

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

RESOLUTION NO. 2023-099

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA OVERTURNING THE JULY 2023 DECISION OF THE HISTORIC RESOURCES BOARD (RESO. 2023-009-HRB) AND ISSUING A DETERMINATION OF CONSISTENCY WITH THE SECRETARY OF THE INTERIOR'S STANDARDS, WITH NEW FINDINGS AND CONDITIONS, FOR THE CONSTRUCTION OF A MIXED-USE BUILDING WITH SUBTERRANEAN GARAGE ON A PORTION OF THE NORTHERN CALIFORNIA SAVINGS & LOAN COMPLEX SITE LOCATED AT DOLORES STREET 2 SOUTHEAST OF 7TH AVENUE IN THE SERVICE COMMERCIAL (SC) ZONING DISTRICT. APNS 010-145-012, 010-145-023, 010-145-024

WHEREAS, on May 11, 2023, Jason Diaz of International Design Group (IDG), ("Applicant") submitted an application (DR 23-140) on behalf of Esperanza Carmel, on May 24, 2022 requesting the construction of a mixed use building located on Lots 6, 8, and 10 of Block 91; and

WHEREAS, the project is partially location on a historic property is known as the Northern California Savings and Loan Complex ("Complex") which is listed on the Carmel Inventory of Historic Resource and Carmel Register of Historic Resources; and

WHEREAS, the Complex consists of Lots 2, 4, 6, and 8 located on Block 91 and is currently comprised of Assessor Parcel Numbers (APNs: 010-145-002, 010-145-023, 010-145-024); and

WHEREAS, APN 010-145-002 is comprised of lots 2 & 4 and is owned by D&K Dolores, LLC ("D&K Dolores"). APN 010-145-023 and 010-145-024 are comprised of lot 6 and 8 respectively. Both lots 6 & 8 are owned by Esperanza Carmel Commercial LLC ("Esperanza Carmel"); and

WHEREAS, the applicant is proposing to construct a portion of a 15,351-square-foot mixed-use building with a 9,805-square-foot subterranean garage on lots 6 and 8 of the Northern California Savings & Loan Complex site; 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, Seth Bergstein of PAST Consultants, dated June 30, 2023, 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, on July 17, 2023, the Historic Resources Board held a duly noticed public hearing to receive public testimony regarding the Determination of Consistency for the application, including without limitation, information provided to the Planning Commission by City staff and through public testimony on the application; and

WHEREAS, on July 17, 2023, the Historic Resources Board adopted Resolution 2023-009-HRB issuing a Determination of Consistency for the construction a 15,351-square-foot mixed-use building with a 9,805-square-foot subterranean garage on a portion of the Northern California Savings & Loan Complex site; and

WHEREAS, on August 3, 2023, during the 10-business day appeal period of the Historic Resources Board's decision, two City Council members requested the Council's Right of Review of the Historic Resources Board's decision consistent with CMC 2.04.160; and

WHEREAS, the Right of Review hearing was scheduled for the next available hearing date, September 12, 2023; and

WHEREAS, on September 1, 2023, a notice of the public hearing scheduled for September 12, 2023, was published in the Carmel Pine Cone in compliance with State law (California Government Code 65091) and mailed to owners of real property within a 300-foot radius of the project indicating the date and time of the public hearing; and

WHEREAS, on or before September 1, 2023, the Applicant posted the public notice on the project site and hand-delivered a copy of the public notice to each property within a 100-foot radius of the project site indicating the date and time of the public hearing; and

WHEREAS, on September 12, 2023, the City Council held a de novo public hearing to receive public testimony regarding the Determination of Consistency for the application, including without limitation, information provided to the City Council by City staff and through public testimony on the application; and

WHEREAS, as part of a Right of Review hearing, the City Council may uphold the decision of the board, commission, or committee, amend the decision and/or conditions attached to the decision, overturn the decision, or remand the matter to the board, commission or committee for further consideration (CMC 2.04.160.B); and

WHEREAS, on September 12, 2023 the City Council moved to continue the project with direction to staff to prepare specific findings and conditions based on the Council discussion overturning the previous Historic Resources Board Determination of Consistency (Resolution 2023-009-HRB), with new findings of Consistency and Conditions of Approval for the project to

be brought back for adoption at the October 3, 2023 hearing in accordance with CMC 17.32.160.B.1.a; and

WHEREAS, while the request for the Right of Review was initiated due to concerns surrounding the ornamented concrete wall ("Wall") at the southwest corner of the Community Room, additional concerns were raised regarding the proposed projects siting and spatial relationships to the Northern California Saving and Loan Complex ("Complex") as a whole; and

WHEREAS, on September 22, 2023, a notice of the public hearing scheduled for October 3, 2023, was published in the Carmel Pine Cone in compliance with State law (California Government Code 65091) and mailed to owners of real property within a 300-foot radius of the project indicating the date and time of the public hearing; and

WHEREAS, on or before September 22, 2023, the Applicant posted the public notice on the project site and hand-delivered a copy of the public notice to each property within a 100-foot radius of the project site indicating the date and time of the public hearing; and

WHEREAS, on October 3, 2023, the City Council held a public hearing to receive public testimony regarding the Determination of Consistency for the application, including without limitation, information provided to the City Council by City staff and through public testimony on the application; and

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

WHEREAS, the City Council hereby finds that to allow the remaining original intact portion of the ornamented concrete wall to be visible from the public right-of-way, a waiver from the build-to-line requirement (CMC 17.14.130) may be granted by the Planning Commission for portions of the proposed building located on Lot 8, for up to 5-feet from the property line. This waiver and creation of a Design Non-Conformity is granted in accordance with CMC 17.32.100.D, Benefits Available to Historic Resources on the Register and is intended to be a benefit to the applicant and not a mandated requirement; 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 California Environmental Quality Act (California Public Resources Code §§ 21000, et seq., "CEQA"), together with State Guidelines (14 California Code Regulations §§ 15000, et seq., the "CEQA Guidelines") and City Environmental Regulations (CMC 17.60) require that certain projects be reviewed for environmental impacts and that environmental documents be prepared; and

WHEREAS, adoption of a finding of consistency is “not a project” pursuant to section 15378 of the CEQA Guidelines. Adoption of a finding of consistency does not grant any permits or entitlements approving a project which would result in a direct or indirect physical change in the environment; and

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

NOW THEREFORE, BE IT RESOLVED, the City Council of the City of Carmel-by-the-Sea makes the following findings regarding the project:

