



Date May 8, 2023

CONSIDERATION OF A REQUEST FROM INVEST DSM TO DEMOLISH THE HIGHLAND APARTMENTS BUILDING LOCATED AT 3524 6TH AVENUE PURSUANT TO SECTION 58-70 OF THE HISTORIC PRESERVATION ORDINANCE

WHEREAS, Invest DSM recently purchased the property locally known as 3524 6th Avenue, upon which the Highland Apartments building ("Building") sits, and Invest DSM has proposed to demolish the Building; and

WHEREAS, the Building meets the criteria for landmark designation set forth in Section 58-58 of the Historic Preservation Ordinance, which requires the City Council to consider oral and written comments from all interested parties and determine if the proposed demolition should be referred to the City's Landmark Review Board for further study.

NOW THEREFORE, BE IT RESOLVED, by the City Council of the City of Des Moines, Iowa, as follows:

Upon due consideration of the facts, and any and all statements of interested persons and arguments of counsel, any objections to the proposed demolition, are hereby received and filed.

Alternative A

MOVED by _____ and Second by _____ to adopt and DENY the request to demolish the Building at 3524 6th Avenue, and to refer the application for proposed demolition to the Landmark Review Board for further study and review.

Alternative B

MOVED by _____ and Second by _____ to APPROVE the request to demolish the Building at 3524 6th Avenue, subject to all conditions and requirements set forth in City of Des Moines Municipal Code §58-70(d).

Approved as to Form:

/s/ Lisa A. Wieland

Lisa A. Wieland, Assistant City Attorney

(Council Communication No. 23-219)

Table with 5 columns: COUNCIL ACTION, YEAS, NAYS, PASS, ABSENT. Rows include COWNIE, BOESEN, GATTO, MANDELBAUM, SHEUMAKER, VOSS, WESTERGAARD, and TOTAL.

CERTIFICATE

I, LAURA BAUMGARTNER, City Clerk of said City, hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

MOTION CARRIED APPROVED

Mayor

City Clerk



525 SW 5th Street, Suite F
Des Moines, IA 50309
515-221-8410

City of Des Moines Development Services
Attn: Jacob Coupee
602 Robert D Ray Drive
Des Moines, IA 50309
Sent via email to: JTCoupee@dmgov.org

March 31, 2023; Updated April 19, 2023

Dear Mr. Coupee:

Please consider this letter as a formal request from Invest DSM to review the demolition of the building located at 3524 6th Ave, also known as the Highland Apartments.

We are aware that the building has historic significance and is listed as a contributing structure in the Highland Park Historic Business District. Pursuing demolition was not our first choice; it comes after more than two years of working with the previous owner, developer Benchmark Real Estate Group, and City of Des Moines Economic Development staff attempting to make a rehabilitation project possible. Despite receiving a mix of incentives from the City of Des Moines, Invest DSM, and the State of Iowa, an approximately \$1 million funding gap still existed and we collectively concluded that rehabilitating this building is not economically feasible. Since I sent the original request to you at the end of March, Invest DSM asked Hildreth Construction (who originally bid the project) to update their bid with current pricing. We've used that pricing to update the projected Sources & Uses (see revised Exhibit B) and the projected funding gap increases to at least \$1.37 million.

The existing building is a three-story multi-family building with 12 studio and 1-bedroom apartment units on the upper two floors, as well as two retail commercial spaces and two residential unit spaces on the ground floor. The building has been vacant since at least 2018. A leak in the roof has been causing significant water damage to the west end of the building since at least 2017.

The recently updated construction pricing puts the cost of renovation at \$404,764 per residential unit. The current cost to develop a new multi-family unit is approximately \$275,000 at the high end.

As a 28E partner of the City of Des Moines', Invest DSM is actively working to improve the Highland Park business district at the intersection of 6th & Euclid as part of the revitalization plan for the Oak Park / Highland Park Special Investment District. Since 2020, we have invested over \$2 million into the rehabilitation of other buildings in the district, prompting over \$10 million of investment from other sources. We expect to fund additional building rehabilitation projects over the next several years.

We have carefully considered the feasibility of rehabilitating this building and the opportunities that clearing the site for new development could present for the long-term health of the neighborhood. Once cleared, the property can be assembled with three adjacent lots we own to the west along Euclid Ave. The 0.75 acre site could be redeveloped with a mix of housing and retail commercial space, adding density to support the business district's still-fragile revival. We believe the site allows for between 40-60 housing units and 6-8 commercial spaces. A new construction project also provides the opportunity to pull the building back from two very busy streets, creating a safer and friendlier pedestrian environment.



After clearing the site, Invest DSM intends to work with City Economic Development to solicit developer proposals through an RFP process. In seeking a developer, Invest DSM will give strong preference to the proposal that honors the history of the area and the former building's architecture. We intend to salvage what we can of the building's historic elements so that they can perhaps be incorporated into a new project. We are also working with City Public Information staff to document the existing building through photos and videos.

Invest DSM communicates regularly with the Highland Park / Oak Park Neighborhood Association. We intend to work with them to share our plans for the site with the community, and to gather community input as we develop the RFP for the redevelopment of the site. Given the current market environment, Invest DSM may hold the property for a period of time once it is cleared.

I am attaching a variety of information to this letter:

1. Exhibit A – A timeline of events.
2. Exhibit B – A summary of projected costs for the building's rehabilitation.
3. Exhibit C – A preliminary plan for salvaging elements of the building that are historically significant, and photos of elements we intend to salvage.

