CITY OF SAINT PAUL
HERITAGE PRESERVATION COMMISSION STAFF REPORT

FILE NAME: 208-210 Bates Avenue

DATE OF APPLICATION: February 6, 2014

APPLICANT: Saint Paul Housing and Redevelopment Authority (HRA)

OWNER: HRA

DATE OF PUBLIC HEARING: February 27, 2013

HPC SITE/DISTRICT: Dayton's Bluff Historic District

CATEGORY: Pivotal

CLASSIFICATION: Demolition Permit

STAFF INVESTIGATION AND REPORT: Christine Boulware

DATE: February 24, 2014

A. SITE DESCRIPTION: The Schacht Building, at 208-210 Bates Avenue, is a two-story commercial building with a stone, brick and iron first story storefront and a wood frame with brick veneer second story. It was designed by architect Charles Neuhausen and constructed as a store and flats in 1885. A wide cornice with simple brackets lines the front of the parapet that hides the flat roof. The two, squared oriel windows rest on heavy brackets set in the sign panel, interrupting the storefront cornice. A corrugated metal panel runs across and between the fronts of the oriels. The doubled windows in the oriels are currently horizontally-divided two-over-two double hung, and the two single windows between the oriels and vertically-divided two-over-two double-hung. The first story facade is divided by four square brick Doric columns into two separate storefronts with a central door to the upstairs. Fluted cast iron posts with molding details divide each storefront into two display windows with transoms and an inset entry with a transom. All transoms and display windows are currently filled with plywood, and plywood covers the bulkheads except for some inset panel bulkheads surviving in the inset entries. The entry doors are currently metal, paneled contemporary doors. The stone walls on the other three sides are rendered (stuccoed) and struck to look like ashlar stone. All windows on the secondary elevations have segmental arched openings appear to have double-hung windows. There is a frame, shed addition at the rear of the building, and some of the brick veneer ties have failed on the north side of the building, leading to a partial collapse of the veneer. The property is categorized as pivotal to the Dayton's Bluff Heritage Preservation District.

B. PROPERTY HISTORY AND CONTEXT: As evidenced by the 1903-1925 Sanborn Fire Insurance Map and the 1934 Saint Paul City Directory, Bates Avenue between Wilson (was Hudson Ave.) and Hudson (was Hastings Ave.) had many commercial businesses. Hastings Avenue was an important thoroughfare to the east and it ended at a five-way intersection at Plum Street and Bates Avenue. A sample of the immediate businesses and occupants on Bates Avenue during the period of significance included:

200 Bach & Brown - feed store
201 Mounds View Market - grocery
202 Bates Avenue Tire Shop
203 Butcher Shop
204 Bates Avenue Garage
207-09 Joseph F. Ryan (Hamm's) - bev.
208 J Dzikiewicz - furniture & dwellings
210 Mrs. Helen Bley
211 Fredrick C Kicherer - barber
213 Fred H Bigler - potato chips (store)
216 Schornstein Garage/Pothoff Bros Garage
217 Louis McGowan - shoes/store & dwelling
Harold Eliason
Adwell S McGowan
219 Carl E Johnson - grocer
Mrs. Harriet T Miller

The Schacht Building is the only surviving Victorian-Era building on the block.

C. PROPOSED CHANGES: The applicant proposes to raze the building; there are no current plans for new construction. The lot would be graded and seeded.

D. TIMELINE:

April 16, 2002 - the property became a Category 2 vacant building

October 2005 - the HRA approved the acquisition of the Schacht Building through eminent domain. The acquisition cost was $325,000.

2010 - The HRA partnered with Dayton's Bluff Neighborhood Housing Services (DBNHS) to evaluate the property

August 2, 2012 - Karen Gjerstad, architect, and DBNHS, stated owner, applied for HPC review to rehabilitate the property into two, four-bedroom, rental units

August 23, 2012 - the HPC held a public hearing and reviewed and conditionally approved the rehabilitation of the property

November 15, 2012 - the project went out to bid as a package with 716 Wilson and 216-218 Bates Avenue

December 2012 - bids received

February 2013 - proposal from DBNHS to PED for subsidy

April - September 2013 - PED Housing staff discussed options to reduce the cost of the project with DBNHS

October 2013 - PED Housing staff begin discussing rehabilitation vs. demolition scenarios with HPC staff

February 6, 2013 - The HRA applied to the HPC for demolition of the property

E. GUIDELINE CITATIONS:

Dayton's Bluff Historic District Guidelines

Leg. Code § 74.87. General principles.

(1) All work should be of a character and quality that maintains the distinguishing features of the building and the environment. The removal or alteration of distinctive architectural features should be avoided as should alterations that have no historical basis and which seek to create an earlier appearance. The restoration of altered original features, if documentable, is encouraged.

(2) Changes which may have taken place in the course of time are evidence of the history and development of a building, structure, or site and its environment. These changes may have acquired significance in their own right, and this significance shall be recognized and respected.

(3) Deteriorated architectural features should be repaired rather than replaced whenever possible. In the event of replacement, new materials should match the original in composition, design (including consideration of proportion, texture and detail), color and overall appearance.

(4) New additions or alterations to structures should be constructed in such a manner that if such additions or alterations were to be removed in the future, the form and integrity of the original structure would be unimpaired.

(5) The impact of alterations or additions on individual buildings as well as on the surrounding streetscape will be considered; major alterations to buildings which occupy a corner lot or are otherwise prominently sited should be avoided.

(6) New construction should be compatible with the historic and architectural character of the district.

§ *74.90. – New construction and additions.*

(j) *Demolition. Demolition permits will be reviewed on a case-by-case basis and will be determined by the category of building (pivotal, contributing and noncontributing) and its importance to the district, the structural condition of the building and the economic viability of the structure.*

§ *73.06(i)(2): Demolition*

When reviewing proposals for demolition of structures within the district, the Heritage Preservation Commission refers to § 73.06 (i)(2) of the Saint Paul Legislative Code which states the following:

In the case of the proposed demolition of a building, prior to approval of said demolition, the commission shall make written findings on the following: the architectural and historical merit of the building, the effect of the demolition on surrounding buildings, the effect of any proposed new construction on the remainder of the building (in case of partial demolition) and on surrounding buildings, and 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.

SECRETARY OF THE INTERIOR'S STANDARDS FOR REHABILITATION

District/Neighborhood

Recommended:

-Identifying, retaining, and preserving buildings, and streetscape, and landscape features which are important in defining the overall historic character of the district or neighborhood. Such features can include streets, alleys, paving, walkways, street lights, signs, benches, parks and gardens, and trees.

-Retaining the historic relationship between buildings, and streetscape and landscape features such as a town square comprised of row houses and stores surrounding a communal park or open space.

-Protecting and maintaining the historic masonry, wood, and architectural metals which comprise building and streetscape features, through appropriate surface treatments such as cleaning, rust removal, limited paint removal, and reapplication of protective coating systems; and protecting and maintaining landscape features, including plant material.

-Repairing features of the building, streetscape, or landscape by reinforcing the historic materials. Repair will also generally include the replacement in kind - or with a compatible substitute material - of those extensively deteriorated or missing parts of features when there are surviving prototypes such as porch balustrades, paving materials, or streetlight standards.

-Replacing in kind an entire feature of the building, streetscape, or landscape that is too deteriorated to repair - when the overall form and detailing are still evident - using the physical evidence to guide the new work. This could include a storefront, a walkway, or a garden. If using the same kind of material is not technically or economically feasible, then a compatible substitute material may be considered.

Alterations/Additions for the New Use

-Designing required new parking so that it is as unobtrusive as possible, i.e., on side streets or at the rear of buildings. "Shared" parking should also be planned so that several business' can utilize one parking area as opposed to introducing random, multiple lots.

-Designing and constructing new additions to historic buildings when required by the new use. New work should be compatible with the historic character of the district or neighborhood in terms of size, scale, design, material, color, and texture.

-Removing non-significant buildings, additions, or streetscape and landscape features which detract from the historic character of the district or the neighborhood.

Not Recommended:

-Removing or radically changing those features of the district or neighborhood which are important in defining the overall historic character so that, as a result, the character is diminished.

-Removing or relocating historic buildings, or features of the streetscape and landscape, thus destroying the historic relationship between buildings, features and open space.

-Failing to undertake adequate measures to assure the preservation of building, streetscape, and landscape features.

-Removing a feature of the building, streetscape, or landscape that is unrepairable and not replacing it; or replacing it with a new feature that does not convey the same visual appearance.

Design for Missing Historic Features

-Introducing a new building, streetscape or landscape feature that is out of scale or otherwise inappropriate to the setting's historic character, e.g., replacing picket fencing with chain link fencing

Alterations/Additions for the New Use

-Placing parking facilities directly adjacent to historic buildings which cause the removal of historic plantings, relocation of paths and walkways, or blocking of alleys.

-Introducing new construction into historic districts that is visually incompatible or that destroys historic relationships within the district or neighborhood.

-Removing a historic building, building feature, or landscape or streetscape feature that is important in defining the overall historic character of the district or the neighborhood.

F. FINDINGS:

1. On July 23, 1992, the Dayton's Bluff Heritage Preservation District was established under Ordinance No. 17942 (Council File #92-900). The Heritage Preservation Commission shall protect the architectural character of heritage preservation sites through review and approval or denial of applications for city permits for exterior work within designated heritage preservation sites **§73.04.(4).**
2. **Leg. Code § *74.90.(j)*** - The Preservation Program for the Dayton's Bluff Heritage Preservation District states that consideration of demolitions will be determined by the category of building (pivotal, contributing and non-contributing), its importance to the district, the structural condition of the building and the economic viability of the structure.
3. ***The category of the building.*** The Schacht Building is categorized as pivotal to the Dayton's Bluff Heritage Preservation District. Although openings on the facade have been altered, it still retains character defining details such as the iron columns, oriel windows, bracketing and dentiled cornice. Staff considers the building's historic integrity to be good; it can still be read in the historic commercial context of that block of Bates Avenue. The architectural integrity of the Schacht Building facade is fair-to-good; the aluminum and plywood sheathing is a reversible condition. The architectural integrity of the non-primary elevations of the building is poor. The limestone first floor has been parged and the brick veneer along the second floor has been separating from the wood sheathing and falling from the building. According to the 2010 structural assessment identified significant differential settlement of the foundation that has created sloping floors and bowed walls.

