliable, durable information for property owners or their designees to review in advance of making crucial decisions about possible demolition of their structure *before* embarking on a permit application process that may be more complicated than they anticipate. This certification will also be especially useful in cases where property owners are already working responsibly on due diligence related to development plans and land use applications.

6. Reduce Turn Around Time for preservation review and processing of BWM/wrecking permit applications

Description of problem: The preservation review of wrecking permits takes longer than necessary in some cases because the application form does not seek basic information that can be used to verify whether the demolition is in conjunction with a project that has already received necessary land use approvals. Additionally, the wrecking application does not specify whether the proposed demolition is being contracted under Director's Orders for a documented Problem Property.

Proposed remedy:

A. *Administrative change:* Revising the BWM application form so that it requires Applicant to submit and/or confirm this information.

Other Housekeeping Changes

While the ordinance has been opened to address the concerns around the demolition of historic resources there are other portions of the ordinance that staff would like to visit. Staff is also proposing a series of housekeeping amendments that will clean-up outdated information and add clarity on other practices. Staff is proposing the additions and changes to the following sections.

- Definitions
- General Application Procedures
- Fees
- Required Findings for Certificates of Appropriateness

- Required Findings for Certificates of No Change
- Historic Property Maintenance Plan

B. PROPOSED CHANGES

Defining Demolition and the Review of Historic Resources

The purpose of this ordinance amendment is to address the problem of property owners avoiding a public hearing for the demolition of an historic resource by applying for a remodeling permit instead of a wrecking permit. Section 599.460 of the current ordinance states that the trigger by which a property is to be reviewed by preservation staff is the application for a *wrecking* permit. Creative applicants have submitted *remodeling* permits that remove and alter a substantial portion of a structure instead of a wrecking permit. The result is the same as the demolition, but the applicant circumvents preservation review.

The current preservation ordinance does not define demolition. Staff worked with our colleagues in Construction Code Services of the City’s Regulatory Services Department to define a threshold for what construction activities trigger the need for a wrecking permit. Construction Code Services will be releasing an Administrative Announcement stating that the removal or enclosure of 60 percent of a structure requires a wrecking permit. To be consistent with our internal partners, staff is proposing to codify this threshold as the definition for demolition in section 599.110 Definitions Section of the ordinance. The proposed language is below.

Demolition. The act of destroying, moving or razing a building including the removal or enclosure of sixty (60) percent of a structure.

Staff is also proposing to amend section 599.460 of the ordinance regarding Historic Resources. Staff proposes to change the trigger for review of historic resources from wrecking permit application to building permits that meet the newly created definition of demolition or destruction.

599.460. Review of demolitions permits. The planning director shall review all building permit applications that meet the definition for demolition or destruction for a demolition permit to determine whether the affected property is an historic resource. If the planning director determines that the property is not an historic resource, the ~~demolition~~ 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

Clarifying the use of Demolition Delay as an Option for the Heritage Preservation Commission Decision

The purpose of this ordinance amendment is to provide the opportunity to address the protection of the entirety of potential historic districts when threats are posed through individual cases. Many of the identified historic resources in Minneapolis are properties that are contributing to a potential historic district. Often times a property that is contributing to an historic district does not possess the significance to be individually eligible for designation. Neighbors are in opposition to the demolition because of how a structure contributes to the neighborhood or area. Under the current ordinance the demolition of an historic resource application does not consider the significance of a

structure as it contributes to a potential historic district. This narrowed focus and inability to address the broader context of a district proves frustrating for staff, commissioners, council members, and the public. Staff is proposing a mechanism to address the issue of a broader historic district through the use what is known as “demolition delay.”

The ordinance currently provides for the following choice of actions resulting from a demolition of an historic resource application:

- Approve the demolition
- Approve the demolition with a mitigation plan
- Deny the demolition and direct the commencement of a designation study
- 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.

