THE REPORT OF THE ARCHITECTURAL COMMITTEE

OF THE

PHILADELPHIA HISTORICAL COMMISSION

David Hollenberg, Chairman

28 March 1991

Present

Herbert W. Levy, Presiding Chairman
Fellow of the American Institute of Architects
Tony Atkin, Architect
Penelope H. Batcheler, Historical Architect,
Independence National Historical Park
William Cornell, J.S. Cornell & Sons, Inc.
Donald Stevenson, Architect

Richard Tyler, Historic Preservation Officer
Randal Baron, Preservation Planner
Daniel W. Simcox, Executive Secretary

Also

Samuel Rappaport, owner, Victory Building
Morris Hershman, attorney, Victory Building
Robert Solvibile, Department of Licenses and Inspections
Gray Smith, Preservation Coalition of Greater Philadelphia
Richard Goldstein, attorney, Jayne Estate Building
Dayl Pearson, representative for owner, Jayne Estate Building
Rosemarie Levy, building manager, 1830 Rittenhouse Square
Eric Kachele, engineer, 1830 Rittenhouse Square
Alan Needleman, Executive Committee, 1830 Rittenhouse Square
John S. Baker, owner, 5060 Germantown Avenue
J.W.F McFadden
William Blades and Donna Harris,
Philadelphia Historic Preservation Corporation
Roger Prichard and Richard Thom, Old City Civic Association
Becky Stoloff and D.H. McNeil, Society Hill Civic Association
Joann Weeks, Washington Square West Civic Association
Mary Kay Noyallis, City Planning Commission
Thomas Hine and Henry Goldman, The Philadelphia Inquirer
Elliot Rothschild, AIA
Duane Long, Chestnut Street Association
Rebecca Shiffer, National Park Service
James T. Stevenson, Rahenkamp Consultants
Ronald S. Paul, Don Cox, Craig Morrison, John Lawson, Henry Hauptfuhrer and others.

Having announced the presence of a quorum, Mr. Levy proceeded to the agenda. The Committee referred an application for a demolition permit for **5324-26-28 Germantown Avenue** to the Committee for Financial Hardship.

TO DEFER AND TO RETAIN AN INDEPENDENT CONSULTANT

Samuel Rappaport applied for a demolition permit for the **Victory Building, 1001-1013 Chestnut Street**. When constructed in 1873, it stood as the first commercial building in Philadelphia of the Second Empire style. Enlarged in 1890 from three stories to eight, the edifice was expanded further in 1901 by a ten-story addition to the west. In recent years, the building has suffered from considerable deterioration because of water infiltration. Mr. Rappaport, the owner, applied for a demolition permit in response to an order of Judge Lehrer of the Court of Common Pleas. This stemmed from an action filed by the Department of Licenses and Inspections to secure enforcement of diverse violations issued by the Department. This order, the normative one issued by the Department, was to repair or demolish a dangerous condition; in this case, slate falling from the mansard roof.

Mr. Rappaport explained that he loves the Victory Building and has tried to rehabilitate for the last twenty years. He has tried renting it, as is, for one dollar per square foot. He tried selling it at auction. Despite these efforts and discussions with hundreds of people, the building continues to deteriorate. Through the past nine years, Mr. Rappaport claims he has carried the building even though it has generated no income. He does not want to demolish it and remains willing to negotiate with anyone interested in its rehabilitation. However, in spite of his profound appreciation for the building, Mr. Rappaport fears its current condition and the danger it poses to the public. Recalling the tragic collapse of two facades on Market Street, he worries that a lion's head or other ornament may fall onto pedestrians. Though willing to continue carrying its costs, he cannot repair the facade. He suggested that repairing several obvious problems was akin to placing a band-aid on a deep wound. Further, he fears that affixing numerous band-aids at considerable expense will not address the underlying problem -- that, in the past twenty years, no one has devised a profitable method for rehabilitating the Victory Building. Mr. Rappaport expressed his opinion that the legislative changes in the Federal income tax credit program has rendered its rehabilitation infeasible. The investment required to restore this building is too large to undertake without some governmental assistance. The costs of repair, the current office market, the number of other historic buildings in the City and the present absence of tenants in the Victory Building all make its rehabilitation a more daunting prospect. Now, the City insists that he repair the building, without pointing to specific problems, or demolish it. Mr. Rappaport wishes to comply with the judicial order in an expeditious manner. Before pursuing demolition, however, he wants to inquire if anyone is interested in working with him to rehabilitate it. He concluded by reiterating his concern for the public safety and asking who would be liable for injury or death if the Committee or Commission denied his demolition request.

