

DEADWOOD HISTORIC PRESERVATION COMMISSION

Wednesday, March 8, 2017 ~ 5:00 p.m.

City Hall, 108 Sherman Street, Deadwood, South Dakota

1. Call meeting to Order
2. Approval of HPC Meeting Regular Meeting Minutes – February 22, 2017
3. Voucher Approval
4. Old or General Business
 - a. 3 Rodenhaus – James Gregory – Retaining Wall issues
 - b. First Baptist Church of the Northern Hills – Not for Profit Grant – Augment Current Grant – Exhibit A
 - c. Deadwood Main Street Initiative – Update and request for funding commitment – Louie Lalonde – Exhibit B
 - d. Retaining Wall Program discussion and update – Kevin Kuchenbecker – Exhibit C
5. New Matters before the Deadwood Historic District Commission
6. New Matters before the Deadwood Historic Preservation Commission
7. Revolving Loan Fund & HP Programs Update
 - A. HP Program Applications – Exhibit D
 - i. Margaret Sulentic – 23 Van Buren – Foundation Program
 - ii. Margaret Sulentic – 23 Van Buren – Elderly Resident Program
 - B. HP Program Extensions – Exhibit E
 - i. Toby Edstrom – 867 Main – Windows/Doors Program Extension
 - ii. Toby Edstrom – 867 Main – Elderly Resident Program Extension
 - iii. Debra Kahler – 56 Taylor – Windows/Doors Program Extension
 - iv. Tom McNary – 14 Van Buren – Windows/Doors Program Extension
 - b. Revolving Loan Program
 - c. Retaining Wall Program Disbursements
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
12. Adjournment

Executive Session for Legal Matters per South Dakota Codified Law 1-25-1 (3)

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 8, 2017

Present Historic Preservation Commission: Laura Floyd, Thomas Blair, Lyman Toews, Dale Berg, Chuck Williams, and Michael Johnson.

Absent: Lynn Namminga

Present City Commission: Dave Ruth and Jim Van Den Eykel were present.

Present Staff: Kevin Kuchenbecker, Historic Preservation Officer, Mike Walker, of NeighborWorks-Dakota Home Services, Mary Jo Nelson, Finance Officer and Bonny Anfinson, Recording Secretary, were present.

All motions passed unanimously unless otherwise stated.

A quorum present, Chair Floyd called the Deadwood Historic Preservation Commission meeting to order Wednesday, March 8, 2017 at 5:00 p.m. in the Commission Room located in the City Hall at 108 Sherman Street in Deadwood, SD.

Approval of February 22, 2017 HPC Minutes:

It was moved by Mr. Johnson and seconded by Mr. Toews to approve the HPC minutes of Wednesday, February 22, 2017 as presented. Aye – All. Motion carried.

Voucher Approval:

It was moved by Mr. Johnson and seconded by Mr. Berg to approve the HP Operating Account in the amount of \$85,859.89. Aye – All. Motion carried.

Old or General Business:

3 Rodenhaus – James Gregory – Retaining Wall Issues

Mr. Kuchenbecker stated the applicant was unable to attend this meeting due to work and would like the item moved to the March 22, 2017 meeting agenda. *It was moved by Mr. Johnson and seconded by Mr. Toews to move the item to the March 22, 2017 meeting. Aye – All. Motion carried.*

First Baptist Church of the Northern Hills – Not-for-Profit Grant – Augment Current Grant – Exhibit A

Mr. Kuchenbecker stated the First Baptist Church of the Northern Hills currently has a Not-For-Profit Grant for \$24,916.00 to repair the cornice and roof of the church. The quote for repairing the roof has come in much higher than expected and they are requesting additional funds to cover the cost of repairs to the roof. The Projects Committee reviewed the request and recommend approval of the request. *It was moved by Mr. Johnson and seconded by Mr. Toews to approve additional funding for the First Baptist Church of the Northern Hills Not-for-Profit Grant for a total grant request of \$36,923.00. Aye – All. Motion carried.*

Deadwood Main Street Initiative – Update and request for funding commitment – Louie Lalonde – Exhibit B

