

COMMUNICATIONS BETWEEN THE PARTIES – Jeff Blatt, owner, and Amy Thompson, of the East Cesar Chavez Neighborhood Association Preservation Committee

E-mail from Jeff Blatt, May 9, 2017

Steve

I wanted to comment on what 1401 E 3rd St might look like from the elevations that I sent you yesterday. I first wanted to make certain that you received the elevation for 1401 E 3rd St that William Hodge had prepared for your review. Also wanted to make certain you understood that this is just one lay out that can be discussed. We are also happy to explore putting in the retaining wall that was in in the photo that we had seen from 1947 as well. There is clearly not enough of the stone etc to do both and we are happy to explore other options that the neighborhood and staff can come up with. Nothing is cast in stone.

On another note I am still waiting for Quality Foundations letter to me and will forward to you just as quickly as I can get ahold of Oliver from Quality Foundation. He had promised me the letter yesterday. Also on another note I am formally requesting that the hearing scheduled for this month get post poned till the following month (June) so that we can meet once again with the neighborhood group to review some options.

Thank you,
Jeff Blatt

E-mail from Jeff Blatt, May 9, 2017

Steve

Pursuant to my conversation with you I am forwarding letter from the foundation company that was going to bid the work. I know you spoke to Oliver yesterday, but should you require any additional items please feel free to contact me or Oliver directly.

As I mentioned to Amy Thompson today I am wanting to worki with the neighborhood and keep with what is best for all concerned. I do want to live in the unit and would be appreciative for feedback as to what our next steip is.

Truly,
Jeff Blatt

E-mail from Jeff Blatt, May 10, 2017

Amy

I have gotten Steve Sadowsky the letter from Oliver Johns of Quality Foundation here in Austin describing in great detail the issues with foundation and work required at 1401 E 3rd St. In addition, there is a letter from a structural engineer and contractor as to the condition of the property. What I have done in fairness to all is that I have post poned the next meeting until June so that I can meet with the neighborhood to discuss alternatives that would work for the neighborhood and myself.

Again open to reusing the stone brick veneer front to the house and or a retaining wall as was there before. I think part of the issue is going to be how much is available. As there will not be enough for the entire structure and retaining wall as was seen in the picture you sent from 1947.

Please advise what time and where works for you and the neighborhood group to meet.

Thanks
Jeff Blatt

E-mail from Jeff Blatt, June 9, 2017

Steve

Please find a rendering that was completed by William Hodge for 1401 E 3rd St, 78702. Both William and I met with Amy Thompson and 2 others in the neighborhood to discuss options as to how I can be allowed to move forward with the building that I would like to live in myself. As you know the house is not in livable condition and as I best understand from the architect, contractor, foundation demolition group along with the structural engineer the house can not be saved. The basement would have to be filled with fill, compacted sufficiently to accommodate the load that one would have with construction while pulling all the existing guts out of the interior of the building while trying to brace the stone walls upright so they did not fall while all this was going on.

The conclusion was it really is impossible to save the existing structure. If there was a dollar number that was thrown around to save about 800 sq ft it would be well over \$200,000 to get really 800 sq ft that is nothing more than a one or two room house, which really is not in today's livable world. And after all said and done the wall (vener) will still have to come down and be rebuilt properly to adhere to the structure.

Our proposal is more like this picture. Allowing the stonework to be relaid as more of a monument of the typical work that was done by these masons back in the 40's. Amy and group was less enthused about that as they think that is disrespectful to the people that did the work. The problem is I think for all practical purposes the wall (vener) still will have to be taken apart and rebuilt. Amy Thompson did indicate that she has a mason who will look at the structure next week and assess what he or she thinks they do with the wall.

The neighborhood seems opposed to a 2 story structure as they do not believe it fits in the neighborhood. The problem is that is such a narrow lot and because you have set backs that are significant on hard corners, there just is not enough build able square feet to go with a one story unit. This is where I have signed an affidavit indicating that I intend to live in this unit (1 of the 2) as such I should have some discretion as to how I want to live. The neighborhood seems to think that unless you see the world the way they see the world you are being rude and a bad neighbor. I want or envision a structure that will last for many many years and allow for enjoyment for others in a safe living environment.

