



MANITOU SPRINGS
HISTORIC PRESERVATION COMMISSION
REGULAR MEETING MINUTES
Wednesday, May 5, 2010, 7:00 P.M.

I. CALL TO ORDER

A Regular Meeting of the Manitou Springs Historic Preservation Commission was held Wednesday, May 5, 2010 in Council Chambers @ 606 Manitou Avenue. Chairwoman Wingate called the meeting to order at 7:01 pm and declared a quorum present. The following were in attendance:

PRESENT: Commissioner CHARLES CASE
Alternate Commissioner BARBARA DIAMOND (seated @ 7:10 pm)
Vice Chair RANDY HODGES
Commissioner ANNE HYDE
Commissioner ANN NICHOLS
Chairwoman MOLLY WINGATE
Commissioner TAMMILA WRIGHT

ABSENT: Commissioner KAREN CULLEN (*arrived around 7:30 pm – Alternate Commissioner Barbara Diamond was already seated in Commissioner Cullen's stead; however, Commissioner Cullen remained in Council Chambers for the rest of the meeting*)

GUESTS: Councilman Rick Barry (left @ 8:37 pm)

STAFF: Michelle Anthony, City Planner
Kari Kilroy, Assistant

II. APPROVAL OF MINUTES

ITEM 1. Minutes from March 3, 2010 Regular Meeting.

Per a question from Chairwoman Wingate, Michelle Anthony (City Planner) discussed amendments made to the minutes as requested by the Commission during their April meeting.

MOTION:

Commissioner Nichols moved to approve the March 3, 2010 minutes as amended.

SECOND:

Vice Chair Hodges seconded the motion.

DISCUSSION:

None.

VOTE:

Motion passed, 6-0 (Commissioner Diamond was not yet seated).

ITEM 2. Minutes from April 7, 2010 Regular Meeting.

Commissioner Case noted that the word “mute” on page 5 should be “moot”.

MOTION:

Vice Chair Hodges moved to approve the April 7, 2010 minutes as amended.

SECOND:

Commissioner Case seconded the motion.

DISCUSSION:

None.

VOTE:

Motion passed, 6-0 (Commissioner Diamond was not yet seated).

III. NOTICE OF COUNCIL ACTION

None.

Chairwoman Wingate reviewed the meeting procedures and asked the Commissioners if they had any ex parte contacts or conflicts of interest to declare. There were none.

IV. UNFINISHED BUSINESS

ITEM 3. MCAC 1002 – Material Change of Appearance Certification (Demolition and New Residence – Public Hearing) – 108 Elk Path – John McGee on behalf of Star Lumber & Supply Co., Inc., Applicant (continued from April 7, 2010).

DISCUSSION REGARDING REQUEST AND PUBLIC COMMENT:

Michelle Anthony (City Planner) presented the Staff Memo dated 04/30/10.

Commissioner Case asked if Larry Gilland was who the Commission had recommended. Ms. Anthony explained that Commissioner Nichols had recommended Fred Crowley, but it was actually Mr. Gilland who had done the report for Dave Jenkins.

Commissioner Case wondered if there was a definition of economic hardship versus economic loss. Ms. Anthony did not believe that the difference was defined in the Code.

Chairwoman Wingate discussed with Ms. Anthony the difference between restoring and rehabilitation. Ms. Anthony explained that in some ways a project could use both and suggested that “restore” meant restoring aspects that had been removed, like siding or windows. “Rehabilitation” suggested changes or upgrades that suited an updated or continued use. Chairwoman Wingate confirmed with Ms. Anthony that her use of “restorable” in the Staff Memo equated to restoring the resource to contributing status.

Chairwoman Wingate, referring to page 3 of the Staff Memo, confirmed with Ms. Anthony that her analysis included some value of the land.

Commissioner Nichols said that the Gilland report followed methodology that was closer but it was still not classic return on investment and that Staff’s analysis deviated from both methods. She wondered the rationale for doing that. Ms. Anthony replied that the rationale was to cover costs and not necessarily service for costs one did not have. Commissioner Nichols said that a typical, standard financial report accorded the total investment regardless of how it was obtained.

