

CITY OF HENDERSONVILLE
Historic Preservation Commission

Minutes of the Regular Meeting of May 19, 2021

Commissioners Present: Ralph Hammond-Green, Chuck Reed (Vice-Chair), Derek Cote, Sam Hayes, Cheryl Jones (Chair)

Commissioners Absent: Phillip Allen, Chris Barron, Kristie Ogletree, Mia Freeman

Staff Present: Matt Manley, Planning Manager/Commission Coordinator, Terri Swann, Administrative Assistant III

- I **Call to Order.** The Chair called this meeting of the Hendersonville Historic Preservation Commission to order at 5:02 pm.
- II **Agenda.** Commissioner Hammond-Green made an addition to the agenda to add the issued COA updates from Mr. Manley. Chair also included the approval of the Findings of Fact and Conclusion of Law from the last meeting and the Adoption of the Annual Schedule of Regular Meetings. On motion of Commissioner Reed seconded by Commissioner Cote the Commission approved the revised agenda.
- III **Minutes.** On motion of Commissioner Reed seconded by Commissioner Cote the minutes of the December 1, 2020 meeting were approved.
- IV **Local Landmark Designation,** Grey Mill Parking Lot and Common Space, (File No. H21-10-LL). Matthew Manley, Commission Coordinator stated this is a legislative decision and not a quasi-judicial hearing. The Commission will take action but not final action.

Mr. Manley stated the applicant was on a zoom call since this is not a public hearing and they will be able to hear from him during public comment.

Mr. Manley stated the original Local Landmark designation of the Grey Mill site was supported by the Commission and approved by Council in 2019. This approval did not include the Parking Lot and the Common Area associated with the development. This is on an adjacent parcel (PIN 9568-88-9541). The developer has amended his request including this additional parcel in order to receive a tax deferral on local property taxes.

The original request did include an additional parcel that was essentially removed on the revised application just before it was approved. The applicant is coming back to amend that approval with the inclusion of this additional parcel. Commissioner Reed asked why it was removed. Mr. Manley stated the feedback at the time, he wasn't here at the time and does not know the exact sequence. What is required is the Commission hears a request, a recommendation is made and at that time it is sent to the state, SHPO, for their informal guidance or comments, advisory comments. Whether that happened before it went to the Commission or after it went to City Council, they provided feedback that the request should be reduced just to include the building, the original mill site and the building that was on that parcel. That was SHPO's recommendation, it was not a requirement, it was received by staff, staff passed it on to the applicant and he believes there may have been some confusion but he will let the

applicant speak to that. There is a report on the landmark itself and that report was revised based on that feedback from SHPO. That revised report made its way into the staff report and that was the ordinance that was adopted. Commissioner Reed asked if there was a new report now. Mr. Manley stated yes included in your staff report.

Mr. Manley gave a brief presentation:

Local Landmarks are properties of historical significance that are located outside of historic districts. Local Designation gets a 50% tax deferral on local property taxes.

Property was added to the National Register in 2000 (1.64 acres).
Property was designated as a Local Landmark in 2019 (1.09 acres). This did not include the associated Parking Lot or the Common Area.

Mr. Manley stated the inclusion of the Parking Lot and Common Area (1.17 acres) would amend the designated Landmark boundaries (2.26 acre), extend the City's requirements for a COA to the additional parcel, and provide tax incentive to the developer.

Mr. Manley showed the Sanborn Map and explained the areas on it. He also showed the 2000 Tax Map, the 2014 survey, 2019 survey and site photos.

Mr. Manley stated the criteria for the Commission's recommendation of designation is no property shall be recommended for designation as a historic landmark unless it is deemed and found by the Historic Preservation Commission to be of special significance in terms of its historical, prehistorical, architectural or cultural importance and to possess integrity of design, setting, workmanship, materials, feeling and/or association.

Mr. Manley stated this is not a stand-alone application it is a request to amend a previously approved application.

Chair asked if they had any tax parcel information. She was curious to see how the tax value changed. Mr. Manley stated he cannot speak on any of the tax information, but the applicant might be able to.

Mr. Manley asked if there were any questions and stated again, this is a legislative decision and not quasi-judicial.

The Commission will either recommend or not recommend this amendment to the application and City Council will have the final decision.

Chair asked if he had been able to find any parking lots that were included in a Local Landmark designation. Mr. Manley stated all of our Local Landmarks are residential, the best he could tell and there wasn't a need or requirement for parking because they were single family. He did not look regionally or across the state.

Mr. Manley stated even if there was parking associated with a Local Landmark whether it was on a parcel that was historically not part of the original parcel that was a Local Landmark, this is unique in that way. Staff's opinion is today, that parking lot is directly associated with that use. That's a fact. It is

also on a parcel that was not part of the National Register nomination. His assumption is that the parking lot that is referenced in that register nomination was likely located on the south side of Fourth Street. They walked across the street to go to the mill, so it wasn't this parking lot. The question before you is; was there some historical significance in the way this parking lot relates to this structure and he thinks there some ability to show some discretion given the adaptive reuse, redevelopment of the site and consideration to the extended COA process given to the City.

