

DEADWOOD HISTORIC PRESERVATION COMMISSION

Wednesday, March 14, 2012 ~ 5:00 p.m.

City Hall, 108 Sherman Street, Deadwood, South Dakota

1. Call meeting to Order– Chair Ronda Feterl
2. Approval of Minutes
3. Voucher Approval
4. Old or General Business
 - a. Relocation of the Sherman Street Gateway Sign – Jim Raysor
 - b. 2012 annual History Conference of the South Dakota State Historical Society
 - c. Appoint member of HPC to board of Deadwood History, Inc.
5. New Matters before the Deadwood Historic District Commission
 - a. Case# 12007 – 51 Sherman Street – Door – Mary Larson
6. New Matters before the Deadwood Historic Preservation Commission
 - a. Case# 12004 – 316 & 322 Main Street – New Construction – Optima LLC
 - b. Case# 12008 – 47 Centennial – Windows – Scott Ochner
7. Revolving Loan Fund/Retaining Wall Program Update
 - a. Retaining Wall Applications
 - b. Revolving loan Program/Disbursements
 - i. 318 Williams – Valerie Wayne & Ernest Reynolds
 - ii. 350 Williams – James & Donna Fletcher
 - iii. 396 Williams – Morris Harris
 - iv. Hickok's - NeighborWorks
 - c. Retaining Wall Program/Disbursements
 - i. 334 Williams – Brad Baucom
 - ii. 340 Williams – Charles & Victor Williamson
8. Items from Citizens not on agenda (*Items will be considered but no action will be taken at this time.*)
9. Staff Report (*Items will be considered but no action will be taken at this time.*)
10. Committee Reports (*Items will be considered but no action will be taken at this time.*)
11. Other business
12. Adjournment

All Applications **MUST arrive at the City of Deadwood Historic Preservation Office by 5:00 p.m. MST on the 1st or 3rd Wednesday of every month in order to be considered at the next Historic Preservation Commission Meeting.*

CITY OF DEADWOOD
HISTORIC PRESERVATION COMMISSION

Wednesday, March 14, 2012

Present Historic Preservation Commission: Matt Pike, George Milos, Ronda Feterl, Mike Olsen, Steve Olson, and Willie Steinlicht. Historic Preservation Officer, Kevin Kuchenbecker, and City Attorney, Jason Campbell, were also present.

Absent: Laura Floyd

Present Deadwood City Commission: Mayor Francis Toscana, and Commissioner Georgeann Silvernail.

All motions passed unanimously unless otherwise stated.

A quorum being present, Historic Preservation Commission Chair, Ronda Feterl called the Deadwood Historic Preservation Commission meeting to order on Wednesday, March 14, 2012 at 5:00 p.m. in Deadwood City Hall located at 108 Sherman Street, Deadwood, SD.

Approval of Minutes:

It was moved by Mr. M. Olsen and seconded by Mr. S. Olson to approve the minutes of Wednesday, February 22, 2012. Aye – All. Motion carried.

Voucher Approval:

Operating Account

It was moved by Mr. S. Olson and seconded by Mr. M. Olsen to approve the HP Operating Account in the amount of \$38,005.98. Aye – All. Motion carried.

Bonded Account

It was moved by Mr. Pike and seconded by Mr. Milos to approve the HP Bonded Account in the amount of \$12,750.30. Aye – Pike, Milos, Feterl, S. Olson, and Steinlicht. Abstain – M. Olsen. Motion carried.

Old or General Business:

Relocation of the Sherman Street Gateway Sign – Jim Raysor

Mr. Jim “JR” Raysor, Public Works Director, was present to request funding to move the Sherman Street Gateway Sign. Mr. Raysor explained the Gateway Sign, located at Sherman and Charles Street, is in the Department of Transportation’s Right of Way. He said the issue was brought to light due the proposed US Highway 85 project. Mr. Raysor explained the corner, where the sign is located, will be softened in order to make the navigation of the turn easier. However, regardless of whether or not this comes to pass, the sign is in the DOT’s Right of Way. Mr. Raysor stated he had received a copy of a letter to Wells Fargo which informed

the Bank that they will need to move their ATM, located between the bank and the Fire Department in Deadwood, by 2015 because it is in the Right of Way.

