
HISTORIC PRESERVATION REVIEW BOARD

Historic District Case No. 16-12

Financial Historic District (Boundary Increase and Amendment)

Part of Squares 198, 199, 216, 218, 223, 252, 253

Bounded on East by east side of 14th Street between G Street and New York Avenue NW

Bounded on North by I and K Streets at McPherson Square

Meeting Date: July 28, 2016
Applicant: D.C. Preservation League
Affected ANC: ANC 2B, 2C, 2F
Staff Reviewer: David Maloney
Kim Williams

After careful consideration, the Historic Preservation Office recommends that the Board amend the Fifteenth Street Financial Historic District as proposed for listing in the D.C. Inventory of Historic Sites and for forwarding to the National Register of Historic Places. The amendment includes 1) a boundary increase; 2) a name change from the Fifteenth Street Financial Historic District to Financial Historic District; 3) an expanded Period of Significance; and 4) a more complete representation of the history and growth of the city's financial district.

Background

The Fifteenth Street Financial Historic District was designated by the Joint Committee on Landmarks in 1981, and the nomination was forwarded to the National Register in 1984. Due to owner objection, it was not actually listed in the National Register until 2006 when a majority of the property owners then lifted their objections. As described in the nomination, the Fifteenth Street Financial Historic District was designated principally for its cohesive array of monumental Beaux Arts-style buildings constructed by the city's thriving financial industry along 15th Street between Pennsylvania Avenue on the south and I Street on the north. The listed district includes 20 extant buildings that are linked aesthetically by proximity to the U.S. Treasury Building and are notable both individually and as an ensemble of 20th-century Beaux Arts Classicism. The nomination notes that the district is monumental in feeling, symbolically expressing the solidarity and pride of the leading financial institutions in the District of Columbia during the first decades of the twentieth century.

The currently designated historic district is particularly impressive in its architectural legacy, but it is dominated by buildings that represent only part of the city's downtown banking history and architectural legacy. The amended nomination adds 17 similar buildings to the district¹, maintaining its visual unity, yet giving a more accurate and complete picture of downtown's financial history. The expanded district is broader in both its physical boundaries and historic context and better reflects the variety and growth of the city's financial industry from the 19th

¹ The amendment actually counts 18 buildings as it considers Metropolitan Square at 1450 G Street as an independent, non-contributing building. Metropolitan Square is actually an addition to the Metropolitan Bank and Albee building and should thus not be counted individually. The amendment will be revised before being forwarded to the National Register.

century to the mid-20th century. As indicated by its amended name—the Financial Historic District—the boundaries are no longer limited to the buildings along 15th Street, but include two adjacent collections of important financially related buildings, namely those at the intersection of 14th and G Streets and those around McPherson Square.²

Of the 17 added buildings, 15 are contributing, 10 are already designated Historic Landmarks and two are pending landmarks (the B.F. Saul and Davidson buildings).

History

The early history of banking in the District was essentially defined by a loose structure of congressionally chartered banks and unchartered private banks. Many of these early banks clustered around the Treasury building, creating the beginnings of a financial district. The prestige and business convenience of sites opposite the Treasury also gave rise to some of the city's earliest tall office buildings, including the first (1847) and second (1875) Corcoran Buildings, replaced in 1917 by the Hotel Washington.

Beginning with the National Banking Acts of 1863 and 1864, the nation's modern banking system, with greater controls and regulations, began to develop through the last decades of the 19th century. This was also a time of great expansion in Washington's physical and economic growth. Between 1880 and the establishment of the Federal Reserve in 1914, the number of banks in the city tripled. During this period, several distinct types of banks operated in the city, including national banks, private banks, savings banks, state-chartered banks, and trust companies. These different types of banks were all important in shaping the city's banking industry and in defining the physical development of the city's financial centers.