On another note we discussed the reason for the set backs off Navisota St needing to be a greater distance due to site and traffic issues with Tex DOT as the streets are narrow site vision is an issue as such safety for all would require such set backs as the City of Austin wants for hard corners.

I will advise you next week after Amy Thompson meets with her mason (she did not remember his name so she could share that with me) and see what her mason says about saving the wall, however it most likely will have to come down in pieces categorized and than put back together. I think safety is also an issue as the wall is tilting towards Navisota St already.

I do want to be a good neighbor and I too want to share in the attributes of East Austin and enjoy living in this environment and am working as hard as I can with the neighborhood to do everything in my power to make my dream come true and provide the neighborhood as much as they want as well.

I will reach out to you early next week.

Truly,
Jeff Blatt

E-mail from William Hodge, architect, June 16, 2017

Hi Steve. I hope you are well.

I am working with Jeff Blatt on his project at 1401 E 3rd St as both the applicant for permits and as his architect on the new structure that he would like to build.

Please see attached elevations for an idea that Jeff and I have had regarding the reuse of the stone from the original house on the new structure. We would use panels of stone as vertical elements at the north and west sides of the new structure. The idea is that the original stone would be reinstalled in as close to its original bond and pattern as possible.

Jeff also has expressed openness to a monument, plaque, or other historic marker educating the public about the significance of the stone, the mason, and Masontown.

Please do feel free to call or email should you have any questions or comments. Thank you for all you do.

William Lawrence Hodge AIA
Architect + Principal
OCHONA Development+Architecture

E-mail from Jeff Blatt, June 19, 2017

Steve

Both William Hodge and I are meeting yet again with the neighborhood regarding the above described property this coming Wednesday the day of their monthly meeting. I was hoping to discuss with you where you think we are with the neighborhood. I am hoping to get more resolution by Wednesday but depending on what both William and I receive we might have to postpone the hearing. I do not want to put you or us in a corner and this was why I have been pushing the neighborhood to making a decision or meeting people sooner than later. I am personally disappointed that it has been all this time and we are no closer to resolving with the neighborhood than we were months ago.

I know Amy's email said that her mason guy could save the building not certain what he knows that I do not know, but I am open to various options.

Please call me when you can.

Truly,
Jeff Blatt

E-mail exchange between Amy Thompson and Jeff Blatt, June 19, 2017

Yes, James Roppolo - from ATC Contractors - was able to see the property today and he was very encouraging. He looked at the home both outside and in (including the basement) and said he thought the stone walls and foundation were in pretty good shape structurally (though obviously it needs to be leveled). I communicated the concerns that you relayed from the foundation company you had on site - i.e. the folks who were so concerned about the homes condition that they wouldn't even look under the house. James suggested that it was important to get an assessment from a foundation team that is used to working with historic homes and homes with basements.

I have asked Preservation Austin for suggestions of foundation folks with this type of experience. Off the top, they recommended reaching out to either:

Greg Okorn, Capitol Foundation

or to

Duderstadt Foundation Co, San Antonio, TX

PA has sent an ask out to their preservation experts for further recommendations, but James Roppolo also mentioned he could recommend some foundation folks with experience in leveling older stone homes (in case you end up chatting with him).

I am cc:ing Kate from Preservation Austin who is back from vacation now and may be able to assist you further with recommendations for technical experts.

I am cc:ing Steve in case he'd like to join ECC's monthly meeting this Wed at 6 as a resource (since you will be on the agenda to speak with the planning contact team about the property).

I wish I could join you on Wednesday, but am assured that other committee members will be there - and of course you will have the opportunity to address the contact team at large and get their input.

Thank you for reaching out and let us know if there is any information or any resources we can assist with as you prepare for the discussion Wednesday.

E-mail from Jeff Blatt, June 22, 2017

Steve

Unfortunately I was the last person on the neighborhood's agenda last night. I had 3 minutes to present and all the information I shared with Amy Thompson thinking she represented the group was not given to anybody (maybe 1 or 2) in the group. The only information they wanted to use was James Roppolo (ATC Contractors) was an oral statement that he told Amy Thompson that the house could be saved period end of story. I just got off the phone with Mr. Roppolo who told me the end of the sentence was if money was no object.

