



Survey and Research Report
on the
Stephens Company Building



The Stephens Company Building

1. Name and location of the property. The property known as the Stephens Company Building is located at 909 West First Street in Charlotte North Carolina.

2. Name, address, and telephone number of the current owner of the property.

The owner is:
The Charlotte Rescue Mission
907 West First Street
Charlotte, NC 28202
(704) 332-3999

3. Representative photographs of the property. This report contains exterior photographs of the property.

4. Maps depicting the location of the property. This report contains a map depicting the location of the property.

5. Current deed book references to the property. The most recent deed to the Stephens Company Building is listed in the Mecklenberg County Deed Book 911 on page 199. The Tax Parcel Number of the property is 073-242-17.

6. A brief historical description of the property. This report contains a historical sketch of the property prepared by Kevin Conrad.

7. A brief architectural description of the property. This report contains an architectural description of the property prepared by Kevin Conrad.

8. Documentation of why and in what ways the property meets the criteria for designation set forth in N.C.G.S. 160A-400.5.

- a. **Special significance in terms of history, architecture, and cultural importance.** This consultant deems that the property known as the Stephens Company Building possesses distinct significance in the history of Charlotte and Mecklenberg County. This consultant bases his conclusion on the following criteria: 1) the Stephens Company Building epitomizes the traditional style of architecture associated with Charlotte's industrial and commercial architecture of the 1920's and 1930's; 2) the Stephens Company Building was a structure that displayed Charlotte's emergence from the poverty stricken South as an industrial and commercial city; and 3) the Stephens Company Building is an important residuum of an industrial district that came to fruition in the early 1900's between the Wilmore streetcar line and the Southern, now Norfolk Southern Railroad.

- b. **Integrity of design, setting, workmanship, materials, feeling, and association.** This consultant asserts that the architectural description by Kevin Conrad demonstrates that the Stephens Company Building meets this standard.

9. Ad Valorem Tax Appraisal. The current Ad Valorem Tax Appraisal for the 8560 square feet of land is \$900,000. The Ad Valorem tax appraisal for the building is \$532,130. The total Ad Valorem tax appraisal is \$1,432,130.

Date of the Preparation of this Report.

December 11, 1998

Prepared by:

Kevin Conrad
University of North Carolina at Charlotte

Statement of Significance
The Stephens Company Building
909 West First Street
Charlotte NC

Summary Paragraph

The Stephens Company Building, erected circa 1930, is a structure that possesses local historic value due to the industrial and commercial ventures it facilitated in the early to mid 1900's. The Stephens Company was founded by George Stephens (1873-1946) a prominent real estate developer who made many significant contributions to the expansion of the Charlotte Mecklenberg area. George Stephens was the founder of the Southern States Trust Company, now known as Nations Bank, one of the most powerful financial institutions in the country. Stephens was also part owner of the Charlotte Observer, which is now the largest newspaper publication in the city. In 1911 Stephens formed the realty firm known as the Stephens Company and helped develop one of the most affluent residential neighborhoods in Charlotte known as Myers Park, which is listed in the National Register of Historic Places as a historic district.



George Stephens

The building also has historical significance due to its representation of the industrial and commercial architecture of the early 1930's. The building is a solidly built two-story structure with a basement. It has regularly punctuated fenestration on all sides with huge windows that have beautiful radiating concrete voussoirs virtually nonexistent in today's prefabricated style of architecture. The roof has a concrete eave on all sides but the back. The front door is located in the center of a five bay façade. The framing on the door is an impressive white plain pediment with pilaster, which engulfs the door and is the visual highlight of the building. Another feature inherent to this building is the Flemish bond used in the masonry walls, which is not as common as other styles of brickwork. Finally, a triangular chimney is revealed in the right rear of the building with a linked top on all three sides. These features encapsulate the architectural design of structures in the early 20th century. For the most part these



The Stephens Building

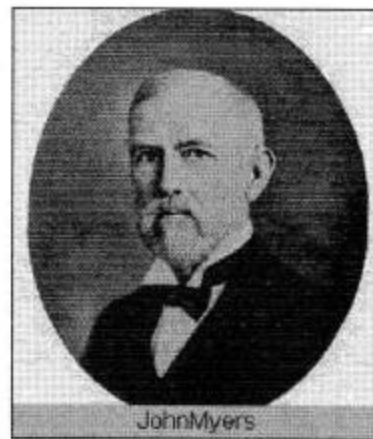
design features have been abandoned in modern architecture. Structures like the Stephens Company Building take the viewer back to a time that initiated the city's growth into a prosperous and elegant community. Buildings such as this one reflect the traditional

values that defined the social, economic, and political views of the commercial giants in the early 1900's.