City Council Findings	
No.	
1.	The use of the ornamented concrete method of construction was used on both the Bank Building and the site walls, and originally linked the building to its surroundings.
2.	The south portion of the ornamented concrete wall remains intact enough to reveal the original stone pattern design and retain its historical significance.
3.	The decision to move the concrete wall is a major alteration to a historic resource and affects the entire Northern California Savings and Loan Complex.
4.	Breaking apart or moving portions of a historic resource destroys the integrity of the resource.
5.	The subject concrete wall is considered a work done by a master craftsman, Brad Bowman, with careful and deliberate thought in the placement of the stones and sand finish.
6.	<p>Moving the subject concrete wall, and in turn the project, would violate three of the Secretary of the Interior’s Standards:</p> <ol style="list-style-type: none">1. Standard #2: <i>The historic character of a property shall be retained and preserved. The removal of historic materials or alteration of features and spaces that characterize a property shall be avoided.</i><ol style="list-style-type: none">a. <u>Council Finding:</u> The ornamented concrete walls are an original landscape element from the 1972 design that still stands substantially intact today. Further, the spatial relationship between the Community Room and Bank Building are character defining features of the site. These spatial relationships extend beyond the building walls and include the ornamented concrete walls which were part of the original design concept and define the functional space of the complex from the parking lot.2. Standard #5: <i>Distinctive features, finishes, and construction techniques or examples of craftsmanship that characterize a historic property shall be preserved.</i><ol style="list-style-type: none">a. <u>Council Finding:</u> The wall exhibits distinctive materials, features, finishes and construction techniques and is an outstanding landscape feature of the 1972 design.

	<p>3. Standard #9: <i>New additions, exterior alterations, or related new construction shall not destroy historic materials that characterize the property. The new work shall be differentiated from the old and shall be compatible with the massing, size, scale, and architectural features to protect the historic integrity of the property and its environment.</i></p> <p>a. <u>Council Finding:</u> The proposed new construction will destroy historic materials if the wall is moved from its intended position. The spatial relationships that bring light and space to the entire complex, and are a character defining feature of the resource, will be forever dwarfed by the overly large and looming structure in the adjoining buildings. The Bank Building and Community Room were designed to be viewed from all four sides. Further, the complex exists on a corner in the downtown area and the environment that surrounds that building, including such landscape features, are also important. The ornamented concrete wall is significant for both its spatial significance on the site as well as the artistic value.</p>
7.	The same reasons for not moving the Community Room, which were found by the City Council on May 2, 2023 (Resolution 2023-052), also apply to the relocation of the wall.
8.	The original intent of the architect's (Burde & Shaw, whom are listed in the City's Historic Context Statement) 1972 design must be respected which included the walls as an integral part of the design.
9.	The important spatial relationships of the Northern California Saving and Loan Complex will be altered. The proposed project will loom over the Community Room. Removal of the remaining original concrete wall that shelters the community room on the south side would leave the Community Room windows looking out at the site of a new building instead of the artistic interior of the pebble wall, and eliminate and diminish the character defining spatial relationships of the site.
10.	The ornamented concrete wall is a distinctive feature of the site and a piece of publicly viewed art on private property and is a character defining feature of the site.
11.	The size of the proposed project itself demeans the existing Savings and Loan complex not by changing it, but rather by minimizing it into less significance. The proposed project does not subordinate to the complex but actually overwhelms it and confuses the composition of the entire block.
12.	The proposed project does not respect the space of the environment and the project needs to be modified so that the Bank Building and Community Room maintain their spatial relationships and are not subordinated by the proposed development.
13.	The site is a Historic Resource in the heart of downtown Carmel By the Sea. It is important that the City preserves Historic Resources consistent with municipal code section 17.32.

BE IT FURTHER RESOLVED, that an application to repair the damage to the original ornamented concrete walls as a result of the nails being installed in the wall and used to support the story poles shall be submitted to the Community Planning and Building Department within 30-calendar days of the date of this action. Failure to submit an application within 30-calendar days may result in further enforcement pursuant with CMC 17.32.190.

BE IT FURTHER RESOLVED, based on the above findings and evidence, that the City Council of the City of Carmel-By-The-Sea does hereby **overturn the July 2023 decision of the Historic Resources Board** (Reso. 2023-009-HRB) and **issue a Determination of Consistency with the Secretary of the Interior’s Standards** for the construction of a mixed-use building with subterranean garage on a portion of the Northern California Savings & Loan Complex site. This Determination of Consistency is further predicated on the following Recommendations and Draft Conditions of Approval being incorporated into the project, and accepted and approved by the City of Carmel-by-the-sea Planning Commission as part of the discretionary permit and approval for this project:

City Council Conditions	
No.	Conditions for Consistency with Secretary’s Standards
1.	Ornamented Concrete Wall. Prior to review by the Planning Commission, the Design Review plans shall be revised and submitted to the Community Planning and Building Department, so that the original ornamented concrete walls located adjacent to the Community Room are shown to remain in their original locations and configuration.
2.	Preservation of Spatial Relationships. Prior to review by the Planning Commission, the Design Review plans shall be revised and submitted to the Community Planning and Building Department, to preserve the existing spatial relationship of the Northern California Savings and Loan Complex. At a minimum, all proposed structural elements shall be located outside of the Preservation Buffer as depicted in Exhibit A of this resolution. Walkways, at grade stairways, landscaping, paving, and similar features may be allowed within the Preservation Buffer, however, building elements that are defined as building coverage (CMC 17.14.130) shall not be permitted to encroach. Building eaves shall be limited to an encroachment of 18 inches or less.
3.	Preservation of Site Context. To ensure the Northern California Savings and Loan Complex is not subordinated by the proposed development, prior to review by the Planning Commission, the Design Review plans shall be revised and submitted to the Community Planning and Building Department, to preserve the context of the site so that the Saving and Loan Complex remains a prominent feature as viewed from 7 th Avenue and Dolores Street. Changes to be considered should include but are not limited to: articulation of the front elevation to preserve and open the view from Dolores Street looking north, reducing and minimizing the mass of the structure(s) to maintain to not diminish the character of the complex, and further enhancing the open space around the Northern California Savings and Loan Complex.
Conditions of Approval	
4.	Ornamented Concrete Wall. The original ornamented concrete wall located at the southwest corner of the Community Room shall remain in its existing location and configuration. It shall remain unaltered and protected through construction. Site improvements shall not significantly obstruct the wall from public view and the wall shall remain accessible to the public as a piece of public art as part of a courtyard, interblock-walkway, or other means.
5.	Community Room Repairs. If repairs or alteration of any nature are proposed for the Community Room, the applicant shall submit in writing to the Community Planning and Building Department an application outlining the details of any proposed work for review and approval prior to commencement of work. Any deteriorated exterior elements for the Community Room should be repaired, rather than replaced whenever possible.

**PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF CARMEL-BY-
THE-SEA this 3rd day of October, 2023, by the following vote:**

AYES: Councilmembers Baron, Dramov, Ferlito, and Mayor Potter

NOES: None

ABSENT: None

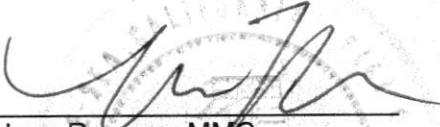
ABSTAIN: Mayor Pro Tem Richards (recused)

APPROVED:

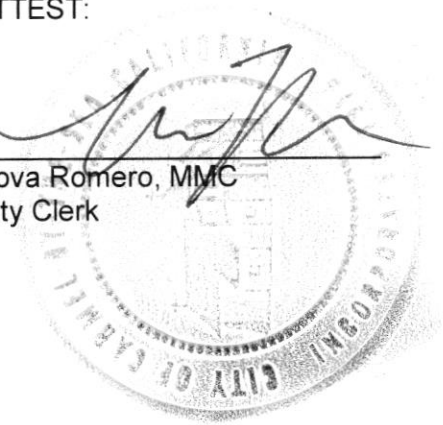


Dave Potter
Mayor

ATTEST:



Nova Romero, MMC
City Clerk



(Exhibit A attached)

Exhibit A Preservation Buffer Area



Figure 1. Preservation Buffer from Condition #2 illustrated in red. Build-to-Line waiver area from recitals is shown in yellow.

- The buffer includes:
- A minimum setback of 5' from the exterior of the original of the ornamented concrete wall;
 - Maintaining the minimum separation around the community room on the south and east side as measured as the minimum distance from Community Room to the non-original (staff estimates 7'6" is the minimum distance from the Community Room to the non-original wall);
 - Maintaining the minimum separation between the community room and the bank building (staff estimates this distance is 8'5"); and
 - Keeping a 50% buffer of the minimum separation between the community room and the bank building from the northern property line adjacent to the Bank Building site (approximately 50% of the width of separation between the Bank Building and Community Room; staff estimates this distance is 4'3").

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

HISTORIC RESOURCES BOARD RESOLUTION NO. 2023-009-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 ADOPT A RESOLUTION ISSUING A DETERMINATION OF CONSISTENCY WITH THE SECRETARY OF THE INTERIOR'S STANDARDS FOR THE CONSTRUCTION A 15,351-SQUARE-FOOT MIXED-USE BUILDING WITH A 9,805-SQUARE-FOOT SUBTERRANEAN GARAGE ON A PORTION OF THE NORTHERN CALIFORNIA SAVINGS & LOAN COMPLEX SITE LOCATED AT DOLORES STREET 2 SOUTHEAST OF 7TH AVENUE IN THE SERVICE COMMERCIAL (SC) ZONING DISTRICT. APNS 010-145-012, 010-145-023, 010-145-024

WHEREAS, on May 11, 2023, Jason Diaz of International Design Group (IDG), ("Applicant") submitted an application (DR 23-140) on behalf of Esperanza Carmel, on May 24, 2022 requesting the construction of a mixed use building located on Lots 6, 8, and 10 of Block 91; and

WHEREAS, the project is partially location on a historic property is known as the Northern California Savings and Loan Complex ("Complex"); and; and

WHEREAS, the Complex consists of Lots 2, 4, 6, and 8 located on Block 91 and is currently comprised of Assessor Parcel Numbers (APNs: 010-145-002, 010-145-023, 010-145-024); and

WHEREAS, APN 010-145-002 is comprised of lots 2 & 4 and is owned by D&K Dolores, LLC ("D&K Dolores"). APN 010-145-023 and 010-145-024 are comprised of lot 6 and 8 respectively. Both lots 6 & 8 are owned by Esperanza Carmel Commercial LLC ("Esperanza Carmel"); and

WHEREAS, the applicant is proposing to construct a portion of a 15,351-square-foot mixed-use building with a 9,805-square-foot subterranean garage on lots 6 and 8 of the Northern California Savings & Loan Complex site; 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, Seth Bergstein of PAST Consultants, dated June 30, 2023, 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, on July 7, 2023, a notice of the public hearing scheduled for July 17, 2023, was published in the Carmel Pine Cone in compliance with State law (California Government Code 65091) and mailed to owners of real property within a 300-foot radius of the project indicating the date and time of the public hearing; and

WHEREAS, on or before July 7, 2023, the Applicant posted the public notice on the project site and hand-delivered a copy of the public notice to each property within a 100-foot radius of the project site indicating the date and time of the public hearing; and

WHEREAS, on July 17, 2023, the Historic Resources Board held a public hearing to receive public testimony regarding the Determination of Consistency for the application, including without limitation, information provided to the Planning Commission by City staff and through public testimony on the application; and

WHEREAS, this Resolution and its findings are made based upon evidence presented to the Board at the hearing including, without limitation, 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 California Environmental Quality Act (California Public Resources Code §§ 21000, et seq., "CEQA"), together with State Guidelines (14 California Code Regulations §§ 15000, et seq., the "CEQA Guidelines") and City Environmental Regulations (CMC 17.60) require that certain projects be reviewed for environmental impacts and that environmental documents be prepared; and

WHEREAS, adoption of a finding of consistency is "not a project" pursuant to section 15378 of the CEQA Guidelines. Adoption of a finding of consistency does not grant any permits or entitlements approving a project which would result in a direct or indirect physical change in the environment; and

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

NOW THEREFORE, LET IT BE 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 construction a 15,351-square-foot mixed-use building with a 9,805-square-foot subterranean garage on a portion of the Northern California Savings & Loan Complex site being 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.	<p>Community Room Repairs. If repairs or alteration of any nature are proposed for the Community Room, the applicant shall submit in writing to the Community Planning and Building Department an application outlining the details of any proposed work for review and approval prior to commencement of work. Any deteriorated exterior elements for the Community Room should be repaired, rather than replaced.</p>	✓
2.	<p>Concrete Wall. Prior to issuance of a demolition permit, the applicant shall seek options to preserve the remaining original intact section of the concrete wall on the south end of the Community Room as detailed in the Historic Resources Board staff report dated July 17th, 2023 ("Wall"). Options for preservation shall be explored in the following order:</p> <p>1) Make a good faith effort to work with the adjacent property owner (D&K Dolores, LLC, or owner at the time) to find an option for moving the Wall to the 7th & Dolores Restaurant site as detailed in the Historic Resources Board staff report dated July 17th, 2023. This relocation is subject to all separate required City approvals and permits.</p> <p>2) Make a good faith effort to find an off-site location to place the Wall that is acceptable to the Community Planning and Building Department. This relocation is subject to all separate required City approvals and permits. Prior to exploring this option, the applicant will provide the Community Planning and Building Department with a signed written explanation of the efforts taken to satisfy Option 1, and the reason why an agreement could not be reached with the adjacent property owner.</p> <p>3) If the applicant is unable to find a suitable location for placement of the Wall after the good faith efforts listed in options 1 and 2 above, the applicant will provide the Community Planning and Building Department with a signed written</p>	✓

