

~~The neighborhood wanted to maintain the building as a school and was happy the Oakland-Steiner School was there.~~

Mr. Dziurman stated that the Oakland-Steiner School was a private school, and was privately owned, and would qualify for tax credits. He explained some of the parents might have to establish a Limited Liability Company (LLC) beforehand, but there were ways for the school to qualify for tax credits. He pointed out the tax credits were a significant amount of money, and although the school might have to do some research to qualify, the school could get 20% back for remodeling work. He commented there were ways to qualify for the tax credits, and noted that designation was not all negative.

Ms. Thivierge noted the school had a very humble budget.

Mr. Delacourt stated that the comments about the insurance company were surprising. Ms. Thivierge explained private school insurance was not provided or offered by very many carriers. Mr. Delacourt offered to explain to the school's carrier what designation meant.

Mr. Webster commented the insurance premiums on his house had doubled, but it did not have anything to do with the designation or the State of Michigan, but rather the insurance company's losses in Florida. He had researched insurance companies and found that Michigan Mutual offered policies for less.

Ms. Thivierge noted the school had very limited choices in carriers for private school insurance.

Chairperson Thompson asked if the Committee wanted to prepare a presentation for Council. The Committee agreed once a Council meeting date was selected, they would decide who was available to present the Preliminary Report to Council.

Chairperson Thompson summarized that the Preliminary Report would be presented to City Council, and the Committee would be advised when it is scheduled. He noted that the Oakland-Steiner School would also be notified when the matter was scheduled, and would be given an opportunity to present Council with their point of view as well. He reminded everyone that Council had the final say on designation, and the Committee was simply fulfilling its charge with respect to the property.

~~This matter was Discussed~~

7B. 2006-0425

Frank Farm

- Discussion regarding Preliminary Report

Chairperson Thompson stated the Committee would now discuss the Frank Farm Preliminary Report, and requested an update.

Mr. Delacourt stated the Preliminary Report had been prepared and sent to the State Historic Preservation Office (SHPO) and to the City's Planning Commission for review. SHPO agreed it met the criteria and did not ask for any additional information.

Mr. Delacourt noted the proposed district contained multiple properties comprised of three parcels of land, family homes, and outbuildings associated with a farm. He explained that originally it was thought the proposed district consisted of just two parcels; however, when Dr. Busch did the fieldwork, it became clear all three parcels were part of the original farmstead.

Mr. Delacourt stated that 1290 E. Auburn and 1356 E. Auburn were currently owner-occupied, and 1304 E. Auburn was owned by an absentee landlord. He commented that the City's Building Department had issued several citations to that property owner.

Ms. Anita Holtz, 1290 E. Auburn Road, was present on behalf of her mother, who still resided at 1290 E. Auburn. She commented that 1304 E. Auburn was a good example of demolition by neglect. Mr. Delacourt agreed that if that property was designated, it could go to the City's Historic Districts Commission (HDC) as a demolition by neglect.

Dr. Stamps asked if the property owner of that parcel had been notified. Mr. Delacourt stated that notification letters had been sent.

Ms. Holtz stated that presently there were twenty-one people living on the property, which she felt should be checked into by the City. Mr. Delacourt stated that the City's Ordinance Enforcement officers were aware of the site and were currently waiting to see what the Study Committee and City Council were going to do about the potential designation.

Dr. Stamps stated that the Study Committee's review indicated that the property was a unique site in the City, because the City was originally all farmsteads. The Frank Farm site was now one of only a few left in the City. Ms. Holtz commented that Ray Frank still did some farming on the property.

Dr. Stamps felt that made the property even more special. He noted the property depicted the evolution of farming life in the City, and he felt it was a unique, valuable property. He suggested the Preliminary Report be forwarded to City Council with the Committee's recommendation for designation.

Ms. Holtz explained she was part of the Frank Family, and that her mother lived at 1290 E. Auburn, and her cousin, Ray Frank, resided at 1356 E. Auburn. She grew up on the property, and stated Ray Frank had recently celebrated his 90th birthday.

Mr. Dziurman commented that Ray Frank was a former member of the City's Historic Districts Commission. He asked what the family thought about designating the property.