But the distinctions among them were also critical. In downtown Washington, the national banks, trust companies, and related private investment and real estate firms were the key players. The national banks were purely commercial banks accepting deposits from individuals and businesses and providing short-term loans primarily to businesses. Private banks like Riggs & Company (which did not obtain a national charter until 1896) were unrestricted by law and often acted as brokerage or investment firms for moneyed clients. Trust companies arose after 1890, and served primarily as a depository for investment capital held by corporations, trustees, and wealthy individuals, especially during the Gilded Age before the ratification of the 16th Amendment to the Constitution and the institution of a progressive federal income tax in 1913.³ They made primarily long-term loans and loans to finance real estate development, both of which commercial banks could not do. Because of the strict regulation and high capital requirements for trust companies, they became a select group of institutions catering to an exclusive clientele. Savings banks, in contrast, catered primarily to small depositors, often in neighborhood locations.

² The original Fifteenth Street Financial Historic District nomination was limited to 15th Street buildings largely because the applicant, Don't Tear It Down (now the DC Preservation League), believed that a compact linear district along a single street would stand a better chance of designation. At the time, the DC preservation law was only two years old, and the Joint Committee on Landmarks had not yet made any multiple-building designations in the downtown area larger than single-block groups. The Joint Committee did in fact reduce the proposed boundaries of the designation by eliminating the buildings fronting on McPherson Square between I and K Streets.

³ The Sixteenth Amendment authorized an income tax not apportioned by population among the states, and also allowed taxation of rents, dividends and interest as income.

As real estate development in the city expanded, and the size and number of the city's financial institutions increased, especially the Trust companies and their associated real estate businesses grew. From the nucleus at the Treasury, two adjacent and nearby areas, to the east at 14th and G Streets, and later to the north along 15th Street toward McPherson Square, developed as increasingly distinct centers for different sectors of the growing financial and business industries. As prosperity grew, the city's financial institutions began to build more highly visible and monumental headquarters buildings throughout this entire area.

Concentration of Banks:

Beginning about 1890, as downtown's business district moved west, the intersection at 14th and G Streets began to develop as a major center for banks, at a time when 15th Street north of Pennsylvania Avenue was primarily residential. The attraction of this location, especially for the national banks oriented to business lending, was the proximity to the growing commercial district and the streetcar lines running north along 14th Street and east along G Street.

According to city directories, more banks were located at the 14th and G intersection than any other location in the city, including private banks, savings banks, national banks and trust companies. The earliest of these occupied relatively modest banking houses, such as the original homes of American Security and Trust and Continental Trust, which were later replaced by grander construction. In 1904, the Commercial National Bank moved into an existing red brick "lunchroom" at the northwest corner of 14th and G Streets and the Federal American National Bank, organized in 1913, occupied the former florist shop of John H. Small at the southeast corner of the intersection. Both of these banks would later erect monumental buildings on these same sites.

With the banks firmly established at the intersection, and taking advantage of the streetcar service running up and down 14th and G streets, large-scale office building construction soon followed. The Bond Building, constructed in 1901 just one block north at 14th and New York Avenue, and the Colorado Building, built in 1902-03 at the northeast corner of 14th and G streets, were two of the first grand Beaux Arts office buildings to be constructed downtown. Both reflect an ornate quality and sophistication of design.

Washington's Wall Street:

In contrast to 14th and G Streets, which came to be dominated by commercial banking, development northward up 15th Street beyond the old cluster of bank buildings across from the Treasury took on a different character. As 14th and G Streets grew intensely commercial, McPherson Square to the north was still dominated by grand mansions and hotels, and the linear growth in that direction largely attracted the higher-end trust companies, investment firms, and real estate companies catering to a more exclusive investment clientele. In 1888, the National Savings and Trust Company erected its still-extant building at 15th Street and New York Avenue, and ten years later, Riggs Bank constructed its first purpose-built bank at its longtime location opposite the Treasury. Built during the height of the City Beautiful Movement, the neo-Classical Riggs building housed the city's most prestigious banking institution and clearly served as an architectural model.

In rapid succession, Riggs was followed by larger and more monumental financial buildings intended to serve as landmarks for the companies themselves, including the American Security and Trust Company (1902) Hibbs Building (1906, for the brokerage firm of W.B. Hibbs), Union

Trust Company (1907) and Swartzell, Rheem & Hensley Company (1908, for another important brokerage firm). The grandiose National Metropolitan Bank (1905-07), opposite the Treasury just to the south, also dates from this concentrated period of construction. The quick transformation was so remarkable that by 1906, the stretch of 15th Street extending up to H Street earned the moniker of “Washington’s Wall Street.”

