

**MINUTES
CITY OF ORMOND BEACH
CITY COMMISSION
MACDONALD HOUSE HISTORIC STRUCTURE REPORT**

February 21, 2017

5:30 p.m.

City Commission Chambers

I. CALL TO ORDER

Mayor Bill Partington called the meeting to order at 5:37 p.m.

Present were Mayor Bill Partington, Commissioners Dwight Selby, Troy Kent, Rick Boehm and Rob Littleton, City Manager Joyce Shanahan, Assistant City Manager and Public Works Director Ted MacLeod, City Attorney Randy Hayes, Planning Director Ric Goss, Senior Planner Laureen Kornel, and consultants Bert Bender and Jim Miller, Bender and Associates, Architects.

Mayor Partington thanked those in attendance for their patience, noting that the meeting started slightly behind schedule due to a room change that was made to accommodate the volume of citizens in attendance.

Ms. Joyce Shanahan, City Manager, stated that at the city's Strategic Planning Workshop on May 12, 2015, staff was directed to solicit requests for qualifications from individuals and firms capable of preparing a feasibility study about the MacDonald House and the Ames House. She explained that the development of the study was then narrowed to assess the MacDonald House as a historic structure, and to determine its conditions as well as its eligibility for historical designation. She further explained that the purpose of the study was to provide officials with adequate information to consider the historical significance of the structure, and its relevance within the context of the city's historical resources when considering redevelopment projects and other efforts in the city.

Ms. Shanahan noted that depending on the determined historical significance, and the results of the assessments of the current conditions of the structure, it would be determined whether maintenance and improvements would be recommended. She explained that if they were to be recommended, the report would provide a systemic approach to guide future maintenance improvements and possible restoration. She noted that if demolition was recommended, cost estimates for demolition would be provided, along with cost estimates for alternative uses for the project. She stated that Bender & Associates, Architects, was the successful provider of the study. She noted that the report was 90 percent complete.

Ms. Shanahan stated that a public workshop was held two weeks prior, noting that there was a significant crowd present at that workshop. She explained that that workshop was held so that the public could provide their input on the process. She further explained that the present workshop was intended to provide the City Commission with an opportunity to ask questions and have discussions. She noted that there would be no public comment at this Commission workshop. She explained that in the future, depending on the direction the Commission gave to staff that evening, things would move forward and there would be ample opportunity for public hearings in the future, where all voices could be heard on this matter. She reiterated that public comments

were made during the stakeholders' workshop held two weeks prior, noting that this workshop was the opportunity for the Commission to provide their comments on the report.

II. PRESENTATION – MACDONALD HOUSE HISTORIC STRUCTURE REPORT

Ms. Shanahan introduced Ms. Laureen Kornel, Senior Planner, explaining that Ms. Kornel had served as the staff leader on this project.

Ms. Laureen Kornel, Senior Planner, stated that this was the third and final workshop which the City of Ormond Beach would undertake to collect data and input from all interested stakeholders in order to formulate the MacDonald House Historic Structure Report ("the report"). She noted that there were several Historic Landmark Preservation Board members present and requested that they stand to be recognized. She stated that she was the project manager for this project but noted that she did not perform any work on the report. She explained that Bender & Associates was the consultant and would make a presentation on their findings to date, including a brief history of the property, as well as recommendations with cost estimates. She noted that they had been working diligently since the fall of the previous year on the report and were nearing completion.

Ms. Kornel stated that the Commission had been provided with the 90 percent submittal of the report for their review and comment. She explained that in addition to the field data collected by the consultant, the consultant had collected and compiled the results of each workshop and added the input into each evolving draft report. She noted that those documents were available online on the city's website. She stated that Commission input would be a part of the final report. She noted that project completion was expected no later than the end of April, 2017.

Ms. Kornel welcomed Bender & Associates to the meeting. She explained that Bender & Associates was a full-service architectural firm with a wide range of experience with multiple project types, including historic preservation and restoration. She noted that she had received nothing but positive feedback so far on the consultants' work to date.

Mr. Jim Miller, Bender & Associates, Architects, stated that he worked in northeast Florida in the archaeological profession, and noted that he penned a dissertation and a book about it. He noted that he had a lot of general knowledge about the area. He stated that he went back to school mid-career and obtained degrees in planning. He explained that he now approached projects like this with an understanding of the history and a vision towards the future, regarding how resources should be managed. He stated that he served as state archaeologist for 20 years and had held a number of other positions, noting that he had a great deal of experience in the area. He noted that some people had expressed surprise at the level of detail in the report. He explained that much of the research in the report writing was performed by Jonathan Lammers, a native of Ormond Beach, who was his associate in Tallahassee. He noted that the report was a labor of love for Mr. Lammers and reflected his personal experience.

Mr. Miller noted that he would attempt to move through the presentation quickly, and explained that there was a much greater level of detail available in the report. He stated that first he wanted to establish the geographical context of the MacDonald House. He stated that the MacDonald House was located between the beach and the river and sat, more or less, at the center of the nineteenth and twentieth century social, economic, and cultural world of the beachside community. He noted that its location was essentially

ground zero in the area at the time. He explained that there had been many changes over the years but noted that the MacDonald House was still surrounded by important historic resources and a high level of activity. He displayed an aerial photograph mapping of the area. He referenced Billy's Tap Room, an establishment which still was in operation. He also referred to the former location of the Ormond Beach Hotel, which had been developed into condominiums, and the John D. Rockefeller House, which was known as The Casements.