Mr. Raysor noted the DOT is trying to clean up Right of Way issues. Mr. Raysor went on to explain he contacted Ainsworth-Benning, which was the firm that had the original contract on the sign, to see how much it would cost to move the sign. Mr. Raysor said the sign would be moved in one piece. He explained Ainsworth-Benning will dig a large hole, where the sign is located, so they can drill into the footings and place two inch pipe into the sign. Then, he said, a crane will be used to lift the sign out of the ground in one piece. Mr. Raysor said Ainsworth-Benning is insured and bonded so there will be insurance to replace the sign in an unexpected event. He noted the quote is in an amount not to exceed \$37,549. Mr. Raysor said once the sign is moved, the plan, is to place it at the trailhead of the Mickelson. He explained the City is also looking into receiving grant money from Game, Fish, & Parks, GF&P, in order to do some landscaping improvements at the new site area. Mr. Raysor noted the sign will have two sides. The side facing Deadwood will have the trains; the other side will say George S. Mickelson. Mr. Kuchenbecker explained there should be funding for this item in the Capital Improvement line item.

Ms. Feterl asked when the project will start. Mr. Raysor explained the project will begin in a couple of months. He noted Ainsworth-Benning is currently doing a project in Deadwood and they would like to go from that project to this one instead of having to bring all of their equipment back from Spearfish at a later date. ***It was moved by Mr. Steinlicht and seconded by Mr. M. Olsen to recommend to the Deadwood City Commission the expenditure of an amount not to exceed \$37,549 to Ainsworth-Benning for the relocation of the Gateway Sign located at Sherman and Charles Street as soon as weather permits.*** Mr. S. Olson asked if the project needed to go to bid. Mr. Raysor said, since the project is under \$50,000, it does not according to Ms. Mary Jo Nelson, Finance Officer. Mr. Pike asked what the \$37,549 will pay for. Mr. Raysor said it will pay for the relocation of the sign and paving of the existing location. Mr. Milos asked if the City had received a GF&P grant. Mr. Kuchenbecker said they are working towards it; he noted the City has letters of support from the local GF&P Office. Mr. Pike asked if there is cooperation between the departments to get the project moving forward. Mr. Raysor said there is. Mr. Milos asked what would happen if the City does not move the sign. Mr. Raysor said if the Highway Project goes through DOT will most likely bulldoze it; if not, the City will most likely be required to move it anyway as it is in the DOT Right of Way. ***Aye – All. Motion carried.*** (The Memorandum dated March 5, 2012 is attached hereto on Exhibit A and incorporated herein by this reference).

Mr. Raysor invited Ms. Feterl and Mr. Pike to a Capital Improvement Meeting, Friday, March 23, 2012 at 9:00 a.m. at Deadwood City Hall. He explained a consultant will be there to discuss how to move the Capital Improvement Project forward.

2012 Annual History Conference of the South Dakota State Historical Society

Mr. Kuchenbecker stated the 2012 annual History Conference of the South Dakota State Historical Society is scheduled for April 13-14, 2012 in Pierre, SD. He noted Bob Nelson, Jr., Mike Runge, and he would be attending the conference. He invited the Commission to the conference and asked that interested parties let him know if they will be attending by Friday, March 16, 2012.

Appoint Member of HPC to Board of Deadwood History, Inc.

Ms. Feterl appointed Mr. Pike to the Board of Deadwood History, Inc.

