

Perpetual Building
Planning Board Worksession
3/20/08

Owner's Submission 2/4/08

February 4, 2008

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VIA HAND DELIVERY

Dr. Royce Hanson, Chair
and Members of the Planning Board
8787 Georgia Avenue
Silver Spring, Maryland 20910

Re: 8700 Georgia Avenue (the "Property") – Post Hearing Submission
Planning Board Consideration of Amendment to Master Plan
for Historic Designation

Dear Chairman Hanson and Members of the Board:

This letter is submitted on behalf of 8700 Georgia Avenue, Inc., the Owner of the above-referenced Property, in response to several issues that were raised at the January 10, 2008 Planning Board public hearing. The Property Owner looks forward to further discussion on these matters and clarifying any issues the Planning Board may have at its upcoming worksession and action on March 20, 2008.

I. Historical Criteria

As the Owner testified at the public hearing, the nominators have failed to adequately demonstrate that the Property satisfies any of the Historic Master Plan designation criteria set forth in County Code Section 24A-3(b). These criteria fall into two general categories: 1) cultural and historical significance; and 2) architectural merit.

A. Culture and Historical

The nominators' attempt to demonstrate that the Property is worthy of designation because of its cultural and historical significance is attenuated at best. The testimony reflects the fact that the nominators were grasping for any scintilla of evidence in an effort to support their position. As a starting point, we question why there is a desperate need to glorify savings and loans ("S&Ls"), an industry that was the highlight of a scandal in the 1980's, costing the government and taxpayers more than 150 billion dollars and leading to the significant budget deficits of the 1990's. However, even if the Planning Board determines that there is reason to celebrate S&Ls, there are more

appropriate and less onerous means of doing so then preserving the indistinct building on the Property.

We urge the Planning Board to consider carefully the evidence presented by the nominators. Without reiterating all of the testimony presented at the public hearing, we highlight the following: At the time the 8700 building was constructed, Perpetual was twenty years past its zenith; the building was neither the first nor the only Perpetual building in Montgomery County, nor the first Perpetual bank in Silver Spring; the record in this matter is void of any specific financial information with respect to the banking activity that occurred at the Property; without the "Perpetual" signage on the building, most people would never associate the 8700 building, or either of the other two buildings which were also recycled designs of the D.C. headquarters, with Perpetual; and there is absolutely no evidence that Mr. Robert Scholz had any significant involvement in the design of the building, other than serving as "contractor" (as indicated on the building permit plans). In fact, the nominators admit that at the time the structure was constructed, Mr. Scholz was involved in other endeavors, including oil and drilling, and that he was no longer actively practicing architecture. Therefore, the record in no way supports a finding that the Property should be designated based on its cultural or historical significance.

B. Architectural

With respect to the architecture of the building, we reiterate the point made several times at the Planning Board hearing. The building was an outdated attempt to present a more modern version of a later 19th century/early 20th century bank and it was not representative of the period in which it was constructed. The nominators attempted to counter this contention by claiming that the Washington D.C. metropolitan area was architecturally "behind the times." In an effort to support this argument, the nominators presented several slides of solid, conservatively designed, Federal government office buildings. Of course, the Federal government sought, and for the most part continues to seek, architecture that is solid, durable, stable, and imposing. But the private sector was not similarly limited, as evidenced by the many examples of modern, open, welcoming buildings in D.C. (See the Longfellow Building at the northeast corner of Connecticut and Rhode Island, which was constructed in 1939 as the City's "first true modernist structure" (Exhibit "A") or the Swiss Embassy constructed in 1959 at the same period as the 8700 building (Exhibit "B")). More significant are the examples of such architecture in Silver Spring itself. At the hearing, the Owner's representatives presented the 8701 Georgia Avenue Zalco building located directly across the street from the Property, which was built just three years after the 8700 building (Exhibit "C"). Yet another example of this modern design is the Maryland-National Capital Park and Planning Commission building at 8787 Georgia Avenue which was constructed in 1957. Both of

Both of these examples clearly indicate that the concept of open, modern architecture was very much present and embraced in Silver Spring at the time the 8700 building was constructed. The modern building examples in both D.C. and Silver Spring are much more comparable to what was representative nationally of the period, as illustrated by the Skidmore Owings & Merrill's Manufacturer's Trust Building (Exhibit "D"). The fact that many modern buildings (by national standards) in Silver Spring and D.C. were built during the same period as the Property undercuts the nominators' contention that the architectural style in the Washington metropolitan area was years behind the rest of the country.