The last option, delay the final decision, has not been used as an option. Staff believes this is due to the ambiguity of how this action would be implemented. Under the proposed ordinance revision an application for the demolition of an historic resource for a property that (a.) does not appear to be individually meet any of the criteria for local designation, but (b.) does appear to meet the criteria for local designation as a contributing resource to a potential historic district will be approved with a condition that the demolition shall not occur for up to one hundred-eighty (180) days. The commission will have the discretion to shorten that time period to less than 180 days – when necessary - based on the findings they make in their deliberations. During this time interested parties can conduct additional research and prepare a nomination for the potential historic district. Staff is proposing to clarify this responsibility by amending section 599.480 of the ordinance.

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 ~~commence~~ 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 ~~a reasonable period of time~~ 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).

Clarifying the Responsibility for a Designation Study

The purpose of this ordinance amendment is to provide clarity on the responsibility of a designation study that originates from a Demolition of an Historic Resource application. One of the potential outcomes of a Demolition of an Historic Resource application is the direction to commence a designation study. The responsibility of the designation study is not clearly stated in the ordinance, which is cause for some confusion. A designation study requires the use of numerous hours of staff time and does not allow staff to follow a strategic plan on designations – it places staff in a reactionary position. This diverts city resources from areas in which preservation is wanted and pursued. Staff is proposing to clarify this responsibility by amending section 599.230 and 599.480 of the ordinance.

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 ~~commence~~ 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.

599.480. 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 ~~commence~~ 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.

Introducing a Fee for a Demolition of an Historic Resource Application

The purpose of this ordinance amendment is to assign a fee for demolition of an historic resource application that is commiserate with typical staff resources needed to process the application. Currently the application does not have a fee assigned to it. Staff has determined that the staff resources devoted to the application is consistent with the resources devoted to an appeal of the planning director application and is proposed at \$350. Staff is proposing to modify section 599.175 of the ordinance.

Housekeeping Revisions

Definitions

Staff is proposing new definitions for terms that were used in the ordinance, but never defined such as Destruction and Significance. Staff is also introducing some new terms and concepts that require definition, such as Cultural Resource, Historic Property Maintenance Plan, and Potential Historic District. Staff is proposing the following definitions.

- *Cultural Resource.* An item, fixture, property, collection of properties, or place that is believed to have historical, cultural, architectural, archaeological or engineering integrity and significance.
- *Destruction.* The removal, damage or enclosure of architectural, mechanical or landscape features that may have an adverse effect on the historical integrity and significance of a property.
- *Historic property maintenance plan.* A study and report prepared to document and prioritize anticipated maintenance, repairs, alterations, and minor alterations for properties that are locally designated.
- *Potential Historic District.* A collection of property that is believed to have historical, cultural, architectural, archaeological or engineering significance and to meet at least one of the criteria for designation as an historic district as provided in this chapter.
- *Significance.* The authenticity of a landmark, historic district, nominated property under interim protection or historic resource evidenced by association with significant events or with periods that exemplify broad patterns of cultural, political, economic or social history; association with the lives of significant persons or groups; because it contains or is associated with distinctive elements of city or neighborhood identity; embodiment of the distinctive characteristics of an architectural or engineering type or style, or method of construction; its exemplification of a landscape design or development pattern distinguished by innovation, rarity, uniqueness or quality of design or detail; exemplification as a work of master builders, engineers, designers, artists, craftsmen or architects; because it has yielded, or may be likely to yield, information important in prehistory or history.

General Application Procedures

The current application procedures outlined in section 599.160 of the Preservation Ordinance are quite simple and do not reflect the robust applications process staff handles. The current staff process used accepting and reviewing applications is mostly similar to how CPED handles land use applications. It has been in practice in CPED for several years, but up to now much of that process has not been defined in the ordinance. The proposed revisions to the preservation ordinance are based on the zoning ordinance's application procedures set forth in section 525.140 of the Minneapolis Code of Ordinances. The purpose of the revisions is to provide applicants, customers, and staff with clear requirements. The proposed revisions include a requirement that applicants provide proof of notification to applicable neighborhood groups and council members for the application to be deemed complete. This is similar to the zoning ordinance and will provide more notice to council members and neighborhood groups on upcoming projects.

