

**DEADWOOD HISTORIC PRESERVATION COMMISSION**

**Wednesday, June 27, 2012 ~ 5:00 p.m.**

City Hall, 108 Sherman Street, Deadwood, South Dakota

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1. Call meeting to Order– Chair, Matt Pike
2. Approval of Minutes
3. Voucher Approval
4. Old or General Business
  - a. Report on Dakota Plains Auction items secured by DHPO
  - b. Brown Collection Acquisition – A.A.A. Committee
5. New Matters before the Deadwood Historic District Commission
  - a. Case# 12027 – 669 Main, 667 Main, & 29 Lee Street – Exterior Painting – Jim Barber, Double Diamond Casino & Jeanette Tice
6. New Matters before the Deadwood Historic Preservation Commission
7. Revolving Loan Fund/Retaining Wall Program Update
  - a. Retaining Wall Applications
  - b. Revolving loan Program/Disbursements
    - i. 53 Taylor Street – John & Sharon Martinisko
    - ii. 19-25 ½ Lee Street – Pineview Group, LLC.
    - iii. Adopt Policies & Procedures – Wood Windows/Doors Program
    - iv. Adopt Policies & Procedures for Matured Special Needs Loan Program
    - v. Standards for the “cause” of a request to transfer collateral - NeighborWorks
  - c. Retaining Wall Program/Disbursements
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 1<sup>st</sup> or 3<sup>rd</sup> Wednesday of every month in order to be considered at the next Historic Preservation Commission Meeting.*

**CITY OF DEADWOOD**  
**HISTORIC PRESERVATION COMMISSION**

**Wednesday, June 27, 2012**

**Present Historic Preservation Commission:** Chair, Matthew Pike, Vice-Chair, Willie Steinlicht, Laura Floyd, George Milos, Anita Hansen, Lynn Namminga, and Steve Olson, Historic Preservation Officer, Kevin Kuchenbecker was also present.

**Present Deadwood City Commission:** Mayor Francis Toscana and Commissioners Georgeann Silvernail and Jim Van Den Eykel.

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**All motions passed unanimously unless otherwise stated.**

A quorum being present the Historic Preservation Commission Chair, Matthew Pike, called the Deadwood Historic Preservation Commission meeting to order on Wednesday, June 27, 2012 at 5:03 p.m. in Deadwood City Hall located at 108 Sherman Street, Deadwood, SD.

**Approval of Minutes:**

*It was moved by Mr. Steinlicht and seconded by Mr. Olson to approve the Minutes of Wednesday, June 13, 2012 as presented. Aye – All. Motion carried.*

**Voucher Approval:**

Operating Account

*It was moved by Mr. Olson and seconded by Ms. Floyd to approve the HP Operating Account in the amount of \$61,457.29. Aye – All. Motion carried.*

Bonded Account

*It was moved by Mr. Steinlicht and seconded by Ms. Floyd to approve the HP Bonded Account in the amount of \$297,597.92. Aye – All. Motion carried.*

**Old or General Business:**

Report on Dakota Plains Auction items secured by DHPO

Mr. Kuchenbecker reported the Deadwood Historic Preservation Office had the opportunity to bid on and acquire three items at the Dakota Plains Auction as recommended by the Archaeology, Archives, and Acquisitions Committee. He said they were able to obtain the 1876 Zoeckler Winchester Rifle for \$8,000; Poker Alice's hat for \$3,250; and Potato Creek Johnny's hat for \$2,000. He explained the total purchase price also included a 12% buyer's premium. Mr. Kuchenbecker stated all three items are currently with the City Archives and are being catalogued and accessioned into the City's permanent collection. He said the City is seeking loan agreements so the items can be publicly displayed. Mr. Kuchenbecker noted all of the items came with provenance. Ms. Floyd asked what sort of provenance the items have. Mr. Kuchenbecker said there is thorough

ownership documentation. Mr. Pike thanked the City Commission for allowing the Historic Preservation Office to bid on these items and Mr. Kuchenbecker for his work to acquire the items.