Robert Solvibile of the Department of Licenses and Inspections explained the current violations. The court order emerged from the pursuit of a legal remedy for a violation issued last year. In a letter dated 29 October 1990, the Department ordered the owner to repair or demolish loose wood, slate and metal elements of the mansard roof at the eighth floor. The inspector also requested an engineering report on the structural viability of the north, east and south walls. Although the violation pertained only to the loose roof elements, Mr. Rappaport inferred the order meant to repair or demolish the whole building. (Note: The court order itself states the owner "shall forthwith repair or demolish the dangerous premises.") Upon re-inspection on 27 March 1991, an inspector found no imminently dangerous or other dangerous conditions. There were, however, numerous violations of the Building Code, including a leaking atrium. A report of that inspection, which will provide more detail regarding existing conditions, will be available soon. The Committee, having noted that it would have responded immediately if there were imminently dangerous conditions, proceeded with the understanding that the building poses no imminent danger to the public. To reaffirm the preceding representations, Ms. Petrillo asked if any building condition was imminently dangerous. Mr. Solvibile responded that, based on the recent inspection, there was none. The outstanding order to repair or demolish regarded only the loose mansard elements. Mr. Rappaport noted that he was not aware that anything had fallen from the building. The Committee stressed that any repairs require a building permit and prerequisite approval by the Commission and this Committee.

Broaching the issue of demolition by neglect, Mr. Levy asked the owner to describe the efforts undertaken to maintain the building. Mr. Rappaport boarded the ground floor openings several times, but vagrants have gained access repeatedly. Though chased by the police, they return soon after the officers depart. These intruders also have broken the skylights. The Committee urged the applicant to seal the building from both the weather and vagrants. The Committee stressed that these measures may satisfy the order to repair the building; that directive does not necessarily entail improving it to a quality required for occupancy.

Mr. Rappaport expressed concern that the court order did not address specific problems, but rather was broader in scope, ordering him to repair or demolish the entire building. Securing entrances and sealing the roof would only place band-aids on a more severe problem. These repairs would not reduce the prohibitive cost of rehabilitating the building; nor would patching a few holes ensure the public safety. Only a favorable engineering report could assure that the building and its many ornamental features are structurally sound. The cost for such a study, however, is prohibitive. Several engineers contacted for this work wanted to erect scaffolding around the entire building to allow a thorough inspection. The estimated cost for this task exceeds $1 million. The Committee informed Mr. Rappaport that it could not evaluate this statement without the report of a professional engineer or, at least, a written estimate of the cost for the study.

The Committee next focused on the claims of financial hardship and asked if pro forma economic analyses had been prepared. Mr. Rappaport indicated that a brief study was prepared years ago. More importantly, he stressed that no one with whom he had spoken in the past twenty years would commit to the rehabilitation of this building. He has offered numerous incentives, including a 100% mortgage and rental for only one dollar per square foot. Though he pays nine percent interest on the building, he is willing to sell it and take back the mortgage at six percent. Mr. Atkin asked if the building had been highly mortgaged after its acquisition, artificially inflating its price and reducing the interest in its rehabilitation. Mr. Rappaport indicated that, after his former associates impaired a join effort to rehabilitate it using Federal income tax credits, he bought their interests in the building at a cost of $5.5 million. Presently, Mr. Rappaport cannot conceive a method for financing its rehabilitation, though he remains willing to talk to anyone interested. Mr. Tyler noted that he spoke with various developers, architects and investors regarding this proposition.