In order to preserve the Stephens Company Building many preservation techniques must be implemented. Easements, options, Transfer of Development Rights (TDRs), public acquisition, eminent domain, and revolving funds are some of the tools that may be enacted to assure the sustention of the Stephens Company Building. Private and governmental entities such as the Local Historic Landmarks Commission, the Local Historic Preservation Foundation, the National Parks Service, the State Historic Preservation Officer,¹ and owners sympathetic to the historic preservation movement are all considered allies to the task of preserving historically significant icons such as the Stephens Company Building. These techniques and entities will be discussed in more detail along with other options later in this report.

Commerce and Industry Context and Historical Background Statement

The Stephens Company Building, erected circa 1930, is a structure that possesses local historic value due to the industrial and commercial ventures it facilitated in the early to mid 1900's. The Stephens Company building was owned by George Stephens (1873-1946) a prominent real estate developer who made many significant contributions to the expansion of the Charlotte Mecklenberg area. George Stephens was born in Guilford County and graduated from the University of North Carolina in 1896. Stephens was involved in many business endeavors that played a key role in molding the city of Charlotte into its current structure. Stephens entered into a partnership with F.C. Abbott and Word D. Wood to form the Southern States Trust Company a financial institution. This grew into the American Trust Company, then became North Carolina National Bank and is currently known as Nations Bank² one of the foremost banking institutions in America. From 1912 until 1916, Stephens held a position as part owner of the Charlotte Observer, the cities largest news publication. Stephens was also on the board of trustees at his alma mater, the University of North Carolina until his death in 1946.³ Stephens married Sophie Converse Myers Stephens and had two children. This marriage introduced him to the man that was the catalyst for a grand development scheme that would become arguably Stephens' most impressive accomplishment in defining Charlotte as a city. That man was his father-in-law, John Springs Myers, and the project they embarked on would become Myers Park.



John Myers had a vision to turn a large portion of his cotton farm into a refined neighborhood. Stephens was just the man to make the dream become a reality. Stephens hired John Nolen, who designed Independence Park, to plan the development of Myers Park. With this endeavor Stephens created the Stephens Company in 1911. The Stephens Company acquired the building at 909 West First Street from the Standard Oil Company of New Jersey in on January 8, 1937.⁴ The Company remained there until his death in 1947. In May of that year the Standard Oil Company

reacquired the property.⁵ Currently the building is owned by the Charlotte Rescue Mission and is used as a halfway house for substance abusers.

Architecture Context and Historical Background Statement

The location of the Stephens Company Building did not occur by chance.

Rather it was the close proximity to the Southern, now Norfolk Southern, Railroad and

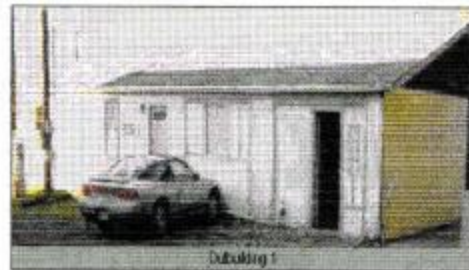


The Stephens Building

the Wilmore streetcar line⁶ that made the location ideal for a commercial building. During this era the railroads were the driving force for transportation of goods and services. The Southern Railroad connected Charlotte and Gastonia thus accounting for most of the goods shipped in and out of Charlotte during this period. The Wilmore streetcar line connected inner city Charlotte to the suburbs, giving labor transportation to and from work. These factors meant it was virtually inevitable that Charlotte would become a prosperous industrial and commercial region. The resulting expansion

