



CITY OF CARMEL-BY-THE-SEA APPEAL FORM

Appeals to a Board or Commission must be made by completing and submitting an Appeal Form with the City Clerk. Appeals shall be filed **within 10 calendar days following the date of action** and paying the required filing fee as established by City Council resolution.

Appeals to the City Council must be made by completing and submitting an Appeal Form with the City Clerk. Appeals shall be filed **within 10 working days following the date of action** and paying the required filing fee as established by City Council resolution.

Esperanza Carmel Commercial LLC

Name of Appellant

P.O. Box 134, Carmel-by-the-Sea, CA 93921

Mailing Address of Appellant

(831) 250-7669

contact@esperanzacarmel.com

Phone Number

Email address

Send correspondence to the following party (if different than Appellant):

Name

Mailing Address

Phone Number

Email address

Carmel-by-the-Sea Historic Resource Board

Commission, Board, Official or Department whose action is being appealed

Physical location of property involved (street location or address):

2, 4, 6, 8

91

010-145-022, 023, 024

Lot

Block

APN

Date of decision being appealed: **January 23, 2022**

Specific action or decision being appealed: **The resolution of a finding of non-compliance with the Secretary of the Interior's Standards for the relocation of the Northern California Savings and Loan Complex Community Room & (see below*)**

Grounds for appeal (attach additional pages if necessary): **See attachments A, B, C, D, & E.**

Signature of Appellant

**the resolution adding a property known as the "Northern California Savings and Loan Complex" located at the southeast corner of Dolores Street and 7th Avenue in the service commercial (SC) zoning district to the Carmel Inventory of Historic Resources and Carmel Register of Historic Resources.*

ATTACHMENT A



City of Carmel-by-the-Sea
P.O. Box CC
Carmel-by-the-Sea,
CA 93921

February 6, 2023

**RE: APPEAL OF JANUARY 23, 2023 HISTORIC RESOURCES BOARD MEETING DECISION
7TH & DOLORES ANNEX BUILDING AND HISTORICAL RESOURCE BOARD PROCESS**

Dear Mayor Potter and City Council Members,

Esperanza Carmel have experienced significant delays with the approval process for our JB Pastor Project by the corner of 7th Avenue and Dolores, specifically the process required to find an equitable solution for addressing the annex building at 7th & Dolores. The review process with the Historic Resource Board has been prolonged due to an ambiguous and misleading process, and, we believe, inexcusable delays in processing our numerous applications. We are frustrated with the process and our inability to progress the JB Pastor Project. We do not believe that we are being treated fairly here. The delays have cost us wasted time and resources, and substantial costs due to a lack of rental revenue from the completed development, which is now delayed for over 2 years as well as the fact that we are paying property tax and other holding costs for the property each year for an empty car park with construction costs continuing to increase.

The subject property was purchased, on June 25, 2020, on the premise the Northern California Savings and Loan Community Room Annex Building would not be treated as historic. Prior to purchasing the property, this was supported by the June 17th, 2020 addendum to the phase one historic evaluation prepared by Meg Clovis (one of the consultants that provides historic preservation consulting services to the City). A subsequent preliminary phase two report, dated March 1, 2021, was prepared by Meg Clovis and again determined,

"The community room has been evaluated for eligibility for listing in the California Register based on its merits alone and it does not meet the criteria for listing as an individual resource"

and the proposed demolition

"will not have a significant impact on the historic bank building."

Additionally, the staff report, staff recommendation, and the resolution prepared for the April 19, 2021 Historic Resources Board meeting agreed the community room on its merits alone did not meet the criteria for listing as an individual resource in the California Register and demolition will not have a significant impact on the historic bank building.

Contrary to the recommendations from staff, the staff report, the draft resolution and the historic assessment reports prepared by Meg Clovis - the historic preservation consultant hired by the city - the Historic Resources Board continued the proposed demolition of the community room annex building to the May 17, 2021 Historic Resources Board meeting and adopted a resolution determining the proposed demolition was not compliant with the Secretary of Interior's Standards. We appealed this decision and, in the August 3, 2021 City Council meeting the Historic Resources Board decision was upheld.

We were encouraged both on the day of the city council meeting on August 3 2021 then after the meeting to pursue the option of relocating the community room annex building when the option to demolish it was appealed to the City Council and denied.

The current proposal to relocate the annex building was initiated in May 2022, yet we were not heard until the January 2023 Historic Resources Board meeting. An 8 month wait. Our initial request submitted May 6, 2022, for preliminary review and feedback on the proposed relocation, took four months to be added to the Historic Resources Board agenda. It was deliberated during the August 15, 2022 meeting. Receiving encouraging feedback from the Historic Resources Board, we submitted our application to formally present and obtain a determination from the Historic Resources Board on the proposed relocation. This application was submitted on September 27, 2022, and we were not added to the Historic Resources Board agenda until the January 23, 2023 meeting.

Again, contrary to the June 17, 2020 addendum, the March 1, 2021 preliminary phase two report prepared by the historic preservation consultant hired by the City, and Staffs original recommendation and report, the Historic Resources Board has refused to consider the historic significance of the community room annex building on its own merit and insists on considering it historic along with the main Northern California Savings and Loan Bank Building.

As required for our application proposing the relocation of the Community Room Annex Building, the City hired a historic preservation consultant to prepare a new phase one and two historic assessment for the North California Savings and Loan Complex. For the historic assessment the city opted to retain a new historic preservation consultant in-lieu of contracting Meg Clovis who had prepared the previous assessments. Seth Bergstein with PAST Consultants, LLC was hired by the City to prepare the new phase one and two assessments. Seth Bergstein is the same consultant hired by the City to prepare the update Historic Context Statement, adopted at the December 6, 2022 City Council Meeting, now covering the period of time in which the Northern California Savings and Loan complex was built, recognizing the building as a commercial example of the Bay Region Modern style and specifically listing it in the Historical Chronology of Carmel. We do not believe hiring the same historic preservation consultant that drafted the updated Historic Context Statement for Carmel qualifies as an independent professional opinion on the historical significance of the Community Room Annex Building or whether the proposed relocation is compliant with the Secretary of Interior's Standards. In fact, this seems to be a conflict of interest.

At the January 23, 2023 Historic Resources Board meeting the Board adopted two resolutions which we are now appealing.

