

Historical Resources & Cultural Arts

2327 Salzedo Street Coral Gables Florida, 33134

P: 305-460-5093 E:hist@coralgables.com

STAFF REPORT SPECIAL CERTIFICATE OF APPROPRIATENESS FOR THE PROPERTY AT 1258 OBISPO AVENUE A CONTRIBUTING RESOURCE WITHIN THE "OBISPO AVENUE HISTORIC DISTRICT"

Proposal: The application requests design approval for the

demolition of the existing residence and is

claiming undue economic hardship.

Folio Number: 03-4107-016-0260

Owner: Javier Avila and Jennifer Ruiz

Legal Description: Lots 1 and 2, Block 3, Coral Gables Section "E,"

according to the Plat thereof, as recorded in Plat Book 8, at Page 13 of the Public Records of Miami-

Dade County, Florida.

Site Characteristics: This property is located on the southeast corner of the

intersection of Obispo Avenue and Madrid Street. The main elevation of the residence faces north onto Obispo Avenue. The property is approximately 100

wide by 150' deep.

BACKGROUND/EXISTING CONDITIONS

In May of 2008, the "Obispo Avenue Historic District" was listed in the Coral Gables Register of Historic Places. It is comprised of residences abutting Obispo Avenue between Cortez Street on the east and Ferdinand Street on the west. 1258 Obispo Avenue is considered a contributing structure within the "Obispo Avenue Historic District." The residence, permitted in 1945 (permit #7110), was designed by architect William Merriam. The residence has undergone minor alterations over the years and retains a high level of historic integrity.

In 2014, a Special Certificate of Appropriateness was approved for a large one-story addition to the residence. It was never built, and the COA expired

On November 20, 2019, a Special Certificate of Appropriateness COA(\$P) 2019-18 for additions and alterations to the residence and sitework was approved with multiple conditions by the Historic Preservation Board. This proposal was never built.

COA (SP) 2024-027 September 18, 2025 Page 2

On July 21, 2021, the Historic Preservation Board reviewed a request for a revision to COA(SP) 2019-18 for the removal and replacement of the roof and floor framing due to their poor condition. A replica of the historic roof was to be built and the floor was to be replaced with a lower concrete slab. The Board made a motion to defer consideration of the revision and suggested that the structural engineer who is familiar with the residence be present and participate in the discussion at the next meeting. The applicant did not return to the Board and the proposal did not proceed.

Staff met with the applicants prior their purchase of the property and explained the prior Board reviews and outcomes.

On December 21, 2022, the Historic Preservation Board reviewed a request for the demolition of the existing structure. The Historic Preservation Board found that the proposed demolition is historically inappropriate, detracts from the integrity of the historic structure and the historic district, and is inconsistent with the Secretary of the Interior's Standards for Rehabilitation. The Board approved a motion to deny the application.

On December 28, 2022, the Property Owner submitted a Notice of Intent to Appeal the Board's Decision to the City Clerk. On February 7, 2023, the Property Owner submitted the completed appeals package to the City Clerk.

On February 28, 2023, the City Commission heard the Appeal and after reviewing the record and decision of the Historic Preservation Board, and after having given an opportunity for interested parties to be heard, the City Commission finds that the decision of the Historic Preservation Board, to deny the special certificate of appropriateness for demolition of the Property, was based on competent substantial evidence, that due process was properly afforded to all interested parties, and that the essential requirements of law were met, specifically, that the Historic Preservation Board appropriately applied the guidelines for issuance of certificates. The appeal was hereby denied, and the decision of the Historic Preservation Board is affirmed, thereby upholding the denial of the issuance of a special certificate of appropriateness for demolition for 1258 Obispo Avenue.

PROPOSAL

The application requests design approval for the demolition of the existing residence. The applicant is claiming undue economic hardship.



Figure 1: Photo ca. 1950s

SECRETARY OF THE INTERIOR'S STANDARDS FOR REHABILITATION

The following Standards have application in this matter:

- 2. 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.
- 5. Distinctive features, finishes, and construction techniques or examples of craftsmanship that characterize a historic property shall be preserved.
- 6. 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.

STAFF OBSERVATIONS

The application requests design approval for the demolition of the existing residence. The applicant is claiming undue economic hardship.

When considering a request to demolish a structure within a historic district, the following sections of the Code apply. Staff comments have been provided below each section.

Section 8-107. Demolition.