Mr. Levy suggested that the Committee take no action on this matter until the owner provides further information necessary to review his proposal. The Committee urged Mr. Rappaport to secure the building from the elements and vagrants to avert demolition by neglect. Ms. Petrillo suggested that the Committee await the release of the report of the 27 March 1991 inspection by the Department of Licenses and Inspections so that it may predicate its recommendation on an actual inspection of existing conditions rather than speculation. The Committee will be able to examine this report before the Commission meeting of 10 April 1991. Mr. Tyler suggested that the Committee also request a pro forma for reasonable reuses including office, office/retail and office/residential.

At this time, Mr. Levy invited public comment. Gray Smith, representing the Preservation Coalition of Greater Philadelphia, expressed his pleasure with the preceding deliberations. Given the cooperative spirit of this meeting, he suggested that the owner withdraw his request for total demolition and submit a new application only for the repair of those problems specifically cited by the Department of Licenses and Inspections. Though appreciative of the kind words, Mr. Rappaport stated that the rehabilitation was not viable given the current economic climate, the recent increase in City taxes and the new fees for the Center City District.

Having decided to take no action on this incomplete application, the Committee requested the following information: a pro forma for reasonable reuses, an estimate for the cost of stabilization, and an estimate for the preparation of an engineering study. Regarding the court order, Mr. Tyler noted that he will appear before Judge Lehrer to clarify the scope of the violation and the Commission's interest. Mr. Rappaport conveyed his willingness to prepare the reports and to seek a partner for rehabilitation. However, he remains worried about existing conditions and frustrated by the inability to keep vagrants out of the building. He added that the costs of sealing the roof and determining the structural integrity are prohibitive.

TO DEFER AND TO RETAIN AN INDEPENDENT CONSULTANT
The Committee also reviewed a demolition permit application for **The Jayne Estate Building, 2-16 Vine Street.** Richard Goldstein, Esq. and Dayl Pearson, appeared to represent the owner, B.T. Waterfront, Incorporated. Mr. Goldstein reviewed relevant background information. The owners purchased the property in May 1987; at the time, the building was zoned G-2 Industrial and was not designated as historic. The purchase price of $2,050,000 was $50,000 above the next highest bid at the auction based in part on a market value appraisal by Jackson-Cross Realtors, dated 17 June 1987. That document assumed that the existing market conditions would continue to improve. It also did not consider the limitations imposed by the existing structure. Mr. Goldstein expressed the opinion that the valuation in the appraisal was inflated by an overly optimistic assumption of the development of the surrounding area.

After acquisition, the owner sought a demolition permit to construct a mid-rise apartment building. On 27 September 1987, the Historical Commission sent out letters to the owner notifying him that the building would be considered for historic designation. On that date, the building came within the jurisdiction of the Commission. On 15 October 1987, the owner obtained a Building Permit for demolition, a Zoning Permit and a Water Discontinuation Permit toward this end. On 12 November 1987, the Department of Licenses and Inspections revoked the Building Permit because it was issued in error without the Commission's review. On 28 October 1987, the Historical Commission entered the building on the Philadelphia Register of Historic Places. The owner decided to work with the Commission to preserve the Jayne Building and refrained from acting upon its demolition request. Subsequently, the owner proposed a partial demolition, the construction of a new building to its rear and a substantial rehabilitation of the Jayne Building. On 20 December 1988, the Zoning Board granted a variance for this proposal.

