

DEADWOOD HISTORIC PRESERVATION COMMISSION

Wednesday, April 9, 2014 ~ 5:00 p.m.

City Hall, 108 Sherman Street, Deadwood, South Dakota

1. Call meeting to Order
2. Approval of Minutes
 - a. Approval of Minutes from March 12, 2014
 - b. Approval of Minutes from March 26, 2014
3. Voucher Approval
4. Old or General Business
 - a. DNA testing for skeletal remains – Mike Runge
 - b. Deadwood Stagecoach Days — DHI partnership with HPC – funding request
 - c. Archaeology Camp support – DHI partnership with HPC – funding request
 - d. Deadwood Historic Preservation Moments – Preservation Office
 - e. Resolution regarding the unpermitted demolition of the Sinclair Station
5. New Matters before the Deadwood Historic District Commission
 - a. Case No. 14011 – 700 Main Street – Exterior Rehab – Super G Investments
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. Underwriting fee policy recommendation
 - ii. Rick Ensminger – 130 Charles – Special Needs Windows
 - iii. Ron Russ Fairmont Hotel – 628 Main St – Refinance addition
 - 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

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

DEADWOOD HISTORIC PRESERVATION COMMISSION

Wednesday, March 12, 2014 ~ 5:00 p.m.

City Hall, 108 Sherman Street, Deadwood, South Dakota

1. Call meeting to Order
2. Approval of Minutes
 - a. Approval of Minutes from February 26, 2014
3. Voucher Approval
4. Old or General Business
 - a. Gateway Monument Signs – Historic Preservation Office
 - b. Roger Brooks International Branding Program support – Historic Preservation Office
 - c. Chinese Coin Conservation project – Historic Preservation Archives
 - d. Portable Baseball History Exhibit – Historic Preservation Archives
 - e. Case #14001 – Optima, LLC – 366 Main St – Continuance on moving / demolition of resource
 - f. Case #14002 – Optima, LLC – 370 Main St – Continuance on moving resource
5. New Matters before the Deadwood Historic District Commission
6. New Matters before the Deadwood Historic Preservation Commission
 - a. Case #14007 – 152 Charles St – Foundation, Siding & Windows – Dennis & Brenda Sabo
 - b. Special Needs / Wood Window Program – 152 Charles St – Dennis & Brenda Sabo
 - c. Special Needs / Siding Program – 152 Charles St – Dennis & Brenda Sabo
 - d. Case #14008 – 157 Charles St – Roof alteration – Patrick Mollman
7. Revolving Loan Fund/Retaining Wall Program Update
 - a. Retaining Wall Applications
 - b. Revolving loan Program/Disbursements
 - i. 152 Charles St – Dennis & Brenda Sabo – Siding Program
 - ii. 152 Charles St – Dennis & Brenda Sabo – Window Program
 - iii. 152 Charles St – Dennis & Brenda Sabo – Rehab Loan
 - 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.*)
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CITY OF DEADWOOD
HISTORIC PRESERVATION COMMISSION
Wednesday, March 12, 2014

Present Historic Preservation Commission: Chairman Willie Steinlicht, Vice-Chair George Milos, Michael Johnson, Lynn Namminga, Chuck Williams, Laura Floyd and Darin Derosier were present.

Absent: None

Kevin Kuchenbecker, Historic Preservation Officer; Ms. Terri Williams, City Attorney; Ms. Joy McCracken, Executive Director of NeighborWorks-Dakota Home Services; Robert Nelson Jr., Zoning Administrator; and Mike Runge, Archivist were all present.

Present City Commission members: Mayor Chuck Turbiville, Vice-Chair Georgeann Silvernail and Gary Todd were present.

All motions passed unanimously unless otherwise stated.

A quorum present, Chairman Willie Steinlicht called the Deadwood Historic Preservation Commission meeting to order Wednesday, March 12, 2014 at 5:00 p.m. in Deadwood City Hall located at 102 Sherman Street in Deadwood, SD.

Approval of February 26, 2014 HPC Minutes:

It was moved by Mr. Williams and seconded by Mr. Johnson to approve the Minutes of Wednesday, February 26, 2014. Aye – All. Motion carried.

Voucher Approval:

Operating Account

It was moved by Mr. Milos and seconded by Mr. Namminga to approve the HP Operating Account in the amount of \$32,158.55. Aye – All. Motion carried.

Old or General Business:

Deadwood Gateway Monument Project

Mr. Kuchenbecker noted that during the presentation of Roger Brooks' "A community assessment through the eyes of a visitor", the monument signs at the gateways to Deadwood were identified as not very readable for both the lettering as well as relief masonry pictorials of Deadwood's history and heritage. Due to Mr. Brooks' observation, Mr. Kuchenbecker recommended colorizing the dimensional rectangular brick pictorial portion of all six (6) existing monument signs; this would enhance each of their visual artwork and increase their readability. Mr. Kuchenbecker has been in contact with Mr. Tim Peterson, a local artist and owner of Flat Earth Art and Sign Company, to review the six (6) monuments and provide a recommendation and estimate on the project. Estimated life of the artwork will be 12 to 15 years and will not exceed \$12,545.00 with all work done on site, weather permitting, with the estimated completion date prior to Memorial Day and funding to come from HP Capital Assets. ***It was moved by Mr. Derosier and seconded by Mr. Johnson to allow the Historic Preservation to enter into contract with Mr. Tim Peterson to colorize the existing artwork of the six (6) gateway monuments with the cost not to exceed \$12,545.00 from 2014 HP Capital Assets Budget contingent upon the first completed monument to meeting staff's approval. Aye - All. Motion carried.*** (The Memorandum is attached hereto on Exhibit A and incorporated herein by this reference.)

Roger Brooks International Branding Program support – Historic Preservation Office

Mr. Kuchenbecker informed the Commission the Deadwood Revitalization Committee would like to bring Roger Brooks back into Deadwood to assist in the development of a "Branding Program" for Deadwood. Mr. Kuchenbecker recommended the Deadwood Historic Preservation Commission allocate up to \$11,000 towards the Roger Brooks "Branding Program" from the 2014 Public Education and Advocacy line item. ***It was moved by Mr. Milos and seconded by Ms. Floyd to approve spending up to \$11,000 from the 2014 Public Education and Advocacy budget line to bring Roger Brooks back to assist in development the "Branding Program" for Deadwood***

with the stipulation that there are matched funds prior to contract. Aye - All. Motion carried. (The Memorandum is attached hereto on Exhibit B and incorporated herein by this reference.)

2014 Deadwood Chinatown Coin Conservation Project – Archives

Mr. Kuchenbecker informed the Commission that approximately 80% of the copper alloy coins recovered from the Chinatown excavations have been infected with bronze disease; this disease is causing decomposition of the copper due to salts found in the ground. Mr. Kuchenbecker recommended allowing the City Archives permission to hire the Maryland Department of Planning to conduct conservation efforts for the one hundred and sixty-eight (168) copper alloy coins not to exceed the amount of \$4,400.00; this is a 2014 City Archives budgeted project. **It was moved by Ms. Floyd and seconded by Mr. Milos to allow the City Archives to hire the Maryland Department of Planning to conduct conservation efforts on the one hundred and sixty-eight (168) copper coins with the cost not to exceed \$4,400.00 from 2014 City Archives Budget. Aye - All. Motion carried.** (The Memorandum is attached hereto on Exhibit C and incorporated herein by this reference.)

2014 Portable Baseball Exhibit Project – Archives

Mr. Kuchenbecker recommended allowing the City Archives permission to hire the Siouxland Heritage Museums of Sioux Falls, South Dakota to develop six (6) portable exhibit panels focusing on the history of baseball in Deadwood with funds not to exceed \$6,000.00; this is a 2014 City Archives budgeted project. **It was moved by Mr. Derosier and seconded by Mr. Namminga to allow the City Archives to hire Siouxland Heritage Museums to develop six (6) portable exhibit panels with the cost not to exceed \$6,000.00 from 2014 City Archives Budget. Aye - All. Motion carried.** (The Memorandum is attached hereto on Exhibit D and incorporated herein by this reference.)

Optima, LLC Project Approvals for 366 and 370 Main Street

Mr. Kuchenbecker started to discuss his staff report and the supplemental staff report, but was interrupted by Commissioner Floyd regarding possible conflict of interests. She indicated that Mr. Milos is employed at the Chamber of Commerce which receives a large portion of its income through Bids 1-6 which includes Optima LLC properties. Ms. Floyd noted that from the City's numbers, Cadillac Jack currently contributes \$4284 per month to Bids 1-6 and Spring Hill Suites contributes \$325.25 per month for a total of \$4609.25 per month. She then asked Mr. Milos if he felt if there was any conflict of interest on his part. Mr. Milos stated he had discussed this concern with the City Attorney, Mrs. Williams, who informed him that under the South Dakota State Statute SDCL6-1-17, she felt there was no conflict of interest. Mrs. Williams went on to clarify that under the state's statute that an official may not participate in discussing or voting an issue if the official (1) has a direct pecuniary interest in the matter before the governing body; and (2) at least two-thirds of the governing body votes the official has an identifiable conflict of interest that should prohibit such official from voting on a specific matter. With that clarification and the statement that Mr. Milos does not benefit personally from the monthly contributions, Mrs. Williams reiterated that there would be no conflict of interest on Mr. Milos' behalf. No vote action was requested regarding Mr. Milos and the concern for a conflict of interest was settled. Ms. Floyd then proceeded to question Mr. Derosier's conflict of interest, who currently sits on the Board for NeighborWorks. Ms. Floyd stated she didn't know details however had heard the NeighborWorks Board had entered into a contract for the purchase of a lot in which one of the houses under discussion might be placed. She inquired as to whether or not there had been any board action on that and, if there had, whether or not it would constitute a conflict of interest on behalf of Mr. Derosier. Mr. Derosier confirmed he was on the NeighborWorks Board as a Historic Preservation Commissioner; however he has not had any conversations with the NeighborWorks Board of Directors pertaining to land purchased for the use of placing properties in question. Mr. Derosier stated he did not feel there was a conflict of interest as he has not been at any meetings in which the topic of Optima LLC or 366 and 370 Main Street were discussed.

As Mr. Kuchenbecker continued the review for both Case #14001 and Case #14002, he stated everything that has been submitted to date is still relevant to the staff's point of view; he stated the original Staff Reports are part of the recorded minutes for both January 29 and February 12 and should be reviewed and considered. The letters from the City Attorney, National Park Service and State Historic Preservation office are still relevant.

Regarding the application for Case #14001 pertaining to 366 Main Street, it is Mr. Kuchenbecker's understanding that with the amended documentation received from Optima LLC, plan is to relocate the resource with the hopes to have NeighborWorks Services of the Black Hills relocate the resource. To date, Mr. Kuchenbecker stated his office has not seen any of the development costs associated with the proposed site; Mr. Kuchenbecker's understands that there is nothing in writing, but that there may be an offer on a lot contingent on this decision. Mr. Kuchenbecker stated that

indicating a resource can be moved is one thing but in staff's opinion anything can be moved but at what cost and is the cost reasonable and prudent. He noted that the actual cost of moving and the realistic feasibility and logistics of the move appear to have not been fully taken into consideration and made a part of the submitted application or supporting documentation. He stated that any action allowing the move of 366 Main Street should be contingent upon the Planning and Zoning actions as well as the moving permit itself. Mr. Kuchenbecker stated one question he has is whether or not the commission can make a determination if there are unknown and relevant factors to be considered before taking an action. All planning should be completed as part of an application. He continued to say that if the commission should consider approving the moving of the resource without more details, the decision could jeopardize the resource. At this time Staff does not feel we have firm financial and developmental costs and/ or board approval from the non-profit other than the applicant's supplemental documentation; we do not have a resolution from the Board of Directors of NeighborWorks. Mr. Kuchenbecker questioned if it is in the best interest of the commission to have a building "up on blocks" ready for a move without knowing where it will be located and if the project would be completed. He informed the commission that resources can be put in jeopardy of deterioration and loss when applications are acted upon without proper planning. Mr. Kuchenbecker reiterated that as outlined by the current Deadwood City Attorney, Mrs. Terri Williams, and based on the Attorney General's opinion, the project shall not proceed until it has been determined there is NO reasonable and prudent alternative and ALL possible planning to minimize harm to the historic property. Mr. Kuchenbecker stated that it is Staff's opinion that all possible planning has NOT been thoroughly presented as part of the submitted application and that ALL reasonable and prudent alternatives have NOT been considered by either the commission or the applicant. While it may be Optima's belief that the relocation of the non-contributing resource at 366 Main Street DOES NOT encroach upon, damage or destroy an historic property, this is contrary to Mr. Kuchenbecker's opinion as outlined in staff report dated January 28, 2014. Mr. Kuchenbecker acknowledges this is a non-contributing resource; however, allowing the resource to be moved or demolished in itself not only is the cause of damage and destruction of the site and setting of the districts, but also the creation of additional surface parking which also causes the damage and destruction and is adverse to the historic property (districts). Mr. Kuchenbecker acknowledged the site and entire strip in this area is zoned commercial highway as outlined in the applicant's response. He noted the zoning code does not prohibit the use of these resources for commercial enterprise. He also reiterated it does not have to be the best use of the property, the most profitable use to be prudent and/or the highest return on the investment; this is further substantiated in the memorandum opinion from the SD Attorney General's office dated December 17, 2013. Mr. Kuchenbecker recognized while the Fountain City planning unit in which these two resources are currently located has undergone a long and incremental process of change through a variety of decisions and court decisions, each application should be reviewed on a case by case basis and is ultimately a decision of the current commission at the time of the action. Mr. Kuchenbecker reminded each commissioner they must use the rules, regulations and guidelines under which to make the appropriate decisions at the time of the application. Mr. Kuchenbecker recapped the purpose of the Deadwood Historic Preservation Commission again is to protect its historic properties including its historic districts and that it is his opinion, as the Historic Preservation Officer, that the application does not clearly define there are no reasonable and prudent alternative to allow the building to remain other than it is not economically feasible based upon the purchase price of the property. Again, he noted this is not a concern of the Historic Preservation Commission. Mr. Kuchenbecker informed the commission the Commercial Highway Zoning is intended to provide locations for commercial uses, which require access to roads and highways and substantial amounts of parking. He stated that maintaining the existing resources in their existing locations does not prohibit or change the Commercial Highway Zoning of this area. Mr. Kuchenbecker noted the resource can still be used for commercial uses as it has access to the road and highway and there is substantial amount of parking nearby. Any action to protect the existing resources does not prohibit the commercial use of these properties. Mr. Kuchenbecker specified while the applicant states additional parking to service Cadillac Jacks / Optima's present hotel, casino and convention center is what is needed, preservation is what is required under the Deadwood ordinances and regulations. He noted that prior to the creation of their parking needs; Optima should have acknowledged the historic preservation rules and guidelines under which the City of Deadwood and the Deadwood Historic Preservation Commission operate. Mr. Kuchenbecker informed the commission over the past twenty-five years, numerous decisions and court cases have shaped this area of the historic district; each decision and court case under the rules and regulation's at the time. He also stated over the past eight years, the City developed and adopted guidelines, improved city ordinances, successfully passed state legislation and strengthened historical preservation in Deadwood. In the past, Mr. Kuchenbecker reminded the National Park Service publically indicated "development and visual integrity are the district's biggest threats." Based upon the decisions and court cases related to this area, Mr. Kuchenbecker feels the Fountain City planning unit faces the biggest development pressures and loss of visual integrity for the historic districts. He continued to state that any action which would further cause the loss of visual and historic integrity of this portion of the district will likely cause the National Park

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Service to move Deadwood back to the "Watch" list or even potential noted as "Threatened" (Priority 1) indicating the National Historic Landmark has suffered, or is in imminent danger of, a severe loss of integrity. Mr. Kuchenbecker reiterated the Secretary of Interior Standards clearly does not recommend "removing or radically changing those features of the district of neighborhood which are important in defining the overall historic character so that as a result to the character is diminished." Based upon the review of his original Staff Report, the supplemental information and what has been provided by the applicant for Case #14001 for 366 Main Street AS SUBMITTED using the guidelines for Undertaking in the City of Deadwood National Historic Landmark District, Mr. Kuchenbecker concluded his opinion is the project DOES cause damage and destroy a historic property included in the national register of historic places and the state register of historic places and again fails to address ALL reasonable and prudent alternative and therefore is adverse to Deadwood. (The Memorandum, Staff Report and Optima's amended documentation are attached hereto on Exhibit E and incorporated herein by this reference.)

Mr. Roger Tellinghuisen, on behalf of the applicant Optima, LLC, stated that his understanding from the last meeting was that they would come back with additional information to address the questions raised by the commission about whether reasonable and prudent alternatives had been taken into consideration. He presented information he had put together in response to Mr. Kuchenbecker's Memorandum to the Deadwood Historic Preservation. Mr. Tellinghuisen recalled that Optima's application for Project Approval for the non-contributing "Shea" house located at 366 Main Street was for "Demolition" with the hopes to save the house by donating it to Neighborhood Housing Services of the Black Hills Inc. He stated since then Neighborhood Housing has secured a purchase agreement for a suitable place to move the house to which is located at Lot 26 of Peck's Subdivision in the City of Deadwood; contingent to the Commission approving the relocation of the Shea House. Mr. Tellinghuisen reiterated the Shea House is not suitable as a single family home as it currently sits on a four-lane highway, next to casinos and located in commercial area. Because of its location Mr. Tellinghuisen asked to keep in mind the Shea house has a value much different than a house that sits in a residential neighborhood. He informed the commission it is not something the client has been responsible for, but simply it is the market place, and Optima went in and paid fair market value for these properties. Mr. Tellinghuisen remarked it was suggested previously these properties could be used as something other than a home, such as a book store, a gift shop or a lawyer's office. He remarked that there has been no one who has stepped forward to show interest in using them as commercial properties. However, given the financial investment to convert to office space, he stated "it doesn't make sense" and noted this would be too expensive of a real estate to be run as a small business. Mr. Tellinghuisen noted a letter received from Mr. Vaughn Smith of A-1 Construction Inc. following a request to analyze current site and building conditions; Mr. Smith's assessment of "putting commercial businesses in the buildings would amount to considerable work to address ADA concerns and existing electrical, plumbing and HVAC work at the minimum." Mr. Smith's assessment estimated it would cost approximately \$69,120.00 just to convert 366 Main Street to office space. Mr. Tellinghuisen also pointed out a letter from Mr. Greg Klein, owner of Century 21 Realty in Deadwood, in which he gave his opinion for the fair market value of the property. Mr. Klein stated the "going rental rate for structures such as this used in a commercial application would fall in the range of ten dollars a square foot." Mr. Tellinghuisen also noted a letter from Mr. Paul Thorstenson, a certified Public Accountant of Ketel Thorstenson, who gave his professional opinion with "appraisal indicating the highest and best use of the property is clearly as a parking lot with a value of \$810,000.00." In his letter he calculated that if converted to small offices or retail space, tenants "would have to be charged an annual rental of over \$30 per square foot to return a fair return on investment" which would be approximately \$34,500.00 per month. (The Optima LLC Presentation including Mr. Smith's, Mr. Klein's and Mr. Thorstenson's letters are found in attached hereto Exhibit F and incorporated herein by this reference.)