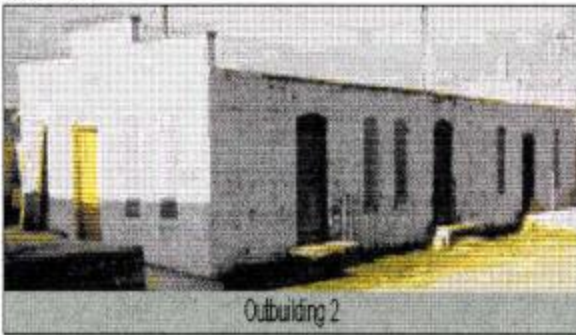
gave rise to increased industry in the area, which in turn sparked an increased need for housing. This accented the necessity for realtors in the area. The Stephens Company was more than happy to help fill the void. The Charlotte Observer writes, "Many new demands have come upon Charlotte Realtors during the past year for locations for building of warehouses, because Charlotte has come to be known in the sales organizations of national manufacturers throughout America as the best point in the Southeast for the distribution of products and the location of branch plants." The article continues, "Some realtors have become specialists in finding such locations to suit varying requirements, and almost every available foot of railroad frontage has been analyzed and compared in price." The newspaper contends, "proximity to street cars, freight stations, express offices, and retail districts commands the higher prices."⁷

The Stephens Company Building is located on the corner of West First Street and McNinch Street. The façade is visible from West First Street and the wall on the right side is facing McNinch Street separated by a small playground area. The building sits level on the lot and is connected to the neighboring left building by an overhead walkway. A driveway that leads directly to the rear parking lot separates the two buildings. Behind the main building there is an outbuilding that is rectangular in shape with a gable roof. The façade of the outbuilding faces the left driveway. To the right rear of the first outbuilding is a second outbuilding. The two are separated by another driveway that also leads to the parking area. The façade of the second outbuilding faces the rear of the first outbuilding. The right side of the second outbuilding faces the playground area that separates the main building from McNinch



Outbuilding 1

Street. The second outbuilding is rectangular in shape and is built in the boomtown fashion.



The principle building has a flat roof surrounded by a decorative eave on all sides but the back. The eave is concrete and has an outward sloping bevel from bottom to top. The bevel has three smooth humps and is perpendicular to the ground at the bottom.

The Stephens Company Building is two stories tall with a basement. The façade of the building has five evenly spaced bays. The outer bays consist of two identical windows on the first and second floor and a smaller window almost level with the ground radiating from the basement. The middle bay contains a window on the second floor and the front door on the first floor. The front door is perched atop a series of nine steps that are in a pyramidal configuration. The framing of the door is an impressive white plain pediment with pilaster, which engulfs the door and is the visual highlight of the building.

The exterior walls of the building were constructed using dark reddish brown brick. The brick were laid using a Flemish bond meaning that the exterior walls are most likely load bearing. A chimney is revealed in the rear of the building along with a rear entrance. The rear door seems to be a replacement. The door is at the summit of a series of brick steps with a metal handrail. There is a small overhang and railing that encloses the plateau at the top of the stairs. The chimney is on the right rear of the building and has an odd triangular shape. The linked top on all three sides of the chimney is the only feature that distinguishes it from an otherwise identical pillar on the left side. The windows of the Stephens Company Building have thirty over thirty opaque panes with a transparent hopper in the top center of the lower half of the window. On top of the windows are radiating concrete voussoirs with a keystone. The windows are regular and evenly spaced all around the building. The frames of the windows are huge but their opaqueness lend little verification to what the building holds inside. The location of the Stephens Company Building makes it virgin to the modern structures of the new trendy uptown district. Stepping onto the sidewalk in front of the building is like stepping back in time when Charlotte was being transformed into the commercial and industrial giant that it is today.



Preservation Strategy for the Stephens Company Building

Historic preservation can take on many forms and there are several different tools at one's disposal to ensure that historically significant entities are preserved. For effective preservation a firm understanding of all of the available tools is needed. Therefore this discussion will attempt to disclose all of the provisions available without regard to whether or not they may be applied in this particular instance.

The single most powerful weapon in the arsenal to preserve historic bodies is the Historic Landmarks Commission (HLC). The HLC has the power to recommend for designation sites that possess individual historic significance, whether real or personal, to be historic landmarks thus ensuring preservation of same. N.C.G.S. 160A-400 essentially gives local governments the right to create said entity and is the source of the Commission's power.