During the nominators' testimony, they noted a collection of non-governmental buildings located along lower 16th Street. However, the architecture along 16th Street would necessarily be more restrained because of its proximity to the White House. Further, it is interesting to note that while the buildings collectively are part of the recently designated 16th Street historic district, none of these buildings is individually landmarked. The reason for this is quite clear – none of the buildings in and of themselves rise to that extraordinary standard which is necessary for individual designation. It is only as a result of the cohesive collection of all of the buildings in this area that a story begins to be told in terms of their representation of a period. In contrast, the Property is not located within the Silver Spring historic district – a district which was delineated in 2000 only after thoughtful consideration by the Planning Board and the County Council of downtown Silver Spring and its historical relevance and context (Exhibit "E").

The nominators rely on Professors Gournay and Corbin Sies from the University of Maryland, who were commissioned to survey modern architecture in Maryland. Gournay and Sies note that 8700 is "one of the very best examples of Modernism in the Mid-Atlantic region." Interestingly, this is almost the identical comment that they made with respect to the Community Center building which was part of the Chestnut Lodge property in Rockville. In that case, Gournay and Corbin Sies described the Community Center building as "an example of the Modern Movement in architecture that represented the optimism, progress and international influence of mid-twentieth century America." (See Exhibit "F", excerpts from the City of Rockville Historic District Commission Staff Report). The puzzling thing about these two almost identical comments is that the Chestnut Lodge building, originally constructed in 1954-1955, with a northern addition completed in 1958, looks nothing like the 8700 building, thus calling into question the validity of the professors' observations with respect to the Property. In 2004, the City of Rockville Mayor and Council voted to reject the historic designation of the Chestnut Lodge Community Center building and it was subsequently demolished. We urge the Planning Board to act similarly in this matter and to reject the historic designation of the Property.

II. History of Property

The following brief history is submitted in response to the request of the Planning Board for additional information on the Property.

The Perpetual Building Association sold the 8700 building to Arthur Steinbaum and Albert Foer (the 8700 Georgia Avenue General Partnership), in 1985, presumably to raise needed funds given the impending S&L crises. At the same time, Perpetual wanted to remain in the building as an S&L, which they did until they went bankrupt during the S&L scandal and were sold to Crestar. There was no discussion at any time with Perpetual (or any of its successors) concerning the potentially historic nature of the Property. In fact, the purchase contract and lease anticipated the possibility of demolition of the building, and while providing Perpetual a series of five-year options to renew its lease, the Owner retained the right to demolish or refurbish the building.

With respect to the interior of the building, at the time the Owner purchased the Property in 1985, there was no auditorium or special ladies' restroom on the first floor. The basement auditorium had been transformed into a cafeteria for bank employees long before the Owner's acquisition of the Property. Despite the prior use of the basement space, Perpetual's leasehold interest in 1985 did not include the cafeteria. Instead, the basement became Melart Jewelers' merchandise department, credit department, and training room. More recently, since Melart's demise in 1995, the basement has been used for a tap dance studio.

As to be expected, over the years a number of changes have been made to the interior of the building. A stairway at the back of the building that led down to the cafeteria (the former vaunted public auditorium) was eliminated. A few years later, the stairway at the front of the building that led up to the mezzanine was also eliminated. The mezzanine was originally used by Perpetual as an office area and later for training. Subsequently, either Perpetual or its successor Crestar, relinquished its interest in the mezzanine and the space was converted from bank use to a pediatrician's office. At the same time, the original glass wall, which could be seen from the bank level, was replaced with a solid wall. When the Owner acquired the building in 1985, the top three floors were essentially empty. The Owner leased these floors (as well as the basement as previously mentioned) to Melart Jewelers' for use as its headquarters and to Melart's public relations/advertising supplier. After Melart was sold in 1995, a variety of small businesses and professional users became tenants.

