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September 30, 2013

By Hand Delivery

Jonathan E. Farnham, Ph. D.
Executive Director
Philadelphia Historical Commission
City Hall, Room 576
Philadelphia PA 19107

Re: 1910 Chestnut Street (the "Property") aka the Boyd Theater (the "Building") Site

Dear Dr. Farnham:

We represent iPic-Gold Class Entertainment, LLC ("iPic"), the equitable sub ground lessee and redeveloper of the Property. The equitable owner of the Property pursuant to an agreement of sale is R Investment Nine, L.P., an International Financial Company, LLC ("IFC") affiliate. The legal owner of the Property is Live Nation Worldwide, Inc., the successor-in-interest to Boyd Development L.P. ("Live Nation").

The Philadelphia Historical Commission (the "Commission") individually designated the Property on August 8, 2008 – over three years after Live Nation's acquisition of the Property. To date, the Commission has neither designated any public interior portion of the Property nor placed it in a local historic district. The Building was last used for active public use in May 2002.

THE APPLICATION

In accordance with Section 14-1005 of Philadelphia Code, Chapter 14-1000 (the "Ordinance") and Sections 6.7 and 9.2 of the Philadelphia Historical Commission Rules & Regulations (the "Regulations"), we hereby submit eight (8) copies of the following, which shall together constitute the application (the "Application"):

1. Building Permit Application No. 497608, previously docketed with the Philadelphia Department of Licenses and Inspections;
2. Affidavit in Support of Financial Hardship Application signed by Live Nation Worldwide, Inc., and iPic-Gold Class Entertainment, LLC (together will all exhibits thereto, the "Affidavit");
3. Photographs of the Property; and

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4. Architectural drawings of the proposed demolition, proposed alterations and new construction prepared by project architect spg3.

THE REDEVELOPMENT PROJECT

iPic proposes to redevelop the site of a long-shuttered and since faded Center City movie palace as a modern version of its original historic purpose – a movie theater. As depicted on the enclosed architectural drawings, iPic proposes (i) the full restoration of the front half of the Building’s elaborate head house facing Chestnut Street (the “Chestnut Street Wing”) and (ii) the demolition and replacement of the back half of the Chestnut Street Wing and the Building’s existing auditorium and stage house (the “Auditorium Wing”) creating a modern, upscale cinema entertainment complex (the “Project”). The Project will house eight film screens accommodating in-seat dining and full-service restaurant and bar areas. As part of the Project, the character-defining features of the Chestnut Street Wing – including the carved limestone Art Deco style façade with its decorative parapet and the patterned, frosted, and gilded glass windows and doors with geometric and floral motifs – will be restored to their 1920s condition in accordance with the U.S. Secretary of the Interior’s Standards for Rehabilitation of Historic Buildings (the “Secretary’s Standards”).

THE FINANCIAL HARDSHIP APPLICATION

The Building is an Art Deco limestone and brick single screen movie theater constructed in 1928 with over 2,300 seats.¹ The Chestnut Street Wing, rectangular in shape and approximately 34 feet tall, includes the primary character-defining features of the Building, *i.e.* the decorative carved limestone façade, parapet, marquee and gilded glass windows and doors. The Auditorium Wing, rectangular in shape and perpendicular to the Chestnut Street Wing (forming an “L” shape), rises to a height of approximately 65 feet and is of a utilitarian brick design with little ornamentation. The Building is the last remaining example of the major movie theaters that were once prominent in Center City. Despite the Building’s well known Center City location, however, it has suffered through two decades of chronic underuse, punctuated by its closure to the public in 2002, and has fallen into total disrepair. Moreover, the blighting influence of the Building is apparent. The Building is bordered on three sides by vacant lots, empty buildings and parking lots notwithstanding an otherwise revitalized Center City West location.

As set out in the Affidavit, given the prohibitive restoration cost, Building ownership’s demonstrated inability to sell the Property to an end user who would restore the Building, the absence of sufficient private and public funding for an adaptive re-use scheme, and the comparatively low level of revenue that could be generated by such an adaptive re-use, iPic respectfully seeks the Commission’s

¹ The three additional screens that were added in the 1980s have long been demolished and were subdivided from the Property before the Commission’s designation.

approval of the financial hardship application.² Commission approval will allow for the restoration of the Building's primary character-defining features and the Project's revitalization of an important – albeit blighted – Center City block.