4. ***The importance of the building to the district.*** The Schacht Building was constructed in 1885 during the period of significance for the Dayton's Bluff Heritage Preservation District. The Dayton's Bluff Handbook states the following:

> *Most of the commercial buildings within the District are of masonry construction and date from the 1880s through the 1920s. Groceries and a variety of buildings housing small shops were concentrated along E. Seventh and near Maria and E. Third, and others occupy prominent corner locations. Many provided apartments above the retail space.*
>
> *Each Commercial building has a distinctive style or character which is associated with its primary period of construction. Each building is unique, but most share a two--part horizontal division with glazed (or once-glazed) storefronts at the first story. Brick or stamped metal details at the cornice or a parapet often deserve special attention and should not be covered over.*
>
> *In the 1880s, and particularly during the peak years 1882-1884, Dayton's Bluff became a densely-built urban neighborhood. The construction of a series of bridges and the extension of streetcar service brought a new and diverse population to the bluff. Factory and railroad workers purchased small lots and erected a great variety of single and multiple-family houses. The newly-arrived settlers included recent immigrants from Sweden, Ireland, and Germany, but German-Americans were the predominant group. They joined a large contingent of well-established German-American business owners...*

The number of the commercial buildings still extant in the Dayton's Bluff Historic District from this time period is unknown, and several have been removed since the adoption of the District in 1992. This is especially evident in reviewing historic maps of East Third and East Seventh Streets. Several of the small commercial corner stores still exist, but in a mostly residential use. The three corner, commercial buildings identified on the 1903 Sanborn Fire Insurance Map at the intersection of Bates and Wilson are extant.

Staff conducted some research on historical associations with this property that may have contributed in some way to Saint Paul's history and development. Staff briefly searched the Minnesota Territorial and U.S. Census' and Saint Paul directories for information about August Schacht and architect Charles Neuhausen and were not successful. The 1989 Dayton's Bluff inventory form did not identify any other individuals.

The Sanborn Insurance map for this site indicates the footprint of the building has not changed since 1925. There is no alley on this block and the grade rises steeply to the east. Historically, there was a driveway to the south of the building that led to a garage and a small barn/shed at the back of the lot. The outbuildings and driveway were removed prior to the adoption of the District.

This block of Bates Avenue has seen several changes over the past several decades. A vacant lot historically sat between the Schornstein Garage and the Schacht Block on the eastern side of the street. In 2001, Dayton's Bluff Neighborhood Housing Services received conditional approval from the HPC for the construction of a three-unit townhome at 212-214 Bates Avenue and the construction of a six-unit townhome at 207 Bates Avenue. The stores and businesses that were located at northeast and northwest corners of Bates and Plum Street appear to have been demolished prior to the adoption of the Dayton's Bluff Historic District.

The remaining historic buildings on the east and west sides of the block are: 209-213 Bates, 217-219 Bates, 204 Bates, 208-210 Bates and 216-218 Bates. All have varying degrees of historic integrity. The Schacht Building at 208-210 Bates Avenue is the only Victorian Era storefront remaining on the block and the facade retains architectural character defining details.

5. ***Structural condition of the building.*** A Code Compliance Report was not ordered for the Schacht Building, the building deficiency list was sent with the revocation of the Certificate of Occupancy on August 24, 2009, and there have not been any further inspections conducted by DSI. The list of deficiencies is not necessarily all the deficiencies present at the time and would

not substitute for a team inspection and Code Compliance Report.

During a June 7, 2011 site inspection, HPC staff observed interior conditions which included mold, water damage, and an uneven floor. There were no original or early architectural or decorative features observed on the interior. The stone exterior along the first floor of the building has been parged and the brick veneer on the second floor is separating and falling from the substrate, as water has entered the walls and the brick ties have disintegrated. There are broken and boarded windows and openings on the facade have been infilled. Original trim and detailing on the facade does remain. After observing the property and reading the engineering report HPC staff concurs that the overall condition of the Schacht Building is poor.

6. ***The economic viability of the structure.*** The HRA estimates the demolition costs to be $10,000 to $30,000. The cost range to rehabilitate the building into two, side-by-side, up-down, four bedroom residences, based on the bids received in 2012 were $607,281 to $760,264 which included: removal of the rear addition, removal of the brick from the exterior walls, lifting the building to remove the foundation walls, filling in the basement and constructing new foundation and first-floor walls, installing new brick at the second floor walls, installing new windows and doors, installing a new roof overlay, restoring the facade and storefront design, constructing a new stairway addition at the rear of the building, constructing a two stall garage at the rear of the lot, site work including retaining walls and a driveway to be accessed from Wilson Avenue. Additional bids exploring ways to reduce costs were not submitted for review.

   Ramsey County estimates the land value at $90,000 and the building value at $10,000. The HRA acquired the property through eminent domain in 2005 for the cost of $325,000. The property is sited on the east side of Bates Avenue in the middle of the block and the parcel size is .12 acres.

   The property is currently zoned RTI with the former use as Legal Non-Conforming - Three/Four Family. Historically, the building was mixed use with commercial on the ground floor and residential above. The HRA posted an RFP for rehabilitation of the building into two, four bedroom, residential units, both in order to meet the funding requirements, but also because the current zoning for the property is residential.

7. In general, the Secretary of the Interior's Standards for Rehabilitation recommend against removing buildings that are important in defining the overall historic character and destroying historic relationships between buildings and open space. Despite the alterations to the primary elevation of the building, the facade retains integrity and reinforces the District's architectural and historic character, especially the commercial store and flats character that has been lost over time. Given the alterations to the non-primary elevations of the building and its poor structural integrity, the building behind the facade would require nearly complete replacement, thus leaving no historic fabric intact.

8. The proposed demolition of the Schacht Building at 208-210 Bates Avenue will not adversely affect the Program for the Preservation and architectural control of the Dayton's Bluff Heritage Preservation District (Leg. Code §73.06 (e)). However, the loss of the historic facade will adversely affect the District as it is the last remaining decoratively detailed Victorian-era façade on this block of Bates Avenue and this property type is pivotal in maintaining the early commercial character of the Dayton's Bluff neighborhood.

   A vacant lot will have a negative impact on the historic district and the loss of historic fabric is irreversible. Future construction at the site shall comply with the new construction guidelines for the Dayton's Bluff Historic District, specifically Leg. Code § 74.90.

G. STAFF RECOMMENDATIONS:

Based on the findings staff recommends partial approval of the demolition permit application provided the following condition(s) are met:

1. Stabilize, retain and restore the facade of the building for incorporation into future construction at the property. The applicant shall retain the proper qualified preservation professionals to carefully and creatively explore façade preservation in the short-term and for incorporating into future construction. The final outcome and scope shall be brought back to the HPC for final review and approval.

H. ATTACHMENTS

1. HPC Design Review Application
2. August 23, 2012 HPC public hearing:
   - **A.** Decision Letter
   - **B.** Public Hearing Minutes
3. Applicant Submittals:
   - **A.** *Letter from Hess Roise*
   - **B.** *Letter from Load Bearing, Inc.*
   - **C.** *Structural Analysis & Mold Evaluation of 208 Bates*
   - **D.** *Photographs and background information regarding project analysis*
4. 2005 HRA Report re: Authorization to acquire 208-210 Bates Avenue
5. Ramsey County Property Information
6. 2012 Bid Specifications
7. 2012 Bid Submission Tally
8. Aerials, Photographs, and Historic Map

Copies of the 2012 HPC Staff Report will be available at the meeting or by request.

Saint Paul Heritage Preservation Commission
Department of Planning and Economic Development
25 Fourth Street West, Suite 1400
Saint Paul, MN 55102
Phone: (651) 266-9078

HERITAGE PRESERVATION COMMISSION
DESIGN REVIEW APPLICATION

This application must be completed in addition to the appropriate city permit application if the affected property is an individually designated landmark or located within an historic district. For applications that must be reviewed by the Heritage Preservation Commission refer to the HPC Meeting schedule for meeting dates and deadlines.

1. CATEGORY

Please check the category that best describes the proposed work

- ☐ Repair/Rehabilitation
- ☐ Moving
- ☒ Demolition
- ☐ Sign/Awning
- ☐ Fence/Retaining Wall
- ☐ Other _____
- ☐ New Construction/Addition/ Alteration
- ☐ Pre-Application Review Only

2. PROJECT ADDRESS

Street and number: 209 Bates Zip Code: 55106

3. APPLICANT INFORMATION

Name of contact person: Roxanne Young

Company: Saint Paul Housing and Redevelopment Authority

Street and number: 25 W. 4th St, Suite 1100

City: Saint Paul State: MN Zip Code: 55102

Phone number: (651) 266-6581 e-mail: roxanne.young@ci.stpaul.mn.us

4. PROPERTY OWNER(S) INFORMATION (If different from applicant)

Name: same

Street and number: _____

City: _____ State: _____ Zip Code: _____

Phone number: (___)_____ e-mail: _____

5. PROJECT ARCHITECT (If applicable)

Contact person: N/A

Company: _____

Street and number: _____

City: _____ State: _____ Zip Code: _____

Phone number: (___)_____ e-mail: _____

6. PROJECT DESCRIPTION

Completely describe ALL exterior changes being proposed for the property. Include changes to architectural details such as windows, doors, siding, railings, steps, trim, roof, foundation or porches. Attach specifications for doors, windows, lighting and other features, if applicable, including color and material samples.

Proposal to demolish 216 Bates, 716 Wilson, & 208 Bates. See attached narrative.

Attach additional sheets if necessary

7. ATTACHMENTS

Refer to the *Design Review Process sheet* for required information or attachments.
****INCOMPLETE APPLICATIONS WILL BE RETURNED****

ARE THE NECESSARY ATTACHMENTS AND INFORMATION INCLUDED?

