REPORT OF THE COMMITTEE ON FINANCIAL HARDSHIP
OF THE PHILADELPHIA HISTORICAL COMMISSION

TUESDAY, 3 APRIL 2024
REMOTE MEETING ON ZOOM
BOB THOMAS, CHAIR

CALL TO ORDER

START TIME OF MEETING IN ZOOM RECORDING: 00:00:00

The Chair called the meeting to order at 9:07 a.m. The following Committee members joined him:

Committee Member	Present	Absent	Comment
Robert Thomas, AIA, Chair	X		
Donna Carney	X		
Mark Dodds	X		
Dan McCoubrey, FAIA, LEED AP BD+C		X	

The meeting was held remotely via Zoom video and audio-conferencing software.

The following staff members were present:
Jonathan Farnham, Executive Director
Kim Chantry, Historic Preservation Planner III
Laura DiPasquale, Historic Preservation Planner III
Ted Maust, Historic Preservation Planner II
Leonard Reuter, Esq., Law Department

The following persons were present:
Aaron Miller
Adam E. Laver, Esq., Blank Rome LLP
Alessandro Napoli
Andrew Zakroff
Bob Littlewood
Brent Ainley
Dennis Carlisle
Elaine Montes
Eric Leighton, cbp Architects
Eugene Desyatnik
Hanna Stark, Preservation Alliance
Isabella Kitchen
Jay Farrell
John Hunter, Manayunk Neighborhood Council
Kevin Flynn, AKRF
Kevin Smith, Manayunk Neighborhood Council
Nusaybah Estes
Paul Steinke, Preservation Alliance for Greater Philadelphia
Peter Angelides, Econsult Solutions
Sue Patterson, Philadelphia Water Department

AGENDA

ADDRESS: 4045-61 MAIN ST
Proposal: Demolish mill complex, construct residential building
Review Requested: Final Approval
Owner: GJ Littlewood & Sons Inc.
Applicant: Adam Laver, Blank Rome
History: 1869; Littlewood & Co., Dyers and Bleachers
Individual Designation: None
District Designation: Main St Manayunk Historic District, Significant, 12/14/1983
Staff Contact: Jon Farnham, jon.farnham@phila.gov

OVERVIEW: This application proposes demolishing all but sections of the front facades of the buildings at a mill complex and constructing a seven-story residential building at 4045-61 Main Street at the corner of Main Street and Shurs Lane in the Main Street Manayunk Historic District. The application claims that, owing to the configurations and conditions of the mill buildings as well as their location within the floodplain, the structures cannot be feasibly adaptively reused for any purpose. Several generations of the Littlewood family operated a dye house at the site from 1869 to 2021, when flooding from Hurricane Ida inundated the property and forced the closure of the business.

The mill complex is located in the Main Street Manayunk Historic District, which was designated by City Council by ordinance in 1983, before the Historical Commission itself had the authority to create historic districts. The properties in the Main Street Manayunk Historic District are subject to the provisions set forth in Section PM-804 of the Property Maintenance Code, which provides a concise set of design review criteria for permit applications but does not directly address demolition. Supplementing the limited nature of the provisions in the Property Maintenance Code for the Main Street Manayunk Historic District, Section 18 of the Historical Commission's Rules and Regulations authorizes the Historical Commission to apply the provisions of the historic preservation ordinance, Section 14-1000 of the Philadelphia Code, to properties in the Main Street Manayunk Historic District, provided those provisions do not conflict with the Property Maintenance Code. In this instance, the Historical Commission should apply the demolition provisions in the historic preservation ordinance.

Philadelphia's historic preservation ordinance expressly prohibits the Historical Commission from approving demolitions of historic buildings unless it determines that:

- the demolition is necessary in the public interest; and/or,
- the building cannot be used for any purpose for which it is or may be reasonably adapted.

In the first instance, the ordinance authorizes the Historical Commission to approve demolitions for public policy reasons, when the public interest advanced by the demolition greatly outweighs the public interest in the preservation of the building. In the second instance, the ordinance authorizes the Commission to approve demolitions when regulation of the property for preservation purposes would deny all economically viable use of it and thereby inflict a financial hardship on the owner. This application asks the Historical Commission to approve the demolition because the complex of buildings cannot be used for any purpose for which it is or may be reasonably adapted.

The Main Street Manayunk Historic District was designated without a nomination and inventory. The nomination and inventory for the Main Street Manayunk National Register Historic District have been traditionally used in place of the missing nomination and inventory. The National Register inventory classifies this site as significant to the district.

