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March 28, 2013

VIA ELECTRONIC MAIL

Amy Spong
Historic Preservation Specialist
Planning and Economic Development
25 W. Fourth Street, Suite 1400
Saint Paul, MN 55102

Re: Island Station

Dear Ms. Spong:

This letter is submitted on behalf of Breckner Riverfront Development (“Breckner”), the current owner of the Island Station Power Plant located at 380 Randolph Avenue (“Island Station”). The purpose of this letter is to comment on the Historic Significance Evaluation Study for the St. Paul Gas Light Company Island Station (the “Study”) which is on the agenda for the March 28th meeting of the Saint Paul Heritage Preservation Commission (“HPC”). It is our understanding that the HPC will discuss whether, based on the findings of the Study, to formally commence a designation study and process for local historic designation of Island Station. Breckner objects to any proposal to designate Island Station. Based on the findings in the Study and the deteriorated and unsafe condition of the building, Island Station does not merit designation and further pursuit of designation will be ultimately fruitless.

The Study concludes that Island Station is not eligible for listing in the National Register of Historic Places. Breckner expected and agrees with this conclusion of the Study, which is consistent with the 1984 finding of the State Historic Preservation Office. The Study also concludes, however, that the property meets two of the criteria for local designation in the City’s Heritage Preservation Code. Breckner seriously questions whether the property rises to a level of historic significance under either of the selected criteria to merit designation.

The Study concludes that Island Station meets Criterion 1 of the City Heritage Preservation Code based on its association with the development of the City during the early 1920s, a key period of neighborhood and economic growth. The plant was built due to the increasing demand for electric power spurred by this growth. While it is true, as stated on page 31 of the Study, that “the early 1920s were an exceptional period for new housing and neighborhood infrastructure, particularly in the western half of the city including the Highland Park area,” the Island Station power plant was not an “exceptional” contributor

to that growth. The Study acknowledges this lack of significance. "Investment in the plant did not actually result in a significant contribution to power generation in St. Paul, because after acquisition by NSP [in 1925, just a year after it was built] it was only used in a standby capacity." Study, p. 31. "As a part-time, supplemental plant it became part of NSP's effort to expand and modernize their power supply and did not make a significant contribution to the growth of the city." Study, p. 29 (emphasis added). According to the Study, the great driver of growth in the western part of the City was the construction of the Ford Motor Company plant. Study, p. 27. Island Station was not the only power plant built during this period to serve the increasing demand for electric power. The High Bridge plant was also opened in 1924 and, unlike Island Station, the High Bridge plant was a significant power provider for many years. Notably, both the Ford Motor Plant and the High Bridge Power Plant have been approved for demolition.

The Study also concludes that Island Station meets Criterion 7 which applies to "established and familiar visual feature[s] of a neighborhood, community or the City of Saint Paul." The Study notes that the other designation criteria do not "provide a way to address the importance of the building in the public's imagination" and, therefore, it meets Criterion 7. Study, p. 32. Due to its large size and location, the plant building is inescapably a "a familiar visual feature," but the City should be cautious in using this type of subjective, catch-all criterion. Governmental actions that rely on the "public imagination" as a basis for imposing significant regulatory burdens on a particular private property are, in their essence, arbitrary, capricious and based on whim, not reason.

The Study evaluates historic significance, but does not make recommendations regarding whether or not the property should be designated. Historic significance is just one factor for the City to consider; the integrity of the property is another crucial consideration. The Study notes that the building is in very poor condition and ranks the exterior integrity as only fair. In fact, the building condition is so hazardous that a structural engineer has recommended no further entry into the building due to safety concerns, including advanced deterioration of the building's brick walls. See the letter from Duffy Engineering dated January 22, 2013. Masonry sections have fallen from the exterior, the brick walls have serious cracks, exterior walls show signs of lateral bulges, the rooftop water tank is separating from the building, window glass and sash are missing, and the roof has holes in it.

Breckner and a number of potential developers have spent years and millions of dollars to find a feasible reuse concept for the property. Based on exhaustive study and planning, the only viable option is to demolish the building. The cost merely to make it safe exceeds the cost of new construction. In addition, because there are no true floors in a large part of the building (it is essentially a vacant box from ground to roof), rehabilitating the building for any viable use is cost prohibitive without public subsidy – which simply is not available. If the property is designated, the HPC will without doubt be asked to review an application for demolition, at which time it will need to assess "the economic value or usefulness of the building as it now exists or if altered or modified in comparison with the value or usefulness of any proposed structures designated to replace the present building or buildings." HPC Code, Sec. 73.06(i)(2). There is no use or economic value of Island Station as it now exists and no feasible alterations that can be made to make it useful.