Please let me know if you require additional information as you consider this request.

Sincerely,

Amber Lynch, AICP
Executive Director

Cc: Jason Van Essen, Stacey Hanley, Mike Ludwig – City of Des Moines Development Services
Linda Westergaard, Ward 2 Council Member
Scott Sanders, Malcolm Hankins, Matt Anderson - City Manager's Office
Chris Johansen – City of Des Moines Neighborhood Services
Chandler Poole, Katie Hernandez – City of Des Moines Economic Development
Al Setka – City of Des Moines Public Information Office
Sherri Rosener – Highland Park / Oak Park Neighborhood Association
Invest DSM Board of Directors

EXHIBIT A - TIMELINE

Timeline of Relevant Events (to the best of our knowledge, records, and recollection):

- According to the Polk County Assessor, the building known as the Highland Park Apartments was built in 1915.
- In 2017-2018, two local non-profits, Parks Area Foundation, and Neighborhood Development Corporation, explored purchasing the building from then-owner Frank Steinbach to rehabilitate. Both parties determined that the costs to acquire were too high to make the project work and did not proceed.
- In 2018, the building was noted by City Code Enforcement staff as vacant. A leak in the roof was causing water damage in the units at the western end of the building and those units were no longer habitable.
- In 2019, Invest DSM was formed by the City of Des Moines and Polk County. Oak Park / Highland Park was identified as one of four pilot Special Investment Districts where Invest DSM was charged to implement a revitalization plan. The plan identified "a healthy business district" that was "active and profitable" and "fully occupied and vibrant" as one of the outcomes to work towards over a ten-year period.
- In the fall of 2020, Benchmark Real Estate Group (Benchmark) put several properties in the area under contract to purchase from Steinbach, including 3524 6th Ave & 612 Euclid on the southwest corner, and 3523 6th Ave on the southeast corner.
- During their due diligence phase, Benchmark approached Invest DSM and City of Des Moines Economic Development staff about providing financial incentives to assist them in rehabilitating the buildings on both corners.
- In January 2021, Benchmark submitted a funding request to Invest DSM and received a preliminary commitment of \$375,000 for the rehabilitation of the apartment building at 3524 6th Ave and additional funds committed to the rehabilitation of the one-story retail building across the street at 3523 6th Ave.
 - o The minutes of that meeting reflect Invest DSM's Board and staff discomfort with the high costs and thin margin on the project, stating: "The costs of the projects are uncomfortably high however the buildings have historic significance to the neighborhood, are important to the health of the business district that we've already invested in heavily, and will only continue to deteriorate if someone does not intervene soon."
 - o Note: The debt-to-income ratio on the proposed project was such that it could not be financed by a bank. Benchmark secured a private investor to help them fund the project. The investor group was trying to do something good for the neighborhood.
- In February 2021, City Neighborhood Inspections began the process to declare the property a public nuisance. The nuisance action was suspended due to the pending developer agreement between Benchmark and City Economic Development.
- In March 2021, Benchmark took possession of the properties.
- On March 8, 2021, Benchmark signed a developer agreement for TIF incentives with City Economic Development. That agreement was amended on July 12, 2021.

- On April 29, 2021, Invest DSM and Benchmark signed funding agreements for both 3524 6th Ave and 3523 6th Ave.
- From April 2021 – September 2022, Benchmark continued to pursue the rehabilitation project. This included:
 - o Finalizing and submitting a site plan to City of Des Moines Development Services.
 - o Conducting asbestos testing.
 - o Finalizing construction pricing.
 - o Securing additional incentives, including:
 - Workforce Housing Tax Credits, in the amount of \$95,220
 - Brownfield/Grayfield Tax Credits, in the amount of \$96,253
 - State Historic Tax Credits – applied for three separate times and denied.
 - Exploring Affordable Housing incentives.
- In August 2021, Invest DSM purchased 612 Euclid Ave from Benchmark to assemble the land with the two lots Invest DSM had purchased to the west (614 & 618 Euclid Ave) for an infill mixed-use project.
 - o In the fall of 2021, Invest DSM put out an RFP to find someone to move the home. The exterior had historic architecture, although the interior had been stripped of any historic character. Invest DSM did not receive any proposals and ultimately, in the spring of 2022, demolished the structure.
- In December 2021, Benchmark reached out to Invest DSM with concerns about the viability of the project after receiving updated construction bids, which created an increased funding gap. Benchmark indicated their commitment to continue to explore all options to make the project work.
 - o As part of their exploration of other options, Benchmark had at least two other developers review the project to see if they would either want to partner with Benchmark or take the project over. The developers included Tim Rypma and non-profit Neighborhood Development Corporation. Both concluded that the project was not economically feasible without significant additional subsidy and declined to participate.
- In March and April 2022, Benchmark had additional conversations with Invest DSM staff and a few Board members indicating they'd exhausted their funding source options and were unable to cover the funding gap to make the rehabilitation project work. Discussions took place about the possibility of assembling the corner with the three adjacent lots to the west that Invest DSM had assembled for a different project.
- In May 2022, Benchmark again applied for State Historic Tax Credits, which were not awarded.
- Between June and December 2022, Benchmark had numerous conversations with City Economic Development staff, and Invest DSM staff and Board regarding the feasibility of the rehab project and the possibility of a redevelopment project that would assemble the 3524 6th Ave site with Invest DSM's adjacent lots.
 - o Prior to this, Invest DSM worked with Slingshot Architecture on a conceptual study for the interior infill lots adjacent to Benchmark's property (612-618 Euclid Ave). One of the options explored included what the massing of a new construction project could look like if Benchmark's property was assembled as part of the site. Invest DSM put the study/RFP

process for 612-618 Euclid on hold as it became clear that the rehabilitation of 3524 6th Ave was uncertain.