Mr. Miller stated that the development of the area depended on several important historical factors. He explained that the history there began in 1845 with the survey of public lands so they could be moved quickly to private ownership. He noted that grants were transferred in the 1880s and that outside investors were involved. He stated that once the hotel was in operation, there was a bridge across the river and there was railroad access. He noted that the Ormond Hotel was part of Flagler's East Coast Railway's empire. He stated that during this time period, between the construction in 1880 and the operation in the 1890s, Ms. Margaret Stout appeared for the first time in the historical record.

Mr. Miller explained that Ms. Stout was the builder and first owner of the MacDonald House. He noted that she was revealed through newspaper and other historical sources for the first time in this research to be the person responsible for the MacDonald House's existence. He explained that in 1903, Ms. Stout had contracted with the architect and builder, Mr. Sumner H. Gove, to construct a large residence. He noted that Ms. Stout was from Brooklyn and spent the season in Ormond Beach. He stated that she worked at the Ormond Hotel, having started there in the late 1880s. He noted that there was also a newspaper notice about Mr. Gove's associate, Mr. G.P. Ballough, who installed the plumbing.

Mr. Miller displayed a photograph of the MacDonald House from 1905, which showed the turret and gable roof of the building, as well as its location across from the Ormond Hotel. He displayed a photograph from 1920 which showed the back view of the MacDonald House. He noted that the form, shape, and structure of the home were still intact. He stated that there had been some minor modifications, which would be detailed later, but explained that the home had essentially not been changed in any significant way. He noted that the Ormond Hotel grounds, the Ormond Pharmacy which would eventually become Billy's Tap Room, and St. James Church, were also featured in the photograph.

Mr. Miller stated that there were some architectural themes in the MacDonald House which were established throughout Ormond Beach. He displayed a photograph of Mr. John Bostrom's residence, which was named Bosarve and completed in 1903. He noted the castellated diagonal tower on the home. He displayed a photograph of the coat room in the Ormond Hotel lobby, stating that the photograph originated from the Historic American Building Survey's documentation of the interior of the Ormond Hotel. He noted the diagonal diamond-light windows in the room. He explained that it was in a similar office in the hotel lobby where Ms. Stout was the long-time director of the news and curio department at the Ormond Hotel. He stated that Ms. Stout also operated her home as a library, notion store, and boarding house.

Mr. Miller displayed photographs of diamond-light window examples found along Granada Boulevard at Billy Tap's Room, the Ormond Memorial Art Museum building, the entrance to The Casements, and the MacDonald House. He noted that the photograph

of the MacDonald House was from the 1940s and displayed diamond-light windows, which were no longer located there. He displayed a recent photograph of Billy's Tap Room. He noted that there was an interesting story associated with that establishment. He explained that from historical records they knew that Mr. William "Billy" MacDonald worked at Briarcliff Lodge in New York, one of the largest resorts in the world at that time. He noted that Mr. MacDonald worked there for six months of the year and resided in Ormond Beach the other six months. He stated that Mr. MacDonald appeared to bring with him a recollection and appreciation of the architectural Tudor style found at Briarcliff Lodge. He noted that Mr. MacDonald established a façade, with his restaurant at the center, which matched the one from Briarcliff Lodge.

Mr. Miller displayed a photograph of the MacDonald House from 1940, taken from the Ormond Hotel grounds. He noted that the original front porch ran from the tower to the edge of the home. He displayed a photograph of the MacDonald House from 1996, prior to rehabilitation. He explained that the entire porch had been removed in 1944, as it had been difficult to maintain, and noted that it had been replaced with a very small stoop entrance. He stated that during the restoration in 1997, which was paid for with state funds, the porch was reconfigured and reconstructed, noting that the front steps were different.

Mr. Miller stated that Mr. Gove was a significant architect in the Daytona Beach area. He noted that Mr. Gove had three bridge building companies, was the President of the East Florida Phone Company, and was the President and Co-Founder of the Halifax River Yacht Club. He stated that Mr. Gove designed and built a number of buildings in the area, including the Clarendon Hotel, Colonnades Hotel, Delos A. Blodgett House, Charles G. Burgoyne House, and Casino Burgoyne. He displayed photographs of those properties, noting that these examples featured his castellated towers, and noted that the Casino Burgoyne contained perhaps more castellated towers than he had ever seen on a structure.

Mr. Bert Bender, Principal Architect, Bender and Associates, Architects, explained that he would touch on some of the things discovered about the building, as well as some of the things that he had encountered with the site. He noted that the particular aerial photograph he was displaying showed the MacDonald House in relation to some of the other elements that were present there, namely the Rockefeller Gardens, The Casements, the Ormond Beach Memorial Art Museum and Gardens, and the tennis courts and parking. He noted that the parking lots served The Casements and also the tennis courts, but explained that they were in a somewhat remote location. He explained that they saw this as an opportunity to remove the fence that closed off the park area in the center of the tennis courts and relocate that fencing so that each of the tennis court elements themselves could be enclosed. He further explained that that portion could be opened into a parkway which connected the back area and developed as a park.

Mr. Bender noted that they also saw this as an opportunity to construct a new tennis facility that could be located in that back area as well, and encourage individuals to use that parking lot for the tennis court elements, which would then free the other parking lot up for use by the MacDonald House, The Casements, and the commercial buildings along the street. He displayed photographs of the existing basement at the MacDonald House. He noted that the basement currently contained water. He explained that they determined that the water itself was not part of a cistern, noting that they believed it to be groundwater that had collected. He noted an area that he believed contained a boiler. He stated that the structure itself was overall in pretty good structural condition. He

displayed photographs of some current elements on the first floor, noting that the interior doors were original and had original door hardware. He further noted that they discovered the original fireplace hearth hidden under a carpet in what could be referred to as the dining room area. He explained that that fireplace, and its associated chimney, was removed quite some time ago.