While we recognize that the historic designation pertains only to the exterior of a structure, pursuant to the request of the Planning Board, the Owner is in the process of taking the photos of the interior of the building. The Owner will provide these photos at the Planning Board's worksession.

III. Report of the Owner's Architectural Historian, Mr. William Lebovich

The Report by the Owner's Architectural Historian is attached as Exhibit "G" (the "Report"). This Report elaborates on the historical relevance of Perpetual as an institution and the architectural relevance of the 8700 building. The Report reinforces the testimony at the Planning Board public hearing that the 8700 building was out of style when it was constructed and counters the contention that the D.C. area was slow to embrace modern architectural design.

IV. Conclusion

The issue of whether the Property qualifies for designation on the Historic Master Plan is very critical given that an affirmative determination will result in a very significant restriction on the Property Owner's land use rights as well as the Planning Board's ability to achieve its objectives for the area surrounding the Silver Spring Metro Station.

We look forward to the Planning Board's thorough evaluation of this matter at its upcoming worksession. Thank you for your consideration of these comments.

Sincerely yours,

HOLLAND & KNIGHT LLP

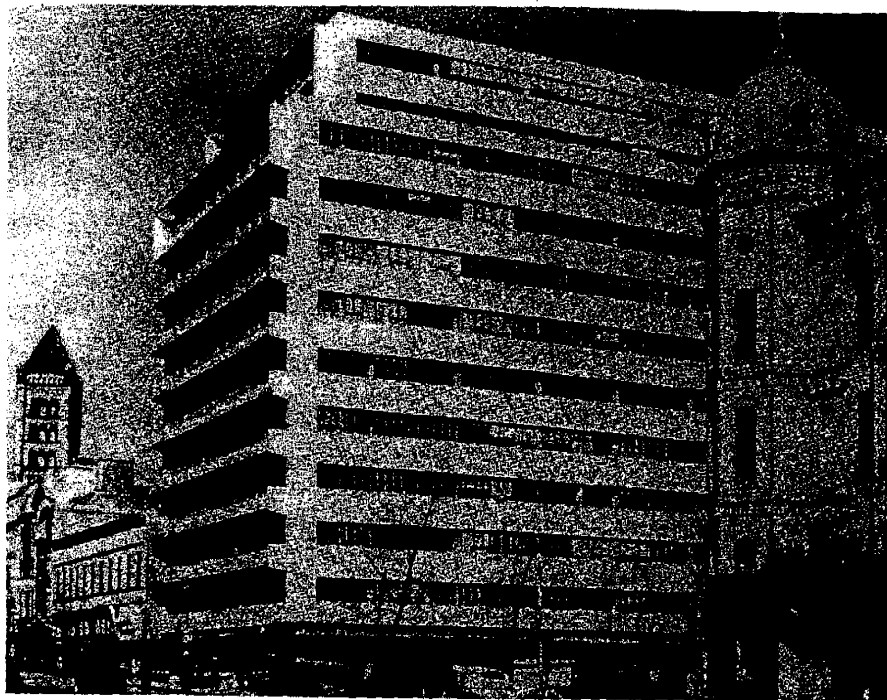


Patricia Harris

Enclosures

cc: Mr. Alison Bryant
John Robinson, Esquire
Ms. Jean Cryor
Ms. Gwen Wright
Ms. Clare Kelly ✓
Mr. Elza Hisel-McCoy
Mr. Bert Foer

EXHIBIT “A”



