DEADWOOD HISTORIC PRESERVATION COMMISSION

Wednesday, December 12, 2018 ~ 4:00 p.m.

City Hall, 108 Sherman Street, Deadwood, South Dakota

Executive Session for Contractual Matters per SDCL 1-25-2 (3) with no action

DEADWOOD HISTORIC PRESERVATION COMMISSION -- REVISED

Wednesday, December 12, 2018 ~ 5:00 p.m.

City Hall, 108 Sherman Street, Deadwood, South Dakota

- Call meeting to Order
- 2. Approval of HPC Meeting Minutes
 - a. November 28, 2018 Regular Meeting
- 3. Voucher Approval
- 4. HP Programs and Revolving Loan Program
 - a. Grant Voucher Approval
 - b. HP Grant Extension Requests Exhibit A
 - i. James Pontius 118 Charles Wood Windows & Doors/Siding
 - ii. Dustin & Laura Floyd 21 Lincoln Wood Windows & Doors
 - iii. Tom McNary 14 Van Buren Wood Windows & Doors
 - iv. Mike Besso 405 Williams Elderly Resident
 - v. Brett Bauman 35 Jackson Wood Windows & Doors
 - c. Revolving Loan Program Voucher Approval
 - d. Revolving Loan Loan Requests Exhibit B
 - i. Nugget Saloon LLC 608/610 Main St. Loan Request
 - ii. Deadwood History Inc. 608/610 Main St. Loan Request
- 5. Old or General Business
 - a. Adoption of the Deadwood Comprehensive Plan
 - b. Main Street Initiative Update
 - c. PA 180507 Marsha Morse 20 Washington Exterior Repairs Continued from Last Meeting-Exhibit C
 - d. PA 180506 Judi Luna 110 McGovern Hill Replace Roof Continue at request of owner Exhibit D
- 6. New Matters before the Deadwood Historic District Commission
 - a. COA 180510 City of Deadwood Main Street Outlaw Square Construction Exhibit E
- 7. New Matters before the Deadwood Historic Preservation Commission
 - a. PA 180508 Iver & Monica Gibbs 850 Main Construct Garage Exhibit F
 - b. PA 180509 TenTexKota Inc. Deadwood Mountain Grand Construct Chalets Exhibit G
- 8. Items from Citizens not on agenda (Items considered but no action will be taken at this time.)
- 9. Staff Report (*Items 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

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, December 12, 2018 – 4:00 p.m.

Executive Session for Contractual Matters per SDCL 1-25-2 (3) with no action

<u>Present Historic Preservation Commission</u>: Michael Johnson, Lyman Toews, Beverly Posey, Ann Ochse, Dale

Berg and Robin Carmody **Absent:** Tom Blair

Present City Commission: Dave Ruth Jr.

Present Staff: Kevin Kuchenbecker, Historic Preservation Officer, Mike Walker, Neighborworks and Quentin Riggins

The Historic Preservation Commission held an executive session for contractual matters. No action was taken.

City of Deadwood HISTORIC PRESERVATION COMMISSION Wednesday, December 12, 2018

<u>Present Historic Preservation Commission</u>: Michael Johnson, Lyman Toews, Beverly Posey, Ann Ochse, Dale Berg, Robin Carmody and Thomas Blair

Absent:

Present City Commission: Dave Ruth Jr., Sharon Martinisko, Gary Todd and Charlie Struble **Present Staff:** Kevin Kuchenbecker, Historic Preservation Officer and Bonny Anfinson, Program Coordinator and Quentin Riggins were present.

All motions passed unanimously unless otherwise stated.

A quorum present, Chairman Michael Johnson called the Deadwood Historic Preservation Commission meeting to order Wednesday, December 12, 2018 at 5:00 p.m. in the Commission Room located in City Hall at 108 Sherman Street in Deadwood, SD.

Approval of HPC Minutes:

November 28, 2018 Regular Meeting

Mr. Toews stated on page 2 the Main Street Now Conference. It has my name in there to attend. I believe it should be Mr. Blair. *It was moved by Mr. Blair and seconded by Ms. Posey to approve the corrected HPC minutes of Wednesday, November 28, 2018. Aye – All. Motion carried.*

Voucher Approval:

It was moved by Mr. Toews and seconded by Mr. Blair to approve the HP Operating Account in the amount of \$73,752.48. Aye — All. Motion carried.