Mr. Paul Thorstenson, a certified Public Accountant of Ketel Thorstenson as well as a property owner in Deadwood, reiterated his statements made in the letter previously noted. He stated his estimation of the cost to convert the property would be \$10 per foot or approximately \$33,000.00 of the fair market rental value of the building. Mr. Thorstenson noted this is approximately 1/3 of what is fair to the landlord based on the value of the property. He stated to make a fair return, rent for the property located at 366 Main Street is estimated as 8.5% of the full value of the property per year; this would work out to be approximately \$2,080 per month ($30 \times 832 / 12 = 2080$). Mr. Thorstenson believes using the property as commercial space is not reasonable and prudent.

Ms. Joy McCracken, Executive Director of NeighborWorks, stated after the property was offered to NeighborWorks as a donation, she took it to the Board of Directors who requested research prior to moving forward. Ms. McCracken informed the Commission the NeighborWorks Board would consider the donation if it made sense financial, if it met the mission of their organization and would be contingent upon the decision made by the Historic Preservation Commission to approve Optima's application request. Ms. McCracken informed the commission a site for relocating the

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Shea house was found on Peck Street and they do have a secured purchase agreement on the lot which is subject to if the house can be moved there, if Historic Preservation Commission approved it and the final approval of the NeighborWorks Board of Directors. She stated the next course of action was to locate a mover to survey the site and estimate cost of relocating the Shea house; the mover confirmed it was possible to move the building to Peck Street with limited complications. Ms. McCracken contacted contractors to advise as to what the cost would be to move the house and could it be sold at a reasonable price following all the renovations in the end. She informed the Commission a Realtor estimated the fair market value would be approximately \$130,000 after all is said and done; the contingencies to this amount is determined on whether or not to add a garage. NeighborWorks contacted the following to determine if the relocation would have any obstacles: the Department of Transportation drove the route finding no problems; Black Hills Power reviewed site & route finding no issues; and the City's Public Works did not find issues as well.

Mr. John Coppe of O'Neil House Movers stated they have been in business since 1972; he has been with the company since 1982. Mr. Coppe informed the commission he has personally been involved in reviewing and determining the possibility of relocating the Shea house to the proposed location on Peck Street. Based on his house moving experience Mr. Coppe feels the Shea house "is a very sound little house and very movable" and can be done without damaging the house. Other than removing the small awnings on the sides of the house, Mr. Coppe said it should fit down the road with minimal alterations needed. Mr. Coppe stated the O'Neil House Moving Company has insurance and that he has never lost a house in his career.

Mr. Williams asked as to what permits would be needed and would it be during the day.

Mr. Coppe stated they would need to obtain a State Highway permit for using highway 85 & 14A as well as schedule with the utilities company to swing lights and that the move would take place during the day unless notified otherwise by law enforcement.

Mr. Kuchenbecker noted that NeighborWorks costs incurred during the move should not be a burden to the City, such as the permit cost to be obtained from the City Commission, also will need to obtain "a bond in an amount which in the judgment of the street commissioner will be sufficient to cover any damages to city property which might result from such use of the streets and alleys of the city under the operation of such permit". He noted this would cover any labor associated costs from the City, as defined and required under the City's Code of Ordinances 15.28.020.

Mr. Tellinghuisen believes that in Ms. McCracken's due diligence, the permits along with any moving fees were factored into the overall cost. Ms. McCracken confirmed that was correct.

Mr. Namminga asked if the renovation as commercial use was estimated within NeighborWorks cost of the \$130,000.

Mr. Tellinghuisen clarified that Ms. McCracken had factored in costs as a residential single family home; these renovations are not estimated as high as it would be for commercial use renovations. Ms. McCracken confirmed that was correct.

Mr. Kuchenbecker asked Ms. McCracken whether she had a Budget sheet that outlines the expenses estimated. Ms. McCracken stated she would have to look for it.

Mr. Kuchenbecker also noted that this proposed site for the Shea house is located outside the Historic District.

Mr. Tellinghuisen concurred with that statement it would be relocated to the outside of the Historic District, but wanted to remind the commission the Shea house was a non-contributing structure. Mr. Tellinghuisen addressed the concern that if you move it out of the area it affects the contributing structures in that area, but noted that to make a logical conclusion, that every house, every building in Deadwood is in the same position as the Shea house. He stated that it is one thing when you start approving changes to the outside of a contributing structure, but to be consistent you must also start taking up all those non-contributing structures residents make changes to which he stated he does not think the commission currently gets involved with at this time.

Mr. Kuchenbecker corrected Mr. Tellinghuisen by informing him that the Commission does review non-contributing project approvals while advising residents as to what they can and cannot do to their non-contributing structure. Mr. Tellinghuisen stated he stood corrected.

Mrs. Ilene Brunner, Lillian Shea's niece, stated her aunt was a smart business woman who was well aware her home was to be torn down and replaced by a parking lot. Mrs. Brunner stated that when she left the last meeting and turned down the street by the VFW she noticed the parking ramp structure. She noted Roger Brooks' assessment and one of the three biggest concerns was parking. Mrs. Brunner stated that when she comes to Deadwood, her first

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thought is "will I have a place to park?" She noted that we have a company who is willing to invest in parking for Deadwood; Roger Brooks' said that the City, residents and casinos need to work together to help in creating a solution to this problem. Mrs. Brunner concluded with hope the Commission would approve this project and start moving forward with Deadwood.

Mrs. Marlene Todd, a lifetime resident of Deadwood, stated she grew up at 390 Main and the area of town in question was her childhood neighborhood. She wanted to remind the commission of their duties and purpose which is to preserve the Historic Deadwood. She has lived here since 1956 and joked she qualifies for the Historic Preservation Commission. She spoke with emotion recollecting memories of sitting with her dad, Les Meeker, and Jimmy Shea while listening to them talk about this encroaching business; how it was ruining their neighborhood; how it was tearing down the integrity and the beauty of their community. In 2002 when Mrs. Todd was moving her dad into a nursing home, she remarked on how Mr. Bradsky approached her with interest to purchase the property at 390 Main Street with the intention to buy that whole area to expand into with casino and parking lot. Mrs. Todd was advised at that time that if she didn't want to be the island in the middle, she would consider his proposal. Mrs. Todd asked if that really was reasonable and prudent with all alternatives being investigated for a home 12 years later. She stated that Jimmy Shea's house is being discussed now and it is the island in the middle. She stated Mr. Shea would be appalled at the City if we allowed his home to be moved.

Mrs. Lenessa Keehn, a Deadwood resident, expressed her pride for Deadwood's very historic past and noted there are members in this community who work to maintain Deadwood's historic identity; the efforts of these members petitioning to have it added to the National Register was rewarded in 1961. Mrs. Keehn reminded the Commission that 24 years ago South Dakota voters approved gaming because of the promise that gaming tax revenues would help in preserving our historic resources. She questioned that if Deadwood's Nation Landmark status is lost through arbitrary actions, such as moving the Shea House and Fountain House as well as changing the landscape of the Fountain City District, is there potentially a risk of losing the gaming tax dollars currently dedicated to historic preservation. Mrs. Keehn expressed her concern that if Deadwood loses that \$6.8 Million per year, there may still be gaming, however the fear is the residents and local businesses will ultimately be the ones to pay. Mrs. Keehn pointed out that "your identity will define who you are and Deadwood's identity comes from its historic past. It is where we came from; it is who we are and that same historical identity should guide us into tomorrow." Mrs. Keehn asked each Commissioner to uphold the integrity of the position they hold as a member of the Historic Preservation Committee; she pointed out it is their responsibility to maintain and preserve the historic identity of Deadwood and the status of Deadwood as a National Historic Landmark by voting "No" to the project approvals submitted by Cadillac Jacks. (Mrs. Keehn requested her written statement be put on record; it is attached hereto on Exhibit G and incorporated herein by this reference.)

Mr. Daryl Nelson, the curator for Deadwood History, stated he had two very big observations. First he remarked though all these practical issues are compelling, he argued that they are not the commission's problem; they are the owners problem. He stated other things will happen after this meeting, but the commission's job is to only wear one hat tonight. Secondly he stated that as an outsider, it could easily appear the commission is being asked to benefit one business at the potential loss of all the other entities in town if there is a change to the historic designation of the City.

Mrs. Keehn also was asked by Mr. Gary Herdt, resident at 15 Madison St in Deadwood, to read and submit his statement for the record. Mr. Herdt's letter stated his apology for not be able to appear in person, but as a fairly new resident to Deadwood who purchased a home mainly due to the historical significance of the area. He also urged the committee to say "No" to this issue and to "stop the slow erosion of our historical area and possible threat of Deadwood losing its National Historical Landmark status. (Mr. Herdt's requested his written statement be put on record; it is attached hereto on Exhibit H and incorporated herein by this reference.)

Mr. Gary Keehn stated that first and foremost he is proud to be a longtime resident of Deadwood who was first to become a Historic Landmark District. Mr. Keehn expressed his desire to help uphold the City, noting the number of cops have increased helping to make sure we are doing what we need to do as well as a handful of gaming officials wandering around making sure we are doing what we need to do. He commented to the commission there are "a lot of residents here today who care" enough to make sure the commission does what it needs to do and that the commission makes the decision they are suppose to make. He asked the Commission to show they care and think hard when making the right decision.

Mrs. Carolyn Weber was asked to address the Commission and read a letter on behalf of Mrs. Francy Pike. Mrs. Pike wrote to ask the Commission to deny both proposed project applications for 366 and 370 Main Street as she felt they clearly had an adverse effect on the designated historic properties. Mrs. Pike expressed her concern that if projects

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were allowed to proceed, two resources that have been a part of Deadwood's history for decades will be lost to a parking garage. Mrs. Pike pointed out that as a Historic Preservation Commissioner, each Commissioner serves as the community's protector of the National Historic Landmark District and has a duty to administer the historic regulations. She reiterated that they alone have the absolute duty to preserve Deadwood's National Historic Landmark District status and the structures listed on the National Register of Historic Places. She stated under the regulations the Commissioners have a duty to administer, it provides a clear roadmap to follow. She again expressed her concern that as a whole the commission must not approve the project approval applications as she feels they do encroach upon, damage or destroy a designated historic property especially if there is a feasible and prudent alternative that would prevent such encroachment, damage or destruction. She ended by stating that it is both the duty and authority under SDCL 1-19A-11.1 to deny, as she felt it would be the best for both houses, best for their communities and the best overall for Deadwood's Historic Landmark status. (Mrs. Francy Pike requested her written statement be put on record; it is attached hereto on Exhibit I and incorporated herein by this reference.)

Mr. Tellinghuisen asked to respond to Mrs. Weber to clarify the Shea House is a non-contributing resource and that there is no delisting of this property that would occur.

Mr. Steve Olson referred to comments made by Mr. Tellinghuisen as to why no one has stepped forward to buy these properties. Mr. Olson stated that maybe they didn't have a use for them and stated that just because a car lot has cars, it doesn't mean we need to go in and buy one; he noted that if we have no use for it, why buy it. In referencing the economic feasibility of using these properties, Mr. Olson reminded the commission that economic feasibility is no more your decision than what is done to the inside of those properties. As a member of the commission, he reminded each of the commissioners that the Secretary of Interior Standards for Rehabilitation is their bible and asked the commission follows these standards and deny this application as it was submitted.

Mrs. Sharon Martinisko, a resident and owner of two contributing homes in the Presidential Neighborhood of Deadwood, thanked the Commission for the opportunity to share her opinion and questions regarding the relocation of the homes located at 366 and 370 Main Street. She stated both her husband and she chose to purchase property in Deadwood in 2004 and they moved here in 2010. She said they were attracted to this area due to Deadwood's historical landmark status, its rich history and the strong sense of neighbors and community. As a property owner and resident, she has concerns and questions about the possible relocation of homes in the designated landmark area, especial to outside the historical landmark. She questioned if there was written proof that NeighborWorks has researched the cost of relocation and actually allocated and set aside funds for the relocation and rehabilitation of the house. Mrs. Martinisko asked that whatever the commission's decision that all possibilities are researched and understand all the possible repercussions of their decision; the commission's decision should be based on what is best for the entire Historic Landmark District and for Deadwood. She noted she trusts the commission will take its responsibility it was charged with very seriously and do what is right for all, not just for some. (Mrs. Sharon Martinisko requested her written statement be put on record; it is attached hereto on Exhibit J and incorporated herein by this reference.)

Mr. Dustin Floyd, a resident, business owner and husband of Ms. Floyd, noted to the commission there have been a lot of emotional appeals on this issue since it began. He stated the public comments are great, but that it is also important to remember that the commissioners, as structured, were all appointed to their positions. Mr. Floyd reiterated the importance to keep Historic Preservation away from politics as much as possible and away from emotional issues as well as all that other stuff that gets thrown in there. Being appointed Commissioners, he reminded them they are insulated somewhat from all of that – which is important. Mr. Floyd noted how Mr. Tellinghuisen commented most of the night on economic issues and as a business owner himself, he found that pretty compelling. He also noted that Optima is made up of smart businesspeople that, knowing there were historic preservation standards limiting the uses of these houses in question, but they took a gamble, made an investment decision and purchased these houses anyway. In pointing out Mr. Kuchenbecker's initial comments that economic consideration should not be on the table here, Mr. Floyd reminded them that historic preservation is. He reminded the commission there are two things needed to be considered tonight; first being whether or not it is adverse to move these houses which according to the regional representative of the National Park Service, the State Historic Preservation Office and Mr. Kuchenbecker's staff report, it is adverse; and the second consideration is has all feasible and most prudent alternatives been explored. But as Mr. Floyd quotes Mr. Tellinghuisen from the January 29 meeting, when asked what would happen if the application was rejected, Mr. Tellinghuisen's comment was that "so the Shea house would continue to sit empty and they (the applicants) would continue to maintain it to the minimum standards that the property would need to avoid demolition by neglect." Mr. Floyd stated this statement concludes that there is a feasible and prudent alternative, confirming there is no threat to either structure justifying a reason to move them. He

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commented that as a community we want all our resources to be utilized, not just maintained, but beautified and turned into revenue generating sources if they can. But he also stated we can't force property owners to do something; all we require as a community is properties are maintained to the minimum standards just as Mr. Tellinghuisen committed his clients to doing with his statement. Mr. Floyd informed the commission that it was brought to some of the property owners that Cadillac Jacks is charging an additional \$9.99 Historic Maintenance Fee to some of their guests and since they have not embarked on any historic preservation projects, it is questioned as to where that revenue has truly gone over the past 5 months in which they have been accessing that fee. It is reasonable to assume that it is to cover their legal cost pertaining to the applications of these properties and assuming the success of this application, any cost associated with the transfer of ownership and moving of the buildings. Mr. Floyd reminded the commission they are here to review the facts and make a reasonable decision. He asked them to weigh the facts and protect Deadwood's Historic Landmark Status. Mr. Floyd thanked and noted in appreciation the sacrifices each commissioner makes to sit on this commission and make difficult decisions. (Mr. Floyd requested his written statement be put on record; it is attached hereto on Exhibit K and incorporated herein by this reference.)

Mr. Darin Derosier commented that he understands this is a very serious issue and that he takes his role as a commissioner very seriously.

Mr. Willie Steinlicht remarked on how, as a resident speaking, he wished the community would have come together in prior situations where other properties were lost.

Mr. Larry Shama, resident and business owner, reminded the commissioners who were on years ago that this is all about parking. He stated he had been denied a permit to move a retaining wall to make room for one car stall; he pointed out this request is to move two houses to make room for a parking ramp. He expressed his concern and discord for the fairness, or lack of it, being put out by the commission.

Mr. Steinlicht stated the commission makes their decisions on the Staff Report and information presented before them.

Mr. Shama continued to state how when he drives up and down that part of town, he thinks of Jimmy Shea and Lillian. He is reminded of them because their house is still there. He noted how iconic resources help remind others of the past that made Deadwood what it is today. History is what makes up Deadwood. He concluded by asking what will happen to other iconic, historic properties when their time comes up?

Mr. Namminga wanted to clarify the comment Mrs. Brunner made regarding the car ramp close to downtown. He stated it was a parking lot to start with before the parking ramp was built. Mr. Namminga also noted that building a parking ramp down by the casino will only benefit them as it would be for hotel, casino or patron parking, not for public use to park and would not benefit tourists who would walk to downtown.

Mrs. Brunner asked to make a rebuttal to Mr. Namminga's comment and disagreed with the fact that people could and would use the parking lot other than patrons.

Mr. Derosier questioned Mrs. Brunner's opinion on whether or not Jim Shea would be okay with the relocating of the house. Mrs. Brunner stated that Mr. Shea always said that "anything good for Deadwood was good for him."

Mr. Kuchenbecker asked to correct Mr. Tellinghuisen's statement that the Shea house would not be delisted as it was a non-contributing resource; in fact all resources located within the Historic landmark District are registered within the National Historic landmark register categorized as either contributing or non-contributing. So moving the non-contributing resource outside the district will delist it from non-contributing.

Mr. Tellinghuisen retorted as to what the significance of it being delisted as a non-contributing resource was.

Mr. Kuchenbecker responded by stating he was correcting the comment made by Mr. Tellinghuisen as a clarification.

Mr. Tellinghuisen asked that prior to the vote, he wanted to note the agreement between the City and Cadillac Jacks pertaining to adequate parking or banquets dated November 9, 2004. (The agreement is found in attached hereto Exhibit F6 and incorporated herein by this reference.)

Mr. Kuchenbecker stated this was the first he had seen agreement and noted it served as a limitation of where parking could be provided.

Based upon all the evidence presented, it was moved by Ms. Floyd and seconded by Mr. Johnson that, though the property located at 366 Main Street is non-contributing, it does not contribute to the character of the historic district and that this project DOES encroach upon, damage, or destroy the

historic property included in the national register of historic places or the state register of historic places.

Mr. Milos stated that he was appointed to the commission to review the evidence, good or bad, and expressed his opinion of what he thinks is right. Mr. Milos is of the opinion that, yes it will hurt district, but he is also of the opinion that the use of houses would be better served in new location, fixed up for a family to live in.

Mr. Derosier stated that he didn't believe moving the property at 366 Main Street is adverse as he doesn't feel it contributes to the historic property it sits next to.

Mr. Namminga stated his concern for moving the Shea house.

With a motion on the floor, Chairman Steinlicht moved for a Roll Call of the Commissioners that was as follows: Mr. Johnson – Yes; Mr. Milos – No; Ms. Floyd – Yes; Mr. Namminga – Yes; Mr. Derosier – No; Mr. Williams – No; and Chairman Steinlicht – No. Vote was 4 to 3.

Based upon all the evidence presented, it was moved by Mr. Derosier and seconded by Mr. Milos that, though the property located at 366 Main Street is non-contributing, it does not contribute to the character of the historic district and that this project DOES NOT encroach upon, damage, or destroy the historic property included in the national register of historic places or the state register of historic places and therefore move to grant project approval.

Mr. Floyd spoke her concern that the project was being approved without written assurances of what will be done with this house once it is moved. She reiterated that the commission recognized that moving it was not adverse to the district, however the commission still has an obligation to make the best decision for the house, for the neighborhoods and stressed her concern for granting them permission to proceed with the project without having full written agreements that they would treat it with the respect and the attention to detail that it deserves.

In response Mr. Milos expressed his desire to see approval from NeighborWorks Board of Directors as well as financial guarantee to finish project to completion.

It was moved by Mr. Milos and seconded by Mr. Derosier to make a friendly amendment to the motion to ensure that if the approval passes that it be contingent upon actually receiving approval from NeighborWorks Board of Directors.