A. No permit for demolition of a designated building, structure, improvement or site shall be issued to the owner thereof until an application for a Special Certificate of Appropriateness has been submitted and approved pursuant to the procedures in this Article. Denial of such

application indefinitely and refusal by the Board to grant a Special Certificate of Appropriateness to demolish shall be evidenced by written order detailing the public interest which is sought to be served. The Historic Preservation Board shall be guided by the criteria contained in subsection (D) below.

B. The Board may grant a Special Certificate of Appropriateness to demolish with a deferred effective date. The effective date shall be determined by the Board based upon the significance of the structure and the probable time required to arrange a possible alternative to demolition. During the demolition deferral period, the Board may take such steps as it deems necessary to preserve the structure concerned, in accordance with the purposes of this Article. Such steps may include, but shall not be limited to, consultation with civic groups, public agencies and interested citizens, recommendations for acquisition of property by public or private bodies or agencies, and exploration of the possibility of moving one (1) or more structures or other features. After the specified expiration of the deferred Special Certificate of Appropriateness, a demolition permit shall be issued if requested forthwith by the appropriate administrative officials.

If the Board approve the request, Staff recommends the Board impose a deferred effective date to allow time to arrange a possible alternative to demolition. A demolition permit should only be issued at the time of permitting for the new construction.

C. As a condition of granting any Certificate of Appropriateness, standard or special, for demolition of buildings or improvements designated as historic landmarks or located in an historic landmark district, the Board may require at the owner's expense, salvage and preservation of specified classes of building materials, architectural details and ornaments, fixtures, and the like for reuse in restoration of other historic properties. The Board may also require, at the owner's expense, the recording of the improvement for archival purposes prior to demolition. The recording may include, but shall not be limited to, photographs and scaled architectural drawings.

If the Board approves the request, Staff recommends the salvage and preservation of building materials, architectural details, fixtures, and the like for reuse in the restoration of other historic properties and the recording of the structure.

- D. In addition to all other provisions of this Article, the Board shall consider the following criteria in evaluating applications for a Special Certificate of Appropriateness for demolition of designated properties:
 - 1. The degree to which the building, structure, improvement or site contributes to the historic and/or architectural significance of the historic site or district;

The building is a contributing resource within the Obispo Avenue Historic District. Its removal would irreversibly and negatively impact the historic and architectural significance of the district.

2. Whether the building, structure, improvement or site is one of the last remaining examples of its kind in the neighborhood, the county or the region;

The building is not one of the last remaining examples of its kind in the neighborhood, the county or the region.

3. Whether the loss of the building, structure, improvement or site would adversely affect the historic and/or architectural integrity of the historic site or district;

The loss of the building would adversely affect the historic and architectural integrity of the district and would result in one less contributing structure.

4. Whether the retention of the building, structure, improvement or site would promote the general welfare of the City by providing an opportunity for study of local history, architecture, and design or by developing an understanding of the importance and value of a particular culture and heritage;

As the building retains much of its integrity, it provides an opportunity for study of local history, architecture, and design and by developing an understanding of the importance and value of a particular culture and heritage.

5. Whether architectural plans have been presented to the Board for the reuse of the property if the proposed demolition were to be carried out, and the appropriateness of said plans to the character of the historic site or district, if applicable; and demonstration as well as the posting of a bond requirement that there are sufficient funds in place to carry out such plans;

The applicant has not provided plans for the reuse of the property as part of this application.

6. Whether the building, structure, improvement or site poses an imminent threat to the public health or safety;

The building does not pose an imminent threat to the public health or safety as it has not been determined to be an unsafe structure.

7. Whether the applicant has demonstrated that retention of the building, structure, improvement or site would create an unreasonable or undue economic hardship as described in Section 8-115; and

The applicant is claiming undue economic hardship, please see below.

8. Whether there is a compelling public interest requiring the demolition.

There is no compelling public interest requiring the demolition, as demolition would negatively impact the historic district.

E. As a condition of granting a Certificate of Appropriateness for demolition, the Historic Preservation Board may require that no building permit be issued for the demolition of said structure until a building permit for the construction of a new building has been issued.

If the Board approves the request, Staff recommends no building permit be issued for the demolition until a building permit for the new construction has been issued.

F. The owner of the property shall permit access to the subject property for the purpose of inspections and/or appraisals required by the Historic Preservation Board or Historic Preservation Officer.

Staff recommends an exterior and interior inspection of the property by Preservation Staff and the Building Official.

Section 8-115. Undue Economic Hardship

A claim of undue economic hardship may only be asserted in conjunction with an application to the Historic Resources Department with an application for a Special Certificate of Appropriateness, in accordance with Section <u>8-106</u>, which shall be considered by the Historic Preservation Board at a public hearing.

