

OF THE

PHILADELPHIA HISTORICAL COMMISSION

2 December 1987

Edward A. Montgomery, Jr., Chairman

Present: Edward A. Montgomery, Jr., Chairman

Christine Washington, Vice-Chairman

Caroline Golab

Joan Ferreira

David Hollenberg

Jason Nathan

William D. Thompson

Christopher Cashman, First Deputy Director, Office of
Director of Commerce

David Dambly, Commissioner, Department of Public Property

Henry Herling, Commissioner, Department of Licenses and

Inspections

Barbara Kaplan, Executive Director, City Planning Commission

John Street, Esq., Councilman Fifth District

Scott Wilds, Office of Housing

Steve Ludwig, Esq., Law Department

Richard Tyler, Historic Preservation Officer

Patricia Siemiontkowski, Assistant Historic Preservation
Officer

Sally Elk, Historic Research Technician

Randal Baron, Preservation Planner

Merrie Winston, Historical Architect

Terri Koob, Executive Secretary
Maureen Heaney, Clerk Steno I

Also: Edna M. Irving, Councilman Street's Office
Sandra Garz, City Planning Commission
J. Shane Creamer, Attorney for the Sameric Corporation
Murray Isard and Anthony DiBona, Sameric Corporation
Grace Gary, Preservation Fund
John Andrew Gallery, Urban Partners
John Taxin, owner of 149 S. Hancock Street
Herbert Bass, attorney for owner of 149 S. Hancock Street
Jane Quigley, Redevelopment Authority
George C. Hoez, Jackson Cross Company
Nathan L. Edelstein, attorney for the owners of 29-41 S.
13th Street
William Blades, Donna Harris, A. Robert Jaeger, Matthew
Schultz and Andrew Haines, Philadelphia Historic Preservation Corporation
Patrick Starr and Leslie Gallery, Foundation for
Architecture

William A. Kingsley and Roger Prichard, Old City Civic
Association
William C. Bolger, National Park Service
Jeffrey Block, student, Temple University

Unless otherwise noted, actions taken herein are the results of
motions correctly made, seconded and carried.

THE MINUTES of the 315th Stated Meeting of the Philadelphia Historical
Commission held 28 October 1987, Edward A. Montgomery, Jr., Chairman
were reviewed and approved.

OLD BUSINESS

The Boyd Theater, 1908- 1910 Chestnut Street

Owing to a scheduling problem, the Sameric Corporation requested the issue of the Boyd Theater be presented before the other official business of the Commission.

Richard Tyler stated that consideration for designation of the Boyd Theater was originally scheduled for 30 April 1986. Following a series of continuances and court hearings the Commission acted to designate the building at a Special meeting on 2 April 1987. Richard Tyler continued that a demolition permit application was filed on 8 April 1987. This application came before the Architectural Committee on 9 April 1987. At this time some material was submitted pursuant to Section (7)(f) of the ordinance. The Architectural Committee recommended a deferral of two months pending the receipt of additional information, the Historical Commission voted to approve the recommendation of the Architectural Committee.

The material which was submitted to the Historical Commission was reviewed by Cushman-Wakefield, this review preliminarily concurred that uses consistent with preservation were not feasible.

At the request of the Sameric Corporation further consideration of the demolition request was postponed until the August meeting. At the meeting of the Commission of 26 August, the Sameric's submission was found inadequate; no studies, evaluation of alternative uses, plans or specifications for proposed construction other than demolition had been submitted to the Commission for review. A letter was sent to the Sameric Corporation requesting this information by 1 October 1987. This information was not submitted.

Shane Creamer, attorney representing the owner for the Boyd Theater distributed a report at the meeting that consisted of the materials previously submitted to the Commission with the exception of Exhibit "A" and Exhibit "F". Exhibit "A" is a statement of revenues and expenses for the fiscal year ending May 31, 1987. Exhibit "F" is the Sameric Corporations response to the Urban Partners evaluation of opportunities for the preservation of the Boyd Theater.

Mr. Creamer stated that the Theater is suffering a loss of \$450,000 a year. Mr. Creamer also stated that the cost of refurbishing the theater is too great and it is not the right type of movie theater for use today. Mr. Creamer also stated that the Sameric Corporation is hit with the hardship of operating expenses and developmental restrictions.

Mr. Creamer presented a proposed plan to the Commission that included the retention of the front facade to the building and the lobby, however, the auditorium would be demolished and a new building constructed that would include four separate theaters and a parking garage above.

Mr. Creamer stated that every study that was conducted concluded that there are no adaptive reuses for the structure, no uses which would provide an adequate rate of return on the investment, no adaptive use consistent with preservation of the building. The letter from Cushman and Wakefield is enclosed in Exhibit "B" of the report submitted by the Sameric Corporation. Mr. Creamer continued to discuss the materials which are enclosed in the report submitted to the Commission members today.