X **YES**

Will any federal money be used in this project? **YES** X **NO** ___
Are you applying for the Investment Tax Credits? **YES** ___ **NO** X

I, the undersigned, understand that the Design Review Application is limited to the aforementioned work to the affected property. I further understand that any additional exterior work to be done under my ownership must be submitted by application to the St. Paul Heritage Preservation Commission. Any unauthorized work will be required to be removed.

Signature of applicant: _____ **Date:** 2/6/14

Signature of owner: _____ **Date:** _____

FOR HPC OFFICE USE ONLY

Date received: 2-6-14 **FILE NO.** 14-015

District: D5 /Individual Site: _____

Contributing/Non-contributing/Pivotal/Supportive/:

Type of work: Minor/Moderate/Major

____ **Requires staff review**

Supporting data: YES NO
Complete application: YES NO

The following condition(s) must be met in order for application to conform to preservation program:

It has been determined that the work to be performed pursuant to the application does not adversely affect the program for preservation and architectural control of the heritage preservation district or site (Ch.73.06).

_____
HPC staff approval

Date _____

✓ **Requires Commission review**

Submitted:
- ☐ 3 Sets of Plans
- ☐ 15 Sets of Plans reduced to 8 ½" by 11" or 11" by 17"
- ☐ Photographs
- ☐ City Permit Application
- ☐ Complete HPC Design Review application

Hearing Date set for: 2-27-14

City Permit # ____ - _____

DEPARTMENT OF PLANNING
& ECONOMIC DEVELOPMENT
Cecile Bedor, Director

CITY OF SAINT PAUL
Christopher B. Coleman, Mayor

25 West Fourth Street
Saint Paul, MN 55102
Telephone: 651-266-6655
Facsimile: 651-266-6559

Saint Paul Heritage Preservation Commission
Department of Planning and Economic Development
25 Fourth Street West, Suite 1400
Saint Paul, MN 55102

RE: 716 Wilson, 216 Bates, and 208 Bates Request for Demolition

January 31, 2014

To the Saint Paul Heritage Preservation Commission,

The Housing Division of the Planning and Economic Development Department (PED) requests review of a demolition permit for 216 Bates, 208 Bates, and 716 Wilson. After careful consideration and review of a rehabilitation concept for the properties by Dayton's Bluff Neighborhood Housing Services (DBNHS), the Housing Division has concluded that the proposed redevelopment plan to rehabilitate the projects is not fiscally responsible. As a result, our recommendation is demolition of all three structures.

Property history
All three properties were acquired from private owners that neglected the buildings, leading to their condemnation and registration as vacant buildings. At the time of HRA purchase of the addresses, all three had been registered vacant buildings for over 2 years. The HRA acquired 208 Bates in 2005 and 216 Bates and 716 Wilson in 2007 to ensure public control of the redevelopment and with the intent to rehab all three structures. The timing of acquisition was just prior to the housing market crash. As a result the public cost to ensure control of the properties redevelopment was high: $585,000 for all three addresses, which the HRA paid for with federal Community Development Block Grant (CDBG) and Neighborhood Stabilization Program (NSP) funds. In 2010, Dayton's Bluff Neighborhood Housing Services (DBNHS), a Saint Paul based community development corporation with 30 years of experience, was approached by the HRA to develop a proposal for the projects.

Economic Considerations

Original proposal: rehabilitate 5 units of housing
Originally, DBNHS proposed to rehabilitate all three structures as 5 units of rental housing. The scope of work for rehabilitation was brought to the HPC for approval in August 2012 and bid in December of 2012. Four contractors responded to the bid request; the lowest bid

was for $1.6 million. When additional costs for acquisition, professional fees, holding costs, and developer fee were added to the cost of construction, the estimated expense for the five units of housing was $2.7 million, or $557,000 per unit. Through the Inspiring Communities program approved by the HRA Board of Commissioners, there is a cap of $150,000 value gap per unit of housing created for HRA subsidy. In the case of ownership housing, "value gap" means the difference between the cost to do a project and its appraised value. In the case of rental housing, "value gap" means the difference between the cost to do a project and the amount of debt service that can be supported by a rental projects cash flow. Throughout the analysis below, per unit subsidy requested by the HRA will be used as a measurement of economic viability.

Because of the federal dollars used to acquire the properties, DBNHS is required to ensure that the units are affordably priced. As a result of this requirement, the rents charged for each unit are sufficient to cover operating costs (like maintenance, leasing fees, utilities, and taxes) only. There is not sufficient cash flow to pay for debt service on the projects, which means that the HRA or other public sources of funding will need to provide the entire $2.7 million of development cost.

When staff analyzed the cost per square foot for the three buildings, it became clear that the cost per square foot for 208 Bates was significantly higher ($170/sq ft) than what is typical for a new construction home ($125/sq ft). Reasons for the remarkably high cost of redevelopment for this address include:

- **Structural damage**: there is substantial rot throughout the building and deterioration of the brick façade due to water damage that was first documented in 1999 by Saint Paul code compliance officials.
- **Mold abatement**: there is extensive mold throughout this property that requires removal and replacement of all surfaces on the interior by a licensed abatement professional.

Despite the high cost of 208 Bates, HRA staff and DBNHS continued to pursue rehabilitation of all three buildings, in the hope that federal or state historic tax credits could generate sufficient private equity to assist with project costs. HRA staff contacted both the State Historic Preservation Office and Historical Consultants Hess Roise to evaluate this possibility (see Attachment A). Upon analysis it became clear that tax credits would not be a reasonable option to pursue, for the following reasons:

- **To be successful, all three properties would need to qualify for the historic register.** The smallest tax credit projects are typically around $3 million, which is the total projected development cost of renovating 208 Bates, 216 Bates, and 716 Wilson.
- **There is a low likelihood that all three properties would qualify for the historic register.** None of the three addresses (208 Bates, 216 Bates, or 716 Wilson) were identified in the 1982 historic survey that is typically a starting place for SHPO part 1 evaluations as being architecturally or historically significant; as a result qualification is not likely. Although 216 Bates and 716 Wilson were owned by the Schorenstein family, who own another property on the national register, eliminating 208 Bates from the project results in a total cost of $1.8 million, which is significantly below the size of other successful tax credit projects.
- **The economic impact of securing tax credits is minimal.** At most, $600,000 out of a $2.7 million budget would be generated; meaning that the HRA would still need to provide $2.1 million ($431,000 per unit).
- **Pursuing historic tax credits will significantly add to the project's timeline and**

cost. The timeline for historic tax credits is typically 1-2 years and requires a significant application fee of $15,000.

Given the low likelihood of successfully securing tax credits and the limited impact that tax credits would have on per unit subsidy, staff do not recommend pursuing this option further.

Revised proposal: Demolish 208 Bates and rehabilitate 216 Bates as rental and 716 Wilson as ownership

The HRA consulted with DBNHS to explore options to reduce the scope of the project or generate private investment to reduce public costs. By demolishing 208 Bates, rehabbing 716 Wilson as a 2 bedroom home for homeownership, and rehabbing 216 Bates as two 4 bedroom rental units, the HRA was able to reduce project costs by $1 million. Construction costs are more reasonable for 216 Bates and 716 Wilson ($132/sq ft and $145/sq ft, respectively), Nevertheless, the per unit subsidy needed to achieve the project is still high: cost would be $1.8 million and the HRA's per unit cost is $572,000. Some of the reasons for these higher than typical per unit costs include:

- **Acquisition cost:** The HRA has already paid $585,000 for acquiring the three addresses. Because this expense has already been paid it cannot be changed.
- **Foundation problems and stormwater management:** Both 216 Bates and 716 Wilson are suffering from water seepage into the basements (see Attachment B) that must be addressed. Addressing these concerns requires replacing portions of the foundation at both addresses and implementing site improvements that direct stormwater directly into the storm sewer system.

Adaptive Reuses Explored

Reuse as commercial buildings

208 Bates, 216 Bates, and 716 Wilson are currently zoned as residential buildings. Both 208 Bates and 716 Wilson were originally constructed as residential buildings and therefore a different use is not recommended.

216 Bates was originally constructed as an automotive garage and operated as a transmission repair business through 1997, and then as an appliance repair company from 1997 through 2005, when the Certificate of Occupancy for the property was revoked. Staff conducted an analysis of the subsidy needed for 216 Bates based on current market trends for commercial projects, and found that the subsidy needed for the project is similarly incrementally affected by the change in concept; it is projected that $700,000 of subsidy would be needed for a commercial project to move forward. Based on configuration of the building, it is assumed that one business would occupy the entire building, which was the history of the site from 1997 – 2005. Therefore the per unit subsidy for a commercial concept is higher. Moving forward with a commercial concept at the site is also inherently high risk, due to the low-traffic counts and residential character of the surrounding neighborhood. Since the HRA bought the property in 2007, there have not been any inquiries from commercial tenants that have interest in this location. Based on this analysis staff do not recommend pursuing reuse as a commercial building.

Demolition of all three buildings and new construction of 8 units of housing

Acquisition and stormwater management costs can be absorbed more easily by development of a denser project at the three sites. It is projected that a denser development could be constructed for $3 million. A denser development has a significant economic impact of increasing the number of units, and thus the amount of income, that a project at the

Bates/Wilson site can generate. By demolishing the three buildings the immediate blight of three vacant buildings is removed from the neighborhood, providing an opportunity to seek a leverage of funding from other public sources for creation of affordable rental housing. Based on staff experience, it is believed that $1 million could be leveraged through a combination of a commercial loan that can be supported with the increase in cash flow for the project and public sources from the state of Minnesota. As a result, HRA subsidy for a new construction project is anticipated at $1.7 million, or $214,000/unit subsidy. Although the subsidy level is still higher than what is typically allowed by the program, it is substantially lower than any other redevelopment strategy analyzed.

Structural Report
A complete structural report was provided for the 208 Bates property (Attachment C). For 216 Bates and 716 Wilson, structural engineers were part of the project team along with the architect and construction manager selected for the property (Attachment B). The attached letter from Load Bearing, Inc, regarding the structural condition of 216 Bates and 716 Wilson describes the structural considerations that were included in the scope of work for both properties.

Photographs of exterior sides and features/conditions
Please see the enclosed Attachment D, which includes photographic evidence of the exterior and interior condition of all three buildings. The Attachment D also includes additional detail regarding the facts summarized in this cover letter.

