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## HISTORIC TAX CREDIT TOOL BOX Creative Solutions for Unique Spaces

JOHN M. TESS, HERITAGE CONSULTING GROUP



**M**any building types—particularly single-use properties such as banks, theaters, churches and hotels—have unique and dramatic interior spaces that are character-defining yet challenging to adapt for contemporary uses.

The National Park Service (NPS) requires the character-defining features of an historic building to be maintained, including unique interior rooms and spaces. In an historic tax credit (HTC) project, the Secretary of the Interior's Standards for Rehabilitation (Standards) require the character of an interior space to be preserved. This may require the retention of volume, finishes and fixtures, which may restrict potential reuse programs due to modern code requirements, market expectations and design tastes. The NPS generally requires retention and limits change to these spaces. Therefore, the project team should identify suitable tenants for the space while employing a sensitive design.

### Unique Interior Spaces in Historic Tax Credit Projects

When undertaking a rehabilitation of an historic building, it is necessary to consider the spaces within the building which are character-defining, including unique interior spaces. The National Park Service (NPS) issues guidance on interpreting the Secretary of

the Interior's Standards, including guidance related to identifying and preserving character-defining features in reference to Standard No. 2, which focuses on the retention of historic character. Preservation Briefs 17 and 18 address the need to assess building exteriors and interiors to determine which spaces, materials and features comprise a building's character so that decisions can be made in assessing proposed work. This could apply to formal spaces, such as those in churches, auditoriums, retail and department stores, or more utilitarian spaces, such as warehouses, barns, and gymnasiums. Public and private circulation spaces—including lobbies, stairs and corridors—are often considered character-defining for HTC purposes. After identifying significant interior spaces, the team should assess character-defining features within the space, including the volume and hierarchy of space, finishes, and fixtures.

Maintaining the historic volume of a space can be particularly challenging when a HTC development involves large, formal spaces like those found in auditoriums, gymnasiums, banking halls, and religious spaces. These present challenges in terms of acoustics, useable square footage and privacy. Owners should convey potential design limitations early in the leasing process so that the design team

continued on page 2



*Image: Courtesy of David Sundberg*

**The Mechanics & Farmer's Savings Bank in Bridgeport, Conn., was part of a challenging development that reused four banking halls within three buildings and complied with National Park Service (NPS) standards.**

**continued from page 1**

can prepare tenant improvements that comply with the Standards. It may be possible to have design guidelines approved for these spaces which are then adhered to by the tenant during the fit-out process. Remember that work is not considered as approved by the NPS unless it is described in the Part 2 or amendment narratives and all tenant improvement work must be approved.

Allowable changes to character-defining interior spaces are generally limited and unique spaces are nearly always character-defining. Historic floor, wall and ceiling finishes generally must be retained in unique spaces. Even if they appear utilitarian, they will likely be considered character-defining. Sensitive subdivision

to increase floor area and privacy is possible, as outlined in the NPS Interpreting the Standards (ITS) No. 44 "Subdividing Significant Historic Spaces." Interruptions in the volume of space are generally not approved by the NPS, though lofts and mezzanines of limited size, held back from perimeter walls, may be acceptable.

### **Case Study: McLevy Square Banking Halls**

A recent project that successfully overcame such challenges was McLevy Square in Bridgeport, Conn., which reused four banking halls within three buildings, each with different designs and histories. The banking halls showcase the challenges a team may face when

**continued on page 3**

continued from page 2

dealing with architecturally unique space in an HTC rehabilitation.

The McLevy Square Project includes the Bridgeport People’s Savings Bank, the Mechanics and Farmers Savings Bank and the Barnum-Thompson and Staple Building. The buildings are located within the Bridgeport Downtown South Historic District, which is within the central business district of Bridgeport and was historically the locus of the city’s financial industry. The buildings were last used by the banking industry in the 1990s.

*Bridgeport-People’s Savings Bank:* The building at 875 Main Street was built in 1914 as a banking hall for the People’s Savings Bank. The second of the three

structures was built in 1915 as the banking hall for the Bridgeport Trust Company and the third section was built in 1917 as the banking hall for the Bridgeport Savings Bank.