The application materials identify 10 structures at the site, but it is difficult to determine where one structure ends and the next begins because most are overlapping and interconnected. The oldest mill buildings at the site date to about 1869, when the business was founded. Structures were added and interconnected throughout the lifetime of the business as it grew during the late nineteenth and twentieth centuries. About 1899, the former Fountain Hotel, which was adjacent to the mill, was added to the complex as an office building. It is labeled Structure 1 in the application materials. The Fountain Hotel was noted as early as 1843 on a map of the County of Philadelphia. By 1885, the hotel had fallen from grace, when the *Inquirer* reported that the "Fountain Hotel, a sort of cheap lodging house at the foot of Shur's lane, near Main street, where about 18 families live, is the scene of great destitution. The poorest of all the poor live in this house." Located at the lowest point in Manayunk along the Schuylkill River, the hotel and mill flooded repeatedly in the nineteenth century, including in 1850, 1869, 1875, and 1889, as local newspapers reported. That pattern of flooding has continued to this day and is accelerating, owing to climate change.

The application includes an affidavit providing the information required by the preservation ordinance for hardship applications, an assessment of the existing conditions at the site, a report on flooding and its impact on redevelopment of the site, a planning analysis of the site and surroundings, an economic analysis of potential reuses of the property, a set of photographs and historic maps documenting the site, and architectural plans and renderings of the proposed building.

The Committee on Financial Hardship reviewed the hardship portion of the application at its public meeting on 3 April 2024. The Architectural Committee will review the hardship and architectural portions of the application at its public meeting on 23 April 2024. The Historical Commission will review both committee's reports and recommendations as well as the application at its 10 May 2024 public meeting.

The proposed building that would replace the mill complex would be seven stories tall and include 167 residential units, 160 parking spaces, residential amenities, and a loading dock. The seventh story would be set back from the planes of the street facades. Occupied space and mechanical equipment would be located on and above the second floor, above the floodplain. Walls from the mill complex along Main Street would be retained and incorporated into the new building. Windows and doors in the old walls would be restored. The new building would be clad in brick and corrugated metal.

SCOPE OF WORK:

- Demolish all structures except portions of the facades along Main Street.
- Construct a seven-story building, incorporating the retained facades.

STANDARDS FOR REVIEW:

- *Standard 2: The historic character of a property will be retained and preserved. The removal of distinctive materials or alteration of features, spaces and spatial relationships that characterize a property will be avoided.*

- *Standard 5: Distinctive materials, features, finishes, and construction techniques or examples of craftsmanship that characterize a property will be preserved.*
- *Standard 9:* New additions, exterior alterations, or related new construction will not destroy historic materials, features, and spatial relationships that characterize the property. The new work will be differentiated from the old and will be compatible with the historic materials, features, size, scale and proportion, and massing to protect the integrity of the property and its environment.
    - The complete demolition of the structures fails to satisfy Standards 2, 5, and 9.
- *Section 14-1005(6)(d) of the City's historic preservation ordinance: No building permit shall be issued for the demolition of a historic building, structure, site, or object, or of a building, structure, site, or object located within a historic district that contributes, in the Historical Commission's opinion, to the character of the district, unless the Historical Commission finds that issuance of the building permit is necessary in the public interest, or unless the Historical Commission finds that the building, structure, site, or object cannot be used for any purpose for which it is or may be reasonably adapted. In order to show that building, structure, site, or object cannot be used for any purpose for which it is or may be reasonably adapted, the owner must demonstrate that the sale of the property is impracticable, that commercial rental cannot provide a reasonable rate of return, and that other potential uses of the property are foreclosed.*
    - The application seeks to prove that the buildings at 4041-65 Main Street cannot be used for any purpose for which they are or may be reasonably adapted.

STAFF RECOMMENDATION: The staff recommends that the Historical Commission find that the property at 4045-61 Main Street cannot be used for any purpose for which it is or may be reasonably adapted, owing to chronic flooding at the site and the inability to retrofit the mill buildings for new uses above the floodplain, and approve the demolition, pursuant to Section 14-1005(6)(d) of the City's historic preservation ordinance.

START TIME OF DISCUSSION IN ZOOM RECORDING: 00:03:35

PRESENTERS:

- Mr. Farnham presented the application to the Committee on Financial Hardship.
- Attorney Adam Laver, civil and water resources engineer Kevin Flynn, economic consultant Peter Angelides, and architect Eric Leighton represented the application.

DISCUSSION:

- Mr. Laver stated that he is counsel at Blank Rome and represents 4045 Main Street, LLC, which is the equitable owner of the subject property. Its parent entity is Urban Conversions. He stated that his client does not relish appearing before the Committee on Financial Hardship, takes the process seriously, and would only resort to it after having exhausted all other options. He stated that Andrew Zakroff, the Vice President of Acquisitions and Development for Urban Conversions, is attending the meeting. Urban Conversions prides itself on a reputation for creative, adaptive reuse of historic properties throughout the city. It has experience working with the National Park Service on adaptive reuse projects. The company's guiding principle is to reimagine urban historic buildings through innovative transformations. Urban Conversions first attempted to find an adaptive reuse approach for this complex. It intended to convert and repurpose the mill complex. However, it soon became clear, as the application demonstrates, that such a repurposing was simply not possible. Urban Conversions then sought to maintain the spirit of the site while allowing for the

