There were no further Communications brought forward.

DISCUSSION

2009-0232 Presentation and discussion regarding potential Historic Resources - Historic Districts Study Committee

Present for the discussion were members of the Historic Districts Study Committee (HDSC): John Dzuirman, Richard Stamps (Vice Chairperson), John Hannick, and Jason Thompson (Chairperson).

Mr. Thompson thanked the Planning Commission for the opportunity to speak. He explained that the HDSC members wished to share their mission and purpose as a standing Commission. They also wished to broadly discuss uses for potential Historic Districts. The idea to come before the Planning Commission came about as a result of a joint meeting with City Council, the Historic Districts Commission (HDC) and the HDSC. During that meeting, members of the Council encouraged the HDSC to be a little more creative with its purpose and mission and to bring forward broader proposals for districts that included potential reuses for historic districts. It was a new calling for the HDSC; they had always interpreted their mission as very limited in scope. They embraced what Council had suggested, and he noted that it was something they had always discussed, but it had never been included in their proposals. They decided to outreach, and Planning Commission was the first step.

Mr. Dzuirman began a power point presentation, and referred to a part of the City's gateway sign, which he pointed out as an historic image. He mentioned that the sign was on the City's web page, which he felt was telling. He thought that the Planning Commission needed to have an understanding of what the duties of the HDSC were, and what they had to do legally. There were 70 potential Historic Districts on the list that was generated by a consultant. As they were coming forward for review, the Committee felt it was important that they had a general discussion with the community, and specifically, with the Planning Commission and City Council. He felt that the sites would have a potential bearing on the community if, and how, they were developed.

Mr. Dzuirman advised that the HDC was formed in 1978 by Avon Township. The HDSC came about in 1999 because of State law changing. They conducted a hearing on June 6, 1978 and they established the Historic Districts Ordinance. There were 33 districts listed

- 31 noncontiguous and Stony Creek and Winkler Mill, which had not changed since that time. Mr. Dzuirman continued that one of the Ordinance requirements was that the HDC must maintain a list of potential historic districts. In 2002, the HDC initiated a survey of all existing and potential historic properties, done by Dr. Jane Busch, who had a long history in historic preservation and had worked for the State Historic Preservation Office. She surveyed 200 properties on about 800 acres of land. Out of that list came 78 eligible properties. Another Ordinance requirement was that the HDC must approve all modifications and changes related to historic resources and districts; they provide technical and design assistance; they were charged by Ordinance to safeguard the heritages of the City by preserving historic districts, which stabilized and improved property values and strengthened the local economy; and they promote the use of historic districts for the education, pleasure and welfare of the present and future residents of the City, State and the nation.

Mr. Dzuirman next discussed the legal responsibilities of the HDSC, noting that it was not unlike the Planning Commission, which also had legal requirements to follow. Most people did not realize that the HDSC had to follow Federal guidelines, which were adopted by the State of Michigan. He suggested that some members of the Planning Commission might not agree with what they had to do, but they had to do it. He noted the Secretary of Interior Standards for Rehabilitation, and said that all building and site decisions for a new building or an addition, beyond ordinary maintenance, had to follow those Standards. In order to become an historic resource, something had to comply with the requirements for listing in the National Register. At one time, they did not have that requirement. It was more extensive and difficult to become registered. The standards were adopted by every State Historic Preservation office in the country and came from the Department of Interior, National Parks Service. The requirements to be listed were very stringent. A property was judged by four different criteria, but it could have one and still be eligible. Those criteria included an historic event on the site; that an historic person could have lived on the site or have done something on the site; design and construction, which could be a special type that was not being done now; and lastly, it might have information potential, most often an archeological situation on the site. They recently made a presentation to City Council about a potential historic site called Frank Farm. There were a lot of archeological items on the site. They found 12 prehistoric items on the farm, and the members were very concerned about losing that resource. They faced that situation many times, and they did not want to lose anything significant. They were still

looking at the situation at Frank Farm with the owner.