Revolving Loan Fund and Historic Preservation Programs:

HP Program Grant Funds

It was moved by Mr. Toews and seconded by Ms. Posey to approve HP Grant Fund disbursements in the amount of \$22,190.39, based on information as presented. Aye - All. Motion carried.

HP Grant Extension Request - Exhibit A

- i. James Pontius 118 Charles Wood Windows & Doors/Siding
- ii. Dustin & Laura Floyd 21 Lincoln Wood Windows & Doors
- iii. Tom McNary 14 Van Buren Wood Windows & Doors
- iv. Mike Besso 405 Williams Elderly Resident
- v. Brett Bauman 35 Jackson Wood Windows & Doors

It was moved by Ms. Posey and seconded by Mr. Berg to grant extensions for James Pontius, 118 Charles; Dustin and Laura Floyd, 21 Lincoln; Tom McNary, 14 Van Buren; Mike Besso, 405 Williams and Brett Bauman, 35 Jackson. Ave — All. Motion Carried.

Revolving Loan Program - Exhibit B

- i. Nugget Saloon LLC 608/610 Main St. Loan Request Mr. Walker stated the Nugget Saloon LLC is requesting a \$400,000 loan at zero percent interest for five years with a balloon. In their request they are asking for an exception to the current guidelines. Mr. Toews stated he would like to stay within the guidelines of the loan program. Ms. Posey stated the Commission is having issues of how the request is being written right now. *It was moved by Mr. Toews and seconded by Mr. Blair to deny the loan request as presented for Nugget Saloon LLC. Aye All. Motion carried.*
- ii. Deadwood History Inc. 608/610 Main St. Loan Request
 Mr. Walker addressed the loan request for Deadwood History Inc. for a \$50,000 loan zero percent interest
 for five years. It is recommended to remove item number two: 2) the loan being contingent upon
 approval of the Nugget Saloon receiving financing to prepare the building for the museum and any other
 language referring to the Nugget Saloon or any other business. Ms. Ochse would like to remove the
 comment regarding "and should be considered as a partner in preserving Deadwoods History". It was
 moved by Ms. Posey and seconded by Mr. Berg to approve the loan request for Deadwood
 History Inc. for a \$50,000 loan at zero percent interest for five years and removing "and
 should be considered as a partner in preserving Deadwoods History" from the end of the first
 paragraph. Aye All. Motion carried.

Old or General Business:

Adoption of Deadwood Comprehensive Plan

Lyzann Zeller with the Black Hills Council of Local Governments gave an overview of the proposed Deadwood Comprehensive Plan. This was also reviewed by Planning and Zoning last week. Deadwood is already doing wonderful things. Mr. Kuchenbecker stated you will be able to view the Comprehensive Plan on the City Website. *It was moved by Mr. Blair and seconded by Mr. Berg to recommend to the City Commission adoption of the Deadwood Comprehensive Plan. Aye - All. Motion carried.*

<u>Main Street Initiative Update – Kevin Kuchenbecker – No Exhibit</u>

The Design Committee is working on 2019 projects including bunting over Main Street, urban trails and pedestrian way finding, utility box wraps, ghost signs, working with Public Works to inventory benches and trash cans. The Promotion Committee is working on the K-9 Keg Pull. The Economic Restructuring Committee meets Thursday.

PA 180507 – Marsha Morse – 20 Washington – Exterior Repairs – Continued from Last Meeting -- Exhibit C Mr. Kuchenbecker stated this location was determined demolition by neglect. On November 28, 2018 there was a project approval request. The plan that was submitted did not fully address the requirement of a scope of work and the Commission requested additional information. The owner submitted a list of items to be completed and a time line. Mr. Toews stated we need to assign someone to monitor the process and report to us on a monthly basis. It was moved by Mr. Toews and seconded by Mr. Blair based upon all of the evidence presented, this 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 move to grant a project approval with the work to be completed in 90 days per Deadwood City Ordinance 17.68.100. Aye – All. Motion carried.