While shepherding it through the regulatory process, the owners retained Barclay-White, Inc. to prepare a construction budget. This document indicated that these costs would be $1.5 to 2 million higher if the Jayne Building were preserved. Through 1989 and 1990, the owners have not been able to secure financing for this proposal and have suffered substantial losses because of high carrying costs. At this point the owner determined that the building cannot be used for any purpose for which it could be reasonably adapted. The owners contend that leaving this non-income-producing structure standing imposes a financial hardship. Therefore, the owner determined that it is necessary to pursue a demolition permit. Two other facts merit attention. First, the deteriorated condition of the property has been exacerbated recently by several fires. Second, on 4 March 1991, the Department of Licenses and Inspections issued a violation citing conditions deemed a public nuisance at this location.

At this time, Mr. Baron made three relevant points. Letters of notification for both the meeting of the Committee for Historic Designation and the Commission had been mailed to the owner at the subject property and to the taxpayer listed with the Bureau of Revision of Taxes before the owner applied for demolition. He also noted that the building had been entered on the National Register of Historic Places in April 1987, a month before the owner purchased the property. Third, the pre-bid appraisal of the building states that it was eligible for listing on the Philadelphia Register and that with the building standing it was worth more than what was paid for the property at auction.

The Committee inquired if the owner had attempted to sell the building. Mr. Pearson responded that the building had not been listed with a broker, though numerous inquiries have been made. The Committee then inquired into the previously approved proposal to develop the site with a thirteen-story tower to the rear of the Jayne Building. Mr. Pearson stressed that project construction costs were significantly inflated by the presence of seven sets of bearing walls in the Jayne Building. Consequently, the owner was unable to secure financing for the project.

The Committee asked if demolition would afford a viable site for development, or if the lot would remain vacant and the present carrying costs would remain. The applicants responded that they may wait several years until the market improves before proposing new construction. Until then, the lot may be used for surface parking to generate some revenue. The Committee stressed that within three years, the owner may be able to raise funds sufficient to rehabilitate the building. It also suggested that a revision of the tax laws may provide incentives within that same time period. Mr. Pearson emphasized that the 1986 changes to the tax laws impaired development of this site. By the time the building was entered on the National Register, the incentives were no longer viable means of financing for the owner. Mr.

Tyler underscored the difficulty that the new provisions placed on rehabilitation. The Committee requested a pro forma studying several reuse options for the Jayne Building by itself. This document should include any advertisements for sale, as well as the other information specified in the Rules and Regulations.

The Committee then focused on the existing condition of the building and recently issued violation. Mr. Baron stressed that all the bays on the ground floor were open and that the building has suffered from numerous fires in the recent past. Mr. Pearson indicated that the owners have secured the building, but vandals have gained entry consistently. Mr. Tyler suggested using masonry to seal these openings. Mr. Atkin asked if the Committee could require the owner to secure the building, as review of this application may take up to six months. Mr. Levy added that failure to address the existing violations may lead to pursuit of the demolition by neglect clause.

Roger Prichard of the Old City Civic Association (OCCA) spoke in opposition to this demolition request. The OCCA previously supported the owners in their effort to obtain approval for the high rise proposal. Although they believed that the tower was inappropriately tall for this location, they perceived its development was the best chance to save the historic building. Recently, however, the association regarded the frequency of fires at this location as cause for alarm. There were eight fires this winter alone. The owners have not done enough to secure the building and it requires cement block. Given the price of $2 million for acquisition, $10,000 for sealing it with cement block seems a minimal cost to ensure the public safety. Mr. Prichard also pointed out that the previous owner acquired the property for $600,000, while B.T. Waterfront, Inc. purchased it for $2 million. He suggested that the owners were aware that the building had the potential for designation; it was stated clearly in an appraisal prepared for them. He concluded, therefore, that acquiring it comprised a significant risk. Mr. Pearson responded that the current owners did not perceive that the property was located in an historic setting. Mrs. Batcheler underscored the points made by Mr. Prichard by highlighting the dramatic decrease in the maintenance budget between 1989 and 1990, (exhibit F). Mr. Pearson noted that the budget for the former year was so high because it included costs for asbestos removal. Mrs. Batcheler noted that the latter year's total expenditure of $370 for repairs was very small.