The Lincoln and Treaty rooms, both featured in her 1962 televised White House tour, contained elaborately carved Victorian furniture, such as Lincoln's bed and Grant's cabinet table, and the Treaty Room was also papered and curtained in "the Victorian manner."³⁸ Kennedy's appreciation for Victorian design was somewhat ahead of its time in 1962, although her respect for mid- to late-nineteenth-century American design fits with the broad national historicism during the Civil War centennial. Her approach to historic preservation was forward-looking, inclusive rather than exclusive, and would continue to mature. Among preservationists,

she would be most remembered for helping to save Grand Central Terminal in New York City during the mid-1970s.³⁹

Jacqueline Kennedy's immediate influence on the plans for Lafayette Square ended with her official visit to India in March 1962. But her voice had been heard; while she was abroad the president asked San Francisco architect John Carl Warnecke to develop a new plan for Lafayette Square, one that would fit contemporary federal office needs into its historic residential fabric.

Warnecke, then making a name for himself as a designer whose buildings tried to "humanize" modern design, recently recalled that Kennedy had casually asked him for suggestions concerning Lafayette Square during a White House ceremony in late March 1962.⁴⁰ Warnecke then took a tour of the square with Walton and visited GSA, where he was shown the most recent designs submitted by the Boston archi-

The Longfellow Building, at the northeast corner of Connecticut and Rhode Island avenues, N.W., was built in 1939 as the city's first true modernist structure. Courtesy, CFA.

EXHIBIT “B”



EXHIBIT “C”



EXHIBIT “D”