1. Resolution 2023-001-HRB: Adding a property known as the "Northern California Savings and Loan Complex" located at the southeast corner of Dolores Street and 7th Avenue in the Service Commercial (SC) Zoning district to the Carmel Inventory of Historic Resources and Carmel Register of Historic Resources; APNs: 010-145-002, 010-145-023, 010-145-024.
2. Resolution 2023-002-HRB: Issuing a Finding of Noncompliance with the Secretary of the Interior's Standards for the relocation of the Northern California Savings and Loan Complex Community Room from APN 010-145-023 to APN 010-145-002.

As you know, we have been unable to progress the JB Pastor Project through the planning process until this issue is addressed and have made no meaningful progress on the project due to the numerous City-imposed delays. Conveniently these, in our opinion inexcusable, delays have now resulted in the Northern California Savings and Loan Bank Building reaching the 50 year milestone of October 26, 2022 and being added to the City's Historic Context Statement, both of which had previously impeded the Historic Resources Board's resolve to list this property on the Carmel Inventory and Register.

I respectfully request that the City consider our appeal to mitigate any further delays to the process and prioritize the timely processing of our appeal so that we can move forward with both this development as well as our other development, the famous 'Pit' on the corner of Dolores & 5th Avenue.

Yours sincerely


Patrice PASTOR

cc Ryan Aeschliman, Development Director, Esperanza Carmel
Chris Mitchell, Managing Director, Esperanza Carmel

ATTACHMENT B



CITY OF CARMEL-BY-THE-SEA HISTORIC RESOURCES BOARD Staff Report

**April 19, 2021
ORDERS OF BUSINESS**

TO: Historic Resources Board Commissioners

SUBMITTED BY: Evan Kort, Associate Planner

SUBJECT: Consideration of a Determination of Consistency for a Design Review Application (DR 20-395) for demolition of the Palo Alto Saving and Loan Community Room (Block: 91; Lot 6) and construction of a 16,898 square foot two story mixed-use development with a 11,371 square foot basement garage (Block 91; Lots 6, 8, & 10) in the Service Commercial (SC) Zoning District at Dolores 2 SE 7th; APN: 010-145-012.

RECOMMENDATION:

Staff recommends that the Historic Resources Board adopt a resolution issuing a Determination of Consistency with the Secretary of the Interior's Standards for the demolition of the Palo Alto Savings and Loan Bank Community Room. APN: 010-101-017 (Attachment 1)

BACKGROUND/SUMMARY:

The project site is located on Dolores 2 southeast of 7th on a 12,000 square foot lot comprised of three lots of record (Block: 91, Lots: 6, 8, 10). The applicant is proposing to demolish all improvements across the three lots and construct a 16,898 square foot two story mixed-use development with a 11,371 square foot basement garage. Two-thirds of the project site (lots 6 & 8) are located on part of the Palo Alto Savings and Loan Bank complex which currently occupies Lots 2, 4, 6, and 8 of Block 91.

The Palo Alto Savings and Loan Bank complex, consisting of a bank building and detached community room building, was constructed in 1972 and was designed by noted architects, Walter Burde and William Shaw, both of whom are listed in the City's Historic Context Statement. While the Palo Alto Savings and Loan buildings are characteristic of the Second Bay Region Tradition of architecture, and designed by noted architects, the complex was deemed ineligible for listing on the City's Historic Inventory as well as the National Register. In 2019, a Determination of Ineligibility (Attachment 3) was issued for the property by the City Council following the appeal of the Historic Resources Board's decision to add the property to the City's Historic Inventory; the Determination of Ineligibility will expire on October 26, 2022. The associated Determination of Ineligibility (Attachment 3) included a Phase II Report for an unrelated project that was previously submitted and withdrawn on May 1, 2020, although the report does provide background and history relevant to the project site. This original determination did not distinguish between the bank building and the community room, but rather analyzed the complex as a whole. While the complex is not eligible for listing on the nation or local inventory, it was previously determined that the site is eligible for listing on the California Register of Historic Resources (CRHR) and the complex, as a whole, is a historic resource for the purposes of the California Environmental Quality Act (CEQA).

According to the Phase II Evaluation attached to the Determination of Ineligibility for the site (Attachment 3), "In November 2001 Richard Janick assessed the building again using California Office of Historic Preservation DPR 523a and b forms. This second evaluation was no doubt initiated by a proposal filed in September 2001 to demolish the Palo Alto Savings and Loan complex and construct a new commercial property. Janick's evaluation of the building concluded that it was eligible for listing on the California Register under Criterion 3 (architecture), "as a significant example of Second Bay Region Style by local architect Will Shaw and Associates with design assistance by former partner Walter Burde." In accordance with CEQA Guideline §15064.5(a)(1), a structure must be treated as a historic resource if it is listed in, or determined to be eligible for listing in, the California Register of Historic Resources.

While the complex is eligible for listing on the CRHR, an Addendum to the Evaluation of Historical Significance for Palo Alto-Salinas Savings and Loan Complex was prepared by a Qualified Professional Historian, Margaret Clovis, evaluating the significance of the community room as an individual resource (Attachment 4). The evaluation concluded:

The Palo Alto-Salinas Savings and Loan complex consists of two buildings, a bank building and a community room. By definition they are a historically related unit and as a unit they have been determined eligible for listing on the California Register of Historic Resources. The primary building within the complex is the bank, and the property's historical significance is predicated on the bank. The community room is an ancillary structure that does not contribute to the overall significance of the complex. In addition, the community room was evaluated for eligibility for listing in the California Register of Historic Resources based on its merits alone. The community room does not meet the criteria for listing as an individual resource.

In other words, while the bank building and the community room are historically related, the bank building is the primary significant structure on site, and the community room is an ancillary structure that on its own is not historically significant. An illustrative comparison may be, for example, a historic home with a detached garage. While the site may be historically significant, the primary residence would typically be the historically significant structure on site and the garage would be a related accessory building that on its own would not be historically significant.

On January 8, 2021, an application for a Design Review was submitted to the Community Planning and Building Department that proposed the demolition of the community room as part of the subject Esperanza Carmel project. As part of the project review, a Phase II Report (Attachment 4) was prepared by Margaret Clovis evaluating the project's consistency with the Secretary of the Interior's Standards and Guidelines based on preliminary plans. The Phase II Report concludes the project will not have a significant impact on the historic bank building provided the project meets the applicable Secretary's Standards for Rehabilitation and that the recommended conditions identified in the report are followed (discussed below).

