

**CITY OF ROCK ISLAND
CITY COUNCIL STUDY SESSION
May 20, 2019 - 5:30 p.m.**

**City Council Chambers, City Hall, 3rd Floor
1528 Third Avenue, Rock Island, IL**

Present: Mayor Mike Thoms, Alderwoman Jenni Swanson, Alderman-elect Mark Poulos, Alderman Dave Geenen, Alderman Ivory D. Clark, and Alderman Randy Hurt

Absent: Alderman James Spurgetis and Alderman Dylan Parker

Staff: City Manager Randy Tweet, City Attorney Dave Morrison, City Clerk Judith Gilbert, and other City staff

5/20/2019 - Minutes

**COMMUNITY AND ECONOMIC DEVELOPMENT: DOWNTOWN ROCK ISLAND
HISTORIC DISTRICT**

Miles Brainard, CED Urban Planner, gave Council an update on the downtown's nomination for the National Register of Historic Places.

Mr. Brainard explained what the National Register of Historic Places is. He said it was established by the National Historic Preservation Act of 1966 to identify districts, sites, buildings, places, and other things worthy of preservation. He said they have local, state, or national significance. Mr. Brainard said they help tell the story of who we are and where we're going. He said there are two major benefits to being listed: prestige and tax credits. Mr. Brainard explained that it was important to understand that being listed on the register does not impose any real restrictions; it's about incentivizing preservation, not forcing it. He gave an example of owning a registered property and the owner wants to demolish it; that would not be prevented just by the historic listing.

Mr. Brainard reviewed the process for the downtown's nomination. He said back in 2003, the State Historic Preservation Office (SHPO) determined that Rock Island's downtown was eligible for listing. Nothing was done for many years. Then in September 2016, the Heritage Resources Plan was written to detail how to move forward with historic preservation efforts. He said the plan listed as a priority getting the downtown on the National Register. In June 2018, the City was awarded a grant of \$11,813 for a consultant to write the nomination. Mr. Brainard explained that preparing a nomination is very involved work. He said the City needed a specialist to write the nomination. He said they hired MIA from Evanston and they have been a dream to work with on the process. He said the consultant worked on the nomination from last December through March and worked in close consultation with the City and the SHPO. Mr. Brainard said the SHPO was very satisfied with the product. Last week, the Preservation Commission met and the consultant came and gave a presentation about the nomination document. Mr. Brainard stated the Preservation Commission gave their feedback on the document and voted to endorse the nomination.

Mr. Brainard next presented a map showing the boundaries of the downtown historic district as well as individually listed buildings, contributing buildings, and non-contributing buildings. He explained that contributing buildings mean they have some historic significance. Non-

contributing buildings might just be too new. Mr. Brainard pointed out that the Centennial Bridge is included in the downtown historic district. He said it was eligible on its own, so he pushed for its inclusion and the SHPO accepted it.

Mr. Brainard reviewed historic tax credits which is the important benefit of being listed on the National Register of Historic Places. He said for contributing properties doing renovation in the historic district, rehabilitation work can be eligible for a 20% federal tax credit paid out over five years. Mr. Brainard said it's only available if you do work in keeping with the Department of the Interior's standards for historic properties. He gave an example of rehabilitating original windows which would be eligible for the tax credit versus taking out the original windows and replacing them with aluminum windows which would not be eligible. He said there are many other things that are covered. Mr. Brainard explained the federal tax credits can be coupled with state historic preservation tax credits. However, he said the Illinois program is being test run with a cap in funding and is highly competitive. He doesn't believe that for current projects, they would be able to secure the Illinois tax credits. Mr. Brainard said they hope that after the current program sunsets, Illinois will pass a new bill without a cap and a less competitive process. He explained that tax credits can often make the difference in a project, making the project possible. He said tax credits are often used as gap funding. He said it's just one more tool in the economic development toolbox to use and pursue development.