Commissioner Hyde wondered if there was a formula for when a structure stopped being contributing once it had been added to. Ms. Anthony explained that it was a case-by-case basis and that there was no magic number.

Chris Goebel, 153 S. Gleneagle in Wichita, Kansas, said he was there on behalf of Star Lumber & Supply Co., Inc., served as their CEO, and although it appeared to be corporate, it was really a family application. There were currently 118 Goebel family members and they had been spending their summers in Manitou for over 50 years. He said that they had built 105 Oak Place new in 1972. Their vacation homes were available to the family and all current and retired employees. Mr. Goebel went on to say that they bought the 108 Elk Path property from Floyd and Rosalind Lee. Mr. Lee was a Manitou trash collector for decades and had looked after the Goebel family properties. He had lived in 108 and had raised two children there. As they aged, Mr. and Mrs. Lee had spent time off and on in the hospital. Mr. Goebel then detailed the history of the home ownership and the purchase of 108 Elk Path. He said that Mr. Lee, because he had opted out of the Historic District, had assured Mr. Goebel that demolition would not be a problem. But when he came to get a demolition permit in 2006, he was informed by Dan [Folke, Planning Director] that he could not demolish “by right”. Mr. Goebel said he was there to get permission to replace a historic but noncontributing home with a state-of-the-art contributing home. He said that the exterior grading would change very little and he expected the new home to look like it had been there for decades. Mr. Goebel then went on at length to detail the plans for the new home with an eventual capacity to sleep 16-18. He said that they had retained the services of John & Fran McGee and Boyce Richardson. They had also hired Land Development Consultants to submit site plans and he believed they were close and on the same page as Staff regarding the new home design. Mr. Goebel told the Commission that they had hired engineer Chuck Milligan who had recommended complete replacement of the roof system, addressed problems with the foundation, mentioned code violations such as low ceiling heights and lack of proper egress windows, poor insulation, and replacement of all plumbing, electric and HVAC systems. Because he was not asked, Mr. Milligan had not addressed challenges or structural issues related to an addition. Mr. Goebel then detailed the process regarding John McGee’s estimate of \$98,000. He discussed Bill Granda’s estimate and said he had serious concerns as to the quality and specification. Mr. Goebel said it appeared Mr. Granda’s estimate ignored many of the engineer-specified repairs to the foundation among other issues, such as raising door

heights, and his problem with Mr. Granda's estimate was that it only included part of the job to be done – it could be more than Mr. McGee's when all code issues were addressed. Mr. Goebel characterized is as: "Pay me now or pay me later." He also said that so many things were wrong with the home that it was hard to know where to start or stop. He hoped to build a new home and contribute positively to Manitou Springs. Mr. Goebel said that if their plan was approved, there would eventually be four new homes along the street. He then discussed the proposed theme of the family room which would include old photos. He said that they would donate anything of value to Restore and would haul away the foundation for recycling. Mr. Goebel said that they would try to build furniture out of the unused lumber [from the demolition of the existing home]. He detailed more about the home plan, including the removal of Floyd Lee's fence and the capacity for at least six off-street parking spots. Mr. Goebel then addressed Mr. Gilland's report at length. He also said that he had met Tim Haas, owner of 109 Oak Path, and Mr. Haas said he could not image getting \$750 per month for any of his 2-bedroom rentals. Mr. Goebel summarized that Mr. Gilland's report did not agree with Staff's report. He then passed out and explained a spreadsheet detailing a comparison of Mr. Gilland's report, Staff's report, actual Goebel costs and the proposed Figge home at 11 Oklahoma Road. He then discussed the availability of non-owner occupied financing. In summary, he said that he agreed with Mr. Gilland that economic hardship existed. He also agreed that they had paid too much but he said that real estate was in the eye of the beholder and it was a special property. He was there to ask permission to allow the Goebel family to continue their more than 50-year multi-family tradition. Mr. Goebel said that the application was not about making money in an investment home and he hoped the Commission would agree that Manitou did not need another rental property. He described Manitou as a magical place for his family and finished by saying that a brand new state-of-the-art contributing home was a better option.

