

## Chris Jordan

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**From:** Chris Jordan  
**Sent:** Tuesday, January 23, 2018 8:32 AM  
**To:** City Council  
**Cc:** Christopher Diaz; Jon Maginot; Christopher Lamm; Susanna Chan; Wendy Meisner  
**Subject:** FW: Council Packet - 01/23/18  
**Attachments:** 1-9-18.pdf

Council –

We received the following questions from a member of the Council. In accordance with the direction recently received from the Council, I am forwarding the questions and responses to all of you.

We have a few other questions from another council member (some of which are similar to a couple of those below). We will forward those and the responses later today.

Chris

### Minutes – 01/09/18 (Jon M.)

- Under Discussion Item 5, please capture my request for conducting a sensitivity analysis and for a friendly amendment to Jan's motion. I offer the following suggestion for doing so:

Councilmember Bruins expressed concern regarding the city's financial position over the next 10 years and requested Council support in conducting a sensitivity analysis. A majority did not support the request.

Motion by Councilmember Pepper, seconded by Councilmember Prochnow, to the Council directed staff to set the total project budget for the new Community Center to no more than \$34.7 million. Vice Mayor Lee Eng and Councilmember Bruins supported providing funding for the Community Center but expressed concerns with committing \$34.7 million to the Community Center without further reviewing other facility needs and funding options. Councilmember Bruins requested a friendly amendment to the motion to, in parallel, explore the option of a bond measure. Councilmember Pepper did not accept the amendment.

Action: Upon a motion by Councilmember Pepper, seconded by Councilmember Prochnow, the Council directed staff to set the total project budget for the new Community Center to no more than \$34.7 million, by the following vote: AYES: Mordo, Pepper and Prochnow; NOES: Bruins and Lee Eng; ABSTAIN: None; ABSENT: None.

*Staff looked at the minutes and suggests the attached amendments for Council's review.*

### Item 3: Sanitary Sewer Root Foaming (Susanna)

- Why didn't we complete last year's foaming and what assurances do we have that we will complete the 2-years' worth of foaming in a timely manner?

*The sewer crews took on this new task as a pilot project last year. Between keeping up with their on-going maintenance responsibilities and learning this new task, the crews were only able to complete a portion of the foaming work last year. It was a significant effort to get the crews ready to perform this work which included classroom learning and field training. Each crew member had to take a test and*

pass the test to be certified for handling the chemicals. All our current sewer crew members obtained their certification last year. With the experience from the pilot project, the crews are confident that they can complete the 2-year worth of work this year.

- What are we diverting resources away from in order to perform this in-house?

The sewer group was fully staffed last year which was not the case for a long time. Additionally, they received their second sewer vacuum truck (to replace the existing flushing truck) last year which increased overall productivity. The expectation was that the crews can take on this task with minimal impact to on-going maintenance activities. Based on our current experience, the crews are able to manage both the scheduled maintenance activities and the root foaming work.

#### **Item 4: Halsey House (Chris L and Susanna)**

- Why did it take 1 year 2 months to bring this continued item to Council? During that period, were any temporary measures taken to protect the structure?

The item was continued to a date uncertain at the request of the Friends of Historic Redwood Grove and City Council. Staff is bringing the item back at this time due to additional vandalism occurring in the past 6 months and is seeking direction on how to proceed. The temporary measures that have been taken include securing the facility after recent unauthorized entries, graffiti removal on the exterior of the building, and installation of straw waddles on the west side of the structure to divert stormwater runoff. Other temporary measures to weatherproof the building as recommended in the M. Sandoval Report did not receive funding at the December 2015 Council Meeting or June 2016 Study Session and have not been performed.

- Halsey House has been before the Historical and Parks/Recreation Commissions. When? What were they asked to consider? What were their recommendations?

The M. Sandoval Report was presented to the Historical Commission on October 26, 2015 and Parks and Recreation Commission on November 18, 2015. At the time discussion centered around adaptive re-use /renovation vs. demolition and re-build. Both commissions identified Adaptive re-use/Renovation as the preferred alternative.

Historical Commission requested and was provided an update on the Halsey House on July 24, 2017

The PRC held a Special Meeting on January 11, 2018 to discuss the Halsey House with the following recommendation:

*Motion made by Commissioner Parmar to recommend that the Council either repurpose or rebuild the Halsey House facility (so long as the footprint or parking in Redwood Grove not be increased), and if they rebuild, the new facility should 1) tell a story on the history of the Redwood Grove to draw the public to the park, 2) be able to be used for recreation programming and 3) nurture and preserve a nature preserve in the heart of the silicon valley. Whatever the decision by Council it should be done without delay because the current situation in that area (drug use, alcohol use, presence of rodents and graffiti.) is intolerable. Seconded by Commissioner Ellerin, the motion passes unanimously (6-0).*

- Has a member of staff attended a technical workshop held for the Santa Clara County Historical Heritage Grant Program? \$348,208 was available for FY 2018. What information does staff have wrt # of applications, # of recipients, avg. grant received?