As a minimum, the applicant shall provide at time of application, the following information:

- A. For all property:
 - 1. The amount paid for the property, the date of purchase and the name of the previous property owner(s).

The property was purchased from Mr. Igor Nunez on October 1, 2021 for a total of \$1,025,000.00. See executed sellers documents and property appraiser information attached.

2. The assessed value of the land and all improvements thereon, according to the two (2) most recent Miami-Dade County property assessment records.

See document attached titled, "Miami Dade Property Appraiser 091025".

3. Real estate taxes for the previous two (2) years.

The applicant has provided copies of the property taxes for 2021 and 2022.

4. Annual debt service, if any, for the previous two (2) years.

No copies were provided. As per an email from the property owner, the home is financed under a hard money personal loan. Therefore they do not have a bank statement to offer.

5. All appraisals obtained within the previous two (2) years by the property owner or applicant in connection with the purchase, financing or ownership of the property.

No copies were provided. As per an email from the property owner, they do not have the appraisal prior to purchase.

6. Any property sale listing(s) of the property for sale or rent, price asked and offers received, if any.

See document attached titled, "Zillow Listing History". The property has been on and off the market multiple times over the last few years. According to Zillow, the latest listing was advertising a 4,550 square foot, 5 bedroom and 6 bath home for approximately \$2,395,000.00. The existing building located at 1258 Obispo Avenue is approximately 1,350 SF, 2 bedroom, 1 bath.

In an email, the applicant confirmed that the property is currently not for sale. When it was on the market, the owner's did receive two offers for \$2,200,000.00 but, "they fell through as soon as they spoke with the City during due diligence period." No back up materials were provided.

7. Any consideration by the property owner as to profitable adaptive uses for the property.

No consideration as to profitable adaptive uses for the property have been evidenced by the property owner and/or applicant.

8. Two (2) appraisals completed by two (2) separate State of Florida certified appraisers, completed within six (6) months of application submittal.

The applicant provided three appraisals dated from 2023-2024.

Application submittal and review requirements. The application shall be considered by the Historic Preservation Board within sixty (60) days of application submittal. Consideration by the Board may be deferred by mutual agreement by the property owner and the Historic Preservation Officer. The applicant filing the claim shall file a written application on the forms prepared by the Department. The application shall include an affidavit validating all submitted information. Independent analysis by a consultant selected by the City may be required to assist in the review of the application. All fees associated with the analysis shall be the responsibility of the applicant. The types of reviews that could be conducted may include the following: property appraisals; archeological assessments; and historic assessments. The Historic Preservation Board may also require the applicant to provide additional information to assist in its findings and determination of undue economic hardship.

Section 8-108. Demolition by neglect.

- A. Demolition by neglect is any failure to comply with the minimum required maintenance standards of this Section, whether deliberate or inadvertent.
 - It was the opinion of Staff in 2021 that the minimum required maintenance standards of this section have not been met. The condition of the building remains in disrepair.
- B. The owner of any building, structure, landscape feature, improvement, site or portion thereof which has been historically designated pursuant to the Historic Preservation provisions of this Article shall be required to properly maintain and preserve such building or structure in accordance with the standards set forth in the applicable sections of the Florida Building Code, and this Article.
 - 1. It is the intent of this Section to preserve from deliberate or inadvertent neglect, the interior, exterior, structural stability and historic and architectural integrity of any historically designated building, structure, landscape feature, improvement, site or portion thereof. All such properties, building and structures shall be maintained in accordance to minimum maintenance standards, preserved against decay, deterioration and demolition and shall be free from structural defects through prompt and corrective action to any physical defect which jeopardizes the building's historic, architectural and structural integrity; such defects shall include, but not be limited to, the following:
 - a. Deteriorated and decayed facades or façade elements, facades which may structurally fail and collapse entirely or partially;

As per a structural engineer's report submitted in 2021, The property owner is aware that the structural shell of the house is in poor condition and recommends bracing of the exterior walls to the ground floor wood joists, no work has been completed to stabilize the property.

b. Deteriorated or inadequate foundations;

The structural report does not mention the foundations.

c. Defective or deteriorated flooring or floor supports or any structural members of insufficient size or strength to carry imposed loads with safety;

The structural reports note defective and deteriorated floor supports.

d. Deteriorated walls or other vertical structural supports, or members of walls, partitions or other vertical supports that split, lean, list or buckle due to defective material or deterioration;