Mr. Dzuirman informed that the HDSC consisted of seven members, and three were also on the HDC. Upon receipt of a request by the HDSC from any person owning property in the City to establish, modify or eliminate an Historic District, the HDSC would make a determination that there were reasonable grounds for such a request, and then investigate it in accordance with the Ordinance. The study was now done by an outside consultant, because it was a very detailed and time consuming effort. Once the HDSC studied a property, a committee report was prepared and distributed for public comment. The Planning Commission also received a copy of the report. A public hearing was held and a recommendation made to City Council, and if City Council accepted the recommendation, an Ordinance was adopted. He showed a map of the designated Historic Districts in the City. He thought that the Planning Commission might have heard about the potential widening of Tienken through the Historic District. They were very concerned that if it was widened that the district stayed protected. He offered that they could work with the Road Commission and the City. He stated that the value of historic properties was that they told a story of the community; they helped create a community with unique settings and neighborhoods; they provided a positive identification and image for the community; they promoted arts and culture; and they provided economic benefits. He felt that the economic benefits part was quite interesting. There were historic rehabilitation tax credits available from the State and Federal government. The State had been very active in working with the residents and telling them what was required to get credits. He believed that designated historic properties retained their value better than undesignated equivalents, and he stated that tourism was a factor of historic properties. When people visited places, they usually liked to stop and see the historic sites, and the City promoted that.

Mr. Dzuirman referred to the Historic Preservation Network, which was made up of all the Historic Preservation Commissions in Michigan. In 2007, there were Federal and State credits of $902 million, which amounted to an indirect impact of a little over $1 billion. He referred to property values, and related that the State did a study and determined that local historic designation did not decrease property values - just the opposite happened, and it increased the values much more. He showed an example of a property in Grand Rapids called Heritage Hill. The values in the Historic District had appreciated twice as fast as those in non-designated areas: 1,200% versus a little over 600%. More locally, they checked with the Rochester Hills Assessing Department, and found

that the historic homes in the district consistently had 25-35% higher property values than other comparable homes, and he indicated that there was an economic benefit that was often lost in the exchange.

Mr. Dzuirman stated that the purpose of the meeting was that they needed the Commission's help. They wanted input, and they needed to work together to accomplish things. The City had grown over the last 29 years, and the population had almost doubled since the early 1980's. Total developable, buildable land area in the City was close to 90% capacity. Historic and potential historic properties were becoming the highest percentage of remaining parcels available for future development. If they were going to preserve the history of the community, they needed to ensure that the remaining historic properties were properly and creatively reused. He mentioned three recent examples they reviewed along with the Planning Commission: City Place, Lorna Stone and Rochester College. They worked together and were able to assist people to develop the property with a PUD, which created more wealth for the developers. He recalled that City Place was being built in front of Eddington Farms. The Farm was built in 1902 and purchased by the Eddy family in 1934. All the outbuildings and barns were demolished in 1993 so that Eddington Farms could be built. The big, white, Greek Revival home was still there, but it had fallen into disrepair, and had not been maintained. The HDC had been trying to get that corrected, and they agreed to allow the home to be moved to the south end of the property by Bordine's to become a feature at the front of the development. The owners would gain benefits by incorporating that resource into the development. He referred to Historic Lorna Stone on Adams. There was an historic home there, owned by a former chair of the HDC. The home was made of fieldstone, and it was built in 1824 with a three-foot thick foundation. The people who were developing the project incorporated the home into their development, and it seemed to be a win-win for everyone. He noted that the economy had slowed the project. The last example he gave involved the Rochester College Master Plan. Originally, the historic property took up 40 acres, and the area had been used for the President's house. The farm began in 1823, and the Potere family purchased it in 1940, and he indicated that there was quite a bit of history with it.

Mr. Dzuirman pointed out the list of potential properties, and said that the HDSC would be studying some of them. He also showed the City's Master Land Use Plan, and said that some of the properties were identified for commercial development. He mentioned that all of Meadowbrook Farms was historic, not just Meadowbrook Hall. There were about 123 acres there that were part of a national registered historic

site. They suggested designation for Ferry Ct., but it was turned down, and it was still on the list. Juengel Orchards was on the list. One of the larger sites was National Twist Drill at Tienken and Rochester Rd. Stiles School, at Livernois and South Boulevard, was taken to Council and tabled. The Brooklands Golf Course, which was designed by a famous architect, was brought up years ago for study. It was turned down, but the owners of the property restored the building. The HDC also felt that Bloomer Park's picnic shelter should be considered. All of the following buildings were scheduled to be demolished: The John Dodge farmhouse, the Paint Creek Cider Mill and the Mills building in downtown Rochester. The John Dodge farmhouse, built in 1910 by Mr. Dodge, was saved and has been used for a marketing and administrative center. The owner of the Paint Creek Cider Mill was ready to tear it down not too long ago, but he offered it to Oakland Township, and they reused it for government offices. The Mills in downtown Rochester was almost torn down. It had security fencing and barbwire around it and a lot of environmental problems. Mr. Roy Rewold bought it and restored it with Federal and State tax credits, and it was a wonderful addition to Rochester. He maintained that those properties were wonderful resources, which could have been gone had someone not taken the initiative.