Properties must contain individual historic significance to qualify for Historic Landmark designation. There is no minimum age requirement for the property in question nor is owner consent required for historic landmark designation.⁸

Designation is acquired by first compiling a Survey and Research report making a claim as to why the building possesses individual historic significance. This report will be reviewed by the HLC to validate the individual significance. If deemed individually significant said report is sent to the North Carolina Division of Archives and History for further approval. Upon approval the HLC schedules a joint public hearing with the local governing board that has jurisdiction over zoning of said property. The local governing board has final say as to whether or not the property is deemed a Historic Landmark. If said board designates the property as a Historic Landmark, an ordinance is sent to the owner and is filed at the Register of Deeds Office, the Buildings Standards Office, and the County Tax Office.

The major consequences of Historic Landmark designation are:

- Owners of a historic landmark must obtain a Certificate of Appropriateness from the HLC before undertaking any material alterations to those portions of their property which have been designated as a historic landmark.⁹
- The demolition of a historic landmark may be delayed for up to 365 days by the HLC and during this period the appropriate local governing board may exercise the power of eminent domain to acquire the subject historic landmark.
- The HLC may acquire the fee simple or any lesser included interest, e.g., options, easements, in a historic landmark and may dispose of same by sale, lease, or other means consistent with the purpose of preserving the property.
- A sign indicating the property as a historic landmark on the property or, if the owner objects, the nearest public right-of-way.
- Officials of the HLC may enter onto the premises of historic landmarks for purposes of conducting necessary inspections, except the interiors of buildings, which requires consent of the owner to enter.
- Owners of historic landmarks may apply for an automatic deferral of 50% of the local property (Ad Valorem) taxes on those portions of the property, which have been

designated as a historic landmark. The taxes only come due when and if the appropriate local governing board removes the designation of the property as a historic landmark. In that instance, the owner must pay 3 years' full back taxes plus penalty. There is no recapture provision upon sale of the property.

Historic District Commissions (HDCs) also receive their power from local government. HDCs have the power to recommend for designation collections of historic entities in the built environment as historic districts to the local governing board. Designation of a historic district requires approval by more than half of the owners in proposed district. Once historic designation has been approved the HDC has the right to design review over said properties to ensure the integrity of the historic significance of the site is maintained. The power of the HDC extends far beyond that of the National Register of Historic Places (discussed in next section). For instance, no exterior alterations may be imposed on designated areas of the property unless a Certificate of Appropriateness is granted from the HDC regardless of the source of the funding. Also, the HDC may impose a stay of demolition for up to 365 days on any or all historically significant elements in a historic district. However there are no regulations concerning alterations to the interior of historically significant properties as long as said alterations are not visible from the street. The primary purpose of the HDC is to provide ample protection for collections of physical resources that possess lasting and proven historic value.

As mentioned in the previous section the National Register of Historic Places (NRHP) is another body that can be utilized in preservation. The NRHP is a Federal body overseen by the National Parks Service, whose powers are administered locally through the State Historic Preservation Officer. The NRHP is essentially a planning tool that ensures the impact of Federal and State initiatives upon historically significant places is taken into account before said initiatives are executed. Properties in the NRHP need not be nationally significant, in fact only 5% of the entries in the NRHP are nationally significant.¹⁰ Owner consent is required for properties to be listed in NRHP. The protection powers of the NRHP are very limited and are laid out in the National Historic Preservation Act Section 106. In addition North Carolina has enacted G.S.121-12a which extends the "106 Review", as it is commonly referred to, to State projects as well. If Federal or State funding or activities are involved in a project that may negatively impact properties in the NRHP the State Historic Preservation Officer assesses the impact and draws up a Memorandum of Understanding to minimize the detrimental effects of the project. There is no guarantee that these provisions will be adhered to. In cases where no agreement can be reached, the Advisory Council on Historic Preservation is consulted. This is an independent governmental agency that reviews both sides of the dispute and makes provisions that must be followed.

The true advantage of the NRHP as a preservation tool is through Federal and State tax credits. These credits include 20% Federal and 20% State (varies state to state) income tax credits for approved rehabilitation on "certified historic structures".