As per a structural engineer's report submitted in 2021, The property owner is aware that the structural shell of the house is in poor condition and recommends bracing of the exterior walls to the ground floor wood joists, no work has been completed to stabilize the property.

e. Structural members of ceilings, roofs, ceiling and roof supports or other horizontal members which sag, split or buckle due to defective material or deterioration;

Structural reports submitted in 2021 note deterioration in the roof structural members, no work has been completed to stabilize the property.

f. Deteriorated or ineffective waterproofing of exterior walls, roofs, foundations or floors, including broken or missing windows or doors;

Structural report submitted in 2021 note water intrusion.

g. Defective or insufficient weather protection which jeopardizes the integrity of exterior or interior walls, roofs or foundations, including lack of paint or weathering due to lack of paint or other protective covering;

Structural report submitted in 2021 note water intrusion.

h. Any structure which is not properly secured and is accessible to the general public;

The structure appears to be secure and not accessible to the general public although the Canelas report notes the poor condition of the windows.

i. Any fault or defect in the property that renders it structurally unsafe or not properly watertight; and

Reports note structural issues and water intrusion; however, the building has not been declared an unsafe structure.

j. The spalling of the concrete of any portion of the interior or exterior of the building.

The structural report does not indicate concrete spalling.

2. A City code enforcement official who finds a violation of this Section shall issue a written warning to the violator to immediately correct the violation. If any building, structure, landscape feature, improvement, site, or portion thereof which has been historically designated pursuant to the Historic Preservation provisions, in the opinion of the Historic Preservation Board, or the Historic Preservation Officer in this Article, or the City's Building Official, falls into a state of disrepair so as to

potentially jeopardize its structural stability and/or architectural integrity, and/or the safety of the public and surrounding structures, the Historic Preservation Officer or the City's Building Official shall have right of entry onto the subject property and may inspect the subject property after forty-eight (48) hours notice to the owner of intent to inspect. In the event the property owner refuses entry of any City official onto the subject property, the City may file an appropriate action to allow such officials access to the subject property for an inspection. The City may require that the property owner retain a professional structural engineer with comprehensive experience with historically designated properties registered in the state, to complete a structural evaluation report to be submitted to the City. Upon receipt of such report, the property owner shall immediately take steps to effect all necessary remedial and corrective actions to restore the structure's or building's compliance with the required minimum maintenance standards herein; remedial action in this regard shall include, but not be limited to, the structural shoring, stabilization and/or restoration of any or all exterior walls, including their original architectural details, interior load bearing walls, columns and beams, roof trusses and framing, the blocking of openings and securing of existing windows and door openings, as well as sealing of the roof surface against leaks, including holes, punctures, mechanical systems, and/or roof penetrations as necessary to preserve the building or structure in good condition. The owner shall substantially complete such remedial and corrective action within thirty (30) days of receipt of the report. or within such time as deemed appropriate by the building official, in consultation with the Historic Preservation Officer. Such time may be extended at the discretion of the City's building official, in consultation with the Historic Preservation Officer.

Staff recommends an exterior and interior inspection of the property by Preservation Staff and the Building Official.

3. If the owner of the subject property, in the opinion of the City's Building Official and Historic Preservation Officer, fails to undertake and substantially complete the required remedial and corrective action within the specified time frame, the City may, at the expense of the owner, file an action seeking an injunction ordering the property owner to take the remedial and corrective action to restore the structure or building into compliance with the required minimum maintenance standards herein and seeking civil penalties, such civil action may only be initiated at the discretion of the City Manager or designee. The court shall order an injunction providing such remedies if the City proves that the property owner has violated the required minimum maintenance standards or any portion of this section or this code.

Staff recommends the existing historic structure is repaired to the required minimum maintenance standards.

4. Any historically designated building, structure, landscape feature, improvement, site, or portion thereof which requires an application for a certificate of appropriateness for demolition shall not have its architectural features removed,

destroyed or modified until the certificate of appropriateness is granted. Owners of such property shall be required to maintain such properties in accordance with all applicable codes up to the time the structure is demolished.

If the Board approves the request, the above Code requirement shall be enforced.

5. There shall be no variances, by either the Board of Adjustment or the Historic Preservation Board, from any of the provisions contained in this Section, except if the property owner demonstrates to the Board that the required remedial and corrective action would create an unreasonable or undue hardship as described in Section 8-115.

No variances have been requested and the applicant has not submitted the required documentation for the consideration of undue economic hardship.

