

REPORT OF THE COMMITTEE ON FINANCIAL HARDSHIP PHILADELPHIA HISTORICAL COMMISSION

**Michael Sklaroff, Chair
Commission Offices, Room 576, City Hall**

22 May 2003

Present

Michael Sklaroff, Esq., Chair
James Brown, IV
Warren Huff, City Planning Commission
Vincent Rivera, AIA
Harris Steinberg, AIA
Scott Wilds, Assistant Director, Office of Housing and Community Development

Diane M. Hughes, Executive Secretary
Laura M. Spina, Historic Preservation Planner
Richard Tyler, Historic Preservation Officer

Also

John Andrew Gallery, Preservation Alliance for Greater Philadelphia
Richard Thom, Old City Civic Association
Leonard Ciccotello
Charles Tonetti, Independence National Historic Park, National Park Service
Nicholas Scofidi, Redevelopment Authority

Mr. Sklaroff recognized the presence of a quorum and called the meeting to order at 11:04 a.m.

Ms. Spina presented the application to demolish the historic Bouvier building and erect an 11-story building with a penthouse. The application is based on financial hardship and includes an affidavit from Herbert Wetzel, Executive Director of the Redevelopment Authority (RDA), and an appraisal by Harvey M. Levin in October 2001.

Leonard Ciccotello, the architect, and Nicholas Scofidi, of the RDA, attended the meeting. Mr. Scofidi gave a brief summation of the history of the building and proposed development projects. He noted that the RDA purchased the building in 1988 to halt its demolition. In 1990 the RDA conveyed the property to the Bouvier House Associates, Ltd. for \$250,000, with \$100,000 in cash and the remainder as a mortgage with the provision that if the developer defaulted the property would revert to the RDA. The developer, who previously rehabilitated the Bond House into a bed and breakfast, did not develop the property and eventually defaulted on the mortgage. In 1998, the RDA and the developer renegotiated their contract. In 2001, the property went into foreclosure. However, the RDA could not find the contract that reverted the property to them, so it

went to Sheriff's sale. The RDA reacquired the property and commissioned the appraisal from Harvey Levin.

Mr. Wilds noted that in the 1980s two houses were lost to Bookbinder's parking lot, which prompted the RDA to acquire the Bouvier building. Barbara Kaplan, Director of the City Planning Commission, along with then Councilman John Street were instrumental in the preservation of this building.

Mr. Steinberg inquired if an inspection or structural report for this building had been submitted to support the appraisal; Mr. Scofidi replied in the negative. Mr. Steinberg also thought that the application should have the cost for rehabilitation versus the cost for demolition.

Mr. Sklaroff inquired if the RDA marketed the property; Mr. Scofidi said no. Mr. Wilds asked if anyone has approached RDA to express interest in the property. Mr. Scofidi responded that a Mr. Conway competed with the RDA at the Sheriff's sale. He later expressed interest in acquiring the property with the intent of preserving the historic building. However, the RDA did not respond to his inquiries.

Mr. Tyler opined that since the properties along Walnut Street are being developed with four-story residential units, the Bouvier property will not be encased by high-rise development. He noted that the owner has not made an attempt to sell or rent the property and has given no consideration to profitable or adaptive uses of the property as outlined in the Rules and Regulations. It was previously pointed out that the presence of exterior restaurant garbage dumpsters were cited as a deterrent to reuse; however, with the pending development of Bookbinder's and the announced proposal for residential development along Walnut Street, the context will radically change. Mr. Tyler thought that the proposed loading dock at should be restudied for an alternate location.

Mr. Sklaroff said that the Bouvier building is a significant building and he believes that a more in-depth financial study of the building should be pursued. Mr. Wilds opined that the historic significance of the building has been compromised with the destruction of its context. Mr. Sklaroff remarked that the context of the building is not relevant to the hardship issue and the building still retains historical significance in its own right. Mr. Wilds disagreed. Committee members concurred that the application lacks structural and marketing analyses. Mr. Sklaroff noted that the footprint of the building is only 1,078 square feet.

Mr. Steinberg suggested moving the building. Richard Thom, of the Old City Civic Association, responded, saying that the Civic Association had investigated that course of action and the cost of moving the building just one block is approximately \$250,000. He said that he had gained access to the building and that it is structurally sound. In response to a query about the Bookbinder's project, he said that on the corner of Hancock Street there will be a roll-down door leading to parking for residents, not the public, and the restaurant service entrance.

John Gallery, of the Preservation Alliance, said that it is important that the Historical Commission hold other city and governmental agencies to the same standards as the general public. He also believes that the submitted application lacks pertinent information. Mr. Gallery stressed that the owner of this property has done nothing to stabilize it, which could be considered demolition by neglect. He believes that the absence of a structural report and research into its ability to be rehabilitated, as well as the admitted existence of a developer interested in its reuse, should result in a denial of the application on hardship grounds. In addition, Mr. Gallery said that the property should be marketed to find other developers who may be interested in rehabilitating the building.

Charles Tonetti, chief architect for Independence National Historic Park, said that his agency has a right to review all projects that touch the Park, as mandated by a City Ordinance. He noted that the building has integrity. It is important to retain significant resources and the new, surrounding developments are designed to complement the historic structures. Also, the Park Service is soliciting developers to rehabilitate smaller properties owned by the Park. A number of developers have expressed interest so there may be some that would rehabilitate the Bouvier building.

Committee members concurred that the applicant should provide information that demonstrates to the Committee that the historic building cannot be rehabilitated for a new use or incorporated into a larger development. In addition, the applicant must submit a structural report as well as a marketing analysis to the Committee. Mr. Scofidi asked that the meeting be continued to allow for the preparation of the requested materials. Mr. Sklaroff informed the applicant that another meeting of the Committee could convene within a few weeks of receiving the materials.

Mr. Steinberg made a motion to table the application for a period not to exceed ninety (90) days so that the developer can produce documentation pursuant to Section 7.5.b.3 of the Commission's Rules and Regulations, as well as a structural analysis of the property. Mr. Brown seconded the motion, which carried unanimously.

The Committee adjourned at 12:00 p.m.

Respectfully submitted,

Diane M. Hughes
Executive Secretary