Ms. Holtz stated she was the youngest member of the family; Ray Frank had just turned 90, and the children were all out of state or had passed away. She noted her mother resided in 1290 E. Auburn, and was in her 80's, and suffered from some memory loss. Ms. Holtz, herself, was not interested in living on the property. She explained 1304 E. Auburn was where her father was born and raised. That property has been sold several times, and it appeared to be Section 8 housing at the present time. She did not believe the home had any value left to it. She indicated that in comparing pictures of the past and the present condition of the house, she did not think it could be restored. She commented the "bones" of the house might be good, but it would require extensive work to bring it back to a livable condition. She noted it was not up to code, which was the same with all the houses on the properties. She stated it was possible there could be a situation where the house was sold "as is", but it would be hard to do. She also did not know how limiting it would be to sell if it was designated historical.

Ms. Holtz commented she would hate to see the property sold and developed as a subdivision. She stated at one point she had considered moving the house back on the parcel and putting trees around it, and at one time she wanted to live in the house next door. She pointed out the property was located on Auburn Road and might not be as valuable as other property in the City. She also noted the property was zoned as single family, and was located next to the Reuther Middle School.

Ms. Holtz stated it would nice if someone took over the property and wanted to live there, but she thought the chances of that happening were slim.

Mr. Webster stated that about eight to ten years ago designation had been discussed with the idea of the property becoming an educational farm. Ms. Holtz recalled that "Pat" had visited her mother and talked about that. Dr. Stamps stated that ten to fifteen years ago that there had been discussion about creating a living farm with live animals, similar to what the City of Troy had done. It had been suggested the site could be used for school tours, which would help pay for the operation, and would be used as a learning center.

Ms. Holtz noted that the barn had burned in the mid-1970s, caused by someone smoking in the barn.

Mr. Delacourt asked Ms. Holtz about her feelings about designation, noting if the family were to sell the property and hoped a potential purchaser was interested in buying and restoring the structures appropriately, designation and the required review by the HDC would ensure that and could be an advantage. He stated that if a potential purchaser were desirous of utilizing the 25% tax credits, designation would be necessary.

Ms. Holtz stated she was not sure how restrictive it would be if the property is designated or whether that would stall any potential sales. She commented the property was paid for and the current taxes were not burdensome to the current owners. She indicated she would not like to leave the structures empty when the time comes. She felt there were advantages and disadvantages if the property were designated, and she did not know how it would affect them in the long-term.

Mr. Dziurman asked for clarification on how the parcels were split up. Mr. Delacourt noted there were two homes on one parcel. Dr. Stamps noted the middle house was in a state of disrepair.

Ms. Holtz stated that was the original farmhouse. She commented if the property was deemed historical, she did not think developers would be beating their doors down to make an offer. She also noted the property was zoned single family. She commented she would not like to see zero lot line homes developed on the property.

Mr. Delacourt stated the City's Ordinances did not allow zero lot line houses. He commented a potential purchaser could always request a zoning change, which would have to follow the normal process.

Mr. Dziurman asked if the subject parcels were included in the Olde Towne area. Mr. Delacourt stated the property could be impacted by it, but was not included in that area.

Mr. King asked Ms. Holtz if she was in favor of the designation. Ms. Holtz asked what the advantages or disadvantages of designation would be to her family. She commented it would be good if the property could remain somewhat as it is presently, but questioned whether it would become an albatross if designated. She was trying to get a feel for the pro's and con's of designation.

Mr. Webster pointed out that the tax credits were a benefit. He explained that additions would be permitted to the sides or the back of the original structures. The property owner could get a 10% to 25% as a tax credit, depending on whether or not a property is residential or commercial, which is significant. Ms. Holtz agreed that could be a selling point.

Dr. Stamps explained the tax credits were available for such things as new plumbing, heating, re-wiring, roofs, and painting.

Mr. Webster stated that designated properties had a higher resale value. He commented he had checked on his house, which had 17% more in value than an equal house that is not designated.

Ms. Holtz commented her mother's house was just a farmhouse built in the 1940s. Mr. Dziurman stated that the criteria was over 50 years in age; although there was interest developing in the "recent past" which included structures built in the 1960s.

Ms. Holtz asked what the "down side" of designation was. Mr. Webster stated he would rather provide the "up side" and stated that in comparison to other historic districts commissions, the Rochester Hills HDC was very friendly, particularly based on his experience with commissions on the East Coast. He stated he had specifically looked for a historic home, and had searched from Lake Orion all the way through the Woodward Avenue Corridor in Royal Oak, before he found his home.

Mr. Delacourt stated that designation had an appeal to certain purchasers that depending on their particular interest would be motivated to look for this type of property. Certainly the tax credits would be to their advantage. He explained another advantage was that the City was given more ability to step in and take care of a situation such as was occurring with the 1304 E. Auburn property.