Louie Lalonde, Bill Pearson, Susan Johnson and Ken Geinger, representing the Deadwood Revitalization and Main Street Initiative, introduced themselves to the Commission. Ms. Lalonde stated thank you for this opportunity and to also make sure you know how important it is for Deadwood Revitalization to know they have a partnership with the Commission and look forward to the Commission's knowledge and perspective as it is important to this new venture. We finally have an opportunity to involve our community and their input and give them a reason to come back downtown. Instead of having nothing going on during a snowy night in Deadwood it would be nice to see a family ice skating or a couple at Outlaw Square decorating the Block Club Christmas tree for a competition. There are unlimited possibilities of what we can do for our community. I think residents have forgotten they have a place to go to and enjoy themselves. This is very important to the survival of Main Street businesses. The businesses have learned this winter we cannot survive on summer alone. We need to generate income and bring people to Deadwood November through April. There are desperate businesses on Main Street trying to decide what to do next. The Revitalization Committee is here to ask for a financial pledge of \$2 Million in order to leverage additional funding sources and to begin negotiations with various contracts and better opportunities with property owners of both plazas. Ms. Floyd stated we have agreed to a partnership and we are absolutely on your side, we share your visions and we are happy to be your partner. We want to see these projects succeed. Mr. Toews asked what is the

driving force to commit to this now. Are the property owners pushing us into doing this early? Ms. Johnson stated this project began in 2013 and one of the first things we started doing was working with Century Link. It was determined by Roger Brooks the building was non-essential to Main Street and would be the priority plaza. The Revitalization Committee would also like a community plaza at the Silverado. It has taken CenturyLink two years to meet with us for negotiations. We have nothing to negotiate with, but now with this partnership we have some leverage. CenturyLink is waiting to hear back and also the Governor's Fund in Pierre is waiting so there is urgency in getting back to these entities. CenturyLink has a \$4.2 Million request of us and with the \$2 Million commitment we have leverage for negotiations. We cannot negotiate with Pierre without the commitment from Deadwood. We need to have a commitment tonight from our partner. Mr. Toews asked if Century Link has a window of right now or is that window movable. Ms. Johnson stated they don't need money right now; they just need to know that we are in with them. We have an opportunity to move them out, but we have not gone back to the table. They are waiting for us. Mr. Toews asked if they are going to move out regardless of what we do. Ms. Johnson stated they do not know. If we have a businessman like Mr. Toews sitting down at the table with them we would walk out of there with really good answers and we would walk out of there in a really good position. We need people like you helping us. Mr. Toews asked if the Governor's Fund exists longer than this period. Ms. Johnson stated there are people all over the state who want the future fund. When you look at the list of people who get this fund they are mostly from Eastern South Dakota. We think it is time for Deadwood. We have not been able to get back to him because we haven't had the matching funds. Now we are in the position to meeting the requirement so we can go to him and request funds. The Mayor has said to us, if you get HP to commit to this \$2 million then he will go to the Governor and help get the Future Fund. I think we can do this. Then we will negotiate with CenturyLink. We have nothing to lose. It is time for Deadwood. In the latest South Dakota's Tourism report over \$3 million of their budget comes out of Deadwood. We are helping everybody, we need to help Deadwood. In a recent e-mail from Roger Brooks the first line in his e-mail he stated "What Comes First". What comes first is people coming down town on a consistent basis. If we can get that then our retail stays open. With your help tonight this could be the beginning to revitalizing Deadwood. Mr. Toews asked if the Governor's Fund exists beyond the present Governor. Ms. Johnson stated every Governor has this fund. Sioux Falls just received another \$2 million. Mr. Toews stated we do not have this in our budget. Ms. Johnson stated should the budget be reduced to \$3.5 million today, we need to clarify we don't want the money today, tomorrow or in August. All we want is a commitment for money down the road should we need to match the Governor or other government funds and meet with Century Link to negotiate that price. Mr. Berg stated the plazas are critical to the future of Main Street. We have the management tools to make something happen and it needs to happen as soon as possible. Mr. Blair stated obviously this is not in our present budget and asked what our options are. Ms. Nelson stated it would come out of reserves unless we bond again and that cannot happen until 2020. If it is not this year then next year it will still have to come out of reserves. Mr. Williams suggested using the money we give to the state. Mr. Kuchenbecker stated it would take a legislative change to do that. Mr. Kuchenbecker stated the request is for future funding. A precedent has been set in the past for future obligations such as Days of 76 Museum and the Homestake Adams Research and Cultural Center. These projects were committed to and became a part of a comprehensive plan thus being part of future bonded projects when financing was available. Professionals were hired to do the design work and business plan which came out of our operating budget. We have an operating budget that we use to prepare for future projects including future bonded projects. My understanding is if we are \$5.8 Million at the end of year of 2018 we may be writing a check for \$2 million, but currently we can't, but we can continue to move forward and it is going to take time for CenturyLink and Silverado to move forward with everything else. We can work towards this and have it for future bonding and in the meantime use some of our operational budgets for different things along the way. Mr. Berg asked if these plazas are relevant to the future growth of Deadwood. Chair Floyd stated we need to be careful. As a commission in charge of historic preservation funds we also need to ask the question is this an appropriate expenditure of our money. There are going to be ways. We want to make sure we are addressing the questions of historic preservation aspects of these things. Mr. Toews stated his is focusing on the 15 points we need to follow in the law. I don't want to be spending money on things that are not abiding by the law. The appraised value of the CenturyLink Building is \$750,000 and we are going to give them \$2 Million. Mr. Pearson stated the \$2 Million will be used as leverage to receive \$2 Million from the State. Mr. Toews asked what HP's money will be used for. Mr. Pearson stated it would be \$750,000 for the building and potentially for design work on the plazas. We will go to CenturyLink to deal with them and hopefully get the price down and we would have money behind us. Mr. Kuchenbecker stated if we are going to continue through with this we need to make sure we are at the table helping formulate programming, interpretation and design for the plazas so it does have a direct benefit to HP. Under the Administrative Rules this can be done. It fits the construction and non-construction allowable expenses under the South Dakota Administrative Rule. Chair Floyd stated large projects have been undertaken in Deadwood that have turned out to not be supported by the residents. There is concern that we may be jumping the gun in terms of making a pledge to support this project that hasn't gone through the processes yet. We are putting together a new comprehensive plan for Deadwood. The old comprehensive plan had a plaza in it. Is