The staff suggested that the Committee formally acknowledge receipt of the materials submitted, request a pro forma for reuse of the Jayne Building, refer the application to the Committee for Financial Hardship and recommend that the Commission retain an independent consultant to examine all the materials submitted. The Committee voted unanimously to forward the preceding recommendation to the Commission.

DISAPPROVAL
The owners of **1830 Rittenhouse Square** proposed to remove the decorative stone bases of six projecting bays on this building. Constructed in 1913 as **the Wetherill Apartment Building**, this high-rise designed in the Beaux Arts style was the first to rise above Rittenhouse Square. Recently a piece of one stone bay base fell to the sidewalk. Other fragments dropped previously. Rosemarie Levy, the building manager, proposed to substitute a flat stucco soffit in place of the ornamental stone bases. The cost for flat stucco replacements was approximately $20,000. When asked about the cost of fiberglass replacements which would retain the shape of the existing bases, the applicant said that this would cost $45,000. Further, Ms. Levy stated that no one would guarantee the safety of the fiberglass for more than one year.

The Committee stressed the importance of the design of the bases to the style of the building. They explained that there was flexibility in materials, but that the replacements must approximate the contour of the original bases. Members suggested several possible materials and requested that the owners compare the costs of these alternatives. The Committee stressed that the contour of the bases could not be achieved in stucco and expressed the opinion that stucco was a third-rate material compared to fiberglass for this application.

Alan Needleman, a member of the condominium association Executive Committee, objected that the Committee would prevent the owners from undertaking the alterations desired. He stated that the association held enough insurance to cover damages caused by falling stone and may not want to install more expensive fiberglass replacements simply for aesthetic reasons.

After further discussion, **the Committee recommended disapproval of the proposed stucco replacements. However, it stressed that the existing bases could be removed immediately if they posed any danger to the public.**

The General Wayne Hotel, 5058-5060 Germantown Avenue
The Department of Licenses and Inspections cited the owner for stucco work undertaken without a permit. The Commission designated the former General Wayne Hotel in May 1957. A photograph taken a month after designation illustrates the condition of the building in 1957.

John Baker, the present owner, obtained title to the building in 1978. He stated that at that time, the building was in poor condition. The former owner did not maintain it well and the roof leaked like a sieve. The brick of the front facade was in severe disrepair, the stucco on the side was failing, several windows were rotted or missing and most of the brackets had rotted and fallen to the ground. The Commission does not possess any photographs of the building between 1957 and 1991. Mr. Baker made numerous repairs over the past twelve years, including the replacement of two-over-two wooden, segmented arch windows with one-over-one aluminum replacements, the recent application of rough-cast stucco over the glass block infill and the front wall of the building and the installation of a new canvas sign. Mr. Baker indicated that he did not know a permit was required for this work.

John McFadden, who resided in the area in 1971-1973, and assisted in the Margaret Tinckom-Grant Simon survey of Germantown of those years, indicated that the building was severely deteriorated at that time. He suggested that almost any work undertaken would have been an improvement. Having weighed the evidence, the Members concurred that the current appearance was the result of a series of unfortunate circumstances. **The Committee recommended approval for several reasons:**

- **there is no photographic documentation of the building between June 1957, the month after it was designated, and 1991, when it was cited for a building code violation, and therefore no record of conditions over time;**

- **the owner and an impartial, preservation advocate indicated that the building was severely deteriorated prior to the recent alterations;**

- **though less than optimal, the new coating of stucco has sealed the underlying brick for future generations. Similarly, the roof repairs will preserve the building itself; and**

- **the building maintains significance for the appearance of its general form on the landscape of Germantown Avenue, an historic district designated a National Historic Landmark.**

The Committee strongly urged the owner to ensure that he obtains a building permit prior to undertaking any other work.

There being no further business, the Committee adjourned.

Respectfully Submitted,

Daniel W. Simcox
Executive Secretary