possibility for a viable use for the future. Mr. Laver stated that he has had the opportunity to walk through the mill site several times and noted that it is truly fascinating in some ways, but it is functionally obsolete and a danger to human safety due to flood risk. The industrial buildings were constructed in the nineteenth century. They cannot be retrofitted to meet the deficiencies of the flood plain. Mr. Laver stated that his client has explored alternatives for adaptive reuse, but there are no viable options, given the specific location and the existing configuration of the structures. All reliable indicators point to an increased risk of flooding in the future, which will likely accelerate due to climate change. On 2 September 2021, the flood waters of Hurricane Ida swept through the dye house, causing catastrophic damage beyond anything that the owners could predict. The Littlewood family operated the dye works for 152 years across five generations and were forced to close permanently. The nineteenth-century buildings had weathered serious freshets in the past. The high watermark left from the flood of 1869 can still be seen on the wall of the factory. During Hurricane Ida, 17 feet of water surged over the riverbank and into the buildings, submerging the first and the second floors and destroying equipment and materials. Members of the Littlewood family had to flee their offices out the upper windows of the factory, jumping roof to roof to flee the flood waters. Mr. Laver explained that the industrially zoned property is subject to several restrictive zoning overlays, which severely constrain the site owing to the flooding potential. He concluded that the location of the complex within the floodplain cannot be ignored, and the complex of buildings cannot be used for any purpose for which it is, or may be, reasonably adapted.

- Mr. Flynn stated that he is a senior water resources engineer with the firm AKRF, an environmental, planning, and engineering consulting firm in Philadelphia. He stated that his firm was contracted to evaluate flood risk at the property and also to analyze potential redevelopment scenarios with respect to flood risk and applicable flood hazard regulations for the city. He stated that his firm considered the industrial use of the site and a renovation of the existing office building on the site for various commercial uses. He noted that the analysis included the evaluation of the existing structures, elevations at the site, property owner interviews, and a study of historic flood events. He displayed a photograph and explained that it was taken by a colleague during the Hurricane Ida flooding event in September 2021. He noted that the photograph was taken looking at the corner of Main Street and Shur's Lane with the subject property to the left. This flooding event exceeded the building's finish floor elevations. It compromised egress from the building and ultimately prohibited the continuation of business operations at the property. He summarized the results of his evaluation of the reuse of the existing structures under the possible redevelopment scenarios. He stated that his firm concluded reuse of the existing structures would require extreme and impractical floodproofing measures to comply with the City's flood hazard regulations, owing to the location and the significant flood depth at this property location. He explained that flood depth is the design basis for compliance with those City regulations. That depth is nearly 14 feet above ground level at the lowest corner of the building, and that flood depth greatly exceeds the maximum depth that is recommended for different dry floodproofing measures per FEMA technical guidance, recommendations, and per guidance that is specific to floodproofing of historic structures, including the Manayunk Main Street Historic Flood Guide, which was published by the State Historic Preservation Office, and the US Secretary of the Interior's Standards for Rehabilitation and Guidelines on Flood Adaptation For Historic Buildings. He reported that the property owner implemented some of the recommendations from the Main Street Historic District Flood Guide, but

those measures were not sufficient to support the continued operation of the facility following Hurricane Ida. He observed that, in his analysis, he also considered the potential for historic structure exemptions from full compliance with the City's floodplain development regulations. He concluded that, in his opinion, due to significant flood depths at this location, the use of a historic structure exemption would leave this property susceptible to continued reoccurring flood damage and potentially create a safety risk for any future occupants as well as the surrounding neighborhood. Mr. Flynn showed an image with the design flood elevations for the property indicated by a yellow line overlaid on the images of the frontage of the buildings. He explained that the design flood elevation is the basis for floodplain regulations. Relative to the existing facade, the design flood elevation is higher than the bottom of every single window and door along the frontage of the property on Main Street. He noted that, in the redevelopment scenario analysis, his firm determined what modifications or improvements would be needed to comply with the floodplain regulations. He stated that they specifically looked at options for adding floodproofing up to the design flood elevation shown by the yellow line, to making the structure impermeable to flood waters up to that elevation. Mr. Flynn stated that his firm also considered floodplain regulation compliance through wet floodproofing, which essentially would allow floodwaters to enter and exit the structures. He noted that there are some permissible activities below the design flood elevation including incidental storage and access. He reported that he also analyzed every historic flood event over the past 30 years that occurred at the site. In addition to the catastrophic flooding of Ida, the site has faced very frequent flooding from smaller events, with at least seven flood events estimated to have exceeded the finished floor of the manufacturing space over the past 30 years. He showed several photographs of examples of the owner's dry floodproofing efforts, which were insufficient to protect the facility during Hurricane Ida. Mr. Flynn explained that the first reuse scenario that his firm evaluated was locating a new industrial use at the site. For this scenario, his firm determined that wet floodproofing or changes to the finished floor elevation were impractical, owing to vehicular access for loading and unloading and the movement of supplies, inventory, and equipment between the street grade and the design flood elevation, a difference of almost 14 feet. Regarding compliance with the floodplain regulations using dry floodproofing measures, the floodproofing measures would need to provide as much as 13.79 feet of protection, essentially making the building impermeable up to that height. That much floodproofing significantly exceeds technical guidance by FEMA as well as other guidance for retrofitting historic structures. FEMA guidance does not recommend dry floodproofing in areas where the flood depth of water is greater than feet three feet. In this case, that flood depth would be exceeded by three times that amount. Mr. Flynn reported that, in the second scenario, his firm evaluated reusing and renovating the existing office building for various commercial uses. He stated that they considered dry floodproofing, this time to a height of approximately 11 feet, which again greatly exceeds technical guidance and recommendations for any structure, but also for historic structures. He said that to meet the regulations, they would have to raise the or protect the existing doors and windows nearly four feet. At the front door of the office, where there is already a six-foot-tall staircase, an additional four or five feet would need to be added. Emergency egress above that flood elevation is a significant concern. Emergency egress to Shur's Lane would need to be added to get out above the design flood elevation. Mr. Flynn stated that he provided a summary but noted that there is much more detailed information on the analyses available in the materials that were submitted. Mr. Flynn stated that, in conclusion, his analysis of