- The study suggested that assembling Invest DSM's three lots with 3524 6th Ave created a site approximately 0.75 acres in size. The site would allow for a building of 2-4 stories in height, which could contain up to 56 housing units and 9 retail commercial spaces. Other configurations could be possible as well.
- Benchmark submitted a preliminary proposal for redevelopment of the entire corner site (3524 6th & 612-618 Euclid) to Invest DSM in August 2022, which Invest DSM declined.
- After much deliberation, in January 2023, the Invest DSM Board authorized staff to make an offer to Benchmark to purchase 3524 6th Ave with the intent to clear the site for future development. This continues to be a key property in the Oak Park / Highland Park Special Investment District, and the existing building continues to deteriorate. While it is difficult for a private developer to hold the site indefinitely until the market environment improves, Invest DSM can do so.
- Throughout this entire process, Invest DSM staff have been communicating and consulting with City of Des Moines staff in various departments as well as the City Manager and the Ward Council Member.
- On February 7, 2023, Invest DSM and Benchmark signed a purchase agreement.
- On March 9, 2023, Invest DSM closed on the property, acquiring it for \$440,000.
- Since putting the property under contract to purchase, Invest DSM has:
 - Completed asbestos testing and solicited bids for asbestos removal and demolition.
 - Walked the building with Structural Engineer, John Raker Rhodes, to determine if there are, in fact, any structural issues with the building. Mr. Rhodes' observation was that the foundation and exterior walls appear to be sound. He noted that the interior of the building likely needed to be gutted down to the studs and posited that some interior joists may need to be repaired or replaced. Invest DSM has not incurred the cost of a formal report.
 - Toured the building with several salvage companies, including Greater Des Moines Habitat for Humanity and West End Salvage. Habitat did not see anything worth salvaging for their purposes. See Exhibit C for more information on Invest DSM's salvage plan.

EXHIBIT B – PROJECT COSTS

PRICING AS OF LATE 2021

Please Note: These costs are based on Benchmark’s most recent construction bid and proforma, submitted to Invest DSM in December 2021. See the next page for revised Sources & Uses incorporating an updated bid from Hildreth Construction with 2023 pricing.

Sources of Funds:		
	FHTC Financing	415,905.28
	SHTC Financing	754,697.50
	FHTC Equity	115,529.25
	SHTC Equity	839.39
	Incentive Financing	869,390.10
	Mini-Perm Financing	905,131.20
	Investor Equity	380,000.00
	Grayfield Financing	95,220.00
	Workforce Financing	96,253.34
	Sales Tax Rebate	93,283.00
	Deferred Developer Fees	134,111.52
	Total Sources	3,860,360.59
Uses of Funds:		
	Acquisition	480,000.00
	Prior Carrying Costs	
	Construction	3,183,788.00
	Professional Fees	125,500.00
	Contingencies	191,889.40
	Developer Fees	134,111.52
	Project Contingency	477,568.20
	Loan Fees	44,363.03
	Project Carrying Costs	215,624.20
	Total Uses	4,852,844.35
	Project GAP (overage)	992,483.77

Cost per residential unit: approximately \$346,631. At the high end, the current cost to develop a new multi-family unit is approximately \$275,000.

Sources and Uses - With Updated QRE's		
3524 6th Ave		
Sources of Funds:		
FHTC Financing		554,407.05
SHTC Financing		1,006,021.40
FHTC Equity		154,001.96
SHTC Equity		1,118.92
Incentive Financing		869,390.10
Mini-Perm Financing		905,131.20
Investor Equity		380,000.00
Grayfield Financing		95,220.00
Workforce Financing		96,253.34
Sales Tax Rebate		93,283.00
Deferred Developer Fees		134,111.52
Total Sources		4,288,938.50
Uses of Funds:		
Acquisition		480,000.00
Prior Carrying Costs		
Construction		4,294,819.04
Professional Fees		125,500.00
Contingencies		250,000.00
Developer Fees		180,352.76
Project Contingency	In above contingency	
Loan Fees		44,363.03
Project Carrying Costs		291,666.49
Total Uses		5,666,701.32
Project GAP (overage)		1,377,762.83

*Pricing updated for 2023. Changes noted in RED.

Note: This assumes federal and state historic tax credit awards and has been adjusted based on the increased construction cost below.

Construction cost updated to reflect 2023 bid pricing from Hildreth. Contingency adjusted accordingly.

Carrying costs have not been adjusted but are likely to be significantly higher. This is based on a 4.5% interest rate. Current rates are around 8.5%.

Per unit cost approx. \$404,764.

Additional things to note: The incentives received by the previous owner **were not** transferred to Invest DSM with the property. Any developer interested in taking over the project to pursue rehabilitation would need to reapply for all incentives, including City, Invest DSM, and State and Federal tax credits.

There are two significant challenges with a rehabilitation project: 1) the construction costs, and 2) the debt service on the project. Because there are only 14 small residential units and 2 commercial spaces in the building, the value of the building and the income it can produce is not high enough to cover the costs of construction and traditional financing without significant subsidy.