It was moved by Mr. Derosier and seconded by Mr. Milos to make a second friendly amendment to the motion to ensure it is in compliance with Planning and Zoning codes.

Mr. Floyd wanted to point out that due to the amendments, she recommended that the application be denied and request a new application be submitted.

Mr. Derosier disagreed and stated that the amendments were quite clear; he didn't see any reason to deny and request new application. Mr. Derosier stated prolonging the decision would just make it worse.

With a motion on the floor along with the friendly amendments, Chairman Steinlicht moved for a Roll Call of the Commissioners that was as follows: Mr. Johnson – No; Mr. Milos – Yes; Ms. Floyd – No; Mr. Namminga – No; Mr. Derosier – Yes; Mr. Williams – Yes; and Chairman Steinlicht – Yes. Vote was 4 to 3.

Regarding the application for Case #14002 pertaining to 370 Main Street, also known as the Fountain House, located in the Fountain District, Mr. Kuchenbecker's understanding pertaining to the amended documentation received from Optima LLC, is that if project is approved for relocation of resource, Neighborhood Housing has agreed to be responsible for all costs associated with relocating the house to its new setting. As presented in the proposed plan received last week, the Fountain House would be relocated to a site outside of the Historic Districts and would be delisted as a contributing structure. To date, Mr. Kuchenbecker stated his office has not seen any of the development costs from NeighborWorks associated with the proposed site and moving of structure. Mr. Kuchenbecker reminded the commission that his original staff report as previously presented, the letters from the City Attorney and the opinion of State Attorney General's Office all still prevails; he noted the structure is not to be moved until it has been proven that all reasonable and prudent alternatives have been explored as well as all measures are in place to ensure the move will not harm the historic resource in any way. Mr. Kuchenbecker reiterated that the Secretary of Interior Standards and Deadwood Ordinances, in which the commission is to make its decision, clearly does not recommend "removing or radically changing those features of the district of neighborhood which are important in defining the overall historic character so that as a result the character is diminished." Mr. Kuchenbecker stated that it is staff's opinion the move of

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370 Main Street from its current location will have an adverse effect on the historic district and, again, moving it to the proposed site outside the district will cause it to be delisted. As discussed on the previous property, he reiterated that it does not have to be the best use of the property, the most profitable use to be prudent and/or the highest return on the investment; this is further substantiated in the memorandum opinion from the SD Attorney General's office dated December 17, 2013. Mr. Kuchenbecker noted the market value of these properties located along the commercial highway, was not staff's concern that it is a historic community as well as a gaming community and that we need to look toward our history's role in making it such. Mr. Kuchenbecker stated that it is staff's opinion that all possible planning has NOT been thoroughly presented as part of the submitted application and that ALL reasonable and prudent alternatives have NOT been considered by either the commission or the applicant. He also noted that even if it is residential, it may not be suitable for families; however the resource still is commercial value to the property. Mr. Kuchenbecker pointed out the concern of the threat to the National Historic Landmarks and visual integrity of this district is greatly increased because of the existing and proposed developments.

Based upon the review of his original Staff Report, the supplemental information and what has been provided by the applicant for Case #14002 for 370 Main Street AS SUBMITTED using the guidelines for Undertaking in the City of Deadwood National Historic Landmark District, Mr. Kuchenbecker concluded his opinion is the project DOES most definitely cause damage and destroy a historic property included in the national register of historic places and the state register of historic places by diminishing the contributing versus non-contributing resources and again fails to address ALL reasonable and prudent alternative and therefore is adverse to Deadwood. (The Memorandum, Staff Report and Optima's amended documentation are attached hereto on Exhibit E and incorporated herein by this reference.)

Mr. Roger Tellinghuisen, on behalf of the applicant Optima, LLC, requested clarification that at the first meeting the application request was to relocate the Fountain house to site at 33 Lincoln Street. Subsequent to the meeting, a new location at Peck Street was considered; however afterwards it was brought to his attention Peck Street was outside the historic district. Mr. Tellinghuisen informed the Commission following this information, the Peck Street as an option has been removed from their proposal. He noted the Springer house was moved from one historic district to another and did maintain its historic status. Mr. Tellinghuisen corrected Mr. Kuchenbecker regarding his reference to the Fountain District as there are no separate districts; it is just made up of one Historic District. He stated that moving the Fountain house from this section of the district to another section of the district will NOT affect the historic status of the resource. Mr. Tellinghuisen referenced the commission to the 2b found in his Exhibit F pointing out the letter he sent to Mr. Kuchenbecker as well as the photo views of the other homes located on Lincoln Street for a comparison to the Fountain house proposed site. Given the financial investment to convert to office space, he stated "it doesn't make sense" and noted this would be too expensive of a real estate to be run as a small business. Mr. Tellinghuisen noted a letter received from Mr. Vaughn Smith of A-1 Construction Inc. following a request to analyze current site and building conditions; Mr. Smith's assessment of "putting commercial businesses in the buildings would amount to considerable work to address ADA concerns and exiting electrical, plumbing and HVAC work at the minimum." Mr. Smith's assessment estimated it would cost approximately \$150,000 just to convert 370 Main Street to office space. Mr. Tellinghuisen also pointed out a letter from Mr. Greg Klein, owner of Century 21 Realty in Deadwood, in which he gave his opinion for the fair market value of the property. Mr. Klein stated the "going rental rate for structures such as this used in a commercial application would fall in the range of ten dollars a square foot." Mr. Tellinghuisen also noted a letter from Mr. Paul Thorstenson, a certified Public Accountant of Ketel Thorstenson, who gave his professional opinion with "appraisal indicating the highest and best use of the property is clearly as a parking lot with a value of \$810,000.00." In his letter he calculated that if converted to small offices or retail space, tenants "would have to be charged an annual rental of over \$30 per square foot to return a fair return on investment". Mr. Tellinghuisen also called the commission's attention again to the Agreement between the City and Cadillac Jack's Gaming Resort dated November 9, 2004 pertaining to the concern for limitation on adequate parking. (The Optima LLC Presentation including Mr. Smith's, Mr. Klein's and Mr. Thorstenson's letters are found in attached hereto Exhibit F and incorporated herein by this reference.) Mr. Tellinghuisen wanted to admit, but not minimize in any way, his awareness the Fountain house is a contributing resource. He asked to keep in mind moving a house was done before, noting the parking lot in front of the City hall use to be occupied by a log structure and noted the Springer house, Allen house and the Arlette house have all been removed. He reiterated that we have not lost our designation, but questions commission preserving historic districts when the city puts up a large readers board at the gateway coming into Deadwood; that he believes wasn't there back in 1961 when historic district was established. Mr. Tellinghuisen's pointed out through time things do change. He stated his appreciation for the difficulty of the commission's job they have to do. But submitted to the commission to take into account what is truly best for Deadwood historically as well as take into account and factor in the economic reality. Mr. Tellinghuisen noted we talk about reasonable and prudent alternatives,

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but no one has offered an explanation yet that makes any sense that doesn't somehow involve economics. Everything is driven by economics. Casting stones at what gaming has done to Deadwood or how it has destroyed our little town, but gaming has been the engine to allow the tremendous historic preservation that has occurred in this town and to occur; without gaming, he noted none of this would have been possible. He asked the commission to be fair and reasonable when reviewing all the information regarding this request, not to destroy, but simply to move the historic structure to another location where it will be put to the use for which it was originally build; which is to provide housing for a single family.

Ms. Joy McCracken, Executive Director of NeighborWorks, concurred with Mr. Tellinghuisen that the Fountain house is a unique because it is contributing and very large. Ms. McCracken stated the consideration was a bit different; the length of the lot was first to be discussed as well as that the Peck Street would cause loss of historic designation, so the site on Lincoln street was reconsidered. She stated after the property was offered to NeighborWorks as a donation, she took it to the Board of Directors who requested research prior to moving forward. Ms. McCracken informed the Commission the NeighborWorks Board would consider the donation if it made sense financial, if it met the mission of their organization and reiterated the NeighborWorks Board approval was contingent to the Historic Preservation Commission approving the project. Ms. McCracken stated the next course of action was to locate a mover to survey the site and estimate cost of relocating the Fountain house; the mover confirmed it was possible to move the building up to Lincoln Street with a couple challenges. Ms. McCracken contacted contractors to bid on preparations needed to move and renovate the inside of house; bids continue to come in at about \$170,000. Ms. McCracken informed the commission the Realtor estimated the fair market value would be approximately \$150,000 after all is said and done. Ms. Floyd questioned the difference of \$20,000 from the cost to move vs the fair market value; Mr. McCracken stated that Optima offered to supplement any loss which she confirmed was not in writing, but a verbal agreement. NeighborWorks contacted the following to determine if the relocation would have any obstacles: the Department of Transportation drove the route finding no problems; Black Hills Power reviewed the site & route finding no issues; and the City's Public Works did not find issues as well.

Ms. Floyd asked how NeighborWorks would address the trees as well as the other obstacles along the proposed route to move the Fountain house from 370 Main Street up to 33 Lincoln Street. Ms. McCracken offered Mr. Coppe of O'Neil House movers to address the questions.

Mr. Tellinghuisen asked to address the trees in question; he noted that there is one tree that hangs out on Van Buren Street that needs to be removed along the route to allow the move of the resource. (Photos of the trees are found in attached hereto Exhibit L and incorporated herein by this reference.)

Mr. Namminga brought up the concern that there is a huge honey bee colony occupying the tree; he commented that since the Honey Bee is endangered, there will need to be a professional Beekeeper needed to remove and relocate these bees.

Mr. Tellinghuisen retorted by asking Mr. Namminga to allow him to finish his statement before Mr. Namminga starts commenting his concerns.

Mr. Tellinghuisen submitted to record a signed statement from Mr. Greg Perceovich, owner of the Smith Apartments, who gave permission, in the event the house is moved, to allow three trees in front of the Smith Apartments to be trimmed and/or the tree on the right facing the building to be removed by the professional arborist. Mr. Tellinghuisen stated Mr. Coppe inspected the tree who found it to be hollow, not finding any bees but did find bird nests. (Mr. Perceovich's signed statement is found in attached hereto Exhibit M and incorporated herein by this reference.)

Ms. Floyd asked if that was an additional cost.

Mr. Tellinghuisen stated he believes that was factored into her cost. Ms. McCracken concurred with his statement.

Mr. Namminga again asked to address his concern that there is a huge honey bee colony occupying the tree; he stated he has seen them flying around the tree and again stressed that since the Honey Bee is endangered, there should be a professional Beekeeper required to remove and relocate these bees prior to any cutting of the tree.

Mr. Tellinghuisen had no objection to Mr. Namminga's request for removal and relocation of the Honey Bee colony.

Mr. John Coppe of O'Neil House Movers stated they have been in business since 1972; he has been with the company since 1982. Mr. Coppe informed the commission he has personally been involved in reviewing and determining the possibility of relocating the Fountain house from 370 Main Street to the proposed location of 33 Lincoln Street. Based on his house moving experience Mr. Coppe stated the Fountain house "has been remodeled, added onto and found to

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be quite sound." He stated the original portion of the house, though quite old, is structurally sound; as far as getting it lifted and hauled, he saw no issues other than the fact that there were some clearance issues due to the trees, street lights and other obstacles. Mr. Coppe stated that there would be adequate allowances and clearances given once these obstacles were addressed. Mr. Coppe noted that the first two trees are okay to just trim, however the third tree hangs into the street and would need to be removed prior to the moving of the house. He also noted that the lights along the streets would need to be taken down and replaced as they make the move of the structure. Mr. Coppe's understanding is the removing and replacing of the lights would require the cooperation and involvement of the City and Black Hills Power Company. Mr. Coppe stated the O'Neil House Moving Company has cargo and liability insurance and that he has never lost a house in his career.

Mr. Kuchenbecker noted the house is 45 ft. wide and 48 ft. in length. Mr. Coppe concurred the measurements were correct. Mr. Kuchenbecker stated the street is 36 ft. on Lincoln and 28 ft. on Van Buren. Mr. Coppe stated he believed that was pretty close to his measurements. He continued to explain that the difference is made up by the carriage wheels the house will be sitting on while being moved, which will give the allowances and clearance needed to maneuver the streets. He also stated that there may be spots where bushes may need to be trimmed back and a specific wrought iron fence that will need to be removed. Mr. Coppe went on to state that even so, the house itself will fit the dimensions of the site proposed.

Mr. Kuchenbecker thanked Mr. Tellinghuisen for correcting him when he misspoke regarding the Fountain City Planning Unit, which Mr. Kuchenbecker confirmed as is just that, a planning unit, and is separate term but part of the Historic District; however remarking that his Staff Report notes it correctly as a planning unit within the district. Mr. Kuchenbecker reiterated there has been an erosion of fabric within this portion of the district and those were done over a course of years by the decisions of this body under the rules and regulations of that time. Over the last eight years Mr. Kuchenbecker was hired to protect and preserve the historic district. There has been work to strengthen those rules and regulations from city ordinances to mending and changing state law to get definitions on protecting historic property. Mr. Kuchenbecker voiced his concern for the fact there has not been any written submission from Ms. McCracken accounting for the cost of the move pertaining to the removal of lights, trees, and now fences as well as the reimbursement back to the City for costs that may be imposed on it. Mr. Kuchenbecker again stated that because there is not a complete application submitted for all the proposed changes, it is staff's opinion to deny as submitted.

Ms. Floyd reiterated the fact history is a non-renewable resource. She stated that Optima knew when they acquired the properties where historic properties existed that were protected by historic preservation. She agreed that the district in question is being eroded, losing its visual integrity and a lot of its character. Ms. Floyd expressed her concern that the big enterprises have been picking these resources apart bit by bit through the years. She referenced the Wild Bill Statue that was up in Mt. Moriah; it was chipped at by tourists and visitors and in the end it was decimated to the point you can't recognize who it previously resembled. She noted that this district is the Wild Bill on that side of town and it has been damaged; it has holes in it and it is hard to resemble what it used to look like, but you can still see it used to be a historic district. If the holes are chipped away more, she stated it will get to the point when there is no going back. Ms. Floyd asked for commission to consider whether or not we can save this district; if we don't try, it will leave a serious "black eye" on Deadwood's history.

Mr. Namminga informed the commission that when he moved to Deadwood in 1996, he purchased a historic home. He noted that "the commissioners of that time made many, many bad decisions that caused some destruction of historic buildings in Deadwood." He raised a big concern about it back then a number of times. Mr. Namminga stated he would guarantee that if Optima were allowed to move both these houses, they would eventually get all of them and take them down. He expressed his concern that there would be nothing left resembling the history in that district, but instead a reflection of commercialism stripping away our history.

Mrs. Marlene Todd reiterated to the Commission their duties are to protect and preserve Deadwood's history. She concurred with Mr. Namminga's concern that it will spread and will become non-existent if the commission continues to approve projects that endangers historic properties. From her experience of living in Deadwood and driving up and down that stretch of highway, she recalled seeing the Sheas out in their yards. She expressed her sadness for the inevitable, but also her desire to stay in Deadwood and to help keep the history prevalent where it is. Because there is nothing in writing as a deadline, bonds, etc. except what Optima has stated for the record, Mrs. Todd asked that the commission truly consider carefully their decision and what is best for Deadwood.

Chairman Steinlicht agreed their duty is to protect and preserve Deadwood's history, however in the Presidential area where he lives; houses are going to shame due to demolition by neglect.

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Mr. Mark Speirs agreed with Chairman Steinlicht stating he would like to address that. He asked if anyone could agree the Springer house, which was moved to the Presidential Neighborhood, has been restored to any acceptable terms agreed upon prior to moving.

Mr. Derosier told Mr. Speirs he needed to back off on the owner of the Springer house as the person who owned the property had died and it was under probate.

Mr. Speirs noted he had the right to bring it up as the owner was alive within the years' time from the time of the house being moved and lived way past the year in which a deadline was set for terms to be met. He stated the owner was a good man and he would defend him to the hilt, but today, that house is an eye sore in the neighborhood; with that it is relevant to his comments. Mr. Speirs reiterated there are over five homes in the Presidential neighborhood that are currently under the listing of demolition by neglect; he pointed out that the commission needs to address those issues. Mr. Speirs asked what assurances have been given here tonight that the Shea house or Fountain house will not end up like the Springer house, a wreck or run down. Twenty years ago, Mr. Speirs stated he had tried to do something and still, nothing has been done. He concluded that the commission should not want to continue to approve this project without some financial assurances that the Fountain house will not end up like any of those homes that are eye sores and in tough shape only to continue to fall down.

Mr. Wayne Morris, owner of property adjacent to the Fountain house, noted there has been a lot of discussion regarding this area. He stated that nothing has ever been offered to him by Bradsky to obtain his property. Giving a little history on the area, Mr. Morris informed the commission the area he owns property was in pretty bad shape; other properties around his were listed for sale, but he never saw anyone lining up to buy them. His opinion is that it looks more appropriate as it is now, then it was. He emphasized there is millions of dollars invested in commercial property there that will never be converted back to residential. He expressed there has never been any bad relations or ill will with the Bradskys.

Mrs. Sharon Martinisko, a resident and owner of two contributing homes in the Presidential Neighborhood of Deadwood, concurred with Mr. Speirs statement that their neighborhood has several houses in need of the commissions support to bring them up to standards. She expressed her concern that they will have another house moved up there that will take down trees, light posts, bushes and personal fencing and might even take out the bench on the corner. She questioned the commission on what will happen to her neighborhood as they are not only impacting where the house sits by removing it from where it currently sits as well as impacting her neighborhood by moving it there. She asked the commission how fair is it that you put it in her back yard and basically say "you deal with it or embrace it, accept it." That doesn't sound like a commission that is trying to preserve and protect historic properties. She informed that making the right decision doesn't mean trading one problem for another. And she concluded that she has not yet seen any assurances from Optima or the commission that states it will be done correctly, that it is financial committed to as well as assurance her neighborhood will be preserved. Mrs. Martinisko expressed how proud she is to live in the Presidential area and so are all the residents sitting with her tonight; she asked if the commission has assurances on paper and in writing that, if approved, outlines how it will be done, correctly and fair to her neighborhood.

Chairman Steinlicht stated Dr. Gilbert came in front of the commission requesting to replace the trees on Lincoln due to rotting and being split; his request was denied. Mr. Steinlicht noted it should be in the minutes for that meeting.

Mr. Milos asked if the lot is currently for sale which Mr. Speirs concurred as correct. Ms. McCracken stated she had it under contract.

Mr. Kevin Kline, manager of the Smith Apartments, stated Mr. Percevich was not excited about having his trees cut down for one; he also concurred that there is a Honey Bee hive in the tree which has been there since 1902.

Mr. Derosier informed Mr. Kline of the Mr. Percevich signed statement; Mr. Kline was not aware of it and said that is contrary to their last discussion on the matter of allowing the tree to be cut down.

Ms. Floyd asked if Mr. Percevich was receiving anything in return for cutting the tree down. Mr. Tellinghuisen stated he was being given a new tree to plant to replace the old.

Ms. Floyd asked Ms. McCracken to again clarify where the NeighborWorks stands on receiving the donation.

Ms. McCracken informed the Commission the NeighborWorks Board would consider the donation if it made sense financial, if it met the mission of their organization and would be contingent upon the decision made by the Historic

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Preservation Commission to approve Optima's application request. She stated the only minor cost not financial set is the cost to the City for labor associated to the move.