Conclusion
The HRA has made every attempt to cost effectively rehabilitate 216 Bates, 208 Bates, and 716 Wilson. However, the deteriorated condition of the three properties, combined with their high acquisition cost and hydrology challenges that have been present for decades have proved prohibitive. Based on staff analysis of several redevelopment scenarios it is recommended that demolition of all three buildings be pursued in order to facilitate construction of a denser new construction project.

Thank you for your time and consideration,

Roxanne Young
Senior Project Manager

Attachments:
A) Charlene Roise letter RE: Historic Tax Credits
B) Jeff Garetz letter RE: Structural Condition
C) 208 Bates Structural Engineering Report and mold report
D) PowerPoint demonstrating photographs of conditions, economic considerations, and options explored

DEPARTMENT OF PLANNING &
ECONOMIC DEVELOPMENT
Cecile Bedor, Director

CITY OF SAINT PAUL
Christopher B. Coleman, Mayor

25 West Fourth Street
Saint Paul, MN 55102

Telephone: 651-266-6700
Facsimile: 651-228-3220

August 24, 2012

Karen Gjerstad
4733 Isabel Avenue
Minneapolis, MN 55406

Re: 208-210 Bates Avenue, Dayton's Bluff Historic District
Public Hearing, August 23, 2012 - Agenda Item V.E. – HPC File #12-042

Dear Ms. Gjerstad:

As you know, the Heritage Preservation Commission (HPC) considered at its August 23, 2012 meeting your application for a building permit to rehabilitate the historic Schacht Building into housing at the property listed above. The HPC voted **7 - 0 to conditionally approve** your application. This decision was based on the discussion at the public hearing, public testimony and findings by HPC staff.

The application will be approved provided the following condition(s) are met:

1. A mock-up of the brick and rock-faced blocks shall be set up on site for final review and approval by a few members of the HPC. Notify HPC staff when the mock-up is available to be viewed. Do not order the materials until final written approval has been received from HPC staff.
2. The applicant shall submit a new window choice to staff that has a historic window profile and complies with the design review guideline. HPC staff and/or the HPC shall review and approve the window choice. Do not order the materials until final written approval has been received from HPC staff.
3. ~~The location of the garage shall be shifted toward the north (side) property line with final review and approval by HPC staff.~~
4. All final materials, finishes, colors and details shall be submitted to HPC staff for final review and approval. This includes, but is not limited to the retaining wall block and cap, foundation/first floor block, brick, doors and windows.
5. Any revisions to the approved plans shall be reviewed and approved by the HPC and/or staff.
6. The HPC stamped approved plans shall remain on site for the duration of the project.

You or any aggrieved party has the right to appeal the Heritage Preservation Commission's decision to the Saint Paul City Council under Chapter 73 of the Saint Paul Legislative Code. Such an appeal must be filed within 14 days of the date of the HPC's order and decision. Chapter 73 states:

> *(h) Appeal to city council. The permit applicant or any party aggrieved by the decision of the heritage preservation commission shall, within fourteen (14) days of the date of the heritage preservation commission's order and decision, have a right to appeal such order and decision to the city council. The appeal shall be deemed perfected upon receipt by the division of planning of two (2) copies of a notice of appeal and statement setting forth the grounds for the appeal. The division of planning shall transmit one copy of the notice of appeal and statement to the city council and one copy to the heritage preservation commission. The commission, in any written order denying a permit application, shall advise the applicant of the right to appeal to the city council and include this paragraph in all such orders.*

Please note, an HPC approval or conditional approval does not obviate the need for meeting applicable building and zoning code requirements, **nor is it a permit to allow for work to commence**. An HPC approval or conditional approval expires after one year if no permit has been issued. If revisions to the approved plans are made, be aware that additional HPC and/or staff review will be required.

Please feel free to call me at 651-266-6715 if you have any questions. Your application and plans will be on hold until the conditions are met and construction level plans are submitted for final review.

Sincerely,

Christine Boulware

Christine Boulware
Historic Preservation Planner

cc: Jim Erchul, Dayton's Bluff Neighborhood Housing Services (via email)
Jeff Garetz, Load-Bearing Construction (via email)
Bob Roscoe, Design for Preservation (via email)
Marty McCarthy, PED (via email)
File

ACTION MINUTES OF THE HERITAGE PRESERVATION COMMISSION
CITY OF SAINT PAUL, MINNESOTA
Lower Level – Room 41, City Hall/Court House, 15 West Kellogg Boulevard
August 23, 2012

Present: Richard Dana, Robert Ferguson, Rich Laffin, John Manning, Matt Mazanec, David Riehle, Steve Trimble, Diane Trout-Oertel, David Wagner
Absent: Matt Hill (excused), Renee Hutter (excused), Michael Justin (excused)
Staff Present: Christine Boulware, Amy Spong, Hilary Holmes

PUBLIC HEARING

I. **Call to Order:** 5:06 p.m.

II. **Approval of the Agenda -** Commissioner Dana moved to approve the agenda. Commissioner Riehle seconded the motion. The motion passed 8 - 0.

III. **Conflicts of Interest -** There were none stated.

IV. **Chair's Announcements -** There were no announcements.

V. **Staff Announcements -**

VI. **Permit Review/Public Hearings**

A. 1824 Marshall Avenue, Hill Historic District, by Charles Thompson Memorial Board of Trustees, for an after-the-fact review to infill the window openings at the front porch. **File #12-039** (Spong, 266-6714)
Staff read the report recommending denial of the proposal and recommending the applicant restore the windows or install appropriately detailed panels with a 30 day deadline to submit a revised application of option 1 or option 2. Commissioners asked clarifying questions of staff.

Mr. Bahl from the Charles Thompson Memorial Board of Trustees, applicant, was present to discuss the proposal. Mr. Bahl informed the Commission that the windows were taken out in the 1950's. The bushes were taken out and it was discovered that plywood had been installed in the window openings, resulting in moisture problems. The intent was to replace the plywood and fix the moisture problems.

Staff reminded the HPC and applicant that the site was locally designated in 1995 and was listed on the National Register of Historic Places in 2011. The local designation requires design review by the HPC, therefore any work that was to be done to the exterior, as of 1995, requires HPC approval.

Commissioner Laffin inquired if there were other reasons besides cost that the openings could not be restored to windows. Mr. Bahl replied that the openings are closed on the interior and exterior, and informed the HPC that the Board runs the building and a separate group of volunteers are responsible for the interior of the building (while the group that Mr. Bahl is part of is in charge of the exterior). Mr. Bahl also stated that a vent existed in the same location as the newer vent and that it had been there since the plywood was installed in the 1950's.

The public hearing was closed.

Commissioner Dana moved to adopt the staff recommendation of denial.
Commissioner Manning seconded the motion.
Commissioner Ferguson offered a friendly amendment that the proposal be "developed with the involvement of a preservation professional." Commissioner Riehle seconded the amendment.
Commissioner Wagner offered a friendly amendment to staff recommendation #2.
Commissioner Trout-Oertel suggested amending staff recommendation #2 to read "removing the brick and submitting an infill solution that is in keeping with the classical detailing of the building."

The motion passed 8 – 0.

B. 888 W. 7th Street, Jacob Schmidt Brewing Company Historic District, by Bruce Knutson Architects, for a building permit to construct a new wall, entrances and parking lot after the demolition of a portion of the non-historic Warehouse Annex. **File #12-043** (Spong, 266-6714)
Withdrawn by applicant (8-22-12)

C. 201 Fourth Street E., Lowertown Historic District, by Signminds, Inc., for a sign permit to install a lit sign on the Fourth Street elevation to read "STATION 4." **File #12-040** (Boulware, 266-6715)
Staff read the report recommending approval of the application.
Commissioners asked clarifying questions.

Josh Lemke, representative of Signminds, Inc. was present to discuss the proposal.

The Commission had questions regarding the location of the sign, in respect to the cornice line, Mr. Lemke confirmed that the sign will be installed below the cornice line and only attached to the wood paneling. The Commission questioned the mural on the wood panel infill where the sign will be attached. Staff informed the Commission that the mural was not under review as part of this proposal. The applicant provided a sample of the .05 thickness, gun metal gray, spray finished aluminum to be used for the sign letters. A discussion of the Halo lighting with red LED lights for the sign followed – the applicant noted that the LED lights would be installed inside of the sign, semi-encased, and that as a result of this the lighting would bounce off of the paneling behind it and would be more subdued.

The public hearing was closed.

Commissioner Manning moved to adopt the staff recommendation of approval.
Commissioner Trout-Oertel seconded the motion.

The motion passed 8 – 0.

D. 216-218 Bates Avenue, Dayton's Bluff Historic District, by Karen Gjerstad, architect, for a building permit to rehabilitate the historic Schornstein Garage into housing. **File #12-041** (Boulware, 266-6715)
Staff read the report recommending approval of the application.
Commissioner Laffin asked if staff will report back to the HPC throughout the project. Staff explained the process of these types of projects, which will include site visits following exploratory demolition to inform final details and materials. On site visits and staff review is done to avoid change orders. As with previous projects, staff will give updates at HPC meetings on the progress of the project. Staff added that as revisions come up if they are

consistent with the conditions and approval of HPC staff reviews it, big revisions are taken back to the HPC for review.

Commissioner Laffin asked staff about the timeframe of the project. Staff replied that the Neighborhood Stabilization Program has benchmarks to be met and that the applicant may be better information regarding a project timeline. ...Commissioner Ferguson questioned part of finding #8 regarding "a more simple design" for the deck railing, as the railing design appeared simple on the plans, and questioned the recommendations for awning windows rather than casement on the west elevation. Staff replied that with no eave on the west elevation casement windows would allow for water to enter more easily and suggested fixed and awning windows to keep with the design of the building.

Written public testimony from Peggy Jo Dunnette of 223 Bates Avenue in support of the rehabilitation of 208-210 Bates Avenue and 216-218 Bates Avenue was read into the record.

The applicants, architects Karen Gjerstad and Bob Roscoe and contractor Jeff Garetz, were present to discuss the proposal.

