

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

HISTORIC RESOURCES BOARD RESOLUTION NO. 2021-03-HRB

A RESOLUTION OF THE HISTORIC RESOURCES BOARD OF THE CITY OF CARMEL-BY-THE-SEA ISSUING A FINDING OF NONCOMPLIANCE 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 southeast of 7th Avenue, in the Service Commercial (SC) Zoning District (Block 91, Lot 6, 8, 10, APN 010-101-017-000); 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 Historic Resources Board determined on November 18, 2019 the resource is eligible for listing on the City's Historic Inventory in accordance with CMC 17.32.040.H which states, "A resource less than 50 years old may be eligible if it is of exceptional importance to the City, State, or nation based on its unusually strong contribution to history, architecture, engineering or culture, or because it is an integral part of an historic district"; and

WHEREAS, the complex is not eligible for listing on the national 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, on April 19, 2021, the Historic Resources Board reviewed the project, DR 20-395, and considered the issuance 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; and

WHEREAS, pursuant to CMC 17.32.160.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, pursuant to CMC 17.32.160.B.1.a, if the Board concurs with the evaluation, 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.; and

WHEREAS, pursuant to CMC 17.32.160.B.1.b, 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; and

WHEREAS, at the April 19, 2021 hearing, the Historic Resources Board voted 2-1 (2 board members absent) to continue the application with direction to staff to return with a resolution issuing a Finding of Noncompliance with the Secretary of the Interior's Standards; and

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

WHEREAS, on May 17, 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 May 17, 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

NOW THEREFORE, BE IT RESOLVED, based on the findings and evidence contained in this resolution, that the Historic Resources Board of the City of Carmel-By-The-Sea does hereby issue a **Finding of Noncompliance with the Secretary of the Interior's Standards** for the proposed demolition of the Palo Alto Savings and Loan Bank Community Room (Design Review DR 20-395) located at Dolores 2 southeast of 7th Avenue, in the Service Commercial (SC) Zoning District (Block 91, Lot 6, 8, 10, APN 010-101-017-000).

Findings of Noncompliance	
No.	
1.	The purposes of historic preservation and the city's historic preservation ordinance is to preserve the best pieces of the historic development of a place/city through its significant architecture to preserve these buildings which represent important periods in a City's heritage. The Palo Alto Savings and Loan building can be considered one of the most exceptional and significant buildings to be constructed in the commercial district of Carmel during the entire decade of the 1970's.

2.	The City's Historic Context Statement identifies the Bay Region style and/or Second Bay Region Style as important substyle within the larger theme of Modern architecture -the building is "representative of at least one theme" in the existing Historic Context Statement.
3.	The building is acknowledged as exceptionally significant and is 49 years old. In less than one year, it will only need to be of normal significance for inclusion on the inventory.
4.	Together, the bank building and community room creates a spatial relationships on the property which are in themselves character defining, uses the same character defining elements of construction and detail, are built at the same time, designed and built by the same master architects.
5.	Pertinent testimony from a number of respected architects who opined that the former Palo Alto Savings and Loan Bank was an exceptional example of its architectural style, the work of master architects, retained a high level of integrity and embodied the distinctive characteristics of its type and period. Their professional opinions confirmed that sufficient time had elapsed since the construction of the Bank complex to allow for a scholarly perspective on its significance and its place in Carmel's architectural history.
6.	Following the Bank president's mandate, bank staff in each city where a branch was to be located, were directed to become more involved in local improvement projects and to provide meeting space for the community as part of the Bank's public relations strategy. Burde and Shaw, the architects of the Bank complex, were tasked to design a small building separated from the Bank that would be used for this express purpose. The view contained in the Phase II Report for this project that the Community Room was simply "a postscript to the architects' intentions" is false.
7.	The Community Room is not required to become significant in its own right. There are no historic preservation rules that would force it to stand on its individual merit in order to qualify for historic status. The Community Room remains a vital part of the architects' original design. While it is subordinate to the former Bank building, it continues to have an important spatial relationship to it.
8.	The Bank building and the Community Room are a historically related unit. Though the room is subordinate to the Bank, it has retained its historic integrity and is an integral component of the original design as approved by the architects' client, the owners of the Palo Alto Savings and Loan Bank.
9.	In the case of the Community Room, despite being an auxiliary use it was still part of the original concept of the building from the beginning.
10.	Simply because an element of a building is smaller or "subordinate" to other parts does not make them less important to the whole as a piece of architecture.
11.	The Bank complex is eligible for listing on the California Register of Historic Resources for purposes of the California Environmental Quality Act (CEQA).
12.	Both buildings are the work of two master architects, Walter Burde and Will Shaw, who are listed in the Carmel Historic Context Statement, whose office was located in downtown Carmel, and whose other individual works include the Christian Science Church in Carmel, the original Monterey Airport Terminal and Tower, the Custom House renovation in Monterey and the Highlands Inn reconstruction. Shaw also collaborated with renowned photographer, Ansel Adams, to create the Foundation for Environmental Design, a group that supported worthy projects that blended into the natural environment.