Staff did not attend the 2017 workshop held in April, however as recipients of this grant in the past, are familiar with submission requirements. In 2017, the County received 4 grant applications requesting \$697k. The County awarded \$185k to the City of Morgan Hill; \$100k to the City of Los Altos for the tank house rehabilitation; and \$86k to the City of Milpitas. The staff report denotes that it would be expected to receive upwards of \$200k anticipating competition for grant funds in whichever year the City applied.

Please provide clarity on staff's actual recommendation.

- Which Option 1 is correct?

"Develop a CIP to conduct an Initial Study which will evaluate environmental impacts associated with previously discussed alternatives." (as stated under **Staff Recommendation** heading on page 1 and under **Options** heading on page 5) OR

*THIS IS THE STAFF RECOMMENDATION. An Initial Study will review all options regardless of which option is preferred. The recommendation in the final paragraph of the Staff Report is an error and was meant to be changed to match the option 1 recommendation.*

OR

"Develop a CIP to conduct(ing) an Initial Study to evaluate environmental impacts associated with demolition of the structure." (as described under **Recommendation** heading on page 5)

- Does the recommendation include appropriating funds for the Initial Study (\$25-30K) and/or \$25K to perform temporary measures?

*The recommendation is to perform the Initial Study at \$25-30k only. Other temporary measures to weatherproof the building as recommended in the M. Sandoval Report did not receive funding at the December 2015 Council Meeting or June 2016 Study Session. If the recommendation is to preserve the building, then it is recommended to proceed with these items.*

- What is the likely timeline for performing the Initial Study (RFP to Completion)?  
*4-6 months.*

It would be greatly appreciated if staff's presentation includes:

- A brief "refresher" on the alternatives presented in June 2016? Lynette was not on the Council and it would be helpful if all have the same understanding of those alternatives

*A refresher will be presented.*

- The process for declassifying a historical landmark and any others steps that would need to be taken in order to demolish the structure.

*The potential Initial Study outcomes and what that means moving forward will be presented.*

For Chris Diaz:

- Is there a "legal test" we must meet should Council choose to demolish?
- Are there any legal ramifications, real or potential, should Council choose to demolish?

On your question regarding the Halsey House, you inquired into whether there is any "legal test" that must be met before the Council chooses demolition as an option. The short of it is there is no legal test that must be met other than compliance with the City's Municipal Code and compliance with the California Environmental Quality Act (CEQA). Under the City's Municipal Code, it does not appear there are any special steps that must be met if one wants to demolish a listed or designated structure. I will look at the code more closely but I am not seeing any special demolition requirements at first blush. I should note that the General Plan in the Historic Resources Element at Policy 6.2 does specify as follows: "[t]he City shall regard demolition of landmark and historic resources, listed in the Historic Resources Inventory as a last resort. Demolition would be permitted only after the City determines that the resource has lost its physical integrity, retains no reasonable economic use, that demolition is necessary to protect health, safety and welfare or that demolition is necessary to proceed with a new project where the benefits of the new project outweigh the loss of the historic resource."

If the City was to seek to demolish the structure, under CEQA, we would need to study and analyze the impact from that demolition. Any demolition of a locally designated historic structure is usually a significant and unavoidable impact. Thus, an EIR would likely be required. Further, assuming the historical consultant concludes a significant and unavoidable impact, before the City proceeds with demolition, the City Council would need to adopt a Statement of Overriding Considerations under CEQA. This Statement would detail policy and factual reasons for proceeding with demolition and overriding the significant and unavoidable impact associated with demolition. We would need to look at these policy reasons closely to ensure they are not so broad as to allow for demolition of historic structures in every circumstance.

On your second question regarding legal ramifications, there are none currently. One risk already noted is to ensure the Statement of Overriding Considerations the City adopts is not so broad as to implicate or allow for demolition in all other instances. There is also of course always the risk of litigation. A community group wanting to see the Halsey House preserved could sue the City on CEQA grounds alleging the EIR is deficient or that the Statement of Overriding Considerations is not supported by evidence in the record. We won't know if this risk is real until such time that an EIR is prepared. No matter what the Council directs tomorrow night, we will work closely with the consultant and planning staff to ensure a legally defensible environmental document.