Chairwoman Wingate called a break @ 8:11 pm.

The meeting continued @ 8:15 pm.

The Commission had no questions of Mr. Goebel.

Chairwoman Wingate opened the hearing to the public.

Fran McGee wanted the Commission to consider the history of the area where the request was located. She said that the area was about cottages that were summer homes for people and the Commissioner's approval would be preserving family history.

Seeing and hearing no further comment, Chairwoman Wingate closed the hearing to the public.

Commissioner Nichols said that she had substantial experience at utilities doing financial analysis and that the standard way in finance that the concept of economic return on investment was calculated – what one always looked at was return on investment – it did not matter if money was borrowed or a mortgage was owed. Using either Mr. Gilland's or Staff's report, Commissioner Nichols' calculations of the internal rate of return were negative. Her argument was that when one was that far away from a reasonable rate of return she was not sure that there was anything left to say. To her, the only issue in the demolition was whether rehabbing the structure was economically feasible.

Commissioner Case agreed with Commissioner Nichols' comments and said that as a landowner in Manitou Springs he was aware that the housing market was vastly different from six months ago – a property worth \$150,000 six months ago was now worth \$100,000-\$109,000. Commissioner Case went on to say that if one restricted the use of the property to the existing structure then one could not use the land value because anyone who would want the land would want to tear down the existing structure and build something new.

Commissioner Hyde thought there was a terrible rate of return because of the small lot. She quoted from page 5 of Mr. Gilland's report: "...if this structure were in another historic sub-district that has more structures of a distinctive character or on a smaller more proportionally sized lot to house ratio – the structure would be more worthy of restoration."

Commissioner Case commented that that thought had occurred to him as well, particularly changing the character of the neighborhood. But he said that they had already done that by approving 11 Oklahoma Road. Now the structure that would stand out would be 108 Elk Path. He finished by saying that if one took a look at any rate of return and it was negative, then that was economic hardship.

Chairwoman Wingate pointed out that the job of the Commission was to consider each project in its factual particulars and as it was now. If and when the time came to do something about other lots, then they too would be looked at in their instances. She also said that she was very cognizant of the neighborhood's character, but said they (the Commission) had limited control. Finally, Chairwoman Wingate appreciated that the lot was on the edge of two subdistricts, but noted that it was grouped within one District.

Vice Chair Hodges said he was trying to get his head around the economic return versus the plan that Mr. Goebel's family had for the property. What they wanted to do was use and enjoy it in traditional summer vacation mode. They were obviously passionate about it and loved the area. He hated to deny the application just because of economic return numbers.

Commissioner Nichols explained that the issue in front of the Commission was demolition and that they had analysis that said it could be restored to contributing form but the question was: Was it economically feasible to rehabilitate? Both reports demonstrated that in a rental market the benefits fell far under so economic return on investment would be negative. Commissioner Nichols' reading of the Code was that "not reasonable" allowed demolition.

Vice Chair Hodges thanked Commissioner Nichols for her clarification.

MOTION:

Vice Chair Hodges moved to recommend approval of MCAC 1002 for the demolition of 108 Elk Path.

SECOND:

Commissioner Hyde seconded the Motion.

DISCUSSION:

Commissioner Case suggested that allowing the demolition was due to the economic investment analysis which showed a negative return. He suggested that the Motion be amended to include

the finding that the economic analysis of rehabilitation showed significant economic hardship due to a negative rate of return on investment.

Vice Chair Hodges and Commissioner Hyde agreed to the amended Motion.

VOTE:

Motion passed, 7-0.

Based on the recommendation of demolition, it was necessary for the Commission to review the design for the new home. Ms. Anthony presented her Staff Report dated 04/05/10 and explained that the Applicant would update the Commission regarding materials.

The Commission had no questions for Staff.

