



## MEMORANDUM

**TO:** MRA Board

**FROM:** Chris Behan, Assistant Director

**DATE:** February 18, 2021

**SUBJECT: Union Block Façade Renovation (127 East Main Street)  
Front Street Urban Renewal District – Second Tax Increment Request**

MRA Action History: An informational presentation was made to the MRA Board at its June 18, 2019 meeting regarding a restoration of the façade of the 127 East Main Street building by its owner, Radio Central, LLC. At its August 28, 2019 meeting, the MRA Board approved a request by Radio Central, LLC enabling it to proceed with certain activities without precluding those items from being included in a future assistance application. On September 19, 2019, the MRA Board approved \$579,858 for restoring the original 1900 façade of the structure subject to recording a Historic Preservation Façade Easement to protect the public investment. The model for TIF investment in the Union Block through an historic preservation façade conservation easement is the same as TIF participation in restoration of the Wilma Building and Mercantile Pharmacy facades. After discovering heretofore unknown façade elements while performing the original project over the past year, Radio Central, LLC is requesting \$125,000 in continued assistance to conserve and rehabilitate those items.

Summary of Original Project: Radio Central, LLC acquired the 127 East Main Street property in early 2018. It immediately began a multi-year interior renovation plan for the three-floor (plus basement), 33,700 square-foot building. The cost of the total renovation plan is estimated at nearly \$4 million. Since its construction in 1900, the street level of the building has been occupied by retail uses while the second two levels are office uses and the basement used for storage. While upgrading the entrance on Main Street used for the upper story offices, the owner found large decorative columns and an apparently intact brick façade under metal backed ceramic siding panels that had been installed in the 1950s or 1960s covering the entire Main Street elevation (picture attached). Subsequent research into the building's original appearance found the original structure to be a remarkable example of late 1800s Queen Anne architecture (see attached article published as the building was under construction). The owner also found that it appeared that the mid-20<sup>th</sup> century covering did not irreversibly damage the brick or stone and only masked the original window frames leading them to conclude that the façade had been adequately preserved to allow a near-complete historic restoration.

Progress to Date: The Union Block project architect, DVG Architecture and Planning, PC, had found a few renderings of the original façade which, led them to believe that, if restored, could

be one of the most spectacular buildings in downtown Missoula. However, good pictures have continued to be hard to find so research is through use of photos of other buildings and downtown panoramas with the Union Block in the background. The primary investigation tool has been discovery on site as the metal siding and its underlying lumber structure was slowly removed. Co-owner, Nick Caras, details some of the discoveries in his attached letter to the Board. Among those was finding that some parts of the building were either not built as portrayed in the early renderings (e.g. a parapet railing (“widow’s walk”) or certain areas may have been destroyed in a fire and replaced with a non-recorded design. Other unexpected finds include: marble banding, carved stone quoins (aesthetic building corner pieces) in the tower, carved granite capitals (decorative tops) on the first floor attached columns (pilasters), hand-carved hardwood mullions separating window bays on the first and second floors, and second floor window tops as oak carved with a rope detail. (There are pictures of these items in linked slideshow). Unfortunately, many of the newly found items were damaged by installation of the 1950s siding and require significant repair or remanufacturing.

As the project progressed and the owner was able to better understand the entire original design and materials used, they chose to adapt some materials for more consistent aesthetics and longevity. For example, the new capitals that project over the roof line were going to be manufactured with a high density foam material and once a picture was found of their actual 1900 dominant presence, it was decided fiberglass would create a better appearance and damage resistant representation. The owner also found that many of the window openings took much more brick restoration than had been believed when the only view was from the interior through cut drywall and insulation. Initial testing (removal of select metal panels) indicated the first and second floor window framing was nearly intact but later work revealed that most had been destroyed or removed during the siding project. While the façade was being transformed, the privately financed renovation of the building’s interior to upgrade all three floors to modern office space also encountered additional costs, primarily due to the unexpected necessity to perform an asbestos remediation effort.

