



United States Department of the Interior

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

JUL 03 2008

Governor Hotel, 435 21st Street, Miami Beach, FL
Project Number: 16094

Dear

My review of your appeal of the decision of Technical Preservation Services, National Park Service, denying certification of the rehabilitation of the property cited above is concluded. 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. Thank you for meeting with me via telephone conference on March 11, 2008, and for providing a detailed account of the project. I would also like to thank your colleagues

participating.

After careful review of the complete record for this project, I have determined that the rehabilitation of the Governor Hotel is consistent with the historic character of the property and the historic district in which it is located, and that the project meets the Secretary of the Interior's Standards for Rehabilitation. Therefore, the denial issued on October 12, 2006 by Technical Preservation Services (TPS), National Park Service, is hereby reversed.

The Governor Hotel was constructed in 1939-1940 and functioned as a hotel until the recent rehabilitation for apartment use. The U-shaped building has three stories served by double-loaded corridors. The property was certified as contributing to the Miami Beach Architectural District on May 6, 2005. The rehabilitation of this "certified historic structure" was found not to meet Standard 2 owing to changes to the first floor plan.

During the rehabilitation, portions of the first floor corridors were enclosed and incorporated into the first floor apartments. Additionally, new entrances were created on the courtyard side of the building on the first floor to serve the new apartments. Although the historic floor plan was preserved on the second and third floors, TPS found that the changes to the first floor caused the project to violate Standard 2.

I have reviewed the photographs of the completed work that you sent on June 3, 2008, and have determined that the changes made to the plan in this rehabilitation, while not a recommended treatment, do not alter the circulation areas of the building beyond an acceptable degree. The corridors in the two wings of the Governor Hotel were identical on each of the three floors. The first floor corridors were not directly contiguous with the main lobby, being both up a flight of stairs and perpendicular to the lobby access. Thus, their loss does not significantly detract from the overall character of the building. I understand the fire safety issues associated with three floors of apartments emptying into one stair on each side of the building. The overall load on these stairwells is reduced now that the first floor residents exit directly to the courtyard. Additionally, I find the design for the new entrances to the first floor units to be compatible with the historic character of the courtyard. Accordingly, in the context of the overall

proposed project I find that the changes do not contravene 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.*"

This decision is only preliminary, because as noted by TPS in their letter of October 12, 2006, the application did not include a proposal for the east side of the historic property, where the swimming pool is being eliminated. Please provide information regarding this portion of the property including site plans and photographs of any work completed to date. This information should be submitted through the Florida Division of Historical Resources to Technical Preservation Services, National Park Service, Attention:

Although I am reversing the National Park Service's denial of certification, the project will not become a certified rehabilitation eligible for the tax incentives until it is completed and so designated. Further, our regulations provide that final action cannot be taken on any application until the requisite fee for processing rehabilitation requests has been paid. Please fill out the enclosed Request for Certification of Completed Work and submit it through the Florida Division of Historical Resources to Technical Preservation Services, National Park Service, which will advise you regarding the correct remittance. Should you have any questions concerning procedures for final certification, please contact of TPS office at 202-354-2040.

As Department of the Interior regulations state, my decision is the final administrative decision 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

Enclosure

cc: SHPO- FL
IRS