Mr. Garetz responded to the question regarding the timeline, stating that the likely start will be early next spring, as variances and construction level drawings are still needed. Commissioner Laffin asked about the window specs for the proposed Marvin Integrity windows. Mr. Garetz replied that the proposed windows were a familiar product and the choice was based on prior knowledge of their performance, cost and quality of the product. Upon the staff recommendation regarding the non-historic profile of the proposed windows, Mr. Roscoe and Mr. Garetz looked at other products for an alternative, settling on the Windsor style, which has a more appropriate sash profile. Mr. Garetz stated the security concerns for awning and casement windows on the west elevation and suggested reversing the arrangement, to awning windows on top and fixed windows below. Mr. Garetz responded to finding #8 regarding the cable deck railing, stating that due to safety concerns for a horizontal railing, he will work with staff to come up with an acceptable design.

The public hearing was closed.

Commissioner Dana moved to adopt the staff recommendation of approval. Commissioner Ferguson seconded the motion.

The motion passed 8 – 0.

E. 208-210 Bates Avenue, Dayton's Bluff Historic District, by Karen Gjerstad, architect, for a building permit to rehabilitate the historic Schacht Building into housing. **File #12-042** (Boulware, 266-6715)
Staff read the report recommending approval of the application.

The applicants, Karen Gjerstad and Bob Roscoe, and the contractor, Jeff Garetz, were present to discuss the proposal.

Mr. Garetz explained the limitations that prevent moving the location of the garage as recommended in the staff report. Moving the location of the garage would require the disturbance of more land, which the applicants want to avoid. A civil engineer worked on the pitch of the driveway and the turning radius for the turnaround in the driveway.

The public hearing was closed.

Commissioner Riehle moved to adopt the staff recommendation of approval. Commissioner Ferguson seconded the motion with a Friendly Amendment to remove condition #3 which stated "The location of the garage shall be shifted toward the north (side) of the property line with final review and approval by HPC staff."

The motion passed 7 – 0.

VII. Old Business - There was none.

VIII. New Business

IX. Motion to Adjourn: 7:57 p.m.

Submitted by: H. Holmes

Attachment A

Letter from Hess Roise

Re: General information about historic tax credits

Historical Consultants

The Foster House
100 North First Street
Minneapolis MN 55401

612 338-1987 phone
612 338-2668 fax
www.hessroise.com

January 24, 2014

Hess Roise

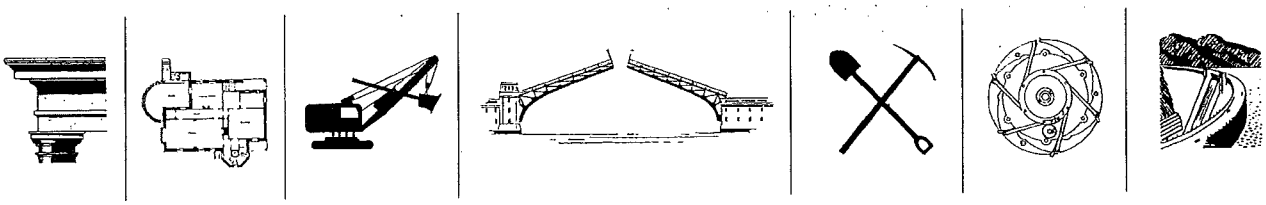
Roxanne Young
Senior Project Manager
Planning and Economic Development
City of Saint Paul
25 West Fourth Street, Suite 1100
Saint Paul, Minnesota 55102

Dear Ms. Young:

As we discussed on the phone, the National Register eligibility of the Euclid View Flats building at 234–238 Bates Avenue had been assessed a number of years before we were hired to prepare the National Register nomination. An inventory form prepared as part of a historic sites survey in 1982 called 234–238 Bates "a sophisticated apartment building" and "the largest and most costly of its type ever erected on Dayton's Bluff." It also noted that Euclid View "remains a fine example of a transitional building showing the change from the Queen Anne Style toward the Romanesque Revivalism of the late 1890's and early 1900's." As a result, the State Historic Preservation Office (SHPO) had made a "Considered Eligible Finding" (CEF) based on the building's architectural design. This finding, indicating that the SHPO believed the property qualified for the National Register, made us very confident that we would be able to officially nominate the property for that designation. The SHPO database of inventoried properties is very large, but most of the properties have not been evaluated. A majority of the inventoried properties do not qualify for the National Register, so simply being in the database has little meaning if the SHPO has not made a finding.

We nominated the Euclid View property under National Register Criterion C for its architectural significance. While we also considered the property's relationship to the Dayton's Bluff neighborhood and its role as a modern, multifamily alternative to the single-family houses that were more common in the city, we concluded that it was not of sufficient historical interest to qualify under Criterion A. In addition, it was not important for its relationship to a significant person (Criterion B).

For any of these criteria, the bar to qualify for listing in the National Register is very high. For Criterion A, it is necessary to evaluate a property in relation to others that might also represent the same historical trend; the property must stand out in that cohort. For Criterion B, the building must have a significant



association with a significant person. It must, in other words, be the best physical representation of someone who made a noteworthy historical contribution. Criterion C requires the building to be an outstanding example of an architectural style.

You had some questions about the nomination process. I recommend anticipating that the process will take about a year. Sometimes it goes more quickly, but this depends on a number of factors including how much research is required, how lengthy the document must be to make the case, and the timing of the State Review Board, which considers all nominations and meets only four times a year. A basic nomination usually costs $15,000-$20,000 for us to prepare.

Although I do not get involved in the financial side of historic tax credit projects, I understand that when only the federal credits were available, the rule of thumb was that a project had to be at least $5 million to justify syndication costs. With the introduction of the state historic tax credits, I have heard that the minimum size has dropped to around $3 million.

Sincerely,

Charlene Roise

Attachment B

Letter from Load Bearing

Re: Structural Conditions at 216 Bates and 716 Wilson

:LOAD-BEARING, INC:
CONSTRUCTION MANAGEMENT SERVICES

January 24, 2014

Roxanne Young
Project Manager, City of St. Paul PED
25 West Fourth Street
Saint Paul, MN 55102

Dear Roxanne:

I'm writing in response to your request for information regarding the costs of proposed work related to the structural and civil engineering requirements in the renovation of 208-210 Bates, 216-218 Bates and 716 Wilson in St. Paul.

It's my hope that this letter will provide a more thorough understanding of the nature of these properties and their current condition, along with the resulting engineering which was required in developing a plan for their renovation, and ultimately the construction work that will be associated to the engineering needs to these properties. If you need further information, I'm happy to provide it. I can also direct you to the engineers who have provided services to the project to date:

Structural Engineer
Joe Cain
Mattson Macdonald Young
612-827-7825

Civil Engineer
Jonathan L. Faraci
Lake & Land Surveying, Inc.
Land Surveying – Civil & Geotechnical Engineering
651-776-6211 ext 222

<u>716 Wilson</u>

This single-family dwelling has a full basement which has deteriorated over time due to water infiltration. The structure is built into a hillside, and water movement within this topography has caused the masonry foundation to disintegrate. It was the consensus of the architects, engineers, consulting contractors and me that the damage was so extensive that repairs were not an option, and that even if repairs to the foundation were possible, that water infiltration would continue to be an issue at this particular site, given its topography.

The original plan called for the house to be shored up while a new foundation was installed. On the east elevation, the new foundation was engineered to resist both water infiltration and

lateral pressure (from hydrology). The civil engineer designed a system to capture water moving through the ground and manage this water by directing it into catch basins, which are in turn to be connected to the nearest city storm drain in the street north of 216-218 Bates.

During the bidding process, it was recognized that installation of this system would be costly, as it would require temporary shoring to OSHA standards. Excavators bidding the work recommended shifting the house to the west (while leaving the old wall in place) to avoid these shoring costs. This suggestion was ultimately incorporated into the project plans.

As the home has no garage, a new garage was engineered to sit behind the home at the southeast corner of the lot. This location, against the hillside, necessitated a similar footing design as the main house.

In order to facilitate the new garage and adjacent drive, a catch basin system was engineered to manage surface water runoff and direct the water to the storm sewer. The original plan called for the driveway to extend southward to provide access to a new garage a 208-210 Bates; when 208-210 Bates was eliminated from the overall project, the drive was altered so that it would terminated at the Wilson garage.

<u>216-218 Bates</u>

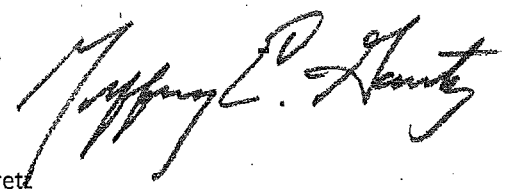
This building has extensive rot and mold from years of water infiltration. The architects and engineers determined that the entire length of the east wall, and the roof of the one story section of the building, should both be demolished.

The existing usable space in the building was not sufficient to successfully adapt the building to accommodate two dwelling units. Given this fact, and the deterioration of the existing structural members, the architects devised a plan that modified the building to both improve its structural integrity while increasing its usable space.

The building has a basement at its north end which can only be accessed via a ladder; after investigating, the architects determined that there was no way to accurately assess that structural integrity of the formed and poured concrete that make up the ceiling of this basement. As a result, their plan calls removal of the concrete ceiling, and infilling and repouring of the first floor once gas, sewer and water lines are installed in the basement.

On the north and west elevations, 216-218 Bates is constructed right up to the public sidewalks. This fact makes storm water management at the site difficult. The plan calls for all water at both addresses to be captured by a new catch basin system, and/or directed offsite via pipes connected to the underground storm sewer system.