Mr. Bender displayed photographs of the existing second floor conditions. He noted that there had been quite a bit of water coming into the building. He stated that there had been a situation of deferred maintenance for many years. He noted the plaster and explained that it had deteriorated as water came into the building. He stated that the lack of maintenance, and deferred maintenance, had resulted in conditions where the plaster was coming off the walls and deterioration was occurring on the floors. He noted that all of that was correctable and could be repaired. He stated that the second floor contained some really interesting architectural details and displayed photographs of the details on the existing second floor. He noted that the door trim was ornate and had door casings typical of the turn of the century. He stated that the curved plaster walls and base trim were very unique and a fascinating interpretation of the types of things that were done at the time. He explained that at the time the home was built, it was probably quite an estate.

Mr. Bender displayed photographs of the existing third floor conditions. He noted that again there was deteriorated plaster that had come off the walls. He referenced the closet photograph and noted that that was where the chimney had previously come through the floor. He stated that they had located evidence of the hearth and where the chimney, which had since been removed, had gone through the roof.

Mr. Bender displayed a construction cost budget estimate breakdown. He explained that he solicited information from individuals who performed preservation work, noting that he provided them with existing condition drawings and historic floorplans. He stated that he obtained information as to what some of those elements would cost to repair and then determined a cost range. He noted that these were preliminary estimates and not hard numbers. He explained that a cost range was provided between low end and high end estimates. He explained that the intention was to provide information that could be used to plan going forward.

Mr. Bender stated that there was asbestos and lead in the building, noting that the exterior of the building had quite a bit of lead paint on it. He stated that the estimates to repair and abate the asbestos ran from a low of \$9,000 to a high of \$12,000. He noted that lead-based paint abatement ranged from \$45,000 to \$55,000. He explained that they created a general construction estimate by using a square foot cost that ranged from \$100 per square foot to \$135 per square foot. He noted that the building was about 5,000 square feet and was a pretty substantial structure. He stated that the estimate for all of the basic construction work was between \$600,000 and \$750,000.

Mr. Bender stated that he went to Old World Plaster for the plaster considerations, noting that he had performed many projects with them and that they specialized in historic plaster. He stated that their estimation was that there was 10,000 to 15,000 square feet of plaster that needed to be repaired. He explained that with using an estimate of \$10 per square foot, it would constitute a cost of between \$100,000 and \$150,000 for the plaster repairs. He stated that he consulted with Ms. Jodi Reuben from CCS Restoration about the exterior doors and windows. He explained that she estimated

that the reconstruction of all of the doors and windows, in their historic configuration, had an order of magnitude of \$100,000 to \$125,000.

Mr. Bender stated that they believed that a fire sprinkler system would need to be put into the project. He noted that the home was three stories and that under the Florida building codes it should have a fire sprinkler system. He explained that eight or nine years ago a fire sprinkler system was installed at Rose Villa, which cost \$55,000. He noted that he allowed for an inflationary trend on his estimate, finding that that three-story building was comparable to the MacDonald House, and therefore estimated a price range of \$60,000 to \$70,000. He stated that those estimates all taken together would constitute a subtotal range of \$814,000 to \$1,077,000 for the project.

Mr. Bender stated that he estimated, somewhat arbitrarily, that site components would be five percent of whatever that subtotal number was. He noted that that would be an estimate of \$40,700 to \$52,850, in this instance. He stated that he estimated general conditions, bonds, building permits, and all of the other expenses that went into a municipal construction project would cost eight percent of that subtotal, \$65,100 to \$86,150. He noted that he estimated general contractor, overhead and profit, and miscellaneous other expenses at 17 percent, or \$138,400 to \$183,000. He noted that with all of those figures added to the previous subtotal, the total estimated project cost would be between \$1,058,200 and \$1,400,000.

Mr. Bender noted that the report detailed a number of options for the building itself, in terms of what the uses would be. He explained that the estimate assumed that second and third floors would be used for residential purposes, and therefore no elevator would be needed. He noted that a commercial use, such as office space, would require an elevator to comply with the American with Disabilities (ADA) Act, and would require construction of a separate tower and a separate exit. He stated that if the Commission opted to go that route, another \$200,000 would need to be added to the previously referenced total. He explained that according to the aforementioned estimation methodology, the magnitude construction cost estimate was \$1,000,000 to \$1,500,000. He noted that if soft costs were added it would increase to \$1,120,000 to \$1,680,000.

Mr. Bender stated that he would summarize a number of recommendations that were made in the report. He stated that the first recommendation was to update the National Register Nomination Form and any related site files to reflect additional historic data that was obtained during the preparation of the report, including the construction date of 1903. He noted that the second recommendation, which they always recommended, was compliance with the Secretary of the Interior's Standards for Rehabilitation. He stated that the third recommendation was to restore the building configuration to its historic period of concern in appearance. He explained that they recommended that be during a period from 1903, when the building was constructed, until the early 1940s, when Mr. MacDonald moved into the property. He noted that part of that recommendation was also to recognize the early historical significance of the home by renaming it the Stout-MacDonald House.