	explanation of the efforts taken to satisfy both Options 1 and 2, and the reasons why the wall could not be relocated. The subject wall shall not be demolished or relocated prior to issuance of a demolition permit by the City.	
3.	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.	✓
<u>4.</u>	<u>Concrete Wall Fronting Dolores Street.</u> <u>The portion of the concrete wall fronting (parallel to) Dolores Street is to be preserved up to the southernmost edge of the Community Room.</u>	<u>✓</u>

PASSED AND ADOPTED BY THE HISTORIC RESOURCES BOARD OF THE CITY OF CARMEL-BY-THE-SEA this 17th day of July, 2023, by the following vote:

AYES: Dyar, Pomeroy, Hall


NOES: Goodhue

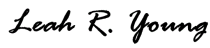
ABSENT: Chroman

ABSTAIN:

APPROVED:

ATTEST:

DocuSigned by:

9D4944E1931B44A...
 Karyl Hall
 Vice Chair

DocuSigned by:

2966DA9DEC1C495...
 Leah Young
 Historic Resources Board Secretary

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

RESOLUTION NO. 2023-052

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA DENYING THE APPEAL BY ESPERANZA CARMEL COMMERCIAL LLC (APP 23-031) AND UPHOLDING THE HISTORIC RESOURCES BOARD'S DECISION TO ISSUE 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

WHEREAS, the subject site is known as the Northern California Savings and Loan Complex ("Complex"); and

WHEREAS, the Complex consists of Lots 2, 4, 6, and 8 located on Block 91 and is currently comprised of Assessor Parcel Numbers (APNs: 010-145-002, 010-145-023, 010-145-024); and

WHEREAS, APN 010-145-002 is comprised of lots 2 & 4 and is owned by D&K Dolores, LLC ("D&K Dolores"). APN 010-145-023 and 010-145-024 are comprised of lot 6 and 8, respectively. Both lots 6 & 8 are owned by Esperanza Carmel Commercial LLC ("Esperanza Carmel"); and

WHEREAS, International Design Group (IDG), ("Applicant") submitted an application (DR 22-157) on behalf of Esperanza Carmel on May 24, 2022, requesting the construction of a mixed-use building located on Lots 6, 8, and 10 of Block 91; and

WHEREAS, the Applicant submitted a second application (DR 22-310) on October 3, 2022, on behalf of D&K Dolores for the relocation of the Community Room to Lot 4 from Lot 6 of Block 91, associated with the proposed improvements shown as part of the application, DR 22-157; and

WHEREAS, an intensive survey of the Complex dated December 2022, prepared by PAST Consultants, concluded that the Complex is eligible for listing on the Carmel Inventory of Historic Resources as the property is representative of the theme of Architectural Development in the Context Statement; retains all of its original character-defining features and has retained a high degree of integrity; is greater than 50 years old; and, meets the requirements of Criteria 3 for listing; and

WHEREAS, the survey concluded further that the subject property is eligible for listing in the Carmel Inventory because it is eligible for listing on the California Register of Historic Resources (CRHR) under Criteria #3, 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 for its intact Bay Region Modern-stylistic elements designed by prominent local architects Walter Burde & Associates and Will Shaw & Associates, in addition to meeting the criteria for listing on the local inventory as outlined in CMC 17.32.040; and

WHEREAS, on January 23, 2023, the Historic Resources Board adopted Resolution 2023-001-HRB, listing the Complex on the Carmel Inventory of Historic Resources and Carmel Register of Historic Resources; and

WHEREAS, notwithstanding the adoption of Resolution 2023-001-HRB, in accordance with the California Environmental Quality Act (CEQA), sites determined to be eligible for listing on

the CRHR are a historic resource for the purpose of CEQA and therefore subject to the requirements of the city's historic preservation ordinance (CMC 17.32); and

WHEREAS, the proposed relocation of the Community Room constitutes a major alteration to a 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. If an evaluation concludes that a proposed alteration is not consistent with the Secretary's Standards, the report shall list aspects of the project that are not consistent, along with guidance for modifying the project to comply with the Secretary's Standards; and

WHEREAS, the City retained the services of PAST Consultants ("PAST"), a contracted qualified professional, to prepare a Phase II Evaluation ("Phase II") to determine whether the proposed relocation of the Community Room is consistent with the Secretary of the Interior's Standards; and

WHEREAS, PAST evaluated the project for consistency with the Secretary of the Interior's Ten Standards for Rehabilitation in a Phase II dated January 12, 2023. PAST found that Standards #1, 2, 3, 5, 6, 7, 9, and 10 are applicable to the project. The evaluation concluded that the project, as proposed, is not consistent with Standards #2, 5, 9, and 10 and therefore is not consistent with the Secretary's Standards; and

WHEREAS, the Phase II recommends as part of the conclusion: *The project under consideration proposes the relocation of a primary character-defining feature of the building complex's original design: the spatial relationship between the bank building and the Community Room. To maintain the integrity of the subject historic site and its environment, this report respectfully recommends a new design approach that allows the original Burde/Shaw design and the building complex's corresponding character-defining features to remain in place;* and

WHEREAS, on January 23, 2023, 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 in accordance with CMC 17.58.040.B; and

WHEREAS, on January 23, 2023, the Historic Resources Board adopted Resolution 2023-02-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; and

WHEREAS, on February 6, 2023, a timely appeal (APP 23-031) of the decision to adopt a finding of non-compliance by Esperanza Carmel; and

WHEREAS, on April 21, 2023, notice of the public hearing was published in compliance with State law (California Government Code 65090) indicating the date and time of the public hearing; and

WHEREAS, on May 2, 2023, the City Council held a duly noticed de novo 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, this Resolution and its findings are made based upon evidence presented to the Council at the May 2, 2023 hearing including, without limitation, the staff report and attachments submitted by the Community Planning and Building Department; 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 California Environmental Quality Act (California Public Resources Code §§ 21000, et seq., "CEQA"), together with State Guidelines (14 California Code Regulations §§ 15000, et seq., the "CEQA Guidelines") and City Environmental Regulations (CMC 17.60) require the review of certain projects for environmental impacts and preparation of environmental documents; and