Mr. Derosier expressed concern as addressed earlier in that Optima will make sure the house is complete without an adverse effect on the neighborhood to which it is moved. Mr. Derosier stated that, if approved to move, he wanted an assurance that the house is done completely, appropriately and in a timely fashion.

Ms. Floyd stressed that these concerns voiced tonight that encompasses so many things are not noted in the application. She asked that the commission take in consideration that the application as submitted. She is extremely uncomfortable with granting approval on a project without having the concerns on the record and explained in detail. Ms. Floyd expressed her hesitation to make a decision on a verbal agreement which will affect a contributing structure that will affect two separate neighborhoods and planning units. She again asked the commission to consider that when they decide to vote.

Mr. Namminga expressed the cost of \$170,000 is a very high market value for a house in Deadwood. He questioned the possibility of selling the house. Ms. McCracken stated she had done research and came up with comparable property.

Mr. Kuchenbecker informed the commission that 3 Pearl Street, referenced by Mr. Speirs, was sold recently. For clarification he referenced the map displaying the history of the commercial highway in questions; he noted they were all done under the rules and guidelines of that time. With that said, Mr. Kuchenbecker asked the commission to view the information under the rules and regulations as exists today. With the map displaying each resource on a case by case basis, he asked the commission to note the deterioration of the district as it spanned from 1989 through 2014. Mr. Kuchenbecker was asked to clarify the map key: Red outlines structures moved or demolished; Blue outlines contributing structures; and Green outlines the non-contributing structures; along with the key is noted the responsibility party associated with each project. (The Map is attached hereto on Exhibit N and incorporated herein by this reference.)

Based upon all the evidence presented, it was moved by Ms. Floyd and seconded by Mr. Namminga that, though the property located at 366 Main Street is non-contributing, it does contribute to the character of the historic district and that this project DOES encroach upon, damage, or destroy a historic property included in the national register of historic places or the state register of historic places. Aye - All. Motion carried.

With a motion on the floor, Chairman Steinlicht moved for a Roll Call of the Commissioners that was as follows: Mr. Johnson – Yes; Mr. Milos – Yes; Ms. Floyd – Yes; Mr. Namminga – Yes; Mr. Derosier – Yes; Mr. Williams – Yes; and Chairman Steinlicht – Yes. Vote was unanimous.

It was moved by Ms. Floyd and seconded by Mr. Namminga that based upon the Deadwood Codified Ordinances under Chapter 17.68 and the standards for historic preservation, restoration and rehabilitation projects adopted by rules promulgated pursuant to SDCL 1-19A & 1-19B, et seq, the project was found to be ADVERSE to Deadwood and moved to DENY the project as presented.

Mr. Milos expressed that voting against Ms. Floyd's motion to deny will hurt the resource in the end. He stressed his opinion the area in Fountain City Planning Unit is gone.

Ms. Floyd asked Mr. Milos if he felt comfortable with how the application and amendments stand without a written assurance Optima will follow thorough with their verbal proposals heard tonight.

Mr. Milos felt confident that with the current written application and amendments as submitted, there could be contingencies made to insure the project moves forward correctly. He again expressed that he felt they were doing the right thing with the property by moving it to Lincoln Street.

Ms. Floyd expressed that there are assurances the commission need to guarantee prior to allowing Optima to proceed with the moving of the resource; assurances that is not going to cause a future adverse issue for Deadwood. She also noted that if it was denied Optima has the option to reapply with all the required documentation firmly in place, signatures, assurances, as discussed this evening. Once approval has been granted, Mr. Floyd pointed out that the "What if" factor could come into play; what if after the final cost come in it turns out the NeighborWorks Board states it is too much risk. She noted that they could take in one of the houses that are already sitting in presidential neighborhood and rehab it at half the cost of the Fountain house. She expressed her feeling that it is not in the best

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interest of the commission to allow this project to be approved without those assurances, without having them written down as a safety belt for the commissions historic concerns.

Mr. Namminga asked whether or not it was true the Fountain house was used to board Cadillac Jack's employees.

Mr. Bradsky confirmed that international help did stay there.

Mr. Namminga asked why the Fountain house could not be cleaned up and continued to be used as such.

Ms. Floyd stated it was her opinion it was not the highest or best use for Optima. Stressing that the commission is not concerned with the highest economic and best use, she stated that the concern of the commission was the best way to preserve and protect what we have of Deadwood's history. She questioned why the commission should consider Optima's economic interest when that is not our duty. It is correct that preserving it for its history is not the highest or best use, however that is the duty of the commission. Ms. Floyd stated that if Optima choose to maintain it to the minimum standards and do nothing with the resource because they don't like the decision the commission made, that is Optima's choice; it doesn't make any sense, but they can do that. Ms. Floyd pointed out that Optima did state they would maintain it on that location; which according to the State, the National Park Service and Mr. Kuchenbecker's staff report states it is the best thing for this historic resource. She stated the commission discussed reviewing all reasonable and prudent alternatives and, when it comes down to it, maintaining it at its current location is doing just that – maintaining its history.

Mr. Derosier agreed, however questioned whether or not having the resources sitting empty is reasonable and prudent.

Chair Steinlicht inquired that if NeighborWorks Board not approves anything until the Historic Preservation Commission approves it or if Board finds it not financially feasible, would Optima cover all financial responsibilities over and above what NeighborWorks can put into the project.

Mr. Tellinghuisen confirmed to the commission that Optima has informed NeighborWorks they would guarantee a 10% return on whatever their investment is on the sale of the house. Mr. Tellinghuisen continued stating he understood Ms. Floyd was struggling with a motion and that she was "in a tizzy about concerns presented here tonight". Mr. Tellinghuisen stated the commission has the right to approve the moving of the house with a contingency that Neighborhoods Board approves the cost to move, relocate and refurbish it; if NeighborWorks does not approve it, he stated Optima would not be able to move it and they would need to come back to the Commission.

Ms. Floyd corrected Mr. Tellinghuisen stating she was "all in a tizzy" about the prospect of moving a historic resource out of a historic district to the detriment of the overall quality of Deadwoods' Historic Landmark District. She continued to state that Deadwood is losing these homes one by one and one of these days, one of these houses will be the last straw in jeopardizing Deadwoods historic designation; she did not want that to be on her. Ms. Floyd stated the best possible option for the house, for that part of the district as well as the whole district, has been stated by Optima they would give us that option; she continued that instead they are choosing a course that will harm all of these aspects and in doing so, shows Optima's lack of respect for the history in Deadwood or you could find a use for the resource that was appropriate, even if it isn't the highest and best use, but appropriate never the less. In doing that Optima would get some return out of there source and in doing so, shows Optima does care and wants to be responsible stewards toward Deadwood's history by doing so, not just saying so. Ms. Floyd continued to state that is the position she feels she needs to follow as a Historic Preservation Commissioner whose duty is to protect and preserve Deadwood History as best she can.

Mr. Milos corrected Mr. Tellinghuisen by stating Ms. Floyd as passionate, not necessary a tizzy.

With a motion on the floor, Chairman Steinlicht moved for a Roll Call of the Commissioners that was as follows: Mr. Johnson – Yes; Mr. Milos – No; Ms. Floyd – Yes; Mr. Namminga – Yes; Mr. Derosier – No; Mr. Williams – No; and Chairman Steinlicht – No. Motion failed with a vote of 3-Yes to 4-No.

Based upon all the evidence presented, it was moved by Mr. Derosier and seconded by Mr. Milos that, that based upon the Deadwood Codified Ordinances under Chapter 17.68 and the standards for historic preservation, restoration and rehabilitation projects adopted by rules promulgated pursuant to SDCL 1-19A & 1-19B, et seq, the project was found to be ADVERSE to Deadwood, but the applicant has explored ALL REASONABLE AND PRUDENT ALTERNATIVES, and so moved to APPROVE the project as presented contingent upon the NeighborWorks Board of Directors approval that it be moved and completed within a reasonable timeframe of 1 year as well as the approval of Planning and Zoning Commission.

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With a motion on the floor, Chairman Steinlicht moved for a Roll Call of the Commissioners that was as follows: Mr. Johnson – No; Mr. Milos – Yes; Ms. Floyd – No; Mr. Namminga – No; Mr. Derosier – Yes; Mr. Williams – Yes; and Chairman Steinlicht – Yes. Motion approved with a vote of 4-Yes to 3-No.

New Matters before the Deadwood Historic District Commission:

No applications were addressed at this meeting.

New Matters before the Deadwood Historic Preservation Commission:

Case # 14007 – 152 Charles Street – Dennis and Brenda Sabo

Mr. Kuchenbecker informed the Commission the applicant requests permission to finish the wood foundation and pour cement floor against walls and footings as well as repair and replace windows and siding on 152 Charles Street as submitted. (The application is attached hereto on Exhibit O and incorporated herein by this reference.) ***Based upon all the evidence presented, it was moved by Ms. Floyd and seconded by Mr. Namminga 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 grant project approval as submitted for 152 Charles Street. Aye - All. Motion carried.***

A Special Needs-Siding Program application has also been submitted. (The application is attached hereto on Exhibit O and incorporated herein by this reference.) ***It was moved by Mrs. Milos and seconded by Mr. Johnson to enter Dennis and Brenda Sabo into the Special Needs-Siding program based on information as submitted for 152 Charles Street. Aye - All. Motion carried.***

A Special Needs-Windows Program application has also been submitted. (The application is attached hereto on Exhibit O and incorporated herein by this reference.) ***It was moved by Mrs. Milos and seconded by Mr. Johnson enter Dennis and Brenda Sabo into the Special Needs-Windows program based on information as submitted for 152 Charles Street. Aye - All. Motion carried.***

Case # 14008 – 157 Charles Street – Patrick Mollman

Mr. Kuchenbecker informed the Commission the applicant requests permission to re-roof building with a 3' x 6' parapet to enclose new roof and paint exterior on 157 Charles Street as submitted. (The application is attached hereto on Exhibit P and incorporated herein by this reference.) ***Based upon all the evidence presented, it was moved by Ms. Floyd and seconded by Mr. Williams 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 grant project approval as submitted for 157 Charles Street. Aye - All. Motion carried.***

Revolving Loan Fund/Retaining Wall Program Update:

Retaining Wall Applications

No applications were addressed at this meeting

Revolving Loan Program/Disbursements

It was moved by Mr. Milos and seconded by Mr. Namminga to approve the HP Revolving Loan Fund disbursement in the amount of \$235.00, based on information as presented by Ms. Joy McCracken, Executive Director of NeighborWorks-Dakota Home Services. Aye - All. Motion carried. Delinquency Report was reviewed and updates on projects were given. Overview of the Revolving Loan Fund was presented.

152 Charles St – Dennis Sabo

It was moved by Mr. Milos and seconded by Mr. Namminga to approve the Special Needs Siding Program loan to Dennis Sabo, 152 Charles St, in the amount of \$10,000.00, as presented. Aye- All. Motion carried (The NeighborWorks packet is attached hereto on exhibit Q and incorporated herein by this reference.)

It was moved by Mr. Milos and seconded by Mr. Namminga to approve the Special Needs Windows Program loan to Dennis Sabo, 152 Charles St, in the amount of \$3,000.00, as presented. Aye- All. Motion carried. (The NeighborWorks packet is attached hereto on exhibit Q and incorporated herein by this reference.)

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It was moved by Mr. Milos and seconded by Ms. Floyd to approve the Revolving Loan Fund to Dennis Sabo, 152 Charles St, in the amount of \$10,000.00, as presented. Aye- All. Motion carried. (The NeighborWorks packet is attached hereto on exhibit Q and incorporated herein by this reference.)

51, 53, 55 Sherman St – Mary C Larson

It was moved by Mr. Milos and seconded by Mr. Namminga to refinance loan to Mary Larson for 51, 53 and 55 Sherman St, in amount of \$299,797.00 as presented. Aye- All. Motion carried. (The NeighborWorks packet is attached hereto on exhibit Q and incorporated herein by this reference.)

36 Jackson St – Peggy Fierro

It was moved by Ms. Floyd and seconded by Mr. Derosier to approve the Subordination Request for all loans for Peggy Fierro, 36 Jackson St, in amount of \$25,171.32 as presented. Aye- All. Motion carried. (The NeighborWorks packet is attached hereto on exhibit Q and incorporated herein by this reference.)

Retaining Wall Program/Disbursements:

No disbursements were addressed at this meeting.

Items from Citizens not on Agenda

Mr. Steve Olson addressed the Commission regarding the way the meeting was held and advised the Commission to become familiar with the "Roberts Rules of Order". Mr. Floyd expressed her interest and asked Mrs. Williams, Deadwood's City Attorney, what her recommendation would be for obtaining that information. Mrs. Williams suggested looking online or advised the Historic Preservation Office make available to the Commission copies of the "Roberts Rules of Order" books.

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

Mr. Kuchenbecker reported on the following items:

- The Historic Preservation Commission's next meeting will be on March 26, 2014 at 5:00 PM.

Other Business:

Adjournment:

There being no other business, the Historic Preservation Commission Meeting of March 12, 2014 adjourned at 8:32 PM.

ATTEST:

Willie Steinlicht
Chairman, Historic Preservation Commission
Kate Storhaug, Historic Preservation Office/ Recording Secretary

DEADWOOD HISTORIC PRESERVATION COMMISSION

Wednesday, March 26, 2014 ~ 5:00 p.m.

City Hall, 108 Sherman Street, Deadwood, South Dakota

1. Call meeting to Order
2. Approval of Minutes
 - a. Approval of Minutes from March 12, 2014
3. Voucher Approval
4. Old or General Business
 - a. Roger Brooks – Brand Camp
5. New Matters before the Deadwood Historic District Commission
6. New Matters before the Deadwood Historic Preservation Commission
 - a. Case #14005 – 300 Main St – Demolition – M.R. Gustafson
 - b. Case #14009 – 130 Charles St – Windows – Ensminger
7. Revolving Loan Fund/Retaining Wall Program Update
 - a. Retaining Wall Applications
 - b. Revolving loan Program/Disbursements
 - 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

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

CITY OF DEADWOOD
HISTORIC PRESERVATION COMMISSION
Wednesday, March 26, 2014

Present Historic Preservation Commission: Chairman Willie Steinlicht, Vice-Chair George Milos, Michael Johnson, Lynn Namminga, Chuck Williams, Laura Floyd and Darin Derosier were present.

Absent: None

Kevin Kuchenbecker, Historic Preservation Officer; Ms. Terri Williams, City Attorney; Ms. Joy McCracken, Executive Director of NeighborWorks-Dakota Home Services; Robert Nelson Jr., Zoning Administrator; and Mike Runge, Archivist were all present.

Present City Commission members: Vice-Chair Georgeann Silvernail, Jim Van Den Eykel and Gary Todd were present.

All motions passed unanimously unless otherwise stated.

A quorum present, Chairman Willie Steinlicht called the Deadwood Historic Preservation Commission meeting to order Wednesday, March 26, 2014 at 5:00 p.m. in Deadwood City Hall located at 102 Sherman Street in Deadwood, SD.

Approval of March 12, 2014 HPC Minutes:

With minutes not yet finalized, Chair Steinlicht noted the approval of Minutes for Wednesday, March 12, 2014 will be continued to the next HPC meeting scheduled for Wednesday, April 9, 2014.

Voucher Approval:

Operating Account

It was moved by Mr. Johnson and seconded by Mr. Williams to approve the HP Operating Account in the amount of \$41,306.96. Aye – All. Motion carried.

Old or General Business:

Roger Brooks International Branding Camp

Mr. Kuchenbecker updated the Commission on the status of efforts to bring Roger Brooks back into Deadwood to assist in the development of a "Branding Program" for Deadwood. He stated the Deadwood Chamber of Commerce voted this week in support of finding funding for their share of \$11,000 to have Roger Brooks back in July. He also informed the commission the Downtown Business Association will be taking action at their next meeting schedule the first part of April; the City Commission has it as an agenda item to discuss at its next meeting on April 7, 2014; and Bid 7 will also be discussing it at their next meeting. There has been stakeholder support for funding of the \$65,000 to get Roger Brooks for Branding Camp to take place on sites in May, June and July. Mr. Kuchenbecker confirmed commitment of funds from Deadwood Historic Inc. for \$10,000 and Historic Preservation Commission for \$11,000.

New Matters before the Deadwood Historic District Commission:

No applications were addressed at this meeting.

New Matters before the Deadwood Historic Preservation Commission:

Chairman Steinlicht asked for clarification of meeting structure from City Attorney Ms. Terri Williams. Ms. Williams suggested the Commission listen to the Staff Report followed by the applicant; then if they choose to allow public comment, but advised to restrict any questions or comments from the public to be directed to the Commission, not directly to Staff or Applicant.

Case # 14005 – 300 Main Street – Demolition – M.R. Gustafson

Prior to Staff Report Ms. Floyd addressed Commission regarding possible conflict of interests. She indicated that Mr. Milos is employed as the Director at the Chamber of Commerce which receives a large portion of its income through Bids 1-6 which includes First Gold who has the application here this evening. Ms. Floyd noted from the City's numbers, First Gold currently contributes \$49,660 per year to Bids 1-6 and 96% of the bids funding in amount of \$578,000, do go directly to the Chamber which pays Mr. Milos salary. She stated there have been comments made as to why this

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would not constitute a conflict of interest; however she expressed her personal feel that it does, therefore asking for a vote from the commission on the Conflict of Interest. ***With direction from Ms. Williams on how to proceed, Ms. Floyd made a motion that commissioner Milos has a Conflict of Interest and asked that he not be allowed to vote on Case # 14005.***

With a motion on the floor, Chairman Steinlicht moved for a Roll Call of the Commissioners that was as follows: Mr. Johnson – Yes; Ms. Floyd – Yes; Mr. Namminga – Yes; Mr. Derosier – No; Mr. Williams – No; and Chairman Steinlicht – No. Because there was a tie vote of 3 to 3, there is not a majority and therefore Mr. Milos is allowed to proceed in voting.

Mr. Kuchenbecker informed the Commission the applicant requests permission to demolish the last section of the original Sinclair Station which is a contributing structure located in the Fountain City Planning Unit in the City of Deadwood. Mr. Kuchenbecker stated the M.R. Gustafson Family Trust purchased the Sinclair Station in 2006 with statements on record of the intent at purchase to demolish the building to make way for additional parking. He noted that on November 1, 2007, the Deadwood Historic Preservation Chairman received notification from Mr. Gustafson of his intent to demolish the structure under SDCL 1-19B.27 giving the City a 180 day notice. Mr. Kuchenbecker continued by noting the City of Deadwood, through the actions of the Deadwood City Commission and the Deadwood Historic Preservation Commission appealed the request for demolition to the Circuit Court who ruled in favor of Mr. Gustafson; however the City of Deadwood and the Deadwood Historic Preservation Commission appealed to the Supreme Court of the State of South Dakota. Mr. Kuchenbecker noted an opinion by the SD Supreme Court was filed on January 13, 2010 which reversed the decision of the circuit court under SDCL 1-19B.62 and the applicant would need to through the City's review process under the Deadwood Historic Preservation Commission through DCO 17.68.020.

Mr. Kuchenbecker continued by stating that following this ruling, at the property owner's request, staff had several discussions with the owner regarding options available for rehabilitation of the resource. He stated during those discussions throughout the course of 2010 and 2011, they discussed tax incentives and the revolving loan funds available through the Historic Preservation Commission; the owner did not take advantage or pursue any of those incentives for rehabilitation.