PA 180506 – Judi Luna – 110 McGovern Hill – Replace Roof – Continued from Last Meeting - Exhibit D Mr. Kuchenbecker stated the applicant has requested continuing the project approval. *It was moved by Ms. Ochse and seconded by Mr. Toews to continue the project approval for 110 McGovern Hill. Aye - All. Motion Carried.*

New Matters before the Deadwood Historic District Commission

COA 180510 - City of Deadwood - Main Street - Outlaw Square Construction - Exhibit E

Mr. Kuchenbecker stated this is an application from the City of Deadwood to construct a public gathering space, Outlaw Square, at the corner of Deadwood Street and historic Main Street. This will not only be for the construction of the square but for the demolition of the Franklin Motor Lodge. Demolition is scheduled for the week of January 7, 2019.

Along Deadwood Street there will be a colored concrete plaza with a curb on the north side along Hickok's. In this area there will also be bike racks, trees, a future sculpture location as well as a seating area. Deadwood Street will be brick pavers over concrete. The south side of the street will have no curb and a colored concrete sidewalk. Traffic control bollards will be installed at both ends of Deadwood Street to be used during events. The northwest corner, corner of Deadwood and Main, of the Square will have a water feature, fire pit and seating.

A building will be constructed along the east side of the Square along Highway 14A to house storage, an office and restrooms. This building will be a masonry brick structure with a similar styling to City Hall. A covered stage will be along the building with a ramp for service access. The northeast corner will serve as a service area for unloading and loading equipment during concerts.

The Square will be made of colored concrete in the area of the stage, brick on a sand base with a colored concrete sidewalk along Main Street and synthetic turf in the middle. The west side of the Square will have a multi-purpose open air gazebo. The gazebo will be a replica of the bandstand built in 1891 on Lee Street. A 5,000 square foot ice rink will be in the middle of the Square in the winter. During the summer this area can be used for different events such as demonstrations, art festivals, etc.

Mr. Kuchenbecker stated staff as well as the commission has been heavily involved in the planning and design of the square to ensure it meets the standards and guidelines under the authority of the commission. It is staff's opinion; the design of the square meets the standards and is compatible with the National Historic Landmark. The proposed work and changes do not encroach upon, damage or destroy a historic resource or have an adverse effect on the character of the building or the historic character of the State and National Register Historic Districts or the Deadwood National Historic Landmark District. Any changes to the design will be brought back to HP Commission for approval. Mr. Blair asked who will be in charge of the project. Mr. Kuchenbecker stated the construction process will fall under himself and Bob Nelson Jr. They will be coordinating with the construction manager at risk. The City will own the property and the Chamber will manage the operations. Ms. Ochse stated concerns with the roof of the stage as possibly being incongruous with the roof of the gazebo. *It was moved by Ms. Posey and seconded by Mr. Berg based upon the guidance found in DCO 17.68.050, I find that the exterior alteration proposed*

is congruous with the historical, architectural, archaeological or cultural aspects of the district and move to grant Certification of Appropriateness. Aye - All. Motion Carried.

New Matters before the Deadwood Historic Preservation Commission

PA 180508 - Iver & Monica Gibbs - 850 Main Street - Construct Garage - Exhibit F

Mr. Kuchenbecker stated the applicant is requesting project approval to construct a new garage in the location of the current outbuildings. The garage will look architecturally similar to the residence with the same color siding and same cedar shakes. The proposed garage utilizes appropriate materials compatible with the associated contributing house. It is staff's opinion the proposed work and changes do not encroach upon, damage or destroy a historic resource or have an adverse effect on the character of the building or the historic character of the State and National Register Historic Districts or the Deadwood National Historic Landmark District. Mr. Berg stated the owner has done a real nice job of restoration so far. The things they have been doing to the house are very impressive. *It was moved by Mr. Toews and seconded by Ms. Posey based upon all of the evidence presented, I move to make a finding that this 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 move to grant a project approval. Aye - All. Motion Carried.*