Mr. Dzuirman suggested that they needed to discuss adaptive reuse of properties in the future, along with Planned Unit Development requirements, overlay zoning, form based codes, and historic tax credits. Historic properties equaled higher value with arts and culture incentives and financial marketing. He stated that they must work together to create options that worked for the community and the developers.

Mr. Thompson clarified that the HDC and the HDSC were two different bodies, and that the HDSC reported directly to City Council and followed its directions.

Dr. Stamps recalled that on the new gateway sign into Rochester Hills at Crooks and South Boulevard, one of the panes was "history." That reinforced the idea that as the committee got together and tried to figure out what represented Rochester Hills, the historic component was part of it. He remarked that it was not easy to get listed; you had to be good. If people questioned why a potential list was needed, he responded that society continued to evolve and change. There might be a famous person who lived in a house in Rochester Hills who was not famous 20 or 30 years ago. He mentioned Madonna, who used to live in Rochester Hills, and said that in the future, her former home might be a potential

historic resource. They did not have much rural aspect left and as there were fewer and fewer historic resources, their value increased. There were other aspects of history, and they needed to reach out and find out what records that history and what they could preserve that reminded of "who we were," which influenced "who we are." The Committee simply wanted to share some ideas and let the Commission know about the HDSC. A few years ago, Rochester College had requested that its historic area, including the barn, house, chicken coop and machine shed, be listed. As the College grew and developed, its needs changed, and they asked to be delisted so they could put in a parking lot. The City's regulations would not allow that without going through a procedure and rationale for delisting. In the public hearings, they realized they could come up with something creative. A PUD was authorized so they could get what they needed and still protect the historic resource. People can see the farm when they drive by, and they can see the character. He concluded that they hoped to be able to work together so that in 50 years, someone would still have an inkling of where the City was and how it got there.

Ms. Brnabic stated that she had no problem with the concept of preserving history within the community. She thought it was a good idea, but she had a problem when the City chose to list a property as historical without the agreement of the owner. If someone bought a property in the community and it was designated, the owners were aware of it. They chose to purchase an historic property, and they knew what went along with that designation. If someone already owned a property and the government decided they would like to preserve it and list it without the owners' consent, it could cause an economic disadvantage for them. She had seen it happen over the years, and people had been very upset and frustrated. They felt that the financial responsibility would present a hardship. That was the problem she had; she felt a property owner should have to agree to a designation. If they were all for it, that would be fine. She realized it was somewhat different, but she could liken it to a taking. Once someone owned something, she did not think the City had a right to designate it without consent. She did not believe the Ordinance could force that, and just because it might be the City's law, it did not make it right, in her opinion. It was a major concern to see the City shift a financial responsibility to property owners who did not have, and did not choose to have, that responsibility when they purchased the property. She reiterated that she did not have a problem with designation, and she felt that what the HDC and HDSC did was wonderful, and she understood why they wanted to do it. She felt that if the City wanted to preserve something a property owner felt would cause an economic disadvantage, that perhaps it was the City's responsibility to pay for saving history. She

would like to avoid seeing that frustration, and she hoped they knew she appreciated what the HDSC did, but it was a problem for her to see something established without the owner's consent. She added that it did not have anything to do with a buyer being aware; she felt it crossed the line about a person's rights.

Dr. Stamps explained that their responsibilities as a Study Committee were clear. They just evaluated a property to see if it was historic. If it was not, they did not present it to the City Council. He thought that Council agreed with Ms. Brnabic's points the majority of the time. The HDSC did not do the designating, they simply made a recommendation. The City Council was the body that made the decision about whether to designate. He did not think there were any cases where they forced someone to accept a designation against their will. They suggested, and there were citizens who said no thank you, and Council did not designate.