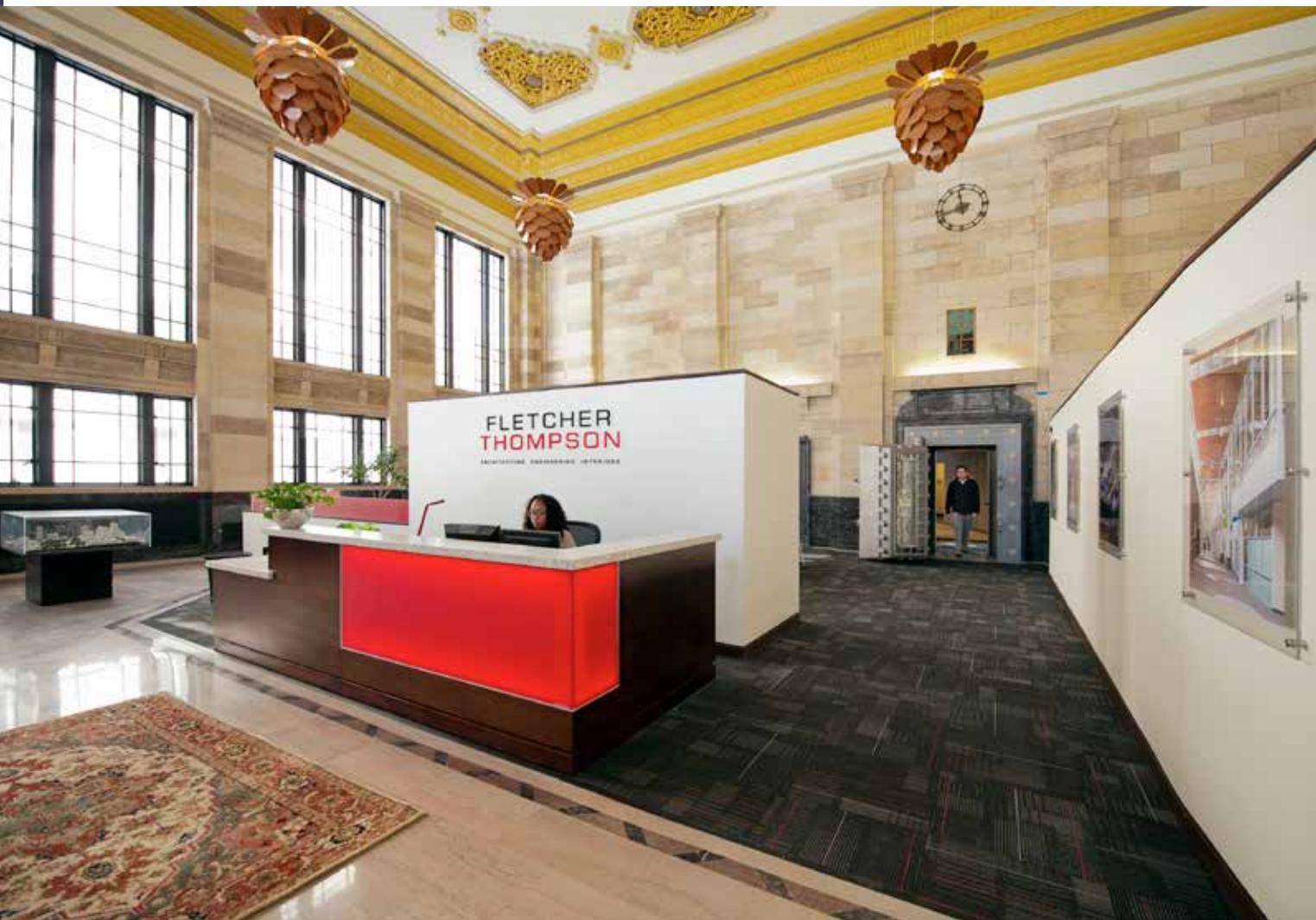
Although the three sections were each constructed for different owners, they were fully interconnected over the years due to mergers and reconfigurations. In 1927, People’s National Bank and the Bridgeport Savings Bank merged and became “Bridgeport-People’s Savings Bank.”

*Mechanics and Farmers Savings Bank:* In 1929, two bank buildings were demolished and the Mechanics and Farmers Savings Bank was constructed. Around 1940, Mechanics and Farmers purchased the former

continued on page 4

*Image: Courtesy of David Sundberg*

**The Fletcher Thompson office is inside the former Mechanics & Farmer’s Savings Bank in Bridgeport, Conn., which is part of the McLevy Square Project that was financed with historic tax credits (HTCs).**



continued from page 3

Bridgeport City Market and converted it into the bank's primary office space. In 1969, Mechanics and Farmers constructed a modern annex. The building became vacant when the bank failed in the 1980s.

