

Application for Special Valuation

STAFF REPORT OF FINDINGS

Historic Name: Ridpath Hotel
Property Address: 514 W First Avenue
Applicant: Ridpath Club Apartments (Paul Mann, representative)
Date: Application submitted March 23, 2020

MANAGEMENT AGREEMENT: The Ridpath Hotel was listed on the Spokane Register of Historic Places on November 4, 2013 and is subject to a management agreement for the exterior of the property. There is a second management agreement for the “Y” building also known as the “East Annex” that was also signed in 2013.

DESCRIPTION OF REHABILITATION: The project includes improvements to both the Ridpath Hotel (1952) and the East Annex Building (former YWCA 1905) under the ownership of the Ridpath Club Apartments, to transition from a hotel property to 206 micro-apartment units – 180 as affordable housing:

Exterior:

- Roof

Interior:

- Elevator work
- Hazmat abatement
- Security system
- Underground parking area improvements
- New office space created for management as well as a mailroom
- New fan coils for HVAC system
- Tenant flood caused significant damage and 20 units had to have additional work done, some had to be completely rebuilt
- Mechanical systems
- Fire systems
- Electrical
- Cabinetry
- Carpentry – framing, sheathing, sheetrock, plaster, etc.
- Lighting
- Acoustical ceilings
- Flooring, carpet, tile, paint
- Bathroom fixtures, vanities
- Bike racks

Soft Costs:

- Taxes
- Permits
- Equipment rental
- Dump fees
- Engineering/Architecture
- Overhead

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? Yes, listed in 2013.

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

This project was also taking advantage of Federal Historic Tax Credits and therefore any review of exterior changes was waived to the Department of Archaeology and Historic Preservation and the National Park Service.

- 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 \$6,153,568.40 (staff removed costs associated with washer/dryer purchases in the amount of \$41,489.20, but allowed costs attributed to "food service equipment and appliances for \$101,530.74 because that was for install labor, not purchase).

REPORTS

Special Valuation site visit report: Special Valuation Committee members visited the site on 11/12/20.

Staff Report: The submitted application is complete.

Preservation Officer Review?	yes	Date:	11/13/20
Special Valuation Committee Site Visit?	yes	Site Visit:	11/12/20
Landmarks Commission Review?	pending	Meeting Date:	11/18/20