



United States Department of the Interior

NATIONAL PARK SERVICE
1849 C Street, N.W.
Washington, D.C. 20240



August 30, 2024

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

Property: **YMCA Building, 19 East Pike Street, Covington KY**

Project Number: **42433, Part 3**

Appeal Number: **1693**

Action: **Final Administrative Decision**

Dear [REDACTED]

I have concluded my review of your appeal of the February 12, 2024 Decision of Technical Preservation Services (TPS), National Park Service, denying certification of the Part 3 – Request for Certification of Completed Work application for the property cited above (the Decision). The appeal was initiated and conducted in accordance with Department of the Interior regulations [36 C.F.R. part 67] governing certifications for federal income tax incentives for historic preservation as specified in the Internal Revenue Code. I thank your representatives, [REDACTED] for meeting with me via videoconference on May 29, 2024, and for providing a detailed account of the project.

After careful review of the complete record for this project, including the materials presented as part of your appeal, submitted at my request after our appeal meeting, and online research I conducted, I have determined that the rehabilitation of the YMCA building is not consistent with the historic character of the property and that the project does not meet the Secretary of the Interior's Standards for Rehabilitation (the Standards). I hereby affirm the denial of certification of the Part 3 – Request for Certification of Completed Work application issued in the TPS Decision of February 12, 2024.

Built in 1912-13 as a YMCA, this Collegiate Gothic-style institutional building originally had the YMCA entrance on Madison Avenue, flanked by five commercial storefronts. The Women's Department and Boys entrances were on East Pike Street. In plan, the building is L-shaped, wrapping a former bank building at the corner of Madison Avenue and Pike Street. After the YMCA closed in 1987, the building was converted to state government offices, which changed the floor plans, installed dropped ceilings throughout the building, floored over the pool in the basement and installed office partition walls in the former gymnasium on the third floor. On the exterior, the most significant change removed the historic entrance and storefronts along Madison Avenue and replaced them with a solid brick façade with round-arched openings. The current project rehabilitated the structure for hotel and commercial use.

TPS determined that the YMCA building contributes to the National Register listed Covington Downtown Commercial Historic District, which has a period of significance from the 19th to the early-20th century. TPS determined that the building contributes to the significance of the historic district despite the alterations to the first floor of the Madison Avenue façade. Indeed, the building is a prominent presence within the historic district, sitting at the intersection of its major north-south and east-west axes, Madison Avenue and Pike Street. The YMCA building was designated a "certified historic structure" for the purposes of the tax incentives program on November 19, 2020.

TPS received the Part 2 application on September 10, 2020, but did not begin its review until the fee was paid on March 22, 2021. The application listed the start date as April 1, 2020, and the estimated completion date as March 29, 2022. TPS issued a conditional approval of the Part 2 application on June 28, 2021, noting that there was no information on the replacement storefront design and a caution that it must be compatible, that the rooftop addition must not be visible from public rights-of-way, identifying remaining historic interior features and the phasing of the project. Neither Amendment 1, received on February 16, 2022, or Amendment 2, received September 28, 2022, included sufficient information for TPS to complete its review. TPS placed the review on hold on October 5, 2022, but TPS staff met with the development team on December 12, 2022, again noting that the then partially completed rooftop addition may not be consistent with the Standards, depending on its visibility and impact on the historic character of the building and its environment. TPS subsequently received the Part 3 – Request for Certification of Completed Work application on November 8, 2023.

TPS noted in the Decision that,

Photos of the completed project submitted with the Part 3 application show that the new rooftop addition, constructed at the front half of the building, now appears to match the height of the gym's existing roofline, extending above the parapet at the street, and is highly visible from the surrounding streets north (East Pike St. and Madison Ave.), east (East Pike St. and Scott St.), and south of the building (West 7th St. and Madison Ave.). The new addition (a fourth floor) is modern in design, with

large floor-to-ceiling windows, glass doors, and a deep overhanging eave clad in black metal that contrasts significantly with the historic building. The addition adds an additional floor to the building, covering the entire front half of the roof of the YMCA Building and crossing onto the roof of the adjacent building at 614 Madison Avenue.

And concluded that,

Consequently, the new rooftop addition fails to meet Standard 9, which requires that additions be compatible with the historic character and appearance of the building (and the district). The incompatibility of the new addition in its historic context in and of itself causes the project not to meet the Standards.

