

Application for Special Valuation

STAFF REPORT OF FINDINGS

Historic Name: Waikiki Dairy Manager's House
Property Address: 12720 N Vistawood Court
Applicant: Shirlee Hachman-Chatterton
Date: Application submitted March 2022

MANAGEMENT AGREEMENT: The Waikiki Dairy Manager's House does have a Management Agreement that was signed on 8/24/2021 which covers the exterior of the building as well as the garage, breezeway and patio, granite retaining wall and decorative brick walls and picket fencing throughout the property grounds.

DESCRIPTION OF REHABILITATION: The Waikiki Dairy Manager's House has undergone a series of improvements over the past several years. From March of 2020 through March of 2022, the owner invested in a new roof; exterior painting; chimney work, HVAC work, electrical and more.

Exterior:

- Roof replacement with Ce-DUR-synthetic Cedar shake roof to retain the look of cedar shakes, but are fireproof and insurable
- Removal and trimming of several tall cottonwood trees that were rotting and threatening the house. * The SHLC has given the cost of tree removal in the past when a tree fell on a property – this is preemptive to having catastrophic damage to the property if the trees were to fall.
- Glass repair on original windows
- General repair of exterior wood and foundation repointing
- Granite retaining wall repair
- Porch painting and patio repair
- House touch up painting
- New lighting
- Chimney restoration of two chimneys including Masonry brick fireplace chimney exterior top restoration two chimneys. Install 2 new top terra cotta clay flue liner tiles and new stainless steel spark arrestor rain caps to keep out the leaves from the tall trees. Ground out the deteriorated mortar joints on all sides done to the roofline apex 13 courses and tuck point with new masonry mortar into the cleaned joints, Install 1 new projected concrete crown, new counter flashing all sides at the base of the chimney, clean out both (2) fireplace fireboxes and damper cleaning and new mortar into firebox as needed. Added blue liner extension for moisture prevention.

Interior:

- All new electrical throughout the house
- Fireplace restoration

- Boiler and hot water tank replacement (also repairs to the old boiler before it had to be replaced)
- Hardwood floor restoration and replacement where refinishing was not possible
- Refinishing stairs
- Plumbing work including pressure tank
- Carbon monoxide alarms/fire alarms/fire alarm system
- Carpet removal
- Faucet replacement
- Drywall repair

Soft Costs:

- Historic Preservation fees for nomination
- Inspector for roof – specialized inspection to make sure roof was installed per manufacturer's specifications

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 Waikiki Dairy Manager’s House was listed on the Spokane Register of Historic Places on August 24, 2021.

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 house was not listed on the Spokane Register of Historic Places until after the work was completed and therefore did not require any Certificates of Appropriateness.

- 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 \$229,393. Application was made in March of 2022, and value of the building at the beginning of the project (2020) was \$270,500.

REPORTS

Staff Report: The submitted application is complete.

Preservation Officer Review?	yes	Date:	9/14/22
Special Valuation Committee Site Visit?	yes	Site Visit:	9/6/22
Landmarks Commission Review?	pending	Meeting Date:	9/21/22