As part of the revisions to the General Application Procedures staff is proposing to modify the fees required for applications. State law requires that the fees collected for applications not exceed the staff resources required to process applications. Staff is proposing adjusting the fees for Alterations and New Construction for projects greater than 10,000 square feet of lot area. Projects of this scope often require substantially more staff resources than smaller projects and the current ordinance reflects this in a graduated fee schedule. Staff is proposing to increase these fees an additional \$100. Table 599.1 of the ordinance shows the fee schedule.

Table 599.1 Fees

TABLE INSET:

Application Type	Fee (Dollars)
Appeal of the ruling of the heritage preservation commission	300.00 <u>350.00</u>
Appeal of the ruling of the zoning administrator, planning director, or other official involved in the administration or the enforcement of this preservation ordinance	300.00 <u>350.00</u>
Certificate of no change	0.00
Certificate of appropriateness	
Alteration	
0--5,000 sf of lot area	250.00
5,001--9,999 sf of lot area	450.00
10,000--43,559 sf of lot area	650.00 <u>750.00</u>
43,560 sf of lot area or more	850.00 <u>950.00</u>
New construction	
0--9,999 sf of lot area	450.00
10,000--43,559 sf of lot area	650.00 <u>750.00</u>
43,560 sf of lot area or more	850.00 <u>950.00</u>
<u>Demolition of historic resource</u>	<u>350.00</u>
Historic variance	250.00
Transfer development rights	350.00

Findings for a Certificate of Appropriateness

Much like the General Application Procedures, the required findings for certificate of appropriateness in section 599.350 are quite simple and do not reflect the robust review conducted by staff in regular practice. Staff is proposing to revise the existing findings by bolstering their content to include the items reviewed in our standard practice. The intention is that proposed revisions will allow for better communication with applicants, staff, commissioners, council members, and the public. Staff believes the proposed revisions will result in more thoughtful analysis of projects by both the staff and the applicants and – most importantly – legal findings that are more easily understand and therefore more sound. Similar to the application process used for all land use applications that go before the City Planning Commission (CPC) and Board of

Adjustment (BOA), Applicants will be required to provide a written response to each of the required preservation findings in their application submission for the Heritage Preservation Commission (HPC). The following preservation findings are proposed. (The key words in each are highlighted for purposes of this report only):

599.350. Required findings for certificate of appropriateness. (a) *In general.* Before approving a certificate of appropriateness, and based upon the evidence presented in each application submitted, the commission shall make findings based upon, but not limited to, the following: that the alteration will not materially impair the integrity of the landmark, historic district or nominated property under interim protection and is consistent with the applicable design guidelines adopted by the commission, or if design guidelines have not been adopted, is consistent with the recommendations contained in The Secretary of the Interior's Standards for Rehabilitation, except as otherwise provided in this section.

- (1) The alteration is compatible with and continues to support the criteria of significance and period of significance for which the landmark or historic district was designated.
 - (2) The alteration is compatible with and supports the interior and/or exterior designation in which the property was designated.
 - (3) The alteration is compatible with and will ensure continued integrity of the landmark or historic district for which the district was designated.
 - (4) The alteration will not materially impair the significance and integrity of the landmark, historic district or nominated property under interim protection as evidenced by the consistency of alterations with the applicable design guidelines adopted by the commission.
 - (5) The alteration will not materially impair the significance and integrity of the landmark, historic district or nominated property under interim protection as evidenced by the consistency of alterations with the recommendations contained in The Secretary of the Interior's Standards for the Treatment of Historic Properties.
 - (6) The certificate of appropriateness conforms to all applicable regulations of this preservation ordinance and is consistent with the applicable policies of the comprehensive plan and applicable preservation policies in small area plans adopted by the city council.
- (b) *Destruction of any property.* Before approving a certificate of appropriateness that involves the destruction, in whole or in part, of any landmark, property in an historic district or nominated property under interim protection, the commission shall make findings that the destruction is necessary to correct an unsafe or dangerous condition on the property, or that there are no reasonable alternatives to the destruction. 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 property a reasonable opportunity to act to protect it. (2001-Or-029, § 1, 3-2-01)