Thank you,



Jeffrey Garet

CC: Jim Erchul, Dayton's Bluff Neighborhood Housing Services

LOAD-BEARING, INC.
PHONE 612-721-8747 FAX 612-721-1419
3010 MINNEHAHA AVENUE, MINNEAPOLIS, MN 55406

Attachment C

Structural Analysis and Mold Evaluation of 208 Bates

LSA Design, Inc.
One Financial Plaza
120 S. Sixth Street
Suite 1700
Minneapolis, MN 55402
T. 612.339.8729
F. 612.339.7433
www.lsadesigninc.com

Planning
Architecture
Urban Design

May 7, 2010

Mr. Jim Erchul
Executive Director
Dayton's Bluff Neighborhood Housing Services, Inc
823 East 7th Street
St. Paul, MN 55106-5016

RE: Executive Summary of Structural Assessment, 208 Bates Avenue

Dear Mr. Erchul:

LSA Design, Inc. and our sub consultant, Ericksen Roed and Associates have completed our preliminary assessment of the four-plex structure located at 208 Bates Avenue. The preliminary assessment is based on visual observation of the existing condition of the interior and exterior of the building. The extent of these observations is noted on the attached report. The conclusion of the preliminary assessment involves a number of recommendations that relate to the failures of two elements:

1. The brick façade was attached to the wood framed structure via square steel nails that have deteriorated over time. Two structural remedial options are identified in the attached report. The option selected will need to consider much more than the structural implications due to existing environmental contamination as well as constructability of vapor barriers and insulation. The suitability of the existing brick for re-use would also need to be determined since it appears to be porous and soft.

2. There appears to be significant differential settlement of the foundation creating sloping floors and bowed walls. The majority of the interior walls have been remodeled recently which removed much of the resulting distressed elements. The source of the movement would have been easier to identify prior to this occurring. Without construction documents, the walls and footings will need to be exposed in order to design the remedial foundation work necessary to limit the ongoing settlement.

The attached report identifies other structural elements that require additional information to analyze. If requested, we can also assist with demolition and restoration documents that address the environmental and life safety requirements, although they appear to be more significant than the property would warrant.

Please let me know if you have any questions or comments on this report, and how you would like to proceed.

Thank you,

William Fossing, PE
Principal

Enclosure ERA May 07,2010 Assesment
CC. Jeffery Garetz, Load-bearing Inc
Mike DeSutter, Ericksen Roed and Associates

Ericksen
Roed & Associates
Structural Engineers
2550 University Avenue West Ste 201-S
Saint Paul, Minnesota 55114-1901
Telephone: 651-251-7570
Facsimile: 651-251-7578

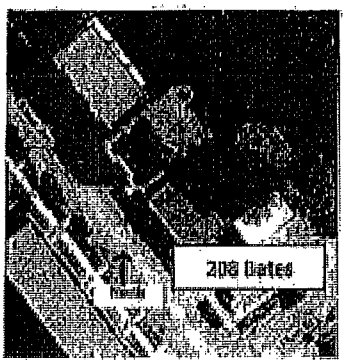
May 7, 2010

William Fossing
LSA Design, Inc.
120 South Sixth Street
Suite 1700
Minneapolis, MN 55402

Re: **208 Bates – Structural Assessment**
St. Paul, MN
ERA Commission Number: 2010-096

Mr. Fossing:

We have conducted a structural assessment of the four unit residential building at 208 Bates on the east side of St. Paul, MN. This assessment is based on a visual walk-through on May 3, 2010. Existing finishes were not removed, interior walls and ceilings were sheathed and generally not available for observation, and the roof was not accessed.

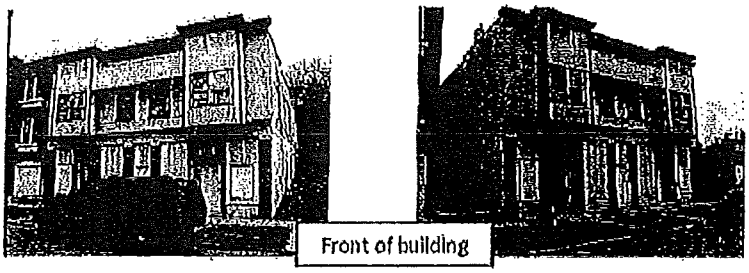


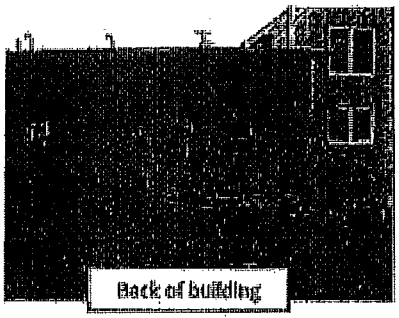
The intent of this report is to address the structural condition of the building as observed. It is not the intent of this report to address conditions that were not accessible. It is also not the intent of this report to address environmental issues or contamination; however, these items are noted where observed.

Existing Building Description

The existing building is estimated to have been built in 1880. The building has a basement and two floors. Each floor has two units for a total of four. The exterior grade is near the first floor elevation at the front of the building and slopes up to the second floor elevation at the back of the building.

The roof structure is generally flat and sloped slightly to drain. The exterior bearing walls were observed to be 2x4 wood framed in one location where the interior wall was opened. The exterior finishes are a mixture of brick and wood paneling.



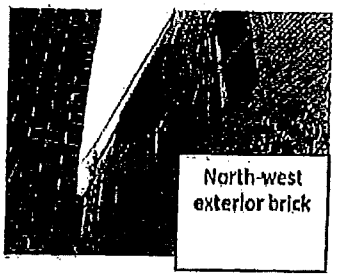


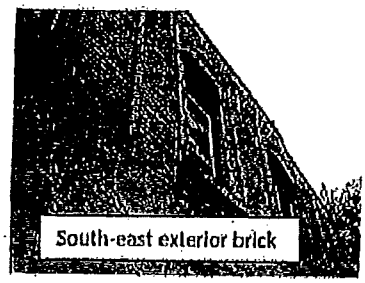
Structural Condition

A. **Exterior brick**

Observations:

1) A large portion of the brick along the north-west wall has fallen off from the wall. The exterior wood sheathing was still in place.
2) The south-east wall brick has been secured with wood planks securing the brick from falling off the building.
3) Wall sheathing boards were pulled away from the 2x4 wall studs in one location observed.


North-west exterior brick


South-east exterior brick

Discussion:

The existing brick was originally secured to the sheathing with box nails working as ties. Over the years these nails have deteriorated and vanished, thus leaving the brick with no lateral support. Without lateral support, the brick is susceptible to falling from the building, creating a hazardous situation for anyone in the vicinity.

Recommendations:

1) The brick should be completely removed from the building and a new brick wall should be built with galvanized ties for lateral support to the building structure. Prior to installation of new brick veneer, the exterior wall sheathing boards should be securely fastened to the wall studs.
2) Alternatively, a post installed re-securing system for the brick could be used; however, the existing wall sheathing boards would have to be fastened to the existing wall studs from the inside. This would require all interior sheathing on the exterior walls to be completely removed.

B. **Exterior walls**

Observations:

1) There are a number of large openings and cracks in the exterior walls that have allowed moisture and critters into the walls over the years. Deterioration and damage may have occurred, but could not be observed at this time. It is reasonable to assume that infiltration by water or critters is causing deterioration of the structure.

Recommendations:

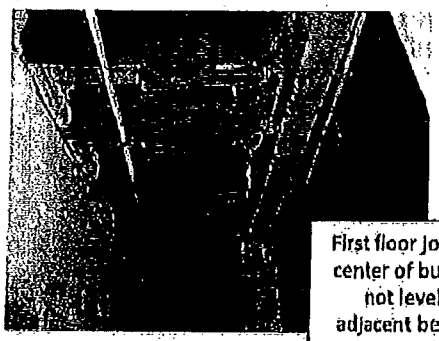
1) All interior sheathing will need to be removed in order to assess the damages further.
2) Structural members that have been damaged should be replaced or repaired.
3) Vapor barrier and waterproofing should be adequately designed in order to prevent further damage.

C. **Interior floors levelness / foundation settlement**

Observations:

1) The floors in each unit are visibly not level. Generally the floors slope down towards the centerline of the building. Upon observation of the basement, it appears that this is due to settlement of the interior bearing walls.

2) Interior stairs are sloping from side to side indicating differential settlement at the center bearing walls.
3) First floor joists at the centerline of the building are not level due to the settlement of the interior bearing walls.
4) Existing floor joists observed in the basement appeared to be in good condition.



First floor joists at center of building not level – adjacent bearing walls have settled

Recommendations:

1) Improvements to the foundations at the interior walls along with jacking and leveling of the floor and roof structure will be necessary in order to achieve levelness of the floors. The wall sheathing on all walls within the interior of the building will need to be removed in order to do this, otherwise they will crack and work against the jacking effort.
2) Without improving the foundations there is no indication that the settlement will stop.

D. Basement foundation walls

Observations:

1) The basement exterior foundation walls were generally made of limestone. The walls appeared to be plumb and straight. Moisture and mold is observable throughout the basement. This indicates that water is infiltrating through the walls, likely on the back side where the grade is high. Due to the irregular nature and inherent cracking of limestone walls, it is difficult to identify specific locations where the water is infiltrating.

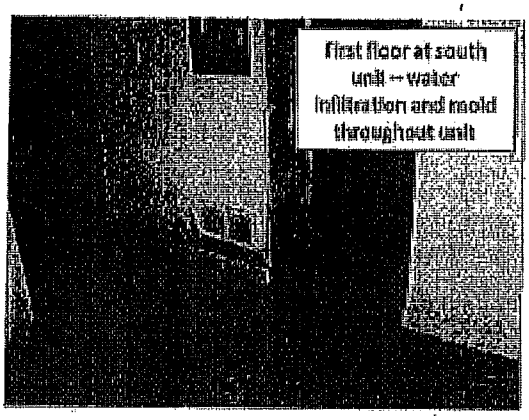
Recommendations:

1) These walls were not observed to be in distress; however, if water proofing is applied to the exterior face of the foundation wall, the existing wall may not be adequate to support the additional hydrostatic lateral pressures.

E. Interior walls and ceilings

Observations:

1) The walls and ceilings were covered with drywall and painted white, so the structure was not observable. However, it was apparent that there has been moisture in the walls and ceilings. Interior finishes have been damaged by water and mold.
2) Most of the windows appeared to have mold around the base of the window.
3) The first floor units in the back of the building had large amounts of water damage and mold growing on the walls, ceilings, and floors. Since the back of the building at first floor is below grade, it is likely that ground water is seeping through the wall.
4) Some walls are noticeably out of plumb and slightly sagging.