TPS also determined that leaving spaces within the building with remaining historic features in an unfinished state contravenes Standards 2 and 6, which require that historic spaces, features, and materials must be retained and preserved and deteriorated features must be repaired or replaced to match the old.

Standard 2 states, *“The historic character of a property shall be retained and preserved. The removal of historic materials or alteration of features and spaces that characterize a property shall be avoided.”* Standard 6 states, *“Deteriorated historic features shall be repaired rather than replaced. Where the severity of deterioration requires replacement of a distinctive feature, the new feature shall match the old in design, color, texture, and other visual qualities and, where possible, materials. Replacement of missing features shall be substantiated by documentary, physical, or pictorial evidence.”* Standard 9 states, *“New additions, exterior alterations, or related new construction shall not destroy historic materials that characterize the property. The new work shall be differentiated from the old and shall be compatible with the massing, size, scale, and architectural features to protect the historic integrity of the property and its environment.”*

Consequently, TPS issued the February 12, 2024 Decision denying certification of the Part 3 application.

My review encompassed the overall impact of the rehabilitation on the historic character of the property, not just the two denial issues TPS identified in the Decision. Online research revealed that the City of Covington issued a press release on December 4, 2019, announcing the renovation of the YMCA building into a mixed-use development to include a bourbon distillery, 60 VIP and Presidential hotel suites for the adjacent Hotel Covington, and 10,000 square feet of office space. The two artist renderings in the press release show that the design proposed in 2019 was essentially unchanged when completed five years later.

In my review, I first studied the architectural drawings in the Part 2 application to determine the extent of the proposed work. There were two sets of un-dimensioned floor plans, one for demolition and the other for the new uses. And there were no elevation or section drawings and no specifications for the replacement storefronts. Nevertheless, despite the lack of adequate information in the Part 2 application and amendments, it was possible to extrapolate from the Part 2 and Part 3 photographs and photographs from other sources (the city press release, the architect's web site, the Hotel Covington and North Hotel web sites, SHPO and TPS staff photographs, Google Street Views, etc.) the impact of the completed work on the historic character of the property and its environment.

The demolition drawings show that virtually all interior partitions had been removed. Admittedly, many of these were the result of the late 1980s conversion to offices but there was no direction in the drawings to identify and retain partition walls that may have been historic. Thus, the building was gutted to the basic structure, a fact confirmed in the Part 2 photographs of the gymnasium. The new floor plans show that the third floor of the YMCA was extended into the third floor of the corner building at 614 Madison Avenue and that the new fourth floor extended into the corner building as well. Google Street Views from July 2022 show that the new fourth floor and its projecting roof edge were substantially complete at that time. The new floor plan drawings also include a new lightwell cut from the roof down to the basement level that was not shown on the demolition drawings.

The Part 3 photographs show that the new fourth floor is prominently visible above the Madison Avenue and Pike Street facades of the YMCA and 614 Madison, even from just across either street. Although the application calls it a "rooftop addition," it is essentially a full fourth floor and reads as such despite being slightly set back from the historic street facades. Its prominence is accentuated by the blocky, black roof overhang projecting above the historic articulated white terra cotta cornice and parapet of the YMCA and the new replacement cornice of 614 Madison. Consequently, I concur with TPS that the rooftop addition compromises the historic character of the YMCA building and its environment and find that it violates Standard 9.

From the surrounding streets, the visual prominence of the floor-to-ceiling glass and dark roof overhang of the new fourth floor is even more dramatic. The unbroken expanse of glass, reading more like ribbon windows in a modern office building, contrasts sharply with the late-19th and early-20th century character and massing of buildings in the historic district and compromises its overall integrity. Although the impact of the rehabilitation of the YMCA on the Covington Downtown Commercial Historic District is secondary to the impact on the YMCA itself, I have determined that it also violates the Standards. The regulations state, "*In situations involving the rehabilitation of a certified historic structure in a historic district, the Secretary will review the rehabilitation project first as it affects the certified historic structure and second as it affects the district and makes a certification decision accordingly.*" [36 C.F.R. §67.6(b)(6)].