the reuse of these buildings for the development scenarios that were analyzed showed that the reuse would not only create operational difficulties and hardships, but that it would be difficult if not impossible to implement the floodproofing measures required to comply with the regulations. He stated that floodproofing these buildings would be extreme and impractical, and really not appropriate for this location, owing to the significant flood depths. He noted that the previous floodproofing efforts by the property owner that closely followed the guidance that was provided in the Manayunk Main Street Historic Flood Guide might be practical for other sites along Main Street, but they were not sufficient to protect this site during Hurricane Ida, which was a smaller flood event than they would be preparing the site for in any sort of redevelopment activity. Mr. Flynn added that pursuing an exemption from complying with the floodplain regulations would only leave any redeveloped or renovated building susceptible to continued and reoccurring flood damage, and also create a risk to the future occupants as well as a potential risk to surrounding neighborhood.

- Mr. Angelides introduced himself as the president and principal at Econsult Solutions, a consulting firm that applies economics and finance expertise to urban policy questions. He stated that he has appeared before the Committee on Financial Hardship and Historical Commission multiple times in the past. He provided the conclusion of his analysis first, that there is no use to which 4045-61 Main Street may be reasonably adapted given limitations from the flood zone and the inherent nature of the complex of buildings itself. He remarked that he will discuss how much it would cost to renovate the complex and the kinds of revenues that one could expect from any adaptive reuse. Mr. Angelides showed maps and photographs to orient the audience to the site and pointed out the office and industrial buildings. He observed that the complex is an agglomeration of 10 structures with many interior walls dividing the space. He also noted that the structures have many different floor levels. He stated that the property is susceptible to flooding and has been vacant since Hurricane Ida. Mr. Angelides displayed photographs of the interiors of the industrial and office buildings. He pointed out the floor-level changes. He noted that the third floor of the office building has a very short floor-to-ceiling height. He noted the rock outcroppings at the rear of some of the industrial spaces. He stated that the structures are shells, and all systems need replacement. The spaces are not insulated. There is limited natural light. The structures are in the floodplain. He showed a map of the floodplain and noted that the complex of structures is in the floodplain and the floor levels are largely below the design flood elevation. For example, to bring the office building up to code for a multi-family or hospitality use, the ground floor would not be usable, the second floor would need to be raised above the design flood elevation, and the third floor would have to be removed. Wet floodproofing of the office building would therefore require removing both floors from the structure and rebuilding one single floor at the yellow line shown in the image. Mr. Angelides noted that, even without the flooding risks, there are many challenges to reusing this set of purpose-built industrial structures. He stated that the configuration of the complex is not ideal for industrial reuse. Although most of the structures have just one floor, those floors are not at the same level. There are numerous interior walls. The second-floor spaces are mostly loft spaces. There are few windows and very limited daylight. There is no internal loading zone. The former industrial occupant did its loading on the sidewalk at Main Street. Trucks would pull up onto the sidewalk. The widths of the surrounding streets are too narrow for large trucks; backing up and turning around is difficult. Mr. Angelides explained that he considered five reuse scenarios: industrial, restaurant, retail and office, multi-family residential, and hospitality. He stated that he only considered the residential uses in

