

REPORT OF THE COMMITTEE ON FINANCIAL HARDSHIP PHILADELPHIA HISTORICAL COMMISSION

Scott Wilds, Acting Chair
Commission Conference Room
Room 576, City Hall

15 August 2002

Present

Scott Wilds, Assistant Director, Office of Housing and Community Development
James Brown IV
Gary Hack, Chairman, Philadelphia City Planning Commission
Vincent Rivera, AIA
Harris Steinberg, AIA

Jonathan E. Farnham, Historic Preservation Planner
Laura M. Spina, Historic Preservation Planner
Richard Tyler, Historic Preservation Officer

Also

John Andrew Gallery, Preservation Alliance for Greater Philadelphia
Barry S. Ludwig, real estate appraiser, Ludwig Corporation
Inman Jones, Church of Christ
Susan Mariano, legal assistant of William Schwartz
Clarence W. Norman, treasurer of the Church of Christ
The Reverend Willie Rupert Jr., Church of Christ
William G. Schwartz, Esq., attorney for Church of Christ
Michael Stern, former head, Religious Properties Program, Preservation Alliance
Alfred D. Whitman, Esq., attorney

The Committee recognized the presence of a quorum and called the meeting to order at 2:00 P.M. Mr. Wilds suggested that the Committee elect a Chair. Mr. Steinberg moved that Mr. Wilds be elected as Chair. Mr. Hack seconded. The Committee unanimously elected Mr. Wilds as Chair.

6303 Vine Street

Owner: Church of Christ
Applicant: William G. Schwartz, Esq.
Architect: T.P. Chandler
Date: 1884, parish house and bell tower; 1897, sanctuary
Proposal: Complete demolition based on financial hardship

Mr. Wilds introduced the application to demolish the historically significant church for reasons of financial hardship. He then requested that all those in attendance who wished to testify on the matter present themselves for the record. Mr. Schwartz, counsel for the

church, Mr. Norman, treasurer of the church, Mr. Ludwig, real estate appraiser for the church, and Mr. Gallery, representative of the Preservation Alliance, presented themselves.

Ms. Spina of the staff summarized the application. She stated that the church was designed by the important Philadelphia architect T.P. Chandler and constructed in sections in 1884 and 1897. She noted that the church suffered extensive damage in a severe fire in 1982, but was repaired. Continuing, she observed that the Department of Licenses & Inspections declared the church unsafe in 2001. On 13 June 2001 the church sought a demolition permit from the Historical Commission. The Architectural Committee recommended denying the application on historic preservation and architectural grounds. The Commission concurred and referred the matter to this Committee. The meeting of this Committee on this matter was delayed several times at the request of the applicant. Ms. Spina then identified several deficiencies in the demolition application. The applicant, for example, only contemplated religious reuse of the church; the applicant should have explored secular reuse as well. Ms. Spina also noted discrepancies in the documentation, especially as related to the church's purchase price. In addition, she pointed to contradictions in the report made by the appraiser. In it he stated that an alternative use analysis was beyond the scope of his work, but later contended that the complex held no potential for reuse. Finally, Ms. Spina asked for clarification of the Company for the Civic Arts, which had apparently prepared a condition assessment report. Neither the Committee nor the Historical Commission staff had received a copy of the report.

Mr. Schwartz, the counsel for the church, explained that the 1982 fire had "sowed the seeds" of the church's present, poor condition. He claimed that the repairs made after the fire were not adequate. As proof, he noted that a wall "blew out" recently. Concluding, he stated that the church is unable to afford to make the repairs required by the Department of Licenses & Inspections. The church has only \$50,000 in its accounts, but would need \$823,300 "to stabilize the buildings" and a total of \$3.1 million, he claimed, "to bring it to code." When completed, he contended, the market value of the building would be less than the total cost of the repairs.

Mr. Wilds inquired about the settlement awarded to the church by its insurer after the fire and how that settlement was expended. Mr. Norman explained that the total cost of the repair after the fire was \$496,000. The insurer paid \$276,000, the church raised between \$75,000 and \$80,000, and borrowed \$80,000, which it has since repaid.

Mr. Wilds then opened the floor to questions from the Committee. Mr. Steinberg asked about the church's plans, especially if they wanted to demolish the church buildings to sell the land. Mr. Schwartz replied that they were looking for other buildings, but that the others they had found also required expensive repair. No one would purchase their complex or another like it, he contended, because it was too expensive to renovate and maintain. Mr. Steinberg then asked if the church had the money to demolish the buildings. Mr. Schwartz explained that they did not have the funds and that they would attempt to sell the property with the buildings once the demolition was approved. Mr.

Tyler inquired about an earlier offer for the land. Mr. Schwartz stated that the offer had been withdrawn. Mr. Tyler then asked the appraiser who would pay \$800,000 for the land. Mr. Ludwig replied that he could not answer Mr. Tyler's question and noted that it was not his charge to appraise the land as vacant. Mr. Schwartz concluded that the land is worth more without the buildings because it would be able to be developed.

Mr. Steinberg asked if an environmental study had been prepared. Mr. Schwartz replied that one had not been prepared. Mr. Hack asked if the church had applied for assistance from Preservation Pennsylvania's Philadelphia Intervention Fund. Mr. Schwartz replied that he did not have an answer to that question. Mr. Wilds interjected that the Fund provides up to \$20,000, which would not be nearly enough to save the complex. Mr. Hack countered that as a board member of the Fund, he knew that larger sums are occasionally available. He also asserted that money from the Fund could be used to stabilize the complex, giving time for another use for the property to be found. Mr. Schwartz disputed Mr. Hack's contention, claiming that the funds to stabilize the building would never be found and that the Department of Licenses & Inspections would deem the complex "Imminently Dangerous." Mr. Brown asserted that an "Imminently Dangerous" designation does not always determine the fate of a building.