Mr. Bender stated that the fourth recommendation was to submit the report to the State of Florida's Division of Historical Resources for a courtesy review. He explained that he made that recommendation because it showed the state that the city was moving forward in a serious manner to preserve and analyze the building. He stated that the document itself would then put the city in a strong position to obtain state grant funds from special category grants. He noted that that was the first step, explaining that the

state liked to see that work done. He explained that a grant could be obtained to perform that work but that the city had already done it, noting that that provided them that much more leverage should they decide to apply for grants.

Mr. Bender stated that the fifth recommendation was to establish final uses for the building. He explained that the report recommended a mixed use occupancy consisting of a museum of Ormond Beach history on the ground floor and two residential apartments on the upper floors. He stated that those would need to be discussed and a determination would need to be made as to what uses of the building would be best for the community. He stated that the sixth recommendation was to establish an action plan and schedule for the rehabilitation of the Stout-MacDonald House. He noted that they were referring to the property as the Stout-MacDonald House but that an audience member had previously called it the MacDonald-Stout House. He explained that given the history of Ms. Stout, and her relationship with the building, they felt that she should be recognized, along with Mr. MacDonald, in the name of the residence.

Mr. Bender stated that the seventh recommendation was to begin the application process for grant funding. He explained that the recommendation was to submit applications to the State of Florida's Division of Historical Resources for a special category grant, and to Volusia County for an ECHO grant. He noted that the information on those grants was outlined in the report. He stated that he felt that the city had a very strong position for a special category grant. He noted that he could not speak to the merits of an ECHO grant, noting that he had only participated in one project with an ECHO grant and that he was not involved in the acquisition of that grant.

Mr. Bender stated that the eighth recommendation was to relocate the tennis pro shop and reconfigure the tennis court fencing, as discussed earlier, to allow the central park area to have an unimpeded flow of pedestrian access between the tennis courts to the south side parking lot and the north side parking lot. He noted that he believed that idea had some merit and requested that the city look into that. He stated that there was a site diagram in the report which discussed those synergies.

Mr. Bender noted that his presentation had concluded and asked the Commission if they had any questions.

III. COMMISSION COMMENTS / QUESTIONS

Commissioner Selby stated that he was very impressed with Mr. Bender's report. He noted that there was a great amount of detail and a lot of information provided. He stated that he learned a lot reading it and noted that he spent the better part of his weekend reviewing the material. He stated that the report showed the team's love of historic preservation. He noted that he was particularly impressed with Mr. Miller's comments relative to his staff and the structural report. He stated that he attended the stakeholders' meeting at The Casements. He stated that he had the opportunity to walk through the entire building the previous week, except for the basement, with Leisure Services Director Robert Carolin. He noted that he had discussed the MacDonald House with many citizens, and that it had been at the top of their minds.

Commissioner Selby noted that there was a reference in the report to a discussion with Mr. Lewis Heaster, who was the property owner to the east of the MacDonald House, regarding proposals he had made for the property. He explained that it was his understanding that Mr. Heaster had subsequently made a revised proposal. He

encouraged Mr. Bender to also include that information in his final report. He noted that he was requesting it be included in the area where Mr. Bender cites his discussion with Mr. Heaster.

Mr. Bender stated that Mr. Heaster's revised proposal was included in the report; whereby, Commissioner Selby noted that he believed that it was located in the appendix at the end. Commissioner Selby stated that Mr. Heaster's original proposal, to remove the building, was discussed in the text; whereby, Mr. Bender noted that Mr. Heaster's original proposal was demolition.

Mr. Bender stated that Mr. Heaster's revised proposal was relocation. He stated that he believed that the report discussed either both, or the relocation of the building. He noted that he discussed the cost of relocation. He stated that he would go over the report and make certain.

Commissioner Selby explained that he spoke with Mr. Heaster earlier that day and that he had mentioned a third option, which was to sell the property to him – for a modest amount – so that he could restore the building, at his expense, with conditions. He noted that it would be restored to a standard that the city established. He stated that that was an interesting alternative that he did not see mentioned in the report.

Mr. Bender stated that if that was the alternative that Commissioner Selby was requesting that they explore, he would accept Commissioner Selby's request for him to investigate and include that.

Commissioner Selby noted that he had a few questions regarding terms he was not familiar with. He stated that a couple of times at the stakeholders' meeting, as well as in the report, there was mention made of "historic value." He asked Mr. Bender if he could elucidate.

Mr. Bender stated that he thought the term Commissioner Selby was referring to was "intrinsic value"; whereby, Commissioner Selby replied that it was "historic value," and explained that it had been used in the context of the building's relocation.

Mr. Bender stated that if a building was listed on the national register of historic places that its location was included as part of the listing. He noted that a building's location was important to its significance. He explained that if the building was relocated it would lose its designation as a historic structure because it was moved from the historic site. He stated that without a historic designation, the building would no longer be eligible for state grant funds, noting that he was unsure about how that affected ECHO grants. He explained that the state's Division of Historic Resources would deem a relocated building ineligible for grant funds as the building would no longer be able to be listed as a qualifying historic structure.

Mr. Bender noted that that also impacted Mr. Heaster's latest revised proposal to restore the building. He explained that as a private individual, Mr. Heaster could not apply for state grant funds. He noted that a municipality, such as the city, or a non-profit, such as the Ormond Beach Historical Society – if they owned the building, could apply and qualify for state historic preservation grant assistance. He noted that Mr. Heaster would have to establish a qualified non-profit organization in order to do so himself.