VARIANCES

No variances have been requested with this application.

STAFF CONCLUSION

The application presented requests design approval for the demolition of the existing residence. The applicant is claiming undue economic hardship.

The house is a contributing resource within the Obispo Avenue Historic District. The demolition of any contributing resource will result in a negative and irreversible impact to the district as a contributing resource will be lost.

After reviewing the evidence presented by the applicant, Historical Resources Department Staff has determined that the claim of undue economic hardship has not been substantiated. Further, Staff concludes that the request for the demolition of the structure should be denied due to this determination.

Article 16. Definitions, of the <u>Coral Gables Zoning Code</u> defines undue economic hardship as "an exceptional financial burden that would amount to the taking of property without just compensation, or failure to achieve a feasible economic return in the case of income producing properties."

When addressing claims of undue economic hardship, one has to determine whether or not the level of economic impact rises to the level of an economic hardship. A historic designation or denial of a Certificate of Appropriateness application may have an economic impact on a property owner, but is it severe enough to become an economic hardship? In all claims of undue economic hardship, the burden of proof rests entirely on the applicant. As listed above, many of the materials requested have not been provided. Staff does not believe the criteria have been met.

COA (SP) 2024-027 September 18, 2025 Page 12

Economic hardship is generally accepted as being consistent with a "taking" of the property. "The legal standard for an unconstitutional regulatory taking...requires a property owner to establish that he or she has been denied **all** reasonable beneficial use or return on the property as a result of the commission's denial of a permit for alteration or demolition." (See "Assessing Economic Hardship Claims Under Historic Preservation Ordinances, Preservation Law Reporter Educational Materials, p. 1, attached.) In 2019, a Special Certificate of Appropriateness for additions and alterations to the structure was reviewed and approved by the Historic Preservation Board. This addition would have allowed for a 3,859 SF addition to the existing 1,546 SF home. No other plans for renovation, restoration or adaptive reuse of the property have been submitted.

Historic Preservation Case Law has strongly taken the stance that the property owner is not entitled to the highest and best use of the property. What has been consistently legally upheld is that there is no undue economic hardship (or taking) if the property can realize a reasonable return on investment, or whether a viable use of the property remains.

Does a viable use for this property remain? **Yes**. The property remains viable as a single-family home. The owners can continue to use the property as a single-family residence with the historic designation in place and if the demolition request is denied. It is feasible that alteration could occur, but no such consideration has been given to the residence. The City Commission has adopted the Ad Valorem tax emption incentive for property owners, that allows tax exemptions for the restoration, renovation or rehabilitation of historic properties. The exemption shall apply to one hundred (100%) percent of the assessed value of all improvements to historic properties, which result from restoration, renovation or rehabilitation made on or after the effective date of this Article. This would help ease the economic burden the applicant is claiming.

Without the economic hardship claim, there is no compelling reason to approve the demolition of the residence. As stated before, there has been no evidence presented that supports the need to demolish the property due to any material defect in the property.

As noted above, it is the opinion of Staff that the request meets only two of the eight criteria in Section 8-107(D) Demolition of the City Code. Pursuant to this section of the Code, the Board shall consider the criteria.

As further noted above, it is the opinion of Staff that, based on the structural report, the structure suffers from seven of the ten defects in Section 8-108.B.1 Demolition by Neglect of the City Code. The applicant's have been aware of these condition since 2021 and no repairs have been made.

Therefore, based on the above, the demolition is not consistent with Secretary of the Interior's Standards for Rehabilitation as it will result in a negative and irreversible impact on the Obispo Avenue Historic District, the structural report indicates the structure can be repaired, and the request is not consistent with the requirements of the Code.

Therefore, Historical Resources Department Staff recommends the following:

A motion to adopt Staff's finding and report, and to find that the applicant has **NOT** demonstrated that the denial of the certificate of appropriateness for demolition of the property would result in the loss of all reasonable and beneficial use of or return from the property in accordance with Section 8-115 of the Coral Gables Zoning Code.

AND

A motion to **DENY** the design proposal for the demolition of the existing residence for the property at 1258 Obispo Avenue, a contributing resource within the "Obispo Avenue Historic District," legally described as Lots 1 and 2, Block 3, Coral Gables Section "E," according to the Plat thereof, as recorded in Plat Book 8, at Page 13 of the public records of Miami-Dade County, Florida, and **DENY** the issuance of a Special Certificate of Appropriateness.

Respectfully submitted,

Milla C. I Cilias

Historic Preservation Offic