EXHIBIT C – SALVAGE ITEMS & PHOTOS

Invest DSM intends to salvage items of historic character and value to the building to the extent possible and is working with local salvage companies to do so. We plan to save some of the items to see if they can be incorporated into a new development. Items not saved for the new project will go to the salvage company.

The items we've identified for salvage include (see attached pages for photos):

- Exterior Highland Apartments stonework
- Newel stair posts
- Doors & door hardware
- Murphy bed cabinets
- Bookcases
- Various Trim

In addition, we are working with City Public Information staff to document the existing building with photos and videos.

Photos of the building taken by Invest DSM staff in early March 2023 are available for viewing here:
<https://www.dropbox.com/sh/g519yqitb3xjw3s/AAAGW4XigDJONQVuey6amoQea?dl=0>



Murphy Bed Cabinets (2 of 4)



Bookcases & Trimwork





Doors & Door Hardware



Stair Post 1 of 2





3524 6th Ave – Eastern Facade



3524 6th Ave – North Facade

Highland Apartments Part One Photos:
September 24-October 2, 2020



Photo 1:
Description: Overview, east façade, looking northwest



Photo 2:
Description: Overview, east façade, looking west



Photo 3:
Description: Aerial roof overview, east façade, looking west



Photo 4:
Description: Overview, east and north facades, looking southwest



Photo 5:

Description: Overview, east and north facades, looking southwest



Photo 6:

Description: Overview, north facade, looking south



Photo 7:
Description: Overview, north facade, looking south



Photo 8:
Description: Aerial overview, north façade and roof, looking south



Photo 9:

Description: Overview, west frontage, looking southeast



Photos 10:

Description: Overview, east and south frontage s, looking northeast

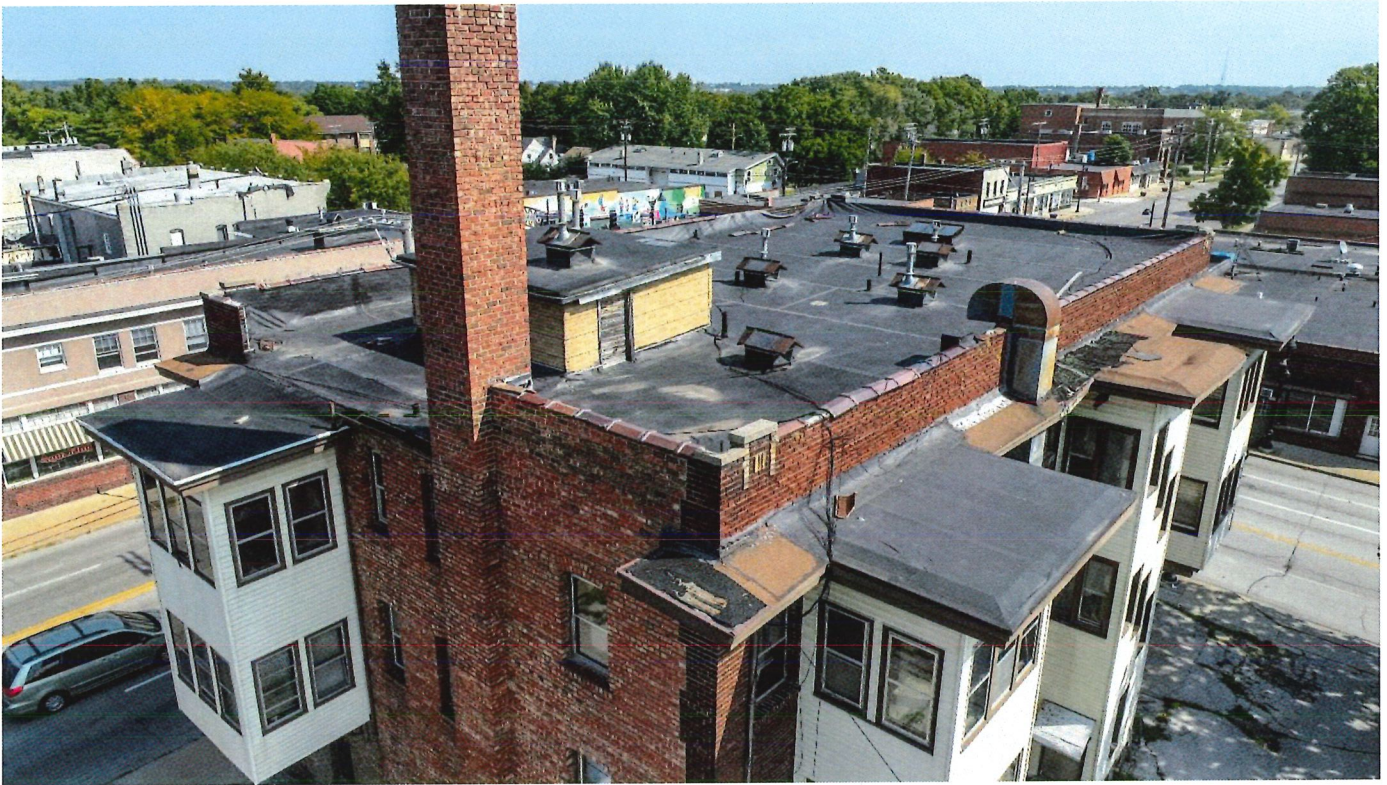


Photo 11:

Description: Aerial overview, west and south frontages and roof, looking east



Photo 12:

Description: Overview, south frontage, looking north east

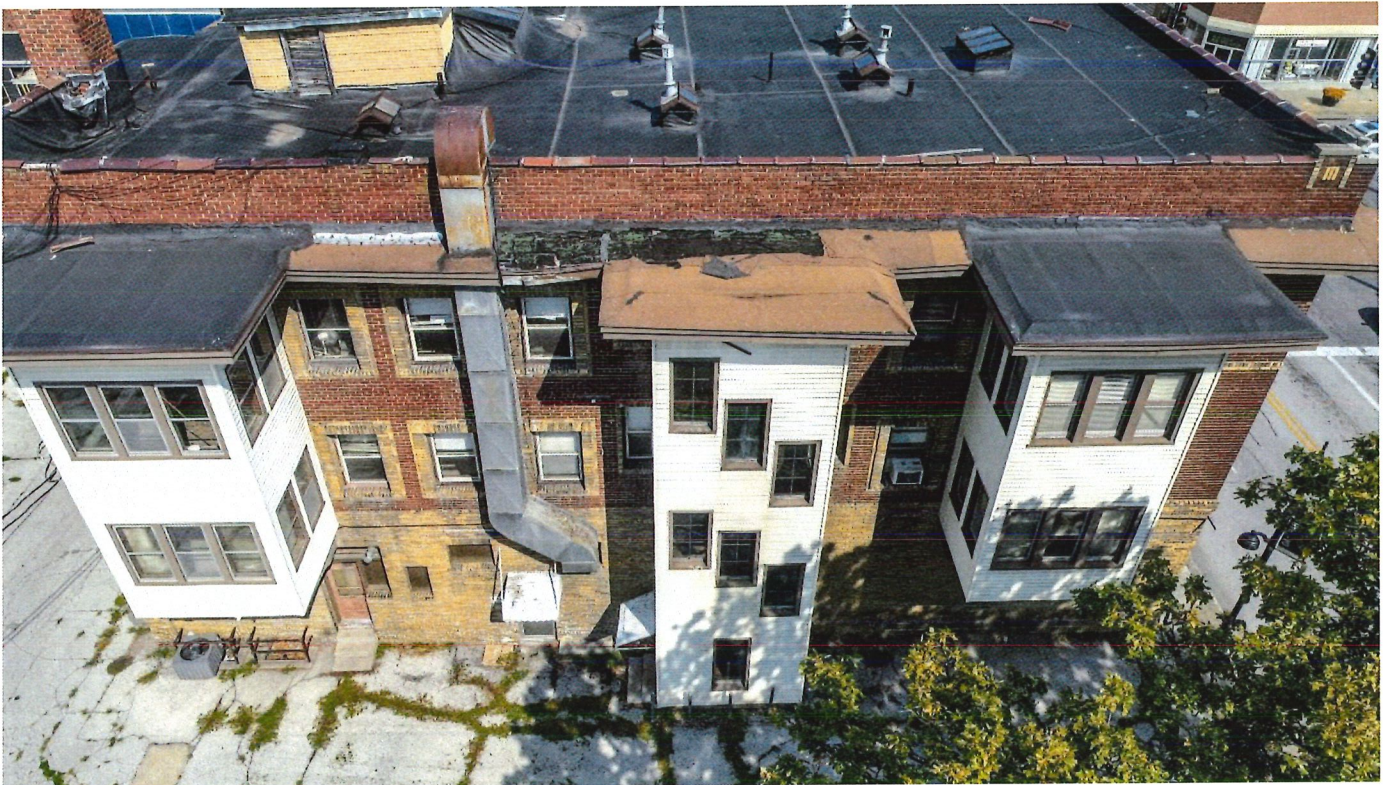


Photo 13:
Description: Aerial overview south frontage and roof, looking north



Photo 14:
Description: Detail, east façade, looking northwest



Photo 15:

Description: Detail, east façade, storefront level, looking northwest



Photo 16:

Description: Detail, east façade, south storefront entry, looking northwest



Photo 17:
Description: Detail, east façade, storefronts, looking southwest



Photo 18:
Description: Detail, north façade, apartment entrance, looking southwest

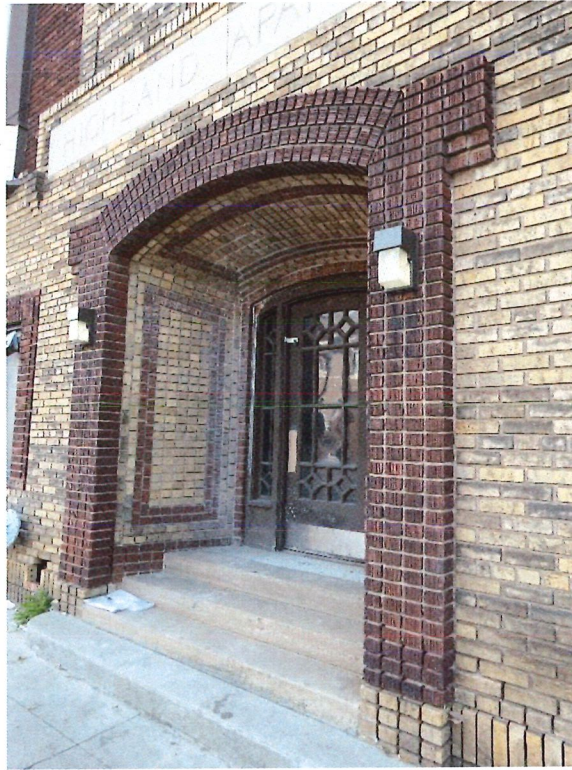


Photo 19:

Description: Detail, north façade, apartment entrance, looking southeast,

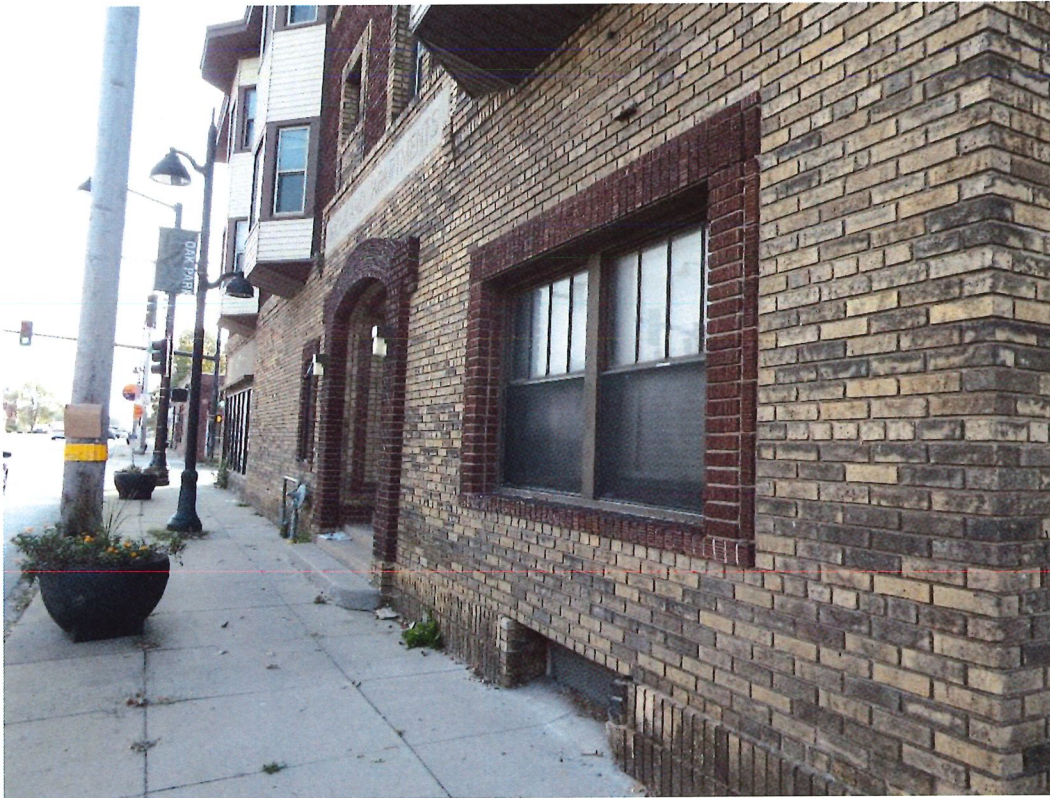


Photo 20:

Description: Detail, north façade, west end, looking southeast



Photo 21:

Description: Detail, south frontage, center section, west unit rear entry and stoop, looking northeast

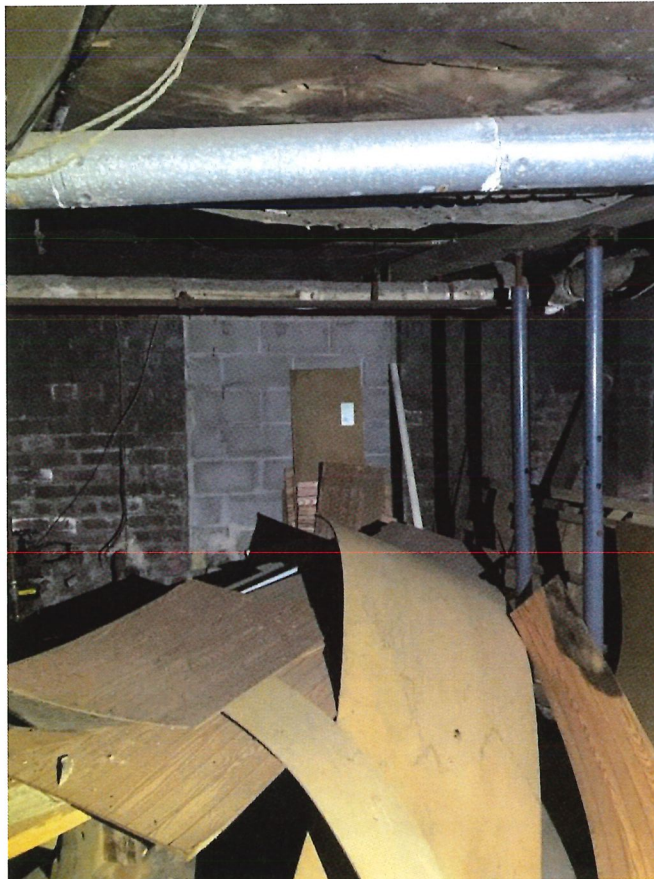


Photo 22:

Description: South basement under south storefront, looking east (note blocked in door)



Photo 23:

Description: South basement hall, storage cribs, looking west



Photo 24:

Description: West basement: Furnace room, looking northwest, lower view



Photo 25:

Description: West basement: Space D north wall and opening into furnace room, looking northwest



Photo 26:

Description: North basement, looking east



Photos 27-28:

Description: Left, north basement stairs, looking west
Right, view from landing, looking east to first floor



Photo 29:

Description: South storefront, looking southeast



Photo 30:
Description: South storefront, looking northwest



Photo 31:
Description: South storefront, steel structural supports along north wall, looking northeast



Photo 32:
Description: North storefront, looking east



Photo 33:
Description: North storefront, looking southwest



Photo 34:
Description: Apartment lobby, looking southeast



Photo 35:
Description: Apartment lobby, looking northwest



Photo 36:

Description: Apartment lobby, fixed door and entry door, looking southeast



Photo 37:

Description: Apartment lobby, tile floor and marble baseboard detail, looking southeast



Photo 38:

Description: West ground floor unit, northeast corner room, abandoned dentil equipment, looking northwest



Photo 39:

Description: First floor, apartment stairs and vestibule, looking southwest



Photo 40:
Description: First floor, apartment vestibule, looking east



Photo 41:
Description: First floor, apartment stairs and vestibule, looking northeast



Photo 42:

Description: First floor, apartment stairs landing above first floor, looking southwest



Photo 43:

Description: Rooftop penthouse, door to south, looking southwest



Photo 44:
Description: Third floor hall, looking west



Photo 45:
Description: Third floor hall, hall to south stair bay, note infilled door at right, looking south



Photo 46:

Description: South enclosed stair bay, below third floor, looking northwest

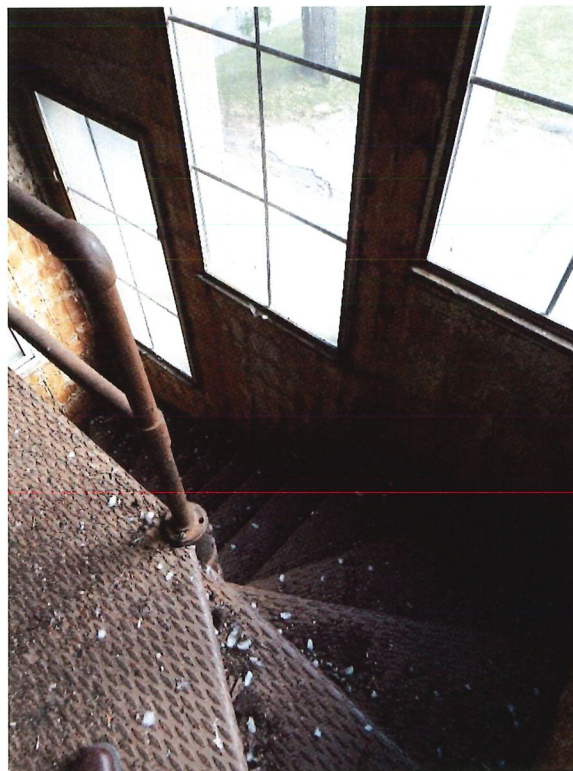


Photo 47:

Description: South enclosed stair bay, second floor, looking southeast



Photo 48:

Description: Third floor, apartment 8, looking west



Photo 49:

Description: Third floor, apartment 8, dining room ceiling detail, looking southwest



Photo 50:

Description: Third floor, apartment 8, ceiling picture rail and cove molding, looking southeast



Photo 51:

Description: Third floor, apartment 8, single-piece baseboard detail, looking southeast



Photo 52:

Description: Third floor, apartment 8, bedroom and closet, looking southwest



Photo 53:

Description: Third floor, apartment 9, looking west



Photo 54:
Description: Third floor, apartment 9, kitchen, looking southwest



Photo 55:
Description: Third floor, apartment 9, entry, curved close wall, looking north



Photo 56:

Description: Third floor, apartment 9, bathroom, looking west (note barrow light)



Photo 57:

Description: Third floor, apartment 10, entry hall, looking south



Photo 58:

Description: Third floor, apartment 7, closet and raised floor above Murphy bed, furnace, looking southeast



Photo 59:

Description: Third floor, apartment 12, living room, looking southwest



Photo 60:
Description: Second floor hall, looking west



Photo 61:
Description: Second floor hall, east end skylight detail, looking northeast



Photo 62:

Description: Second floor south hall to south stair bay, infilled door at the right, looking south



Photo 63:

Description: Second floor, apartment 2, looking west



Photo 64:

Description: Second floor, apartment 3, sun room, looking southeast



Photo 65:

Description: Second floor, apartment 3, sun room, looking northwest



Photo 66:

Description: Second floor, apartment 3, dining room, looking east



Photo 67:

Description: Second floor, apartment 4, Murphy bed and cabinet, looking north



Photo 68:

Description: Second floor, apartment 1, Murphy bed and cabinet, closet with raised floor, looking south



Photo 69:

Description: Second floor, apartment 5, sunroom; looking southeast



Photo 70:

Description: Second floor, apartment 6, bathroom, barrow light, looking southwest

Coupee, Jacob T.

From: Coupee, Jacob T.
Sent: Friday, April 7, 2023 3:26 PM
To:

Subject: DEMOLITION REVIEW: 3524 6th Avenue
Attachments: 4.03.23 - 3524 6th Ave - IDSM Request for Demo Review.pdf

Hello-

As a member of the Landmark Review Board (aka HPC + UDRB) you are receiving notice that the Development Services Department is reviewing the proposed demolition of the following building in accordance with the Chapter 58 Demolition Review Ordinance.