the office building. Mr. Angelides asked what an industrial building needs to be successful. An industrial building should be outside the floodplain, have good access to highways, have good loading facilities, and large, flat, open interior spaces. To make the space work, you would need to raise the finished floor above the design flood elevation and wet floodproof below. Not only would that be very expensive and awkward, but it would also make loading and other operations more difficult and, for many practical reasons, would not work. The alternative is to dry floodproof the complex, but, as Mr. Flynn showed, that is not recommended and would not work. Mr. Angelides concluded that the industrial option would be very expensive to insure and impossible to finance. He stated that industrial structures need access to highways and, while I-76 is nearby, Main Street is too narrow and congested for industrial truck traffic. Shur's Lane is too narrow and steep. Loading and unloading on the sidewalk is not an acceptable alternative. The interior space is too divided for a contemporary industrial user. The spaces are also too small. Mr. Angelides concluded that there are many industrial spaces available in the area that do not have these drawbacks. Even if an industrial tenant could be found for this space, the rent would be minimal. He concluded that an industrial use is not a feasible reuse of this facility. Mr. Angelides discussed the next alternative, restaurant or retail space. He noted that there are many restaurants and shops in Manayunk, so that use makes sense from one perspective. He noted that restaurant use is essentially a specialized retail use. He observed that the same drawbacks owing to flooding and configuration that apply industrial reuse also apply to a retail reuse. The same loading problems exist. The floodplain regulations are the same as the industrial use, which would require significant modifications to the complex to make it usable at all. He remarked that those had been covered in detail earlier. He stated that access to the site is adequate. There would not be any on-site parking for a restaurant or retail use, but there is some on-street parking and many in the neighborhood walk. While customer access is adequate, loading is not. Mom and pop retailers will find ways to work around the loading, but national retailers, who pay large rents, will not and will bypass the space. The largely blank walls without doors and windows will not be attractive to restaurateurs and retailers. The interior is also problematic for restaurant and retail use. The space is very large, about 50,000 square feet, which is much too large for any retailer likely to go into this area. Most retailers are looking for a few thousand, maybe 4,000, square feet. This space would need to be cut up into smaller spaces for several retailers. Each of them would need a separate entrance. The retailers would want to have direct entrances to the street, so the spaces at the back would be less desirable. Mr. Angelides stated that the difficulty of floodproofing discussed earlier would also apply to this scenario. He concluded that a restaurant or retail use is not feasible. He considered a potential office use next. He stated that office use offers more flexibility than retail use, but it still requires light and air to make a pleasant environment. The interior configuration for office use is a little more forgiving. However, the office market is not strong these days. With office use, the same flood problems apply that were discussed earlier for the other uses. People like their windows, so most offices require windows even if every individual office does not have a window. Natural light and natural air are important, but this property does not provide much light and air. Also, there is no dedicated parking at the site, which is a drawback for office use. The interior configuration is challenging at the site. Discontinuous space is very difficult to use as office space. ADA access would be required but is not currently provided. He noted that the office market is stressed, to put it mildly, especially the market for low-quality space like this space. Only relatively high-quality space in good locations can be rented these days. The rents at

this site would be de minimis. Financing would be difficult or impossible to attain to convert this space to office space. In conclusion, he stated that office is also not feasible as a reuse alternative. Mr. Angelides considered multi-family residential reuses next. He stated that multi-family residential also needs light and air, more so than office use. The floodplain regulations are more restrictive for residential uses than for other uses. There is no dry floodproofing option available for residential uses; there are only wet floodproofing options, which means floors would need to be raised above the design flood elevation, which is not practical at this site. To reuse the office building, one would need to rip out the floor and ceiling in the office space, insert a new floor in between the old floors, and raise the windows. An occupant's feet would be at the middle of the lower window and their head at the middle of the upper window. In the industrial space, one would have to do the same thing, but the entire first floor is below the design flood elevation. You could only use the second floor and there is not much second-floor space in the industrial structures. He also noted that there are few windows and most of the space is distant from the closest window. In this and all scenarios, new systems would be needed, heating, ventilation, air conditioning, electrical, and plumbing. In the residential reuse scenario, you might get two or three apartments in the office building, approximately 1,200 rentable square feet. Rents in the immediate vicinity of this site average about $2 a square foot. Some are more, some are less. Some are higher quality, some are lower quality, but on average about $2 a square foot is accurate. A finished apartment at this location would be of average quality, certainly not luxury. The entrance would be up a staircase about 11 feet above the ground. If you can rent the space at $2 per square foot, and it is 1,200 square feet, one would wind up with residential space worth approximately $250,000, but it would cost multiples of that amount to renovate. Mr. Angelides concluded that turning the office space into residential units is not feasible. Mr. Angelides then considered converting the site to a hospitality use, which is very similar to a residential use. He observed that hotel rooms need more or less the same features that a multi-family residential space would need, like light and air, an appropriate interior configuration, and ADA compliance. Once again, the floodplain issues would complicate and limit the redevelopment of the site for a hospitality use. The current office building could be converted to two or three guest rooms, which is really not a hotel. It is not enough rooms to justify having a staff on site, so it would be an Airbnb type hotel that guests would check into themselves. The rooms would be cleaned but they would not be staffed regularly. Rooms in such a facility would rent for approximately $90 or $100 per night. Using standard assumptions about occupancy and cap rates, the completed project would be valued at about $325,000, which is again a fraction of what it would cost to renovate. He showed a summary of his calculations and concluded that, owing to significant construction and development costs, hospitality is not a feasible use. He stated that, after reviewing the five most likely reuses for the site, there is no use to which the subject property may reasonably adapted. Given the limitations imposed by the flood zone, the configuration, the condition of the buildings, the cost of the renovations, and the revenues that might be expected from any of these uses, there is no feasible reuse for this property.