Mr. Creamer addressed the possibility of converting the theater into a

performing arts theater. Mr. Creamer stated that it would be impossible to do this owing to the fact that the stage is only seventeen feet wide and at minimum a live performing arts stage should be thirty feet wide. Mr. Creamer also stated that the stage could not be widened because the owners of the building in back of the Boyd Theater have an easement on the building. Mr. Creamer continued to explain the other possibilities of converting the Boyd Theater. Mr. Creamer stated that there would be too much competition by the Academy of Music which is a performing arts theater and the 30th Street Station which possibly could become a performing arts theater. Mr. Creamer also commented on the Urban Partners Report.

In conclusion, Mr. Creamer stated that the front facade and the lobby will be preserved and that the Sameric Corporation is requesting a demolition permit for the auditorium only.

Barbara Kaplan expressed concern that Sameric's estimated value for the property was based on C-5 zoning that is not correctly in place and has very little likelihood of being enacted. Mr. Isard stated that both the Reaves Lukens study and the Hudson Groups Report were both done using C-4 zoning. However, the Hudson Group prepared additional documents attempting to show what could be done under C-5 zoning. Mr. Isard acknowledged that this information was not clear to the readers of these reports.

John Street stated that he thinks that the owners have submitted everything they were required to submit.

David Brownlee asked if the possibility for converting the present balconies into two small theaters and maintain the main floor of the third theater.

Anthony DiBona stated that a proposal, similiar to the one described by Mr. Brownlee, was considered approximately four years ago and this option was found to be infeasible.

Mr. Montgomery questioned the representative of the Boyd Theater on what the time frame and estimated cost would be for the proposal presented to the Commission today.

Mr. Isard stated the the work could be completed within the next year and the estimated cost would be \$10,000 a car, and \$150,000 for construction of four new theaters and the cost of demolition would be very inexpensive.

Responding to the suggestion raised in the Urban Partners report that the theater could be incorporated into a larger development, Barbara Kaplan stated that there is precident for transferring development rights, from one lower building onto an adjacent site without new legislation. Ms. Kaplan explained that this can be accomplished when two adjacent property owners agree and file the correct papers with the Department of Licenses and Inspections and the Law Department. Ms. Kaplan also stated that the City could support an application for a UDAG grant if that is what it would take to preserve an historic property and to retain the use of a theater.

Richard Tyler questioned Mr. DiBona on estimated cost of the conversion of the main auditorium into three separate theaters.

Mr. DiBona stated that four years ago the cost was \$1,500,000.

Grace Gary from the Preservation Fund addressed the Commission stating

that they asked Urban Partners to conduct an evaluation on the Boyd Theater. A copy of this evaluation was distributed to the Commission members prior to today's meeting. Ms. Gary gave a summary on this evaluation and urged the Historical Commission to deny the demolition permit at this time and to work with the owners of the theater to find a solution to this problem.

Mr. Gallery from Urban Partners gave a summary of the information in the Report explaining the potential for the building's reuse as a Performing Arts Center. He explained the difficulty in assessing the economics of the theater given the sparse information supplied by the owners. Mr. Gallery also stated that more detailed and refined information should be submitted by the owners of the Boyd Theater.

Caroline Golab stated that Mr. Gallery suggested that additional information be submitted by the owners of the Boyd Theater and asked specifically what additional information is being requested.

Mr. Gallery replied that the economic information provided by Sameric included the period when the theater was shut down rather than the time since it has reopened. Also the costs for the heat, concession stand, and maintenance were not divided by the number of theaters in the complex but rather were all attributed to the Boyd.

Ms. Golab also asked how strong the demand would be for a performing arts theater with the competition of the Academy of Music and the 30th Street Station facilities.

Mr. Gallery stated that there is a demand for a performing arts theater the size of the Boyd contrary to what has been asserted by Sameric. The Academy of Music would attract a different type of show

than the Boyd and that the building of the 30th Street complex may not even occur and may be a far worse location outside of the usual entertainment center of Philadelphia. Mr. Gallery also stated that the records for the refinancing and the amount of profit that was taken from this refinancing should be submitted to the Commission.

Councilman Street asked if the Urban Partners report is stating that the Historical Commission should deny the demolition permit on the basis that the City could possibly cooperate with the theater owners and turn this into a performing arts theater.

Ms. Gary stated that the report is not intended to recommend any action to the Historical Commission rather it is intended to recommend possibilities that should be considered when the Historical Commission makes its decision.

Barbara Kaplan stated that when there are public goals sometime there is a way to put together complex projects and complex financing mechanisms to make projects work and that this Commission has an obligation to consider all of the possibilities before making a decision of depriving the community of an historic resource.