Commissioner Hammond-Green asked if there was any history of any other uses of those smaller parcels surrounding it. Mr. Manley stated he did not know what the historic uses of those sites were. He did not come across that.

Chair asked if he knew when the City acquired the parking across Fourth Avenue. Mr. Manley stated he did not know that. He thought it might be mainly the MLK Park area.

There were no further questions for staff.

Chair opened the public hearing.

Ken Reiter, owner/developer of the Grey Mill thanked the Commission. He stated everyone had been super helpful and thanked Matt and the City staff for all of their help. He stated they were trying to come up with a resolution that he thinks was an oversight and the paperwork was not filed. They want the Commission to be able to see this properly and therefore brought the amendment to them. Simply the request is to add an associated parcel. To answer one of the questions is it typical for parking to be included in the historic property, he has been doing this for over 20 years now and in North Carolina on the projects they do have; they are typically included and have been included in prior designations. The parking associated with these mills is typically included. When they got the property tax bill and couple of years ago and it was not eligible they went back and looked at it and he thinks there was some transition of staff and he was surprised that SHPO in between submittals and approval of the ordinance had recommended not including it and he never really got a definitive answer from them about that. From their perspective as part of redevelopment of this site both the 1.09 acre and the 1.17 acre, they are both part of a Brownfield Agreement that helps the full redevelopment of the parcel. Both parcels are included in the Part 2 application that was approved. So, the standard for the development and the developer and the rehabilitation that they did was not only the building but the parking and the common area and the sitework are part and parcel to the overall redevelopment. At both the state and federal level their construction activity and design was held to a standard that included both parcels and while they can discuss and argue on whether the parking lot is historical or not historical the intent was that they would develop both parcels so that they are harmonious with each other and they would work together. The goal is to basically put together the two parcels as they were intended and treat them as one project. Technically the COA provides some enforcement to make sure they are not doing something more than they could at this level. One of the caveats is that in exchange for the tax deferral they are limited on what they can do to the property.

Mr. Reiter stated on the question of the property tax values, the value of the deferment of the parking/common area is far less than the building. The monetary gain is not significant, but it is meaningful.

Mr. Reiter stated their request is to treat the property, both parcels as one. That is how the Federal Part 1 application and the State Part A application and the Federal Part 2, there were specific design intent such that the overall project would be considered in accordance with the Secretary Interior Standards of Historic Rehabilitation.

Chair stated she was still confused looking at the documents, the ones they have seen and the ones in the packets it looks like the original tract and the parking that was associated with the mill was across Fourth Avenue, which is now courthouse parking and MLK Park. At one time there was some houses and structures behind it, was this actually the parking that went with the mill or was this part of something else. Mr. Reiter stated part of it was parking and part of it is unknown. From the aerial there appears to be parcels of land that were platted for residential. He doesn't know if there were actual structures there at one time, but he is sure there were. Typically, as the mills grew the mill owner would acquire properties for storage. He doesn't know if that happened for sure or not. Chair stated isn't that the crux of this, if they are going to say this separate parcel is historically significant then they need to know how it relates and how significant it is. Right now, they don't even know this parcel was associated with the mill at the time of its operation. She understands his point but doesn't want to approve something with no historical context.

Mr. Reiter stated there is a report showing the timeline, but he is not sure of the specifics of it.

Commissioner Hammond-Green stated it would seem logical if there were homes there, that would be associated with the millworkers. Small single-family homes (such as at the end of Elizabeth Street) are usually associated with some type of industry.

Commissioner Hayes stated the Sanborn Map from 1926 shows some houses on that parcel and one from 1939 where there are different houses.

Chair stated the burden is on the applicant to prove it and she is just not hearing or seeing anything conclusively that any mill activity, significant mill activity was on this parcel. That is what she is looking for to connect it up.

Commissioner Reed stated he failed to see from the report what the historical significance to this parcel is. There are two parts to the designation one is the significance and two is the integrity. There is nothing left of the houses so there is no integrity left. He understands what he is trying to do but he doesn't see that there is any historic significance to the property they are talking about.

Chair stated if there was something there to show they were repurposing a historically significant site, that would make this a fully intact parcel but she cannot find anything that says what was on this site and what makes it historic. This is like a ghost parcel.

Mr. Manley stated he does not know that they have the information they are looking for to get them over this. He stated to be able to move forward today they can look at the way it is today and does it have significance as a project associated with this historic mill. The only rational or reasonable path forward is to look at it from the standpoint of the adaptive reuse, redevelopment project.

