

DRAFT OF MINUTES PROPOSED FOR ADOPTION BY THE GREENVILLE
HISTORIC PRESERVATION COMMISSION

January 25, 2011

The Greenville Historic Preservation Commission held a meeting on the above date at 7:00 p.m. in the City Council Chambers of City Hall located at 200 West Fifth Street.

COMMISSION MEMBERS PRESENT:

RYAN WEBB	CHARLOTTE COHEN	JEREMY JORDAN
DENNIS CHESTNUT	HENRY DOSKEY	
ANN SCHWARZMANN	BRYAN PATONAY	
KERRY CARLIN	ALLEN KEARNEY	

COMMISSION MEMBERS ABSENT:

ROGER KAMMERER
BRAD INGALLS

STAFF MEMBERS PRESENT: MERRILL FLOOD, COMMUNITY DEVELOPMENT DIRECTOR; SETH LAUGHLIN, PLANNER; VALERIE PAUL, SECRETARY; JONATHAN EDWARDS, COMMUNICATIONS TECHNICIAN; BILL LITTLE, CITY ATTORNEY

ADDITIONS/DELETIONS TO AGENDA

There were no additions or deletions to the agenda.

APPROVAL OF MINUTES

Motion was made by Mr. Carlin to approve the minutes and Ms. Cohen seconded his motion. The motion carried unanimously.

WELCOMING HPC MEMBER REAPPOINTMENTS

Mr. Seth Laughlin, Planner, thanked Jordan Kearney and Brad Ingalls for agreeing to be reappointed to the Commission. He also welcomed Jeremy Jordan back to the Commission.

NEW BUSINESS

FINAL APPROVAL OF HISTORIC PRESERVATION LOAN PILOT PROJECT

Mr. Laughlin gave a brief overview of the project. The program was developed primarily for the College View Historic District and locally designated landmarks. It is a revolving loan where payments would fund future loans. The amount that has been budgeted is \$100,000 to cover a 2 year period and there are no guarantees of future funding by the City Council. The loans would be used for exterior improvements only. The minimum amount that will be loaned out is \$2,500 and the maximum would be \$10,000. For loans up to \$6,000 there would be a maximum repayment period of five years; for loans over \$6,000 and up to \$10,000, there would be a maximum repayment period of ten years.

Chairman Webb said that they had discussed expanding the programs to all the historic districts since the area that this program would be offered to are already some of the least vulnerable because they are already protected and the designated properties receive the property tax incentive, which the other people in the other districts do not. He asked if it had already been decided that the program would be limited to only the designated landmarks and the College View Historic District, or if it could be opened up to one or more of the other historic districts.

Mr. Laughlin answered that he had taken the issue back to the Director and Planning staff felt that it may be spread too thin if the program were opened up to other districts and that is why they proposed that it be limited to the College View Historic District and the landmarks.

Chairman Webb asked if there was a specific reason why the City Council wants the Commission to apply the funds to those specific areas.

Mr. Laughlin answered that if there was a specific reason then he was not aware of it. He thinks it is because it is the only locally designated district since the HPC does have purview over the district and they would be able to govern the loans under the Design Guidelines.

Chairman Webb said that it would make it easier to administer.

Mr. Laughlin said that the document states that any of the proposed work would have to be in compliance with the Design Guidelines prior to any approval and staff would have to visit the site. He said that it would be similar to the Façade Improvement Grant program.

Mr. Chestnut said that it would perhaps be better to stick with a narrow prescribed area since this is their first time with this particular loan. He said that he did not think that you would see the impact of the money if you were to spread it out any further. He is in favor of spending the loan on the College View District and on the landmarks.

Ms. Cohen asked what would happen if one of the properties were sold and there was an outstanding loan on it. She asked if it would have to be satisfied at closing.

Mr. Laughlin answered that it would. The loan process would include a title search from the Attorneys' office and the development of a deed of trust and promissory note to determine if the City would be a 1st, 2nd, or 3rd lien holder on the property.

Attorney Bill Little, Assistant City Attorney, said that the City would, in effect, be a second deed of trust if there is a first mortgage on the property, or a third deed of trust if there is an equity line. When the property is sold, in order to provide clear title to the new buyer, the first mortgage would have to be paid, the equity line would have to be

cleared and the City's mortgage, in effect, would have to be paid. Another option would be that the seller would have to come up with money at closing to pay all of that off so that the new buyer would not have anything besides their first mortgage on the property.

Ms. Cohen said that she was concerned that there are a lot of foreclosures in the neighborhood. She asked if there was some sort of due diligence that the City would do with the application process to see if it would be a viable loan to make.

Attorney Little answered that she was correct. He said that it would be part of the responsibility of the loan review group. The applicant's credit history would be reviewed, they would be asked to provide a release so that we can look at their mortgage status, and we would see if they are up to date on their taxes. It would be similar to what a bank's loan committee would do.

Mr. Chestnut said that there is a statement in the document that states that tenants are eligible, but he said that is inaccurate.

Attorney Little said that they would not prohibit anyone from applying, but the problem would be if they are authorized to receive the loan because the owner would have to encumber the property for that project.

Mr. Chestnut said that it seems too convoluted. He asked why you would even put that there because then they would still have to filter it and see who is eligible.

Attorney Little said that it would be acceptable to delete that language if the Commission wanted to. They could say that it is for property owners in the designated areas.