Mr. Tyler redirected the discussion. He declared that the fire had devastated the sanctuary, but that the damage had been repaired. The condition of the tower and parish house, he contended, was the immediate issue. Returning to the sanctuary, Mr. Ludwig claimed that the roof "wasn't done properly." Mr. Wilds questioned Mr. Ludwig on his use of the phrase "wasn't done properly." Mr. Ludwig replied that he meant that the sub-roofing had not been repaired correctly. Mr. Schwartz supported this statement, claiming that the sanctuary roof needed repair. Mr. Hack pointed to a deficiency in the application, noting that the cost of the expensive roof repair was not included in their report. Mr. Steinberg questioned Mr. Norman about whether or not the roof on the sanctuary had a 20-year life span. He answered that it did and that it was approaching the end of its life. Mr. Steinberg then noted that the sanctuary roof required routine maintenance, not extraordinary work. Next, Mr. Tyler noted that the intense heat of the fire had had an effect on the appearance of the interior stone work and questioned whether it had compromised its structural integrity. Mr. Schwartz conceded that the stone was structurally sound, referring to the condition assessment report prepared by the Company for the Civic Arts. Ms. Spina noted that the staff and Committee had not seen the report. Mr. Schwartz promised to make copies available.

When asked by Mr. Hack if the alternative of fixing the sanctuary and sealing the rest of the complex had been considered, Mr. Schwartz replied that it had not. Mr. Brown then questioned church officials about the current use of the complex. Mr. Schwartz reported that the church currently uses the entirety of the complex despite the apparent danger.

Mr. Tyler shifted the line of questioning to evaluate whether or not the applicant had met the submission requirements as stated in the Historical Commissions Rules and Regulations. He acknowledged that the "bare bones basics" had been met, but that the Historical Commission held the right to request further information from the applicant.

Returning to the question of reuse, he noted numerous examples of the reuse of churches in Philadelphia for secular purposes. He conceded that the site at 63rd and Vine Streets was not highly marketable and asserted that the congregation should not be required to bear the burden of an expensive reuse analysis. Mr. Wilds agreed. Mr. Steinberg suggested that the church contact organizations like the Historic Religious Properties Program of the Preservation Alliance.

Mr. Gallery, the executive director of the Preservation Alliance, acknowledged the difficulties for small congregations in maintaining historic properties, but asserted that the Church of Christ is a very significant historic property. He then reminded the applicant, Committee, and staff that on 13 June 2001 the Historical Commission had resolved to form a sub-committee to explore the issue of reuse at the site. The Financial Hardship Committee, he contended, should not act until the sub-committee has made its report to the Historical Commission. He also added that the church had not exhausted its options. It has not, for example, contacted the Partners for Sacred Places, a national religious properties program based in Philadelphia. He also declared that the property should be listed for sale with a real estate broker. He then stated for the record that he disagreed with Mr. Tyler's claim that the application was complete. The Preservation Alliance, he concluded, opposed the approval of the application.

Mr. Wilds acknowledged the 13 June 2001 resolution of the Historical Commission to form a sub-committee to explore the issue of reuse at the site. Mr. Hack noted that the sub-committee was never formed to discuss the issue. Mr. Tyler now supported the formation of a sub-committee. Mr. Wilds stated that one could be convened within a month and suggested that the application be held for a month to allow time for the sub-committee to meet.

Mr. Hack maintained that the applicant had merely made minimal efforts to find possible reuses. He demanded that the applicant make a serious effort to market the property and historic buildings or find a reuse. Mr. Wilds asked if the Committee needed further information. Ms. Spina and Mr. Steinberg suggested that a structural engineer evaluate the property for the Historical Commission.

Mr. Schwartz returned to his earlier argument, claiming that local realtors would not list the property. He asked Mr. Ludwig to offer evidence about the lack of reuse options for the property. Mr. Ludwig claimed that the land is not worth the \$800,000 that Mr. Tyler had asked about. He stated that it could not be used for residential, office, industrial, or storage purposes. He stated that it had no handicap accessibility or space for parking. He concluded that it was not economically viable for any use. Mr. Hack inquired about institutional use. Mr. Ludwig responded that it would be too expensive to retrofit. Mr. Wilds conceded that the City of Philadelphia would have no use for it. Mr. Hack insisted that the applicant had not yet addressed the question of reuse in a thorough manner. Mr. Gallery likewise insisted that the applicant had not yet investigated the reuse completely as specified in the Historical Commission's Rules and Regulations. Mr. Stern, former head of the Religious Properties Program at the Alliance, noted that church buildings had been successfully adapted to other uses in Philadelphia. Mr. Tyler noted that the building

could be adapted for handicapped accessibility and, if its reuse demanded it, the Commission would be likely to allow parking on the land in front of the church.

Mr. Wilds declared that the sub-committee must be created before the Financial Hardship Committee can render its recommendation. Mr. Brown and Mr. Tyler agreed. Mr. Schwartz objected to the delay, but Ms. Spina noted that the applicant had already delayed the process considerably. Mr. Schwartz contended that the matter should be placed before the Historical Commission for a decision without convening the sub-committee.

Mr. Hack made a motion that a sub-committee as outlined in the 13 June 2001 resolution of the Historical Commission should convene to study the question of reuse in order to advise the congregation and that the Financial Hardship Committee should reconvene to reconsider the matter only after the sub-committee had issued its findings. Mr. Steinberg seconded the motion, which passed unanimously.

The Committee adjourned at 3:30 P.M.

Respectfully submitted,

Jonathan E. Farnham
Historic Preservation Planner