Mr. Dzuirman claimed that property rights were always brought up, and it seemed as if the City did not have any other Ordinances. There were requirements for many things people wanted to do in the community, but it appeared as if everyone felt the HDC was the only board that had requirements. He said he could not imagine how anyone could say it would not be an economic advantage to have an historic resource. People in Stony Creek were allowed to put in a new kitchen or furnace, and it would be covered by the 25% tax credit. Commercial properties, if designated, would qualify as well. He reiterated that it was an economic advantage to be historic, and he added that Mr. Rewold would never have done his project if he was not going to make money. Mr. Dzuirman suggested that if they researched it, they would come to the same conclusion. Not only was a property worth more when someone sold it, but people were giving away money to take care of it. It was not always that way, so it might have been more difficult before. People were realizing that it was an advantage. He thought that most property owners had a fear of the HDC dictating everything, but he stated that it was unfounded, and he did not know how to change it. He urged the Commissioners to consider the economic advantage.

Ms. Brnabic responded that the perception was there, and she agreed that was how people viewed it. She did not think that City Council should create a hardship for anyone. Regarding the Historic Ordinance being the only one, she maintained that people had to abide by all Ordinances of the City. However, some were set up for the safety, well-being and integrity of people in the community. They could consider historic preservation as part of integrity, but there would only be so many

properties required to follow the Historic Ordinance, and she did not think it was the government's place to tell people they were obligated to follow it. She agreed people had used an historical property to their advantage by incorporating it into a PUD, but it might have been because they would not have qualified without it. Regarding whether someone wanted to preserve property, she was not expressing an objection to historical preservation, she was simply stating that property owners had rights.

Mr. Yukon asked what restrictions were placed on a property after agreement that it should be designated as historic.

Dr. Stamps gave an example of a house in one of the Historic Districts that also had a barn. The owners had children and they wanted to put in a fence. They came before the HDC and showed a couple of options. One was a chain link fence that was 8-feet tall and another was a shorter one with some hedges. The HDC told them that the chain link fence would not be compatible, but that the other would. There was someone with a traditional farmhouse on Crooks Rd., and when they purchased it they knew it was on the potential list. They wanted to put an addition on the back of the house. The drawing showed the farmhouse surrounded by a u-shaped expansion about seven times larger than the original size. If someone looked carefully in the middle, the original farm structure could be seen. The HDC did not allow it, and they met with the owner and suggested ideas. The addition had to look clearly like an addition, and the lines had to stay similar. The windows and siding had to stay similar. If someone lived in a nice, traditional, Greek Revival home and they wanted to paint it purple, the HDC would probably say it was not compatible and ask to explore some other color options together.

Mr. Yukon asked whether, after an owner agreed to a designation of his property, the HDC had the authority to make decisions about his property.

Mr. Dzuirman advised that ordinary maintenance did not apply. If someone wanted to repair the roof with another and it was basically the same kind, the HDC would not get involved. He commented that whenever people wanted to do something, they wanted it to look good. He was sure that one of the reasons Historic Districts were worth more money was because they all looked good, and that was because they followed good design principals. The HDC did not have anything to do with changing the inside of a building. They only dealt with the exterior, and primarily, with what people could see from the road. Most additions were fairly easily approved by the HDC if they were off the back and did not destroy the original character of a home. An addition was actually

supposed to be differentiated from the old because in 100 years, they should be able to realize what was original, although he felt that there should be a relationship. He mentioned that a subdivision association required certain things of homeowners, which he felt was similar. He recalled that they had saved people money. In some cases, people found that the original wood siding was in excellent condition, for example. There was a home in Stony Creek Village, and the HDC suggested looking at storm windows, and the owners saved money and ended up with an energy efficient structure.

Mr. Yukon asked the percentage of owner occupied nominations versus someone living in the community who approached the HDC and suggested that a property should be designated.

Dr. Stamps said that the outside consultant came up with 70 new potentials out of 20,000 structures. Mr. Yukon clarified that the majority came from a consultant's recommendation, not from someone coming to the HDC saying a neighbor's house should be designated, for example.

Mr. Delacourt advised that when they did the survey, there were close to 180 properties on the potential list. The consultant made a recommendation about which to study further for possible designation. The HDSC only ended up with about 30 districts, some of which included multiple parcels.

