

(Signal Hill, LLC) recommending that the Monterey County Building official approve a Mothball Protection Plan for a single-family dwelling. The Mothball plan addressed temporary structure stabilization and weatherization with the goal of retarding deteriorating conditions while the permit application is under consideration. Measures in the “Mothball” Protective Plan were carried out although the County required some corrective actions and maintenance of the Mothball measures since their installation. Despite the Mothball plan, the structure remains uninhabitable and substandard, as determined by the Chief of Building.

Updates on the Signal Hill LLC project status and Mothball Plan were considered by the HRRB in May and July of 2022. Most recently, on December 1, 2022, the HRRB requested that the project be added to the January 5, 2023 regular meeting agenda of the HRRB for a review and recommendation on this project. This Memorandum has been prepared for the January 5, 2023 meeting of the HRRB.

Discussion:

The Signal Hill LLC project proposes demolition of a 4,124 square foot single family residence and the construction of a new three level 11,933 square foot single family. A number of entitlements and resource impacts associated with the proposed development that have been identified and evaluated during review, but for the purposes of HRRB review, this memo focuses on impacts to the historic resource.

The Signal Hill LLC application was submitted in 2010, and at the time, it was not known to the property owner that the existing residence would be considered historic. The historic determination was made in 2011. After learning of the historic determination, the property owner did not desire to change their proposal and staff required the preparation of an EIR for the project which includes the demolition of a historic resource (the Connell house). An EIR was required for the project and the EIR determined that the demolition of the Connell house constitutes a significant impact on the environment. After the determination to prepare an EIR but before the preparation of the Final EIR, the existing house has been the subject of controversy surrounding an incident of vandalism and a general lack of maintenance. Without passing judgement for past incidences, today the Connell house is in a condition that is difficult to repair and unsafe for occupancy.

Given the history of this application and the current condition of the property, staff suggests that the Connell house has lost historic integrity and believes it is unlikely to regain that integrity. The Connell House has been significantly damaged and is in an advanced state of decay. The damage to supporting walls, the decay to nearly all aspects of the home (e.g. mold, broken windows and non-functioning HVAC system) are not easily fixed or repaired. Restoration or rehabilitation of the structure would likely include demolition of significant portions of the home and some replication of historic elements of the home in reconstruction. Conversely, granting the demolition permit will actually address hazardous and unsafe conditions with the existing structure while also aligning with the desires and objectives of the property owner.

As the demolition of the Connell house represents a significant and unavoidable impact on the environment, the proposed project, including demolition of the Connell House, can only be approved with a “Statement of Overriding Considerations” and the implementation of mitigation measures that minimize the historic impacts to the extent feasible. The EIR included two mitigation measures for Historic Resources which would mitigate for the demolition of the dwelling, albeit such mitigation would not lessen impacts to a *less-than-significant* level. The two suggested mitigation measures are:

1. Documentation and recordation of the historic structure following the Historic American Buildings Survey guidelines; and
2. Development of web-based information documenting the history and features of the Connell House

These two mitigation measures were also presented to the HRRB in May 2022.

Alternatives to Demolition:

There are several project alternatives considered in the EIR prepared for the project. Some of the alternatives were eliminated from further consideration in the EIR because: they were found to be infeasible, did not reduce impacts, or they had other conflicts with adopted regulations (Alternatives 2, 3, 5, 7, and 8). Feasible alternatives (1, 4, 6, 9, and 10) include:

- “Preservation” (Alternative 1)
- “Project Integration” (Alternative 4)
- “Reduced Project” (Alternative 6)
- “Reduced Height” (Alternative 9) and
- “No project” (Alternative 10)

The three Alternatives that avoid complete demolition of the Connell House are “Preservation,” “Project Integration,” and “No Project.” The “No Project alternative would leave the Connell House in its current condition with no work performed. Due to the condition of the existing structure, the No Project alternative is not desirable. The following discussion describes the other two Alternatives (“Preservation” and “Project Integration”) followed by staff’s analysis of to those alternatives.