13.	A new construction project on the site of a demolished Community Room would constitute an adverse effect on the Bank complex and destroy the original concept as designed by two of Monterey County's most respected master architects.
14.	The community room section of the building was designed right along with the rest of the building and contains all the character defining features of the main bank building: shed roof and copper roofing, angular forms and irregular massing, plate glass window walls, traditional materials used within a Modern architecture vocabulary, Integration of the building with its setting, Integration of the outdoors with interior spaces, Redwood siding and beams.
15.	The community room was constructed at the same time by the same builder. It's materials, detailing, composition are all at the same level of quality as the main bank building.
16.	The Community Room element of the building adds to the complexity and richness of the overall resource which, if taken away, would significantly negatively impact the quality of architecture of the bank building.
17.	The structural connection in the design of this building was very intentional and strong, and is all part of one piece of significant architecture—one historic resource.
18.	By removing the community room the south elevation of the resource is completely changed and is not the intended design from the public right-of-way on the south side.

PASSED AND ADOPTED BY THE HISTORIC RESOURCES BOARD OF THE CITY OF CARMEL-BY-THE-SEA this 17th day of May, 2021, by the following vote:

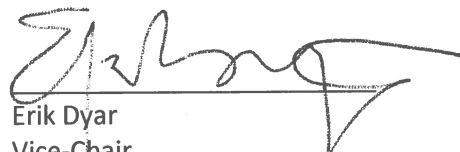
AYES: Board Member: Gualtieri, Dyar, Chroman

NOES: Board Member: Hall

ABSENT: Board Member: None

ABSTAIN: Board Member: None

APPROVED:


Erik Dyar
Vice-Chair

ATTEST:


Margi Perotti
Historic Resources Board Secretary

**CITY OF CARMEL-BY-THE-SEA
CITY COUNCIL**

RESOLUTION NO. 2021-043

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA DENYING THE APPEAL BY CHRISTOPHER MITCHELL (APP 21-197) AND UPHOLDING THE HISTORIC RESOURCES BOARD'S DECISION TO ISSUE A FINDING OF NONCOMPLIANCE WITH THE SECRETARY OF THE INTERIOR'S STANDARDS FOR THE DEMOLITION OF THE PALO ALTO SAVINGS AND LOAN BANK COMMUNITY ROOM LOCATED AT DOLORES 2 SOUTHEAST OF 7TH AVENUE, IN THE SERVICE COMMERCIAL (SC) ZONING DISTRICT, APN: 010-101-017.