PA 180509 – TenTexKota Inc. – Deadwood Mountain Grand – Construct Chalets – Exhibit G
Mr. Kuchenbecker stated the applicant has submitted an application for Project Approval for the proposed new construction of "The Chalets at Deadwood Mountain Grand" on Tract A & B McGovern Hill, in the McGovern Hill Planning Unit within the City of Deadwood. This is a prominent landscape feature within the district. This was the location of one of Deadwood's early parks. The Chautauqua held nine days of entertainment at the park in 1897. The applicant has attempted to minimize the overall construction footprint from the original plan presented in 2016. There was never formal action taken on the original application. It was withdrawn. The applicant is trying to minimize the impact to the hillside and acknowledging the importance of the Deadwood National Historic Landmark. The applicant has proceeded through several conceptual designs and used design elements that are represented throughout the community's retaining walls, buildings, separation and repetition. The use of building materials that would be congruous to the district with matching stone and metal siding. They have looked at limiting vehicle access which would further cut the hillside. One of the options is funiculars which would be incline elevators on rails that would go up the hillside. They are looking at alternative means to bring in construction materials to minimize the effect to the district.

The proposal is three buildings. Building one is a 30 condo unit with a total footprint of 180' length and 55' depth. Building two is a 40 condo unit with a total footprint of 280' in length and 55' in depth. Building three is a 30 condo unit with a total footprint of 180' in length and 55' in depth. The number of stories varies from six to seven with it reading as one to two stories from McGovern Hill Road and three to four stories on a three story "stone retaining wall" on the downhill side.

This area did have houses along the hillside in the lower portions. There are archeological remnants and foundations on the lower part. It had a railroad spur that provided access to the slime plant and a road that went behind the congregational church to access the slime plant and the residents on McGovern Hill prior to 1905. Many of the one and two story houses were destroyed when the slime plant was built. The guidelines that you will be reviewing and taking under consideration are found in Deadwood Codified Ordinance 17.68.010 along with the Secretary of Interior Standards for Rehabilitation. This talks specifically about how it is located in the district, how the individual buildings in the district are important and within the district the association of site, setting and landscape make up the environment. When we talk about the individual properties it is not just the properties but the district as a whole. The standards deals with new additions, new construction, design of exterior additions or buildings that are compatible to the historic character of the site and preserves the relationship of the buildings and the landscape to include site, materials and height.

The proposed new construction, particularly the structure nearest the Slime Plant, encroaches upon and damages the various historic districts by diminishing the integrity of the property's setting, landscape and viewshed of the historic districts in the following ways: The project is not congruous with the environment and the historic district due to the severe alteration to the setting particularly the structure nearest the Slime Plant. The structure nearest the Slime Plant begins to dominate the hillside due to its massing, size and scale. It creates an adverse visual effect by diminishing the property's integrity with negative effects on the historic significance of the district. The project, particularly the structure nearest the Slime Plant, becomes the focal point of the area rather than being a part of it. The character and views of the overall setting of the districts are altered dramatically with intrusion of the proposed project. The view to McGovern Hill from other portions of the district is altered and damaged. Two of the three structures have been obscured through design considerations by minimizing the scope of construction limits and maximizing the preservation of the vegetation. The third structure, closest to the Slime Plant, diminishes the characteristics of the historic districts. While Deadwood has developed significantly with building on the hillsides that

define Deadwood Gulch, this particular structure within the project dominates the environment and setting of the Slime Plant and associated new construction. Obviously, the most efficient means to deal with this adverse visual effect on the historic districts is to eliminate it completely from the resources viewshed by either relocating the cause of the effect or to lessen the size and scale of the project, particularly the structure nearest the historic Slime Plant.

It is staff's opinion that the project encroaches upon and damages the historic districts listed in the National and State Register of Historic Places. It is the historic preservation officer's opinion should the commission make a motion to approve the Project Approval that it be given pursuant to 36 CFR 67, as authorized by DCO 17.68.020 and SDCL 1-19B-62, and that it should include language that it is only a conditioned approval. Preliminary approval for the project with future reviews associated with Schematic Design and Design Development Phases of the project; To enter into negotiations with the applicant for protection of the balance of the parcel to ensure the site, setting and viewshed of the hillside and historic districts is protected; To direct the applicant to consider additional design alternatives for the structure located nearest the Slime Plant; To further develop the design and impact of the funiculars for consideration as part of the overall application; A preliminary approval does not guarantee final project approval but does allow the applicant to work with the Commission to lessen the adverse visual effect and to create a mitigation plan which may minimize future cumulative effects on the National Historic Landmark District.