First floor at south unit – water infiltration and mold throughout unit

Recommendations:

1) If water proofing is applied to the exterior face of the below grade walls, the existing wall may not be adequate to support the additional hydrostatic lateral pressures.
2) In order to assess the condition of the bearing walls and the damage that the moisture infiltration has done to the structure, it will be necessary to remove the interior sheathing on the ceilings and walls throughout the building.
3) Remove or reinforce any structural framing that has deteriorated due to water damage.

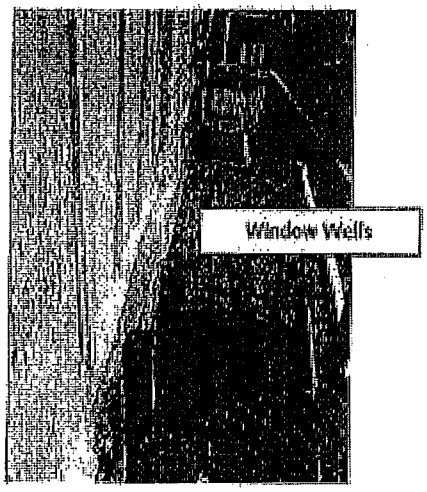
F. **Window wells**

Observations:

1) Window wells have been constructed with plywood and 2x wood framing retaining the earth pressures. This construction is not code compliant.

Recommendations:

1) Remove and replace non-compliant construction.



G. **Exterior concrete at building entrances:**

Observations / recommendations:

1) Some minor removal and replacement of concrete slabs at the front entrances will be necessary.

H. **Front second floor cantilevered structure:**

Observations:

1) The second floor at the front of the building that cantilevers out over the front wall was observed to deflect at the end of the cantilever. The structural framing members were not visible.

Recommendations:

1) In order to level the framing, the floor sheathing would need to be removed and a structural analysis and retrofit design will need to be provided for the cantilevered framing.

Please advise if you have any questions or comments.

Sincerely,

Terri Quimby

Terri J. Quimby, P.E., LEED AP
Structural Engineer
Ericksen Roed & Associates

MOLD EVALUATION

Quadruplex
208 and 210 Bates Avenue
St. Paul, MN 55108

AllPhase Companies, Incorporated
#1596-12S-U

May 10, 2012

Reported To

City of St. Paul, Planning & Economic Development

AllPhase Companies, Incorporated
404-A St. Croix Trail North, Lakeland, MN 55043
Phone: 651-436-2930 Fax: 651-436-3918

MOLD EVALUATION

Quadruplex
208 and 210 Bates Avenue
St. Paul, MN 55106
AllPhase Companies, Incorporated
#1596-12S-U

Introduction

AllPhase assessed the property for mold and water damage on May 4, 2012. The building is a two-story quadruplex plus basement with what appears to be a flat roof. The ground slopes upward to the east so that the eastern end of the building is below ground level. Window wells exist below ground level.

The building on the property has significant water damage, and mold is present on a significant amount of building materials. Following is a summary of the site conditions:

Findings

First-Floor Units

1. Mold was observed to be pervasive over the majority of the rooms in both units of the first floor with heavy mold near the basal portion of the walls and flooring. Mold was observed on the walls, ceiling, window wells and floor.

2. The eastern portion of the building, at the time of inspection, had observable standing water, saturated carpet and walls that were wet at the base. Water damage was evident throughout the majority of the first floor with water damage being evident on the flooring and lower portions of the walls.

Second-Floor Units

1. Localized areas of mold were observed on the ceiling of the NE-central room of Unit 210 (2nd Floor). The presence of mold was significantly less in Unit 208 (2nd Floor)—that is, concentrated areas of mold were not observed to have caused damage to building materials in this unit.

2. Water intrusion was evident on the ceiling of the NE-central room of Unit 210 (2nd Floor) and is associated with the mold discussed above. Also, water intrusion was observed on the window sill of that room—soft wood. Evidence of significant water intrusion was not observed in Unit 208 (2nd Floor).

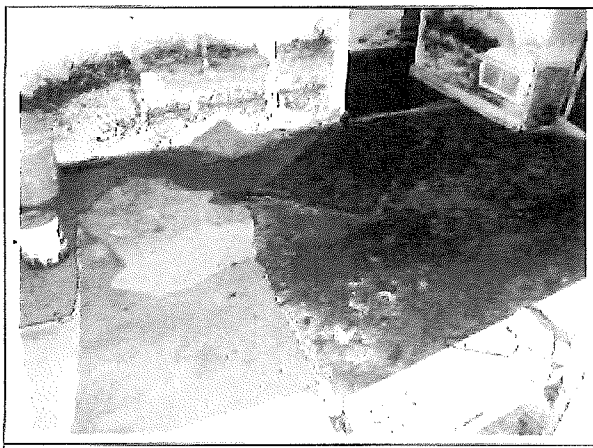
Basement

1. Mold was observed to be over a significant area of the wall and ceiling sheetrock. Mold was also observed along the first floor—floor joist and underside of the first-floor decking.

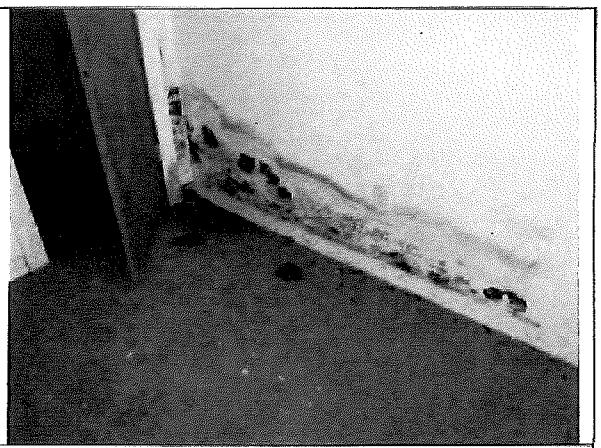
2. A significant area of water intrusion was evident on sheetrock both at the base of the wall and on the ceiling. Evidence of water intrusion was observed as water stains and wetness observed at the base of support beams and on the rafters and underside of the decking.

Photographic Documentation

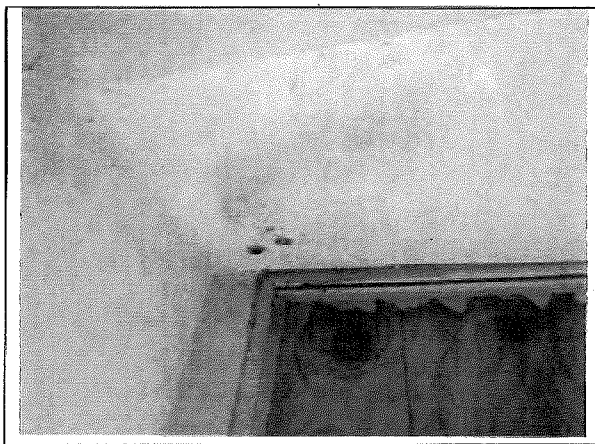
Photographs of site conditions are attached.



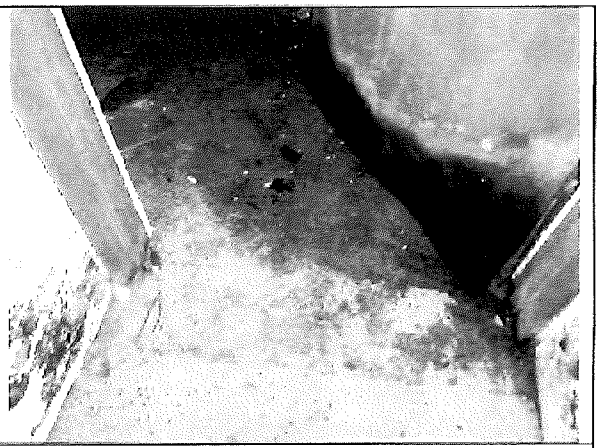
208 First Floor—kitchen: standing water on floors and saturated carpet plus mold were present on the kitchen floor and walls.



208 First Floor—SE-central room: saturated carpet and wet floors were present with mold located on the lower portion of the walls.



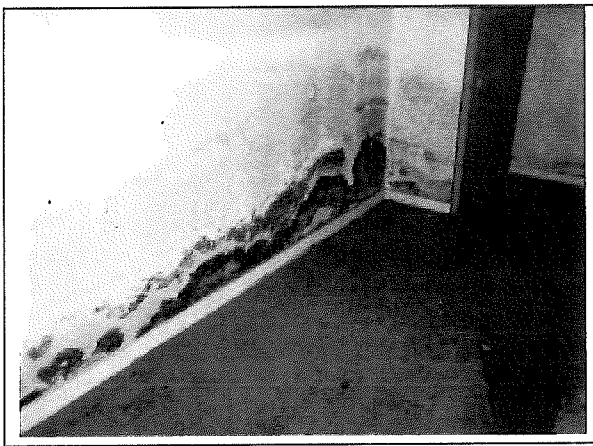
208 First Floor—SE-central room: mold present adjacent to window.



208 First Floor—east room: mold present on walls, flooring, door and door frame. Water present in building materials.

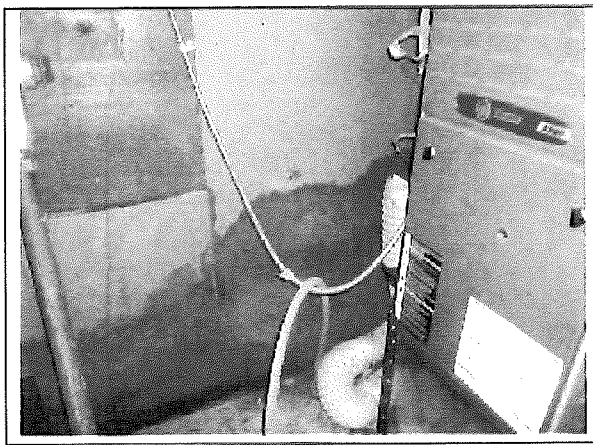
208 First Floor—east room: ceiling and wall mold.