it difficult to agree on spending funds that have not been specifically laid out in that process. Mr. Pearson state in 2013 this project was started. There were three public meetings on the plazas and two workshops for the community to help design the plazas. There has been a lot of community involvement on the plazas. Ms. Johnson stated the community was involved. The only problem we have right now is we do not think our plazas are Deadwoodized enough. This is why this partnership is important. Those plazas need to be tweaked. That is something we need to go back to the community and get their input. All we are asking for today is this commitment to be our partner for \$2 million so we can see as a team what we can do next. There are two steps, try to get matching funds and CenturyLink. This commitment will allow us to do things we need to get done. Mr. Williams asked how the \$2 million was arrived at. Mr. Pearson stated to match the Governor's money. We might not even spend all of this money. Mr. Blair stated we need to be more involved. If funds are coming out of the HP budget we need to be involved. The citizens of Deadwood are our history. Preservation belongs with the citizens of Deadwood. We owe the residents something. We owe them the plazas. We have asked a lot of our residents. We need to give back to the residents. Mr. Geinger stated this plaza will get our residents down town. Chair Floyd asked with the approval of the comprehensive plan approved are plans to bond included. Ms. Nelson stated there will be an effort to bond when our current bonds are paid off. There needs to be a plan and put a list together. Mr. Kuchenbecker stated projects need to be identified. Ms. Nelson stated if we spend the \$2 million before we bond and reduce our cash this would not be viewed well by the board. Mr. Geinger stated he thought the bonds were up in 2017 or 2018. Ms. Nelson stated the bond are paid off in 2020. Mr. Blair stated we need to turn Deadwood into a Winter Wonderland. Mr. Toews stated he is concerned about timing and part of that is driven by budget. I feel there are a lot of vocal citizens who have not been brought into the discussions. The comprehensive plan is our visionary document. It will hopefully come up with ideas we haven't thought of today and how the plazas will fit with the projects. Before we make a decision of commitment I would like to have the comprehensive plan completed. Focus more on residents participating on this process. Sharon Martinisko, resident, stated she has three points. As a resident, the revitalization committee has heard me say many times "Where are the Residents". Why aren't there residents on your committees? John Martinisko is now on one of the committees. The visitor center was the least beneficial to the residents. A lot of people are unhappy. I urge the Revitalization Committee to step out into the community and invite people to your meetings and publish your meetings and take minutes and report the minutes to HP and the City Commission. As a citizen, these plazas are part of the life blood of this community. It needs to be identified, it needs to be committed to, it need to be part of the big picture. We are looking at the future of Deadwood. I am tired of us spending money to have plans and designs made and then they go to the way side. This is a key piece to the Roger Brook's plan. Citizens in this town said yes. This is the piece that gives Deadwood heart and brings the community together. Ms. Martinisko encouraged the HPC to support the request and also directed the Revitalization Committee to get the public involved. Mr. Geinger stated the majority of members on the main committee are residents. The committee is reaching out to the block clubs seeking their involvement. Chair Floyd stated there is not a solid consensus and is not willing to make a decision tonight. Will the Revitalization Committee be ok with tabling the issue and having more discussion at our next meeting? Ms. Lalonde stated they will be fine with that and will bring more residents to show support of their project. ***It was moved by Mr. Toews and seconded by Mr. Williams to table these items until the March 22, 2017 meeting. Aye – All. Motion carried.***