Mr. Brainard said a listing can be important for heritage tourism. He gave the example of Galena, Illinois which has done a great job of taking its history and translating it into tourism dollars. He said people go there for the experience and history of Galena. Mr. Brainard said Rock Island and the Quad Cities are rich in cultural heritage that is unique; he said people want to come and experience it. He said when discussing economic development, that should be one of the City's talking points and the City needs to look for better ways to leverage that. Having the downtown historic district will help frame the story and sell it to people.

Mr. Brainard reviewed the next steps. He said on June 28 in Springfield, the Illinois Historic Sites Advisory Council (IHSAC) will review the nomination and should vote to recommend approval. Mr. Brainard and the consultant will be attending that meeting. He does not anticipate any substantial revisions or changes to the district boundary. He explained they will vote to approve it and then once it's approved, it goes back to SHPO for fifteen days to make any changes or notes, and then the SHPO will submit the nomination to the National Park Service. The National Park Service has sixty days to review the nomination and then Mr. Brainard is hopeful that by the end of September, the National Park Service will accept the nomination and the downtown district will be added to the National Register of Historic Places. Mr. Brainard noted that the City's consultant has submitted fourteen (14) nominations to the register and only once was she asked for more information.

Mr. Brainard summarized the benefits for the establishment of this historic district. He said projects will be easier to fund with access to tax credits. They will be able to give greater thought to heritage tourism now as part of the City's economic development strategy. Mr. Brainard added that everyone needs to work together to encourage more historically appropriate development. Everyone needs to see the value in maintaining and restoring historic properties.

Mayor Thoms said it was great that it was moving forward. He asked what determined the borders of the historic district. Mr. Brainard said his goal from the beginning was to get as much in the historic district as possible. He explained the consultant came to Rock Island and did a survey. He said a district should be compact and that the buildings have something in common. He reviewed additional criteria. He said some residential properties that are on the fringe of downtown were not included because they are residential. Some structures did not have the requisite historic integrity and were not included (for example, Rozz-Tox and Voss Brothers Lofts). He stated that part of the story is that the Centennial Bridge changed the character of the downtown from a pedestrian orientation to a vehicle orientation.

Mayor Thoms commented that if the City hadn't gone through the district nomination, each building would have had to go through pretty much the same process on an individual basis. Mr. Brainard stated the Best Building did that to be placed on the register.

Mr. Brainard said one of the next steps will be educating property and business owners about the tax credits that will be available for projects. They will be doing continuing outreach.

Mayor Thoms said the state historic tax credit program is capped at \$15 million for historic preservation work. Mr. Brainard said that amount is for the entire state and individual projects are capped at \$3 million. Mayor Thoms emphasized that the \$3 million cap is just for the historic preservation work part of a project such as window replacement, not for example, carpeting. Mr. Brainard did not know if the state has used any of the tax credits yet or made any awards. Applications from border cities would get preferential treatment due to competition from neighboring states with similar programs.

Alderman Geenen asked how Council could help. Mr. Brainard responded Council members who know property owners of contributing buildings could get the word out to them about the tax credits that will be available. He said there is some confusion about local landmarks versus national landmarks. Local landmark properties have to go to the Preservation Commission when they do work on their properties. Mr. Brainard explained that if a property is on the national register, the owner does not need to go to the Preservation Commission when work is being done on a property. He also asked for Council's help in convincing property owners to preserve the value of historic properties. He said it's in everyone's interest to restore them.

Alderman Geenen asked if the Zimmerman building is included. Mayor Thoms said they plan on tearing that building down. Mr. Brainard reminded everyone that being on the register does not prevent an owner from tearing down a building. City Manager Randy Tweet said it is not on the list.

Mayor Thoms said other economic tools for the downtown are the TIF district (just a couple of years left) and the enterprise zone. He explained that with the enterprise zone, there is no sales tax on building materials.

Mr. Brainard invited Council members to attend the June 28 meeting. He said he is grateful to the consultant who did a great job; it is a win for the community. Mayor Thoms thanked Mr. Brainard.

The study session concluded at 5:55 p.m.

Judith H. Gilbert, City Clerk