208 First Floor—east room: mold around window area.



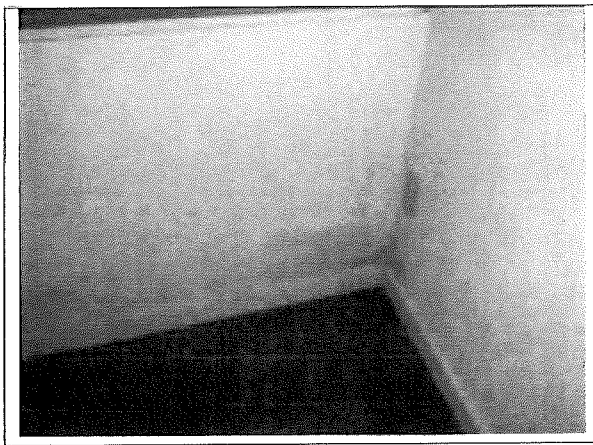
208 First Floor—mold present along lower portion of walls, east room. Floor and wall base were wet at time of visit.

208 First Floor—mold present along bathroom walls.



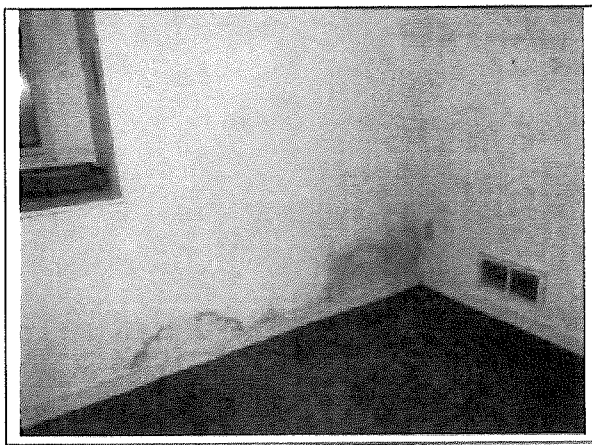
208 First Floor—saturated sheetrock present near furnace in utility room. It was wet at time of visit.

210 First Floor—floor in utility room wet at time of visit.



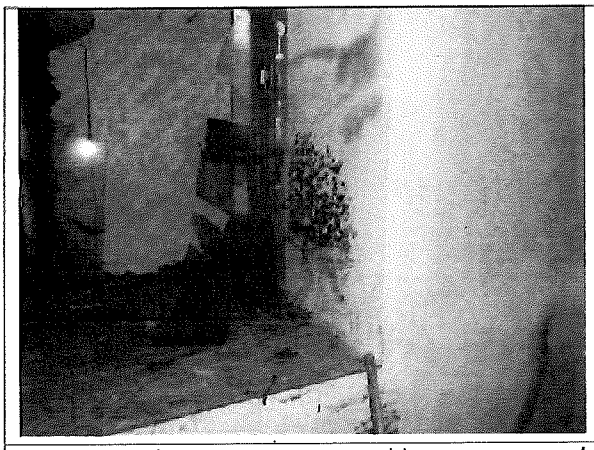
210 First Floor—mold present on the lower portion of the walls in NW-central room.

210 First Floor—NW-central room window well: mold

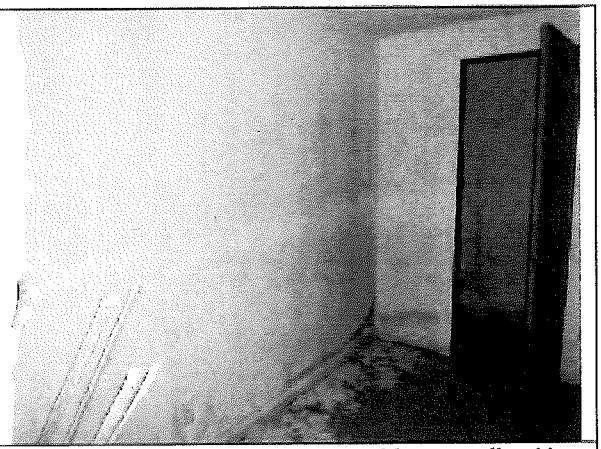


210 First Floor—mold present on the lower portion of the wall NE-central room.

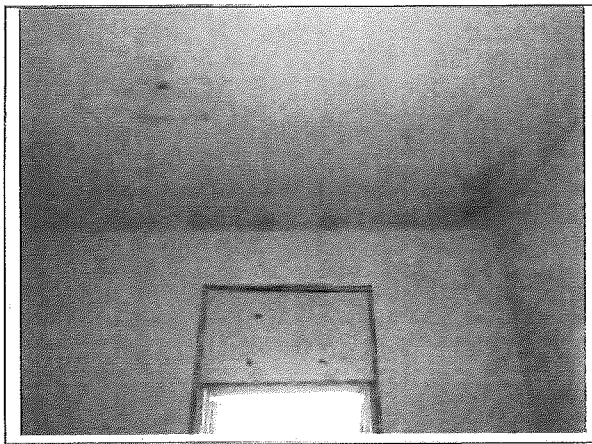
210 First Floor—mold present on the lower and mid portions of the walls in the room off kitchen. Floor was wet at time of visit.



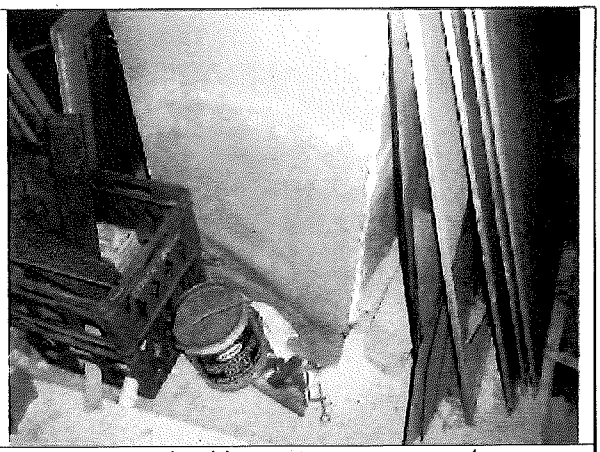
210 First Floor—East room mold present around window.



210 First Floor—East room: mold on walls. Note evidence on walls of wet studs. Floor was wet at time of visit.



210 2nd Floor—NE-central room. Staining and mold present on ceiling.



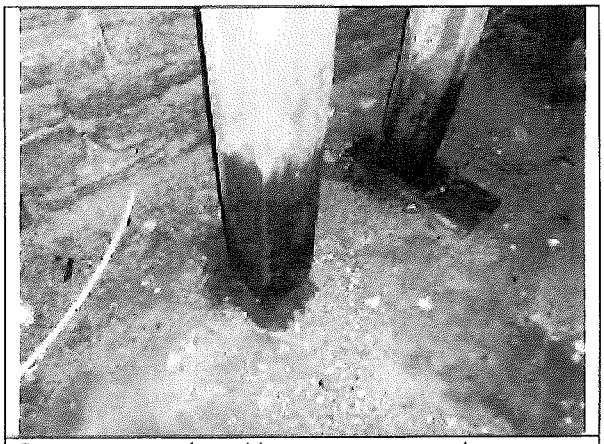
Basement south side—SW area: water damage to sheetrock.

Basement south side—Mold present on table and other materials.

Basement north side—Mold present on the lower and mid portion of the wall as well as water damage to sheetrock.

Basement north side—Mold and water damage present on the ceiling sheetrock.

Basement central corridor—mold present on floor joist.



Basement central corridor—water saturated on support beams

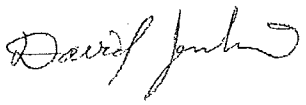
Conclusions/Recommendations

All three levels of the building had mold and water damage issues. The first floor had pervasive mold and water damage. The basement also had significant areas of mold and water damage. The second floor had the least observable mold and water damage issues with mold and water damage present in Unit 210 that appears to be extending into the space between the flat roof and ceiling.

Based on our observations and physical evidence, there is significant water intrusion in the first floor and to a lesser degree in the basement area. The roof and some window wells also appear to be compromised based on evidence of the damage to the ceiling area of the second floor and the mold and water intrusion around the windows. We recommend the following:

1. Roof should be repaired or replaced to prevent water infiltration.

2. Windows appear to be damaged and/or leaking. The windows should be assessed for damage or integrity problems and repaired or replaced, including appropriate flashing to prevent water infiltration.
3. The exterior siding and flashing should be assessed to confirm that the building has integrity. Any suspect locations should be assessed and repaired in accordance with building codes.
4. The perimeter below-grade walls should be inspected and assessed to determine if water infiltration is occurring and addressed if it is determined that water is seeping through foundation walls.
5. The foundation below grade should be repaired and/or designed such that water does not seep through the foundation. Surface drainage should be away from the foundation, and/or that foundation drainage is captured by a drain tile system and discharged to an appropriate location.
6. Window wells should be inspected to confirm or correct any runoff problems in order to prevent water infiltration.
7. Warning signs should be posted at all access points to the building to warn individuals that mold is present and appropriate personal protection equipment should be used while in the building.
8. All materials saturated or having elevated moisture content should be removed and/or dried out.
9. All carpet and porous materials should be removed from the subject site and disposed of.
10. Water/mold-damaged ceiling, walls, flooring should be removed, including any underlayment or structural items that are impacted by mold or having elevated moisture content.
11. The HVAC system should be cleaned to remove mold. The HVAC system is a forced-air system, and mold may be present in the duct work and associated circulation system.
12. Filters on the furnace should be replaced since it likely contains some of the mold structures.
13. Containment areas should be constructed to separate out areas decontaminated/clean zones from contaminated zones. Negative air pressure utilizing HEPAs should be used to contain mold within the remediation area and to prevent contamination entering remediated/cleaned areas.
14. HEPA air filters should be installed and operating during the removal of materials and during the removal and decontamination of the subject site.
15. Individuals should be protected and decontaminated during the removal process and when they leave the subject site.
16. After compromised materials have been removed, the entire building interior, including structural items, should be cleaned and followed by an application of dilute bleach to kill the mold then applying a mold inhibitor.
17. An assessment for the presence of water damage and mold should be made after work has been completed and periodically thereafter to confirm that water/mold issues have been resolved.



Date 5-10-12

David Jenkin, P.G.
Project Manager

Date 5-10-12

Rennie Smith, P.G.
Project Manager

Attachment D

Photographs and background information regarding project analysis