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August 28, 2009

Rochester Hills City Council
1000 Rochester Hills Drive
Rochester Hills, Michigan 48307

**Re: Request for Elimination of Historic District
1585 S. Rochester Road, Rochester Hills**

Dear Members of Council:

My clients, Mr. William Gilbert and Mr. Cornell Vennettilli ("G&V Investments") have been developing property in southeastern Michigan, including Rochester Hills, since 1973. They remain committed to this community, as evidenced by their history. They maintain their office in Rochester Hills. Until recently they owned the office building at 2565 South Rochester Road. They have also developed or built homes in various neighborhoods in our City through the years, including Easthampton, Eddington Farms, Sycamores, Winchester Village, Brookwood, Grosse Pines, Sargents Crossing and Rochester Glens.

As you may know, G&V Investments has owned for many years approximately 27 acres of land on South Rochester Road, north of Bordine Nursery, west of the Eddington Farms Subdivision ("City Place Property"). This land is vacant, with the exception of the house ("House") near Rochester Road, just south of Eddington Drive, which has been designated as a non-contiguous historic district by the City. Photographs of the exterior of the House are attached at Tab A. In 2004, the City and G&V Investments entered into the City Place Planned Unit Development Agreement with respect to the future development of the entire City Place Property. The PUD provided for the House to be relocated to the south end of the City Place Property. Due to an extended period of changing market conditions since the PUD was approved, and the recent collapse in the real estate market, the property has not been developed.

G&V has been considering various options for the future of the House over the past few years. G&V retained the services of Finnicum Brownlie Architects to evaluate this matter, to determine the scope of a possible restoration for residential, or some other adaptive reuse. They secured cost estimates from Frank Rewold and Sons, Inc. to restore the House. Based on the information and opinions of its professionals, and its own market investigation, G&V Investments has found that it is not economically feasible to restore the House for residential purposes or as an adaptive reuse. Given that there is no market for the use of the House, and the

cost prohibitive nature of restoration, G&V Investments respectfully requests that City Council eliminate this Historic District to enable the owners to demolish the House.

City Council has the authority to eliminate an existing historic district pursuant to City Ordinance 118-126 and 118-133. These ordinances do not provide criteria or otherwise impose any limitations upon this authority, giving City Council the right to eliminate a historic district for any reasons deemed appropriate by City Council, in its sole discretion.

The balance of this letter sets forth the rationale supporting the request for elimination of the historic district.

Negligible Historic Value

The House has very little historical value and should not have been designated as a historic district. The House and surrounding 20 acres were designated as a non-contiguous historic district by the City in or about 1976. According to the Rochester Hills Historic Districts Survey found in City records (see attached copy at Tab B), the only reason for the designation was due to the neoclassical style of the porch on the house. The Survey also confirms that this resource would not be eligible for the National Register, since it fails to satisfy the federal criteria. Jane Busch, in the 2002 Rochester Hills Historic Districts Survey ("Busch Survey", relevant page attached at Tab C), references this House only as follows:

Classical Revival style buildings tend to be identified as landmarks because of their imposing architecture. Fairview Farm House on South Rochester Road, built ca. 1900, has a full height classical portico with pediment, denticulated cornice, and lunette window. Busch Survey at page 30.

The National Register Criteria provides the following guidelines to determine whether a structure qualifies for listing on the National Register, which is also the criteria followed by the City in the past to determine if a structure should be designated as a historic district:

The quality of significance in American history, architecture, archeology, engineering, and culture is present in districts, sites, buildings, structures and objects that possess integrity of location, design, setting, materials, workmanship, felling and association, and:

- A. That are associated with events that have made a significant contribution to the broad patterns of our history; or
- B. That are associated with the lives of persons significant in our past; or method of construction, or that represent the work of a master, or that possess high artistic

values, or that represent a significant and distinguishable entity whose components may lack individual distinction; or

- C. That have yielded, or may be likely to yield, information important in history or prehistory.

The House does not meet the National Register Criteria stated above for designation as a historic resource. The House is not associated with any significant events or the lives of persons significant in our past. There is no indication that it will yield any historically important information. As the Jane Busch Survey indicates, the only possible basis for designation can be found in a few of the exterior features of the House. However, one can find examples of buildings with such features that were constructed much more recently, so the mere presence of a few neoclassical features should not merit a historic designation.