WHEREAS, the owner of the subject property is Esperanza Carmel Commercial, LLC ("Owner"); and

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

WHEREAS, the project is proposed to be located on a 12,000 square foot site located at Dolores 2 SE 7th, in the Service Commercial (SC) Zoning District (Block 91, Lot 6, 8, 10); and

WHEREAS, the project consists of the demolition of all improvements across the three lots and construction of 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, on April 19, 2021, the Historic Resources Board held a duly noticed public hearing to receive public testimony regarding the project, including without limitation, information provided to the Historic Resources Board by City staff and through public testimony on the proposed use; 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 17.32.160.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, pursuant to CMC 17.32.160.B.1.b, 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; and

WHEREAS, the project was considered by the Historic Resources Board at the April 19, 2021 hearing and the board voted to continue the item with direction to Staff to prepare a resolution for adoption for the issuance of a Finding on Noncompliance; and

WHEREAS, on May 17, 2021, the Historic Resources Board adopted Resolution 2021-03-HRB, issuing a Finding of Noncompliance; and

WHEREAS, on May 19, 2021, a timely appeal (APP 21-179) of the Finding of Noncompliance of DR 20-395 was filed with the City Clerk by Christopher Mitchell ("Applicant"); and

WHEREAS, on August 3, 2021, the City Council held a duly noticed public hearing to receive public testimony regarding the appeal, including without limitation, information provided to the City Council by City staff and through public testimony on the proposed project; and

WHEREAS, on August 3, 2021, the City Council held a de novo hearing to consider the appeal; and

WHEREAS, this Resolution and its findings are made based upon evidence presented to the Council at the August 3, 2021 hearing including, without limitation, the staff report and attachments submitted by the Community Planning and Building Department; and

WHEREAS, notice of the public hearing was published on July 23, 2021, in compliance with State law (California Government Code 65090) indicating the date and time of the public hearing; and

WHEREAS, the City Council 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.

NOW THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA DOES HEREBY:

Deny the appeal by Christopher Mitchell, on behalf of Esperanza Carmel Commercial, LLC, (APP 21-184) and uphold the Historic Resources Board's decision to issue a Finding of Noncompliance with the Secretary of the Interior's Standards for the demolition of the Palo Alto Savings and Loan Bank Community Room located at Dolores 2 southeast of 7th Avenue, in the Service Commercial (SC) Zoning District, APN: 010-101-017, as found in Historic Resources Board Resolution: Resolution 2021-03-HRB adopted on May 17, 2021.

Findings for Denial of Appeal

No.	
1.	The purposes of historic preservation and the city's historic preservation ordinance is to preserve the best pieces of the historic development of a place/city through its significant architecture to preserve these buildings which represent important periods in a City's heritage. The Palo Alto Savings and Loan building can be considered one of the most exceptional and significant buildings to be constructed in the commercial district of Carmel during the entire decade of the 1970's.
2.	The City's Historic Context Statement identifies the Bay Region style and/or Second Bay Region Style as important substyle within the larger theme of Modern architecture -the building is "representative of at least one theme" in the existing Historic Context Statement.
3.	The building is acknowledged as exceptionally significant and is 49 years old. In less than one year, it will only need to be of normal significance for inclusion on the inventory.
4.	Together, the bank building and community room creates a spatial relationships on the property which are in themselves character defining, uses the same character defining elements of construction and detail, are built at the same time, designed and built by the same master architects.
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6.	Following the Bank president's mandate, bank staff in each city where a branch was to be located, were directed to become more involved in local improvement projects and to provide meeting space for the community as part of the Bank's public relations strategy. Burde and Shaw, the architects of the Bank complex, were tasked to design a small building separated from the Bank that would be used for this express purpose. The view contained in the Phase II Report for this project that the Community Room was simply "a postscript to the architects' intentions" is false.
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17.	The structural connection in the design of this building was very intentional and strong, and is all part of one piece of significant architecture—one historic resource.
18.	By removing the community room the south elevation of the resource is completely changed and is not the intended design from the public right-of-way on the south side.

**PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF CARMEL-BY-
THE-SEA this 3rd day of August, 2021, by the following vote:**

AYES: COUNCIL MEMBERS BARON, FERLITO, THEIS, MAYOR PRO TEM RICHARDS,
MAYOR POTTER

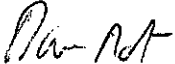
NOES: NONE

ABSENT: NONE

ABSTAIN: NONE

APPROVED:

ATTEST:



Dave Potter
Mayor



Britt Avrit, MMC
City Clerk