Chris Goebel (Applicant) did not see any problems with what had been brought up whatsoever. He had seen what had been recommended at the Figge home (11 Oklahoma Road) and saw no problem. One big issue was breakup of roof – it was not easy to do because it was 2-stories and the solution would be to raise the center portion of the roof. He would be glad to work on that situation and would work on breaking that up. Mr. Goebel agreed that it would look better. While he was speaking, Fran McGee handed out material samples to the Commission. Mr. Goebel finished by saying that he did not have any problems with any of Staff's recommendations and that they would comply.

The Commission had no questions for the Applicant.

Chairwoman Wingate opened the hearing to the public.

John McGee wondered about a dormer – even a false dormer – to break up the roof. Ms. Anthony said that she was glad to look at alternatives.

Seeing and hearing no further comment, Chairwoman Wingate closed the hearing to the public.

Commissioner Case liked the idea of raising the roof as opposed to a dormer.

Mr. Goebel returned to the podium and discussed the need to raise the peak of the roof over 25'. He said that the original design had broken up the massing and passed out a rendering. Ms. Anthony commented that the Commission could approve a height of up to 30'. Mr. Goebel stated that 27' would be enough.

Seeing no further discussion, Chairwoman Wingate asked for a Motion. Discussion ensued regarding the conditions.

MOTION:

Commissioner Nichols moved to approve MCAC 1002 for construction of a new single family home at 108 Elk Path based on the plans and information submitted March 26, 2010, with the finding that the proposal was consistent with the Historic Design Guidelines, and with the following conditions:

- 1) The street-facing elevation shall be modified in the area of the south end of the proposed porch to provide a visual break in the building wall and roof line in order to minimize the mass and scale of this elevation by allowing up to 27' roof height for the center section of the swelling.
- 2) Windows and doors shall not have divided light grilles or grids, or shall feature exterior grilles that replicate a true divided light appearance. Materials and specifications to be provided for Staff review and approval.
- 3) The Applicant will work with Staff for approval of a manufactured or real stone profile that is compatible in pattern, texture and color with historic stonework in the surrounding area.
- 4) The roofing material shall be a dark, earth-tone color, which shall be provided to Staff at the time of Building Permit.
- 5) Materials and specifications shall be provided on the porch columns, trim, gable-end decoration, and porch flooring.
- 6) The Applicant shall provide information on the proposed design, location and specifications for any exterior lighting to be incorporated on the home for Staff approval prior to purchase or installation.
- 7) Any retaining walls visible from Elk Path shall be clad in a stone to match that chosen for the house, or be constructed of another material consistent with the texture and color of stonework in the area as approved by the Planning Staff.
- 8) Any exposed concrete visible from Elk Path Avenue shall be integrally colored using the City's adopted mix, or as approved by Staff to integrate with the property conditions.
- 9) Approval is valid for one year from City Council approval.

SECOND:

Commissioner Case seconded the Motion.

DISCUSSION:

None.

VOTE:

Motion passed, 7-0.

Mr. Goebel indicated that he would like the application to appear before Council during their May 18 meeting, if possible. Ms. Anthony said she would check and let him know.

V. NEW BUSINESS

None.

VI. OTHER BUSINESS

ITEM 4. Discussion and Decisions Regarding Historic Preservation Month Activities

Per Chairwoman Wingate's question, Ms. Anthony discussed the history of Historic Preservation Month and the Honor Awards. Discussion ensued. Chairwoman Wingate summarized that the intention of the awards was to educate and reward. More discussion ensued.

Discussion ensued regarding which properties to include as awardees.

Discussion ensued regarding a reception site.

Based on Commission availability, it was decided that the date of the reception would be Thursday, May 20, 2010.

Per a request from Chairwoman Wingate, Commissioner Case and Ms. Anthony discussed Dave Meese as a suggestion for the Pioneer Award. Consensus was to support giving him the award.

Ms. Anthony said she was waiting to hear back from the library regarding which references to donate.

Ms. Anthony said that the Proclamation for Historic Preservation Month would go before Council on May 18.

ITEM 5. Other.

None.

VII. ADJOURNMENT

As there was no further business before the Commission, Chairwoman Wingate adjourned the meeting at 9:32 pm.

Minutes submitted by Kari Kilroy