WHEREAS, the listing of the subject property on the Carmel Inventory is "not a project" pursuant to section 15378 of the CEQA Guidelines. Adopting a Finding of Noncompliance does not grant any permits or entitlements approving a project that would result in a direct or indirect physical change in the environment. However, CEQA requires environmental review for alterations to historic resources that are not consistent with the Secretary of the Interior's Standards. Consistent with CMC 17.32.160.C and CEQA, if the applicant does not choose to modify the project to comply with the Secretary's Standards, the Department shall require preparation of environmental review documents to further analyze and mitigate any impacts to the historic resource. These CEQA documents would be required prior to issuance of any discretionary permits for the project, and could include up to an Environmental Impact Report (EIR); 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 Esperanza Carmel (APP 23-031) and uphold the Historic Resources Board's decision to issue 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, as found in Historic Resources Board Resolution: Resolution 2023-02-HRB adopted on January 23, 2023.

Findings for Denial of Appeal	
No.	
1.	The appeal filed by the Appellant (included as Attachment XX to the subject staff report) is without merit as it fails to address why the action taken by the Historic Resources Board is incorrect or should be overturned based on factual evidence that was applicable to the decisions made by the HRB at the subject hearing.
2.	The subject site is determined to be a historic resource. Historic resources are subject to review under the California Environmental Quality Act (CEQA). Generally, under CEQA, a project that follows the Standards for Rehabilitation contained within <i>The Secretary of the Interior's Standards for the Treatment of Historic Properties</i> is considered to have mitigated impacts to a historical resource to a less-than-significant level (CEQA Guidelines §15064.5)

<p>3.</p>	<p>The city's historic preservation ordinance (CMC 17.32) outlines the process for determining project consistency with the secretary's standards.</p> <p>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's Standards are applicable to the project, (2) reviews the proposed project, and (3) explains the basis of the determination (CMC 17.32.160.B).</p> <p>The city contracted with PAST Consultant, LLC to prepare the Phase II Evaluation for the associated project. The evaluation concluded the subject project as proposed is not consistent with Standards #2, 5, 9, and 10, and therefore is not consistent with the Secretary's Standards.</p> <p>As outlined in CMC 17.32.160.C.1, an evaluation that concludes that a project is not consistent with the Secretary's Standards shall constitute evidence of substantial adverse impact to an historic resource.</p>
<p>4.</p>	<p>On August 3, 2021, the City Council adopted Resolution 2021-043 that included the following findings:</p> <ul style="list-style-type: none"> • 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. • The Bank complex is eligible for listing on the California Register of Historic Resources for purposes of the California Environmental Quality Act (CEQA). • 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. • 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. • 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. • 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. • 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 2nd day of May, 2023, by the following vote:**

AYES: Councilmembers Baron, Dramov, Ferlito, Richards, and Mayor Potter

NOES: None

ABSENT: None

ABSTAIN: None

APPROVED:

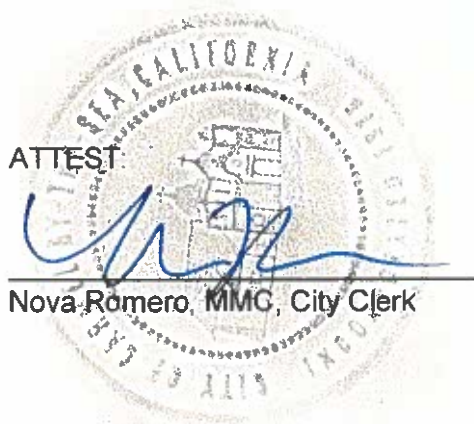


Dave Potter, Mayor

ATTEST:



Nova Romero, MMC, City Clerk



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

RESOLUTION NO. 2023-051

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA DENYING THE APPEAL BY ESPERANZA CARMEL COMMERCIAL LLC (APP 23-031) AND UPHOLDING THE HISTORIC RESOURCES BOARD'S DECISION TO LIST THE NORTHERN CALIFORNIA SAVINGS AND LOAN COMPLEX ON THE CARMEL INVENTORY OF HISTORIC RESOURCES AND CARMEL REGISTER OF HISTORIC RESOURCES LOCATED AT THE SOUTHEAST CORNER OF DOLORES STREET AND 7th AVENUE, IN THE SERVICE COMMERCIAL (SC) ZONING DISTRICT, APNS: 010-145-002, 010-145-023, 010-145-024

WHEREAS, the subject site is known as the Northern California Savings and Loan Complex ("Complex"); and

WHEREAS, the Complex consists of Lots 2, 4, 6, and 8 located on Block 91 and is currently comprised of Assessor Parcel Numbers (APNs: 010-145-002, 010-145-023, 010-145-024); and

WHEREAS, APN 010-145-002 is comprised of lots 2 & 4 and is owned by D&K Dolores, LLC ("D&K Dolores"). APN 010-145-023 and 010-145-024 are comprised of lot 6 and 8, respectively. Both lots 6 & 8 are owned by Esperanza Carmel Commercial LLC ("Esperanza Carmel"); and

WHEREAS, International Design Group (IDG), ("Applicant") submitted an application (DR 22-157) on behalf of Esperanza Carmel on May 24, 2022, requesting the construction of a mixed-use building located on Lots 6, 8, and 10 of Block 91; and

WHEREAS, the Applicant submitted a second application (DR 22-310) on October 3, 2022, on behalf of D&K Dolores for the relocation of the Community Room to Lot 4 from Lot 6 of Block 91, associated with the proposed improvements shown as part of the application, DR 22-157; and

WHEREAS, in accordance with the City's Historic Preservation Ordinance (CMC 17.32), *No application for property development shall be deemed complete unless it includes a determination that the property is either eligible or ineligible for the Carmel Inventory;* and

WHEREAS, the Complex has previously been determined to be ineligible for the Carmel Inventory by the City Council on February 4, 2020, however, the previous determination of ineligibly expired on October 26, 2022, when the Complex reached 50-years old and was required to be re-evaluated for its eligibility for the local inventory; and,

WHEREAS, the City retained the services of PAST Consultants, a contracted qualified professional, to prepare an intensive review of the site to determine whether the Complex meets the criteria for listing on the Carmel Inventory; and

WHEREAS, the intensive survey dated December 30, 2022 identified the Complex as having the following character-defining features: Building integrated with surrounding landscape; Horizontal or Vertical massing with shed roofs; Existing spatial relationship between the bank building and Community Room; Detached Community Room building connected by a wood-clad upper walkway; Projecting shed or boxy volumes; Exposed structural elements; Wide expanses of glass set within wood frames; Wood siding as exterior cladding; Copper sheet roof cladding; and