The first TIF request amount has been expended or obligated to currently ongoing work. That amount included a contingency that was felt to be able to cover unexpected issues. However, the contingency has been spent on remanufacturing of the top capitals and some mullions, and window masonry repair. The owner is now requesting continued TIF investment to reproduce the remaining mullions separating windows along with hardwood window framing on the first and second floors (\$80,000), and restoration of the granite pilaster capitals and cornice (\$45,000) in the total amount of \$125,000.

Restoration of the Union Block is an opportunity to greatly change the overall ambiance of this area of downtown. Many of the standard list of evaluation criteria for TIF applications do not fit well for the first request or this request to cover additional work. However, there is a direct correlation between improving the exterior of buildings in Missoula’s downtown (and across Montana), particularly historic restoration, and subsequent investment in nearby properties. According to studies by the National Trust for Historic Places as well as real estate investment publications, historic restoration creates a sense of permanence and stability that draws customers and tenants, making nearby properties better investment opportunities. Over its tenure, MRA has invested heavily in prominent downtown buildings that had not deteriorated to

the point of no return. Examples include the Wilma Building, Florence Building, Higgins Block, Mercantile Pharmacy, Headquarters Building on West Front Street, both the Northern Pacific and Milwaukee railroad stations, etc. The total cost of the first and second Union Block requests is similar to the total TIF expended over several projects to revitalize the Wilma Building and Florence Building, as well as the Mercantile Pharmacy.

The metal Union Block façade made it difficult to draw customers to retail uses on Main Street from the busy Higgins Avenue commercial corridor. Together with many years of deferred upgrades and maintenance on the upper floors, the building long operated with a large percentage of the retail and office vacant. Restoring the Union Block to the 1900 façade, along with the adjacent AC Hotel and nearby Wren Hotel projects, is changing the streetscape and surrounding commercial neighborhood as well as the entire downtown. According to the owner, even unfinished, the new Main Street is leaving a lasting positive impression to both the pedestrian and driver passersby, as well as influencing business location decisions.

Even when a building isn't encapsulated in metal, restoration is very difficult to predict and plan due to incomplete or non-existent construction drawings and pictures, the impact of numerous isolated and ad hoc changes and additions over time, etc. In the case of the Mercantile Pharmacy, no one could know how unstable the structure was until it started to collapse. As another restoration example, the Wilma cornice work included in MRA façade assistance changed more than once due to findings of unforeseeable internal structural integrity issues.

The MRA Board has a tradition of not approving additional assistance to projects for items that were foreseeable but overlooked in design, inadvertently not included in applications, cost more than estimated in the TIF application, did not include required wage rates, etc. Staff believes this request to assist continued work on the Union Block façade does not fall into that list of past MRA Board's actions because the request is for items that could not be foreseen or anticipated given absence of accurate visual records and the inability to see through the metal siding.

The FY21 Front Street District budget includes the amount of assistance approved in 2019 as well as the Wren Hotel and AC Hotel TIF bonding for eligible items and is not currently able to handle an additional investment into the Union Block. The alternative is for MRA to reimburse the previously approved amount upon completion and to have the option to reimburse the additional amount on an annual schedule over multiple years, which is the method used on the Wilma Building project. Radio Central, LLC is agreeable to that method.

**Staff continues to believe that the chance discovery of the intact 1900 Queen Anne façade is a unique opportunity, one that entire community can celebrate. Therefore, Staff recommends MRA pledge up to \$125,000 for additional eligible façade improvements based on the following contingencies:**