Ms. Holtz asked if 1304 E. Auburn was designated, whether it would have to be brought up to Code. Mr. Delacourt explained that if designated, the HDC had a process to establish demolition by neglect. If a resource becomes structurally unsound or loses its historical reference due to neglect, the Historical Preservation Ordinance contains a provision regarding a property owner's duty to maintain and a time frame to accomplish some protection for the resource. Upon demonstrating the structure's instability, City Council can take action, obtain a court order, and take over the resource, along with placing a lien on the property for administrative costs. The City has followed this procedure previously, which involves very extreme circumstances. The process is followed to bring a property up to a non-blighted stage, and can be used to save a property.

Ms. Holtz commented in the case of the 1304 E. Auburn property, it might prevent the structure from falling down. She stated the house had siding on the front, but not on the back. She asked if the landlord had been notified of the proposed designation.

Mr. Delacourt stated the property owner had been sent several letters throughout the entire study process, but had never responded.

Dr. Stamps referred to the proposed district, and stated that not only did the property have a sense of the City's rural roots, it was the Frank Farm. The generations of the Frank family go back through the local history, and were founders of the Community, which gave the property even more meaning.

Ms. Holtz stated the Frank family had received the property in a land grant and that Andrew Jackson had signed the property over to them.

Dr. Stamps stated that the property depicted the transition of the residents on the property from rural to more modern, which also showed the history of the farm.

Ms. Holtz commented that if the property were sold, it would not mean anything to a new owner.

Dr. Stamps stated that if the property were designated, it would live on and would be known as the Frank Farm, and its history would be preserved.

Ms. Holtz stated that with one of the houses in danger of tumbling down, the farm was a long way from what it used to be.

Chairperson Thompson asked if the Committee wanted to move forward with the Preliminary Report. The Committee agreed the Report should be moved forward to City Council.

Chairperson Thompson asked if there were any proposed changes to the Report before it was moved forward. No suggested changes were discussed.

Chairperson Thompson summarized that the Report would be moved forward to City Council.

Ms. Holtz asked how City Council made its decision about designation. Mr. Delacourt explained the Study Committee made a recommendation based on whether the property met the criteria. City Council reviewed the Committee's recommendation, but also took other factors into consideration. He stated the property owners were strongly encouraged to attend the Council meeting and give Council their input.

Ms. Holtz pointed out that the photographs included in the Preliminary Report did not depict the terrible condition of the 1304 E. Auburn property. Mr. Delacourt stated that the Council Members would have an opportunity to go and look at the property before the meeting, and would see the condition of the structures themselves. He commented that Council would have to weigh the integrity of the proposed district against the condition of the resources.

The Committee discussed the charge of the Study Committee, which was very narrow, versus the decision that Council had to make. The discussion continued regarding property owner rights, and other protective Ordinances, such as Wetland, Tree Conservation and other environmental protections.

Ms. Holtz asked for clarification regarding what was under review by the HDC if the property were designated. It was explained that the HDC reviewed the context of the entire property, including site features, structures, and driveways. Mr. Dziurman explained that the City's HDC did not just give a yes or no answer, but tried to provide as much assistance and helpful information as possible. Mr. Delacourt commented that sometimes the HDC required different materials than the property owner proposed to use.

Mr. Delacourt stated that the City's Master Plan tried to provide flexibility for the historic properties. As in the case of the Stiles School, that developer had hoped to use the designation to provide flexibility in the development of the property, rather than developing under the single-family zoning. There could be advantages to a potential developer of the subject property that would include restoring the structures, that would allow for other flexibility in the development of the property.

Mr. Dziurman commented on the on-going redevelopment of several properties located in the City of Detroit, most of which would not have been accomplished without the use of the available tax credits.

The Committee discussed the fact that properties can also be delisted. Mr. Delacourt explained if a property lost its integrity or no longer met the criteria under which it was designated, a request to delist could be made. City Council would make the decision regarding delisting.

Dr. Stamps referred to the proposed Frank Farm Historic District, and commented that future generations of the Frank Family could either come back and see the property redeveloped or they could see the farmstead and be reminded of what it originally was.

Chairperson Thompson asked if there were any other comments or discussion regarding the proposed District. No other comments were offered. He recapped that the Preliminary Report would be forwarded to City Council, and the Committee and property owners would be advised of the Council meeting date.

This matter was Discussed