WHEREAS, in the intensive survey dated December 2022, prepared by PAST Consultants, it is concluded that the Complex is eligible for listing on the Carmel Inventory of Historic Resources as the property is representative of the theme of Architectural Development in the Context Statement; retains all of its original character-defining features and has retained a high degree of integrity; is greater than 50 years old; and, meets the requirements of Criteria 3 for listing; and

WHEREAS, the evaluation concluded further that the subject property is eligible for listing in the Carmel Inventory as a primary resource because it is eligible for listing on the California Register of Historic Resources (CRHR) under Criteria #3, *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* for its intact Bay Region Modern-stylistic elements designed by prominent local architects Walter Burde & Associates and Will Shaw & Associates, in addition to meeting the criteria for listing on the local inventory as outlined in CMC 17.32.040; and

WHEREAS, in accordance with CMC 17.32.070.A, Properties determined to be eligible by an administrative determination, or by the Historic Resources Board on appeal, shall become part of the inventory upon completion of an inventory form documenting the resource and issuance of an administrative determination finding by the Department or adoption of a finding by the Board that the property meets the criteria for historic resources; and

WHEREAS, on January 23, 2023, staff referred the decision to list property on the Inventory and Register to the Historic Resources Board consistent with CMC 17.52.030.L, due to the past involvement in the site by the board and as a matter of public interest; and

WHEREAS, on January 23, 2023, 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 in accordance with CMC 17.58.040.B; and

WHEREAS, on January 23, 2023, the Historic Resources Board adopted Resolution 2023-01-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; and

WHEREAS, on February 6, 2023, a timely appeal (APP 23-031) of the Historic Resources Board's decision to list the property on the local inventory and register was filed with the City Clerk by Esperanza Carmel Commercial LLC; and

WHEREAS, on April 21, 2023, notice of the public hearing was published in compliance with State law (California Government Code 65090) indicating the date and time of the public hearing; and

WHEREAS, on May 2, 2023, the City Council held a duly noticed, de novo 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, this Resolution and its findings are made based upon evidence presented to the Council at the May 2, 2023 hearing including, without limitation, the staff report and attachments submitted by the Community Planning and Building Department; 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 California Environmental Quality Act (California Public Resources Code §§ 21000, et seq., "CEQA"), together with State Guidelines (14 California Code Regulations §§ 15000, et seq., the "CEQA Guidelines") and City Environmental Regulations (CMC 17.60) require the review of certain projects for environmental impacts and preparation of environmental documents; and

WHEREAS, the listing of the subject property on the Carmel Inventory is "not a project" pursuant to section 15378 of the CEQA Guidelines. Listing the Complex on the Carmel Inventory and Carmel Register does not grant any permits or entitlements approving a project that would result in a direct or indirect physical change in the environment; 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 Esperanza Carmel (APP 23-031) and uphold the Historic Resources Board's decision to list the Northern California Savings and Loan Complex on the Carmel Inventory of Historic Resources and Carmel Register of Historic Resources, as found in Historic Resources Board Resolution: Resolution 2023-01-HRB adopted on January 23, 2023.

Findings for Denial of Appeal	
No.	
1.	The appeal filed by the Appellant (included as Attachment XX to the subject staff report) is without merit as it fails to address why the action taken by the Historic Resources Board is incorrect or should be overturned based on factual evidence that was applicable to the decisions made by the HRB at the subject hearing.
2.	<p>The city's historic preservation ordinance (CMC 17.32) outlines the process for establishing eligibility for the Carmel inventory.</p> <p>The historic preservation ordinance states, "If the property appears to meet the criteria for the inventory, the Department shall order that an intensive survey of the property be conducted. All intensive surveys shall be performed by a qualified professional under contract to the City."</p> <p>The city contracted with PAST Consultant, LLC to prepare the intensive survey. The survey concluded the subject property meets the criteria for listing on the local inventory, as outlined in CMC 17.32.040:</p> <ul style="list-style-type: none"> A. Should be representative of at least one theme included in the Historic Context Statement. <ul style="list-style-type: none"> a. The site is representative of Theme 5: Architectural Development in Carmel in the Context Statement. B. Shall retain substantial integrity.

	<p>a. The site retains all of its original character-defining features and has retained a high degree of integrity.</p> <p>C. Should be a minimum of 50 years of age and shall meet at least one of the four criteria for listing in the California Register at a national or Statewide level of significance or at a regional or local level of significance per CEQA Guidelines Section 15064.5(a)(3)</p> <p>a. The site is 50 years old and meets Criteria 3 of the California Register as an intact Bay Region Modern style complex (style listed in the Historic Context Statement) designed by prominent local architects Walter Burde & Associates and Will Shaw & Associates (both architects noted in Historic Context Statement) (Criteria 3 qualifiers #1 & 3).</p>
<p>3.</p>	<p>The intensive survey (described in Finding #2) also found the site to be eligible for listing in the California Register of Historic Resources (CRHR). Properties eligible for the CRHR are historic resources, as defined, in the city's historic preservation ordinance, as well as considered historic resources for the purpose of the California Environmental Quality Act (CEQA).</p>
<p>4.</p>	<p>While a previous determination of ineligibility had been issued for the site, which has since expired, General Plan Policy P1-93 states, in part, "<i>....Failure to include a property on the Carmel Inventory shall not preclude a future determination that it qualifies as an historic resource based on new evidence. (LUP)</i>"</p> <p>In the time since the previous Determination of Ineligibility has expired, the complex has turned 50-years old, and the city's Historic Context Statement has been updated through 1986.</p>
<p>5.</p>	<p>On August 3, 2021, the City Council adopted Resolution 2021-043 that included the following findings:</p> <ul style="list-style-type: none"> • 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. • 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. • 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. • 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. • 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. • The Bank complex is eligible for listing on the California Register of Historic Resources for purposes of the California Environmental Quality Act (CEQA).