*Barnum-Thompson and Staple Building:* The building includes the Barnum-Thompson section and the Staple section, constructed in 1892.

Over its history, the property was tenant office space and continuously updated to meet the needs of changing tenants. In recent years, the building has been vacant.

### Project Overview

Bridgeport-based developer, Forstone Capital, has undertaken a multi-million dollar rehabilitation of the McLevy Square complex into a vibrant mixed-use development. The rehabilitation of the three historic buildings was approached as three multiphase projects, enabling the project to be divided into manageable sections. The scope of work for each building included upgrades to vertical circulation, mechanical systems, interior tenant fit-out and exterior/interior masonry work. Of the three buildings in the McLevy Square project, two included a total of four banking halls.

Due to the historic use of each building, the monumental "architecturally rich" banking halls were determined as primary character-defining interior spaces. The distinct features, characteristics and materials had to be identified, documented and preserved.

The Mechanics and Farmers banking hall was converted into an architecture firm's office. Character-defining features included an open second-floor mezzanine, vault and boardroom. The banking hall was reconfigured in the 1960s with a modern addition, and a section of the wall was opened to provide a connection. In converting the building for office use, the challenge was to convert a historically open space into one that

could be subdivided for individual work stations. Low-rise partitions maintain the volume of the space and offices were created on the mezzanine level. Beneath the mezzanine, offices were enclosed with glazing to provide quiet spaces for meeting rooms and offices. The former openings to the modern addition were infilled and the former board room was rehabilitated into a meeting room. Additionally, the tenant created a pass-through within the vault to provide access to extra office space.

The three banking halls within the Bridgeport People's Savings building are under conversion into a restaurant, comedy club and office. Although one of the halls was formerly used as a restaurant, much of the historic character—including the vault, horseshoe-shaped teller desk, ceiling, wall and floor finish—remained intact. One of the most challenging aspects was creating enough seating within the existing floor plate. The teller desk significantly subdivided the space and made it difficult to reuse as a restaurant. The team devised an approvable solution which maintained the shape and materials of the teller desk while truncating the legs to permit the installation of seating within the teller desk area. Free-standing scaffolding hangs decoration and AV equipment. This maintained the open volume while meeting the design requirements of the restaurant operator.

The second banking hall was previously converted for use as a theater and is now being converted to a comedy club. Due to the significant alterations during the theater conversion, additional flexibility was afforded within this space. A previously installed mezzanine was retained and reconfigured. The theater stage was removed and the marble walls repaired and re-exposed at that area. A new stage and table seating were installed.

The third banking hall was previously converted to office space, with modern finishes that included a suspended ceiling and gypsum board partitions. As

continued on page 5

continued from page 4

part of this project, the modern finishes were removed and the historic ornamental plaster walls, ceiling and ornamental stained glass skylight were restored. The volume was restored and again has the feeling of a banking hall. This space will be leased and all partitions will be low-rise to maintain historic volume. It was important to maintain flexibility for future tenants while ensuring that the character-defining features of the banking hall were preserved.

In speaking of the opportunities and challenges of adaptively reusing the McLevy Square banking halls, Forstone Capital principal Brett Wilderman indicated that, “Our challenge with these spaces has been how to preserve the historic character while repurposing its use into something that is financially viable in today’s economy. Through a collaborative effort with our team, we believe we’ve come up with several creative ideas that will highlight the beauty of these former bank halls that can also fill its voluminous space.”

**Conclusion**

Architecturally unique spaces may present challenges for modern reuse, as in the case of McLevy Square. In HTC developments involving unique spaces, the distinct design elements must be identified and maintained. An experienced project team that understands the parameters of NPS guidance can accommodate specific needs of potential tenants. ♦

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*John M. Tess is president and founder of Heritage Consulting Group, a national firm that assists property owners seeking local, state and federal historic tax incentives for the rehabilitation of historic properties. Since 1982 Heritage Consulting Group has represented historic projects totaling more than \$3 billion in rehabilitation construction. He can be reached at 503-228-0272 or [jmtess@heritage-consulting.com](mailto:jmtess@heritage-consulting.com).*

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