In accordance with CMC 17.32.160.B.1, "If the Board concurs with the evaluation [prepared by the qualified professional], the Board shall issue a determination of consistency and adopt any appropriate conditions of approval. Any finding of compliance by the Board shall be supported by substantial evidence. If the Board does not concur, the Board may request additional information prior to issuance of a determination of consistency, or may issue a finding of noncompliance with the Secretary's Standards. Any finding of noncompliance by the Board shall be supported by substantial evidence."

The scope of this review shall be limited to the discussion regarding the proposed demolition of the

community room and determining whether the demolition is consistent with the applicable Secretary of the Interior's Standards.

STAFF ANALYSIS

Secretary of the Interior's Standards: The Secretary of the Interior's Standards for the Treatment of Historic Properties (Standards) provides the framework for evaluating the impacts of additions and alterations to historic buildings. The Standards describe four treatment approaches: preservation, rehabilitation, restoration and reconstruction. The Standards require that the treatment approach be determined first, as a different set of standards apply to each approach. For the proposed project, the treatment approach is rehabilitation.

Margaret Clovis evaluated the project for consistency with the Secretary of the Interior's Ten Standards for Rehabilitation (Attachment 4). Ms. Clovis found that Standards #1, 2, 5, 6, 8, 9 and 10 are applicable to the project. The evaluation concluded that the project as proposed is consistent with the applicable standards on the condition that recommendations in this report are carried out.

***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.*

Phase II Response: "The bank building has been used as a bank, retail store and most recently as a restaurant. These different uses have required minimal change to its distinctive materials, features, spaces, and spatial relationships. The community room is separated from the main bank building by a walkway. Sheet A1.0 indicates that the proposed adjacent construction will be separated from the bank building by a new walkway. The new walkway will help to maintain spatial relationships between the buildings however that spatial relationship should be maintained from the ground level to the roof by a setback of the north elevation from the bank building. It is also recommended that the proposed walkway be the same width as the current walkway."

Staff Response: Following completion of the Phase II Report, Staff met with Ms. Clovis, and the applicant to discuss the spatial relationship between the bank building and proposed development. It was discussed at the meeting that the proposed development may be located closer to the adjacent bank building than initially outlined in the report provided the spatial relationship be maintained. While the recommendation outlined in the Phase II report states the northern wall of the community room should be used as the setback line, Staff is in agreement that a lesser setback could be considered provided adequate separation between the buildings is maintained.

The existing separation between the bank building and community room is 8'4" at the nearest point, as dimensioned in the field by staff. As shown on the preliminary project plans (Attachment 8, Sheet A1.0), the proposed closest setback between the buildings is 7'. While Staff is supportive of allowing for some relief from the initially recommended setback line (northern building wall of the community room), Staff recommends the proposed building not be permitted to extend more than one foot beyond the existing northern wall of the community room.

In the same meeting referenced above with the applicant and Ms. Clovis, the applicant has requested a small portion of the of the building to further encroach into this setback area to accommodate a staircase—in its current configuration, this project would be setback 5 feet from the bank building. Staff is supportive of this projection as it is relatively minor and

setback approximately 51'7" from the property line fronting Dolores Street, therefore does not impact the feeling of separation when viewed from the street.

Staff has included Recommended Condition of Approval #1 stating, "to maintain the spatial relationship between buildings, the proposed building shall not extend more than one foot beyond the existing northern wall of the community room with the exception of a stairway project which shall be located no closer than 5' from the bank building."

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 the property will be avoided.

Phase II Response: "The historic character of the bank building will not be altered. No distinctive materials will be removed. Features, and spaces will not be altered. The spatial relationship between the bank and the community room which has been established by the walkway separating the two should be maintained as part of the new construction. The Secretary of the Interior's Guidelines for Rehabilitation recommend that any new construction adjacent to a historic structure should be placed away from or at the side or rear of a historic building and must avoid obscuring, damaging, or destroying character-defining features of the building. It appears from the Site Plan that the bulk of the new building will be located behind the bank and set back from Seventh Street. The proposed work appears to be consistent with Standard Two."

Staff Response: See Staff Response under Standard 1 for discussion regarding maintaining the separation between the two buildings. In the Service Commercial (SC) Zoning District, buildings are required to be constructed to within 2'6" of the front property line for at least 70% of the street frontage (CMC 17.14.130). As viewed from Dolores Street, the project would be constructed to the required "build-to" line however would be slightly setback from the bank building along Dolores. As viewed from 7th Avenue, the building would be setback over 80' from the 7th Avenue sidewalk. Staff concurs that the proposed work appears to be consistent with Standard 2.

Standard 5: Distinctive materials, features, finishes, and construction techniques or examples of craftsmanship that characterize a property will be preserved.

Phase II Response: "The community room will be demolished as part of this project. It is connected to the main bank building at the second-floor level by an elevated walkway. When the community room is demolished a gap will be created in the exterior wall of the bank building. The wall should be repaired by matching the original wall in design, color, texture, and if possible, materials. If this is clearly indicated on the construction plans, then the work will be consistent with Standard Five.

It is important that a historic structure be protected during adjacent construction. Demolition activities and construction on neighboring sites can cause immediate harm to the physical integrity of a historic building through concentrations of dust, fire, vibration, and more. The National Park Service provides guidance for the temporary protection of historic structures in Preservation Tech Note Number 35 [Refer to Attachment 5]. Providing adequate protection involves the following steps:

1. Consultation between the historic building owner and development team to identify potential risks, negotiate changes and agree upon protective measures.

2. Documentation of the condition of the historic building prior to adjacent work.
3. Implementation of protective measures at both the construction site and the historic site.
4. Regular monitoring during construction to identify damage, to evaluate the efficacy of protective measures already in place, and to identify and implement additional corrective steps.

Work will be consistent with Standard Five if a protection plan is submitted to the HRB for review and approval prior to the commencement of any work on the proposed project."

Staff Response: The applicant has submitted a written Protection and Monitoring Plan (Attachment 6) outlining the steps proposed to be taken to protect the adjacent bank building during the proposed demolition of the community room and during the proposed construction of the subject project. In addition to the written plan, the applicant has also provided a protection plan included in the preliminary project plans (Attachment 8, Sheet A1.1) that identify the proposed protection measures during construction, and are outlined in the "Historic Building Protection Plan Key Notes."