Mr. Montgomery stated that Ms. Kaplans statement is very important point and that the Commission must decide if there are enough possibilities that a demolition permit should be denied at this time, until these possibilities can be explored more intensley.

Mr. Tyler stated that a developer from Boston is undertaking a nation wide search for a theater building with developable land around it and representatives have visited the Boyd and there is a serious interest

in the building and they are making a presentation to the principal investor next week and sometime after that there should be a decision on whether they are going to come into Philadelphia.

Mr. Isard stated that the representative that Mr. Tyler is speaking of has asked Mr. Isard if the Sameric Corporation would be willing to undertake a joint venture where the Sameric Corporation would contribute the real estate and the developer would work out the financial end. Mr. Isard indicated that the Sameric Corporation is not willing to cooperate with this proposal.

Scott Wilds stated that this theater is part of a complex where there are three additional theaters and that if the three theaters financial records are combined with financial records of the main auditorium the complex as a whole is probably profitable. Mr. Wilds recommended that the Sameric Corporation look at the theaters as a whole and then determine whether there would be a net loss.

In response to Mr. Wilds questioning Mr. DiBona stated that he can not answer without looking at all four theaters financial statements. Mr. DiBona stated that the financial statements which have been submitted are for the main theater only. Next Mr. DiBona stated that the Urban Partners report was based on facts that are incorrect, a few specific points he mentioned are noted in Exhibit "F" of the report submitted by the Sameric Corporation today.

Barbara Kaplan made the point that in Sameric's financial study the mortgage debt is one of the main reasons for the theater showing a loss and that the large debt service is the result of recent refinancing. She further explained that if the money were not

reinvested in this building that the financial hardship was essentially artificial and self-imposed.

Mr. DiBona stated that the theater was refinanced approximately three years ago before the Historical Commission had approached the owners with the possibility of designation.

Mr. Starr from the Foundation of Architecture addressed the Commission and stated that he has submitted information on theaters which have been renovated both through a public private partnership and also without public assistance. In particular he discussed an Art Deco movie palace in Oakland, which is extremely popular and successful because it has been marketed as a special historical place to see a movie. He suggested that such an approach to marketing might make The Boyd a successful movie house.

Mr. Shane Creamer stated that the Sameric Corporation has presented facts not possibilities.

At this time, Mr. Montgomery called for a vote by the Commission on the demolition of the Boyd Theater. The motion to grant a demolition permit was defeated by a vote of nine to one. The nine votes to deny the request for demolition were cast by David Brownlee, Christopher Cashman, David Dambly, Joan Ferreira, Henry Herling, David Hollenberg, Barbara Kaplan, Christine Washington and Scott Wilds. The one vote in favor of demolition was cast by John Street. Caroline Golab and Jason Nathan abstained.

John Street asked what are the procedures for a property owners to for reapply for a demoliton permit and what other information would have

to be submitted to support the reapplication.

Richard Tyler stated that new information would need to be submitted such as the construction cost for the new proposal presented to the Commission today, actual studies with numbers considering alternative uses for the property as well as the results of any negotiations with any developers interested in buying the property. Mr. Tyler stated again that a letter was sent to Sameric asking for specific financial information which was not forwarded.

Jason Nathan stated that he abstained from voting because he has not been able to review the new material submitted by Sameric today.

Mr. Montgomery stated that the Sameric Corporation was notified to submit all information by 1 October 1987 and they did not submit the information until today.

Mr. Creamer stated that all the information that was submitted today has already been submitted before with the exception of Exhibit "A" and Exhibit "F" which are in response to the Urban Partners report which they received only last week.

149 S. Hancock Street

Richard Tyler stated that in June of 1987, the application for a demolition permit was denied by the Historical Commission for 149 S. Hancock Street and a suggestion was made at this meeting to investigate the use of the Redevelopment Authority's housing bonds to make the development economically feasible. Since the Redevelopment Authority has submitted a report stating that even if the Redevelopment Authority cooperates the project is not economically

feasible. The conclusion was that "the property can not support a mortgage sufficient to cover the cost of rehabilitation work, in our judgement." In light of this information counsel for the applicant wrote to the Historical Commission and asked if the Historical Commission would reconsider its decision opposing demolition on this building. Counsel stated that a reconsideration can be made if the Commission formerly votes to do so. The Commission would also have to make a motion to grant or deny a permit.

The Commission unanimously voted to reconsider the application for demolition of 149 S. Hancock Street under the new information submitted to the Commission.

Richard Tyler stated that Jane Quigley from the R.D.A. is present along with George Hoes of Jackson Cross who did an evaluation for the Historical Commission on the material submitted by the owners of 149 S. Hancock Street. Mr. Tyler also stated that a letter had been received by Bernie Goodman acting superintendent of Independence Park and is being distributed to the Commission members today. This letter states the National Park Services interest in this property and they hope that it will be useful in the Historical Commission's deliberation.