- Ms. Carney thanked the applicants and expressed her appreciation of the thoroughness of the presentation provided today as well as the attention to detail of the application submitted earlier.
- Mr. Thomas noted that he is a preservation architect and worked on the Lincoln Mill at 4100 Main Street, right across the street from the property in question, several

years ago. He stated that his client was a restaurant. The building is at the same flood elevation, which forced the restaurant to be located on the second floor. He noted that the building is designated as historic as well and its reuse was significantly limited by its location in the floodplain. He stated that developing a feasible adaptive reuse plan was difficult and the building had several advantages over the building in question, like large floor areas in the upper part of the building that could be reused. He observed that the lower parts of the building could not be reused. Mr. Thomas stated that his own work on the building across the street confirms what the consultants are saying about the complex in question.

PUBLIC COMMENT:

- Paul Steinke of the Preservation Alliance stated that his organization submitted a letter detailing its comments on the application. He noted that the presentation was very detailed and thorough. He acknowledged that the developer, Urban Conversions, does have an exemplary track record track record of adaptive reuse projects in the city. He added that the Preservation Alliance is recognizing a project by Urban Conversions, the Paper Factory Lofts, a former textile mill in Kensington, at its awards event in June. He observed that today's presentation was very detailed and likely took months to prepare; however, the public has only had access to the presentation for one week. He called attention to the Manayunk Main Street Historic Flood Guide, published by the State Historic Preservation Office. It details specific mitigation options appropriate for historic structures. He noted that, in addition, the National Park Service published guidelines on flood adaptation for rehabilitating historic buildings in 2019. He contended that the development team has not fully sought to incorporate these suggestions into their plans. He observed that the Main Street Manayunk Historic District is the oldest local district in Philadelphia, dating to 1983. The district's significance is based on its industrial history. This site is significant to its history. Philadelphia was once a textile manufacturing giant. Around the time of World War I, Manayunk, along with Kensington and Germantown, produced roughly a quarter of the textile output of the United States. The preservation of a tiny amount of wall along Main Street is clearly not enough to preserve the integrity of this historic site or the spirit of the place. At the same time, no one can deny the terrible flooding that took place during Hurricane Ida. He asked if occasional flooding is a sufficient reason to throw in the towel on this historic site. He asked what that would mean for the rest of the Main Street Manayunk Historic District. He stated that this site offers an opportunity for a more creative redevelopment approach that incorporates at least some of the historic buildings on the site. For example, access and loading, which today is limited, can be improved through selective demolition of some of the buildings on the site. He suggested considering two nearby examples. Pencoyd Landing is a blend of new construction with a hotel and restaurants and adaptive reuse right across the Schuylkill River from Manayunk, connected by a pedestrian bridge. Wissahickon Trails, a conservancy organization, rehabilitated Four Mills Barn, near Ambler, Pennsylvania, as its headquarters. It is near the Wissahickon Creek and occasionally floods. The organization redesigned the barn to include a flexible public programming space on the first floor, which sometimes floods, and moved offices to the second floor. Mr. Steinke concluded that approval of this application would really represent a failure of historic preservation regulation in the heart of the city's first and oldest official historic district. The Historical Commission should consider this application the developer's first offer. This is a negotiation. The Historical Commission should deny this

application and require the property owner to present a new plan that preserves more of the historic structures and the integrity of this historic site.