THE ALTERATION APPLICATION

The Project includes the restoration of the Building's primary character-defining features and the development of a modern, upscale cinema entertainment complex with eight film screens accommodating in-seat dining and full service restaurant and bar areas. The Chestnut Street façade will be restored to its period of historic significance, featuring the repair, or replacement where necessary, of the historic limestone detailing, decorative glasswork on doors and windows, metal grills, and marble base, as well as the reopening of the front lobby and restoration of the historic marquee. The new rear volume on the Property will be similar in massing to the existing Auditorium Wing and compatible with the site and its surroundings. It will house four screens on the first and second floors, along with four additional screens on the third and fourth floors. An illuminated blade "iPic Theatres" sign and movie poster boxes will be installed along the Sansom Street façade.

APPLICATION OF THE SECRETARY'S STANDARDS

The alteration application will be compliant with the Secretary's Standards. Specifically, as provided by the Secretary's Standards (where relevant):

Standard 1: A property will be used as it was historically or be given a new use that requires minimal change to its distinctive materials, features, spaces, and spatial relationships. The Project would re-use the salvageable portions of the Building as a part of a modern, multiplex version of its original historical purpose – a movie theater – and would only minimally change, through rehabilitation, the distinctive limestone façade, marquee, and gilded glass windows.

Standard 2: The historic character of a property will be retained and preserved. The removal of distinctive materials or alteration of features, spaces, and spatial relationships that characterize a property will be avoided. The character-defining features of the Chestnut Street Wing would be retained and preserved, and distinctive materials and features would be retained. For example, work on the façade includes patching and repair of decorative scrolls, installation of salvaged terra cotta coping, and installation of salvaged restored glass, metal frames, and a marble base to match the existing base.

Standard 3: Each property will be recognized as a physical record of its time, place, and use. Changes that create a false sense of historical development, such as adding conjectural features

² Even when the Building was part of a larger multiplex complex with a combined capacity of four screens, the cinema industry was unable to generate sufficient revenue to offset the Building's high cost of ownership.

or elements from other historic properties, will not be undertaken. No conjectural features would be added to the Building. The Chestnut Street Wing would be rehabilitated to the historical condition of its period of significance. The Auditorium Wing would be replaced with a minimalist, utilitarian brick volume similar to the existing wing.

Standard 4: Changes to a property that have acquired historic significance in their own right will be retained and preserved. There are no changes to the Building that have acquired historic significance over time.

Standard 5: Distinctive materials, features, finishes, and construction techniques or examples of craftsmanship that characterize a property will be preserved. In addition to the techniques described above, the Project preserves several distinctive exterior features of the Building, including the decorative limestone façade details, gilded glass windows, marble base, and metal grills.

Standard 6: Deteriorated historic features will be repaired rather than replaced. Where the severity of deterioration requires replacement of a distinctive feature, the new feature will match the old in design, color, texture, and, where possible, materials. Replacement of missing features will be substantiated by documentary and physical evidence. Deteriorated historic features would be repaired and replaced only when necessary by matching the old design, color, texture, and materials of the historic features where possible.

Standard 7: Chemical or physical treatments, if appropriate, will be undertaken using the gentlest means possible. Treatments that cause damage to historic materials will not be used. The gentlest possible means will be used to clean and repair the limestone on the main façade.

Standard 8: Archeological resources will be protected and preserved in place. If such resources must be disturbed, mitigation measures will be undertaken. N/A

Standard 9: New additions, exterior alterations, or related new construction will not destroy historic materials, features, and spatial relationships that characterize the property. The new work shall be differentiated from the old and will be compatible with the historic materials, features, size, scale and proportion, and massing to protect the integrity of the property and its environment. The new theater volume constructed on the existing location of the Auditorium Wing would not impact the character-defining features of the Chestnut Street Wing, and would be similar in size, scale, and proportion to the existing Auditorium Wing.

Standard 10: New additions and adjacent or related new construction will be undertaken in such a manner that, if removed in the future, the essential form and integrity of the historic property and its environment would be unimpaired. Ultimately, the proposed Project would preserve the historic use of the Property – a movie theater – and would also preserve the existing iconic public view of the Building from Chestnut Street by rehabilitating the historic, character-defining Chestnut Street façade and producing a rear volume similar in size, shape, color, and materials to the existing utilitarian brick Auditorium Wing. The Project would enable the

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rehabilitation of a remaining example of the major movie theaters that were once prominent in Center City, while revitalizing an important Center City block.

As discussed, we understand that this Application will not be considered by the Commission until its December 2013 meeting in order to allow sufficient time for the Commission's independent consultant to review the enclosed financial hardship materials. We look forward to working with your office and presenting the Application to the full Commission and its Architectural Committee and Financial Hardship Committee. If you have any questions or require additional information, please do not hesitate to contact us.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Matthew N. McClure", written over a horizontal line.

Matthew N. McClure

Enclosures

cc: Paul Safran, Esquire (w/enclosures)
Mr. Neil I. Rodin (w/enclosures)
James Tucker, Esquire (w/enclosures)
David M. Gest, Esquire