



# United States Department of the Interior

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



September 9, 2022

[REDACTED]

**PROPERTY: Milam Building, 115 East Travis Street, San Antonio, TX**  
**PROJECT NUMBER: 43856, Part 2**  
**APPEAL NUMBER: 1656**  
**ACTION: Final Administrative Decision**

Dear [REDACTED]

I have concluded my review of your appeal of the January 21, 2022 Decision of Technical Preservation Services (TPS), National Park Service, denying certification of the Part 2 – Description of Rehabilitation 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 you and your representatives, [REDACTED]

[REDACTED] for meeting with me via videoconference on April 22, 2022, 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, online research I conducted, and my observations and photographs from an Association for Preservation Technology tour of the building in 2016, I have determined that the proposed rehabilitation of the Milam 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 2 – Description of Rehabilitation application issued in the TPS Decision of January 21, 2022.

The Milam Building, completed in 1927 and opened in January 1928, was constructed for the Travis Investment Company, a partnership of prominent San Antonio businessmen led by Harry H. Rogers. Named for Texas Revolution hero Ben Milam, the structure was designed by local architect George Willis and was built by L.T. Wright Construction Company. The mass of the building fills the site for the first

two floors; the plan of the third through sixteenth floors is U-shaped around a light court centered above the main entrance on Travis Street; the seventeenth through twenty-first floors form a small tower at the back of the U-shaped floors below. The reinforced-concrete structure is clad in tan brick with Spanish Revival-style cast stone ornamentation and was noted for its modern features, most notably an air conditioning system designed by Willis H. Carrier, founder of the Carrier Engineering Company. The Milam Building was the first air-conditioned high-rise office building in the United States and was designated a National Mechanical Engineering Heritage Site by the American Society of Mechanical Engineers in 1991.

The Milam Building was individually listed in the National Register of Historic Places in 2015 and is a contributing resource to the San Antonio Downtown and River Walk Historic District. The National Register nomination summarizes the significance of the property:

*The Milam has housed some of San Antonio's leading business professionals during its history. Most notably, it has been occupied by individuals and firms engaged in oil and gas exploration and production and related fields such as law, real estate and equipment supply. In 2014, the Milam Building remains a prominent address and is occupied by a diverse mix of business professionals. The Milam Building is eligible for the National Register under Criterion A (local level) in the area of Commerce because of its long association with all aspects of the oil and gas industry during the 20th and early 21st centuries.*

*It is also eligible under Criterion C (local level) in the area of architecture as one of San Antonio's most notable tall structures built during the boom period of the 1920s, as an important local example of reinforced concrete architecture, and as an excellent expression of the work of architect George Willis.*

Historically, the interior of the Milam Building was defined by an ornate lobby at the ground floor with commercial retail spaces lining the street fronts and the original home of the San Antonio Petroleum Club on the second floor. The third floor and above were historically office spaces accessed by a U-shaped double-loaded corridor that remained largely extant on many floor levels. The National Register nomination notes that these character-defining features—historic plaster finishes, cork flooring, wood trim, office doors and hardware, and the air-conditioning system—all remained substantially intact, although many individual office configurations beyond the corridors and some limited areas of the corridors themselves had been altered over the years for changing tenants. At the time of its individual listing in the National Register in 2015, despite the alterations noted above, the Milam Building was described as retaining a high level of integrity.

The TPS January 22, 2022 Decision describes in detail the timeline of the rehabilitation from 2016 to the present and the interior demolition that resulted in the denial of certification. TPS summarized its determination in a single paragraph:

*The proposed reconstruction and replacement of demolished and removed interior historic features and materials in the historic corridors and office spaces is not sufficient to bring the overall project into conformance with the Standards. The loss of virtually all historic interior spaces, features, materials, and finishes of the building does not meet the Standards and greatly impacts the historic character and appearance of the*

*building. These features could have been retained and preserved as part of the project, and, given the extent of what was removed, reconstructing them is not sufficient to bring the project into conformance with the Standards. Historic integrity, once lost, cannot be fully restored through the reconstruction of missing features, as the new features, no matter how close a match, cannot match the original materials exactly in terms of their authenticity, design, evidence of workmanship, and other associations. In this instance, the entire interior would be completely new features, finishes, and materials.*

Regarding your claim that you should not be held responsible for prior work, there have been four proposals to rehabilitate the Milam Building since 2016, but you have acknowledged that all four were under the continuous ownership of WWG WOBMISA, Ltd., the General Partner of which is Weston Urban, LLC. Each proposal was an attempt to return the building to an income-producing property, a continuous effort by one owner to accomplish that goal. Thus, I concur with TPS's determination that the four proposals constitute one continuous project. And since each proposal was different and each required individual review, it is appropriate that you were charged the standard application fee for each review.

Consequently, the fundamental issue in the appeal is this: Can the historic character of the building's historic interiors—gutted back to the underlying reinforced concrete structure in 2018—be reconstructed with new materials and finishes and comply with the Standards?