Mr. Kuchenbecker stated that in March 2011, Mr. Gustafson applied for a project approval for the rehabilitation of the Sinclair Station; this application was a compromise to allow the applicant additional parking and to mitigate or at least minimize any adverse effect on the historic property and the historic district. He stated the application was for the removal of portions of the structure including a lean-to addition at the rear of the resource as well as a garage wash bay; in addition a large section of the hillside was allowed to be removed as a compromise in return for the rehabilitation of the resource. Mr. Kuchenbecker pointed out under the agreed upon compromise, the Deadwood Historic Preservation Commission approved the application for Project Approval on March 23, 2011 with understanding that as outlined in the application and discussions there would not be an adverse effect. Mr. Kuchenbecker stated in July 2011 Mr. Gustafson was issued a building permit for the removal of the approved structures and the beginning of the hillside cut. This was necessary for the preparation of lifting, move and foundation work for the Sinclair Station. Mr. Kuchenbecker stated its his opinion this building is relatively small in size and the repairs are actually similar in comparison to other resources the Historic Preservation office has actively been involved with in successful rehabilitations. He commented if this structure is to be considered "too far gone" as a bench-mark, Deadwood would lose several other resources which are in far worse conditions.

He continued stating that in 2012 his office along with the Building Inspector required the architect conduct a property inspection as an interim look at the structure. He also noted they attempted several times to inquire as to why further rehabilitation work was not being completed; the responses he received from the applicant indicated no funding or that they were waiting for ground to settle around the building. Mr. Kuchenbecker informed the Commission on July 30, 2013, the City of Deadwood issued a Notification of Violation(s) for property maintenance under DCO 15.01.010 giving Mr. Gustafson sixty (60) days to remedy the violation and bring the building up to compliance with the 2012 International Property Maintenance Code. He continued to state on August 13, 2013 Mr. Gustafson appealed to the City of Deadwood's Board of Appeals and Examiners; this appeal was heard by the Board of Appeals and Examiners on October 29, 2013 at which time the Board ruled in favor of the Building Inspector that Mr. Gustafson was in violation of the code. Mr. Kuchenbecker informed the commission that during the October 2013 winter storm, the canopy collapsed and was immediately allowed to be removed for safety reasons. He commented both the 1991 and the 1993 Deadwood Historic Surveys of the Sinclair Station indicated the structure was in good condition as also evident in the

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2008 architectural survey done with photographic evidence; and he even noted that in the March 2011 application it was evident that the building was in better condition than it was today.

Mr. Kuchenbecker reiterated the most reasonable and prudent alternative to demolition is to follow through with the original rehabilitation plans as initially submitted approved by the Deadwood Historic Preservation Commission. Based upon the review of this project for 300 Main Street as submitted using the Guidelines for Undertaking in the City of Deadwood National Historic Landmark District, Mr. Kuchenbecker concluded his opinion is the project DOES cause damage and destroy a historic property (the Sinclair Station as well as the historic districts) included in the national register of historic places and the state register of historic places and again fails to address ALL reasonable and prudent alternatives and therefore is adverse to Deadwood. Mr. Kuchenbecker asked the Commission if this is what they, as a Historic Preservation Commission, want to set as a precedence allowing the applicant to have what they want, not do what they say and reward them for their adverse actions. (The Memorandum, Staff Report and Mr. Gustafson's application are attached hereto on Exhibit A and incorporated herein by this reference.)

Ms. Kim Morris, Marketing Director for First Gold, spoke on behalf of Mr. Mike Gustafson, owner of First Gold Hotel. She explained that in the first part of October "the Sinclair Station sustained major, irreparable damage" and that the awning was demolished; the roof on part of the existing Sinclair caved in; the stucco was severely damaged as well as other structural damage. All of this damage along with previous internal mold problems warranted stripping the building down to the studs and rebuilding the Sinclair. Ms. Morris stated that by rebuilding the Sinclair it would no longer be authentic or have any historic value and it would become a replica. Ms. Morris informed the Commission it is for those reasons that First Gold is asking for a Demo Permit.

Mr. Doug Stafford, resident of Upper Main Street for 27 years, expressed his opinion that "the Sinclair Station has become an eyesore". He stated it should be demolished or removed, not restored. Mr. Stafford expressed that the Historic Preservation does a lot a wonderful things like repainting the houses, offering retaining wall grants and other nice things. But he noted the Sinclair Station is the first thing people see and it is an eyesore; he continued that he did not think it can be restored and if anything, Mr. Stafford agreed with Ms. Morris that it would be a replica if it was rehabilitated. He referenced the Methodist Church he attended until it was tore down; he stated to save the church would have taken a lot of money, but it was torn down and replaced by a park. Mr. Stafford reiterated that it was an eyesore and it needs to be taken down.

Mr. Derosier stated he sat on the Board of Appeals and Examiners that found First Gold guilty of minimal maintenance on October 29, 2013. He explained in that meeting it was discussed that First Gold was in violation of minimum maintenance; there was no question on that.

Mr. Dustin Floyd, a resident, business owner and husband of Commissioner Laura Floyd, thanked the commission for their hard work and sacrifices each make acknowledging their job is not an easy one. In addition Mr. Floyd expressed his respect and thanked Commissioner Milos for being one of the few to take the time to explain his stand on the way he voted. Mr. Floyd stated he has heard stories from neighbors about past Historic Preservation Commission decisions made and "pretty big blow-ups between people" that occurred a long time ago, prior to any of the current commissioners' appointments; he noted how we smile now when referring back to those fights that took place over silly stuff, yet there were some that were about serious and significant topics. Mr. Floyd referenced one disagreement between Mr. Derosier's father and Jim Shea. Mr. Floyd stated whether it was serious or significant, past commissioners fought with passion for what they believed in; he asked the commission that, no matter what side it is, for each commissioner fight for what they believe in. Mr. Floyd said, "If you believe it is right to grant the applicants request, fight for it; if not, fight for that too." Mr. Floyd asked the commission to consider in general fairness how they could grant the applicant, who had previously committed to repairing a historic property and promised to maintain it, only to not follow through on their word and then wait until a storm to come through to damage the structure, approval of a demolition request. As a resident, Mr. Floyd stated it is hard to think the commission would grant a request as submitted under the past pretense that occurred. (Mr. Floyd requested his written statement be put on record; it is attached hereto on Exhibit B and incorporated herein by this reference.)

Mr. Mike Olson, former commissioner, explained the only reason he had voted to grant the first request for the Sinclair Station was because he understood First Gold was going to rehabilitate the building. Mr. Olson stated it amazes him that First Gold was able to demolish what the Commission let them demolish as well as take down the hillside in a matter of months. He noted it has been years since the first request and, yet, the Sinclair Station has not been touched in any effort to rehabilitate it. Mr. Olson stated in his mind it is almost as if they had decided from the get-go that once the Historic Preservation Commission had approved it, First Gold was just going to let it fall down until the commission tells them they can tear it down. To him, he feels it is totally unfair and negates his vote and his voice.

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Ms. Donna Watson concurred with both Mr. Floyd and Mr. Olson. She stated when she was growing up, a promise was a promise and if First Gold's past statement to rehabilitate the Sinclair Station is not a promise to the Historic Preservation Commission, then she doesn't know what is. Ms. Watson expressed that to allow First Gold to demolish the Sinclair Station is just rewarding their negative behavior; she stated she does not feel it should be allowed.

Matt Pike, resident and former Historic Preservation Commissioner, stated he was here with a heavy heart. He concurred with Mr. Stafford that the Sinclair Station is an eyesore and disgrace; he doesn't feel anyone in the room would argue that fact. However, Mr. Pike noted there is a reason why it is an eye sore, reason it is a disgrace and it has nothing to do with settling ground. He feels that was a tactic for First Gold to buy time until something happened. He noted it has been three (3) years since First Gold made a promise to the commissioners serving at that time, Mr. Mike Olson, Mr. Steve Olson, Ms. Ronda Feterl, current Chairman Willie Steinlicht and himself, to rehabilitate and restore the Sinclair Station in return for certain concessions. Mr. Pike continued stating First Gold was granted those concessions and then let the building deteriorate even further to the point where the Board of Appeals Court actually had to make a finding that First Gold was neglecting the structure and needed to take action which still has not been done. Mr. Pike thanked Mr. Derosier for the vote he made on the Board of Appeals and noted "there is no mistake about it, First Gold has always wanted to take down this building from the get go." Mr. Pike continued that in 2006 and 2007, First Gold went to the point where they looked deeply into the ordinances and state law to simply challenge this City by giving notice that after 180 days First Gold was going to simply demolish the structure. Mr. Pike noted that due to the courage of the City Commission at that time and the hard work of the City Attorney at that time, Jason Campbell, they tried to stop that from happening. He acknowledged that Judge Johnson, who was mentioned at the last couple of hearings, said "that based upon a failure to actually locally designate this building," which was the point that First Gold made in court, "that in fact it could get torn down." Mr. Pike explained after all that, it went to the State Supreme Court which he asked to have entered in as an Exhibit; however both Ms. Williams and Mr. Kuchenbecker noted it was listed as Exhibit A2 in the Commission's Packet.

Mr. Pike quoted "I write specifically to emphasize that the result of this opinion is that Mr. Gustafson is required under the city ordinance to come before the HPC to request a demolition permit." Mr. Pike pointed out that is why First Gold is here today; after three years of continued neglect to the structure First Gold is here now to say "we were told to come here and ask for a demo permit after it has gone through a terrible storm." He emphasized whatever happened to the building, there really is only two solutions. One, Mr. Pike, questioned if the Sinclair would have survived the storm if in fact it had been rehabilitated and stabilized as it had supposed to have been done as committed to in First Gold's promise 3 years ago; he noted there is now way of knowing that. Two, Mr. Pike stated, he would bet it would have been fully insured and, in fact, he thinks there probably has insurance on it now. So Mr. Pike commented either First Gold is not keeping their buildings insured, which may be another issue in itself, or it is insured and a payout has been received on this building since the October storm, but First Gold still wants to demolish it.

He noted Justice Meierhenry stated that "in addition to any review by the city's planning and zoning commission and/or building official, to review and to issue or deny a permit for any undertaking or project, whether publicly or privately funded, which will encroach upon, damage or destroy any historic property included in the National Register of Historic Places or the State Register of Historic Places, which decision to approve or deny shall be based upon the United States Department of the Interior Standards for Historic Preservation Projects codified in 36 CFR 67 as of January 1, 1994." He continued "This section shall not apply to any project or undertaking which the historic preservation commission or its staff determines will not encroach upon, damage or destroy any historic property." He noted Justice Henry emphasized "such determination shall be based upon the guidelines adopted by the Deadwood historic preservation and district commission(s)."

Mr. Pike prayed the Commission actually follow Justice Meierhenry concurring opinion by looking to those guidelines and not coming up with some other conclusion they each feel fits the answer to the problem is posed here. Mr. Pike noted the South Dakota (AG) Attorney General's memorandum opinion "according to court decisions from states with preservation statutes similar to SDCL 1-19A-11.1, to meet this burden a permit applicant must consider all reasonable alternative plans to the proposed project, not just the least expensive option." He continued to quote the AG "since neither 'feasible', 'prudent', nor 'alternative' have been defined by statute or rule, it is good to start with their meanings in common usage. Webster Dictionary defines 'feasible' broadly as 'capable of being done' and 'prudent' as 'marked by wisdom or judiciousness' or 'circumspection' or 'shrewd in the management of practical affairs.' 'Alternative' means 'a choice' between 'one of two or more incompatible things, courses, or propositions'." Mr. Pike continued to quote the AG "Thus, the definition of 'feasible and prudent' in the context of an SDCL 1-19A-11.1 determination requires sufficient facts to establish that a project alternative is 'capable of being done' as opposed to being merely speculative." Mr. Pike asked the Commission if it was capable of being done that First Gold save this

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structure as promised three years ago. He asked the Commission if it was capable instead of the 'eyesore' Mr. Stafford referenced earlier, could we have had a rehabilitated, stabilized structure which would have withstood the storm, allowing us now to see a perfectly beautiful, restored historic structure and Mr. Pike emphasized "commercial" gas station in its place. Mr. Pike recommended one of two suggestions: hold First Gold to their promise made 3 years ago of rehabilitating the Sinclair Station; or strip it back to its bare bones and rebuild it from scratch. He noted even if it was to be rebuilt, what would remain would be an important historic contributing structure that looks identical, one way or another, to what was meant to be there and what contributes to this National Historic Landmark.

Mr. Derosier responded to Mr. Pike's comment of Mr. Stanford's suggestion to "strip it back to its bare bones and rebuild it from scratch", Mr. Derosier stated he felt having "a replica is by far worse by historic standards and, if anything, feels it cheapens the whole town."

Ms. Williams interrupted to set order to the room due to comments exchanged between both Mr. Derosier and Mr. Pike. She asked the Chair to consider that once the commissioners make their comments that both the Applicant and Staff have a chance to respond.

Mr. Derosier continued to state that it would become a replica and it is an 'eyesore'. He agreed that Mr. Gustafson's intentions for the property were not good, but that being said, he noted we cannot go back and change what has been done. He reiterated that he felt having "a replica is by far worse by historic standards and, if anything, feels it cheapens the whole town" and that is why he feels it needs to go.

Ms. Floyd asked Mr. Kuchenbecker if a replica, a structure stripped down to studs and rebuild, is still considered a contributing structure.

Mr. Kuchenbecker stated under the Secretary of Interior Standards, there are standards for rehabilitation, preservation, restoration and reconstruction. He continued to state "that if it was reconstructed, using the plans and specifications that we have from the original application, that, yes, it would still be considered contributing to the district."

Ms. Floyd asked the Applicant to give a reason as to why the rehabilitation or restoration did not happen over the past three years.

Ms. Morris stated she "was not at liberty to comment on that."

Mr. Namminga expressed his concern that, with the votes that have been made at the past couple meetings, the Commission has "opened the flood gates to future situations that are going to happen" and that this is going to snowball. He commented that years ago he put in for approval to tear down an old worthless shed located in his back yard; the commission at that time told him "absolutely not." However, he stated that today he feels he could put in a request to tear it down and that the commission could not deny; he reiterated that it all comes down to how the commission has voted these past couple of meetings. He noted his shed is a useless building built in the 1920s that used to house Model Ts.

Chairman Steinlicht stated he knew of at least twelve structures or buildings owned by former Historic Commissioners and former City Commissioners that were taken down one by one when they redid the commercial highway. He reiterated that other commissions along with actions from the City have let down the National Historic Landmark District, not just this commission. And that is the reason he votes the way he does and he was born and raised in that district. He stated he has seen things come and go.

Mr. Namminga asked, just because poor decisions were made in the past, why should the commission continue to make more.

Chairman Steinlicht replied that he didn't say Mr. Namminga has to vote that way, but that he was just reiterating what has happened in the past.

Ms. Floyd asked Mr. Kuchenbecker whether the only option to save the building would be to strip it down to the studs or can it be restored in its present condition.

Mr. Kuchenbecker stated the Sinclair Station could be restored from its present state and used 17 Filmore Street as well as 15 Denver as examples. He noted it would take major work, but that, yes, it could be done.

Ms. Floyd inquired about the Demolition by Neglect, a program that has recently become actively seeking to maintain and to continue to look at these problem properties, to find ways to bring them out of their depilating state. She asked if that program is designed to help prevent issues like the Sinclair Station in the future to demolition or just neglect.

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Mr. Kuchenbecker stated that the Demolition by Neglect program has been on the ordinances for some time, but it was about 4 years ago when it was reviewed and strengthened along with the Minimum Maintenance Code. Over the course of the past 8 years, Mr. Kuchenbecker stated the City has strengthened existing ordinances and changed state law.

Mr. Derosier confirmed that the Board of Appeals started only this past year with the first meeting held on October 29, 2013 at which they conducted business.

Mr. Kuchenbecker informed the commission in the initial round of letters sent out regarding the minimum Maintenance targeted six (6) properties and their owners; he noted only one (1) property owner appealed, which was Mr. Gustafson, with the other five (5) owners who have met with the Historic Preservation Office and are currently using the programs available to them to help offset costs for the work needed to bring property up to code. He stated they have been proactive in reviewing and addressing the violations.

Mr. Steinlicht stated Mr. Kuchenbecker and he had taken a drive today pointing out properties that needed work on their fronts; he stated the only way to grab the attention of these property owners who may be in violation of the is to make sure there is a fine system put in place.

Ms. Williams stated there is a fine system in place; it would be a Class Two Misdemeanor which consists of \$500 per day.

Mr. Kuchenbecker stated this property is under violation now and in approximately 30 days if rehabilitation doesn't start, First Gold would be subject to fines.

Mr. Derosier stated he has spoken to Bill Auer whose dad built the Sinclair Station and Mr. Auer gave permission for Mr. Derosier to say he is "tired of looking at it" and "it is too far gone."

Mr. Namminga stated his house "was too far gone" when he bought it and needed to replace the whole foundation, electrical and everything; he continued to state it should have been torn down, that it was built in 1892 and it took him 10 years, but he restored it. Mr. Namminga stated it can be done and there are no excuses as to why it cannot be done.

Ms. Floyd concurred it can be done and the commission was not in a position to ask then to do it, but to tell them to do it.

Mr. Namminga asked Ms. Morris from First Gold how many parking spaces they will obtain when they get rid of the building.

Ms. Morris stated she did not know.

Mr. Namminga stated there may only be three or four parking spaces, but that First Gold was willing to tear down this building with historic significance for that many.

Based on comments by the public, Ms. Williams advised the Chair to consider hearing from both the Staff and the Applicant.

Mr. Kuchenbecker advised the commission the rules and regulations set forth for the Historic Preservation Commission to follow are outlined in his staff report along with the Supreme Court's opinion and State Historic Preservation Office that concur this Demolition request has an adverse effect. He continued to express his opinion that we have the tools in place so, if denied, the commission has the authority to require they restore the property following the Secretary of Interior Standards of rehabilitation to what was previously approved and which would still contribute to the Historic Landmark District, National Register District and the State Register District.

Ms. Morris commented that as a Deadwood resident, she applauds the job the commission does, respects the decisions and understands how hard some of those decisions are to make. She feels the efforts of the Historic Commission have helped to beautify Deadwood. But as a First Gold employee, Ms. Morris stated she thinks the commission is picking on Mr. Gustafson as he is negligent because of the fact that it was in horrible shape before he took ownership of it. She stated if it was of such great historic significance to Deadwood, the City should have done something with it. Ms. Morris stated her office was in the building before along with Georgeann Silvernail and it was full of mold then. She informed the commission that Mr. Gustafson had put in a new floor, new paint and tried to clean it up; however the mold grew back, people got sick and they had to move the offices out of the building. Ms. Morris stated the building was subject to neglect prior to Mr. Gustafson taking ownership and that First Gold should not have to take the entire fault for the deterioration of the Sinclair Station.

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Mr. Namminga asked Ms. Morris why Mr. Gustafson had purchased it.

Ms. Morris stated she would not comment on Mr. Gustafson's behalf. But she reiterated they used it for office space.

Chairman Steinlicht concurred the building was also used by the City as a trolley stop.

Ms. Williams informed the commission Mr. Pike handed her a copy of the State of South Dakota Attorney General's Memorandum Opinion; she confirmed it is part of the exhibits presented to the commission.