#### Brown Collection Acquisition – AAA Committee

Mr. Kuchenbecker explained the Deadwood Historic Preservation Office was approached by an individual in California who is in possession of the Brown Collection. He stated the Collection contains photographs of Deadwood prior to the fire of 1879 and other early items. Mr. Kuchenbecker said, under the direction of the AAA Committee, the Historic Preservation Office had gotten an appraisal on the value of the Collection. The appraisal for the Collection came in at approximately \$13,469.00. Mr. Kuchenbecker, as directed by the AAA Committee, had offered the seller of the Collection \$12,500.00 which the seller had accepted. He explained he was seeking a recommendation to acquire the Collection. Mr. Steinlicht said the Collection will be a tremendous asset to the City. Mr. Namminga asked if the Collection is solely composed of photographs. Mr. Kuchenbecker said the Collection is more than just a scrapbook that it also contains menus, invitations, and many other early items. ***It was moved by Mr. Olson and seconded by Mr. Milos to recommend to the Deadwood City Commission acquisition of the Brown Collection in an amount not to exceed \$12,500.00. Aye – All. Motion carried.***

#### New Matters before the Deadwood Historic District Commission

##### Case#12027 – 669 Main, 667 Main, & 29 Lee Street – Exterior Painting – Jim Barber, Double Diamond Casino, & Jeanette Tice

Ms. Floyd recused herself and left the Meeting.

Mr. Kuchenbecker reviewed his staff report for permission to paint the exterior of the resources yellow, purple and green as submitted. He explained early paint schemes in this area were simple and noted commercial resources were painted primarily to protect the materials. He noted the historic color scheme for these resources is unknown; however, the applicant's interpretation is not similar to other historic buildings in the district. He said, while paint is usually an easily reversible alteration, application of traditional color schemes should be the objective. He noted the State Historic Preservation Office had concurred with his assessment of the project. They too had stated that while they typically do not weigh in on paint color, as it is a reversible alteration, they believed the proposed scheme would have an adverse effect. Mr. Kuchenbecker stated he had discussed his concerns with the applicant who had agreed to submit a revised color scheme for the project. He noted, however, the revised color scheme presents the same concerns. (The Staff Report for Case# 12027 dated June 22, 2012 is attached hereto on Exhibit A and incorporated herein by this reference.) Mr. Pike stated the applicant had submitted the same color scheme in the revised rendering. He noted the only revision was the applicant proposed to paint the upper portion of the resources in addition to the storefront. Mr. Kuchenbecker said there were some slight alterations; however, the color scheme remained largely unchanged. Mr. Milos asked what the State's opinion of the project had been. Mr. Kuchenbecker reiterated that while they rarely weigh in on paint colors, they had concurred with the proposed exterior paint colors adverse effect. Mr. Namminga said he can understand why the applicant wants the proposed colors; however, he believed there are more appropriate color schemes that could brighten up the buildings and draw attention to the businesses. Mr. Kuchenbecker said, while you can find similar historic color schemes as the one proposed, these schemes were typically found on residential resources rather than commercial structures. Mr. Namminga said the applicants could whitewash the building and perhaps utilize some of the proposed colors as accents. Mr. Kuchenbecker agreed that there are more appropriate paint scheme options. Mr. Olson noted the Painted Lady scheme utilizes similar colors; however, he pointed out the colors in the Painted Lady schemes are more subdued than the one proposed. Mr. Kuchenbecker reiterated the Painted Lady scheme was primarily seen on residential resources.

Mr. Pike asked if the applicant had been made aware that appropriate commercial colors are available, from the era of these buildings, which would accomplish their goal. Mr. Kuchenbecker said they had been. Mr. Pike asked Mr. Kuchenbecker if staff's learned opinion is the particular colors have an adverse effect on the adjacent buildings and the overall district. Mr. Kuchenbecker said that was a correct statement. Mr. Milos noted the State backs up staff's opinion. Mr. Pike added the State rarely weighs in on color. Mr. Milos said Main Street has an image and if these colors are allowed it may spark a battle of the colors in the area. Mr. Pike concurred. ***It was moved by Mr. Milos and seconded by Mr. Olson, based upon the guidance found in DCO 17.68.050, that the exterior alteration proposed is incongruous with the historical, architectural, archaeological, or cultural aspects of the district and moved to DENY the Certification of Appropriateness to Case# 12027, 669, 667 Main, and 29 Lee Street as presented.*** Mr. Kuchenbecker asked for a couple of commissioners to volunteer to meet with the applicant to discuss appropriate alternatives. Mr. Pike and Mr. Namminga volunteered. ***Aye – All. Motion carried.***

Ms. Floyd returned to the meeting.