Staff has included Recommended Condition of Approval #2 stating, "The written Protection and Monitoring Plan and Historic Building Protection Plan indicated in the project plans, collectively known as the "Protection Plan," (Attachment 6) shall be adhered to prior to and during construction. Protective measures installed on-site or on the adjacent site shall be inspected by the Planning Department and Building Inspector prior to the issuance of a demolition or building permit. Modifications to the Protection Plan shall require approval by the Historic Resources Board."

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.*

Phase II Response: "No work will be done on the historic bank building except for the repair of the wall juncture between the community room and bank. As stated in Standard Five, the repair of the bank wall should match the original wall in design, color, texture, and where possible, materials. Construction plans should clearly indicate how the wall will be repaired in order to be consistent with Standards Five and Six."

Staff Response: An application for repairs to the bank building necessitated as a result of the portion of wall being removed by the proposed project is forthcoming. To ensure the associated repairs to the bank building are addressed, Staff has included Recommended Condition of Approval #3 stating, "Prior to the issuance of a demolition or building permit, an application for repairs to the bank building necessitated by the removal of the wall juncture between the community room and bank shall be submitted to the Community Planning and Building Department."

Standard 8: *Archeological resources will be protected and preserved in place.*

Phase II Response: The current parking lot will be demolished, and a [11,371] square foot basement area will be excavated which will serve as a parking garage, gym, and support services for the new building. Because there will be major ground disturbance, an archeological report should be prepared to evaluate whether any resources are present. If

resources are discovered, appropriate mitigation measures should be implemented. The proposed work will be consistent with Standard Eight once an archaeological report is completed.

Staff Response: An Archaeological Report was previously prepared for Lot 10 in 2019 and an additional Archaeological Report was prepared for Lots 6 and 8 in 2021 following the submittal of the subject application (refer to Attachment 7); both reports were prepared by Susan Morley, M.A.

Both reports maintain the same conclusion that state, "Archaeological reconnaissance did not reveal any of the indicators expected of a prehistoric archaeological or historical resource in this region; there are no culturally modified soils present; no shell fragments, bone fragments, or culturally modified lithic materials were noted in the soils of the project parcel. No granitic or other bedrock outcrops were present that may possibly have contained bedrock mortars or cupules... Based upon these negative findings, there is no reason to delay the project parcel due to archaeological concerns."

However, staff included Recommended Condition of Approval #4 and #5 stating, "In the event that unexpected traces of historic or prehistoric materials, i.e., human remains, concentrations of shell or heat altered rock or historic trash pits are encountered during grading or other future development all construction activity shall immediately cease, and the applicant shall notified the Community Planning and Building Department within 24 hours and a qualified archaeologist shall be retained for appropriate archaeological mitigation," and "If any human remains are exposed, the Health and Safety Code § 7050.5 requires that no further excavation or disturbance occurs in the area and that the county coroner is called so that the coroner can verify that the remains are not subject to medical jurisprudence. Within 24 hours of notification, the coroner calls the Native American Heritage Commission if the remains are known or thought to be Native American."

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.*

Phase II Response: The new construction will demolish the parking lot, community room, and garden wall which are part of the bank complex however they are not significant in their own right. These features supported the bank's former function but do not support its eligibility under Criterion Three (Architecture). They are not considered character-defining features. The pathway separating the community room and the bank creates an important spatial relationship that should be preserved, as discussed under Standards One and Two. The proposed work appears to be consistent with Standard Nine.

Staff Response: Staff concurs with the Phase II Response, above.

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.*

Phase II Response: If removed in the future, the proposed new construction adjacent to the

historic bank building will not impair the historic property and environment only if care is taken to remove the building following the guidance provided in Preservation Tech Note Number 3 and described under Standard Five.

Staff Response: Staff concurs with the Phase II Response, above.

Historic Evaluation Summary: The California Environmental Quality Act (CEQA) requires environmental review for alterations to historic resources that are not consistent with the Secretary of the Interior's Standards. The proposed demolition of the Palo Alto Savings and Loan Community Room was reviewed by the City's Historic Preservation Consultant and a Phase II Historic Assessment was prepared for the project (refer to Attachment 4). The Assessment includes an analysis of the proposed changes based on the Secretary of the Interior's Standards for the Treatment of Historic Properties. The Assessment concludes that the project meets the Secretary of the Interior's Standards for rehabilitation. The proposed demolition of the Palo Alto Savings and Loan Community Room does not impact the remaining character-defining features or overall historic integrity of the Palo Alto Savings and Loan Bank Building.

FISCAL IMPACT:

N/A

ATTACHMENTS:

Attachment 1 - Resolution
Attachment 2 - Site Photographs
Attachment 3 - Determination of Ineligibility
Attachment 4 - Historic Evaluation Addendum
Attachment 5 - Phase II Evaluation
Attachment 6 - Preservation Tech Note Number 35
Attachment 7 - Protection Plan
Attachment 8 - Archeological Reports
Attachment 9 - Preliminary Project Plans

ATTACHMENT C

CITY OF CARMEL-BY-THE-SEA HISTORIC RESOURCES BOARD

HISTORIC RESOURCES BOARD RESOLUTION NO. 2021-XXX-HRB

A RESOLUTION OF THE HISTORIC RESOURCES BOARD OF THE CITY OF CARMEL-BY-THE-SEA ISSUING A DETERMINATION OF CONSISTENCY WITH THE SECRETARY OF THE INTERIOR'S STANDARDS FOR THE DEMOLITION OF THE PALO ALTO SAVINGS AND LOAN BANK COMMUNITY ROOM. APN: 010-101-017

WHEREAS, Alem Dermicek, on behalf of International Design Group, ("Applicant") submitted an application requesting the approval of a Design Review "DR 20-395" described herein ("Application"); and

WHEREAS, the application has been submitted for the 12,000 square foot property located at Dolores 2 SE 7th, in the Service Commercial (SC) Zoning District (Block 91, Lot 6, 8, 10); and

WHEREAS, the applicant is proposing to demolish all improvements across the three lots and construct a 16,898 square foot two story mixed-use development with a 11,371 square foot basement garage. Two-thirds of the project site (lots 6 & 8) are located on part of the Palo Alto Savings and Loan Bank complex (comprised of a bank building and a community room) which currently occupies Lots 2, 4, 6, and 8 of Block 91; and

WHEREAS, the complex is not eligible for listing on the nation or local inventory as it fails to meet the 50-year old age requirement, however, the complex is eligible for listing on the California Register of Historic Resources (CRHR); and

WHEREAS, in 2019, a Determination of Ineligibility for listing on the City's Historic Inventory was issued for the complex and will expire on October 26, 2022; and