That was the beginning of really the end I discussed the condition of the property for which I was asked to support my claim of the cost constraints and the professional reports that I had received and I told them that Amy Thompson had copies of the all the reports as such I did not bring them with me. as I thought Amy had given them to all. As it turns out of 10-12 people there 2-3 people had the information for which they had not reviewed and my time was up. I told them that I would post pone the hearing yet one more month so that everybody had all the information to be fairly disbursed to all. The group did have time to vote against the demolition of the house and my last comment was you have no information to vote for demolition, yet you have the same no information to vote against the demolition.

I am disappointed at the lack of progress. But want to be a good neighbor as I do want this to be my home. I think it best to post pone the hearing for this house till the end of July I will get a detailed contractor bid from the list that Preservation Austin gave me of contractors. I suspect the cost is going to exceed \$250,000 to save 700 sq ft, but I want to dot my i's and cross my t's and do the right thing for all. And a month is not the end of the world if it provides more information than less.

In conclusion I would like to see a post-ponement of hearing of the 1401 E 3rd St case.

Please confirm receipt of this email.

Truly
Jeff Blatt

E-mail from Jeff Blatt, June 26, 2017

Amy

Thank you for the information I am aware of the tax savings. The issue is going to be the cost which I suspect will be over \$300,000. That said I spoke to Joe Pinneli and we are meeting at the property this week and I am getting a proposal from James Roppalo as well. The issue with the wall seems to be that it has to come down regardless of the saving of the structure as it clearly not will not be cost effective to rebuild after taking the house apart piece by piece and than rebuilding 700 sq ft. Thus, really not certain what I am saving if the wall has to come down regardless and repointed onto the structure.

But I promised you and the neighborhood that I would go thru the excercise and I have 2 qualified (from the neighborhood's perspective) contractors to obtain bids from and get proposals from etc.

Again looking forward to working with the neighborhood and living in the neighborhood.

Truly
Jeff Blatt

E-mail from Jeff Blatt, June 30, 2017

Amy

Thank you for the information. I am going to have a structural engineer out at the property next week along with William Hodge and have asked if Shawn Sommerville can join us to review the condition of the property. Looking for his professional opinion and an opinion that he is not getting paid to render. I spoke to Shawn this week who asked that I copy more people from the neighborhood and this is all I have. I tried to get the email address's for others on the community website and was not successful in finding more names and email address's than I have.

I hope to hear from Joe Pinelli as he had indicated he would call back, but will work with James Roppolo and his company contracts to provide a proposal to do the work you are looking for. As to moving the house I will have an answer for you next week when the structural engineer weighs in. This will be our second structural engineer to render a professional opinion and it will be more detailed and more informative I hope for everybody.

I will be at the meeting in the middle of the July so please keep me on the calendar as it is important that we are able to present in front of the historical folks at months end.

If there is any question you have or you want to be at the property when the structural engineer is there please advise.

Truly
Jeff Blatt

E-mail from Jeff Blatt, July 11, 2017

Steve

Please find letters from a second structural engineer and the architect that has been working on 1401 E 3rd St project for me. As you can see the structural engineer is doing this free of charge and has described the condition of the property. In order to fix the foundation the basement would have to be filled and piers drilled and the engineer is describing a scenario that is quite gloomy and the structure would have to be lifted which means the stone facade would have to be removed or most likely removed regardless.

As best I read this the structure is failing and there is little that can be done about that. One of the additional problems and this has been a problem in getting bids for the work is that nobody has wanted to take responsibility for this work to be done due to liability and safety. Oliver John's from Quality Foundation would not even bid the job because he has no idea how to address the fix safely as such he merely gave us an opinion of the condition. This is really the same with this letter from the structural engineer and William Hodge our architect, both who will not do work on the project regardless of what they could be paid for said work.