### **Revolving Loan Fund:**

#### HP Revolving Loan Disbursement

***It was moved by Mr. Steinlicht and seconded by Mr. Milos to approve the HP Revolving Loan Disbursement, as presented, in the amount of \$16,680.00. Aye – All. Motion carried.***

#### HP Retaining Wall Disbursement

***It was moved by Ms. Floyd and seconded by Mr. Olson to approve the HP Retaining Wall Disbursement for Sabo Construction in the amount of \$3,090.00 as presented. Aye – All. Motion carried.***

#### Financial and Delinquency Report

Ms. McCracken reviewed the financial and delinquency report.

#### 53 Taylor Street – John & Sharon Martinisko

Ms. McCracken explained the subordination request for John and Sharon Martinisko, 53 Taylor Street. Mr. Olson asked if the loan amount had remained the same. Ms. McCracken stated the loan had increased slightly as the owners had included some additional rehab costs in the new loan. Ms. Hansen asked what these new costs were for. Mr. Kuchenbecker said the applicants had used the money for windows, siding, and a sidewalk. He said the applicants had done a very nice job of rehabilitating the resource. Ms. Floyd asked if the subordination request would simply put HP back in second position. Ms. McCracken said that was correct. ***It was moved by Ms. Floyd and seconded by Mr. Milos to approve the subordination request for John & Sharon Martinisko, 53 Taylor Street, as presented. Aye – All. Motion carried.*** (The Loan Request dated June 21, 2012 is attached hereto on Exhibit B and incorporated herein by this reference.)

#### 19-25 ½ Lee Street - Pineview Group, LLC

Mr. Pike noted the applicants had originally been approved for the loan under the stipulation that all partners would provide a personal guaranty. He stated the applicants are requesting a waiver of policy, which they understood to be a condition of the loan, by asking for approval of the loan in the absence of the personal guaranty from the LLC's third partner. Mr. Pike pointed out that Ms. McCracken had given the applicants a number of options to move forward with the loan; however the partners had chosen the option of asking for a waiver of policy. He stated the applicants had been given an option to put up the other party's guaranty; they

were also given the option of terminating the third partner's ownership in the LLC, or to greatly diminish the ownership of the third partner. Mr. Olson said if discussion was to continue on this matter, the item needed to be removed from the table.

***It was moved by Mr. Olson and seconded by Mr. Milos to remove 19-25 1/2 Main Street, Pineview Group, LLC from the table.*** Mr. Milos asked what the purpose of removing this item from the table served. Mr. Pike stated that in order to have action on the request, it needed to be removed from the table. ***Aye – Namminga, Milos, Floyd, Hansen, and Olson. No – Steinlicht, and Pike. Motion carried.***

Ms. Floyd asked what the loan money would be used for. Ms. McCracken said the program offers a 0% life safety loan. She noted that this money would be used for recent activity involving stabilization of the building, electrical work and work on staircases or other life-safety efforts. Mr. Pike and Mr. Steinlicht pointed out that the money is available they simply request the applicants carry out the terms of the loan program's policy. Mr. Milos said he understands this concern; however, the applicants are strong borrowers and the other two partners are individually willing to put up a personal guaranty that would cover the entire value of the loan. Mr. Namminga also pointed out that the project has been slow to progress and would like to do whatever is possible to help move the project forward. Mr. Pike noted the ultimate question is if the waiver of policy is appropriate. Mr. Kuchenbecker stated that his concern, in light of recent events, is while the borrowers' financials look very strong right now, they may not look that way in a couple of years. The waiver would give the City one less partner to seek reimbursement from should their financial situation change. He stated, while he could not speak for Mr. Jason Campbell, City Attorney, who was not present, he was aware that Mr. Campbell had voiced concerns about this waiver request for these reasons as well. Ms. McCracken noted that she is in contact with the applicants. She said she had contacted the applicants, after the Loan Committee Meeting, and let them know that favorable comments had not been received from the Committee. The applicant said he would consider talking with the third partner. ***It was moved by Mr. Steinlicht and seconded by Mr. Olson to table the loan request for 19-25 1/2 Lee Street, Pineview Group, LLC as presented.*** Ms. Floyd asked if the applicants were up against any kind of a time restraint. Ms. McCracken said the other lender had closed on their loan. ***Aye- All. Motion carried.*** (The loan request dated June 22, 2012 is attached hereto on Exhibit C and incorporated herein by this reference.)