WHEREAS, in accordance with the California Environmental Quality Act (CEQA) Guideline §15064.5(a)(1), a structure must be treated as a historic resource if it is listed in, or determined to be eligible for listing in, the California Register of Historic Resources; and

WHEREAS, the project qualifies as a Major Alteration to a Historic Resource pursuant to CMC 17.32.160; and

WHEREAS, pursuant to CMC 17.32.120 (Alteration of Historic Resources), a determination of consistency with the Secretary's Standards shall be obtained prior to altering, remodeling, demolishing, grading, relocating, reconstructing or restoring any historic resource; and

WHEREAS, pursuant to CMC 17.32.120.B, determinations of consistency for major alterations shall be prepared by a qualified professional and shall be supported by written documentation that (1) identifies which of the Secretary of the Interior's Standards for Rehabilitation are applicable to the project, (2) reviews the proposed project, and (3) explains the basis of the determination; and

WHEREAS, a Phase II report was prepared by a qualified professional, Margaret Clovis, dated March 1, 2021, and found the proposed amendments to be consistent with the Secretary of the Interior's Standards for Rehabilitation provided the recommendations outlined in the report were carried out; and

WHEREAS, notice of the public hearing was published in compliance with State law (California Government Code 54954.2.); and

WHEREAS, on April 19, 2021, the Historic Resources Board held a public hearing to receive public testimony regarding the Application, including without limitation, information provided to the Historic Resources Board by City staff and public testimony on the project; and

WHEREAS, this Resolution and its findings are made based upon evidence presented to the Historic Resources Board at its April 19, 2021 hearing including but not limited to, the staff report and attachments submitted by the Community Planning and Building Department; and

WHEREAS, the Historic Resources Board did hear and consider all said reports, attachments, recommendations and testimony herein above set forth and used their independent judgement to evaluate the project; and

WHEREAS, the facts set forth in the recitals are true and correct and are incorporated herein by reference; and

WHEREAS the Historic Resources Board of the City of Carmel-by-the-Sea finds that pursuant to Carmel Municipal Code (CMC) Section 17.32.140, the following required findings for issuance of a Determination of Consistency with the Secretary of the Interior Standards can be made in this case:

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;
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 the property will be avoided;
3. Distinctive materials, features, finishes, and construction techniques or examples of craftsmanship that characterize a property will be preserved;
4. *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;*
5. *Archeological resources will be protected and preserved in place;*
6. *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; and*
7. *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.*

NOW THEREFORE, BE IT RESOLVED, based on the above findings and evidence, that the Historic Resources Board of the City of Carmel-By-The-Sea does hereby **issue a Determination of Consistency with the Secretary of the Interior's Standards** for the demolition of the Palo Alto Savings and Loan Bank Community Room, in general conformance with the attached sketches and plans, all being attached hereto and incorporated herein by reference. This Determination of Consistency is further predicated on

the following Recommended Condition(s) of Approval being accepted and approved by the City of Carmel-by-the-sea Planning Commission as part of the discretionary permit for this project:

Recommended Conditions of Approval		
No.		
1.	Spatial Relationship. To maintain the spatial relationship between buildings, the proposed building shall not extend more than one foot beyond the existing northern wall of the community room with the exception of a stairway project which shall be located no closer than 5' from the bank building.	✓
2.	Protection Plan. The written Protection and Monitoring Plan and Historic Building Protection Plan indicated in the project plans, collectively known as the "Protection Plan," (Attachment 7) shall be adhered to prior to and during construction. Protective measures installed on-site or on the adjacent site shall be inspected by the Planning Department and Building Inspector prior to the issuance of a demolition or building permit. Modifications to the Protection Plan shall require approval by the Historic Resources Board.	✓
3.	Bank Building Repairs. Prior to the issuance of a demolition or building permit, an application for repairs to the bank building necessitated by the removal of the wall juncture between the community room and bank shall be submitted to the Community Planning and Building Department.	✓
4.	Cultural Resources. In the event that unexpected traces of historic or prehistoric materials, i.e., human remains, concentrations of shell or heat altered rock or historic trash pits are encountered during grading or other future development all construction activity shall immediately cease, and the applicant shall notified the Community Planning and Building Department within 24 hours and a qualified archaeologist shall be retained for appropriate archaeological mitigation	✓
6.	Human Remains. If any human remains are exposed, the Health and Safety Code § 7050.5 requires that no further excavation or disturbance occurs in the area and that the county coroner is called so that the coroner can verify that the remains are not subject to medical jurisprudence. Within 24 hours of notification, the coroner calls the Native American Heritage Commission if the remains are known or thought to be Native American.	✓
6.	Conditions of Approval. The Conditions of Approval listed above (HRB Conditions of Approval) shall be incorporated into the Design Review Conditions of Approval and any action taken by the Planning Department or Planning Commission, as necessary.	✓

PASSED AND ADOPTED BY THE HISTORIC RESOURCES BOARD OF THE CITY OF CARMEL-BY-THE-SEA this 19th day of April, 2021, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

ATTEST:

Thomas Hood
Chair

Margi Perotti
Historic Resources Board Secretary

ATTACHMENT D

June 17, 2020

Addendum to Evaluation of Historical Significance for 7th & Dolores (formerly the Palo Alto-Salinas Savings and Loan Complex) APN 010-145-020, Carmel-by-the-Sea, CA.

Executive Summary

Constructed in 1972, the buildings historically known as the Palo Alto-Salinas Savings and Loan complex are located on the southeast corner of Seventh and Dolores Streets in downtown Carmel. The complex consists of two buildings; the former bank and a separate community room.

An evaluation of significance dated October 3, 2019 determined that the complex was not eligible for listing on the National Register of Historic Places due to Criterion G which requires that buildings less than 50 years old be exceptionally important to be listed. In addition, the report concluded that the building did not meet all the eligibility requirements for inclusion in the Carmel Inventory. Specifically, it does not currently represent a theme in the Historic Context Statement¹ and it is not 50 years old. It was determined however, that the building complex is eligible for the California Register of Historic Resources because there is no listing requirement regarding exceptional importance for a building that is less than 50 years old.

This report serves as an addendum to the previous report and specifically focuses on the eligibility for the individual listing of the community room on the California Register of Historic Resources and on its importance within the Palo Alto-Salinas Savings and Loan complex.