Mr. Milos thanked Mr. Floyd for the comments he made earlier. He also thanked Mr. Matt Pike, who was Chair of the Historic Preservation Commission when he was appointed, stating he had learned a lot from Mr. Pike and appreciated his passion. He stated for years the commission hasn't following the letter of the law on every decision and "the flood gates are open", but it is a matter of opinion. Mr. Milos stated his opinion is that he sides with Mr. Derosier and doesn't like the idea of having a minimum maintenance building sitting in a little oasis that doesn't thing it does to anything for the district or the City of Deadwood. Good or bad, he stated that is his opinion.

Based upon all the evidence presented, it was moved by Mr. Derosier and seconded by Ms. Floyd that this project DOES encroach upon, damage or destroy any historic property included in the national register of historic places or the state register of historic places. Aye - All. Motion carried.

Based upon all the evidence presented, it was moved by Mr. Derosier and seconded by Mr. Milos that, that based upon the Deadwood Codified Ordinances under Chapter 17.68 and the standards for historic preservation, restoration and rehabilitation projects adopted by rules promulgated pursuant to SDCL 1-19A & 1-19B, et seq, the project was found to be ADVERSE to Deadwood, but the applicant has explored ALL REASONABLE AND PRUDENT ALTERNATIVES, and so moved to APPROVE the project as presented.

Ms. Floyd asked to make additional comments prior to the final vote. She pointed out that in the packets given to the commission, the original 2011 decision was provided that stated the Sinclair could be moved allowing First Gold to demolish portions of the building along with remove parts of the hillside to provide them additional parking spaces; this was all given in exchange for Mr. Gustafson's promise to rehabilitate the Sinclair Station and to maintain it. She stated in the past three years the Historic Preservation Commission was not provided with information from the applicant as to why they did not follow through with what they had promised in return for their prior approved request; however she did note during the 2012 inspection that First Gold had stated there was no finances available to rehabilitate the Sinclair Station. Ms. Floyd found it suspicious that work can be funded to move the Sinclair, demolish parts of as approved and to take down the hillside, but not to follow through on what First Gold had promised to do in return. Ms. Floyd commented that at the previous Historic Preservation Commission meeting a representative from Ketel Thorstenson noted the property that that Shea house and Fountain house sit on is worth approximately \$810,000; as a parking lot which would give them about 4-6 parking spaces; she noted she is not sure if that number is exact. Ms. Floyd noted when First Gold's 2011 app was approved, they gained around 24 more parking spots; she figured that if 4 or 5 was worth \$810,000, then each of those parking spaces is worth about \$150,000. This being said, Ms. Floyd questioned First Gold's comment that there were no finances available to take care of the rehabilitation they had promised to do, especially since they had gained much more from this compromise. She stated the commission gave an excellent compromise where First Gold was allowed to move the structure and remove a hillside, but in return it was a great compromise as Deadwood was not going to lose a historic structure. But First Gold gave nothing back, did not follow through with their side of the agreement and proved to be irresponsible stewards. She did not see any reason to approve their request, except the Sinclair station is an eyesore, but she explained First Gold can be required to fix that; there is no reason it cannot be done. Ms. Floyd stated there is an ordinance and process in place, Demolition by Neglect, which can be used to make them follow through with their promise instead of tearing down a contributing historic structure. She asked the commission how they could vote to just let First Gold have what they probably wanted and what was their intention in the first place. She reiterated this sets "an absolutely disgusting precedent" for Historic Preservation when as a commission they are charged with a mission of protecting and preserving that history. And, yes, she agreed it is an eyesore and something needs to be done, but there is something that can be done; there are options to go through whether it is the restoration process or the rebuilding process. She noted either of these options is better than knocking the Sinclair Station down because they didn't take care of it and follow through with the promise they made to the Historic Preservation Commission 3 years ago. Ms. Floyd expressed her passion for the past and stated there is no reason to continue to make decisions that are continuing to damage Deadwood's Historic Districts in this way.

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With a motion on the floor, Chairman Steinlicht moved for a Roll Call of the Commissioners that was as follows: Mr. Johnson – No; Mr. Milos – Yes; Ms. Floyd – No; Mr. Namminga – No; Mr. Derosier – Yes; Mr. Williams – Yes; and Chairman Steinlicht – Yes. Motion approved with a vote of 4-Yes to 3-No.

Case # 14009 – 130 Charles Street – Rick and Barbara Ensminger

Mr. Kuchenbecker informed the Commission the applicant requests permission to repair existing windows and install new wood storm windows. Also requested is an easily reversible sunshade awning at the rear of the resources for the deck on 130 Charles Street as submitted. (The application is attached hereto on Exhibit C and incorporated herein by this reference.) ***Based upon all the evidence presented, it was moved by Ms. Floyd and seconded by Mr. Milos 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 grant project approval as submitted for 130 Charles Street. Aye - All. Motion carried.***

Revolving Loan Fund/Retaining Wall Program Update:

Retaining Wall Applications

No applications were addressed at this meeting

Revolving Loan Program/Disbursements

It was moved by Ms. Floyd and seconded by Mr. Johnson to approve the HP Revolving Loan Fund disbursement in the amount of \$150.00, based on information as presented by Ms. Joy McCracken, Executive Director of NeighborWorks-Dakota Home Services. Aye - All. Motion carried. Delinquency Report was reviewed and updates on projects were given. Overview of the Revolving Loan Fund was presented.

Retaining Wall Program/Disbursements:

No disbursements were addressed at this meeting.

Items from Citizens not on Agenda

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

Mr. Kuchenbecker reported on the following items:

- The New City newsletter will be sent out along with the revised water bill today; it will feature upcoming Public meetings such as Hwy 85 & DOT on April 1st; Rotary Park on April 8th; and Candidates Form on April 3rd.
- Wayfinding meeting was held today;
- Deadwood needs to increase curb appeal as well as to step up and enforce the landscape ordinances to help re-soften Deadwood's environment;
- Thanked Kate Storhaug for her work on the newsletter
- Commission's next meeting will be on April 9, 2014 at 5:00 PM.

Other Business:

- Mr. Milos reminded the commission of the Candidates' Form on April 3 prior to Election on April 8, 2014.
- Mr. Derosier commented on the cemetery transcripts Mr. Mike Runge, Archivist, discussed at the Archives, Archeology and Acquisitions meeting; He expressed how fortunate the City is to have Mr. Runge and was impressed on how knowledgeable and passionate he was;
- Chairman Steinlicht stated there was a good Chamber meeting this past week and that there were 3 applicants in the running for Mr. Milos' position.

Adjournment:

There being no other business, the Historic Preservation Commission Meeting of March 26, 2014 adjourned at 6:18 PM.

ATTEST:

Willie Steinlicht

Chairman, Historic Preservation Commission

Kate Storhaug, Historic Preservation Office/ Recording Secretary

DEADWOOD

OFFICE OF
PLANNING, ZONING AND
HISTORIC PRESERVATION
108 Sherman Street
Telephone (605) 578-2082
Fax (605) 578-2084

"The Historic City of the Black Hills"
Deadwood, South Dakota 57732

Mike Runge
Archivist
Telephone (605) 578-2082

MEMORANDUM

Date: April 1, 2014
To: Deadwood Historic Commission
From: Mike Runge, City Archivist
Re: **Proposed Forensic DNA Testing of the Burial from 66 Taylor Avenue**

The City Archives is requesting permission to enter into a contract with Angie Ambers, a Forensic DNA Analyst at the Institute of Applied Genetics (IAG) and Center for Human Identification in Ft. Worth, Texas. The City Archives would like to hire Ms. Ambers to perform DNA testing on the human remains discovered in 2012 at 66 Taylor Avenue. These remains were from an unmarked burial associated with Deadwood's first municipal cemetery (1875 – 1878).

As part of this project, Ms. Ambers would extract DNA samples from the teeth and bone of the unidentified individual. The breakdown for the tests is as follows:

• Mitochondrial DNA sequencing (mtDNA) (4 bone samples) -----	\$1400.00
• Y-chromosome testing/Y-STR analysis (4 bone samples) -----	\$800.00
• SNP analysis for hair/eye color prediction (4 bone samples) ----	\$800.00
TOTAL	\$3,000.00

The expenditures for this project would cover the costs of reagents and other consumables necessary to carry out the work. The Deadwood Historic Preservation Commission will not be charged for the labor. The Institute of Applied Genetics (IAG) and Center for Human Identification will volunteer their services. A proposal and description of the work is attached to this memorandum.

RECOMMENDATION:

Allow the City Archives to enter a contract with Ms. Angie Ambers to perform DNA testing on the human remains discovered in 2012 at 66 Taylor Avenue. The cost for this project will not exceed \$3,000.00 dollars and would come out of the 2014 Archaeology Budget.

Michael Runge

From: Ambers, Angie <Angie.Ambers2@unthsc.edu>
Sent: Monday, March 24, 2014 6:50 PM
To: Michael Runge
Subject: RE: DNA testing of historical remains

Hi Mike,

My apologies for taking a bit of time to get back to you with an estimated cost proposal. My supervisor (Bruce Budowle) travels quite a bit (across the U.S. as well as internationally) to testify in court. He's a bit of a rock star, lol (i.e. in big demand, given his previous career with the FBI). I am very fortunate to work under him....

Per our last discussion, we likely would not have to perform as many extractions on your set of unidentified skeletal remains as we did on the Civil War bones that I worked on last year. Based on the photos from the anthropologist, the Deadwood skeletal remains appear to be in much better shape. With that being said, we won't truly know the state of DNA degradation until we start the process. Once we have some results to look at, we can then consider if additional extractions need to be performed.

Dr. Budowle and I feel that starting with four (4) DNA extractions is appropriate to assess the state of what we're working with. Again, the samples that would work best for DNA testing are the **unerupted third molar teeth** (which likely have provided the most protective environment for the DNA) and the long bones (e.g. **a femur and tibia**). We would request both unerupted wisdom teeth, a femur, and a tibia to work with. Obviously, we would only sample a portion of the femur and tibia, and would return the unused portion to you when we are finished with the analysis (for burial at Mt. Moriah).

We can process four bone/tooth samples for you for a total cost of \$3000.

For each sample, this includes sterilization of the bone/tooth surface (to remove exogenous/contaminant DNA), bone sectioning, DNA extraction, DNA quantification, PCR amplification of the DNA, and subsequent profiling (e.g. mitochondrial DNA sequencing, Y-chromosome testing/Y-STRs, and SNP analysis).

Since you requested itemization, here's a rough/approximate breakdown:

Mitochondrial DNA sequencing (mtDNA) (4 bone samples) ----- \$1400

Y-chromosome testing/Y-STR analysis (4 bone samples) ----- \$800

SNP analysis for hair/eye color prediction (4 bone samples) ----- \$800

This basically covers the costs of reagents and other consumables necessary to carry out the work. We are not charging you for labor --- I am volunteering my services, because I enjoy the challenge of working on historical remains. My boss and I both have joked that we would exchange "labor" for a trip to a town like Deadwood, haha(we both are history buffs!).

Anyway, feel free to call me if you have any further questions or to discuss the next steps in getting this project started.

Regards,
Angie
cell 469-667-9407

P.S. Upon further discussion, we think the phenotypic SNPs (to predict hair color and eye color) are worthy of exploration, given that the IrisPlex kit has "passed" the research & development phase and has shown promise in validation studies. However, we did not include a cost estimate for ancestry-informative SNP analysis because those SNP panels are currently not very well-developed (i.e. they are still somewhat in the trial phases in terms of application and statistical robustness).....although if/when these ancestry-informative SNPs become a more fruitful option, we can certainly revisit it in the future. In the meantime, the most reliable molecular data for ancestry/ethnicity determination lies with mitochondrial DNA and Y-STR analysis.

From: Michael Runge [michael.runge@cityofdeadwood.com]
Sent: Wednesday, March 19, 2014 10:21 AM
To: Ambers, Angie
Subject: RE: DNA testing of historical remains

Hi Angie:
Sounds great. Thanks for your help and look forward to seeing the numbers.
Best,
M

From: Ambers, Angie [mailto:Angie.Ambers2@unthsc.edu]
Sent: Tuesday, March 18, 2014 9:56 PM
To: Michael Runge
Subject: RE: DNA testing of historical remains

Hi Mike,

I'm just finishing up at the lab (late night!!!) and saw that you had called a few times today. I apologize for not getting back to you sooner --- I have been working on some bone samples for 12 hours today and had to leave my phone in my purse at my desk (for contamination prevention).

I did talk to my supervisor about your request for an itemized cost analysis of the DNA work to be done on the unidentified skeletal remains from Deadwood. Unfortunately, he has been traveling alot for court testimony and I regret that we don't have any definitive numbers for you yet. We are definitely still interested (and willing) to do the work for you. I'm sure over the next week or so I'll be able to get back to you with a cost estimate.

Regards,
Angie

From: Michael Runge [michael.runge@cityofdeadwood.com]
Sent: Monday, March 03, 2014 5:17 PM
To: Ambers, Angie
Subject: RE: DNA testing of historical remains

Good afternoon Angie:

It was nice talking with you this afternoon in regards to our historic burial at 66 Taylor Avenue. As discussed, we are interested in learning more about this individual who is associated with Deadwood's first cemetery (1875 – 1878). Deadwood's first cemetery was located a quarter mile from the downtown core business district. Based on fragmented records and early newspaper articles, this cemetery contained approximately 100 burials including western gunfighter James Butler " Wild Bill" Hickok and Methodist Minister Henry Weston Smith.

In 2012, construction workers unearthed a fully articulated coffin burial while replacing a retaining wall at 66 Taylor Avenue. The South Dakota State Archaeologists were on hand to exhume the burial. The remains were then transported to Dr. Diane France who compiled a forensic report on this individual (see attachments). One of the interesting features associated with this burial are the number of dental fillings preformed on this individual (three gold and six tin/silver amalgam).

The City of Deadwood is looking for someone to extract DNA samples, compare these samples to any living relatives and write a report on the work performed on this individual. As part of the project, we are interested in identifying SNPS to determine eye, hair, and skin colors. I included a copy of the "Stranger Vision Project" article and video online. <http://deweyhagborg.com/strangervisions/about.html> As mentioned, upon completion of this project, the individual will be interred at Mt. Moriah Cemetery and the data will be used to develop an exhibit and facial reconstruction for the Mt. Moriah Cemetery Visitor Center.

If you have any questions or would like to discuss this project, feel free to call or email at your convenience. Again, thank you for your time and interest in our project.

Best,
Mike

Michael Runge
City Archivist
108 Sherman Street
Deadwood, SD 57732
P: (605) 578-2082
F: (605) 578-2084
Website: www.cityofdeadwood.com

From: Ambers, Angie [<mailto:Angie.Ambers2@unthsc.edu>]
Sent: Monday, March 03, 2014 2:47 PM
To: Michael Runge
Subject: DNA testing of historical remains

From: Ambers, Angie
Sent: Monday, March 03, 2014 2:51 PM
To: michael.runge@cityofdeadwood.com
Subject: DNA testing

Greetings Mr. Runge,

My colleagues at the University of North Texas *Laboratory for Forensic Anthropology and Human Identification* (Dr. Harrell Gill-King and Mark Ingraham) contacted me this past Friday about your inquiry regarding DNA testing of skeletal remains from a historical cemetery in Deadwood. I work for a DNA lab in Fort Worth, Texas that collaborates with Gill-King on cases involving skeletal remains. I have experience working with older

specimens and my expertise lends itself to working with degraded samples. I just completed a project (late 2013) involving DNA analysis of the exhumed skeletal remains of a famous Civil War soldier from West Virginia (a Confederate guerrilla scout in the Alleghenies). I spoke with my supervisor this morning about your inquiry, and we are interested in following up with you to obtain more information about the remains in Deadwood that you would like analyzed for DNA.

In the meantime, answers to the following questions would be helpful to us in considering the case:

- 1) How many sets of skeletal remains do you need analyzed for DNA?
- 2) Are the identities of the individuals *known* or *in question*?
- 3) What is the ultimate purpose and goal of the DNA testing (i.e. positive identification, paternity, ancestry/lineage, etc.)
- 4) What is the condition of the remains? Are there photos available of the bones and the exhumation?
- 5) What were the burial conditions? Was the casket still intact or had it degraded over time (thus exposing the remains to environmental insult)?

If you would prefer to speak via phone, please feel free to call me on my cell to discuss the case --- (469)667-9407.

I am actually working from home this afternoon because we had an ice storm here in Dallas yesterday.

I look forward to speaking with you.

Regards,

Angie Ambers, M.A., M.S.
Forensic DNA Analyst
Institute of Applied Genetics (IAG)
Dept. of Forensic & Investigative Genetics
Center for Human Identification
UNT Health Science Center
3500 Camp Bowie Boulevard
Fort Worth, Texas 76107
angie.ambers@unt.edu
angie_ambers@yahoo.com
[\(469\)667-9407](tel:(469)667-9407)

In collaboration with.....
Laboratory of Forensic Anthropology & Human Identification
UNT Dept. of Biological Sciences (Denton, Texas)

ATTACHMENT #2 EXPLANATION OF TESTS

Mitochondrial and Y-chromosome testing are standard protocols used with old skeletal remains. Given the age of the remains in question ---- and because you're hoping to identify him and possibly link him to currently-living descendants --- this is the best route to take.

Mitochondrial DNA testing:

A typical human cell only contains *one copy* of nuclear (autosomal) DNA, but has *100's-1000's* of mitochondria (depending on the cell type). Each of those mitochondria has its own DNA.....so there are many more copies of mitochondrial DNA in a cell than nuclear/autosomal DNA (which explains why we often can get mtDNA results from samples that yield no autosomal/nuclear results).

A person's nuclear/autosomal DNA is a combination of parental DNA (half comes from the mother, half comes from the father). In the case of your remains, a significant amount of genetic recombination has occurred over the multiple generations since his death. Without his mom and dad's DNA to test as a comparison, the statistics become limited and challenging (not to mention that his nuclear DNA is likely very degraded at this point). However, mitochondrial DNA is passed down unchanged (non-recombined) through the maternal side of his family (that is, he will have the exact same mitochondrial DNA profile as all members of his mother's side of the family, including any living maternal relatives that we could potentially get reference samples from for comparison). We can make a direct match this way.

Lastly, there are existing mitochondrial DNA databases that correlate (to some degree) a person's mitochondrial DNA profile to specific population groups (i.e. often useful for ancestry/ethnicity/race estimations).

Y-chromosome (Y-STR) testing:

Since it has been established by an anthropologist that your unidentified remains are that of a male, we would use this to determine his Y-chromosome DNA profile. Large DNA markers degrade more easily and "disappear" from the profile over time. However, the markers on the Y-chromosome that we test for are very small, and these markers are often still intact (and therefore yield results) even when the rest of the autosomal DNA profile is absent/gone. Similar to the mtDNA genome being passed directly down the maternal line of inheritance, the Y-chromosome is passed unchanged/non-recombined through the paternal line of a family (to male descendants).

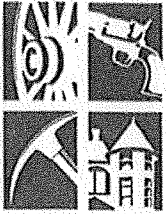
In summary, maternal lineage is traced with mitochondrial DNA sequencing while paternal lineage is tracked using Y-chromosome markers.

Hence, both mitochondrial DNA and Y-chromosome testing are methods of "kinship analysis." But they also are known as "lineage markers" because they can provide ancestral/ethnicity/race approximations....

Ultimately, mitochondrial DNA sequencing and Y-chromosome profiling (in the case of males) are the "gold standards" for use in missing persons cases and cases involving unidentified remains where the likelihood of degraded autosomal DNA is imminent. Both approaches are much better established than SNP testing (the latter of which is still controversial, currently provides a lower standard of statistical probability, and is still very much in the "research/development" phase).