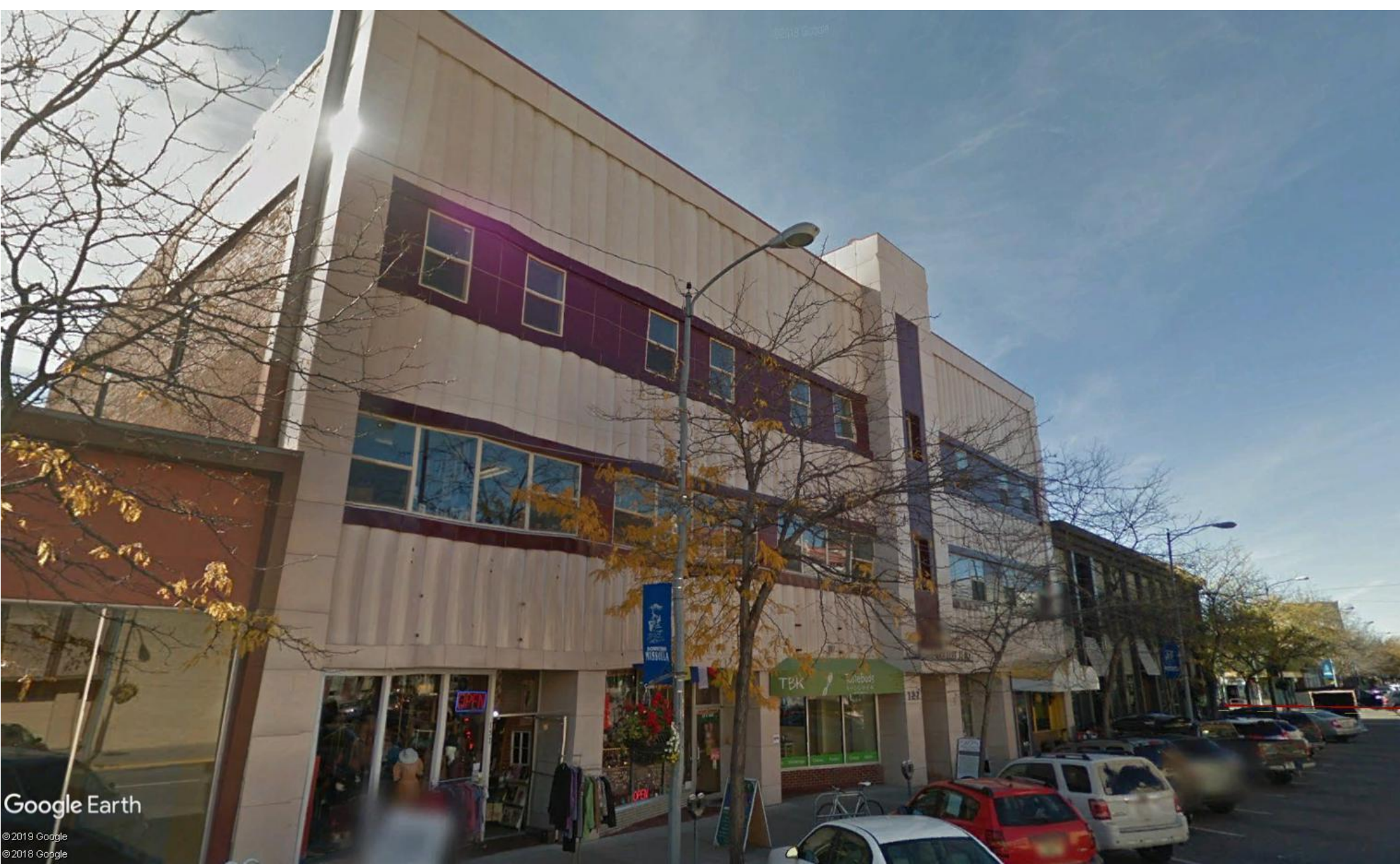
- 1. Reimbursement would be based on paid invoices with contractor lien waivers for eligible activities.**
- 2. Within an amended development agreement, the owner shall agree that reimbursement of approved additional eligible items may, at MRA's sole discretion, be spread over two fiscal years (FY22 and FY23).**



THE UNION BLOCK.—(L. J. GALBRAITH, ARCHITECT.)