**Item 6: Historic Preservation Code Amendments**

For Chris Diaz:

- There are two references to historic district(s) in the Community Design and Historic Resources Element of the General Plan. By removing all code and references related to historic district are we creating a conflict between the General Plan and our code? Does it matter?
- With respect to the Whereas' in the ordinance, it seems odd that the whereas' primarily speak to the process of how we got to the amendments and not to Council's findings for making the amendments. Is there a reason for the "blow by blow" of how we got here? The 4<sup>th</sup> Whereas includes verbage about the Historical Commissions proposed amendments and their findings for making those amendments, yet there are no findings for the actual amendments Council is making. I thought Whereas statements focused on the rationale for the action being taken.

Thank you for noting the references to historic districts in the General Plan. Although the term is noted, the notations are minor. In general, an action is deemed consistent with the General Plan where it is "compatible with the objectives, policies, general land uses, and programs specified in" the applicable plan. See, Gov. Code §66473.5. The courts have interpreted this provision as requiring that a project be "in agreement or harmony with the terms of the applicable plan, not in rigid conformity with every detail" of it. See, *San Franciscans Upholding the Downtown Plan v City & County of San Francisco* (2002) 102 Cal.App.4th 656, 678. Because removal of the historic district language from the code would not be incompatible with the goals and policies specific to historic resources (primarily because preserving historic districts is not referenced in any goal or policy), I don't see any issue with moving forward. We could, however, always opt to amend the General Plan prior to taking action on the ordinance for clean-up purposes.

With regard to the recitals, I was not involved in the final drafting. I am happy to take a closer look tomorrow and determine if we can make the language better. Recitals are usually beneficial when certain legal findings must be met. In this instance, since we are merely amending the code (and this is not the zoning code) no special findings are required. But, laying out the basis for the City Council's action may make good sense for clarity purposes.

## Chris Jordan

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**From:** Chris Jordan  
**Sent:** Tuesday, January 23, 2018 9:40 AM  
**To:** City Council  
**Cc:** Christopher Diaz; Christopher Lamm; Susanna Chan; Wendy Meisner; Jon Maginot  
**Subject:** Questions from the Council

Council –

Below are questions from a councilmember regarding Halsey House which is on your agenda for tonight's meeting. Responses from staff are included.

Chris

1) After then June 2016 meeting regarding the Halsey House, did the city invest the \$25K to perform the temporary measures identified in the M. Sandoval Report? The staff report from that meeting says:

"Staff seeks direction from Council identifying an alternative to pursue. If Council considers Alternatives A, A(partial), or C (Preservation) it is recommended to proceed forward with temporary measures identified in the 2015 M. Sandoval Report by making immediate repairs to prevent further deterioration from weather and vandalism. It is estimated by staff to cost \$25,000 to perform the temporary measures."

Temporary measures that have been taken include securing the facility after recent unauthorized entries, graffiti removal on the exterior of the building, and installation of straw waddles on the west side of the structure to divert stormwater runoff. This work has been performed by City maintenance crews

Temporary measures to weatherproof the building as recommended in the M. Sandoval Report did not receive support for funding at the December 2015 Council Meeting or June 2016 Study Session and have not been performed.

2) Is an additional \$25K needed to preserve the building now in 2018, or is this the same \$25K that was identified in 2016?

This is the same \$25k to perform the weatherproofing recommended in the M. Sandoval Report

3) Is an Initial Study required in any event, whether we decide to preserve the building or whether we decide to demolish it?

The Initial Study would not necessarily be required to preserve the building, likely the case could be made that preservation efforts would be categorically exempt. However, there is some concern at this point that the amount of work that is necessary to preserve the building will result in the replacement or loss of a significant portion of the original material and result in impacting the historical significance of the structure.

Paths to partial demolition and complete demolition, would have varying follow up procedures pending the results of the Initial Study.

4) A letter we received tonight from Jane Reed said:

"I am not sure why the City would call for a new IS report when they had written and authorized the RFP, and its complete engineering report, just two years ago."

Was an initial study conducted two years ago? Can you please answer her question, namely why is a new IS report needed when the City had written and authorized the RFP and its complete engineering report?

The M. Sandoval Report was a feasibility study of two alternatives requested by Council in 2013. An Initial Study is an environmental document which will perform a historical evaluation and will update the historical record and review environmental impacts of the various alternatives including those studied in the M. Sandoval Report. The M. Sandoval Report will be used by the environmental consultant as part of the Initial Study.