- Kevin Smith, the president of the Manayunk Neighborhood Council, asserted that the application makes several major strawman arguments. It argues that, if reused, the site must be reused as I-2 industrial zoning. It argues that if reused, all existing structures must be kept. And it argues that the buildings are so interconnected, so it is all or nothing. It also tries to establish the false dichotomy that the property must be reused in its current form, or completely demolished and rebuilt as in a purely residential form. If you take those arguments off the board, 90% of what has been presented by the developer falls away. The application spends a great deal of time supporting those strawman arguments. The entire stretch of Main Street from Shur's Lane to the Wissahickon Creek is ICMX and I-1 industrial zoning. The letter by the flood consultant employs several of the strawman arguments and adds one of its own. It focuses on truck traffic, chemical storage, and heavy industrial equipment and adds a strawman argument about dry waterproofing, implying that this would be necessary and desirable for free use. It is simply not relevant. The ground level will flood to some degree with some frequency and once in a while to a high degree regardless of the activity on the site. The applicants argue that temporary lodging would require a variance, but so would the proposed apartment building. The apartment building would also require ADA access. The application also simply asserts, without documentation, that emergency egress would require an annex, and such an annex would compromise the redevelopment potential of the adjacent lot. The applicants suggest using the building as temporary lodging facility, but transient residents and visitors to this area may not be familiar with the flood response, procedure, and evacuation routes. He stated that a fire is worse than a flood. As fast as the water rose during Ida, the time to react to the flood was measured in hours, not in minutes, as it would be with a fire. The architect points out insurmountable problems of reuse like the lack of sufficient egress and claims that the possibility for viable at egress to the public right-of-away in the event of an emergency is limited to the Main Street edge of the building. The site has easy access to Shur's Lane above the 100-year flood level and egress to Shur's Lane will have to be created. It is a complete strawman argument. The architects point out environmental hazards such as lead paint asbestos. They will need to be abated with any redevelopment. He mentioned mold and radon. He claimed that these are common conditions, not insurmountable problems. He objected to the letter from Nancy L. Temple and asserted that her opinions are offered without evidence or argumentation. He rejected the claim that the new development will bring in residents who can frequent local businesses, providing an economic boost for the neighborhood. Every residential project proposed for Manayunk in the last 25 years has made this claim, yet Main Street struggles with dead afternoons and hard-to-fill shops. The applicants also argue that this development will provide sustainable growth through its adaptive use of an existing vacant structure, but it is not proposing any sort of adaptive reuse; it is proposing complete demolition and the construction of a seven-story apartment block. Mr. Smith contended that the entire Econsult Solutions report is filled with strawman arguments. He objected to the report's conclusion that there is no reuse for the existing buildings. He asked why it did not include a discussion of the available parking across the street. He stated that the site could be developed for mixed use. He asked how much the property costs to acquire. He suggested a less ambitious project based on realistic property values. He stated that, if it is impossible and impractical to put any sort of commercial use on the site because of frequent flooding, then packing the site full of people and cars is not the best solution. He

asserted that the building complex is not a house of cards. The application does not include any engineering evidence that these buildings are unstable or codependent. He asked the Committee to recommend denial of the application.

- Jay Farrell stated that he has a general sense that hardship applications have become too frequent of late, and that the bar for granting them seems to be set a lot lower than it should be, particularly when industrial buildings are involved. He noted that he agrees with Paul Steinke about selective demolition to accommodate new uses. He observed that this complex is a significant mill in Philadelphia's first historic district. He said that the developer needs to look harder and imagine reuses for these mostly intact buildings and not give in so easily to the supposed hardships. He said that he does not take much stock in the financial outlook for any reuses because the analyses are "kind of fuzzy." He suggested that the developer try harder to find a reuse.
- John Hunter, an architect and the zoning chair of the Manayunk Neighborhood Council, stated that he has been involved in discussions with the developer regarding this site for over the last couple of months. He suggested breaking up the financial analysis into separate analyses for different structures because some areas could be selectively demolished. He objected to the blanket approach, the all-or-nothing approach. He stated that the applicant's analysis relies on a superficial assessment of the importance of each of the individual structures, and its feasibility for reuse.

ADDITIONAL DISCUSSION:

- Mr. Laver stated that the entire application team has great respect for everyone who spoke and noted that, in good faith and in the spirit of open discourse, he and his client have engaged with the Manayunk Neighborhood Council over the course of several months and toured the site with members of the Council. He stated that his team looks forward to continued discussions and expects that there may be some differences of opinion along the way. He stated that his team has explored all alternatives and made the unfortunate determination that there is no viable reuse, which is based on the independent opinions of the experts. The structures are in the floodplain, but even if they were not in the floodplain, they would face significant challenges to redevelopment. Mr. Laver stated that they explored floodproofing, but it is not viable, owing to the flood depths at the site.
- Mr. Leighton introduced himself as the architect on the team. He stated that cbp Architects has a depth of experience working with the adaptive reuse of historic structures, especially former industrial buildings. He stated that his firm worked with the developer of this project, Urban Conversions, on the project that was mentioned earlier in the meeting that is receiving the award from the Preservation Alliance. He stated that his firm has adapted historic buildings for housing, a fire station, condominiums, rental apartments, live work, lofts, artist studios, and galleries. He stated that this is not the first complex of buildings like this that he has worked on, an agglomeration of structures built over a period of years and decades. In similar cases, his firm has approached the complexes with the idea of undertaking some selective demolition to reveal the bits and pieces that seem to have the greatest possibility for reuse. However, this complex of interconnected buildings has posed challenges that have not been encountered elsewhere. For example, there are rock outcroppings along the rear of the site that support the roofs of some buildings and form a retaining wall for the parking lot on the adjacent property. The railroad viaduct that runs just to the north of this property poses challenges such as forming a large

wall at the edge of parts of the property. The fact that this site is in the floodplain poses the greatest challenge. The limited natural light and few windows also make redevelopment more difficult. There is no infrastructure, no utilities, in any of the buildings. Mr. Leighton concluded that the location in the floodplain coupled with the configuration and condition of the complex make adaptive reuse infeasible.