The Union block is being erected jointly by Messrs. F. G. Higgins, T. L. Greenough and Wm. H. Houston. The building has a frontage of 138 feet by 90 feet deep, and will cost when completed \$100,000. The foundation walls are built and as soon as the weather will permit the walls will be erected. The building is designed for store rooms, offices and flats, the basement front rooms to be used for stores or offices; the first floor for store rooms exclusively. The second story front rooms are in suites of offices, with open plate glass fronts, the large lights being swung on top and bottom pivots. The interior of each block has an open court from second story to roof, with flats of five and six rooms surrounding the courts. The entire front of the building will be of (Chicago) Anderson pressed brick, laid in black cement, and native granite, polished and carved. The front entrance tower will be supported with polished Clarks Island granite column plinths, carved caps and lintels, carried up prominently and roofed with vitrified tile. The first and second story fronts of stores and offices will be finished in polished white oak wood. All the store entrance vestibules and the main entrance vestibule will have floors alternating in black and white marble; the main entrance corridors will be finished in red oak. The building will be fitted with both passenger and freight elevators, and will be fitted up with three separate steam heating plants, lavatory rooms, closets and pantries and electric light. The structure is located on East Main street, nearly opposite the Higgins block, and will prove a valuable acquisition to that portion of the city.





Google Earth

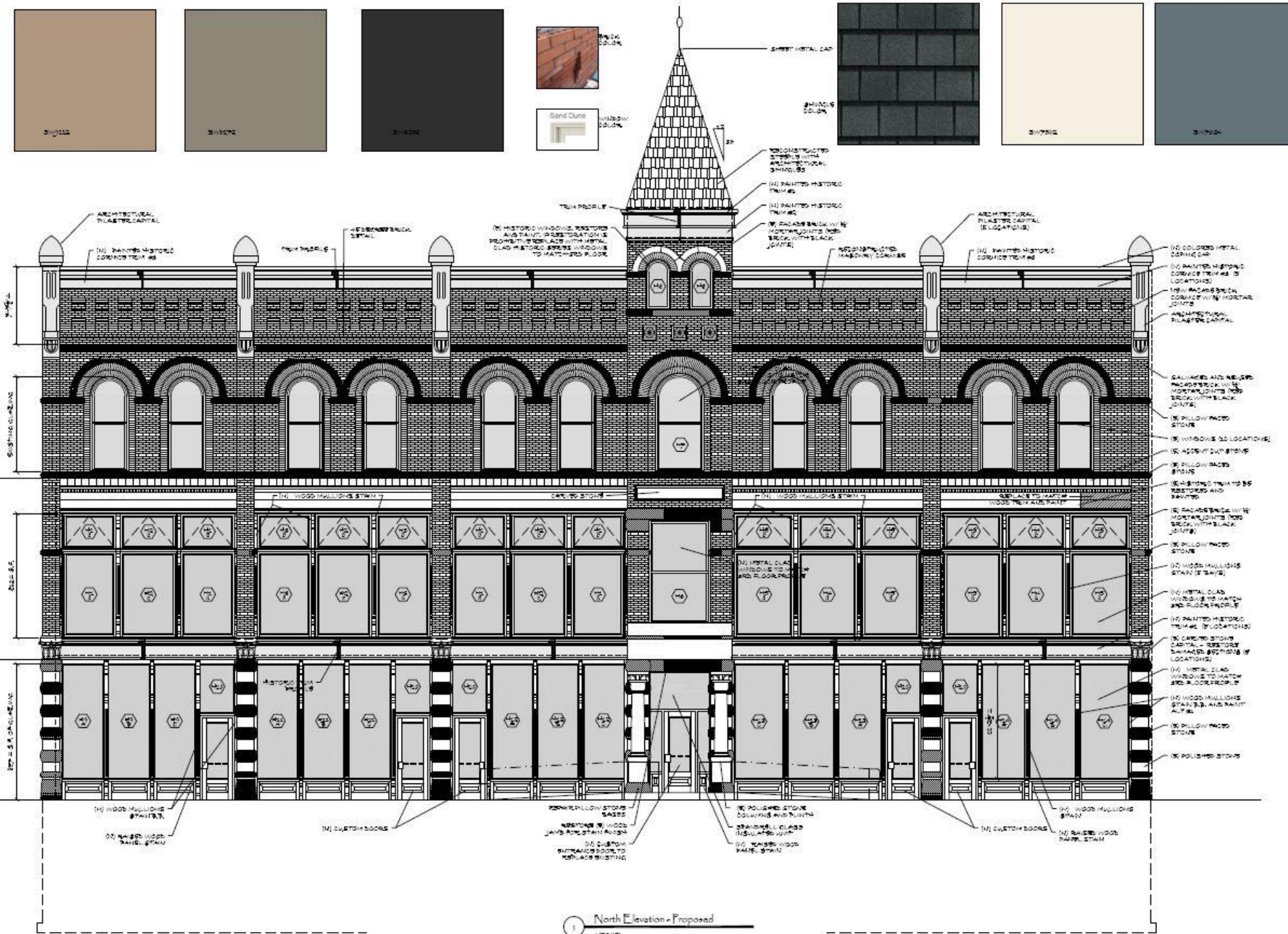
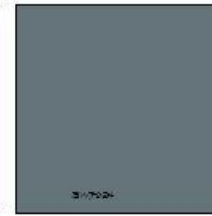
© 2019 Google  
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BRICK  
COLOR