The Historic Preservation Commission has the authority to also deny the project in its entirety at this time based on the submittal provided to the Commission for consideration.

Brad Burns stated they are already working on reducing the number of floors on building three and handed out revised plans showing the change. By making these modifications we are getting closer to a solution. Mr. Kuchenbecker asked for clarification about the construction of garages. Mr. Burns state there will not be garages. Mr. Blair asked about the time frame for the project. Mr. Burns stated they would do design and development through the winter and break ground in the spring with an eighteen month build. The plan is to be extremely careful regarding the impact to the neighbors. Mr. Kuchenbecker stated he wanted to make sure the HP Commission and the audience knows the applicant has been working with Planning and Zoning, Police and Fire Departments, Public Works and the Hospital. Mr. Berg stated the applicant has put a lot of work into this project. The HP Commission needs to look at this strictly from the historic preservation stand point and that is a very difficult thing to do. Members of the public in attendance made comments in support of and against the project. Mr. Blair stated in the last ten plus years his campground probably has one of the biggest developments inside the City of Deadwood. The campground is almost twenty acres. When it was put together it was bare ground, a canyon, had several forest fires in it. It is a development within the City of Deadwood and it is large. Not one person came and talked about it. It has three or four good sized buildings on it. We see around 200,000 people in a season. So think about the other things before you want to say no. I'm not advocating one way or another. Deadwood is a town that needs to grow and we have done that in the last thirty years. We have an income stream; we have a visitor stream that is three or four times what it was thirty years ago. Think about those kinds of things. We have businesses in town all up and down Main Street. I walked Main Street this morning. You need to stop and take a look at your main street. What have we done with it, what has happened to main street over the last thirty years. Mr. Johnson stated about a week before our Mayor Chuck Turbiville passed he called him into his office and said what do you think about the chalets. I said I am very much for them if it is esthetically pleasing to the hillside and can be done in such a way that is acceptable and not overpowering and preserve the trees. I asked Chuck Turbiville what he thought and Mr. Turbiville stated he was for the project. Mr. Johnson said look at the 30 million dollar tax base. Plus if someone could afford one of those units they have some funds to spend in Deadwood. To bring this number of people into the community would be a plus. Mr. Berg stated he had that same conversation with Mayor Turbiville and I do believe that economically it will be phenomenal for all of the northern hills. But it does encroach upon the hill. Mr. Kuchenbecker reminded the commission even though the economics are important we need to keep the discussion to Historic Preservation issues. Mr. Toews stated he looks at this differently. I understand all of the economics and I understand the desire to do good things. I look at the Slime Plant and see we are losing that asset. We do a very poor job of selling the Slime Plant. I don't think anyone in the room can tell me how to get slime out of pulp. We do a terrible job telling the story about a plant that did about a quarter of the gold that came out of Homestake, Terryville, and Centerville. It processed gold at ninety-four percent recovery rate. Warf does something between eighty and eighty-five percent. We don't tell our story very well. To keep the building we sacrificed the building by putting an entertainment center inside, a hotel and a garage. We got something back for that investment even though it was encroachment that had an adverse effect to the area by those developments. I look at this project and see it is going to distract from one of our buildings that is center to our town. We don't even realize what we have with the Slime Plant. We are doing it a terrible disfavor to our town. The more things we put on the hill the less we care about the Slime Plant. We are chipping away slowly and surely from our history. Our history is important. We have lots of places to do developments but right in the center of our historic district. I don't get it. Ms. Ochse reminded the commission that Deadwood is still on the National Park Service watch list. Losing the status is very important. It was moved by Ms. Ochse and seconded by Mr. Toews based upon all the evidence presented I move to make a finding that this project does encroach upon and damage any historic

property, included in the national register of historic places or the state register of historic places. Vote: Ms. Posey, Mr. Toews, Ms. Ochse and Ms. Carmody – Aye. Mr. Berg, Mr. Blair and Mr. Johnson – Nay. Motion carries.