Mr. Bender referenced Mr. Heaster's latest proposal and explained that the best approach, with respect to restoration, would be for the city to engage in the restoration – applying for and using grant funds – and for Mr. Heaster to provide a cash match, for example, as a donation to the city, with the understanding that the completed project would be purchased or leased back to him or his new non-profit organization. He noted that that also would provide the city with a level of comfort with regards to the quality of the restoration undertaken as they would have to comply with the Secretary of the Interior's standards, and the state's Division of Historical Resources, which would have oversight to ensure that compliance with those standards were met.

Mr. Bender stated that after restoration the building could be purchased by Mr. Heaster or someone else, or the city could enter into a long-term lease. He noted that the state would require a minimum ten-year deed restriction that commits the city to preservation of the house, restoration of it, and maintenance of it in its historic configuration. He explained that the city could put a deed restriction on the property, in perpetuity, that any owner, or future owners, would then be required to maintain the property in its historic configuration, and maintain a certain level of restoration or maintenance. He noted that he had just outlined what the response would be to Mr. Heaster's third proposal for purchase and restoration of the property.

Commissioner Selby noted that he met with Ms. Shanahan yesterday. He stated that he was slightly uncomfortable specifically discussing Mr. Heaster, and explained that he only was doing so because Mr. Heaster had come forward with a few times with proposals. He noted that any change of ownership would be handled in a very open and public bid process.

Mr. Bender stated that the idea of a transfer from public to private ownership, under what he had just outlined, was part of a conversation that he had with Mr. Heaster when he had met with him about his proposal. He stated that he had mentioned to Mr. Heaster that restoration of the property was possible and that the city would have options at that point in time. He explained that the city could serve as its own developer and potentially turn a profit on that. He explained that if this was a 5,000 square foot building in Key West, which underwent a \$1 million renovation, it could be sold for \$6 to 8 million afterwards. He noted that that was the Key West market and that he was not suggesting that that held true in Ormond Beach, noting that he was not familiar with this market.

Commissioner Selby stated that Mr. Bender referenced what he would characterize as the "R" words, both in his report and at the stakeholders' meeting. He explained that those words were repair, restore, rehabilitation, and so on. He asked Mr. Bender to explain each of those, beginning with the lowest level and move up to the most intense level.

Mr. Bender stated that the lowest level would be preservation. He explained that preservation really was nothing more than good stewardship in maintaining a historic property in good order and good condition. He noted that what he referred to as preservation, Europeans referred to as maintenance. He stated that Europeans maintained buildings in good order, noting that some of these buildings were three, four, or five hundred years old and still usable. He noted that the next level would be rehabilitation. He explained that rehabilitation was more work than preservation but was also typically associated with adaptive use, where a new use was being sought for an existing historic building. He stated that what they were proposing for the MacDonald House was rehabilitation. He explained that it would be given a new use and put into

service so that it could be used by the public. He noted that presently the second and third floors were not serviceable.

Mr. Bender stated that the third level was restoration. He explained that pure restoration would be attempting to return the building to a particular time in history. He noted that The Casements was the best local example. He stated that most historic projects involved rehabilitation, and that some of them involved an element of each of those things. He explained that at the MacDonald House, for example, they would be restoring the windows to the original historic configuration.

Commissioner Selby referenced plaster and contrasted it to drywall. He referred to a surface texture that looked like plaster; whereby, Mr. Bender explained that the plaster was eligible under the state's Division of Historic Resources for reimbursement, noting that drywall was not.

Commissioner Kent thanked Mr. Bender and Mr. Miller for their very thorough report. He thanked the residents in attendance for attending the workshop. He noted that this was the largest audience that he had ever seen at a workshop. He stated that that was significant. He stated that he appreciated all of the photographs in the report, noting that pictures really did say 1,000 words. He noted that the structure was 114 years old, and did not look great, especially on the second floor. He stated that he would not expect something to look nice if it was not taken care of. He noted that that was something that the city bore the brunt of. He explained that he was extremely surprised to learn that the city purchased that property in 1979 for \$360,000. He noted that that was a lot of money today and he was shocked that the Commission in 1979 had decided to move forward with the purchase at that price. He stated that he recognized that that Commission saw something special in that structure.

Commissioner Kent referenced the \$1 million to \$1.7 million estimate. He explained that he was puzzled about the use for the property, noting that he wondered what the building would be used for. He expressed his appreciation for some of the ideas in the report. He recalled that it had been suggested that the first floor be used for a museum, and noted that he would add "welcome center" to that also. He referenced the recommendation for the second and third floors to be residential. He explained that he was contemplating the idea of the city becoming landlords and having renters. He noted that that was something to take under consideration.

Commissioner Kent stated that he was pleased to hear Commissioner Selby discuss Mr. Heaster, noting that he had the utmost respect for him. He explained that he had appreciated what Mr. Heaster had done in the downtown, noting that there was no doubt that Mr. Heaster loved the community and its charm. He stated that he did not have an opportunity to speak with Mr. Heaster before the workshop and noted that he appreciated Commissioner Selby sharing the contents of the conversation that they had regarding the third option.

Commissioner Kent noted that this decision would ultimately come down to options. He referenced the costs again. He explained that even if the city obtained grant funding, there would definitely be some taxpayer funding involved. He again wondered what the structure would be used for and asked what kind of return on investment the city would receive, if any. He explained that he looked at what was spent for Rockefeller Gardens and noted that it was utilized almost every weekend for events and every day by citizens. He stated that that was money well spent. He referenced Andy Romano

Beachfront Park, noting that it was incredibly busy and that that park was also an example of money being well spent. He explained that that was something that he wanted the Commission to know that he thought about. He noted that he was concerned about spending the kind of money discussed and what the goal of spending it would be. He stated that if it was just to look at a beautiful historic building that might be enough, but noted he was not certain about that yet. He stated that he was anxious to hear what his fellow Commissioners had to say.