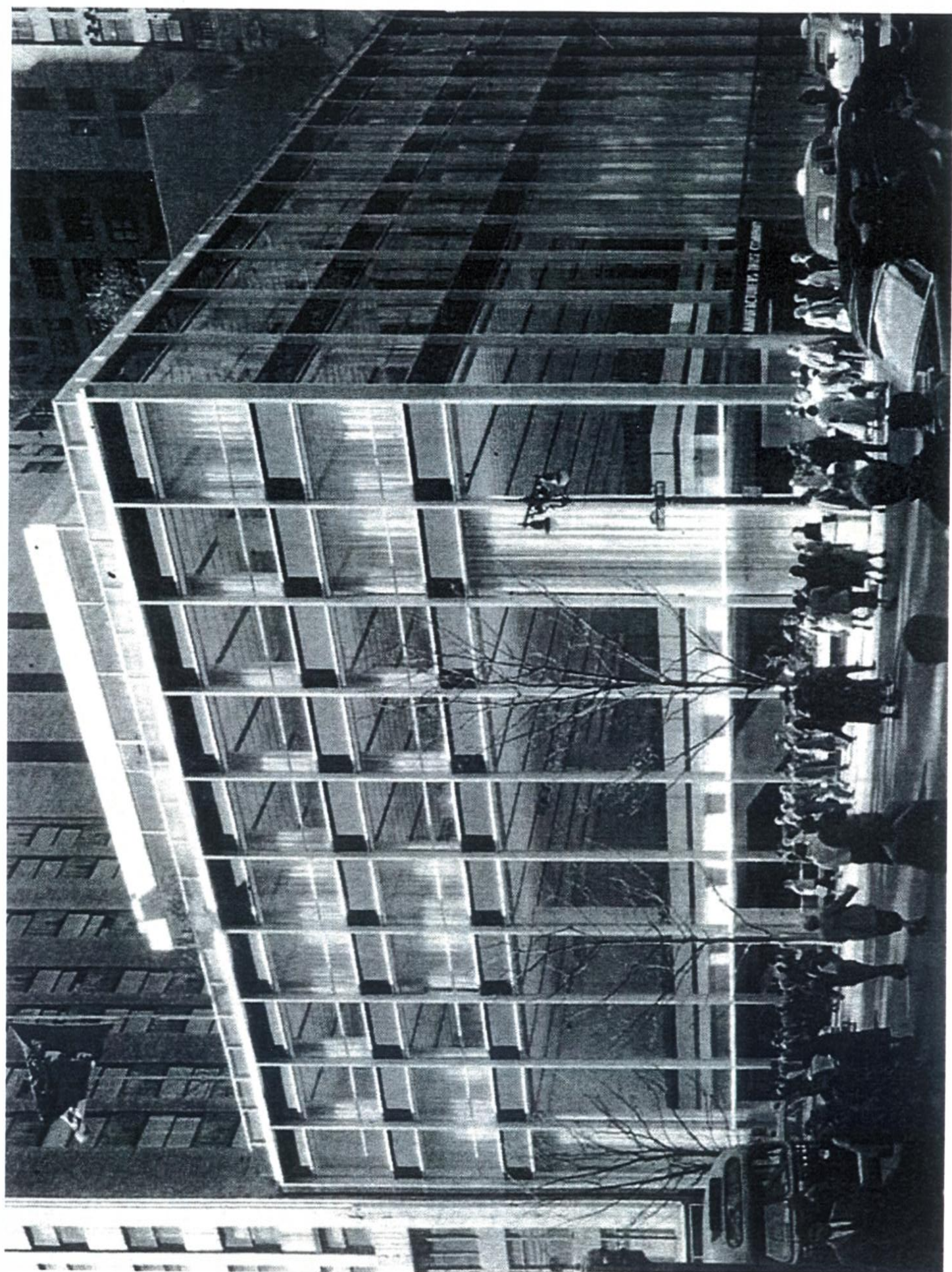


EXHIBIT “E”