Further, the change in character in the surrounding area diminishes the historical significance of the House. The House was previously a farm house on a farm of over 150 acres with outbuildings, on a two-lane Rochester Road. Any historical value attributed to the fact that this was a farm house has disappeared. Years of development have resulted in the House now being located very close to a four-lane major arterial road, on a smaller vacant parcel next to Eddington Drive and a subdivision.

The letter from Mr. William Finnicum¹ of Finnicum Brownlie Architects, dated August 6, 2009 (attached at Tab E) clearly undermines the historic designation on such basis. As Mr. Finnicum states, while the House dates to 1900, the large pediment, portico, porch and columns were added at a later date. The garage and northeast corner of the second floor of the House were also added later. The House is covered in aluminum siding and trim. All of these factors mitigate against historic designation, and support elimination of the historic district.

Restoration Costs Are Not Feasible

According to the cost estimate prepared by Frank Rewold and Sons, Inc., under cover dated July 27, 2009 (attached at Tab F), which is based upon the thorough scope of work prepared by Finnicum Brownlie Architects attached at Tab G, the cost to restore the House to its original residential condition is extremely high, at **\$956,000!** This cost is exorbitant for a residential structure of this character. Mr. Finnicum has opined that this cost may even be understated for

¹ William L. Finnicum is a reknown historical architect, practicing for over 35 years. He served as Chairman for the Franklin Village Historic District Commission, and has received numerous awards for historical preservation. Please see Mr. Finnicum's CV attached at Tab D.

certain components. See Finnicum Letter. There is no way that G&V can reasonably restore the House at such cost.

It is absurd to think that even if the House is restored to a livable residential home, it will be marketable. The selling price for this house adjacent to a busy Rochester Road, surrounded by future retail, office and condominium uses, would be approximately **\$1 Million**. It is difficult to imagine that a family would pay this incredible price to live in this location when many other areas of our community provide much more affordable housing in more pleasing residential environments.

If the House is restored for a commercial use, the cost increases due to additional requirements imposed upon commercial construction by federal, state and local codes and ordinances. Such a restoration would require an elevator, fire suppression, and ADA access and restroom compliance. See Finnicum Letter. Much of the restoration cost is due to remediation of the black mold present in the House. Some may contend that this condition was self-created, that G&V had an opportunity to clean and remove the black mold at a much earlier time, and failed to do so. However, it is unknown as to when the mold appeared. It could have existed for many years. In 2007, the mold condition was accelerated by vandals entering the home and leaving the water running for an extended period of time, until it damaged much of the interior. Because the House is unoccupied and the surrounding land was vacant, G&V did not discover this problem until it received a water bill of almost \$5,000, which it paid in full (please see Tab H for water bills). By the time the owners learned of the problem, significant damage was done. Plaster was falling off the ceiling and walls, and mold was discovered. Please see photographs of the interior attached at Tab I).

The mold has created a hazardous condition. The owners have requested that the City perform a safety inspection of the House to determine all the deficiencies that must be corrected to bring the House into compliance with City Code. The City has refused to perform such an inspection, because of the extensive mold. This refusal by the City underscores the dangerous of the House caused by the mold. Please see excerpts of the November 8, 2007 HDC Meeting Minutes attached at Tab J.

One of the problems presented by this dangerous condition is that the vacant House becomes an attractive nuisance. Thieves have stolen the appliances and kitchen countertops, sink and cabinets. Vandals have entered the House in the past, and can do so in the future. Please see Police Reports attached at Tab K. The House presents an opportunity for kids or others to break into and enter the House, either to vandalize it further, or for other illicit purposes. The mold presents a dangerous condition even to such trespassers. It should also be noted that the House cannot be insured in its current condition.

No Market for any Adaptive Reuse

G&V has investigated the possibility of an adaptive reuse of the House, and has found no market for any such use. The location, residential layout and type of construction make the House unmarketable for any office, retail or other commercial use. Please see the Finnicum Letter.