Sand Dune  
WOODEN  
COLOR



1 North Elevation - Proposed

| REV. | DESCRIPTION | DATE |
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Dear MRA Board,

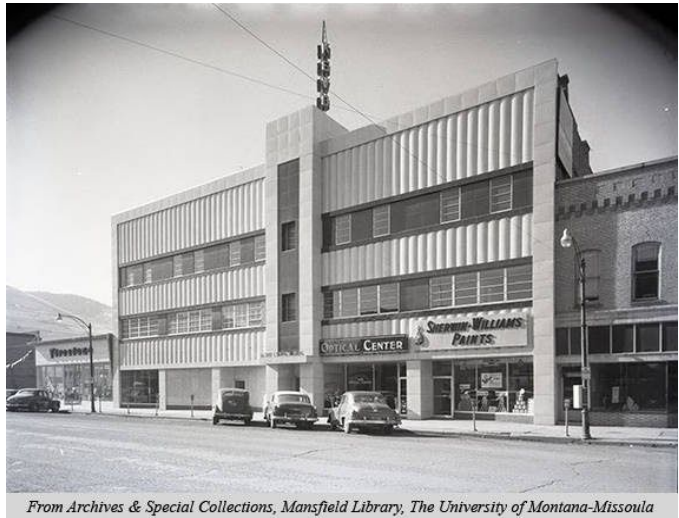
I am writing to request additional assistance for the historic Union Block Restoration. As the community is now aware, this is a project of rarity and importance, rivaling some of the greatest redevelopments in Missoula's past such as the Wilma, Milwaukee or Northern Pacific Stations. The uniqueness of this project is a gift to the Missoula community - this funding will aid economic revitalization while preserving the character and architectural value of one of the oldest brick structures in the downtown core. An opportunity of this caliber will not likely present itself in downtown Missoula again.

The historic Union Block was completed in 1891, funded for \$100,000 by prominent developers of the time and those who shaped Missoula as we know it today - Higgins, Greenough and Houston with the help of architect I. J. Galbraith. Built in the Queen Anne Style, the Union Block boasted an abundance of architectural detailing, including an ornate cornice, stepped parapet, square turret and finial, dentil belt course, arched window openings, articulated pilasters, granite Corinthian columns, and rounded wood moulding.