As 15th Street matured, impressive new buildings added to its grandeur: the Southern (1910), Woodward (1911), and Riggs (1911) office buildings, and the University Club (1911) on McPherson Square. After the hiatus of World War I, the Davidson Building (1918) brought the first high-rise offices to McPherson Square in a jump to the K Street corner. Soon after came the Liberty National Bank (1919), Edmonds (1922), Bowen (1922, with later additions), Colonial Mortgage (1924), B.F. Saul (1924), Securities (1927) and Washington (1927-29) office buildings, over the span of a single decade filling in nearly the entire five-block stretch on the east side of 15th Street from F and K Streets with financial business buildings. On the west side of 15th, the story was similar, if somewhat slower: the Investment (1923-24), Southern Railway (1928), and Shoreham (1928-29) office buildings before the collapse of the Great Depression. They were joined on the north side of McPherson Square by the now-demolished H.L. Rust Building, constructed by the mortgage banking and insurance firm.

The construction boom of the 1910s and 1920s had a similar transformative effect at 14th and G Streets as well, though not all of the impressive structures there remain. These included the District National Bank (1910) and Union Savings Bank (1911), both demolished; the Commercial National Bank (1917) during the height of the war;⁴ and in the postwar boom, the Federal American-National Bank (1924) and Second National Bank (1927).

The Great Depression:

The stock market collapse of 1929 and the ensuing financial crisis decimated Washington banks, and nationwide led to major a restructuring of the banking sector after the Bank Holiday that Franklin Roosevelt declared immediately upon taking office in March 1933. If widespread, the banking crisis was also selective in its local victims, claiming not just the poorly capitalized neighborhood savings banks, but also those national banks saddled with eager but imprudent investments.

None of the more secure trust and investment businesses located on 15th Street failed during the banking crisis. These institutions continued to build during the 1930s, if more modestly, adding the American Security and Trust office addition (1930) and Walker Building (1937) on 15th Street, and the Heurich Building (1937, demolished) on the north side of McPherson Square.

In contrast, three of the city’s four national banks and the largest savings bank that failed were located at 14th and G Streets: Commercial National, Federal-American National, District National, and Union Savings. The reasons for their failure have been attributed to economic forces, weak management, and notably, an excessive investment in their headquarters buildings. The city’s national banks tended to construct shared buildings, having opted for the income-producing potential of leasable tenant space. But the more elaborate the building, the more capital was tied up in real estate that could not be quickly liquidated when the crisis came. Thus

⁴ The high-rise Commercial National Bank also included a new central office for Western Union, with direct connections to the White House and executive offices, speeding critical communications during the war effort.

the failure of the 14th and G Street banks was in significant part due to the magnificence of their banking houses.⁵

Perhaps ironically, the headquarters of Federal-American was chosen to house the newly created Hamilton National Bank, capitalized by the assets of seven failed banks. When the National Bank of Washington acquired Hamilton in 1954, it left behind a branch bank on the 7th Street site that had served as its home for 123 years, and made the elegant building its new headquarters.

Into the Postwar Era:

As the financial district stretched farther north, the new office buildings constructed around McPherson Square housed an increasing variety of firms working in real estate, investment, mortgage lending and other businesses closely connected to the city's banking sector. As the Depression waned and growth returned by mid-century, construction in the financial district resumed. The massive Lafayette Building (1939-40), built to house the Federal Loan Agency, joined the Treasury Building (1836-69) and its Annex (1919) as government anchors to the district. The Wire Building (1949), by real estate developer Preston Wire, added the final structure to be constructed around McPherson Square for several decades.

Architecture

The expanded Financial Historic District represents an exceptional collection of the city's bank and office building architecture of the early 20th century, including distinguished examples of Beaux Arts and 20th-century Neo-Classical Revival-style buildings. The 20 extant buildings within the listed historic district, exclusive of the older U.S. Treasury building and several of those around 14th and G Streets, primarily date from the first decade of the 20th century, while those around McPherson were principally constructed in the 1920s, an extremely prolific period of development in the related real estate, financial and business industries.