Mr. Dzuirman brought up Stiles School on Livernois, and said it was scheduled to be sold by the Avondale School District. Some parents approached the HDC to have it declared historic so they could save it. The developer came before the HDC to get approval to do work, and they paid for the study on the property. The study showed that it appeared to be very historic, and the developer decided to drop out of the project. The parents bought the school, but the direction now was that they maybe did not want the designation. He agreed that other people had come to them and asked for something to be designated. They were trying to prevent the City from becoming a typical American subdivision lacking the quality they still had in Rochester Hills. They had to decide what type of community they wanted, and if it was one that retained its historic character, in his opinion, it was more desirable to live in. That was what they were up against. It was his experience that it was an advantage, individually, and to the community for future generations.

Mr. Yukon asked the HDSC's relationship to the HDC. Mr. Thompson said that the overlap occurred because three of them sat on the HDC, but

they were technically an independent board that reported directly to City Council. The HDC was separate. Mr. Dzuirman said that State law said a community had to have a Study Committee, because they wanted it to be open to people other than preservationists.

Dr. Stamps mentioned that they used to have more on the potential list. There were a couple of properties demolished before they could study them.

Chairperson Boswell referred to the house on Crooks that Dr. Stamps had discussed, and he asked if it was just on the potential list and not currently designated. Dr. Stamps said that it was on the list, and the purchaser knew that.

Mr. Dettloff asked how the HDC handled it when a potential site was presented and studied, and it met the levels of criteria, factoring in tax credits and other incentives, but it was clearly cost prohibitive to save it.

Dr. Stamps replied that they presented to City Council that it had historic value, and they either listed it or not. He referred to the golf course and that the HDSC thought the clubhouse was unique and should be preserved, but the owner did not want it preserved. It was not listed, but in retrospect, after seeing the study, the owner saw it was a gem and saved it anyway. Mr. Dzuirman said that he had been an architect for over 40 years. In all that time, he knew of only one building he worked on that he felt would be cheaper to tear down than fix.

Mr. Hooper mentioned that he went on the recent Historic Visioning Walk, and they looked at a home on Tienken. It was not in good shape, and could almost be put in a demo by neglect status. He asked the Committee's opinion of it currently.

Mr. Dzuirman said that the home went back 10-15 years. The Ordinance required them to protect those types of properties, but they had to go through the City to make something happen, and nothing ever got done. The owners did not do what they were supposed, and it had been a disaster. A lot of people used demolition by neglect to get rid of a building. He did not think a neighborhood association would put up with that. Mr. Hooper said that the home on Crooks had the same issue, and it was boarded up. He had found that some individual property owners, for whatever reason they owned a property, did not like the historical designation so they were not taking care of it. The community as a whole wanted to maintain the structure but did not want to sink money into it. He

thought that had to be weighed. He questioned how they could preserve a resource when a homeowner did not want to put money into it or take care of the property. Mr. Dzuirman said that when the Tienken property came on the market, there were two lots and it was listed high, and the feeling was that someone would buy it for the property. The building could have been moved back and added onto. He indicated that it was a sorry point for everyone. The City could fix the house and put a lien on the property; he felt that at least it should be mothballed so it did not deteriorate. He did not understand why the City could not treat it like any other house in a subdivision.

Dr. Stamps stated that they wanted to save more than just the Meadowbrook Halls. They wanted to save a cross section and buildings that were normal people's homes. He cautioned that there were very few 1820's houses in the City. The owners of the house on Tienken were absentee landlords who fought the designation. When they put the house up for sale the price was very high, but there were people lining up to buy it. No one could afford to buy it, and they split the lot. They sold it to someone who was a foreign immigrant who did not realize it was an historic property. Dr. Stamps stated that it was a gem, and they hoped they could save it. Mr. Hooper noted that he looked inside, and he believed it was almost ready for demolition.