Commissioner Boehm stated that he was somewhat conflicted, and had been on that particular issue, because he had always taken a position that the city had the obligation to maintain whatever it owned, just as any individual or homeowner did. He noted that he was one of the driving forces in the creation of the Facilities Renewal and Replacement Fund years prior, which set aside money in the city's budget to take care of facilities. He stated that no money really had been spent out of that fund on the MacDonald House. He noted he was not familiar with what the limitations of the grants were and explained that, as such, he was not sure how far they should go with restoration.

Commissioner Boehm stated that he had been to the MacDonald House and explained that he did not think that the city should wait for grants relative to the exterior. He noted that there were paint peelings, rotten boards, and fungus growing on the exterior. He stated that there was no excuse for the city to have allowed the exterior of the building to deteriorate into the condition that it was presently in. He noted that he believed there were funds available in the Facilities Renewal and Replacement Fund to address the lead-based paint and asbestos. He noted that people worked in that building with those conditions present. He explained that he did not see why they would allow that to continue. He noted that the items he referenced did not constitute the higher cost repairs, and explained that he did not think that they should wait for grants to address those things. He stated that the building had not been maintained and explained that he thought that the city should do something now to get those issues taken care of. He noted that they could look into the grants later.

Commissioner Boehm explained that he was not totally convinced that he wanted to restore the building to its 1940 configuration, and to spend \$1.5 million to do so. He noted that he was not convinced that tearing the windows out and replacing them with 1940s windows would do much. He stated that he was not even sure that 1940s windows would be hurricane-safe or the best kind of window to put into a building now. He explained that when he owned a business he had to purchase fire-rated doors, noting that historic doors were not fire-rated. He stated that he was not sure that restoring a building to the 1940s would align with the ways the codes were now.

Mr. Bender stated that rehabilitation, as discussed earlier, allowed them the latitude to undertake actions that would bring the property up to modern codes. He noted that there would be a one-hour fire rating on the walls if the plaster was properly restored. He referenced the doors and stated that the interior doors did not have to be the historic 1940s doors but could be fire-rated doors. He noted that there were wood doors and frames that met the fire rating. He explained that they would wind up meeting the current codes with the fire-related assemblies that were required. He noted that there would be a fire sprinkler system installed.

Mr. Bender stated that everything contained different levels. He explained that while he felt that a true rehabilitation, with doing all of the corrections from a preservation standpoint, involved the restoration of the windows back to their historic configuration; it

was certainly something that could be bypassed. He noted that they could leave the existing steel windows and defer that element to a future phase. He stated that the level the city chose to take the rehabilitation to would be a matter of priorities. He noted that that was perhaps not as clear in the report as it should have been. He stated that he would emphasize a number of different phases in the last ten percent of the report that would be forthcoming. He explained that they would begin with a number of small phases and escalate it from there.

Mr. Bender noted that when he looked at the possibility of this structure obtaining a \$500,000 preservation grant from the Division of Historical Resources, he felt that it would have an excellent chance of being ranked very-high. He explained that such a grant would require a financial commitment on the city's part of \$250,000. He noted that it would be a two-to-one return on investment. He stated that those state grant funds were tax funds, but explained that those funds would be spent somewhere – whether the city utilized them or someone else did. He stated that he would go back and establish a number of different priorities, beginning with very small scopes and build on them one at a time. He noted that the overall total cost would increase if the project was implemented in multiple small phases, due to mobilization costs and the like.

Commissioner Littleton thanked Mr. Bender and Mr. Miller for their report. He noted that this was the third time that he had witnessed them make a presentation on the report, as he had attended the Historic Landmark Preservation Board meeting and the stakeholders' meeting on the matter. He stated that the Commissioners that spoke previously had made several comments he resonated with. He referenced the recommendation to use the top floors for residential purposes. He asked whether Mr. Bender's construction estimates took into account the putting in of bathrooms and kitchens in those potential units; whereby, Mr. Bender confirmed that they did.

Commissioner Littleton stated that he had visited the second and third stories and echoed Commissioner Kent's comments about their appearance. He noted that it was a problem that the city did not maintain the structure.

Mr. Bender asked if he could speak about the residential recommendation. He explained that the recommendation for residential use was multifaceted, noting that the historic use was residential and as such, that the building was already configured for that type of use and would require very little modification in terms of spatial arrangement. He stated that Mr. Heaster was of the opinion that the second and third floors would not have much commercial value. He noted that he put some stock in Mr. Heaster's opinion as he had experience in the area. He explained that that led him to believe that a residential use was more appropriate.

Mr. Bender noted that Commissioner Kent had mentioned the idea of the city becoming a landlord. He confirmed that the city had a housing authority. He noted that that housing authority managed the city's affordable housing or market units. He stated that this particular property could be the location for two relatively small affordable apartments near services in the center of the city. He noted that it was perfect for that type of use and that the housing authority could manage the property. He stated that that was the responsibility of municipal governments. He explained that he recommended a residential use with that in mind. He noted that in the final report he would make sure that it was clear that that was what was envisioned. He stated that many communities, including Key West, were moving towards the notion of dividing up their units and not having a residential atmosphere that smacked of "public housing." He noted that he had

been involved in community land trusts for affordable housing for years and that that was an ongoing problem.