It was moved by Mr. Berg based upon the guidance in the U.S. Department of the interior standards for historic preservation, restoration, and rehabilitation project adopted by rules promulgated pursuant to SDCL 1-19A & 1-19B, et seq, I find that the project is adverse to Deadwood, but the applicant has explored all reasonable and prudent alternative, and so I move to approve the project as presented. Motion died from lack of second.

It was moved by Mr. Berg and seconded by Mr. Blair based upon all of the evidence presented the project does encroach upon and damage historic properties included in the national register of history places or the state register of historic places. Based upon the guidance in the U.S. Department of the Interior standards and rules promulgated pursuant to SDCL 1-19A and 1-19B, the Historic Preservation Commission did find that the project does encroach upon and damage historic properties but move to provide a conditional approval for the project based on the following conditions:

- The action is a preliminary approval for the project with mandatory Historic Preservation Commission reviews associated with Schematic Design and Design Development Phases of the project;
- Develop a plan to mitigate the encroachment with the Historic Preservation Office which would protect the balance of the parcel to ensure the site, setting and viewshed of the hillside and historic districts is protected into the future;
- Further develop plans which explore design alternatives for all the structures which continue to minimize the encroachment and damage to the historic properties including specific focus to building number three (3) located nearest the Slime Plant;
- To further develop the design and show the impact of the funiculars for consideration as part of the overall future reviews application since this part of the project has not been fully vetted by the Commission or design professionals;
- And finally, an understanding that this conditional approval does not guarantee final project
 approval but does allow the applicant to work with the Commission to lessen the adverse visual
 effect and to create a mitigation plan which may minimize future cumulative effects on the
 National Historic Landmark District.

Vote: Ms. Posey, Mr. Berg, Mr. Blair, Ms. Carmody and Mr. Johnson – Aye. Ms. Ochse and Mr. Toews – Nay. Motion carries.

Items from Citizens not on Agenda

Ron Russo, owner of the Oyster Bay and Fairmont Hotel, voiced his concerns with Historic Preservation considering an interest free loan to DHI to help further the ambitions of a for profit property owner. Mr. Russo is disappointed that no one from the Commission has contacted him regarding his concerns. There are several issues that need to be addressed. The loan approval should not have been approved until after the RFP were received. There hasn't been any analysis done on this proposal and what happens if it fails. Ms. Posey stated the loan is no longer contingent on one particular partner. DHI is looking for a partner. Have you received the RFP? Mr. Russo stated he has had a discussion with Carolyn Weber about it. There are four businesses who have voiced their concern about this business on lower Main Street. Margi Olsen stated the brothel tour is a good idea and gave positive suggestions. Carolyn Weber stated they have not selected anyone yet for the location. DHI needs to be on Main Street. The brothels are a part of the history of Deadwood. We want to tell the complete story and do it in an accurate manner and do it differently than Mr. Russo. DHI wants to promote Mr. Russo's as well as DHIs brothel. They will be marketing that area of Main Street.

Staff Report: (items will be considered but no action will be taken at this time.)

Mr. Kuchenbecker stated staff is getting cost estimates for the Main Street Master Plan. I would like to suggest in early January we have a working meeting with the City Commission to identify projects and activities into our next funding cycle. We need to put money into the coffers to implement projects we will be working on including the square, main street master plan, conservation easements, revolving loan funds and other preservation projects. We do need to have a meeting from now and the end of the year to pay final invoices. Kevin poled the commission to see if we would have a quorum for a December 26 meeting.

Committee Reports:

Mr. Johnson invited the commission to his house on Sunday from 4:00 - 7:00 p.m. for a Christmas Open House. The Chamber Open House is December 13. The Lead-Deadwood Economic Development Annual meeting will be December 19 with guest speaker Jim Rankin.

Other Business:

The Historic Preservation Commission Meeting adjourned at 6:33 p.m.
ATTEST:
Chairman, Historic Preservation Commission Bonny Anfinson, Historic Preservation Office/Recording Secretary