New Matters before the Deadwood Historic District Commission

Case# 12007 – 51 Sherman Street – Door – Mary Larson

Mr. Kuchenbecker stated the agent for the project, Mike McShane, was present to answer any questions. He reviewed his staff report for permission to install a historic door, from the property, into an existing opening at 51 Sherman Street as submitted. (The Staff Report is attached hereto on Exhibit B and incorporated herein by this reference). Mr. Pike asked if Mr. Kuchenbecker or Mr. Keith Umenthum, Building Inspector, had seen the door. Mr. Kuchenbecker stated he had not. In light of this, Mr. Pike asked Mr. McShane if he understood that he would need to work with Mr. Kuchenbecker and Mr. Umenthum to obtain final approval of the project. Mr. McShane stated he did understand and was willing to work with the City. *It was moved by Mr. Pike and seconded by Mr. M. Olsen, based upon the guidance found in DCO 17.68.050, that the exterior alteration proposed is congruous with the historical, architectural, archaeological, or cultural aspects of the district and moved to grant a Certification of Appropriateness.* Mr. S. Olson asked if the door was originally in the building. Mr. McShane stated that it was, but it was in another location. *Aye – All. Motion carried.*

New Matters before the Deadwood Historic Preservation Commission

Case# 12004 – 316 & 322 Main Street – New Construction – Optima LLC

Ms. Feterl asked Mr. Milos to recuse himself and leave the meeting for this item. Mr. Steinlicht asked why. Ms. Feterl stated the applicant is a Chamber member; therefore, she felt it was a conflict of interest for him to sit-in on or vote on this request.

Mr. Milos recused himself and left the meeting.

Mr. Kuchenbecker noted the applicant had representatives, Mr. Roger Tellinghuisen, Legal Counsel, and Mike Tennyson, Lund & Associates, present to explain the project and answer any questions. Mr. Kuchenbecker reviewed his staff report for permission to construct an addition to the existing resource located at 360 Main Street. He noted approval for this project had been granted on September 8, 2010; however, since the approval was over a year ago and the applicant made modifications to the approved plan they were once again seeking approval. Mr. Kuchenbecker explained the addition will house a 78 room Springhill Suites by Marriott which will include an indoor pool, spa, and convention space. Mr. Kuchenbecker noted the application had been through the Planning and Zoning Commission on March 7, 2012 and had received variances for both height and setback requirements. He stated even though they had been required to receive variances, visually the new addition will appear to be shorter than the existing structure at 360 Main Street. He pointed out this stepping down will help to break up the mass a bit better than the design proposed in September of 2010. Mr. Kuchenbecker stated the applicant has taken the necessary steps, in advance of the proposed project, to insure proper evaluation of possible archaeological resources and the HP Office had received this archaeological report, which states the cultural resources identified in the survey are recommended as non-contributing portions to Deadwood's National Historic Landmark Status and require no further work or protection. Mr. Kuchenbecker stated while he believes the project still encroaches upon, certain resources in its vicinity, due to the sheer mass and size of the proposed addition to these other resources; he thinks visually this is a better project than what was approved in September of 2010. He said the scale of the wall, which is now approximately 2 ½' compared to nearly 14', along the swimming pool lessens the adverse effect to the Ferris and Auer House and is more pedestrian friendly.

Mr. Tennyson gave a presentation comparing the 2010 design to the proposed design. He explained in order to obtain an adequate amount of rooms and meet criteria of the Flagship, with Springhill Suites Marriott,

it was necessary to remove a deck and add length to the addition. However, he pointed out the actual space between the Ferris House and the addition remains the same. He also added that a screen wall will be added to eliminate light from shining into the Ferris House. Mr. Pike asked if the screen wall will diminish any of the sightlines that are otherwise an advantage to the improvements made to the design. Mr. Tennyson stated it will not. Mr. Pike said he had attended the March 7, 2012 Planning and Zoning Commission Meeting and stated he had asked Mr. Cameron Lund about the height and length of the building. He noted Mr. Lund stated that careful thought was given to the plans; however, without making these alterations it would not be economically feasible to join with Springhill Suites Marriott. He said they had to increase the length of the building in order to provide a sufficient amount of rooms in accordance with their Flagship. Mr. Pike stated it may be a concern that the more massive part of the building, as opposed to a two-story deck, which was significantly lower, is actually closer to the Ferris House in the new proposal. Mr. Tennyson stated with the lowering of the pool area, in comparison to the original design, it actually creates a better sightline for the Ferris House and pedestrians. Mr. Pike asked if the request for approval is for the pool, hotel, and parking garage. Mr. Kuchenbecker stated was correct. Mr. Pike asked if the Parking garage moved more to the South. Mr. Kuchenbecker stated that it did come out closer to Williams Street in the new proposal. Mr. Pike asked Mr. Kuchenbecker for his opinion on this. Mr. Tellinghuisen noted the new design provides for better traffic flow. Mr. Toscana stated Williams Street will be two feet wider than it is now and there will be a sidewalk. Mr. Pike asked about the structures located next to the parking structure. Mr. Kuchenbecker stated the house closest to the resource is non-contributing and the one next to that is contributing.