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Even if the HPC were to deny an application for a demolition permit, the City has no authority to require the owner to invest in its repair or rehabilitation, nor can the City prevent its demolition indefinitely. "To permanently deny an owner the beneficial use of his property except by requiring him to make a substantial investment in repairs and renovation, over his objection, would constitute a 'taking' for which the owner has a right to compensation." *State by Powderly et al. v. Erickson*, 301 N.W.2d 324, 326 (Minn. 1981).

Finally, expediting the demolition of the building is in the best interest of the City. The deteriorating building is a magnet for crime and is routinely used by vandals, squatters, and other trespassers who break through barricades to enter the property, despite diligent efforts by Breckner to secure the site. Trespassers have been hurt inside the building and there is an imminent risk of something more serious happening there. The situation creates a public safety concern for people using the nearby riverfront trail as well. The City spends significant time monitoring this nuisance property and responding to complaints. Demolition will eliminate these dangers to the public and the burden on the City's regulatory and public safety departments. Demolition will also allow a developer to work with the City to transform Island Station into the mixed-use, riverfront amenity envisioned in the Great River Passage Plan.

We urge the HPC to acknowledge the inevitable future for Island Station – its demolition – and to not devote more time and resources pursuing its designation.

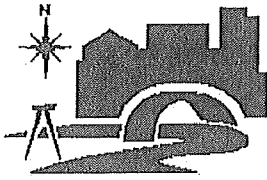
Very truly yours,

Carol Lansing



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Duffy Engineering & Associates Inc.

1 - 22 - 13

Dan Andersen
dj Andersen, LLC
3540 Montgomerie Ave
Deephaven, MN 55391

Re: Fourth Structural Inspection of
Old N. S. P. Power Plant
380 Randolph Road
St. Paul, MN

Mr. Andersen:

At your request, I made an inspection on the 17th on January at the above property to inspect the building from ground floor to the roof. Per our conversation, and your concerns over the buildings overall structural integrity, I feel this structure is not safe in its present condition. I made a full inspection of the building and at this time, per my findings, I recommend that no additional cleanup or material removal be undertaken. I also do not recommend any entry into the building do to safety concerns.

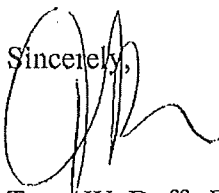
I looked at the exterior masonry / brick walls from ground floor to the roof. The walls of the equipment unloading bay with the overhead crane looked to be very solid from the inside. I did notice that the exterior brick veneer and accent blocks of this area are falling off the exterior which is allowing water / frost deterioration of the load bearing interior widths of the brick. I then looked at the walls framing the taller main plant. The exterior brick veneer and accent blocks on this area are in even worse shape than the unloading area. I noticed a number of vertical cracks in these masonry / brick walls which run almost from the floor up to the roof which is over 90 feet tall. There are also cracks off the corners of some of the windows. These exterior walls also show signs of lateral bulges. The only structural items which brace these tall walls are the beams and lateral braces which run from the interior vertical columns to the exterior walls. These beams supported much of the equipment / platforms which have been removed. These same walls have numerous large openings and windows (see enclosed pictures). These cracks are most likely due to slight settlement or movement of the walls over the past 90 years and the lack of maintenance to keep water and frost deterioration to the brick. A cursory analysis shows that these 90' tall brick walls do not meet any of the parameters for a safe structural condition based on today's code requirements.

I then inspected the brick walls and steel structure which support the roof top water tank. There is a room which extends above the main roof of the facility and is adjacent to the water tank. The walls of this room are made of multi-width brick. The walls are separating from each other and have numerous cracks in the corners (see enclosed pictures). I would estimate this water tank has a capacity of 15,000 to 20,000 gals and is over 100' off the ground and above the main roof of the building. Its supported off four steel legs which are bolted down to the exterior brick walls and or the main roof steel. I discovered the brick walls directly under these legs are deteriorated and much of the brick is loose. The large steel chimney is supported by the interior steel columns which are braced by the exterior brick walls. This poses a serious safety concern since the chimney serves no present or future purpose. Regardless of what the building may be used for in the future, this chimney should be removed. I'm not sure if this chimney can be removed save for the total demolition of the building.

I found that the roof has many soft spots and holes which allow for serious water penetration to all the interior areas of the building and down the walls. This continuous water penetration only accelerates the deterioration of the mortar between the brick them selves and the overall structural integrity of the walls.

Due to the poor condition of the brick walls and supports of the water tank, I would recommend that the water tower be removed as soon as possible before it has a chance to topple into the main roof. The removal of the water tank should be done with a crane rather than cutting it into small pieces in place since this might make the tank unstable and cause it to fall.

It is my opinion that the building structure is fairly unstable in its present condition and advanced deterioration of the brick walls. This poses a serious life safety concern for any vagrants and or city staff entering the building. If an immediate conversion / repair of the building is not undertaken within the next year or two, I feel the structure cannot be saved and should be demolished.

Sincerely,


Terry W. Duffy P.E.
President