	<ul style="list-style-type: none">• 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.• 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.• 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.
--	--

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA this 2nd day of May, 2023, by the following vote:

AYES: Councilmembers Baron, Dramov, Ferlito, Richards, and Mayor Potter

NOES: None

ABSENT: None

ABSTAIN: None

APPROVED:



Dave Potter, Mayor

ATTEST:



Nova Romero, MMC, City Clerk



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

HISTORIC RESOURCES BOARD RESOLUTION NO. 2023-002-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 RELOCATION OF THE NORTHERN CALIFORNIA SAVINGS AND LOAN
COMPLEX COMMUNITY ROOM FROM APN 010-145-023 TO APN 010-145-002.**

WHEREAS, the subject site is known as the Northern California Savings and Loan Complex ("Complex"); and

WHEREAS, the Complex consists of Lots 2, 4, 6, and 8 located on Block 91 and is currently comprised of Assessor Parcel Numbers (APNs: 010-145-002, 010-145-023, 010-145-024); and

WHEREAS, APN 010-145-002 is comprised of lots 2 & 4 and is owned by D&K Dolores, LLC ("D&K Dolores"). APN 010-145-023 and 010-145-024 are comprised of lot 6 and 8, respectively. Both lots 6 & 8 are owned by Esperanza Carmel Commercial LLC ("Esperanza Carmel"); and

WHEREAS, International Design Group (IDG), ("Applicant") submitted an application (DR 22-157) on behalf of Esperanza Carmel on May 24, 2022, requesting the construction of a mixed-use building located on Lots 6, 8, and 10 of Block 91; and

WHEREAS, the Applicant submitted a second application (DR 22-310) on October 3, 2022, on behalf of D&K Dolores for the relocation of the Community Room to Lot 4 from Lot 6 of Block 91, associated with the proposed improvements shown as part of the application, DR 22-157; and

WHEREAS, an intensive survey of the Complex dated December 2022, prepared by PAST Consultants, concluded that the Complex is eligible for listing on the Carmel Inventory of Historic Resources as the property is representative of the theme of Architectural Development in the Context Statement; retains all of its original character-defining features and has retained a high degree of integrity; is greater than 50 years old; and, meets the requirements of Criteria 3 for listing; and

WHEREAS, the survey concluded further that the subject property is eligible for listing in the Carmel Inventory as a primary resource because it is eligible for listing on the California Register of Historic Resources (CRHR) under Criteria #3, *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* for its intact Bay Region Modern-stylistic elements designed by

Resolution No. 2023-002-HRB

Page 2 of 4

prominent local architects Walter Burde & Associates and Will Shaw & Associates, in addition to meeting the criteria for listing on the local inventory as outlined in CMC 17.32.040; and

WHEREAS, on January 23, 2023, the Historic Resources Board adopted Resolution 2023-001-HRB, listing the Complex on the Carmel Inventory of Historic Resources and Carmel Register of Historic Resources; and

WHEREAS, notwithstanding the adoption of Resolution 2023-001-HRB, in accordance with the California Environmental Quality Act (CEQA), sites determined to be eligible for listing on the CRHR are a historic resource for the purpose of CEQA and therefore subject to the requirements of the city's historic preservation ordinance (CMC 17.32); and

WHEREAS, the relocation of the Community Room constitutes a major alteration to a 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. If an evaluation concludes that a proposed alteration is not consistent with the Secretary's Standards, the report shall list aspects of the project that are not consistent, along with guidance for modifying the project to comply with the Secretary's Standards; and

WHEREAS, staff retained the services of PAST Consultants ("PAST"), a contracted qualified professional retained by the city, to prepare a Phase II Evaluation ("Phase II") to determine whether the proposed relocation of the Community Room is consistent with the Secretary of the Interior's Standards; and

WHEREAS, PAST evaluated the project for consistency with the Secretary of the Interior's Ten Standards for Rehabilitation in a Phase II dated January 12, 2023. PAST found that Standards #1, 2, 3, 5, 6, 7, 9, and 10 are applicable to the project. The evaluation concluded that the project, as proposed, is not consistent with Standards #2, 5, 9, and 10 and therefore is not consistent with the Secretary's Standards; and

WHEREAS, the Phase II recommends as part of the conclusion: *The project under consideration proposes the relocation of a primary character-defining feature of the building complex's original design: the spatial relationship between the bank building and the Community Room. To maintain the integrity of the subject historic site and its environment, this report respectfully recommends a new design approach that allows the original Burde/Shaw design and the building complex's corresponding character-defining features to remain in place; and*

Resolution No. 2023-002-HRB

Page 3 of 4

WHEREAS, notice of the public hearing was published on January 13, 2023, in compliance with State law (California Government Code 54956); and

WHEREAS, on January 23, 2023, the Historic Resources Board held a public hearing to receive public testimony regarding the Application, including, without limitation, the information provided to the Historic Resources Board by City staff and public testimony on the project in accordance with CMC 17.58.040.B; and

WHEREAS, this Resolution and its findings are made based upon the evidence presented to the Historic Resources Board at its January 23, 2023, hearing, including, without limitation, 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 judgment 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 Historic Resources Board of the City of Carmel-by-the-Sea does hereby find the project inconsistent with the Secretary's Standards as follows:

1. Relocating the Community Room from its original location would substantially alter the south elevation of the building complex and result in the removal of the elevated walkway, which is an important character-defining feature. (Standard 2)
2. Relocating the Community Room removes the spatial relationship between the bank building and the Community Room, which is a primary character-defining feature of the original design concept. (Standard 5)
3. Relocating the Community Room destroys historic materials of the covered walkway, removes the original landscape walls and raised pavement areas surrounding the Community Room, and alters the original design concept by relocating the Community Room elsewhere on the site. (Standard 9)
4. Relocating the Community Room is not reversible and will destroy the integrity of the setting of the historic resource. (Standard 10)

BE IT FURTHER RESOLVED that the Historic Resources Board of the City of Carmel-by-the-Sea issues 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 located at the southeast corner of Dolores Street and 7th Avenue in the Service Commercial (SC) Zoning district; APNs: 010-145-002, 010-145-023, 010-145-024.

Resolution No. 2023-002-HRB

Page 4 of 4

PASSED, APPROVED, AND ADOPTED BY THE HISTORIC RESOURCES BOARD OF THE CITY OF CARMEL-BY-THE-SEA THIS 23rd DAY OF JANUARY 2023, BY THE FOLLOWING VOTE:

AYES: Goodhue, Hall, Pomeroy, Chroman

NOES:

ABSENT:

ABSTAIN:

APPROVED:

ATTEST:

DocuSigned by:
Jordan Chroman
5C02DBB2C1BA41E...
Jordan Chroman
Chair

DocuSigned by:
Leah R. Young
2960DA9BEC1C495...
Leah Young
Historic Resources Board Secretary

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

HISTORIC RESOURCES BOARD RESOLUTION NO. 2023-001-HRB

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

WHEREAS, the subject site is known as the Northern California Savings and Loan Complex (“Complex”); and

WHEREAS, the Complex consists of Lots 2, 4, 6, and 8 located on Block 91 and is currently comprised of Assessor Parcel Numbers (APNs: 010-145-002, 010-145-023, 010-145-024); and