- Ms. Carney asked Mr. Farnham to elaborate on the staff recommendation.
- Mr. Farnham noted that the staff had recommended that the Historical Commission find that this complex of buildings cannot be reasonably adapted for any new purpose. He referenced an image of the complex that was displayed on the screen and asked the Committee members to imagine the design flood elevation line that was shown in bright yellow on images displayed by the applicant's consultants. It would run across the complex at more than 13 feet above the sidewalk along Main Street. All occupied space and utilities would need to be moved above that elevation to comply with floodplain regulations and make the existing buildings safely and feasibly reusable. Most of the buildings in the complex are one-story structures, a few with upper floors and lofts. The floors would need to be raised about 13 feet above ground level, which would not be possible in most of the buildings, leaving very little usable space where it would be possible. He concluded that, if this complex of buildings was located outside and above the floodplain, there would likely be good arguments that some parts of it could be feasibly, adaptively reused. However, when one accounts for the fact that it is in the floodplain and flooding appears to be occurring more and more often, and one acknowledges the limited amount of floor space in the complex that is above that floodplain line, then it seems obvious that there is no feasible reuse for the complex.
- Mr. Farnham responded to Mr. Steinke's suggestion that the Committee consider various reports on retrofitting historic buildings for flooding. He testified that he provided the Committee with numerous resources on retrofitting historic buildings for flooding in advance of the meeting including the National Park Service Flood Adaptation Guidelines for Historic Buildings, the Pennsylvania Historical and Museum Commission's Manayunk Main Street Historic District Flood Guide, the Philadelphia Historic Resource Flood Hazard Vulnerability Study, and the Phase 1 Report from Philadelphia's Disaster Planning for Historic Properties Initiative.

COMMITTEE ON FINANCIAL HARDSHIP FINDINGS & CONCLUSIONS:

The Committee on Financial Hardship found that:

- The property at 4045-61 Main Street is located in the floodplain and has suffered significant flooding numerous times, most recently on 2 September 2021 from the remnants of Hurricane Ida.
- Dry floodproofing of the complex of buildings is infeasible. According to FEMA recommendations, dry floodproofing of more than three feet above grade is not recommended for historic buildings. These buildings would need to be dry floodproofed up to 10 to 14 feet above grade to waterproof them to the Design Flood Elevation.
- Wet floodproofing of the complex of buildings is infeasible. Elevating the complex of masonry buildings up out of the floodplain to the Design Flood Elevation is infeasible. Raising floors and moving utilities up approximately 14 feet within the structures to the Design Flood Elevation would leave little usable space and would be financially infeasible.
- The mill complex at 4045-61 Main Street cannot be reasonably reused for any purpose including residential, hospitality, commercial, or industrial use.

The Committee on Financial Hardship concluded that:

- The application demonstrates that the mill complex at 4045-61 Main Street cannot be used for any purpose for which it is or may be reasonably adapted, pursuant to Section 14-1005(6)(d) of the City's historic preservation ordinance.
- The property at 4045-61 Main Street should be recorded to HABS standards prior to any demolition.

COMMITTEE ON FINANCIAL HARDSHIP RECOMMENDATION: The Committee on Financial Hardship voted to recommend that the Historical Commission find that the mill complex at 4045-61 Main Street cannot be used for any purpose for which it is or may be reasonably adapted, and approve the demolition, provided the site is recorded to HABS standards, pursuant to Section 14-1005(6)(d) of the City's historic preservation ordinance.

ITEM: 4045-61 Main St **MOTION: Finding of hardship, with recordation to HABS standards** **MOVED BY: Carney** **SECONDED BY: Treat**					
VOTE					
Committee Member	Yes	No	Abstain	Recuse	Absent
Robert Thomas	X				
Donna Carney	X				
Mark Dodds	X				
Dan McCoubrey					X
Total	3				1

ADJOURNMENT

START TIME OF DISCUSSION IN ZOOM RECORDING: 01:36:53

ACTION: The Committee on Financial Hardship adjourned at 10:44 a.m.

PLEASE NOTE:

- Minutes of the Philadelphia Historical Commission and its advisory Committees are presented in action format. Additional information is available in the video recording for this meeting. The start time for each agenda item in the recording is noted.
- Application materials and staff overviews are available on the Historical Commission's website, www.phila.gov/historical.