

Application for Special Valuation

STAFF REPORT OF FINDINGS

Historic Name: Kirk Thompson House
Property Address: 1430 E Overbluff
Applicant: Charlie and Katherine Reed
Date: Application submitted November 26, 2019

MANAGEMENT AGREEMENT: The Kirk Thompson House was listed on the Spokane Register August 3, 2020 and covers the exterior of the house.

DESCRIPTION OF REHABILITATION: This project included extensive exterior and interior work on the Thompson House.

Exterior:

- New roof
- New doors and windows
- Stucco repair and repainting
- Rebuilding and expansion of second floor tower which was rotted with water damage

Interior:

- HVAC
- Plumbing
- Insulation for entire house was added
- New electrical throughout house
- Paint
- Flooring
- Reconfiguration of interior space to include a new master suite and bathroom
- Relocated interior stairway and fireplace
- New kitchen including built in appliances (everything except for the refrigerator); cupboards; cabinetry
- Lighting
- Sheetrock work
- Fixtures and finishes
- Reintroduced an exterior window wall into the interior as a wall
- Finished the original garage into a living space
- New garage was added and costs were not added to the application since it was an expansion of the original footprint

Soft Costs:

- Architect fees
- Design fees
- Taxes
- Utilities

FINDINGS OF FACT:

Authority to review the Special Valuation application: Under Ordinance No. C-31094, 6.05.100 (SMC 17D.100.310) the Landmarks Commission has the authority to “serve as the local review board for special valuation of historic property in Spokane” and to “approve or deny applications for special valuation.”

Does the application meet the Special Valuation criteria set forth in RCW 84.26?

- The property must “be a historic property” and “fall within a class of historic property determined eligible for special valuation by the local legislative authority.” RCW 84.26.030
Listed on Spokane Register?
The Kirk Thompson House was listed on the Spokane Register of Historic Places on August 3, 2020.
 YES NO
- The property must “be rehabilitated at a cost which meets the definition set forth in RCW 84.26.020(2) (“at least 25% of the assessed valuation of the property, exclusive of the assessed value attributable to the land, prior to rehabilitation”) within twenty-four months prior to the application for special valuation.”
Rehab cost over 25% of the assessed valuation? YES NO
Rehab work within 24 months prior to application? YES NO
- The property must be protected by an agreement between the owner and the local review board as described in RCW 84.26.050(2).
Property owners entered into Management Agreement?
Yes YES NO
- The rehab work must meet the standards, “not be altered in a way which adversely affects those elements which qualify it as historically significant” RCW 84.26.050. The work must meet rehabilitation guidelines, as defined in WAC 254-20-030(10) as “the process of returning a property to a state of utility through repair or alteration, which makes possible an efficient contemporary use while preserving those portions and features of the property which are significant to its architectural and cultural values.”
Certificates of Appropriateness issued for exterior work? YES NO

The application covers the time prior to the home being listed on the Spokane Register of Historic Places, therefore a CoA was not required. The owner did come before the SHLC to discuss the window replacement prior to commencing the work. He did take the advice of the SHLC at that time in the configurations and type of windows in order to best emulate the failing steel-sash windows that were original to the building.
- The application must be complete, as defined by WAC 254-20-090 (4) “applications shall include a legal description of the historic property. The owner shall also provide comprehensive

exterior and interior photographs of the historic property before and after rehabilitation, architectural plans or other legible drawings depicting the completed rehabilitation work, and a notarized affidavit attesting to the actual cost of the rehabilitation work completed prior to the date of application and the period of time during which the work was performed.”

Completed application? YES NO

- The rehab costs must result from one or more of the following (WAC 254-20-030):
 - (a) Improvements to an existing building located on or within the perimeters of the original structure;
 - (b) Improvements outside of, but directly attached to the original structure which are necessary to make the building fully useable (not including rentable/habitable floor space attributable to new construction);
 - (c) Architectural and engineering services attributable to the design of the improvements;
 - (d) “qualified rehabilitation expenditures” as defined by the federal historic preservation investment tax credit.

As noted in “*Tax Aspects of Historic Preservation: Frequently Asked Questions & Answers*” (Mark Primoli, Internal Revenue Service), examples of expenses that do not qualify for the rehabilitation tax credit are acquisition costs, appliances, cabinets, carpeting (if tacked in place and not glued), decks (if not part of original building), demolition costs (removal of a building on property site), enlargement costs (increase in total volume), fencing, feasibility studies, financing fees, furniture, landscaping, leasing expenses, moving (buildings) costs (if part of acquisition), outdoor lighting remote from building, parking lot, paving, planters, porches and porticos (not part of original building), retaining walls, sidewalks, signage, storm sewer construction costs, window treatments.”

Claimed expenses are allowable? Exception noted below: YES NO

Claimed expenses are allowable in the amount of \$1,182,700.21. The applicant carefully kept track of and removed all expenses related to additions on the building which are not eligible for Special Valuation. The SHLC may want to discuss the reconfiguration and slight expansion of the second floor tower as eligible expenses. Property owner removed costs of windows that were not in the original openings as well.

REPORTS

Special Valuation site visit report: Special Valuation Committee members visited the site on 10/15/20.

Staff Report: The submitted application is complete.

Preservation Officer Review?	yes	Date:	10/5/20
Special Valuation Committee Site Visit?	yes	Site Visit:	10/15/20
Landmarks Commission Review?	pending	Meeting Date:	10/21/20

FOR SHLC MEETING:

The Holy Names Academy/Academy Apartments was listed on the Spokane Register of Historic Places on October 21, 1985. This project was a remodel of the building from senior apartments to market rate apartments and included extensive interior work. Renovation of apartment units included new kitchens/baths; common spaces; windows and general facilities. The work we are reviewing today took place on the building from May of 2018 to May of 2020 and included:

Exterior:

- Window replacement with in-kind metal clad wood windows

Interior:

- Apartments
 - Drywall
 - Doors and door hardware
 - Flooring
 - Lighting
 - Outlets
 - Painting
 - Thermostats
 - Trim, base and door moldings
 - Bathroom vanities, sinks, showers
 - Kitchen cabinets
 - Countertops
- Common area improvements:
 - Asbestos testing
 - Flooring
 - Electrical
 - Finish work
 - Lighting
 - Paint
 - Millwork and trim

Soft Costs:

- Architect fees
- Structural engineering
- Consultants
- Permits, bonds and fees
- Taxes

The property is an eligible property type; the work was done within a 24 month period prior to application; and the work does equal at least 25% of the assessed value of the