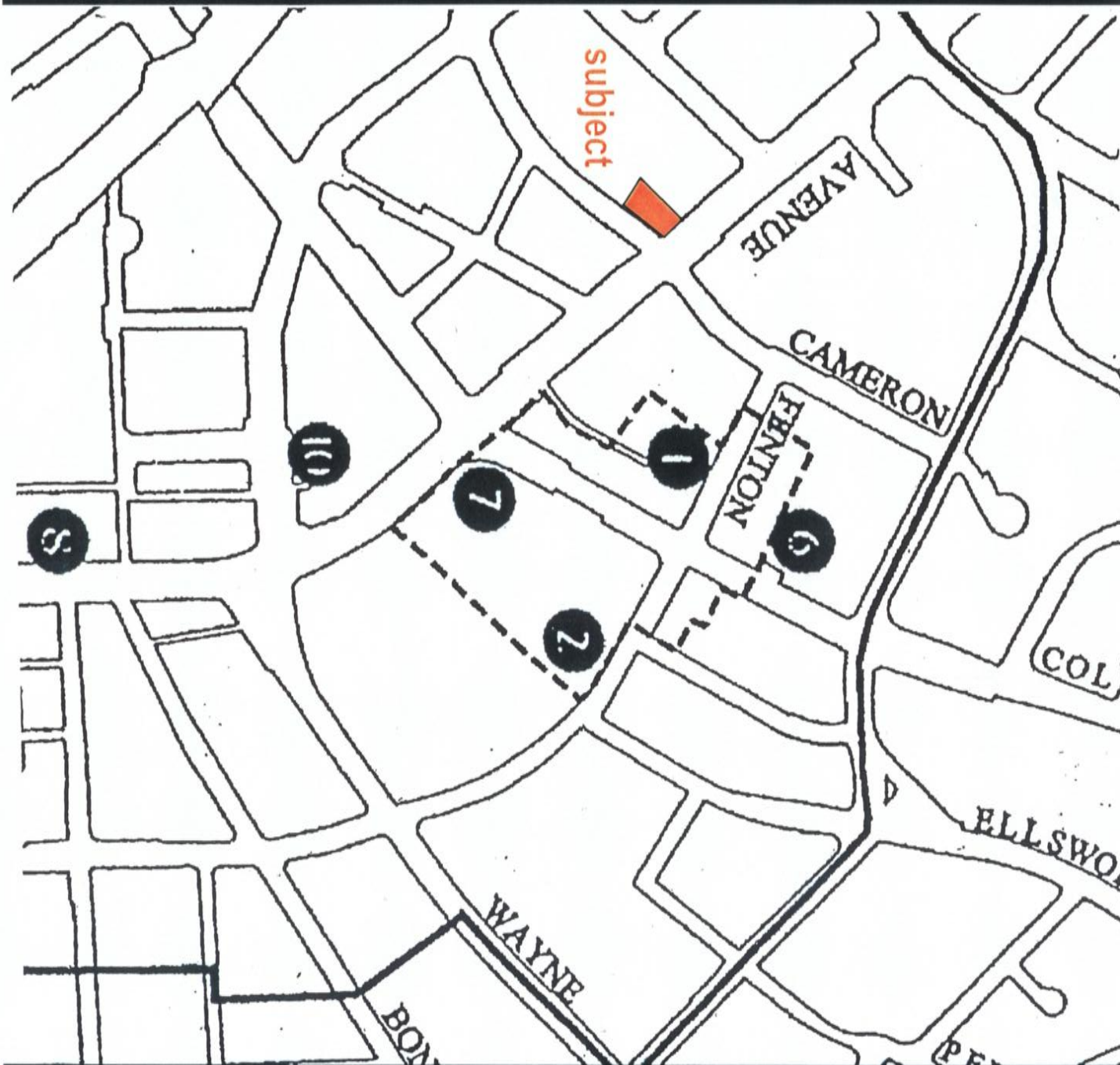


EXHIBIT “F”

**CITY OF ROCKVILLE HISTORIC DISTRICT COMMISSION
HISTORIC DESIGNATION EVALUATION
STAFF ANALYSIS
Chloethiel Woodard Smith Community Center Building
Chestnut Lodge**

**January 15, 2004
MEETING NO. 1-04**



**SUBJECT: Chloethiel Woodard Smith Community Center
LOCATION: 500 West Montgomery Avenue (on campus)
SIZE: Environmental setting to be determined if designated
OWNER: Washington Waldorf School, Sangamore Road, Bethesda MD
MEETING DATES: Public Hearing 12/18/03, continued to 1/15/04**

Note: This staff report summarizes the factual information and testimony received pertaining to the Community Center as of the close of business on January 8, 2004. The contract purchaser of the Chestnut Lodge property, The Associated Companies, indicated that they will submit a consultant's report on the building but it had not been received as of close of business January 8, 2004. The HDC may choose to close the record and make a recommendation based on testimony submitted to date, submitted up to and at the continuation of the public hearing on January 15, 2004, or continue the hearing and record to a date certain in future.

STAFF RECOMMENDATION

Staff recommends that the Chloethiel Woodard Smith Community Center at Chestnut Lodge be found eligible for designation as a single site (Landmark) Rockville Historic District in accordance with the adopted criteria. The evidence of the record has shown that Chloethiel Woodard Smith has been recognized in publications and by professional organizations as a master of her profession, that the subject building was an advancement in architectural design for mental health buildings, that the subject building was creatively designed within a tight budget for its purpose and for future expansion, and that the building and the work of Ms. Smith is notable in the history of architecture of the 20th Century and especially in the vocabulary of modern architecture. In addition, this building was cited as the only example of a Modern institutional structure by this noted architect in Rockville.



1. East (front) elevation - looking west



3. Passageway - East elevation looking west

EXHIBIT “G”

William Lebovich

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February 1, 2008

Response to comments made by proponents of the nomination of 8700 Georgia Avenue

In the 2007 Historic Preservation Commission meeting, Commissioner Caroline Alderson made the following comments:

“... I ask if there, what the possibility is of a continuance because there have been issues raised that certainly I would prefer to see addressed in a final submission. The questions of whether the importance of the architect should be claimed as a criteria or not. I would like to see that further supported, and the question of context. We had discussion, the descriptive information is very strong. The documentation on, you know, merit, craftsmanship, materials, what I would like to see more of is context. I would like to learn more about what was learned from the survey that supports this being special in the context of the survey of Silver Spring, and to the extent we can I the context of Montgomery, and, you know, if at all possible beyond that.”