Mayor Partington asked if the building was currently on the national historic register of historic places; whereby, Mr. Bender replied that he was unaware if it was listed individually but noted that he believed it to be on a local register. Mr. Bender conferred with Ms. Kornel and confirmed that it was on the national registry.

Mayor Partington noted that he knew the old fire house building and the Ormond Yacht Club were on that list. He stated that he did not see a plaque on the MacDonald House indicating that it was on the registry. He asked whether if it really was on the registry and if it would qualify if it was not.

Mr. Bender stated that it would qualify if it was not. He explained that the qualification was that the building needed to be either on a national register, a local register, or eligible for listing on a local or a national register. He stated that the building was eligible, even if it was not on a local or national register. He noted that it would definitely be eligible to receive grant funds. He stated that the report stated that as well.

Mayor Partington asked Mr. Bender if he based that assessment on the history provided in the report; whereby, Mr. Bender confirmed that was correct.

Mayor Partington noted Mr. Bender's mention of the fireplace. He asked Mr. Bender if he had pictures of the hearth and asked if that was something that would be reconstructed.

Mr. Bender stated that the physical evidence onsite was the existing hearth, which was located under a rug. He noted that there was also evidence where the floor was patched. He stated that they had numerous photographs of the chimney going through the roof, which was visible from the exterior. He noted that he had not personally seen an interior photograph which showed the fireplace. He conferred with Mr. Miller, noted that Mr. Miller had also not viewed any such photograph, and stated that if Mr. Miller had not seen one then there was a good chance that such a photograph did not exist.

Mayor Partington stated that the same architect had designed the Ormond Yacht Club, noting that their fireplace was relatively intact. He stated that he appreciated the report and the amount of detail put into it. He stated that it was excellent. He asked Mr. Bender why cities spent money to restore or preserve buildings like this. He explained that he knew Mr. Bender's response was contained within the report but explained that he wanted him to put it on the record publicly. He noted that the City of Winter Park had spent millions to restore old homes. He also noted that Key West had a high level of public interest and participation in any decision to change the architecture on the front of a home there. He requested that Mr. Bender elaborate on that topic.

Mr. Bender stated that historic buildings told the story of how communities grew and were the legacy that would be left for future generations. He explained that when people returned to a community, they had a tendency to drive by where they grew up and to look at their homestead. He noted that that was a part of their history and a part of their heritage. He stated that he was at a point in his career where some of the first new buildings he designed were getting close to being historically designated. He noted that he was flattered when he went back and saw those buildings being well maintained. He explained that it was about history and about how the society grew.

Mr. Bender stated that there was a lot of history in Ormond Beach. He noted the automobile's history in Ormond Beach and the associated photographic evidence. He explained that there was an opportunity with the buildings in the discussed location – including Billy's Tap Room, the MacDonald House, and The Casements – to have a significant part of the history and the story of Ormond Beach. He noted that even though the Ormond Hotel was not there that there was a relationship to that site.

Mr. Bender stated that he could not speak to the community, but noted that he had performed services all over the state of Florida and in other states. He explained that he was often called to work on buildings where people thought that that some special attention was required. He noted that Commissioner Selby was correct in his observation that this report reflected that this was a passion for him. He stated that the MacDonald House was valuable to a lot of people in this community. He noted that the fact that the workshop had to be moved from a much smaller venue to a large room was evidence of how much the community cared about it. He stated that he had laid out in part, and would strengthen, the argument that this was a financially viable opportunity for the city.

Mayor Partington stated that that would be included in the outstanding ten percent of the report. He noted that this was the only opportunity that the Commission had to discuss this item. He explained that the Commission was constrained in their interactions outside of a public meeting due to Florida's Sunshine Law. He asked Ms. Shanahan if she could provide an idea of the type of direction she was seeking from the Commission that evening.

Ms. Shanahan stated that the first step would be to get the final report document. She explained that from there, over the subsequent month and a half or so, she thought that the Commission would need to cogitate over what their next steps were. She noted that she believed it was important to know what the future use of the facility would be in order to move forward. She stated that staff needed to review that and provide the Commission with some options about what those future uses could look like. She explained that once the final costs were received, those options could be married with them. She noted that there was a list of things that the city could do, and that doing nothing was certainly one of them. She stated that the city could also sell it or opt to preserve, restore, and rehabilitate the property.

Ms. Shanahan explained that it would be helpful in moving forward for Mr. Bender to include phases in the final report, as he had mentioned. She stated that it was her estimate that by the time the Commission undertook their Capital Improvement Program (CIP) workshop in June, this information would be available so that the Commission could decide what to do at that time. She noted that that would be her recommendation.

Mayor Partington stated that, from what he heard from the Commission's comments, he felt like the Commission could provide direction regarding preserving and restoring the MacDonald House, and that the Commission could decide what phases to choose to include in the budget process.

Commissioner Kent noted that he did not think that was wrong. He stated that Commissioner Boehm said something that jogged his memory. He noted that he and Mayor Partington had served on the Commission for about 14 years. He stated that then-Leisure Services Advisory Board Chairman Rick Boehm, before he was Commissioner Boehm, stood at the podium at a Commission meeting and informed the

Commission about the Nova Recreation Center being shut down in the summertime because of holes in the roof. He noted that he believed that Commissioner Boehm told them that that the city should be ashamed of not taking care of what they had. He explained that he took that to heart that night and noted that they immediately started a renewal and replacement funding mechanism. He thanked Commissioner Boehm for his efforts. He explained that since that time, no Ormond Beach facilities were closed or shut down because of a dereliction of duty on the city's part. He stated that the City Manager knew that was a top priority for the Commission.