Building Description

The community room fronts Dolores Street and is located directly to the south of the former bank building. Measuring just over 600 square feet, the one-room building utilizes the same materials used in the main building, most notably the copper roofing and vertical heart redwood siding. Identical design elements include a shed roof and large plate glass windows on each elevation. Like the main building, the overall effect is a design of clean simplicity. A pergola-covered walkway separates the two buildings while an elevated walkway connects them.

A 1971 article in the *Pine Cone* describes plans for the community room:

“In addition to the main building facility, plans call for a separate community room for public use which will be enclosed by a walled garden including trees and plants.”² The walled garden area is still extant, featuring potted plants and a couple of trees at the rear of the property.

¹ At this time Carmel's Context Statement only includes themes up to 1965. The City is in the process of updating the Context Statement to reflect themes between 1966 – 1990.

² *The Carmel Pine Cone*. September 30, 1971, p. 19.



Front Elevation Facing Dolores Street, 2020



Looking towards Dolores Street, 2020

The first remodel of the building took place in 1978³ and included the removal of the interior chair rails to accommodate plantation blinds. Eventually the exterior rails were removed from the upper and lower windows on the west and south elevations. Single panes of plate glass replaced the original windows. The wall surrounding the community room obscured much of the building but in 2013 a portion of the wall on the south elevation was removed and the entire wall was shortened by twelve inches. That same year new pergolas were added to the front and rear of the walkway.

Building History

Plans got underway for the construction of a new Palo Alto-Salinas Savings and Loan Company building in 1971. The bank was occupying a 1950s building on the corner of 7th and Dolores. By the time the bank opened in November, 1972, Palo Alto-Salinas Savings and Loan had acquired Carmel Savings Bank, changed their name to Northern California Savings and Loan, and were operating 23 branches throughout northern California. The company was rapidly expanding in 1972. The new Carmel branch was third of four new branches planned for that year.

Company President Firmin A. Gryp insisted "that the Northern California Savings staff in each community becomes involved in community improvement projects."⁴ Providing a community

³ 7th & Dolores Building Files. Carmel-by-the-Sea Planning Department.

⁴ *The Carmel Pine Cone*. November 8, 1972.

room at each branch was part of the bank's public relations strategy. The company sent their Community Relations Director to Carmel to work with bank manager Charles Lunt to make sure he got off on the right foot with residents. The bank opened with a full week of festivities, drawing on the popular local themes of dogs and trees.



Views showing original window design, 1999.



During the 1970s a variety of lectures, benefits, and meetings were hosted at the community room, ranging from the Carmel River Steelhead Association's monthly meetings to transcendental meditation classes. The community room's proposed use as a gallery never came to pass, and during that decade only one photography exhibit was featured.

Although the 1970s started off as an optimistic period of growth for the bank, storm clouds were on the horizon. On the national front, slow economic growth and high interest rates created a recession by 1980. Fewer families were applying for home loans, leaving the Savings and Loan banks with dwindling portfolios of low interest mortgages as their only source of income. By 1989 more than 1000 of the nation's Savings and Loans had failed. The crisis is now recognized as the most significant bank collapse since the Great Depression. The Northern California Savings and Loan bank was one of the first to fail. In 1982 it was merged into Great Western Bank. The former focus on community relations dropped by the wayside as well. Use of the community room slowed dramatically and by the mid-1980s there is no mention of its use by local groups.

Analysis of Significance

As previously stated, the Palo Alto-Salinas Savings and Loan complex does not meet the criteria for listing in the National Register of Historic Places and in Carmel's Inventory of Historic Resources.

The complex was determined eligible under Criterion 3 (Architecture) in the California Register of Historic Resources (CRHR).⁵ Following is an analysis of the community room's individual eligibility based on the CRHR designation criteria.

▪ ***Associated with events that have made a significant contribution to the broad patterns of local or regional history or the cultural heritage of California or the United States (Criterion 1)***

None of the events that took place at the community room made a significant contribution to the broad patterns of local and regional history or the cultural heritage of California or the United States, therefore it does not meet Criterion 1.

▪ ***Associated with the lives of persons important to local, California or national history (Criterion 2)***

The community room did not play a significant role in the lives of any people important to local, California, or national history and does not meet Criterion 2.

▪ ***Embodies the distinctive characteristics of a type, period, region or method of construction or represents the work of a master or possesses high artistic values (Criterion 3)***

The bank complex was found eligible for listing under Criterion 3 because it embodies the distinctive characteristics of a type (Bay Region Style) and period. In addition, it represents the

⁵ The applicability of the 50-Year Rule was explained in the previous report.

work of two masters, Will Shaw and Walter Burde, who combined their creative energies to create a unified vision.

Several testimonies supporting the architectural significance of the bank building were cited in the previous report. The community room is not included in any of these statements. The bank building was always the design team's focal point and they took great care to make the new building compatible with the character of Carmel.⁶ The community room was simply a postscript to their design intentions, tacked on primarily to satisfy the bank's commitment to forging community connections. The remodel of the windows to single-pane plate glass diminished the Bay Region character of the community room, reducing its design to a watered-down version of the bank building. The Community Room features the same materials, nods to the Bay Region design vocabulary, but does not rise to the same level of design acumen reflected in the bank building. It does not contain enough distinctive characteristics to be considered a true representative of the Bay Region style and therefore does not meet this section of Criterion 3.

The bank complex was designed and executed by two master architects and the community room was incorporated into their plans. A property is not eligible as the work of a master simply because it was designed and executed by a prominent architect, and in this case, two prominent architects. Rather, it must exemplify the master's work. The bank building is a vastly superior example of both architect's work on many different levels. They created the illusion of spaciousness through a variety of design techniques and fine materials. They utilized the tenants of the Bay Region Style by successfully blending exterior with interior spaces and the bank building reflects Burde's interest in Japanese design as well. The community room was a minor part of the overall project, and as a stand-alone building, does not realize any of the same intentions reflected in the bank building's design. The community room does not meet this section of Criterion 3.

The third section of Criterion 3, high artistic values, is applicable if a property so fully articulates a particular concept of design that it expresses an aesthetic ideal. Typically, high artistic values relate to community design and planning, engineering, or sculpture. It is not applicable in this case.

- Has yielded, or has the potential to yield, information important to the prehistory or history of the local area, California or the nation (Criterion 4)

Criterion 4 is typically associated with archeological resources and is not applicable to this evaluation.