WHEREAS, APN 010-145-002 is comprised of lots 2 & 4 and is owned by D&K Dolores, LLC (“D&K Dolores”). APN 010-145-023 and 010-145-024 are comprised of lot 6 and 8, respectively. Both lots 6 & 8 are owned by Esperanza Carmel Commercial LLC (“Esperanza Carmel”); and

WHEREAS, International Design Group (IDG), (“Applicant”) submitted an application (DR 22-157) on behalf of Esperanza Carmel on May 24, 2022, requesting the construction of a mixed-use building located on Lots 6, 8, and 10 of Block 91; and

WHEREAS, the Applicant submitted a second application (DR 22-310) on October 3, 2022, on behalf of D&K Dolores for the relocation of the Community Room to Lot 4 from Lot 6 of Block 91, associated with the proposed improvements shown as part of the application, DR 22-157; and

WHEREAS, in accordance with the City’s Historic Preservation Ordinance (CMC 17.32), *No application for property development shall be deemed complete unless it includes a determination that the property is either eligible or ineligible for the Carmel Inventory*; and

WHEREAS, the Complex has previously been determined to be ineligible for the Carmel Inventory by the City Council on February 4, 2020, however, the previous determination of ineligibly expired on October 26, 2022, when the Complex reached 50-years old and was required to be re-evaluated for its eligibility for the local inventory; and,

Resolution No. 2023-001-HRB

Page 2 of 4

WHEREAS, staff retained the services of PAST Consultants, a contracted qualified professional retained by the city, to prepare an intensive review of the site to determine whether the Complex meets the criteria for listing on the Carmel Inventory; and

WHEREAS, the intensive survey identified the Complex as having the following character-defining features: Building integrated with surrounding landscape; Horizontal or Vertical massing with shed roofs; Existing spatial relationship between the bank building and Community Room; Detached Community Room building connected by a wood-clad upper walkway; Projecting shed or boxy volumes; Exposed structural elements; Wide expanses of glass set within wood frames; Wood siding as exterior cladding; Copper sheet roof cladding; and

WHEREAS, in the intensive survey dated December 2022, prepared by PAST Consultants, it is concluded that the Complex is eligible for listing on the Carmel Inventory of Historic Resources as the property is representative of the theme of Architectural Development in the Context Statement; retains all of its original character-defining features and has retained a high degree of integrity; is greater than 50 years old; and, meets the requirements of Criteria 3 for listing; and

WHEREAS, the evaluation concluded further that the subject property is eligible for listing in the Carmel Inventory as a primary resource because it is eligible for listing on the California Register of Historic Resources (CRHR) under Criteria #3, *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* for its intact Bay Region Modern-stylistic elements designed by prominent local architects Walter Burde & Associates and Will Shaw & Associates, in addition to meeting the criteria for listing on the local inventory as outlined in CMC 17.32.040; and

WHEREAS, the Complex is a Primary Historic Resource, as defined in CMC 17.32.230.N.6; and

WHEREAS, Primary Historic Resources shall mean a historic resource eligible for listing in the California Register due to its national or Statewide significance; and

WHEREAS, in accordance with CMC 17.32.230.N.6, all primary resources are included in the Carmel Inventory and the Carmel Register of Historic Resources;

WHEREAS, in accordance with CMC 17.32.070.A, Properties determined to be eligible by an administrative determination, or by the Historic Resources Board on appeal, shall become part of the inventory upon completion of an inventory form documenting the resource and issuance of an administrative determination finding by the Department or adoption of a finding by the Board that the property meets the criteria for historic resources; and

Resolution No. 2023-001-HRB

Page 3 of 4

WHEREAS, staff has referred decision to list property on the Inventory and Register to the Historic Resources Board consistent with CMC 17.52.030.L, due to the past involvement in the site by the board and as a matter of public interest; and

WHEREAS, notice of the public hearing was published on January 13, 2023 in compliance with State law (California Government Code 54956); and

WHEREAS, on January 23, 2023, 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 in accordance with CMC 17.58.040.B; and

WHEREAS, this Resolution and its findings are made based upon the evidence presented to the Historic Resources Board at its January 23, 2023, hearing including, without limitation, 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 judgment to evaluate the project; and

WHEREAS, the California Environmental Quality Act (California Public Resources Code §§ 21000, et seq., "CEQA"), together with State Guidelines (14 California Code Regulations §§ 15000, et seq., the "CEQA Guidelines") and City Environmental Regulations (CMC 17.60) require the review of certain projects for environmental impacts and preparation of environmental documents; and

WHEREAS, the listing of the subject property on the Carmel Inventory is "not a project" pursuant to section 15378 of the CEQA Guidelines. Listing the Complex on the Carmel Inventory and Carmel Register does not grant any permits or entitlements approving a project that would result in a direct or indirect physical change in the environment; 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 Historic Resources Board of the City of Carmel-by-the-Sea does hereby add the property known as the "Northern California Savings and Loan Complex" located at the southeast corner of Dolores Street and 7th Avenue (Block 91, Lots 2, 4, 6, & 8) 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.

PASSED, APPROVED, AND ADOPTED BY THE HISTORIC RESOURCES BOARD OF THE CITY OF

Resolution No. 2023-001-HRB

Page 4 of 4

CARMEL-BY-THE-SEA THIS 23rd DAY OF JANUARY 2023, BY THE FOLLOWING VOTE:

AYES: Goodhue, Hall, Pomeroy, Chroman

NOES:

ABSENT:

ABSTAIN:

APPROVED:

ATTEST:

DocuSigned by:
Jordan Chroman
5C02DBB2C1BA41E...
Jordan Chroman
Chair

DocuSigned by:
Leah R. Young
2960DA9BEC1C495...
Leah Young
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.
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 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

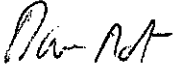
NOES: NONE

ABSENT: NONE

ABSTAIN: NONE

APPROVED:

ATTEST:



Dave Potter
Mayor



Britt Avrit, MMC
City Clerk

**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:

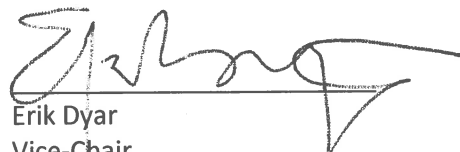
AYES: Board Member: Gualtieri, Dyar, Chroman

NOES: Board Member: Hall

ABSENT: Board Member: None

ABSTAIN: Board Member: None

APPROVED:


Erik Dyar
Vice-Chair

ATTEST:


Margi Perotti
Historic Resources Board Secretary