Jane Quigley for the R.D.A. addressed the Commission and stated that the the R.D.A. is offering to buy the property at 149 S. Hancock Street to rehabilitate it. The purchase price for the property would be \$186,000 and the cost of rehabilitation would be \$55 to \$60 a square foot.

Mr. Montgomery requested that written verification be prepared by the R.D.A. stating that the letter of October 26 received from the R.D.A.

has been changed and also an official offer to purchase 149 S. Hancock Street for \$186,000.

Christopher Cashman asked if the board has approved the purchase of 149 S. Hancock Street.

Ms. Quigley stated that there is no board authority as of yet to purchase the building.

Scott Wilds stated that the Commission did not ask the R.D.A. to make an offer, it only asked them to study this property and determine if it would be feasible to purchase and rehabilitate.

Richard Tyler stated that at the time of designation of 149 S. Hancock Street there was a row of like buildings, these buildings are now gone.

Roger Prichard of Old City Civic Association stated that he would appreciate the opportunity to evaluate the information that is being presented today.

Herbert Bass stated that after the Commission meeting where 149 S. Hancock Street was designated the building was put up for sale and they were no inquiries on purchasing the building.

At this time, Mr. Montgomery called for a vote by the Commission on the demolition of 149 S. Hancock Street.

David Brownlee stated that he does not feel comfortable with voting on this issue on the basis of a written report now amended by an oral

report. He requested a written report summarizing the material that was explained to the Commission today. Mr. Brownlee made a motion to table the motion of demolition of 149 S. Hancock Street.

The motion to table the previous motion was denied by a vote of six to five. The six opposing votes were cast by Christopher Cashman, Henry Herling, Edward Montgomery, Jason Nathan, John Street and Christine Washington. The five votes in favor of tabling the motion were cast by David Brownlee, Joan Ferreira, David Hollenberg, Barbara Kaplall and Scott Wilds.

The Commission next voted on the demolition of 149 S. Hancock Street, the demoltion was granted by the Commission. David Brownlee, Barbara Kaplan and Scott Wilds abstained.

THE REPORT of the Architectural Committee meeting held on 12 November 1987, David Hollenberg, Chairman. Mr. Hollenberg stated that there were two parts to the report, the submissions which were approved as submitted and those that required additional information. The projects approved as submitted are; 158 N. 3rd Street, 913-917 Vine Street, 540 Spruce Street and 438 Spruce Street. Additional information is needed for 248 Market, 21 S. 5th Street and 1801 Vine Street. David Hollenberg also stated that the recommendation on Hancock Street be discussed at the meeting scheduled to take place in two weeks.

Edward Montgomery stated that the section in the report of the Architectural Committee will not be addressed as 149 S. Hancock Street but as a suggestion to create a separate Committee for evaluating economic data which is submitted to the Commission.

OLD BUSINESS

207-207 1/2 Vine Street

Richard Tyler stated that at the request of the Historical Commission the Department of Licenses and Inspections made an inspection of the building. The inspection came back as eminently dangerous. Richard Tyler also stated that after consulting with the Chairman of the Architectural Committee and the community he signed the demolition permit.

NEW BUSINESS

Harry A. Batten Fund Request

Richard Tyler requested \$400 for Carmen Weber to attend the Society for Historical Archaeology Annual meeting in Reno, Nevada - January 13-17, 1987, this money is just for her transportation.

The Commission unanimously voted to approve Mr. Tyler's request for \$400 from the Batten Fund.

Councilman Street requested that an outline be drawn up stating exactly what information is necessary for the Sameric Corporation to present before a demolition permit is refiled.

Mr. Montgomery requested that the Historical Commission staff prepare an outline of the reasonable steps that must be taken by the Sameric Corporation to demonstrate the infeasibility of the building, specifically, laying out the possibilities that should be considered.

Jason Nathan suggested two things, first that clearer requirements be made for everyone who wants to testify or submit materials. Secondly, that a procedure be set up for the evaluation of all economic information that is submitted to the Commission.

Richard Tyler stated that the staff will draft a proposal for the recommendations made by Jason Nathan.

The Commission decided that before a letter is sent to the Sameric Corporation the draft of the letter should be submitted to the Commission members for their review and input.

THE REPORT of the Committee on Historic Designation meeting held on 2 October 1987, David Brownlee, Chairman. Mr. Brownlee gave a brief report on the architectural significance of the property located at 29-41 S. 13th Street. Mr. Baron presented slides for the Commission's review.

The Commission unanimously voted to approve the designation of the building located at 29-41 S. 13th Street - Binder Building.

There being no further business the meeting ajourned at 1:15 p.m.

Respectfully submitted,

Maureen Heaney

Clerk Steno I