This is your opportunity to provide any information you may have on this property for consideration in our review of the request.

Basic property information can be found at the Polk Co Assessor Webpage. <http://web.assess.co.polk.ia.us>

Please let me know if you have any information on this property or questions by 8am on Friday, April 14.

3524 6th Avenue – Demolition with intent to redevelop. The owner has submitted information about the site, which is attached, illustrating a lengthy process they pursued to try to redevelop the site with preservation of the structure in mind. They have determined that the structure cannot be preserved in an economically feasible manner and are pursuing demolition. The mixed-use building was built circa 1915 in the Highland Park Neighborhood. SHPO's list of evaluated properties in Des Moines lists the site as "Contributing to District", as the structure was included in the application for the National Registration of the Highland Park Historic Business District. Staff believes that this building meets the local landmark designation criteria. Therefore, the proposal will be forwarded to the City Council for review in accordance with the City Code.



Jacob Couppee He/Him/His | CITY OF DES MOINES
City Planner | Development Services
JTCouppee@dmgov.org
Mobile: (515) 249-1743
Office: (515) 283-4746
DSM.city | 602 Robert D. Ray Drive | Des Moines, Iowa 50309



The City of Des Moines has launched a new online application review! Please visit the Customer Self-Service (CSS) online portal at www.dsm.city/css and sign into your account for an easier, more secure way to submit and track requests with the Planning & Urban Design Division.

Coupee, Jacob T.

From: Evan Shaw <Evans@invisionarch.com>
Sent: Monday, April 10, 2023 8:53 AM
To: Coupee, Jacob T.
Subject: RE: DEMOLITION REVIEW: 3524 6th Avenue

Follow Up Flag: Follow up
Flag Status: Flagged

Categories: 05 - Landmark Review Board

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

This building was designed by the firm Proudfoot & Bird, one of Des Moines most distinguished architectural firms. To my knowledge there is only one other Proudfoot designed apartment building left (the Norman building on Drake's campus). I understand it is difficult and more expensive to redevelop a building like this, but in my opinion given this buildings significance to the Highland Park Historic District the developer would need to show what they would plan replace it with before consideration should be given to demolish the building, so a full economic analysis of the pros and cons could be evaluated. As I understand from the letter the intent would be to raise the building with the hope another developer would come along. We shouldn't demolish historic buildings in the 'hope' something better comes along. It needs to be proven before we make the difficult decision to remove something historic.

EVAN SHAW AIA LEED^{AP} BD+C
Associate, Architect

INVISION

invisionarch.com



Coupee, Jacob T.

From: Timothy Hielkema <tim@th2archplan.com>
Sent: Friday, April 14, 2023 12:05 PM
To: Coupee, Jacob T.
Subject: RE: DEMOLITION REVIEW: 3524 6th Avenue

Follow Up Flag: Follow up
Flag Status: Flagged

Categories: 06 - Landmark Review Board/LRB related content

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Jacob-

There are quite a few preservation leaders in Des Moines that are questioning the need to demolish this building due to the cost. Within this community, there are discussions about the cost overruns of the other projects that the original developers have completed. Although some of these costs may be due to inflationary increases, they are still being questioned. Without being judgmental, these developers are relatively new to the Restoration/Renovation process and a more experienced group may have better results.

There are also significant questions about some of the funding sources and why many of these sources, although they show up on the Proforma, were not ultimately awarded or were awarded on a significantly lower level than what would be expected. To take the immediate step to demolish this building when these factors are in play would be a misstep. I believe that the funding and costs should be reviewed extensively by other knowledgeable individuals in this community.

There is also an incongruity between this project and the subsequent development that is being proposed. This lies in the fact that the building has been judged as a singular object and not as a part of the ultimate development. In other words, could the building be preserved if it benefitted from the development of the entire combined property that InvestDSM recently announced. A perfect example of this type of development is the East Des Moines Union Depot and the Des Moines Heritage Center that were built by the Des Moines Heritage Trust. The Depot would not have been salvageable into a successful use without the incorporation of an additional use that could cover any financial shortage that would have been encountered had the Depot been restored as a singular use.

Disclaimer: I am a board member of the Des Moines Heritage Trust and am not stating whether or not the DMHT has the financial means at the current time to develop this current property. Our process to save the Depot is just a successful example of how a larger development can be advantageous to salvaging an historical structure that would have been able to cash flow itself.

There is also an additional rationale that has been promoted as to how the demolition of this building would benefit the neighborhood. That reason is that there would be better view triangles at the intersection. I do not believe that this is a valid rationale for the demolition of an historic structure and should not be a part of this current discussion. Also, I do not believe that there would be much benefit to the neighborhood at all versus saving the building. The traffic calming that has been proposed would/should help slow down the speeding traffic enough to help eliminate this situation. Virtually all of the buildings at that street intersection have that same issue and the perceived issue would not be rectified by a larger view triangle at only one corner. To solve that issue, the entirety of the intersection needs to be comprehensibly addressed.

In closing, I believe that there is a more comprehensive review needed to justify immediate demolition and the building should be up for review as a local Landmark.

Sincerely,



Timothy H. Hielkema, AIA

President

TH2 Arch+Plan

Phone: 515.491.7443

Email: tim@th2archplan.com

1405 SE First Street #107
Des Moines, IA 50315

www.th2archplan.com