Mr. Hooper said, for example, if a home in his subdivision was in disrepair and boarded up, the bank would either sell it cheaply or tear it down, and someone would sink money into it and improve the home. He suggested that perhaps that should be the case with historic properties. If they came way down in value, they might become economically feasible for someone to come in, invest money and bring them back to livable standards. Mr. Dzuirman believed some neighbors had looked at purchasing the building because it was so far down in value. He thought that the people who bought it wanted to be close to the school, but they had been misinformed. The City should make sure that realtors were aware of the historic properties. The City records showed it now, but they did not formerly. The HDC had been working hard to make sure people were informed and could make the correct decision. Mr. Hooper commented that it was a labor of love to own an historic home - like having a hobby or owning an antique car. People put a lot of money into appreciating their resource and keeping it up in value. He said he was not against history; he was a member of Henry Ford Museum and supported saving history, but he was a realist and understood that they could not save everything. Mr. Dzuirman agreed.

Mr. Hooper noted that Mr. Dzuirman mentioned Tienken Road, and he wanted to emphasize to everyone on the Planning Commission, the HDSC and to the public that Tienken would not be widened in the Historic District. It was two lanes, and it would stay two lanes. There was a lot of misinformation going around, and people were forming committees and putting out information that was not accurate. He stressed that nothing would happen in the Historic District. Regarding the bridge, it would be two lanes, with two, four-foot shoulders and a pathway for safety. He stated that it was critical to have a pathway through the Historic District.

Mr. Hooper advised that the Historic Ordinance had been changed regarding study reports. If a structure on the potential list was to be considered for a study, it would come to City Council first, and Council would determine whether they wanted to spend tax dollars on a study, versus the HDSC making that determination. He also related that the City had applied to become a Certified Local Government to help aid Historic District preservation in the community, which he felt was very important.

Mr. Dzuirman agreed, and said it might provide the City with grants from the State that they would not be eligible for without the designation. Mr. Schroeder asked for clarification regarding a Certified Local Government. Mr. Delacourt explained that it was a State and Federal program. When a City met a certain set of standards within its Ordinance and processes as it related to review of existing historic resources and the establishment, modification or delisting of resources, the State reviewed the Ordinances and the qualifications of the HDC members. If the standards were met, the Federal government certified the City. It would allow access to grants and funds available for public preservation projects. The City could use the money for the contiguous and non-contiguous districts for public improvements. The City met all the qualifications and they hoped to hear about it shortly.

Chairperson Boswell stated that the Planning Commission had always been concerned about the history of Rochester Hills. He lived in the newest home he had ever owned, and it was built in 1927. He asked the Study Committee members if there was anything specific the Planning Commission had not done or that they would like the Commission to do.

This matter was Discussed

Mr. Dzuirman reiterated that there was less developable property in the City. The historic properties were being looked at more and more. They believed there was a way to make it a win-win for everyone if they worked together. If they could come up with creative

ways to reuse some of the buildings, they would like the opportunity to work together. They felt it was important to save properties, and they felt they could do it in a way that everyone benefitted. They were walking a careful line, and they might be suggesting things that not everyone agreed with, but he felt that there was a way to save some of the most historic resources before they were lost. He could not imagine the community without some of those buildings. He mentioned the Village of Rochester Hills, and he said it was nice, but that no one lived there, and it was closed at 9 p.m. Downtown Rochester had places to eat dinner later. They wanted to be more than the Village of Rochester Hills, and they needed the Commissioners' help to work with developers. If someone came forward with a delisting, they were just asking for a shot to try to come up with something that worked for everybody.

2009-0235 Extensions Policy

(Reference: Memo prepared by Derek Delacourt, dated June 12, 2009, had been placed on file and by reference became part of the record thereof.)

Mr. Delacourt recapped that over the past few years, the Planning Commission had seen Extension requests, some recurring, from various applicants. In the beginning, Staff would come before the Commission and state that none of the Ordinances or City standards had changed, and that they did not see a reason not to grant an Extension. The circumstances had now changed: There was a new Zoning Ordinance, new Engineering standards and other Ordinance changes. Staff discussed that there should be a policy in place to evaluate the requests, and to be able to make a determination if and when a plan would need to be revised to come into compliance. He noted that the Planning Commission had discussed the issue also. Staff had several meetings with other departments and made recommendations for items to be included in a policy. If applicants applied for an Extension, they would have to acknowledge in writing that their plans would be re-reviewed at some point and have to come into compliance if they were not. Developers were stating that they did not have the money to go through that process each time to get an Extension. They did not want to have to meet Engineering standards when they did not even have money to go forward with the project; however, they would be required to do so prior to Final Approval.

Mr. Delacourt explained that an applicant would have to demonstrate at