Commissioner Kent noted that he did have to take ownership in not making that happen at the MacDonald House. He explained that he shared that background only because he agreed with Commissioner Boehm. He noted that Ms. Shanahan had a spending limit of \$25,000. He explained that he was comfortable with Ms. Shanahan spending up to \$10,000 for immediate repairs on the outside, as Commissioner Boehm mentioned. He noted that the MacDonald House did not look like it belonged in Ormond Beach due to its outward appearance, which featured missing shingles, planks, and paint peeling.

Commissioner Kent noted that the Commission was not voting that evening and was just providing direction. He stated that they did not need to vote on Ms. Shanahan spending up to \$25,000, as she had that discretionary ability. He explained that he declined to direct the spending of more than \$10,000 at this time because if the city decided to do significant work on the MacDonald House they would have a good chance in doubling their return on investment through grant funding. He further explained that he would rather use those funds for repairs, noting that they would be awarded somewhere else if the city declined to pursue them.

Mayor Partington added that he would request that Ms. Shanahan spend within her spending authority in the manner that was most cost effective and provided the most return in terms of preservation and restoration.

Ms. Shanahan stated that she did not believe that \$10,000 would the job done.

Commissioner Kent retracted his limitation of \$10,000. He noted that that was tying Ms. Shanahan's hands behind her back. He stated that she was given the ability to spend up to \$25,000 at her own discretion and explained that he was comfortable with her doing so.

Commissioner Boehm stated that he thought that they should obtain an estimate relative to ensuring that the exterior of that building was watertight, that the roof was completely functional, that all of the windows were completely functional, that the lead-based analysis that needed to be done was performed, the paint removed, and the wood fixed. He noted that there was enough money in the Facilities Renewal and Replacement Fund budget, whether it was \$25,000 or \$40,000, to address the building's exterior so that it could look like it belonged in Ormond Beach. He stated that he did not want to wait to fix it.

Commissioner Littleton stated that he was comfortable with some money going towards maintenance, safety, and overall beautification. He noted that he would caution that they try to obtain state funds to perform any real restoration or rehabilitation activities. He stated that the cost estimate for the project was already over \$1 million. He explained that he wanted it to look nice, noting that it did not look that way now, but cautioned

spending funds that may force their hand and tie up funds for later use, or cause the city to spend more than they had originally intended.

Ms. Shanahan stated that she believed that she heard the Commission's direction to make sure that the property was watertight and looked presentable. She stated that staff would bring back some ideas on how to accomplish that.

Commissioner Selby noted that he wanted to address the list that Ms. Shanahan started to formulate relative to options. He stated that this was a big decision and explained that anytime he approached big decisions he liked to put every single alternative on the table. He explained that he saw that the city had five options. He noted that one of them had already been ruled out that evening, which was to do nothing. He stated that the second option would be to demolish the building, noting that he did not think that that was realistically going to happen or that there was any desire to do that.

Commissioner Selby stated that the third option would be to renovate the building in place. He noted that he may be using the wrong term and that that could have various levels of involvement or expertise, as noted earlier. He stated that the fourth option would be to relocate the building and renovate it. He noted that he had heard of a few alternative locations that the building could be relocated to. He stated that the fifth option would be to sell the building with restoration controls in place.

Commissioner Selby explained that what would help him dramatically, in making such a big decision, would be to have staff evaluate those options, exploring the strengths and weakness of each, their costs, and how the building would be utilized. He stated that they had to know what the plan was for the building in order to best determine how to address it. He explained that if staff could do that, it would be extremely helpful to him when making a decision on how they should move forward. He noted that there would be significant public input on any path was undertaken.

Commissioner Boehm stated that as far as he was concerned there were two different means of proceeding. He noted that, as Commissioner Selby mentioned, they needed to see all of the various options and have numbers on them to make a complete decision. He explained that the point he was making that evening was that there were funds available in the city budget for the purposes he outlined earlier, and that rather than wait for grant funding, phased-in solutions, and other proposals, he believed that Ms. Shanahan should get estimates for those aforementioned repairs and bring those back to the Commission to vote on. He stated that he thought those should be separate considerations.

Commissioner Selby explained that he based his statements on Ms. Shanahan's comments implying that she was ready to move forward. He noted that he supported Commissioner Boehm's notion.

Ms. Shanahan stated that she received the Commission's direction.

Mayor Partington stated that the impetus was to preserve it so that they could decide what to ultimately do with it once they had the remainder of the options presented to them.

Ms. Shanahan confirmed that the direction was to address some of the deferred maintenance issues.

Mayor Partington noted that he was also unsure about the uses. He stated that his first thought regarding having apartments located there would be to give a police officer, or firefighter, or teacher, or young person, the opportunity to rent those first. He noted that he was not fond of the idea of being a landlord, but noted that he knew that the City Attorney could figure out how to make that work. He explained that he could envision using the first floor as a museum, the second floor for offices, and the third floor for storage, noting that museums used a lot of storage. He stated that there were many options but explained that he felt that preserving it was the first priority.

Mayor Partington thanked Volusia County Councilwoman Heather Post for being in attendance that evening. He noted that if the city ever did need an ECHO grant, they would speak with her about that process. He recognized the new Executive Director of the Ormond Beach Historical Society, Ms. Elysha Petschauer, who was also in attendance. He noted that the former Executive Director of the Ormond Beach Historical Society, Ms. Suzanne Heddy, was in the audience as well.

IV. ADJOURNMENT

The meeting was adjourned at 6:48 p.m.

Transcribed by: Colby Cilento