Commissioner Alderson's comments were apparently influenced by my testimony. I established that Mr. Scholz was the builder of 8700 Georgia Avenue as shown on contemporary drawings and in his obituary; he was never mentioned as being involved in any capacity as an architect on that project. But the essence of my testimony concerned the nomination's failure to address the building in context: The historic designation criteria used by Montgomery County are based on those of the National Register of Historic Places, which state: “All National Register nominations should be based upon an understanding of the historic context in which the nominated resource is related... Evaluating a property within its historic context ensures accuracy in understanding its role and in making comparisons among similar resources.”

Neither the subsequent submissions nor testimony before the Planning Board have established, based on documentation, that Scholz had any involvement as architect in this building, and more importantly, the building has not been placed in the proper contexts of bank architecture and Silver Spring/Montgomery County architecture.

The December 31, 2007 Traceries Report (the "Traceries Report") submitted in advance of the Planning Board consisted of two arguments, one pertaining to historical importance of Perpetual to Silver Spring and an architectural history importance of the building as geometric modern.

The first argument is simply a restatement of the arguments already presented at the Historic Preservation Commission ("HPC") hearings, without correcting oversights in the original testimony. Claims as to the size of the bank and its ranking are either based on advertisements or local articles that can be dismissed as lacking sources and as being nothing more than fluff pieces. It is telling that there are no direct quotes attributed to scholars of the banking/loan industry that rank the Perpetual. Footnotes tied to these statements list scholarship, but there is no indication that those sources made those claims.

And perhaps, more importantly are two other points. We still don't know the role of the Silver Spring branch in making these loans for Montgomery County houses. For all we know all loans could have been handled out of the Washington, DC headquarters. The Silver Spring branch might have only functioned as a banking lobby. The Traceries Report repeatedly states the limits placed on Perpetual, as a DC loan association, having branches in Maryland. This discussion logically raises the issue of historical context, which is not addressed. How many Maryland banks had branches in Silver Spring, in particular, and throughout Montgomery County? How many house loans did these banks issue in comparison with Perpetual's Silver Spring (and Bethesda branches)? Without answers to these questions it is impossible to assert local significance for what is, after all, only one of a large number of branch banks. In short, the report only addresses historical significance for the D.C. headquarters of Perpetual, which would be relevant for a nomination of that building (if it still stood) for D.C. Landmark status.

The second argument pertains to architectural significance. In the original nomination and in the HPC hearings two arguments were made: (1) involvement and importance of local architect and (2) that the building represented any number of made-up and essentially undefined styles. On point one, the report does not even acknowledge let alone refute the documentary proof that Scholz was not the architect, but merely the contractor. This proof was the variety of architectural drawings that listed him as contractor and another man (with the St. Louis architectural firm) as architect. Scholz is never even listed as consulting architect, a vague term which could have been invoked to suggest Scholz had any design involvement, but that term was not used. The second proof was Scholz's obituary which described him in the heading as architect and builder. In the body of the obituary it listed the most important building, which was much older than the Perpetual branch, he designed and listed separately buildings he was the contractor for. Perpetual in Silver Spring was not listed as a building he was architect for. But it is among the buildings listed that he built, as a contractor. It is most compelling that his family in preparing the obituary did not list Perpetual as one of his architectural design projects.

(And the repetition of the quotes by an elderly former designer for BBEC about Scholz's role are not persuasive. The accuracy of his memory is not known and more importantly how he was prepped for his statement and how the questions were phrased- how leading were the questions- are not addressed.)

But the most damning proof that Scholz was not involved in any architectural/design capacity is provided by the Traceries Report: “After his brother’s death in 1954 (ed., *four years before opening of Silver Spring branch*), Scholz became involved in oil drilling investments and did not actively continue his architectural practice although he maintained an office in the World Center Building, a Modernist-style office building that he designed in 1949.” (page 19)

The Traceries Report attempts to avoid the obvious comparison between the Silver Spring branch and SOM’s Manufacturers Hanover Trust in NYC of 1953, by arguing that the 8700 Building is without historical precedence and Hanover Trust is based on a historic building type. The argument is an attempt to deflect attention from the fact that the earlier Manufacturers Hanover Trust represents modern architecture for banking buildings, while the later Silver Spring bank is a heavy handed continuation of early 20th century design. The Traceries Report quotes the argument that new modern banks are open and accessible, while older 20th century banks were fortress- like, but the Traceries Report ignores the fact that Silver Spring’s dominant statement on the first two floors is sheets of granite, which is definitely fortress -like.