Michael Johnson left the meeting.

Retaining Wall Program Discussion and Update – Exhibit C

Mr. Kuchenbecker stated the City Commission, at their February 21, 2017 meeting, directed staff to provide a brief overview of projects which are in various stages of design services with Albertson Engineering. Staff has sent out a RFP for future engineering projects. There was no action needed on this item.

New Matters before the Deadwood Historic District Commission

No applications were addressed at this meeting.

New Matters before the Deadwood Historic Preservation Commission

No applications were addressed at this meeting.

Revolving Loan Fund and Historic Preservation Programs:

HP Program Applications – Exhibit D

Margaret Sulentic – 23 Van Buren – Foundation Program

Margaret Sulentic – 23 Van Buren – Elderly Resident Program

It was moved by Mr. Toews and seconded by Mr. Blair to approve the HP Program Applications, as presented. Aye – All. Motion carried.

HP Program Extensions – Exhibit E

Toby Edstrom – 867 Main – Windows/Doors Program Extension
Toby Edstrom – 867 Main – Elderly Resident program Extension
Debra Kahler – 56 Taylor – Windows/Doors Program Extension
Tom McNary – 14 Van Buren – Windows/Doors Program Extension

It was moved by Mr. Blair and seconded by Mr. Berg to approve the program extensions as presented. Aye – All. Motion carried.

Revolving Loan Program/Disbursements

It was moved by Mr. Toews and seconded by Mr. Blair to approve HP Revolving Loan Fund disbursements in the amount of \$10,882.52, based on information as presented by Mr. Walker, of NeighborWorks-Dakota Home Services. Mr. Berg abstained. Aye - All. Motion carried.

It was moved by Mr. Blair and seconded by Mr. Toews to approve HP Grant Fund disbursements in the amount of \$86,158.99, based on information as presented by Mr. Walker, of NeighborWorks-Dakota Home Services. Mr. Berg abstained. Aye - All. Motion carried.

The delinquency report was presented by Mr. Walker.

Revolving Loan Fund/Retaining Wall Program Update:

Retaining Wall Applications

No applications were addressed at this meeting.

Items from Citizens not on Agenda

Sharon Martinisko informed the commission of the upcoming Information Night on March 29, 2017.

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

Mr. Kuchenbecker reported on the following items:

- The City of Deadwood has received a Master Craftsmanship Award for work on the 84 Van Buren retaining wall project;
- Information has been handed out for the Forts, Wars and Treaties of the Northern Plains symposium on June 1-3, 2017 and we are a sponsor;
- The Façade Easement project with Berg Jewelry is progressing with the cornice recently installed;
- The projects committee met and reviewed several items for donation into the archives. The loan committee did not have a meeting. The Upper Floor committee meets on March 21. There have been several Revitalization Committee meetings;
- The pilot program for Ghost Sign is getting underway;
- Very close on getting the utility boxes together;
- The Design Committee has scheduled an informational meeting for seven property owners from Wall street to Deadwood Street to talk about the wear of their buildings and the Façade program;
- The Promotions Committee has Deadwood Dine coming up at the end of the month;
- The Kraft Beer Fest is in April;
- Comprehensive Plan was approved by City Commission Monday night.

Committee Reports:

- Mr. Toews would like for the Revitalization Committees to inform the HP Commission of upcoming meetings. Mr. Kuchenbecker is working on updating the list.

Adjournment:

The Historic Preservation Commission Meeting adjourned at 6:16 p.m.

ATTEST:

Chairman, Historic Preservation Commission
Bonny Anfinson, Historic Preservation Office/Recording Secretary