(c) Adequate consideration of related documents and regulations. Before approving a certificate of appropriateness, and based upon the evidence presented in each application submitted, the commission shall make findings that alterations are proposed in a manner that demonstrates that the applicant has made adequate consideration of the following documents and regulations:

- (1) The description and statement of significance in the original nomination upon which designation of the landmark or historic district was based.
- (2) Where applicable, Title 20 of the Minneapolis Code of Ordinances, Zoning Code, Chapter 530, Site Plan Review.
- (3) The typology of treatments delineated in the Secretary of the Interior's Standards for the Treatment of Historic Properties and the associated guidelines for preserving, rehabilitating, reconstructing, and reconstructing historic buildings.

(d) Additional findings for alterations within historic districts. Before approving a certificate of appropriateness that involves alterations to a property within an historic district, the commission shall make findings based upon, but not limited to, the following:

- (1) The alteration is compatible with and will ensure continued significance and integrity of all contributing properties in the historic district based on the period of significance for which the district was designated.
- (2) Granting the certificate of appropriateness will be in keeping with the spirit and intent of the ordinance and will not negatively alter the essential character of the historic district.
- (3) The certificate of appropriateness will not be injurious to the significance and integrity of other resources in the historic district and will not impede the normal and orderly preservation of surrounding resources as allowed by regulations in the preservation ordinance.

Historic Property Maintenance Plan

Many of the City's historic landmarks and properties within historic districts are well maintained. However there are a handful of landmarks and properties within historic districts that are in need of maintenance and repair. These structures appear to be on a path of demolition by neglect. Staff is proposing a new concept called a Historic Property Maintenance Plan. Section 599.650 Duty to Maintain requires that all properties are kept in a state of maintenance required by the Minneapolis Code of Ordinances. The proposed revision will compel the property owners have a plan for maintaining their structures and for performing general up keep.

The language included below is based on language in the zoning code that requires institutional properties to maintain a campus master plan. The intent for including this in the ordinance is twofold:

- First and most importantly, it gives property owners a series of benchmarks for what constitutes thoughtful, proactive maintenance of a landmark property. Such benchmarks are especially useful in forging cooperative working relationships between preservation

staff, commissioners and property owners. Successful property maintenance plans can be adopted once through a Certificate of Appropriateness so that subsequent maintenance items consistent with the plan can be approved administratively to be approved through Certificates of No Change.

- Second, in cases where designated properties are falling into serious neglect, CPED will have a regulatory definition and tool that serves as a basis for enforcement action when such action is deemed necessary by the City.

599.650. Duty to maintain. All landmarks, properties in historic districts, nominated properties under interim protection and historic resources shall be kept in a state of maintenance and repair as required by Title 5 of the Minneapolis Code of Ordinances, Building Code, and Title 12 of the Minneapolis Code of Ordinances, Housing, and with all other applicable regulations. (2001-Or-029, § 1, 3-2-01)

- (a) Historic property maintenance plan. All landmarks and properties in historic districts shall prepare and keep on file an historic resource maintenance plan that describes anticipated maintenance and repair needs for the property for a period of no less than (5) years. Historic resource maintenance plan shall include a list of all critical property features, components, and systems and shall include description of anticipated maintenance, alterations, and minor alterations, prioritization of anticipated work, the probable sequence for anticipated work, estimated dates of related work, anticipated longevity of maintenance, repairs and replacements, and a description of how anticipated maintenance, alterations, and minor alterations will be undertaken in compliance with local regulations.
- (b) The planning director may, for good cause shown and without any notice or hearing, require submittal of a current historic resource maintenance plan for a landmark or properties in historic districts.