I am including an email from James Roppolo who Amy Thompson met at the property to get a report of the condition of the property and I have gotten as you can see a very preliminary proposal to bring the house back to livable condition, but this does not address the basement which as I understand it is actually a root cellar. The root cellar apparently does not meet code and was put in after the house was built. I think this is where the house actually sits on 2 pier systems, the original house and the addition which includes the root cellar (underneath). That said the house is moving constantly on 2 different foundation systems.

In addition, the \$245,000 price to fix is without the cost of engineering plans and architectural plans which I can only imagine will be north of \$40,000 assuming I can find someone willing to do the work. This in addition to the \$45,000 to repoint the stonework brings the cost of roughly 600-700 sq ft to over \$325,000, and there is no assurance I can get proposals and work done for anything around what Mr. Roppolos' proposal as hard to bid work without a plan how to do it (ie engineering).

I encourage you to speak to both Tim Zhang or William Hodge to discuss the condition.

Please advise if you need anything else.

Truly,
Jeff Blatt

E-mail from Jeff Blatt, July 11, 2017

Amy

I wanted to make certain the reports that we had sent you before made it to the East Cesar Chavez Neighborhood Association. These are the people like before that I have on the email list. If you could circulate to the others or have circulated to all I would be appreciative. The conclusions in these 2 letters is really no different from the ones I sent to you this morning.

If you have any idea's how else to approach this situation I would be appreciative. I have concluded that Joe Pinneli from his construction company has not desire to work on the job as I have left text's, emails and phone calls into him and not had a returned call since I had spoken to him originally.

Please call with any questions.

Truly
Jeff Blatt

E-mail from Jeff Blatt, July 12, 2017

Amy

I tried to reach out to you by calling your cell phone. I appreciate your optimism but what you have stated is not the case and a scaled scope of work truly is no different from a complete renovation. As I understand it once the roof is taken off the property the house is in jeopardy of a total collapse, so one wall remaining is the same as no wall remaining. The structure is not safe from the foundation all the way to the roof top.

While I understand Mr. Roppolo's proposal would be on the higher side of the spectrum, his bid was about the same as I had received from T Bertram Investments, LLC. local contractor. The problem in getting bids is that the contractor is bidding a job without structural plans and as I understand it, the plans could and would cost from \$30,000-\$40,000 if one could find a structural engineer to design a plan. I have received 2 structural engineers Jeff Wolfe and Tim Zhang who have indicated that if they were paid to do the plans they would not accept the job due to safety of the job site and liability (future).

Truth be told I am exhausted with the process that you keep asking me to work on when I can not do any more than I have already done. The estimate that I am working with to completely remodel the home for which that does not include the basement which has to be done in addition to the other part of the house is as follows:

Architectural	\$15,000.00
Structural	35,000.00
Remodel	245,000.00
Repoint the stone	45,000.00
 Total	 \$340,000.00

What this gets me is effectively a 700 sq ft house. And it is yet to be determined who is going to be liable for the professional work as William Hodge (architect) and the 2 structural engineers have both denied the work. In addition, Oliver John's from Quality Foundation who has a good reputation around town. Now that said, once the above work is done that still does not allow me to add a second floor or add on to the existing structure. So a scaled down version of the work might mean a 500 sq ft house instead of a 700 sq ft house for a cost of \$325,000.00 instead of \$340,000. The cost is primarily in the foundation

which has to be a total fix not a partial fix.. The house sits beyond 3 of the 4 set back already as such there is little flexibility for this house. That said the east wall which is the worst of all the walls due to it sitting on (actually not sitting on any pier) basement which has to be removed and filled is a danger to both the labor working on the job for there own safety and it is 2 feet+/- from the neighbor's house and likely will fall on there property.

I do want to be clear unless you are able to show me something different. But the stone wall surrounding the house (not attached to the house or on any sort of foundation, it is called floating on the dirt itself) has to be removed and repointed regardless. The stone wall has to be removed both because the house has to be lifted and the stone wall has no foundation thus when the wall itself is picked up to support on a foundation, the wall itself will most likely collapse.