#### Adopt Policies & Procedures – Wood Windows/Doors Program

Ms. Floyd asked about highlighted item 7 on the second page of the proposal. Ms. McCracken said this line had been resolved and would be deleted from the final copy. ***It was moved by Mr. Milos and seconded by Mr. Steinlicht to approve the updated policies and procedures for the Wood Windows and Doors program as presented.*** Mr. Pike pointed out that policies need to be adopted rather than approved. Mr. Milos amended his motion. ***It was moved by Mr. Milos and seconded by Mr. Steinlicht to adopt the proposed update to the Administrative Procedures dated 3/5/2012 for the Wood Windows and Doors Program, including the exclusion of the language in number 7 on the second page of the proposal, as presented.*** ***Aye – All. Motion carried.*** (The Procedures for the Wood Windows and Doors Program dated 3/5/2012 are attached hereto on Exhibit D and incorporated herein by this reference.)

#### Adopt Policies & Procedures for Matured Special Needs Loan Program

Mr. Olson asked if NeighborWorks still sends out coupon books as noted in number 6 of the proposal under the second paragraph. Ms. McCracken said they do. ***It was moved by Mr. Olson and seconded by Mr. Milos to***

*adopt the Policies and Procedures for the Matured Special Needs Loan Program as presented in the proposal dated 3-7-2012. Aye – All. Motion carried.* (The Policies and Procedures for the Matured Special Needs Program dated 3-7-2012 are attached hereto on Exhibit E and incorporated herein by this reference.)

Standards for the “cause” of a request to transfer collateral - NeighborWorks

No action was taken on this item. (The standards are attached hereto on Exhibit F and incorporated herein by this reference.)

**Other Business:**

Mr. Olson asked if Ms. McCracken had been able to find out where the \$20,398.46 debit on the last revenue and expense report had come from as discussed in the Minutes of June 13, 2012. Ms. McCracken said she had and would email the Commission the answer.

**Staff Report:**

Mr. Kuchenbecker reported on the following items:

- Archaeology Camp is almost over and has been very successful. He noted he had the opportunity to participate in all three weeks of camp by giving tours to campers.
- Thanked Ms. Floyd for all of her hard work on Archaeology Camp and the state office is considering the development of an Archaeology Camp in their area and plans to use Deadwood as a model.
- Gave an update on St. Ambrose Cemetery restoration.
- Provided an update on Deadwood History, Inc. and said the organization is currently sponsoring a lot of activities.
- Gave retaining wall updates on 334 Williams, 37 Lee, 350 Williams, and 340 Williams. Said he had met with the engineer to discuss plans for the five walls recently entered into the program.
- Said budget meetings would take place in early July.
- Noted the Parks and Street Departments are washing and staining the Grandstands at the Rodeo Grounds.
- Mentioned the bid for the painting of the Ferguson Field House.
- Noted Mike Runge and his volunteers and interns had been very busy.
- Said the State’s recommendation for the City held Lawrence County records had been to cut them apart and scan them so there will be a digital copy of the journals. He pointed out the destruction would lead to their preservation. Said this work would appear in the Archives 2013 Budget.

**Committee Reports:**

Mr. Pike said he hoped everyone was okay with Committee assignments. He noted there had been a few changes including a rep on Deadwood Alive and a solo rep to Deadwood History, Inc. instead of an appointment to the Days of ’76 and Adams Boards. Mr. Olson said it may be an issue to not have a representative from HP at the Days and Adams meetings as it is in their By-Laws. Mr. Pike and Mr. Kuchenbecker said their By-Laws would have to be amended.

Ms. Floyd thanked Mr. Kuchenbecker for all of his help with and support of Archaeology Camp.

Mr. Olson reported the Sinclair Station had been placed on its foundation.

HPC Meeting  
Wednesday, June 27, 2012

**Adjournment:**

The Historic Preservation Commission Meeting of June 27, 2012 adjourned at 6:15 p.m.

ATTEST:

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Matthew Pike  
Chairman, Historic Preservation Commission  
*VPeterson, Recording Secretary*