It was moved by Mr. Steinlicht and seconded by Mr. M. Olsen, based upon all the evidence presented, that the project DOES encroach upon, damage, or destroy historic property included in the national register of historic places or the state register of historic places. Ms. Feterl stated in her opinion the proposed design is better than the previously approved design; it minimizes the encroachment and is aesthetically better; it breaks up the mass better and visually appears like there is more space between the addition and the Ferris Home. She noted it is a large project but it is much better than what was approved in 2010. She also asked if it would be necessary to comment on the South Dakota State Historical Society's review of the project. Mr. Kuchenbecker stated in this first motion the Commission is concurring with Mr. Kuchenbecker and the State's review of the project. ***Aye – Pike, Feterl, M. Olsen, S. Olson, Steinlicht. Motion carried.***

It was moved by Mr. Steinlicht and seconded by Mr. Pike, based upon the guidance in the U.S. Department of the Interior standards for historic preservation projects in 36 C.F.R. 67, the finding was that the project is ADVERSE to Deadwood, but the applicant has explored ALL REASONABLE AND PRUDENT ALTERNATIVES, and moved to APPROVE the project as presented. Aye – Pike, Feterl, M. Olsen, S. Olson, Steinlicht. Motion carried. (The Staff report is attached hereto on Exhibit C and incorporated herein by this reference. The South Dakota State Historical Society's review of the project is attached hereto on Exhibit D and incorporated herein by this reference).

Mr. Pike thanked the applicants, Mr. Tellinghuisen, and Lund & Associates for working with the Commission.

Mr. Milos returned to the meeting.

Case# 12008 – 47 Centennial – Windows – Scott Ochner

Mr. Kuchenbecker reviewed his staff report for permission to repair and replace windows as submitted. (The Staff Report is attached hereto on Exhibit E and incorporated herein by this reference). Mr. M. Olsen asked if the applicant would be eligible for the Revolving Loan/Wood Window Program. Mr. Kuchenbecker stated he would be and he would notify the applicant of his eligibility for this program. ***It was moved by Mr. M.***

Olsen and seconded by Mr. Pike, based upon all the evidence presented, that the project DOES NOT encroach upon, damage, or destroy any historic property included in the national register of historic places or the state register of historic places, and therefore moved to grant a project approval. Aye – All. Motion carried.

Revolving Loan Program/Disbursements

HP Revolving Loan Fund Disbursement

It was moved by Mr. M. Olsen and seconded by Mr. Steinlicht to approve the HP Revolving Loan Fund, Batch 1, Disbursement in the amount of \$21,283.24. Aye – All. Motion carried.

Financial and Delinquency Report

Ms. Joy McCracken, Executive Director for NeighborWorks, reviewed the financial and delinquency report.

318 Williams – Valerie Wayne & Ernest Reynolds

It was moved by Mr. M. Olsen and seconded by Mr. S. Olson to approve the loan request to Valerie Wayne and Ernest Reynolds, 318 Williams, as presented. Aye – All. Motion carried. (The NeighborWorks report, dated March 9, 2012, is attached hereto on Exhibit G and incorporated herein by this reference).