The size of the House, coupled with the restoration cost, would require a lease rate that would greatly exceed market value in Rochester Hills. The House is 3,565 square feet, less 20% for circulation, leaving only 2,850 net leasable square feet. The layout of the House is long and narrow, as are many of the rooms. This proportion would result in fewer work stations and offices, less seats, or less display area, rendering the spaces inefficient for office, restaurant or retail use. The House also has several rooms, many of which are accessible only through other rooms. This circulation pattern is not conducive to office use, and the small spaces are not conducive to retail use. Further, the wood frame and plaster construction do not allow the flexibility required for modern office use due to the needs of changing technology, which require built-in installation. Adding to the cost, a fire suppression system, elevator and other barrier-free accommodations need to be provided for commercial use. With these characteristics, residential use is the only plausible use for the House.

Bordine House

It must also be noted that the City allowed the historically designated house on the Bordine property (1805 S. Rochester Road), just south of the City Place Property, to be demolished in 1996. The HDC found that the Bordine House was an excellent example of a farm home that would be found around 1900 in Avon Township. It was part of the historic Hamlin Farm. It was classified as a folk house of national style. Further, the Bordine House had a vernacular upright style which is a descendant of the Greek Revival style. Please see Historic District Study Committee Preliminary Report – Bordine Nursery, attached at Tab L.

Mr. Bruce Bordine petitioned the HDC to permit the demolition of the Bordine House to allow for further development on the Bordine property. On September 12, 1996, the HDC granted the demolition request for the following reasons: (1) the structure was a small building that had been added onto numerous times; (2) the structure has no value and was too small to use as a business office; (3) the property surrounding the house could be used for new development, including a new office building and restaurant; (4) the property was rezoned by the City to O-1 and the adjacent Bordine parcel was zoned C-1; and (5) the resource is noncontiguous. The Bordine house was demolished, and the historic district was subsequently eliminated.

The current situation is strikingly similar to that of the Bordine House. The G&V House had at least two additions. It cannot be adaptively reused as an office or other commercial use, similar to the Bordine House. Also, in each instance the property surrounding the house could be used for future development purposes. Based on the findings of the HDC in approving the demolition of the Bordine House, the G&V House should also qualify for elimination of the Historic District. In fact, the Bordine House was more likely to be restored and used, since the files indicate that the interior of such house was in much better condition than the mold-plagued G&V House. The only difference was the procedure: the HDC authorized the demolition of the Bordine House, after which City Council eliminated the historic district; we are requesting that City Council eliminate the G&V historic district. The applicant's objective of demolition of the house and elimination of the historic district is the same in both cases. Given the similarities between these situations, it is difficult to distinguish how the City could allow the demolition of the Bordine House and elimination of that historic district, and not approve the G&V Request.

Impact on City Place PUD

If City Council elects to eliminate the historic district, this would have a positive impact upon the City Place PUD. The PUD would simply be amended to remove the House from the PUD. As a result, the owners would not be able to add further density to the PUD. Instead, the allowable density would be spread over the land where the House was to be relocated. The effect would be to decrease the overall density of the PUD by increasing the land area over which the other approved PUD buildings could be spread, creating more open space.

As City Council may be aware, G&V has been discussing with the Planning Department, and has recently appeared before the Planning Commission to discuss revisions to the PUD which take into account the new flexible business zoning as part of the PUD, instead of limiting the PUD to the strict detail of the plans currently approved as part of the PUD.

Conclusion

For all of the foregoing reasons, G&V respectfully requests that the City Council amend the Historic District Ordinance by eliminating the historic district at 1585 South Rochester Road. If City Council requests that the Historic Districts Study Committee issue a report on this matter, we would request that the Study Committee be directed to provide such report within a limited time period, since the limited historic value of this structure has already been well chronicled by the City.

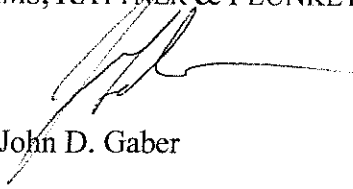
Rochester Hills City Council
August 28, 2009
Page 7

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Thank you for your consideration of this matter.

Very truly yours,

WILLIAMS, WILLIAMS, RATTNER & PLUNKETT, P.C.



John D. Gaber

JDG:djq
Enclosures
(460974)

cc: Mr. William Gilbert
Mr. Cornell Vennettilli