Mr. Chestnut said that all he did was strike the other words besides "property owners involved in exterior improvements".

Attorney Little said that would be fine.

Mr. Laughlin said that should have been stricken in a previous edit.

Chairman Webb asked if they could say "owner-occupied".

Attorney Little said that they have had problems over the years with owners who have rented out the properties and have made repairs that are not within the Design Guidelines. He said that this would be an incentive to the owners to make renovations that are within the Design Guidelines to their houses, so it really shouldn't matter.

Mr. Chestnut said that if you were to restrict it to owner-occupied then you would almost wipe out the locally designated district.

Chairman Webb said that they also encourage owner occupancy. This is why he wanted to know why the Commission was granted the funds and why it targets this residential neighborhood that already has certain benefits that the other neighborhoods do not.

Attorney Little said that part of it is to encourage, in this case, the landlords to do repairs that are in compliance with the Design Guidelines.

Chairman Webb said that this is something the landlords within that district would have to do anyway.

Attorney Little said that there were a number of landlords that did exterior repairs that were not in compliance.

Chairman Webb said that we usually catch them and make them do corrections.

Attorney Little acknowledged that he was correct and he said that this would be an opportunity to get them before we would have to go back and do a correction. Instead of them coming before the Commission and asking for forgiveness, they would be coming to ask for permission.

Chairman Webb said that by ordinance they are supposed to be doing that anyway.

Attorney Little said that they are supposed to, but in actuality, that is not always the case.

Chairman Webb said that he understood, but he asked if they are supposed to be saving the dwellings or the neighborhoods.

Attorney Little said that they are starting in one spot because there is not a lot of money. If the program is found to be beneficial, then it may expand.

Chairman Webb said that this program is receiving twice as much funds as the Façade Improvement Grant program, which covers a larger area.

Attorney Little said that looking at the Façade program, you would have to look at how much is available per façade in comparison to how much is available totally for a house. He said that this is opportunity to do residential since we have already done commercial.

Mr. Jordan asked if this was a City Council initiative that was presented to the Commission.

Chairman Webb answered that he was correct.

Mr. Laughlin said that the process began before he started with the Commission. He said that the origin of this effort was not something that he was a part of.

Chairman Webb said that they are not going to deny the money, but he said that is why he was asking what their intent is for the Commission to spend the money. He said that he did not have any objections if the Commission wanted to pass it as is, then he would be okay with it.

Mr. Chestnut said that it makes sense to have the program limited to that area. He said that he is willing to take this program as a pilot project. He asked if they would have to make a motion to accept it with the stipulations that they made.

Ms. Cohen said that she had a question.

Mr. Chestnut said that she could second and then get into the discussion.

Ms. Cohen seconded and said that she lives in the neighborhood and she feels that they are still too broad with this project. She feels that they should get with TRUNA and get some feedback. She asked if it would be better to take this on as a block-by-block basis. She wanted to get feedback from the neighborhood to see if there are specific areas that could be eradicated.

Mr. Chestnut said that he would be against it if they were to offer the program that way because he feels that it is being funded by tax dollars so everyone in that area should be able to apply. He said that he is for the program as it has been presented because it would take care of what has been locally designated and it would take care of locally designated landmarks. He said that the landmarks may show up stronger because they are isolated. He said that he would rather stick with the pilot project.

Chairman Webb called for a vote.

Attorney Little asked to clarify that Mr. Chestnut had made a motion to approve with the corrections and that Ms. Cohen had seconded.

Ms. Cohen said that she had seconded and the motion passed unanimously.

STAFF REPORT: MINOR WORKS COA'S

Mr. Laughlin reported that there were four properties with minor works this month:

- 407 Rotary Street - windows had been re-glazed and storm windows had been installed.
- 215 Library Street - furnace had been replaced
- 903 E. Fifth Street – multiple repairs; shingle replacement, door (wood-rot) repair, water and sewer main repair, associated front yard repair, removal of non-contributing awning, repair of windows

- 1001 Johnston Street – shingle replacement on house and garage

STAFF REPORT: UPDATE ON NON-COMPLIANT HISTORIC PROPERTIES

Mr. Laughlin said that there were none to report.

PUBLIC COMMENT PERIOD

There were no speakers present.

COMMITTEE REPORTS

Chairman Webb said that most of the committees had not met.

Mr. Chestnut said that the Selection Committee had not met.

Chairman Webb said that the Selection Committee did not have any more members.

Mr. Chestnut said that there was one committee member left and he asked the Secretary for clarification on who it was.

Chairman Webb said that they would probably have to re-do the committees.

Ms. Valerie Paul, Secretary to the Commission, answered Mr. Chestnut and said that it was Jordan Kearney.

Chairman Webb instructed new members to see Mr. Laughlin and find out which committee they would like to serve on. He asked Mr. Laughlin if he had anything that gave a description of each committee.

Mr. Laughlin said that he did not have anything on him, but he would email something out and resolve the matter via email.

ANNOUNCEMENTS

Chairman Webb said that Uptown Greenville had donated copies of *The Architectural History of Greenville, North Carolina* to the Commission to serve as reference materials.

Ms. Cohen made the motion to adjourn, Mr. Jordan seconded the motion and it passed unanimously. The meeting adjourned at 7:28 p.m.

Respectfully Submitted,

Seth Laughlin, Planner II