Definitions

The California Register of Historic Resources provides definitions of terms in the California Code of Regulations (Title 14, Chapter 11.5, Appendix A). A **Building** is defined as follows:

⁶ *The Carmel Pine Cone*. September 30, 1971. p. 19.

A resource such as a house, barn, church, factory, hotel, or similar structure, created principally to shelter or assist in carrying out any form of human activity. Also, used to refer to an historically and functionally related unit, such as a courthouse and jail or a house and barn.

Based on this definition, the bank building and community room are a historically related unit but clearly the community room is the subordinate building in the complex. The community room is not an essential component of the bank design; it is not physically integrated into the bank building; it does not add to the bank's integrity; and it does not amplify the bank's architectural qualities. The bank retains its significance with or without the community room, yet the community room, without the bank, would not retain significance.

Summary

The Palo Alto-Salinas Savings and Loan complex consists of two buildings, a bank building and a community room. By definition they are a historically related unit and as a unit they have been determined eligible for listing on the California Register of Historic Resources. The primary building within the complex is the bank, and the property's historical significance is predicated on the bank. The community room is an ancillary structure that does not contribute to the overall significance of the complex. In addition, the community room was evaluated for eligibility for listing in the California Register of Historic Resources based on its merits alone. The community room does not meet the criteria for listing as an individual resource.

Respectfully submitted,

A handwritten signature in cursive script that reads "Margaret Clovis". The signature is fluid and elegant, with a large, sweeping loop at the end of the last name.

Margaret Clovis

March 1, 2021

Preliminary Phase Two Report for the Palo Alto - Salinas Savings and Loan Bank, Community Room, Parking Lot, and Garden Wall (APN 010-145-020), Carmel-by-the-Sea, CA.

Executive Summary

The Palo Alto-Salinas Savings and Loan community room, parking lot, and garden wall are part of a larger complex that features the original main bank building as its focal point. All elements in the complex are located on the corner of Dolores and Seventh Streets in downtown Carmel. The bank building has been evaluated for historical significance multiple times. In October 2019¹ the bank building was found eligible for listing in the California Register for Historic Resources (CRHR) under Criterion Three (Architecture) but is currently not eligible for listing on the Carmel Historic Resources Inventory or the National Register of Historic Places due to the Fifty-Year Rule. Nonetheless, it is considered a significant resource for the purposes of CEQA with a period of significance of 1972.

In June 2020² the bank's companion community room was evaluated for historical significance under the California Register for Historic Resources criteria and was found ineligible for listing as an individual resource. The garden wall and parking lot have not been evaluated for their individual merit within the complex, however their history and a determination of eligibility will be included as part of this report.

An application has been submitted to the Carmel Planning Department proposing the demolition of the community room, parking lot and garden wall to allow for the construction of an underground parking garage and a two-story building with a combined use of second floor residential apartments and ground floor commercial space. This Phase Two report examines the project's consistency with the *Secretary of the Interior's Standards and Guidelines*³ based on preliminary plans and makes recommendations which will help guide final plans.

Parking Lot & Garden Wall: Historical Background and Significance

The Palo Alto-Salinas Savings and Loan complex was constructed in 1972 on the corner of Dolores and 7th streets in the same location as its former building. The former building (originally the telephone company) fronted on Seventh Street. An eighteen-space parking lot was located behind the building and was entered and exited via Dolores Street. Plans for the new bank building reconfigured the space, so most of the bank's facade and the community room fronted on Dolores Street. The parking lot, again with eighteen spaces, wrapped around the rear of the new building and was entered on Dolores Street and exited on Seventh. An article in the *Carmel Pine Cone* stated that, "parking facilities are less visually

¹ Clovis, Meg. *Evaluation of Significance and Phase Two Report for Seventh & Dolores (formerly the Palo Alto Savings and Loan complex)*, October 3, 2019.

² Clovis, Meg. *Addendum to Evaluation of Historical Significance for Seventh & Dolores (formerly the Palo Alto Savings and Loan Complex)*, June 17, 2020.

³ *The Secretary of the Interior's Standards for the Treatment of Historic Properties with Guidelines for Preserving, Rehabilitating, Restoring & Reconstructing Historic Buildings*. U.S. Department of the Interior. National Park Service. Technical Preservation Services, Washington D.C., 2017.

obtrusive than they are now, stretching around behind the buildings”.⁴ A drive-up teller window could be accessed from the Seventh Street side of the parking lot and was included in the original construction.

The same *Pine Cone* article that described the future parking facilities also described the garden wall that would partially surround the community room. Originally, a small sculpture garden was planned for the walled space but it never came to fruition. In 2013 a portion of the wall on the south elevation was removed and the entire wall was shortened by twelve inches.

When it was constructed in 1972, the Palo Alto-Salinas Savings and Loan complex included a bank building, a community room, a parking lot, and a wall which surrounded the community room. Historical evaluations have concluded that the bank building is eligible for listing on the California Register of Historic Resources on the local level under Criterion Three (Architecture) because it embodies the distinctive characteristics of a type and period, and it represents the work of two Masters. The community room is not eligible for individual listing on the California Register on its own merit because it does not meet Criterion One (Events), Criterion Two (People), or Criterion Three (Architecture).

Like the Community Room, the parking lot and garden wall are not individually eligible for listing in the California Register. Following is an analysis of their eligibility based on CRHR designation criteria:

- ***Associated with events that have made a significant contribution to the broad patterns of local or regional history or the cultural heritage of California or the United States (Criterion One)***

There were no events in the parking lot or in the space enclosed by the garden wall that made a significant contribution to the broad patterns of local or regional history or the cultural heritage of California or the United States. The parking lot and garden wall are not eligible for listing under Criterion One.

- ***Associated with the lives of persons important to local, California or national history (Criterion Two)***

The parking lot and garden wall did not play a significant role in the lives of any people important to local, California, or national history and they are not eligible for listing under Criterion Two.

- ***Embodies the distinctive characteristics of a type, period, region, or method of construction or represents the work of a master or possesses high artistic values (Criterion Three)***

The parking lot and garden wall are generic in design and do not exhibit the distinctive characteristics of a type, period, region, or method of construction. The parking lot in particular was designed to be unobtrusive and not to detract from the main bank building. Although the parking lot and community room were included in the Shaw and Burde plans for the complex, their creative energies were focused on the main bank building. The parking lot supported the bank's functions by offering customers convenient access. The garden wall never enclosed a sculpture court and in 2013 a portion of the wall was removed plus the entire wall was lowered by a foot, thus diminishing its original design and purpose. At one time, both the parking lot and

⁴ *Carmel Pine Cone*. September 30, 1971, p. 19.

wall supported the bank's function but they do not contribute to the bank's distinction as a significant local representative of the Bay Region style of architecture. Neither can be considered a historic resource on their own merit and they are not eligible for listing under Criterion Three.