It might be helpful during the staff presentation to update the council on what the options were that came about as a result of the RFP. Lynette will not have this background, and it's always helpful for the rest of us to have a refresher. The Staff Recommendation is to "develop a CIP project to conduct the IS to evaluate the environmental impacts associated with previously discussed alternatives."

Staff will provide a presentation

It would be helpful to review the previously discussed alternatives. And it would have been helpful if the staff report had provided more of that background, including the presentation from June 2016 and the council's direction, rather than forcing us to search for this background information (which seems to not exist). The minutes for the June 14, 2016 meeting do not include minutes from the study session, which would have noted the direction from council to staff as a result of the study session about the Halsey House. It would be super helpful to have that information, as I do not remember the details of what we directed that night. Can you please provide this before the meeting?

At the June 2016 Study Session, Council reviewed alternatives including:

- Adaptive re-use/renovation (\$3.2M)
- Partial renovation (\$1.5M+),
- Exterior Preservation (mothballing) (\$500K-\$700K),
- Demolition (\$115K).
- Demolition and Rebuild was not brought back as it was deemed an undesired alternative at the December 2015 Council Meeting.

Additionally, information was presented regarding parking and ADA requirements as requested from the December 2015 presentation of the M. Sandoval Report.

Council was willing to consider the adaptive re-use/renovation option if additional outside funds could be raised through fundraising efforts or grant programs. External funding would need to exceed \$2M for consideration to be given for the City to fund the balance of the costs. Council requested the following items to be brought back to Council for discussion:

- The Friends of Historic Redwood Grove were asked to provide a fundraising commitment at a later date (approximately 6 months)
- The Friends of Historic Redwood Grove and staff were asked to review potential grant programs available for historic renovation
- Staff was asked to identify programming to be used in the space.



## Chris Jordan

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**From:** Chris Jordan  
**Sent:** Tuesday, January 23, 2018 1:48 PM  
**To:** City Council  
**Cc:** Christopher Lamm; Jon Maginot; Susanna Chan  
**Subject:** FW: Halsey House

Council --

A councilmember asked for the motion approved by the Parks and Recreation Commission concerning Halsey House. Here it is:

> Here is the Parks and Rec Commission motion:

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> Motion made by Commissioner Parmar to recommend that the Council either repurpose or rebuild the Halsey House facility (so long as the footprint or parking in Redwood Grove not be increased), and if they rebuild, the new facility should 1) tell a story on the history of the Redwood Grove to draw the public to the park, 2) be able to be used for recreation programming and 3) nurture and preserve a nature preserve in the heart of the silicon valley. Whatever the decision by Council it should be done without delay because the current situation in that area (drug use, alcohol use, presence of rodents and graffiti.) is intolerable. Seconded by Commissioner Ellerin, the motion passes unanimously (6-0).

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> Chris

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## Chris Jordan

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**From:** Chris Jordan  
**Sent:** Tuesday, January 23, 2018 6:30 PM  
**To:** City Council  
**Cc:** Christopher Diaz; Jon Maginot; Sean Gallegos; Jon Biggs  
**Subject:** FW: Question about 571 Cherry Avenue

Council –

We received a question from a Councilmember regarding how the tax assessor deals with a project on Mills Act property, such as the one that is appealed to you tonight. Below is Sean's answer.

Chris

**From:** Sean Gallegos  
**Sent:** Monday, January 22, 2018 9:06 AM  
**To:** Chris Jordan <cjordan@losaltosca.gov>  
**Cc:** Jon Biggs <jbiggs@losaltosca.gov>; Zach Dahl <ZDahl@losaltosca.gov>  
**Subject:** RE: Question about 571 Cherry Avenue

Chris,

I spoke to Ken Frickle, Senior Appraiser, who manages all Mills Act contracts for the Santa Clara County Assessor's Office. According to Mr. Frickle, a Mills Act Agreement is only applicable to the original historic structure, and it would not be applicable to new construction. Since the new construction will not be recognized under the original Mills Act agreement, the new construction will be added to the restricted value of the property at a new assessed value.

If Council wishes the new construction to be incorporated into the Mills Act agreement, the Council will need to return the item to the Historical Commission with direction to revise the Mills Act Agreement to include the new construction. In speaking with Mr. Frickle, staff or council should acknowledge the Mills Act Agreement only includes the original structure, not the new construction, during the course of the Council meeting on Tuesday, January 23, 2018.

Thanks,

Sean



**Sean K. Gallegos, Associate Planner**

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