Single-nucleotide polymorphism (SNP) analysis

Single-nucleotide polymorphism (SNP) analysis is a DNA sequence variation occurring when a Single Nucleotide — A, T, C or G — in the genome (or other shared sequence) differs between members of a biological species. By reviewing the differences, predictions can be made to determine physical attributes of an individual including eye color, hair color, and skin color.



DEADWOOD
HISTORY Inc.

Administrative Offices
P.O. Box 252
Deadwood, SD 57732
605-722-4800

MEMORANDUM

Date: April 3, 2014
To: Deadwood Historic Preservation Commission
From: Kevin Kuchenbecker, Historic Preservation Officer
Mary Kopco, Executive Director, Deadwood History, Inc.
Re: Deadwood Stagecoach Days, 1876-1890

Deadwood History, Inc. in partnership with the Deadwood Historic Preservation Commission and the National Stagecoach and Freight Wagon Association is planning to host a two-day educational program on Friday and Saturday, September 5 & 6, 2014 featuring stagecoach and wagon demonstration, talks by noted historians and wagon experts, chuck wagon cook-off, wagon show, demonstrations by traditional horse drawn vehicle-related trades such as blacksmith, wheelwright, farrier, etc. and special tours of the Days of '76 Museum's vehicle collection. The event will kick off on Friday at noon with stagecoach and chuck wagon demonstrations for 80 Lead-Deadwood fourth grade students. The remainder of the event will be open to the public. A tentative schedule of activities is attached.

The total budget to host this event is approximately \$23,000. The Deadwood Historic Preservation Commission budgeted in the public programming line item an amount of \$12,500 to assist with the costs associated with hosting the program. Entertainment and food costs will be covered through admission fees. Thank you for your kind consideration of our request.

Deadwood History presents

DEADWOOD STAGECOACH DAYS: **1876-1890**

September 5 – 6, 2014

**Days of '76 Museum and Rodeo Grounds
Deadwood, South Dakota**

Featuring

- ⊗ Stagecoach and wagon demonstrations
- ⊗ Chuck wagon cook-off
- ⊗ Wagon Show and Dust Off!
- ⊗ Talks by noted historians and wagon experts
- ⊗ Old-fashioned games
- ⊗ Wheelwright, blacksmith, gunsmith, chuck wagon cooking demonstrations and more!
- ⊗ Living History Presentations
- ⊗ Entertainment by cowboy musician Paul Larson

For more information:
www.deadwoodhistory.com

or call 605.722.4800.
18 Seventy Six Drive
Deadwood, SD 57732



**DEADWOOD
HISTORY**

**Co-sponsored by Deadwood Historic
Preservation Commission, Deadwood
History, Inc. and the National
Stagecoach and Freight
Wagon Association**

This institution is an equal opportunity provider and employer

Deadwood Stagecoach Days, 1876 – 1890
Tentative Schedule of Events

Friday, September 5

12:00 p.m. to 2:00 p.m. Stagecoach and chuck wagon demonstrations for Lead-Deadwood 4th grade students in the rodeo arena (no stagecoach rides will be given)

2:00 p.m. Registration

3:30 p.m. to 5:00 p.m. Opening Remarks, Deadwood Mayor Charles Turbiville and Kevin Kuchenbecker, Deadwood Historic Preservation Officer
Getting to the Gold: The Black Hills Gold Rush, Dr. David A. Wolff,
Black Hills State University

5:00 p.m. to 6:00 p.m. Welcome, National Stagecoach and Freight Wagon Association,
Doug Hansen
National Trails System, TBD

6:00 p.m. to 7:30 p.m. Social with heavy hors d'oeuvres by Cheyenne Crossing and musical entertainment by cowboy musician Paul Larson

Saturday, September 6

8:00 a.m. Registration and breakfast by Cheyenne Crossing

Lectures (Mary Adams Program Room, Days of '76 Museum)

9:00 a.m. Welcome, Kevin Kuchenbecker, Deadwood Historic Preservation Officer and Mary Kopco, Deadwood Historic Executive Director
Black Hills Transportation Before 1900, Robert Kolbe

11:00 a.m. *Trails Less Traveled*, Lonis Wendt

3:00 p.m. *Captain Jack Crawford's Adventures on the Sidney Trail*, Paul Hedron

5:00 p.m. Roundtable Discussion, Doug Hansen and Ben Kern

Tours (Carriage Gallery, Days of '76 Museum)

10:00 a.m. Darrel Nelson

2:00 p.m. Darrel Nelson

Arena Events (Days of '76 Rodeo Grounds)

10:00 a.m. Freight Wagon demonstration with Doug Hansen and MC Mel Anderson

11:00 a.m. to 1:00 p.m. Chuck Wagon Cook-Off

1:00 p.m. Stagecoach demonstration with Doug Hansen and MC Mel Anderson

2:00 p.m. Wagon Show and Dust Off!

Demonstrations (Days of '76 Rodeo Grounds)

10:00 a.m. to 5:00 p.m.

Blacksmith Jack Parks

Saddlemaker Vance Patterson

Bits and Spur maker Kevin Willey

Sheep wagon, Rick Kaan

Chuck wagon, Willie Cowan

Western Antiques, Rick and Margi Olesen

Gunsmith, Ivan Hovland

Wheelwright, Tim Hoffman

Farrier, TBD

Youth Activities (Days of '76 Museum Patio)

10:00a.m. to 2:00 p.m.

Critter Crate

Old-fashioned games

This event is co-sponsored by Deadwood History, Inc., Deadwood Historic Preservation Commission and the National Stagecoach and Freight Wagon Association.

4/3/2004 mak

OFFICE OF
PLANNING, ZONING AND
HISTORIC PRESERVATION
108 Sherman Street
Telephone (605) 578-2082
Fax (605) 578-2084

DEADWOOD

"The Historic City of the Black Hills"
Deadwood, South Dakota 57732

KEVIN KUCHENBECKER
Historic Preservation Officer
Telephone: (605) 578-2082
Fax: (605) 578-2084
kevin@cityofdeadwood.com

MEMORANDUM

Date: April 23, 2014
To: Deadwood Historic Preservation Commission
From: Kevin Kuchenbecker, Historic Preservation Officer
Mary Kopco, Executive Director, Deadwood History, Inc.
Re: 2014 Archaeology Camps

The Deadwood Historic Preservation Office and Deadwood History, Inc. are once again planning to conduct three Archaeology Camps during the month of July 2014. The programs will consist of a genuine excavation lead by professional archaeologists and historians; daily educational programming; field trips; and collaborative work in peer groups. Children will come away with a sense of local history, camaraderie and the archaeological process.

A healthcare professional will be onsite and there will be a designated first aid tent with sufficient supplies. Additionally, campers' guardians must sign a liability waiver; provide medical/allergy information and emergency contact information. Portable bathrooms will be located on site.

The participants will be supervised by Deadwood History, Inc. staff at a ratio of roughly 5-7 participants per staff member. Campers will be broken into five-camper units by age group and will rotate positions throughout the excavation process. Each group will be given color-coded t-shirts and will be referred to as "teams."

The site for Archaeology Camps in 2014 will be on the Pearson Properties, located just outside Deadwood. The area is the site of an old miner's cabin dating back to 1876.

The Deadwood Historic Preservation Commission budgeted \$3,000.00 for the proposed program and staff recommends approving an amount not to exceed \$3,000.00 from the Archaeology line item to help underwrite this program.

OFFICE OF
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108 Sherman Street
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Fax (605) 578-2084

DEADWOOD

"The Historic City of the Black Hills"
Deadwood, South Dakota 57732

KEVIN KUCHENBECKER
Historic Preservation Officer
Telephone: (605) 578-2082
Fax: (605) 578-2084
kevin@cityofdeadwood.com

MEMORANDUM

Date: April 4, 2014
To: Deadwood Historic Preservation Commission
From: Kevin Kuchenbecker, Historic Preservation Officer
Re: Deadwood Historic Preservation Moments

In 2011, the Deadwood Historic Preservation Commission contracted with MacroVision, LLC for the production of 52 minutes of completed video segments. These videos serve as an educational and social media tool on aspects of Deadwood's historic past as well as highlighting current efforts of the Commission. These Preservation Moments have been well received.

The office would like to continue to develop additional Preservation Moments. Costs for this project will include writing and editing scripts with input and final approval from the Historic Preservation Office, compression and uploading of videos to the developed Historic Preservation YouTube channel, shooting of host segments, costs associated with a voice talent, and the shooting of footage needed for videos.

The Preservation Commission budgeted funds for the continuation of this project for 2014 from the Public Education and Advocacy line.

Recommended Action:

Recommend approval of a contract for services for the creation of 15 additional Preservation Moments by Macro Vision, LLC over the course of the next 12 months in an amount not to exceed \$10,500.00 to the Deadwood City Commission.

**Contract For Deadwood Historic Preservation
&
MacroVision, LLC**

**Cost Of Video Project based on 15 two minute segments over
12 months**

Write and edit segments with Historic Preservation input, video & photos

Compress and upload videos to Youtube

Shoot in studio host segments

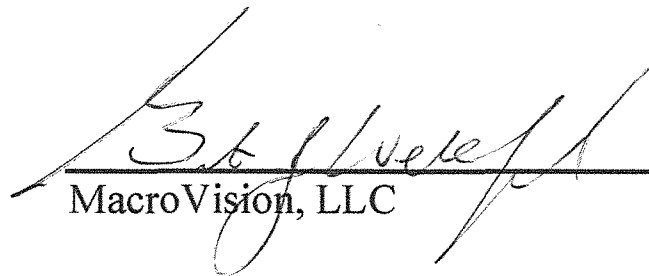
Work with and pay voice talent

Shoot any new footage needed for then and now videos.

COST...\$350.00 per finished minute (as last contract) for 30 minutes toal

All inclusive for above

\$10,500.00


MacroVision, LLC

3-26-14

Date

City Of Deadwood Historic preservation

Date



**A RESOLUTION Regarding the Unpermitted Demolition of the Sinclair Station (300 Main Street),
A Contributing Historic Property in the Deadwood National Historic Landmark**

Deadwood Historic Preservation Commission

April 9, 2014

WHEREAS Mike Gustafson, owner of the contributing historic property known as the Sinclair Station, formerly located at 300 Main Street in Deadwood, South Dakota, applied to the Historic Preservation Commission for permission to demolish the same structure, and

WHEREAS, on the 26th day of March, 2014, the Deadwood Historic Preservation Commission determined by a vote of 4-3, that while being adverse to Deadwood's historic district, such demolition was the reasonable and prudent alternative and that permission should be granted to allow Mr. Gustafson to obtain a demolition permit, and

WHEREAS, the following morning, Mr. Gustafson or his representatives applied for the demolition permit but was informed by City staff and legal counsel that the permitting process could take up to ten days, pending fact-finding and reporting to the State Historic Preservation Office as required by South Dakota Codified Laws, and

WHEREAS being unable to obtain a demolition permit on that day, Mr. Gustafson authorized the unlawful demolition of the building without waiting for any permit, and has admitted the same by stating, "The HPC made a common-sense decision, and I chose to follow up immediately to cure the blight," and

WHEREAS Mr. Gustafson has taken full responsibility for his unilateral decision to ignore and circumvent the City's lawful, mandatory and proper legal permitting requirements,

THEREFORE BE IT RESOLVED that the Deadwood Historic Preservation Commission fully and unequivocally condemns the illegal actions of Mr. Michael Gustafson, who, having been granted permission to perform an action that was adverse to Deadwood but beneficial to his financial interests, showed contempt for and, in fact, violated the accepted and required legal permitting procedures. The Deadwood Historic Preservation Commission further strongly encourages the Deadwood City Commission and the South Dakota Commission on Gaming to enforce all available legal and financial consequences against Mr. Gustafson to the full extent permissible by law.

Submitted by Laura Floyd
April 4, 2014

Case No. 14011
Address: 700 Main Street

April 4, 2014

STAFF REPORT

The applicant requests Certificate of Appropriateness to make repair and replace masonry brick on parapet located at 700 Main Street in the Deadwood City Historic Planning Unit of the City of Deadwood.

Applicant: Super G Investments
Owner: Franklin Hotel
Constructed: 1903

CRITERIA FOR THE ISSUANCE OF CERTIFICATE OF APPROPRIATENESS

The Historic District Commission shall use the following criteria in granting or denying the Certificate of Appropriateness:

General Factors:

- 1. Historic significance of the resource:** This building is a contributing resource in the Deadwood National Historic Landmark District. Harris Franklin, wealthy ranch owner, mining stock investor and wholesale liquor dealer, spurred interest in the construction of this hotel by offering to match any contribution dollar for dollar. His role as officer and chief shareholder in the Deadwood Hotel Company was recognized by naming the hotel after him. Charles Randall, also a resident of Deadwood, was hired to complete the plans. By November of 1902, the construction process was attracting a great deal of attention. Local residents lined up for the opportunity to lay a brick in the front wall. The grand opening on June 4, 1903 was well attended, and was followed by a banquet for 250 guests. Services available in the hotel included a cigar store and newsstand, barber shop, buffet, restaurant, and masseuse. A crooked light pole on the corner of the intersection of Main and Shine Street made the building appear to lean to one side. The pole was immediately removed. The hotel continued to be popular long after Deadwood began its economic decline. John L. Sullivan, Theodore Roosevelt, William Taft, John Wayne, Buffalo Bill and Babe Ruth are just a sample from the guest list. A new rear addition was constructed in 1929.
- 2. Architectural design of the resource and proposed alterations:** The applicant is requesting approval to replace the original railings for the exterior front stairs leading to the basement to meet code while keeping the overall appearance of the original configuration. They are also requesting permission to reconstruct basement level storefronts based on photographic evidence and add an exterior ductwork on the south side of the building behind emergency stairs as submitted.

Attachments: Yes

Plans: Yes

Photos: Yes

Staff Opinion: Staff has worked with the owner(s) and the architect on this project to meet the guidelines and standards for historic preservation. 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.

Motions available for commission action:

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.

OR

Based upon the guidance found in DCO 17.68.050, I find that the exterior alteration proposed is incongruous with the historical, architectural, archaeological or cultural aspects of the district and MOVE to deny Certification of Appropriateness.

OFFICE OF
PLANNING, ZONING AND
HISTORIC PRESERVATION
108 Sherman Street
Telephone (605) 578-2082
Fax (605) 578-2084

DEADWOOD

"The Historic City of the Black Hills"

Deadwood, South Dakota 57732

DEADWOOD CITY HALL
102 Sherman Street
Telephone (605) 578-2600

City of Deadwood Application for Project Approval or Certificate of Appropriateness

The Deadwood Historic Preservation Commission reviews all applications. Approval is issued for proposed work that is in keeping with City of Deadwood Ordinances & Guidelines, South Dakota State Administrative Rules and the Secretary of the Interior's Standards for Rehabilitation.

This application must be typed or printed in ink and submitted to:

City of Deadwood
Deadwood Historic Preservation
108 Sherman Street
Deadwood, SD 57732

FOR INFORMATION REGARDING THIS FORM, CALL 605-578-2082

PROPERTY INFORMATION

Property Address: 700 Main Street

Historic Name of Property (if known): The Franklin Hotel

APPLICANT INFORMATION

Applicant is ☒ owner ☒ contractor ☒ architect ☒ consultant ☒ other _____

Owner's Name: Super G Investments

Address: 709 Main Street

City: Deadwood State: SD Zip: 57732

Telephone: 605-578-3670 Fax: 605-578-1366

E-mail: trench@silveradocasino.com

Architect's Name: Dave Stafford

Address: 809 South Street #203

City: Rapid City State: SD Zip: 57701

Telephone: 605-791-5001 Fax: _____

E-mail: dvestafford@midconetwork.com

Contractor's Name: SECO Construction

Address: 330 Craig Street

City: Rapid City State: SD Zip: 57701

Telephone: 605-348-7085 Fax: _____

E-mail: _____

Agent's Name: _____

Address: _____

City: _____ State: _____ Zip: _____

Telephone: _____ Fax: _____

E-mail: _____

TYPE OF IMPROVEMENT

☒ Alteration (change to exterior)

☒ New Construction

☒ General Maintenance

☒ Other Reinstalling original railings and ductwork.

☒ New Building

☒ Re-Roofing

☒ Siding

☒ Awning

☒ Addition

☒ Wood Repair

Other _____

☒ Sign

☒ Accessory Structure

☒ Exterior Painting

☒ Fencing

Estimated Cost of Work: \$ 100,000

DEADWOOD

"The Historic City of the Black Hills"
Deadwood, South Dakota 57732

DEADWOOD CITY HALL
102 Sherman Street
Telephone (605) 578-2600

ACTIVITY: (CHECK AS APPLICABLE)				
Project Start Date: _____		Project Completion Date (anticipated): _____		
☒ ALTERATION	☒ Front	☐ Side(s)	☐ Rear	Replace the original railings
☒ ADDITION	☐ Front	☒ Side(s)	☐ Rear	Ductwork
☐ NEW CONSTRUCTION	☐ Residential		☐ Other _____	
☐ ROOF	☐ New	☐ Re-roofing		
	☐ Front	☐ Side(s)	☐ Rear	
☐ GARAGE	☐ New	☐ Rehabilitation		
	☐ Front	☐ Side(s)	☐ Rear	
☐ FENCE/GATE	☐ New	☐ Replacement		
	☐ Front	☐ Side(s)	☐ Rear	
Material _____		Style/type _____		Dimensions _____
☒ WINDOWS	☐ STORM WINDOWS	☒ DOORS	☐ STORM DOORS	
☐ Restoration		☒ Replacement	☒ New	
☐ Front	☐ Side(s)	☐ Rear		
Material _____		Style/type _____		
☐ SIGN/AWNING	☐ New	☐ Restoration	☐ Replacement	
Material _____		Style/type _____		Dimensions _____
☐ OTHER - Describe in detail below or use attachments				

DESCRIPTION OF ACTIVITY

Describe, as specifically as possible, the above activity (use attachments if necessary including type of materials to be used) and submit as applicable. Descriptive materials such as photos and drawings are necessary to illustrate the work and to help the commissioners and staff evaluate the proposed changes. A request for approval of a window replacement, for example, should be accompanied by measurements of the existing window, a picture of the existing window, and a picture or catalogue sheet with manufacturer information for the new window. Similar information should be supplied for each element of the proposed work along with general drawings and/or photographs as appropriate.

Failure to supply adequate documentation could result in delays in processing and denial of the request.

We will be replacing the original railings and remodeling exterior front stairs leading to the basement.

Also, we will be adding ductwork on the southside of the building in drainage area.

New windows will be installed on the north and south side stairwells.

SUBMITTAL CRITERIA CHECKLIST

The documentation listed below will assist in the submission of the application. *Not all information listed below is required for each project. In order to save time and effort, please consult with the Historic Preservation Office prior to completing your application.*

ALL WORK:

- ☒ Photograph of house and existing conditions from all relevant sides.