As pointed out in every architectural history book and the history of bank architecture book Monument to Money, The Architecture of American Banks, SOM’s building represents modern post World War II banking. The St. Louis’s banking architecture firm’s work seldom ranks more than a mention and one of its modern buildings in NYC, which is the exact opposite of the Silver Spring bank, is one of its few buildings designated as a local historic landmark.

Claims that the Silver Spring building represents technological and structural articulation are without merit. Equally weak is the attempt to create and pass off as commonly accepted, the term “geometric modern” architecture, whether applied to banks or any other buildings.

A detailed rebuttal of the architectural history claims is not necessary as any visual comparison between SOM’s Manufacturers Hanover Trust and BB&EC’s Perpetual Bank Buildings will definitely convince the amateur as well as the trained historian that Perpetual was more retardataire than modern, let alone innovative.

The testimony before the Planning Board appears to concede, at least at some level, the last point that Perpetual is not modern. Although the testimony repeats the misinterpretation as to what modern bank architecture is and still attempts to create a style description which only fits this building, the testimony now states that Perpetual is old fashion and that is important because the architecture in the District of the Columbia is old fashion.

This argument by the proponents raises two issues:

As an architectural historian who worked in the National Register of Historic Places, I don’t see the validity in looking at District of Columbia architecture to evaluate or try to elevate the importance of Silver Spring architecture. But putting that objection aside, if one is going to look at District of Columbia architecture, one should be looking at the proper context and that would be banking buildings or other commercial or even institutional buildings designed in Washington, DC.

So while the federal governmental buildings continue to reinforce –and this is appropriate- the classical architecture of the earliest federal government buildings, there is a counter tradition of modern architecture in Washington, dating to before World War II. The best example was William Lescaze's Longfellow Building, 1741 Rhode Island Avenue, NW, from 1940. The AIA Guide wrote "This is Washington's first modern office building and one of the first anywhere to separate the service core from the office space and express it as a vertical shaft." Lescaze also designed a modernist building for the Swiss Embassy in 1959 and the contrast between its Mies van der Rohe inspired design and that of the contemporaneous 8700 Ga. Avenue is startling. Even the 1930s Washington, DC work of Paul P. Cret, such as the Federal Reserve Bank and Folger Library, which try to respect the classical modern architecture, has a modernism that is more convincing than that of Perpetual Bank, whether we are talking about its DC headquarters or branches. The proponent's testimony is wrong on two issues: in fact, Washington does have a tradition of modern architecture and Washington has few traditional buildings – of any style – as undistinguished as 8700 Ga. Ave.

Let's return to the proper context for the evaluation by Montgomery County of a Montgomery County building. In Bethesda, the 1940 Bethesda Naval Hospital, credited to Frederick Southwick and Paul Cret, with its inspiration being a drawing by President Franklin Roosevelt, shows more modern massing and detailing than the heavy handed 8700 Ga. Ave. Moving from Bethesda to downtown Silver Spring, the demolished Johns Hopkins Lab on Georgia Ave shows that modern, even bold buildings were being built. Other examples include the Coca Cola and Canada Dry buildings. And even more relevant were the commercial and retail buildings erected on Georgia and Colesville Rd. These buildings shared some of the same materials as did 8700 Georgia Ave. In sum, in the appropriate local context, it is clear that 8700 Ga. was not a distinguished building, in that it was not a modern building or representative of a design concept, instead it was but a commercial building sharing a decorative vocabulary with other buildings.

The people responsible for evaluating whether the 8700 building is historic should be applying the Historic Preservation Designation Criteria. The nomination, report, and testimony fail to establish historical/ cultural, or architectural/design under the criteria.