Buildings of this style were common of the era, yet alarmingly few survive today as many burned down or were redeveloped to contemporary taste. The Union Block is a rare example which retains a high degree of integrity. The building was designed to be of highest architectural quality and beauty, with similarities to the Higgins Block across the street. It was built to display the wealth, class and sophistication of development at that time. Skilled laborers, woodworkers and masons were employed in the construction resulting in workmanship that withstands time and is rarely found in building



Original rendering of the Union Block. It was not completed quite as drawn or maybe a section burned and was torn down. Rafter pockets and an old roof are visible on the West façade showing some history of what existed and could have been intended.

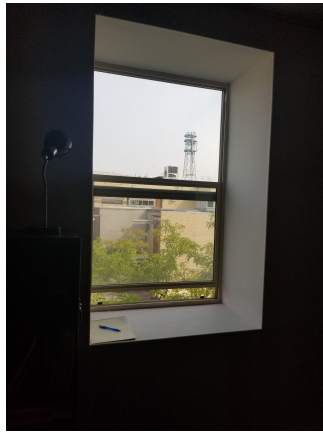


*From Archives & Special Collections, Mansfield Library, The University of Montana-Missoula*



construction today. The scale, craft and use of high-quality materials would be a tremendous feat in 2021, let alone 1891.

The Union Block adapted to the modern era in design and class a half of a century later, becoming a leading example of mid-century modern commercial style in the 50s. Once again, the Union Block, now Radio Central, became an updated showstopper of the times. Over the years various styles came and went and Radio Central's interior sadly fell victim to a myriad of modifications and abuses in the 1970s, 80s and 90s. Deferred maintenance, dropped ceilings, narrow hallways and decreased fenestration resulted in offices which felt more like closets than usable spaces. Like many historic buildings in downtown Missoula, by the 2000s Radio Central became prime for demolition.



Drop ceilings, composite siding and small windows covered the historic character of the Radio Central building until 2018.

In 2018 we purchased the building with the intention of making the space usable once again. That same year, tenant improvement on the second floor of Radio Central was started to upgrade the existing lease space to “Class A” office. During the renovations historic wall coverings, windows, and doorways were quickly discovered. The Tenant Improvement was finished with the Missoula County CAPS office leasing the entire floor. Our interests were piqued at the discovery of these features and some were left exposed to display the building's history and superior craftsmanship for current tenants.

The third-floor tenant improvement phase uncovered many more historically significant features. The project shifted course when the historic façade was found hiding under the mid-century metal façade. The project team started doing selective demolition on portions of the façade to see what the metal was hiding. What we found surprised even the most



knowledgeable architectural historians. To everyone's surprise, the majority of the 1890s facade remained having been covered and protected for 60+ years. Renovating the façade was not planned when the tenant improvement work was started but we quickly realized we had a building of great significance and integrity on our hands. Here is an awesome opportunity to bring one of Missoula's oldest and most incredible downtown buildings back to life. Yet, with this opportunity comes great burden in making sure the restoration is done right.



Removal of the mid-century medal facade revealed original arched windows, Corinthian columns, wood entry moulding, a dentil belt course and carved UNION signage in masonry. Unfortunately the historic storefronts, cornice and turret did not survive.

Where nearly all other buildings of this era have burned or been demolished we have a essentially a 50 foot time capsule of our city's history and it is my privilege and that of my partners to restore it. We are honored to bring an important piece of Missoula's former glory back into the community.

Our group is grateful to the city and the MRA board for their substantial and impactful support over the years. The progress is detailed below and I'd like to recognize our architecture and design team David Gray and Ashley Torbett of DVG Architecture and Planning P.C, Marc Umile and Sirius Construction and the equity investors in the project -

all have gone above and beyond what's typically demanded because it's become a passion project for everyone.

