

Hiawatha Gardens Community Open House November 15, 2018

This document includes a summary of the questions submitted after the presentation and our responses categorized by topic. Note that the use of “~” translates to “about/approximate”.

Parking

As some may recall, the City purchased the Hiawatha Garden site to supplement existing parking within the city. From 2012 - 2015, the City had a Parking Lot Lease Agreement with Tajine Alami in those years paying for use of the parking spaces behind the building during the summer. The City recently paid ~\$25K to a professional firm to explore options for parking at the Hiawatha Gardens site. The City subsequently decided to undertake a Mobility Study to comprehensively evaluate the City's transportation needs and overall vision for the future, including existing and future parking needs and multi-modal options. The Mobility Study will commence late November 2018 and will take approximately one year.

The initial findings of the Hiawatha Garden's Study showed six parking options which ranged from a surface lot (without the building other than restrooms) with 189 parking spaces at an estimated cost of \$3.4M to a full site two-story (without the building) with 274 spaces at an estimated cost of ~\$7M to a three-story with the building with 379 spaces at an estimated cost of \$11M. By removing the building, the site gains ~38 ground spaces and goes upward with each additional level. A full copy of this report may be found here: <http://www.manitouspringsgov.com/government/projects/hiawatha-gardens>

The current parking agreement with Sunwater Spa was part of the Parking Variance approved for the Sunwater Spa Development before the City owned the property. The City agreed to honor that agreement when it purchased the Hiawatha Gardens as it is today. If the footprint changes, the City would need to collaborate in finding space elsewhere by working with the owner of Sunwater to assist them in developing some parking alternatives.

Cost / Funding

The City of Manitou Springs owns the Hiawatha Gardens building but owes ~\$644K for the site (including the building). The purchase's final payment will be on 12/15/2030. Many of the expenses related to the maintenance work thus far in the building have been paid with Pikes Peak Rural Transit Authority (PPRTA) funds; since PPRTA funded \$650K of the original purchase of \$1.05M, its financial contribution was the majority at ~62%. As of September 2018, the remaining PPRTA fund balance is ~\$140K.

The City is considering potential public/private partnerships for managing the site, depending on citizen interest and Council approval. It is estimated that it could cost ~\$125-\$150/sq ft to renovate the existing areas of the building that are deemed structurally sound. This would be ~\$25/sq ft less than to build a new structure. We are currently looking at options to insure the building. The City can also apply for renovation grants.

Building Structure

The historic portions of the building have been deemed structurally sound. However, much of the site and some of the building is in the 100-year Flood Plain which is outlined below. Therefore, significant modifications/enhancements would be required to use it on an interim and/or long term basis, in addition to ~\$75K in remediation for mold, asbestos and lead.

We have invested ~\$25K in recent flood recovery work for impacts from a flood event on July 23, 2018.

Historic Issues

The original Hiawatha Gardens building was built in 1890 as an elegant beer garden and gentlemen's club. It 1897 it became the Hiawatha Family Concert Garden. In the early 1900's it served as an opera house. Until ~1919 it served as a location for such diverse uses as boxing matches, roller skating and Manitou High's basketball headquarters for both men and women. In 1919 it became a dance club. Through the 1920's it grew in dance hall stature with Rudolph Valentino dancing the Tango, and many popular jazz bands like Duke Ellington and Jimmy Dorsey entertaining nightly. In 1958, it became a restaurant called the Sundown Lounge with country and western music. In 1978, it was the House of Prime Rib.

In 1997 there was an informal agreement with City Council to remove the "opt out" provision from the Historic District Code provisions if the Historic District was substantially reduced in size to remove properties that were not deemed to be of historic significance. City Staff have indicated while that decision was based on visual inspections of the properties and evaluation of available information, it did not reveal the rich historic background of the Hiawatha Gardens, nor the extent to which the original 1920's structure is intact and largely unchanged from the 1920's, except for a few non-historic additions to the structure. So, ownership opted out of pursuing the formal historical distinction.

Important to note, is that much historical evidence was assembled in 2016 that demonstrates that Hiawatha Gardens would most likely meet the National Historic Register criteria for:

- A. events that have made a significant contribution to the broad patterns of our history ;
- B. associated with the lives of persons significant in our past; and
- C. embodies distinctive characteristics of a type, period or method of construction.

Some additional evaluation of the structure will be required to demonstrate that the original structure is still reasonably intact and could be restored to an to condition consistent with the chosen "historic period." For more details, please refer to the extensive historical analysis completed by Deborah Harrison and Beau Schriever. <http://www.manitouspringsgov.com/government/projects/hiawatha-gardens>

In addition, a designated historic structure can obtain the benefit of subsidized flood insurance through the National Flood Insurance Program (NFIP) even if it has been substantially improved or substantially damaged, as long as the building maintains its historic designation. The amount of insurance premium charged the historic structure may be considerably less than what the NFIP would charge a new, non-elevated structure built at the same level. Congress requires that the NFIP charge actuarial rates for all new construction and substantially improved structures (National Flood Insurance Act of 1968, 42 U.S.C. 4015)."

Floodplain, drainage, and erosion

The Hiawatha Gardens building is located in the 100-year floodplain, and a corner of the building is in the floodway. The City must meet floodplain requirements and should consider how proposed plans will affect insurance rates for existing and new structures.

An Elevation Certificate by a licensed surveyor for the structure will determine if the building's finished flood elevation is at or above the base flood level which is 6288 feet. If a building in the floodplain is renovated and the planned cost exceeds 50% of the value of the building, then the floodplain code must

be met (that is, the lowest floor level in the building would need to be at least one foot above base flood level). However, if the building is designated historic, that standard does not apply. Some possible options for reducing the building's vulnerability to flooding and insurance costs include: fill the building's crawl space; raise the grade around the building; and employ wet flood proofing techniques. There are some exceptions to the regulations that apply to buildings that have been designated as historic.

New construction on the site must also meet floodplain standards – the lowest finished floor elevation must be one foot above the base flood elevation. Parking and storage would be permitted below that level but needs to be mobile, and walls must be vented to accommodate flooding.

The site and building were impacted by storm drain overflow, flooding, and sediment from the July 23 flood event. The site can be modified to improve drainage and better protect the building.