The buildings in the historic district are for the most part classically inspired (the Tudor Gothic Denrike building being a notable exception) and monumentally scaled Beaux Arts structures. The buildings in the historic district, designed to embody the strength and power of the institutions within them, were built to impress. The earliest Beaux Arts examples, such as the Bond building, the Colorado building, the Union Trust Building, and the Hibbs Building "raised the threshold of sumptuous exterior treatment." The monumental elevations of the Union Trust Building were hailed by the local press as introducing to the private sector "a sense of civic grandeur commensurate with that which the Senate Park Commission had prescribed for the public sphere."

While the majority of the buildings constructed in the historic district reflect the Beaux Arts tradition of Classicism, others illustrate a transition away from the academically correct use of Classical elements and heavy ornamentation. While these transitional buildings, exemplified by the B.F. Saul building and the Commercial National Bank, are less sculptural and ornamental than their predecessors, they retain the monumental feel and Classical motifs of Classical Revival styles. And, even though some of the buildings constructed around McPherson Square are smaller scaled (i.e. the Peyser Building and the B.F. Saul Building) than those south of I

⁵ About 50% of Federal-American's capital was tied up in its building, as was essentially all of Commercial National's.

Street, they maintain the visual unity and same high quality design as the earlier Beaux Arts buildings.

Evaluation

The Financial Historic District amendment meets District of Columbia Criteria B (History), D (Architecture and Urbanism), E (Artistry), and F (Creative Masters). The amended nomination meets Criterion B for its association with the patterns of growth and change that contributed to the development of the District. In particular, the increased boundaries and expanded period of significance of the amendment provide a broader understanding and illustration of the evolution of the development of the city's financial-related buildings around 14th and G Streets, along 15th Street around the Treasury building to beyond I Street to McPherson Square. The district also illustrates the transformation of McPherson Square from a residential area to a commercial/office area as the boundaries of the financial district pushed northerly.

The amendment meets Criterion D as the buildings in the expanded area maintain the visual quality of the existing historic district and also embody the distinguishing characteristics of building types and styles. In particular, the buildings in the expanded area similarly exemplify the Beaux Arts architectural tradition found in the early 20th century office buildings of downtown, while also illustrating a transition away from it. The bank buildings also illustrate the experimentation with the building type from single-use banks to dual-use banks/office buildings. The amendment meets Criterion E for artistry as the buildings offer an exceptional array of architectural sophistication, design and sculptural ornamentation that contributes significantly to the appearance of the District. It meets Criterion F for Creative Masters as the buildings in the amendment have been identified as notable works of an impressive array of talented architects, who worked both nationally and locally, including Daniel H. Burnham; York and Sawyer; Carrère & Hastings; Ralph Townsend; Waddy Wood; George N. Ray; B Stanley Simmons; Appleton P. Clark; Jules Henri de Sibour, and others.

Period of Significance

The Period of Significance for the Financial Historic District begins in 1836 with the first phase of construction of the U.S. Treasury Building and ends in 1950 with the opening of the Wire Building. The Wire Building at 1000 Vermont Avenue was the first new building to be constructed around McPherson Square following the Depression and its ensuing two-decade-long slowdown in commercial development, and it preceded the next major boom in the late 1950s and 1960s. It was designed in a mid-century Modern aesthetic which was slow to emerge in this city. The Wire Building marks an important transition away from the Classical tradition, providing an apt end-date to the Period of Significance.

Boundaries

The amended boundaries expand the district to the east to include five contributing buildings around 14th and G Streets, and extend the boundaries north along 15th Street to include 12 buildings around McPherson Square (10 contributing, 2 non-contributing). The boundary currently drawn on the east at the rear of the historic lots holding the Metropolitan and Albee buildings may be pushed further east to include the major addition of Metropolitan Square that internally connects the historic buildings to the addition. This boundary change is a technicality and would be consistent with the National Register guidelines that do not allow boundary lines through a building.