The Secretary of the Interior's Standards for Rehabilitation

Compliance Evaluation

As a historical resource, the Palo Alto-Salinas Savings and Loan Bank building is subject to review under the California Environmental Quality Act (CEQA). The parking lot, community room, and wall are not historic resources and are not individually subject to CEQA, however the impact of their proposed demolition on the historic resource is relevant under several of the Standards. Generally, under CEQA, a project that follows the *Standards for Rehabilitation* contained within *The Secretary of the Interior's Standards for the Treatment of Historic Properties* is considered to have mitigated impacts to a historical resource to a less-than-significant level (CEQA Guidelines 15064.5).

The impact of the proposed demolition of site features within the Palo Alto-Salinas Savings and Loan Bank complex are reviewed below with respect to the *Rehabilitation Standards*. The Standards are indicated in italics, followed by a discussion regarding the project's consistency or inconsistency with each Standard.

Standard One

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 bank building has been used as a bank, retail store and most recently as a restaurant. These different uses have required minimal change to its distinctive materials, features, spaces, and spatial relationships. The community room is separated from the main bank building by a walkway. Sheet A1.0 indicates that the proposed adjacent construction will be separated from the bank building by a new walkway. The new walkway will help to maintain spatial relationships between the buildings however that spatial relationship should be maintained from the ground level to the roof by a setback of the north elevation from the bank building. It is also recommended that the proposed walkway be the same width as the current walkway.

Standard Two

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 the property will be avoided.

The historic character of the bank building will not be altered. No distinctive materials will be removed. Features, and spaces will not be altered. The spatial relationship between the bank and the community room which has been established by the walkway separating the two should be maintained as part of the new construction. *The Secretary of the Interior's Guidelines for Rehabilitation* recommend that any new construction adjacent to a historic structure should be placed away from or at the side or rear of a historic building and must avoid obscuring, damaging, or destroying character-defining features of the building. It appears from the Site Plan that the bulk of the new building will be located behind the bank and set back from Seventh Street. The proposed work appears to be consistent with Standard Two.

Standard Three

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 or elements from other historical properties, will not be undertaken.

No conjectural features or architectural elements that would create a false sense of history will be added to the historic resource. This Standard is not applicable.

Standard Four

Changes to a property that have acquired historic significance in their own right will be retained and preserved.

The bank building has changed very little over time and there are no features that have achieved significance in their own right. This Standard is not applicable.

Standard Five

Distinctive materials, features, finishes, and construction techniques or examples of craftsmanship that characterize a property will be preserved.



The community room will be demolished as part of this project. It is connected to the main bank building at the second-floor level by an elevated walkway. When the community room is demolished a gap will be created in the exterior wall of the bank building. The wall should be repaired by matching the original wall in design, color, texture, and if possible, materials. If this is clearly indicated on the construction plans, then the work will be consistent with Standard Five.

It is important that a historic structure be protected during adjacent construction. Demolition activities and construction on neighboring sites can cause immediate harm to the physical integrity of a historic building through concentrations of dust, fire, vibration, and more. The National Park Service provides guidance for the temporary protection of historic structures in Preservation Tech Note Number 3⁵ (attached to this report).

Providing adequate protection involves the following steps:

1. Consultation between the historic building owner and development team to identify potential risks, negotiate changes and agree upon protective measures.

⁵ Preservation Tech Notes, *Protecting a Historic Structure during Adjacent Construction*. Technical Preservation Services, National Park Service, 2001.

2. Documentation of the condition of the historic building prior to adjacent work.
3. Implementation of protective measures at both the construction site and the historic site.
4. Regular monitoring during construction to identify damage, to evaluate the efficacy of protective measures already in place, and to identify and implement additional corrective steps.

Work will be consistent with Standard Five if a protection plan is submitted to the HRB for review and approval prior to the commencement of any work on the proposed project.

Standard Six

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.

No work will be done on the historic bank building except for the repair of the wall juncture between the community room and bank. As stated in Standard Five, the repair of the bank wall should match the original wall in design, color, texture, and where possible, materials. Construction plans should clearly indicate how the wall will be repaired in order to be consistent with Standards Five and Six.

Standard Seven

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.

Surface cleaning is not proposed for the historic resource. This Standard is not applicable.

Standard Eight

Archeological resources will be protected and preserved in place.

The current parking lot will be demolished, and a 10,746 square foot basement area will be excavated which will serve as a parking garage, gym, and support services for the new building. Because there will be major ground disturbance, an archeological report should be prepared to evaluate whether any resources are present. If resources are discovered, appropriate mitigation measures should be implemented. The proposed work will be consistent with Standard Eight once an archaeological report is completed.

Standard Nine

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 construction will demolish the parking lot, community room, and garden wall which are part of the bank complex however they are not significant in their own right. These features supported the bank's former function but do not support its eligibility under Criterion Three (Architecture). They are

not considered character-defining features. The pathway separating the community room and the bank creates an important spatial relationship that should be preserved, as discussed under Standards One and Two. The proposed work appears to be consistent with Standard Nine.

Standard Ten

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.

If removed in the future, the proposed new construction adjacent to the historic bank building will not impair the historic property and environment only if care is taken to remove the building following the guidance provided in Preservation Tech Note Number 3 and described under Standard Five.

Conclusion

The former Palo Alto-Salinas Savings and Loan complex consists of the historic bank building, a community room, a parking lot and garden wall. The primary building within the complex is the bank, and the property's architectural significance is predicated on the bank, not the community room which is simply an ancillary structure. The community room has been evaluated for eligibility for listing in the California Register based on its merits alone and it does not meet the criteria for listing as an individual resource.

The proposed project will meet Standards One, Two, Five, Six, Eight, Nine, and Ten of the Secretary of the Interior's Standards and Guidelines for Rehabilitation on the condition that recommendations in this report are carried out. Standards Three, Four, and Seven are not applicable to this project. If the proposed project meets the aforementioned Standards then the project will not have a significant impact on the historic bank building.

Respectfully Submitted,

A handwritten signature in cursive script that reads "Margaret Clovis". The signature is fluid and elegant, with a large loop at the end of the last name.

Margaret Clovis