### Current Status

We have largely accomplished what we set out to do: deconstruction of the mid-century sheet metal cladding and restoring or replicating what was damaged or removed during the 1960s 'upgrade'. But our scope of work has expanded largely because of 2 discoveries:

- We pulled back multiple layers of the facade until we got to the granite and mullions - we knew of one existing mullion but the others had been concealed through a gap on the third floor and between an existing brick wall. We discovered many more mullions which we didn't know existed, and which require significant restoration, well-beyond the scope of our initial facade budget.
- We also found additional granite in need of restoration at the building's main entrance and on the capitals at the top of the first floor pilasters. These capitals and columns were a complete surprise, and the scroll work on the top of the capitals had been knocked off with sledgehammers presumably during the 1960's facade renovation.

Our intent now is to restore these mullions and granite where possible, and recreate these features in the areas where it had been demolished prior. When we started this project, many of these features were concealed by sheet metal and old stud walls. Additionally, in removing many of the 1960's improvements, we have had to complete additional asbestos abatement beyond our initial project scope

Through exposing the original facade, we have discovered many more historic and stunning features, but the historically-accurate restoration of these additional features comes at a cost.

### Our Request

With significant assistance from the MRA the ability to restore the majority of the North Façade and exterior 3rd floor windows would be possible, bringing back the history of East Main. We know the parapets, queens-hat roof and windows have been removed. Some granite has been severely damaged at the front doors. The parapets will need to be recreated from scratch as what is currently left is CMU fill. The majority of the windows have been removed and replaced with units that are of different proportion and size. The majority of the face brick and stone uncovered has been in excellent shape but, the North Façade masonry is covered with years of accumulation of pigeon waste that needs to be delicately cleaned off. There will also be damage from the connection of the Metal cladding that will need to be repaired.

The main floor storefronts have been structurally altered and will not be able to be restored to their original configuration without excessive cost. We are proposing to replace the storefronts, so the street façade has the proportional glazing area of the original façade and a unified look. The second-floor glazing is currently a horizontal strip and not floor to ceiling glazing. We are proposing to bring back the exterior appearance of the original glazed area. The third floor will have new windows installed in the original openings tripling the amount of glazing the building currently has at that level.

The queens-hat roof will be reconstructed on the current masonry parapet with a historically-accurate molding at the eave line. The original queens-hat supporting masonry matched the parapets, but we feel would be cost prohibitive in this restoration.

The windows on the West and South facades would be restored to their original sizes and locations.

### Summary

We understand that Façade improvements are not specifically addressed in the Front Street URD. The ownership of the building is investing significantly into revitalizing this historic building when others would just tear it down, removing one more piece of Missoula's history. The Downtown master plan recognizes that the history and historic preservation of the downtown is an important part of its success. There's an opportunity for this building to be a piece of the gateway to the revitalized East Main street leading to the new Library.

The 2nd and 3rd floors are being completely modernized with tenant improvements. The basement is under-utilized and partially unfinished. All of that area is being assessed for redevelopment into commercial space with new atrium, entries on the South façade, bike storage rooms, and common spaces bringing more vitality to a revitalizing block of the downtown.

The restoration of the Union Block building is a monumental effort which will return tremendously in economic and community development. The community reaction to this project has been inspiring, from news requests to social media to passersby, proving the necessity and obligation we have as building owners, designers and decision makers to restore it and ensure the Union Block remains in the heart of downtown for another 100+ years. We are asking the MRA to continue to further partner in this project and continue its legacy of restoring downtown buildings and preserving Missoula's rich history.

We are grateful for the MRA's involvement to-date. At this juncture, conditioning or delaying the payment of the initial MRA grant, we would like to respectfully request an additional \$125,000.00 to be allocated towards reproducing mullions and hardwood window framing and granite restoration. This will allow our final product to be as



historically accurate as possible, based on the materials we've found during our demolition process.