To qualify for these tax credits the following criteria must be met:

- The building must go through a three part certification process to assure that the building is listed in the NRHP, or is potentially eligible to be listed in the NRHP, and that the rehabilitation will be consistent with the historic character of the building (the rehabilitation must in the opinion of the National Park Service meet the secretary of the Interior's Standards for Rehabilitation). The final step in the Certification process is for the building to be listed in the NRHP.
- The rehabilitation must be substantial, meaning that the expenditures for the rehabilitation must be greater than two figures--\$5000 or the Adjusted Basis of the building, which is the purchase cost of the building, and plus the value of capital improvements to the building. These costs must be incurred within 24 months or 60 months for phased projects.
- Owners of certified historic structures undergoing substantial rehabilitation and lessees of same with a lease term of 27.5 years for residential or 39 years for nonresidential property can apply for the tax credit. Any expenditure incurred in connection with the rehabilitation that are properly chargeable to a capital account can qualify.
- Owners or qualifying lessees generally claim the tax credit for the taxable year in which the rehabilitated building is placed in service. For phased projects, the owner can claim the tax credit before the completion of the project if the project is planned for two or more years. If all the credit cannot be used then the excess credit can be carried back 3 years then ahead 15 years.
- 100% of the tax credit is recaptured if the owner disposes of the property within one year and the amount of the recapture is reduced by 20% for each full year that elapses thereafter up to 5 years. After 5 years there is no recapture.
- The owner may pass his, her, its, or their tax credits to a buyer or qualifying lessees only if the building is not put into service prior to the purchase or leasing of the property by the recipient of the tax credit.
- Owners of non-income producing structures listed in the NRHP either as individually significant or as a contributing factor in a historic district, may qualify for a 30% North Carolina State Income Tax Credit. To qualify \$25,000 or more must be spent in less than a 24-month period on appropriate rehabilitation of property already listed in the NRHP.

A 10 % tax credit is also available for income producing properties that were built before 1938 whether they are listed in the NRHP or not. These credits are awarded on an either or basis in conjunction with the previously mentioned tax credits.

Other tools available in historic preservation are:

Since the fate of a property inevitably lies in the hands of the owner, public acquisition of property by sympathetic owners is a powerful tool. Provisions may be made (e.g. registration of property in the NRHP to make tax credits available, easements, etc) to create sympathetic buyers.

The option to buy a property may be purchased under the provision that during a finite amount of time the holder of the option is the only party eligible to purchase the said property. This allows the holder of the option time to raise the money to buy the

property or time to find another buyer that is sympathetic to the historic preservation cause.

Revolving funds can be used by organizations to preserve historically significant structures. Revolving funds are amounts of money that are used to buy property, then either “flip it” (sell it) immediately or renovate it then sell it and put the money from the sale back into the fund. The driving force behind a revolving fund is not profit but the implementation of buying and selling that keeps the money flowing to accomplish certain goals.

Easements are another tool commonly used in historic preservation. Easements are essentially contracts entered into by two or more parties. These can be broken down into two types: positive and negative easements. Positive easements reference things that must be done in order for the obligation to be fulfilled. Conversely, negative easements specify items that must not be done to fulfill the obligation.

A relatively new technique for historic preservation is Transfer of Development Rights (TDRs). TDRs allow an owner to sell only the right to develop the property he, she, it, or they own while maintaining ownership of the actual property. Developers who wish to develop land beyond the zoning limitations imposed on the property being developed may purchase TDRs and apply the right to the project and develop it beyond the zoning restriction. This insures that the property that formerly held the development rights cannot be developed.

Finally, zoning, sub-development codes and building codes can all be enacted to impose restrictive or pro-active conditions on the development of property.

It is apparent that there are a wide variety of tools at the disposal of historic preservationists. Some are more effective than others are and some are used more than others simply due to a lack of public understanding of the ramifications imposed by these devices. In the end the greatest tool in historic preservation is public awareness and involvement.

¹ The State Historic Preservation Officer is Jennifer Martin (919) 733-6545

² <http://www.cmstory.org/people/stephens.html>

³ <http://www.cmstory.org/people/stephens.html>

⁴ Deed Reference Number 911-199

⁵ Deed Reference Number 1299-89

⁶ For a map of Charlotte’s streetcar system see Ibid.

⁷ Charlotte Observer (June 25,1922), sec.2, pp. 1-2 also cited in page 3 paragraph 3 of Statement of Significance of Textile Mill Supply Company in Historic Preservation by Dr. Dan Morrill

⁸ Exception: owner’s approval is required for interiors

⁹ Example of Certificate of Appropriateness available on page 38

Example of Standards of Design Review available on page 39 Historic Preservation by Dr. Dan Morrill