Regarding the interior treatments, I concur with TPS that leaving the historic finishes inside the Pike Street entrance, which had been uncovered during the rehabilitation in an unfinished state—neither repaired nor restored—at the time the Part 3 application was filed, violates Standards 2 and 6. In addition, when the office partitions were removed from the gymnasium, it became the only other historic public space left from the YMCA era, including its original wood block floor. The rehabilitation filled the gymnasium space with double-height guest rooms with sleeping lofts, leaving the first-floor room with its original plaster ceiling (left unfinished as noted above) as potentially the only historic public space remaining after the rehabilitation.

I also note that the historic lightwell at the second and third floors was not reopened in the rehabilitation, but a new lightwell extending all the way to the basement level was cut on the opposite side of the east wall of the original lightwell. The original lightwell was filled with new guest rooms. At the appeal presentation your architect explained that the reconfiguration of the interior plan allowed the construction of more guest rooms and provided light to the new basement ballroom. The new lightwell exposed the interior face of the former lightwell wall, stripped of its plaster and lath finish to reveal the crudely finished backer brick of the original wall, and the orientation of the windows was reversed to light the new guest rooms. These changes alter the original layout of the building and create a false sense of history.

Regarding the replacement storefronts along Madison Avenue, although TPS did not mention them in its Decision, I note that the new entrance is in the same location as the original and the masonry surround appears to match the surround visible in an early photograph of the Madison Avenue façade, consistent with the requirements of Standard 6. However, other aspects of the replacement storefronts do not match that documentary evidence, for instance, the proportions of the original storefronts, the transoms, the height of the bulkheads, and the projecting entrance canopy. This work does not meet the requirements of Standard 6. Further, in the broader work to incorporate 614 Madison into the North Hotel, missing features of that building—notably the corner turret and the cornice—were reconstructed based on historic photographs. However, the existing, non-historic first floor cladding of 614 Madison, which the demolition drawings showed would be removed and replaced, was left unchanged and the previously unpainted brick façade was painted to hide the difference between the original and replacement brick. Taken together, these changes along the Madison Avenue façades of both buildings create a false sense of historical development by selectively restoring some missing features to match the old but not others, contravening Standards 3 and 6. Standard 3 states, *“Each property shall be recognized as a physical record of its time, place, and use. Changes that create a false sense of historical development, such as adding conjectural features or architectural elements from other buildings, shall not be undertaken.”*

As described above, I have determined that there were a series of changes made to the YMCA building and the corner building at 614 Madison Avenue that cumulatively, significantly compromise their historic character and integrity beyond those cited by TPS in its Decision. Further, I have determined that those same changes have compromised the historic character and

integrity of the Covington Downtown Commercial Historic District. As the regulations state, “*The Chief Appeals Officer may base his decision in whole or part on matters or factors not discussed in the decision appealed from.*” [36 C.F.R. 67.10(c)].

I have concluded that many of the denial issues TPS identified in its Decision and the additional denial issues I identified in my review are the result of programmatic choices made for the conversion of the YMCA and 614 Madison Avenue buildings into the North Hotel. The photographs accompanying the Part 3 application and photographs I found online confirm that the completed North Hotel matches the “*renovation and re-imagining of the former YMCA building and Gateway Bookstore*” described and illustrated in the 2019 City of Covington press release. Although the completed work appears to be a successful economic redevelopment project, the aggressive interventions dictated by the programmatic needs of the hotel conversion cause the completed work to not meet the regulatory requirements to be designated a “certified rehabilitation.”

Consequently, I concur with TPS that the overall impact of the rehabilitation on the YMCA building has significantly compromised its historic character and integrity, causing the completed work to fail to meet the Secretary of the Interior’s Standards for Rehabilitation. Accordingly, I affirm the Part 3 denial of certification issued by TPS in its February 12, 2024 Decision.

As the Department of the Interior regulations state, my decision is the final administrative decision with respect to TPS’s February 12, 2024 Decision regarding rehabilitation certification. A copy of this decision will be provided to the Internal Revenue Service. Questions concerning specific tax consequences of this decision or interpretations of the Internal Revenue Code should be addressed to the appropriate office of the Internal Revenue Service.

Sincerely,

JOHN A BURNS Digitally signed by JOHN A BURNS
Date: 2024.08.30 09:19:53 -04'00'

John A. Burns, FAIA, FAPT
Chief Appeals Officer
Cultural Resources

cc: KY SHPO
IRS

[REDACTED]