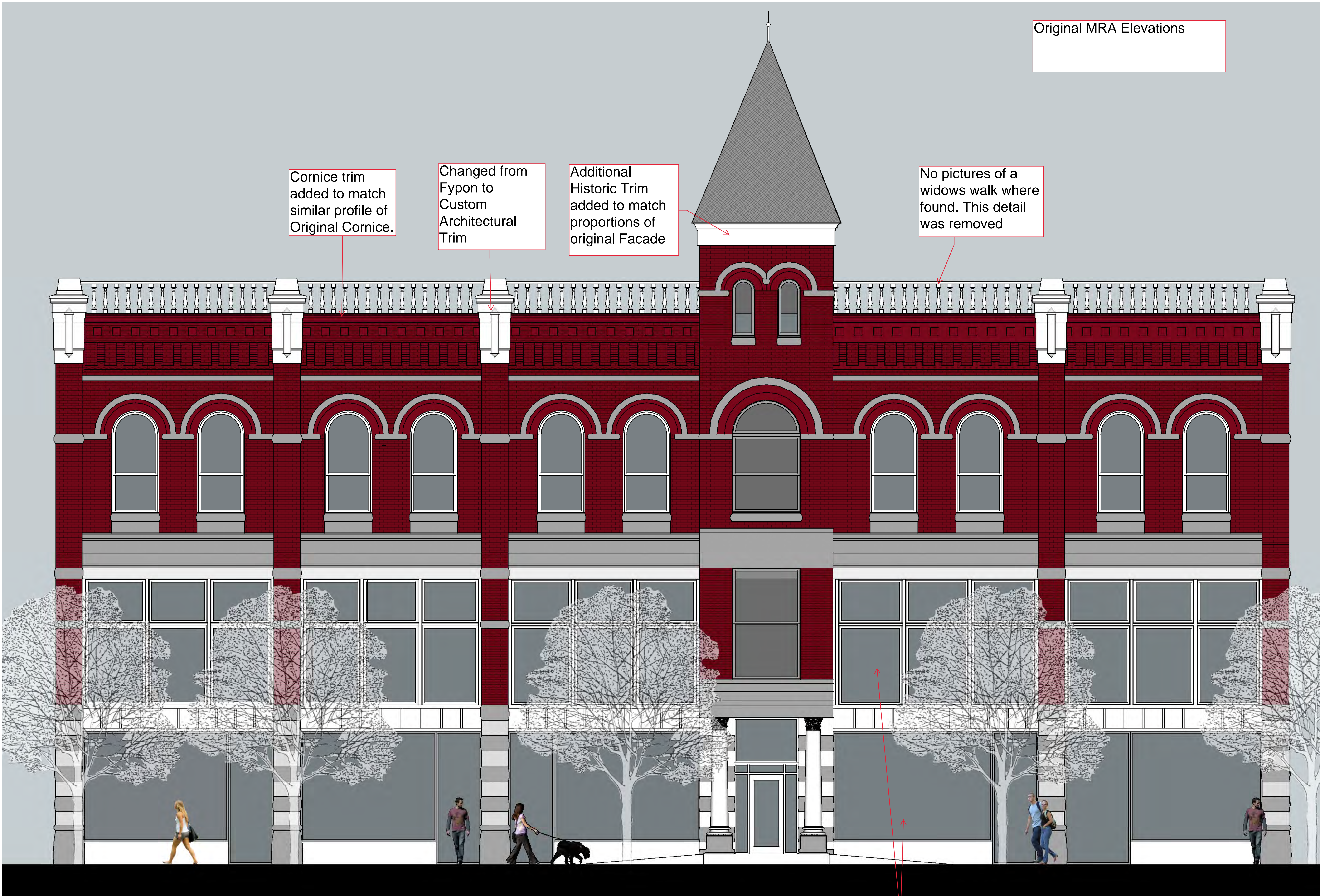
Sincerely,

Nick Caras





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1 North Elevation  
Scale: 1/4" = 1'-0"

Original MRA Elevations

**D V G**  
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email: david.dygray@uplan@gmail.com

The Union Block Restoration

127 East Main Street

3 October 2019

Front Elevation  
Colored

PR-1B