United States Department of the Interior

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

May 22, 2013

[redacted]

Re: **Sovereign Hotel, 4835 Collins Avenue, Miami Beach, Florida**
Project Number: **25009**

Dear [redacted]:

I have concluded my review of your appeal of the decision of Technical Preservation Services (TPS), National Park Service, denying certification of the rehabilitation of the property cited above. The appeal was initiated and conducted in accordance with Department of the Interior regulations (36 CFR Part 67) governing certifications for Federal income tax incentives for historic preservation as specified in the Internal Revenue Code. I thank [redacted] for meeting with me in Washington on February 25, 2013, and for providing a detailed account of the project.

After careful review of the complete record for this project, including the additional photographs submitted by [redacted] with his letter dated March 18, 2013, I have determined that the rehabilitation of the Sovereign Hotel is not consistent with the historic character of the property and the historic district in which it is located, and that the project does not meet the Secretary of the Interior's Standards for Rehabilitation (the Standards). Therefore, the denial issued on March 21, 2012, by TPS is hereby affirmed.

Built in 1941, the Sovereign Hotel is located in the Collins Waterfront Architectural District. It was certified as contributing to the significance of this historic district on February 10, 2012. The completed rehabilitation of this "certified historic structure" was found by TPS not to meet the Standards owing principally to the construction of a new tower deemed incompatible with the historic building. On the interior, the insertion of a two-story volume at the front wall also factored into the previous decision. Additionally, the relative lack of information raised questions concerning the treatment of the floor plans and decorative trim on the upper floors.

With regard to removing part of the third floor slab to create a two-story volume against the street façade

of the building, removing portions of a floor at the perimeter of a building is never a recommended treatment, and can easily create a highly visible new feature that is incompatible with an historic building of almost any period. In this instance, the new space is relatively small and did not compromise existing spaces of any prominence; nor does it create a space that is significantly out of character with the relatively modest spaces above the ground floor. Further, the photographs taken by [redacted] at my request support the claim that the floor cut and double-height volume is not readily visible from the street, or even upon close approach to the building entrance. Consequently, although not a recommended treatment, I have determined that this particular floor cut has not significantly impaired the overall historic character of the property. Accordingly, it has not entered into my decision.

With regard to the treatment of the floor plans and decorative trim on the upper floors, the additional information presented at our meeting confirms that the general organization of the building—double-loaded corridors running north-south and east-west, corresponding to the two wings of the historic hotel—was retained. And the photographs of the upper floors show that the completed rehabilitation did not compromise the "relatively unadorned" interiors of the building's "construction period and type" about which TPS expressed its concern. Consequently, the treatments of the upper-floor interior spaces have not entered into my decision.

With regard to the tower addition constructed on the ocean side of the property, I have reviewed its visual impact on the Collins Avenue (west) façade and on the oceanfront (east) façade, as well as its physical impact on the historic hotel. When viewed from the west, close to the original building, the tower addition is not visible because it is set back from the facade. However, when viewed from further west along 44th Street, closer to Indian Creek Drive, the addition becomes prominently visible above the historic building. Its prominence is emphasized by the architectural treatments of the upper floors, including a multi-story projecting sunscreen. However, despite the visual prominence of the addition when viewed from this perspective, I have determined that it reads as separate building. Consequently, I find that the tower addition does not significantly compromise the historic character of the property when viewed from the west.

With regard to the physical impact of the tower addition on the historic hotel, the massing of the original building was a seven story block facing onto Collins Avenue, with two wings extending toward the ocean, a seven-story guest-room wing on the north and a two-story service wing on the south. As a result, the seven-story ocean façade of the north wing was the most prominent feature of the original hotel when viewed from the beach. The two-story south wing was set back further than the north wing, and thus was nearly invisible from the beach. The building's proportions on the ocean side read as compact, rectangular blocks, with punched window openings set into planar walls. The location of the new tower caused the removal of a structural bay at the easternmost end of the north wing. Although removal of historic fabric is necessary for any addition to connect to an existing building, in this instance the new addition obliterated the most prominent feature of the east side of the original building.

When viewed from the east, the tower addition is now the most prominent feature of the property. It is twice as high as the original hotel, looming over and dominating the historic building, and diminishing the primacy of the original hotel in its own setting. When viewed from the courtyard, even though the new addition does not physically touch the corner of the north wing, the heavy spandrel bands of the addition contrast sharply with the planar walls and punched window openings of the original hotel, creating a visually jarring juxtaposition of two incompatible masses, where the bold detailing of the tower addition visually dominates the modest detailing of the original building. When viewed from a greater distance, from the beach to the east and from further down the beach to the south, the tower continues to visually dominate the original hotel. Thus, construction of the tower addition has substantially and inalterably compromised the historic character of the ocean front of the building.

Consequently, I agree with TPS that the tower addition significantly diminishes the property's overall historic character. The new addition towers over the historic building, and challenges the building for pre-eminence on its own site. Visible from the west, it is even more prominent from the east, where, as TPS noted, it "obscures the historic building, which now appears to visually recede into the background." I admit that the ocean front of the property lacked the architectural distinctiveness of the street front, such as it is. Nevertheless, the ocean front of the building and the entire property did not lack historic purpose and function, as contended in our meeting. Historic photographs in the record confirm that the swimming pool, patio, and private beach area were well-used by hotel guests historically. Even without considering the present expanse of publicly-accessible beachfront created by the Army Corps of Engineers in the mid-1970s, the ocean front of the hotel was a character-defining feature, and the new tower would have been judged as dominating the hotel. Considered under the present circumstances (prevailing for the last 40 years or so), these deleterious effects on the historic character of the Sovereign Hotel are only compounded.

For the above reasons, I find that the new tower addition significantly diminishes the property's overall historic character and thereby causes the rehabilitation to contravene Standards 2 and 9. 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 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."*

During the course of the appeal meeting, [redacted] mentioned other structures rehabilitated under the tax incentives program that featured new tower additions that were nevertheless certified. Consequently, he argued, the rehabilitation of the Sovereign Hotel should be certified as well. Department of the Interior regulations governing the program state that "*Because the circumstances of each rehabilitation project are unique to the particular certified historic structure involved, certifications that may have been granted to other rehabilitations are not specifically applicable and may not be relied on by owners as applicable to other projects.*" [36 CFR § 67.6(a)(1)]. Thus, the certifications granted to these or any other projects cannot compel the Secretary of the Interior to certify the rehabilitation of the Sovereign Hotel. Rather, the rehabilitation of the Sovereign Hotel must, of its own accord, meet the Standards set forth in 36 CFR § 67.7.

It is the experience of the National Park Service that structures like the Sovereign Hotel can be rehabilitated in a manner which accords with their historic character, even when rehabilitation plans call for new construction on a site. I note, however, that the work in this case was largely done before the National Park Service received the application. Although owners are free to apply after work has begun, the program regulations caution that, "*Owners are strongly encouraged to submit part 2 of the application prior to undertaking any rehabilitation work. Owners who undertake rehabilitation projects without prior approval from the Secretary do so strictly at their own risk.*" [36 CFR § 67.6(a)(1)].

As Department of the Interior regulations state, my decision is the final administrative decision with respect to the March 21, 2012, denial 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
Chief Appeals Officer
Cultural Resources

cc: SHPO-FL
IRS