350 Williams – James & Donna Fletcher

It was moved by Mr. S. Olson and seconded by Mr. M. Olsen to approve the loan request to James and Donna Fletcher, 350 Williams Street, subject to the applicants signing a Memorandum of Understanding stating that if they do not move into the residence 30 days after the Certificate of Occupancy is issued for the property, the loan will become due and payable, as presented. Aye – All. Motion carried. (The NeighborWorks report, dated March 9, 2012, is attached hereto on Exhibit G and incorporated herein by this reference).

396 Williams – Morris Harris

It was moved by Mr. M. Olsen and seconded by Mr. S. Olson to approve the loan to Morris Harris, 396 Williams, as presented. Aye – All. Motion carried. (The NeighborWorks report, dated March 9, 2012, is attached hereto on Exhibit G and incorporated herein by this reference).

HP Revolving Loan Fund Disbursement

It was moved by Mr. M. Olsen and seconded by Mr. Pike to approve the HP Revolving Loan Fund, Batch 2, Disbursement in the amount of \$5,385.20. Aye – All. Motion carried.

Hickok's NeighborWorks

After a discussion on Hickok's, *it was moved by Mr. M. Olsen and seconded by Mr. Milos to recommend to the Deadwood City Commission the write-off of Bad Debt Expense in the Revolving Loan Fund due to Hickok's foreclosure sale on March 2, 2012 in the amount of \$1,140,047.47 in principal, and \$172,148.99 in interest and late fees. Aye – All. Motion carried.* (The Hickok's report is attached hereto on Exhibit F and incorporated herein by this reference).

334 Williams – Brad Baucom

Ms. McCracken stated Mr. Brad Baucom is requesting the waiver of a 1% organization fee for the deferred retaining wall loan since it has taken so long to complete the project. During a discussion on the request, Mr. Campbell noted that for Mr. Baucom to state that it is entirely the City's fault that it has taken so long to

complete the wall is not entirely true as three other bids, prior to the present bid for the wall, were obtained. Some of which, he pointed out, were actually smaller amounts. ***It was moved by Mr. Milos and seconded by Mr. Pike to deny the loan request as presented. Aye – All. Motion carried.*** (The NeighborWorks report, dated March 9, 2012, is attached hereto on Exhibit G and incorporated herein by this reference).

340 Williams – Charles & Victor Williamson

It was moved by Mr. S. Olson and seconded by Mr. M. Olsen to approve the loan request to Charles and Victor Williamson, 340 Williams, as presented. Aye – Milos, Feterl, M. Olsen, S. Olson, and Steinlicht. No – Pike. Motion carried. (The NeighborWorks report, dated March 9, 2012, is attached hereto on Exhibit G and incorporated herein by this reference).

ITEMS FROM CITIZENS NOT ON THE AGENDA

Mayor Toscana noted that NeighborWorks had just celebrated their 20th anniversary and commended Ms. McCracken for all of her hard work.

STAFF REPORT:

Mr. Kuchenbecker reported on the following items:

- Skeletal remains had been found during a retaining wall project at 66 Taylor Avenue and said Mr. Runge, Ms. Floyd and he had worked with the State Archaeological Department to remove the remains. He said the remains are in the possession of the State and over the next 6-9 months a study will determine gender, age, and heritage. He said he will let the Tribes know remains were found; however, it is believed the remains are Caucasian. He also noted the contractor is back on site.
- He would be seeking permission to bid for vegetation removal on March 26th and a presentation to the HP Commission will follow on March 28th.
- Phase II of the Mt. Moriah Signage project had been approved.
- Mr. Runge's annual report is in the packet.
- The HP Annual report is almost finished.

COMMITTEE REPORTS:

Mr. Pike stated if anyone needs a reminder on policies and procedures, with regard to abstentions and recusals, they should speak with him. He noted if anyone has any doubts they should always defer to legal counsel and/or the HP Chair.

ADJOURNMENT:

The March 14, 2012 Historic Preservation Commission meeting adjourned at 6:30 p.m.

ATTEST:

Ronda Feterl
Chairman, Historic Preservation Commission
VPeterson, Recording Secretary