C. CONSISTENCY WITH THE COMPREHENSIVE PLAN

The Minneapolis Plan, 2000

Policy 4.14 of the Minneapolis Plan, adopted in 2000, states that “Minneapolis will maintain the quality and unique character of the city's housing stock, thus maintaining the character of the vast majority of residential blocks in the city.” The following implementation step is listed under this policy “encourage adaptive re-use, retrofit and renovation projects that make the city's housing stock competitive on the regional market.” The following implementation steps under policy 4.15 provide additional support for the proposed ordinance amendments. They state “emphasize recycling of existing housing stock whenever feasible through renovation and rehab as an alternative to demolition.” And “maintain and strengthen the architectural character of the city's various residential neighborhoods.”

The Minneapolis Plan for Sustainable Growth, 2008 Update

In 2008 a draft version of Minneapolis Plan was approved by the City Council and submitted to the Metropolitan Council for formal review. Once the formal review is complete The Minneapolis Plan for Sustainable Growth will be adopted by the City Council. While this is not the official

planning document the policies in the plan provide additional support for the proposed ordinance amendments. The following are policies and implementation steps from the plan.

Policy 8.7: Create a regulatory framework and consider implementing incentives to support the ethic of “reduce, reuse, and recycle” and revitalization for buildings and neighborhoods.

- 8.7.1 Protect historic resources from demolition and explore alternatives to demolition.
- 8.7.2 Research and modify the preservation and zoning ordinances as they relate to demolition of historic resources, in order to better serve neighborhoods.

Policy 8.8: Preserve neighborhood character by preserving the quality of the built environment.

- 8.8.1 Preserve and maintain the character and quality of residential neighborhoods with regulatory tools such as the zoning code and housing maintenance code.
- 8.8.2 In addition to local designation, develop other preservation tools, like conservation districts, to preserve the historic character of neighborhoods and landscapes.

Policy 8.11: Improve and adapt preservation regulations to recognize City goals, current preservation practices, and emerging historical contexts.

- 8.11.1 Update the preservation ordinance to include the codification of local districts and landmarks, discourage demolition of historic resources, and incorporate conservation districts.

Policy 10.7: Maintain and preserve the quality and unique character of the city's existing housing stock.

- 10.7.1 Rehabilitation of older and historic housing stock should be encouraged over demolition.
- 10.7.3 Encourage adaptive reuse, retrofit and renovation projects that make the city's housing stock competitive on the regional market.

The proposed ordinance amendments implement policy 8.11 of The Minneapolis Plan for Sustainable Growth. The proposed ordinance amendments will maintain the quality and unique character of the city’s housing stock by providing a clear ordinance regarding the demolition of historic resources. The ordinance amendments will further help maintain and strengthen the architectural character of the city's various residential neighborhoods.

D. CONSISTENCY OF AMENDMENTS WITH OTHER CITIES

Practices in cities similar to Minneapolis vary widely in terms of scope and standards for review of demolitions and historic resources. The City of Minneapolis is unique in the way it handles demolitions and identifies historic resources. Preservation staff currently reviews every demolition permit within the city to determine whether or not the affected property is an historic resource. If the property is determined to be an historic resource, the permit cannot be approved administratively and a demolition of historic resource application is required. That application must be reviewed by the Heritage Preservation Commission in a public hearing so that neighbors and other interested parties can testify.

Many communities use a tool called demolition delay when reviewing demolition permits. Demolition Delay is initiated when a property appears to meet criteria for designation. The purpose of demolition delay is to allow interested parties to prepare to work to protect the property, which is often done through the preparation of a nomination for historic designation.

In Minneapolis, in cases where a demolition is initiated by the property owner, the Demolition of an Historic Resource application and hearing is generally used in a situation where other cities typically use the landmark nomination process. This process works well for properties that are eligible for local designation as an individual landmark. However the demolition of an historic resource process does not provide adequate review or protection for properties that do not merit individual designation, but are considered contributing to a potential historic district. CPED's proposal to institute the option for the HPC to delay demolition for up to 180 days for properties meeting these criteria is consistent with many other communities.

E. STAFF RECOMMENDATION

Staff recommends that the Heritage Preservation Commission and the City Council **adopt** staff findings and **approve** the proposed amendments to the preservation Ordinance.

Attachment:

1. Proposed Revision to Preservation Ordinance, Chapter 599 of the Minneapolis Code of Ordinances