In my review, I first considered how the significance of the Milam Building is physically embodied in the historic interiors of the property. The National Register evaluates significance in relation to seven aspects of integrity: location, design, setting, materials, workmanship, feeling, and association. The Milam Building was determined to be significant under NR Criteria A “because of its long association with all aspects of the oil and gas industry during the 20th and early 21st centuries” and because it retained “the essential physical features that made up its character or appearance during the period of its association with the important event, historical pattern, or person(s).” [National Register Bulletin 15]. That significance derives from the work and activities that took place in the offices, in the Petroleum Club, and in corridors throughout the building. Gutting the interiors on twenty of the twenty-one floors has compromised all seven aspects of integrity. Although it may be possible to replicate the visual appearance of some of the corridors with salvaged doors and new materials, the original materials and workmanship are gone, and the intangible aspects of feeling and association cannot be recreated. This calls into question whether the Milam Building, as now modified, is still individually eligible under Criteria A. It could still be individually eligible under Criteria C and it would likely still contribute to the significance of the San Antonio Downtown and River Walk Historic District because that is based primarily on the building's exterior appearance.

Second, I considered the preamble to the Standards in the regulations which states that, “A rehabilitation project for certification purposes encompasses all work on the interior and exterior of the certified historic structure(s) and its site and environment, as determined by the Secretary, as well as related demolition, new construction or rehabilitation work which may affect the historic qualities, integrity or site, landscape features, and environment of the certified historic structure(s).” [36 C.F.R. § 67.6(b)]. Thus, the treatments of interior and exterior features are given equal weight in assessing compliance with the Standards. Demolishing nearly all interior features clearly contravenes this requirement.

Third, I considered Standard 2, which 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.*” Again, demolishing nearly all interior features clearly contravenes this requirement. The regulations state, “*All elements of the rehabilitation project must meet the Secretary’s ten Standards for Rehabilitation (§ 67.7); portions of the rehabilitation project not in conformance with the Standards may not be exempted.*” [36 C.F.R. § 67.6(b)(1)].

Fourth, I considered Standard 5, which states, “*Distinctive features, finishes, and construction techniques or examples of craftsmanship that characterize a historic property shall be preserved.*” In the appeal presentation, you stated that, “*Demolition did not destroy distinctive finishes, except as necessary for asbestos removal. Historic finishes will be replicated.*” I acknowledge that the historic interior finishes were typical for the 1920s, thus not particularly “distinctive” but Standard 5 also states that features and construction techniques shall be preserved. You further stated in the appeal presentation that, “*It is estimated that seventy-percent of the original office doors are intact and thirty-five percent of the original hardware including knobs and mail drops remains. Some original doors have lowered lower panels and side panels that functioned as part of the building’s air exchange system.*” Although those features may be intact, they were removed from their historic locations but were salvaged. I note that if seventy percent of the office doors were intact prior to the demolition, probably the same percentage of the corridors would have been intact. One truly distinctive feature that was lost in the interiors demolition was the air-conditioning system, the first in the United States in a high-rise office building and a designated National Mechanical Engineering Heritage Site. The corridors and salvaged office doors, as you described above, had been an integral part of the air conditioning system, providing a path for return air. Consequently, I disagree with your claim that the 2018 demolition did not contravene Standard 5.

Fifth, I considered which Standards would be applicable to the proposed remedial work, primarily Standard 6 regarding replicating missing features but also Standard 3 regarding not creating a false sense of historical development. 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 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.*” Standard 6 would be problematic because it envisions that there is something left to match, not the reconstruction of historic features removed in their entirety. Further, your proposed remedial construction will only selectively match the old; the configuration of some of the corridors will be truncated and the salvaged doors, even if placed in their original locations based on documentary or photographic evidence, would probably not be operational because they do not meet current fire code requirements. Further, mixing partially recreated corridors, salvaged historic doors that do not function, and new doors into the residential units will create a visually confusing sense of historical development, contravening Standard 3.

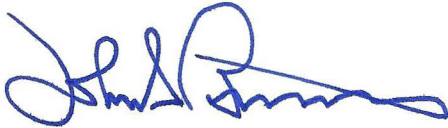
Finally, I reviewed the Asbestos Abatement Closeout Report you submitted at my request to try to determine if it could be used to justify the extensive demolition of interior features. Attachment 1, the Asbestos Containing Materials Survey, shows that although asbestos was present in historic materials within the Milam Building it did not exist in sufficient quantities to justify the extreme degree of interior demolition that was carried out in 2018.

I find that the proposed rehabilitation does not meet Standards 2, 3, 5, and 6 of the Secretary of the Interior's Standards for Rehabilitation due to the demolition of character-defining interior spaces, features, and materials throughout the building. Accordingly, I affirm the Part 2 denial of certification issued by

TPS in its January 21, 2022 Decision.

As Department of the Interior regulations state, my decision is the final administrative decision with respect to the January 21, 2022 Decision that TPS issued 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, FAIA, FAPT  
Chief Appeals Officer  
Cultural Resources

cc: SHPO-TX  
IRS