RENOVATIONS AND ADDITIONS:

- ☒ Elevation and plan drawings to scale indicating proposed alterations or additions, clearly indicating the existing building and what is proposed and including the relationship to adjacent structures. Make sure to include door and window design if altered. Manufacturer's catalog data may be used, if applicable.
- ☒ Exterior material description.
- ☒ Site plan showing dimensions of lot and location of existing building(s) or structure(s) on lot, location of additions, dimensions of existing structure and additions. (Show use of addition and location of windows and doors if applicable.)
- ☒ Photograph of existing conditions from all elevations.
- ☒ Color samples and placement on the structure.
- ☒ Historic photographs should accompany any request to return a structure to an earlier historic appearance. (Please note our archives may be of great assistance)

MATERIAL CHANGES:

- ☒ Written description of area involved.
- ☒ Color photographs or slides of areas involved and surrounding structures if applicable.
- ☒ Sample or photo of materials involved.

PAINTING, SIDING:

- ☒ Color photographs of all areas involved and surrounding structures if applicable.
- ☒ Samples of colors and/or materials to be used.
- ☒ Dimensioned elevation and section to scale, showing design of fence, material, and height in relationship to adjacent structures.

NEW CONSTRUCTION:

- ☒ Elevation drawings to scale showing all sides and dimensions. Elevation drawings to scale showing relationship to structures immediately adjacent.
- ☒ Photograph of proposed site and adjacent buildings on adjoining properties.
- ☒ Site plan including building footprint and location of off-street parking showing setbacks. Include number of spaces, surface material, screening and all other information required under Parking Areas.
- ☒ Material list including door and window styles, colors and texture samples.
- ☒ Scale model indicating significant detail. (This may be required for major construction. Please consult Historic Preservation Commission staff.)
- ☒ Color photographs of proposed site and structures within vicinity of new building.

OFFICE OF
PLANNING, ZONING AND
HISTORIC PRESERVATION
108 Sherman Street
Telephone (605) 578-2082
Fax (605) 578-2084

DEADWOOD

"The Historic City of the Black Hills"

Deadwood, South Dakota 57732

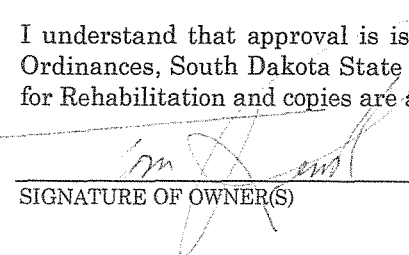
DEADWOOD CITY HALL
102 Sherman Street
Telephone (605) 578-2600

SIGNATURES

I **HEREBY CERTIFY** that I understand this application will not be accepted and processed until all the requested information has been supplied. I realize that drawings and measurements must be exact and if errors result in a violation of the Commission's approval, then appropriate changes will have to be made. I also understand this application may require a site visit / additional research by staff and a **PUBLIC HEARING** by the **DEADWOOD HISTORIC PRESERVATION COMMISSION**.

I understand that this application is for a Certificate of Appropriateness or Project Approval only and that a building permit is required for any uses associated with this location prior to any constructions, alterations, etc. All statements are true to the best of my knowledge and belief.

I understand that approval is issued for proposed work that is in keeping with City of Deadwood Ordinances, South Dakota State Administrative Rules and the Secretary of the Interior's Standards for Rehabilitation and copies are available for my review.


SIGNATURE OF OWNER(S)

4/2/2014
DATE

SIGNATURE OF AGENT(S)

DATE

SIGNATURE OF OWNER(S)

DATE

SIGNATURE OF AGENT(S)

DATE

SIGNATURE OF OWNER(S)

DATE

SIGNATURE OF AGENT(S)

DATE

APPLICATION DEADLINE

This form and all supporting documentation **MUST** arrive by 5:00 p.m. on the 1st or 3rd Wednesday of every month to be considered at the next Historic Preservation Commission Meeting. The meeting schedule and filing deadlines are on file with the Historic Preservation Office and the City Clerk. Any information not provided to staff in advance of the meeting will not be considered by the Commission during their deliberation. Please call if you have any questions and staff will assist you.

Please use the enclosed criteria checklist as a guide to completing the application.

Incomplete applications cannot be reviewed and will be returned to you for more information.

All submitted materials will be retained by the Historic Preservation Office. Do not submit your only copy of any piece of documentation.

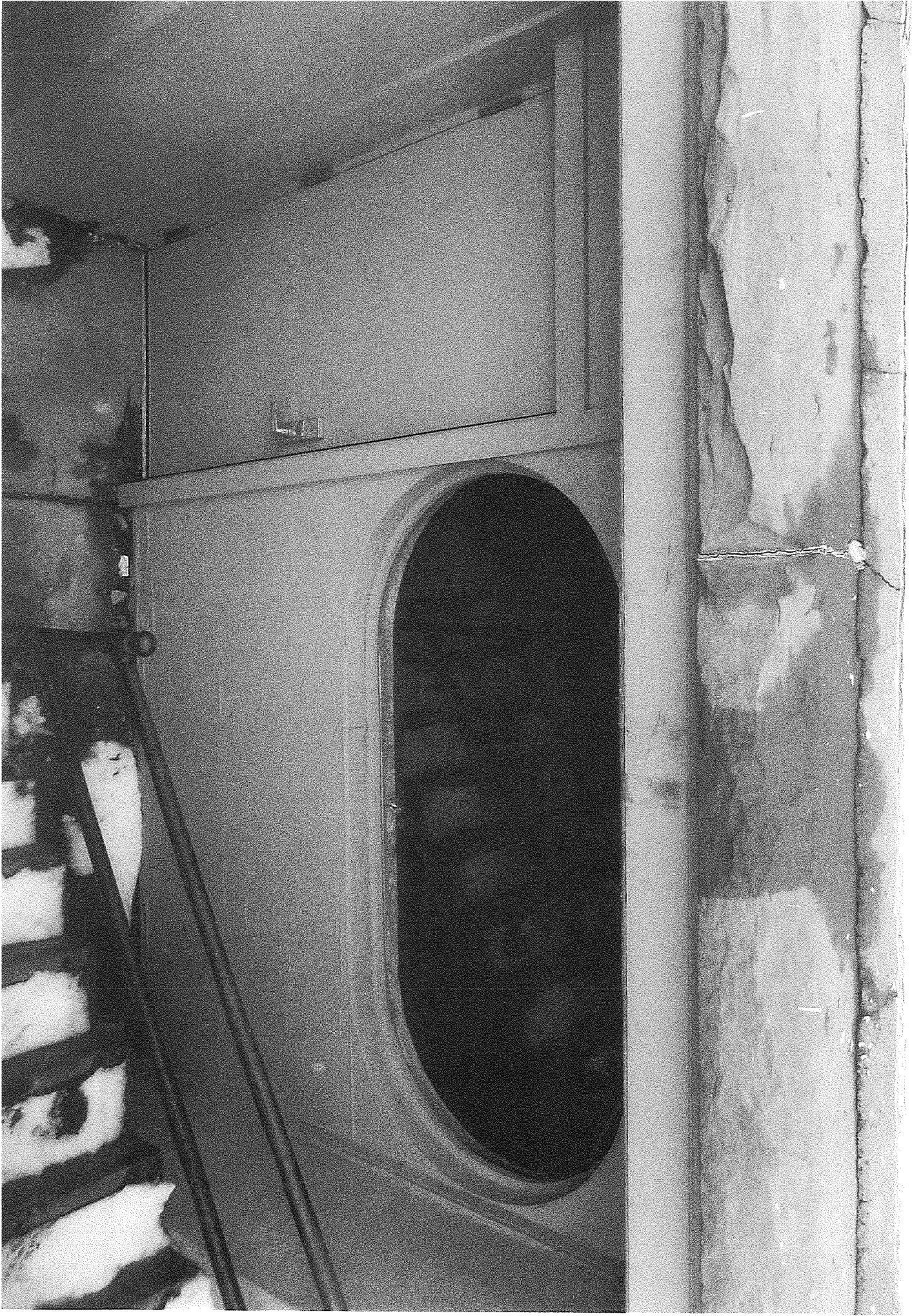
The City of Deadwood Historic Preservation Office has numerous resources available for your assistance upon request.



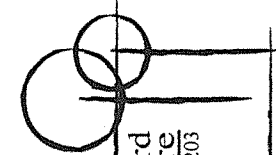
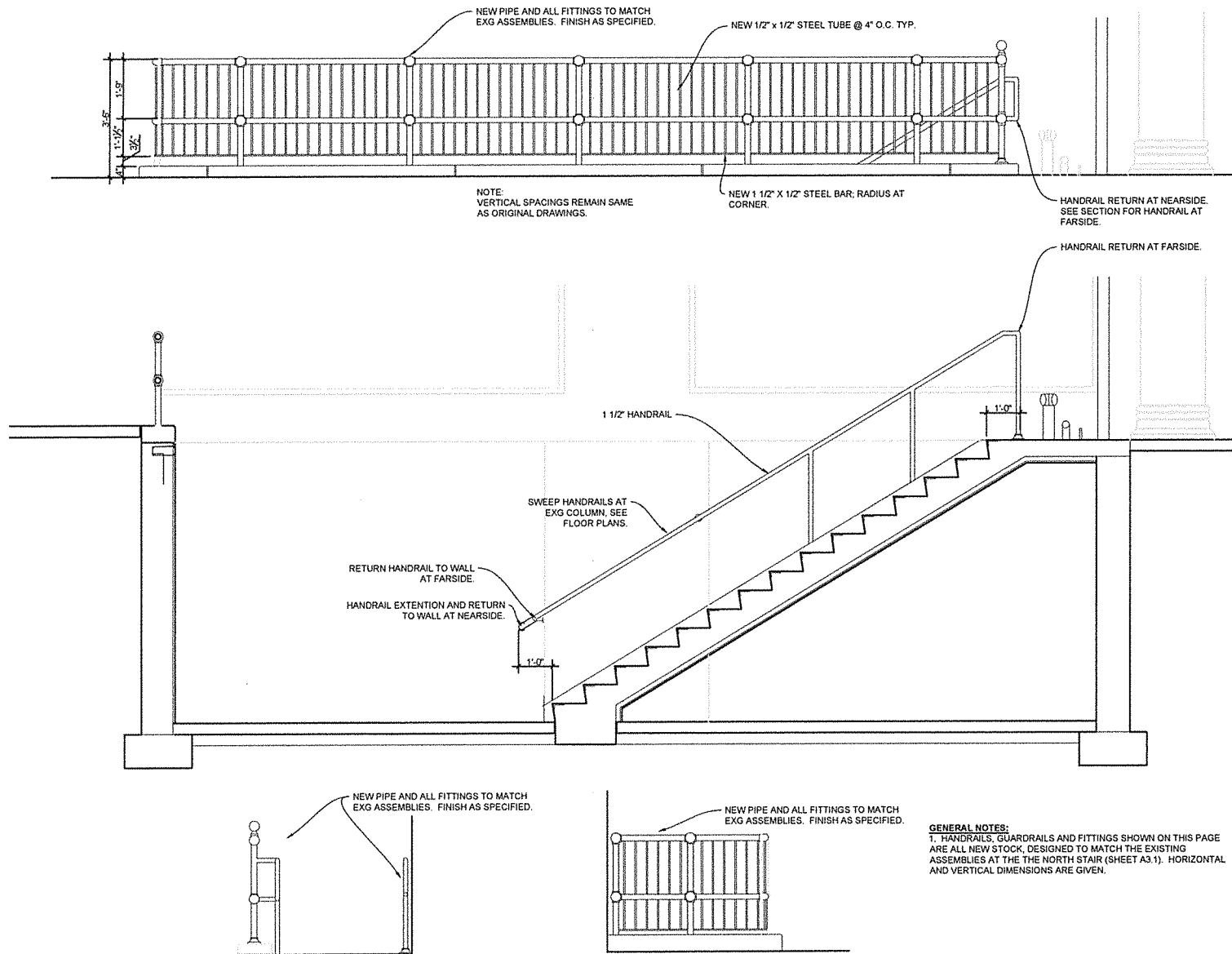








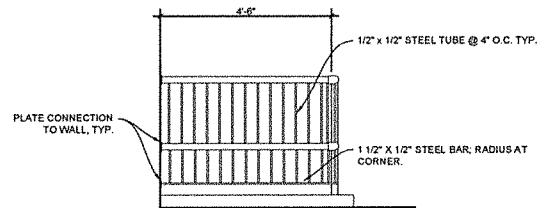
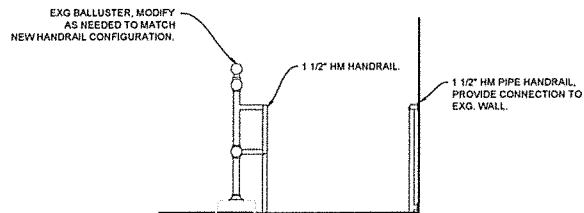
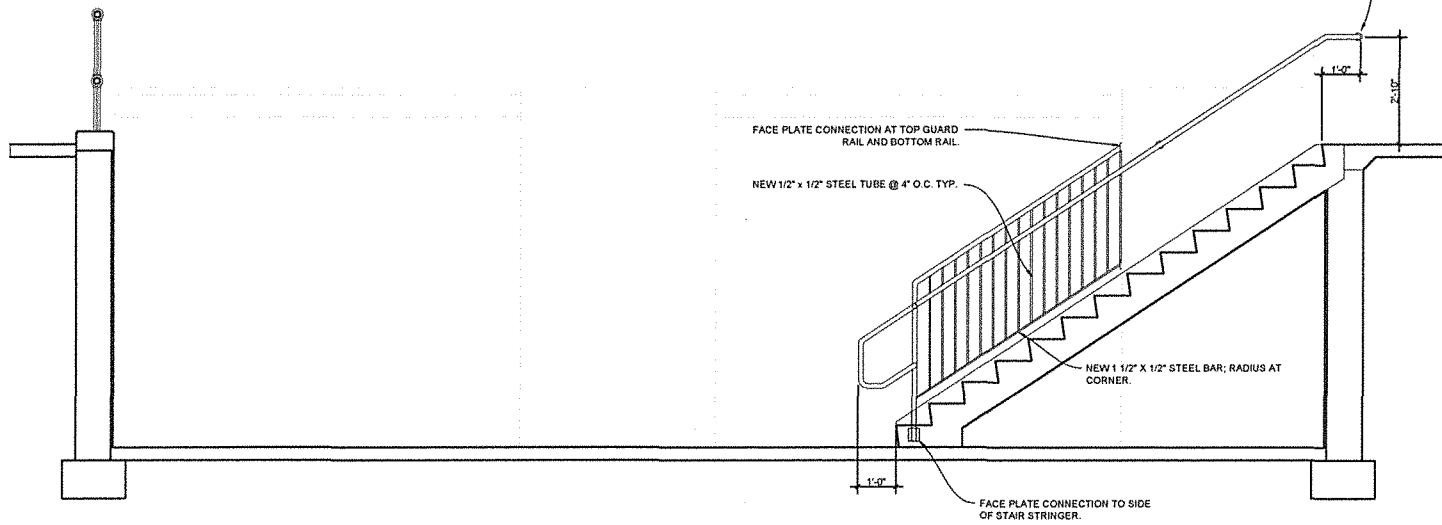
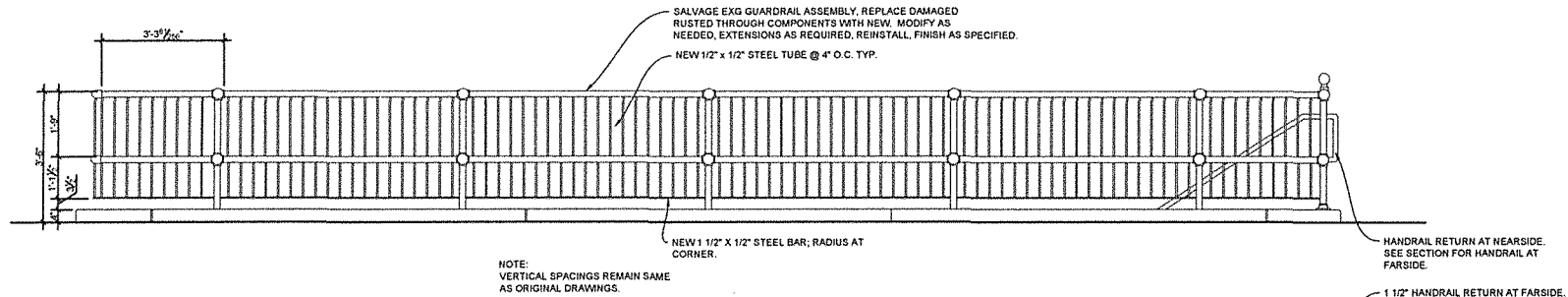




**Dave Stafford
Architecture**
809 South Street, Ste 203
Rapid City, SD 57701
p: 605.791.5001 e: 605.390.2687
e: davestafford@midconetwork.com

FRANKLIN HOTEL - STAIR HANDRAIL REVISION	
PROJECT NUMBER	
SOUTH STAIR TOWER	
DRN BY:	JR
DATE:	MAR 5, 2014

A-2



Dave Stafford
Architecture
 809 South Street, Ste 203
 Rapid City, SD 57701
 p: 605.791.5601 e: 605.396.2687
 e: davestafford@midconetwork.com

FRANKLIN HOTEL - STAIR HANDRAIL REVISION
 PROJECT NUMBER

NORTH STAIR TOWER

DRN BY:
JR

DATE:
MAR 5, 2014

A-1

795 MAIN STREET
DEADWOOD, SD 57732
605-578-1401



316 VILLA DRIVE
BOX ELDER, SD 57719
605-923-6007

April 3rd 2014

RE: Title Company and Credit Report Fees for HP Loans

Due to a recent change with the local Title Companies, we are no longer able to offer Verbal Title Searches for \$25. As a result the Loan Committee is recommending that we charge the borrower for the \$127.20 Title Report for all Loans greater than \$4,999.00 and waive the Title Report requirement for all forgivable loans that are \$4,999.00 or less.

In addition, the Credit Report fees have also increased. A credit report for a single borrower is \$16.75 and a report for a couple is now \$33.50. The Loan Committee is recommending that the credit report be charged to all borrowers.

Should you have any questions, please don't hesitate to contact me.

This request was reviewed by Loan Committee: favorable comments were received.

THIS INSTITUTION IS AN EQUAL OPPORTUNITY PROVIDER, AND EMPLOYER



795 MAIN STREET
DEADWOOD, SD 57732
605-578-1401



316 VILLA DRIVE
BOX ELDER, SD 57719
605-923-6007

April 3rd 2014

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Should you have any questions, please don't hesitate to contact me.

This request was reviewed by Loan Committee: favorable comments were received.

THIS INSTITUTION IS AN EQUAL OPPORTUNITY PROVIDER, AND EMPLOYER



Full Underwriting of HP Loans

\$5,000 or greater loan amount

Complete Credit Report Authorization and pull credit report	\$16.75 Single \$33.50 Couple
Review for Credit History	
Confirm the borrower's ability to repay loans	
Title Search	\$127.20
Confirm Owner Occupied Status	
Confirm Lien Position	
Review for Tax Liens or Judgments	
Complete Application	\$NA
Review income (paystubs, tax returns), assets (Financial documents), and debts (credit)	
Record and Release Fees	\$60
Total	\$203.95 to \$220.70

Condensed Underwriting of HP Loans

\$4,999 or less (forgivable)

Basic Application (Use borrower's application to underwrite the loan)

Credit report \$16.75 Single \$33.50 Couple

Call County Equalization \$0

Confirms owner occupied status and assessed value

No Title work ordered (as of 04/03/2014) \$0

Record and Release Fees \$60

Total \$76.75 to \$93.50