I am happy to discuss with you and anyone else and happy to be flexible with the neighborhood. But I think the best I can do is to agree to repoint the stone wall in a similar pattern, properly attaching it using modern construction methods approved by City of Austin and current codes as well as placing a monument sign honoring the mason who originally installed the stone wall next to the house and the stone wall surrounding the house which apparently did not survive the duration of time. I am assuming it did not survive the duration of time because it had nothing to lean (as the existsting wall is leaning on a structure that is defective).

Truly,
Jeff Blatt

E-mail from Amy Thompson, June 30, 2017

Dear Commissioners and Staff,

Please excuse any duplication of effort, but I wanted to make sure that you were all aware of the MACC's upcoming exhibit on the homes of Mexican American families in East Austin. The exhibit includes the home of David Ruiz at 1407 East Third - one of the homes that would serve as a contributing structure to the proposed LHD on East Third to honor the lives and work of Mexican American masons.

It opens **TONIGHT (6/30) at 6pm**, and former residents and their descendants will likely be in attendance for the opening reception.

I hope that you will be able to visit the exhibit as it will no doubt provide further context for preservation efforts in East Austin - as well as a more intimate orientation to Austin's Mexican American heritage.

Best regards,
Amy Thompson

E-mail from Amy Thompson, June 26, 2017

Jeff,

Thank you for requesting the postponement to give us time to explore viable scales of preservation for your property at 1401 East Third.

In the interest of exploring the affordability of options for preservation that include building out the lot, I wanted to make sure that you had the following information.

The designation of the original structure would provide tax exemptions, e.g.:

(A) Except as provided in Subsection (B) and Subsection (C), a property designated as a historic landmark is eligible for a partial exemption from ad valorem taxes levied by the City under the requirements of this subsection.

(1) For an owner-occupied historic residential property that is not fully or partially leased to another person or for a property owned by a nonprofit corporation, as defined in the Texas Nonprofit Corporation Act, 100 percent of the assessed value of the historic structure and 50 percent of the assessed value of the portion of the land the chief appraiser for the county appraisal district determines is reasonably necessary for access to and use of the historic structure.

(2) For any other historic property, including property used for a commercial purpose, 50 percent of the assessed value of the historic structure and 25 percent of the assessed value of the portion of the land the chief appraiser for the county appraisal district determines is reasonably necessary for access to and use of the historic structure.

(B) The percentage of assessed value exempted under Subsection (A)(1) may not exceed a percentage that would result in a tax equivalent to the greater of \$2,000 or 50 percent of the ad valorem tax that the City would otherwise levy on the property if:

(1) the property was designated as a historic landmark before December 1, 2004, and changed ownership after November 30, 2004 but before January 1, 2012; or

(2) the property was designated as a historic landmark after November 30, 2004, but before January 1, 2012.

(C) The percentage of assessed value exempted under Subsection (A)(1) may not exceed a percentage that would result in a tax exemption greater than \$2,500 if:

(1) the property was designated as a historic landmark before January 1, 2012, and changed ownership after December 31, 2011; or

(2) the property was designated as a historic landmark after December 31, 2011.

(D) The City shall recommend to the chief appraiser for the county appraisal district that the entire tax parcel on which the historic structure is located, and which is designated "H" Historic, is reasonably necessary for access to and use of the historic structure, unless otherwise determined by the City Council in a specific case.

(E) The amount of the \$2,500 exemption in Subsection 11-1-22(C) shall be modified every three years with the adoption of the ad valorem tax rate to increase or decrease in accordance with the most recently published federal government, Bureau of Labor Statistics Indicator, Consumer Price Index (CPI-

W U.S. City Average) U.S. City Average. The most recently published Consumer Price Index on May 4, 2012, shall be used as a base for future adjustments.

Source: 1992 Code Section 5-5-21; Ord. 031204-10; Ord. 031211-11; Ord. 041202-16; 20090806-068; Ord. 20111215-091; Ord. 20120322-025.

In terms of a strategy to build out the lot further, if the original structure is preserved, you should be able to use the chapter of the building code for historic properties, to mitigate any restrictions on the footprint that would normally apply under code.

Perhaps Steve's office or PA could advise more specifically as to how that might apply.

I look forward to learning more about the options with you in the coming month.

Best - Amy