Discussion was made on when the construction was completed at the end of 2019. It was under construction and finishing up at the time of this request and if SHPO saw the site after it was constructed. Mr. Manley talked about the one parcel that was designated and that was where all the activity was and how SHPO may have looked at it from that viewpoint. He doesn't know and he doesn't know who from SHPO made comments, but they were informal, but it is the Commission's decision to make a recommendation and the local City Council to make a final decision.

Mr. Reiter talked about the parcel and how they didn't know what happened on each parcel but as a collection of parcels it was contiguous to a historic property. It is reasonable to assume that historic activity and significance was created on these parcels. They need to keep the property in line with the state and federal standards.

Mr. Manley discussed the recombination of the parcels over time.

Commissioner Cote stated he understands the spirit of what is trying to happen, but the guidelines won't allow for emotional spirit decisions.

Chair stated she was trying to find a way but was struggling with it.

Mr. Reiter discussed having the freedom to do whatever they wanted on the property, not that they would do that but if they had the designation then any work or development would have to first have a COA approval.

Discussion was made about selling the property and if that were to happen.

Commission Reed asked if the property was on the National Register. Mr. Reiter stated he believes only the 1.09 acre is on the National Register.

Mr. Reiter stated if they did something wrong on the 1.17 acre parcel regardless of whether it is on the National Register or not, their application with both the Federal and State regulators both SHPO and National Park Service meeting the Secretary of Interior Standards included both parcels. That is his main argument. Whether it is on the National Register or not, they want to make sure that the common area and parking and site work in their mind is of significant importance to the mill.

Discussion was made about the Local Landmark designation and how a property that has this designation would need a COA approval even if it is not in a historic district.

Chair discussed how she felt like the Commission needed more information before they could make a recommendation on this application.

Commissioner Hammond-Green asked if there are any disadvantages for not approving the application. Mr. Manley stated the disadvantage for the City would be less district area which they would require a COA for. This is not a decision of City management or City staff it is a decision of elected and appointed officials.

Mr. Reiter stated they always talked about the parcel as a whole and it was their intent to have the project and the parcels considered as a whole. It is an important incentive to this property to get the tax deferrals. They are planning to complete some softscape work and they have not completed all the work out there. For their consideration they did have approved some hardscape work north of the property, it has been approved and they have not done it yet. Whatever improvements they do would be within the standards.

Chair stated her frustration is no one can show them what was on this property. The ordinance is clear, it has to have some historic significance.

Mr. Reiter stated this is an odd situation and he doesn't mind going back to research the property again. He would just ask that the Commission let him know what kind of information they are looking for.

Discussion was made on other incentives for economic development, other than tax deferral for the Local Landmark designation.

Mr. Reiter stated the City has been incredibly helpful with this project. They did help provide loans for this project. Looking at the designation criteria he would see it might not fit the historic event, but he does believe there was cultural activity that happened on the 1.17 acre parcel. He does not know if that was documented but it would be reasonable to make that determination that there was. He also thinks the Council was under the understanding that they would be asking for the designation for both of the parcels. It was part of the negotiations and discussions they had for redevelopment of the property.

Discussion was made about not having the supporting information they need to make the recommendation.

Mr. Manley discussed the Commission deferring their decision until they have the feedback from SHPO and additional feedback from the applicant.

Commissioner Hayes asked if they come back with information that this was actually mill houses and associated with the mill would that be enough for them to approve it. Commissioner Cote stated it would satisfy their criteria to a degree.

Commissioner Hammond-Green stated from his own personal industrial experience the area immediately adjacent to the building and definitely in the 1.17 acres had to have been used by the industry because they store materials and there is not enough room within the existing block for them to store their incoming and outgoing materials. It is logical that industrial activity took place on the 1.17 acres.

The Commission discussed not having enough information on the parcels and needing more information to make the decision to approve the application. Mr. Manley stated he felt like if they deferred this, they could get more information, but he was unsure how much they would need to feel good about making a decision. Mr. Reiter stated he wasn't sure how much information they would be able to find but they would be happy to do some more research and see what they can find to bring back to the Commission if this is deferred. Commissioner Cote stated it could be photos or a recounting of life at the mill.

There were no other questions for the applicant.

Chair closed the public hearing.

Commissioner Hammond-Green moved to postpone the decision until the next meeting. Commissioner Cote seconded the motion which passed unanimously.

V Mr. Manley gave an update on the COA's that have been approved from February until current.

VI(a) **Findings of Fact/Conclusions of Law.**

- Pulliam Justus Partners, LLC – 101 N. Church Street, File No. H20-26-COA

Commissioner Reed made a motion to approve the findings of fact as written. Commissioner Hammond-Green seconded the motion which passed unanimously

VI(b) **Adoption of annual schedule of regular meeting dates.** On motion of Commissioner Reed seconded by Commissioner Cote the monthly meeting dates for 2021-2022 were approved.

VII **Adjournment.** The Chair adjourned the meeting at 6:49 p.m.