Alternative 1 - Preservation:

The project’s Draft EIR presented the environmentally superior alternative to be onsite “Preservation” (Alternative 1). The “Preservation” alternative is described in the Chapter 9 of the FEIR, starting on page 9.1-4. Preservation would actually involve treatment for the Connell House with a combination of the four standards described in the Secretary of the Interior’s Standards for the Treatment of Historic Properties (Preservation, Restoration, Reconstruction, and Rehabilitation), with restoration being the most closely followed. Restoration would involve retaining extant design elements, accommodating reconstruction of important missing elements, bringing the building up to code, and allowing it, when restored, to convey its significance as a Neutra-designed residence.

The Secretary of the Interior’s Standards state that when the property’s design, architectural, or historical significance during a particular period of time outweighs the potential loss of extant materials, features, spaces, and finishes that characterize other historical periods, when there is substantial physical and documentary evidence for the work; and when contemporary alterations and additions are not planned, restoration may be considered as treatment. The Preservation alternative proposes retaining some original elements and replacing others in accordance with the Secretary of the Interior’s standards. Specifically, some of the original materials can be incorporated into the reconstruction, including most portions of the foundation system, the lower-level floor slab, most of the exterior stucco walls at the lower level and some at the upper level, structural roof framing, remaining original window frames, masonry fireplace, and first floor framing in the north wing. Reconstruction would require either removal or shoring of those elements in place, and other identified elements would be replaced with new materials.

Alternative 4 - Project Integration:

This alternative would include integration of the Connell House into the proposed project. The structure (or portions of the structure) would be retained and integrated into the design of the new construction in accordance with the Secretary of the Interior’s Standards for the Treatment of Historic Properties. This alternative would necessitate the following:

- Documentation of primary and secondary character-defining elevations, spaces, and features in order to identify opportunities and constraints for additions and expanded living space, and

- Participation at conceptual, schematic, and design development phases of a qualified architectural historian and/or historic architect.

This alternative could include full or partial project integration. Full integration could include, for example, adding on to the existing structure, adding additional full or partial floors or levels, supplementing additional living space by enclosing the courtyard or outside patio areas, or developing a separate addition to the structure connected by a breezeway or stairs.

Partial integration could include, for example, preserving/reconstructing components in the western, most visible elevation, including the prominent bands of fenestration on the first and second stories, the ground-level terrace, second-level balcony, characteristic roofline, and juxtaposition of transparent and opaque surfaces while all or a portion of the remaining components would be demolished to facilitate construction of the new residence. Other character-defining features of the residence could be preserved, such as the north entry or the exterior façade, while interior portions of the structure would be renovated and remodeled. No specific plans for this alternative are currently available.

Staff's Analysis of Alternatives:

The house is currently uninhabitable and has been deemed hazardous by the Building Official. The current condition of the home makes it difficult to restore or preserve its historic significance because substantial repairs and partial reconstruction would be required that would entail an effort comparable to reconstruction. This situation, combined with the applicants' desires and objectives for the property, make for complicated legal, social, economic, and technical considerations in deciding how to carry out this project. Staff suggests that while the "Preservation" alternative in the EIR appears on to be the least environmentally damaging option, the property owner has clearly expressed that they will not actually implement this alternative. They have also indicated that they will not pursue the "Project Integration" alternative. This means that should a project be approved that does not involve demolition of the existing structure; it is possible that the near-term outcome would be similar to the "No Project" alternative which would include continuation of a hazardous structure in a state of disrepair. Potential long-term impacts are difficult to predict.

From a legal perspective, denial of the proposed rebuild, and approval of a project alternative that does not include demolition of the existing structure, will also likely lead to lawsuits from the property owner (See letters from Pacific Legal and the Applicant in Chapter 9 of Exhibit D).

The current proposal includes restoration of 1.62 acres of native sand dune habitat on the site in addition to a financial contribution to a mitigation program that is applied to offsite sand dune habitat mitigation. Sand Dune habitat restoration is desirable for biological conditions and is not likely to occur should the applicant's proposal be denied in favor of a preservation or restoration alternative.

Based on the above considerations, potential social, economic, technical, and legal considerations surrounding this particular development include:

- The current condition of the property
- Objectives and investment backed expectations of the property owner
- Native sand dune habitat restoration
- Consistency with the treatment of similarly situated properties in the vicinity

- Threat of litigation
- Cost of Preservation or Project Integration alternatives
- Property tax revenue for government services

CEQA

An Environmental Impact Report (EIR) has been prepared for the project. As a recommending body, the HRRB must consider the EIR before forwarding and recommendation on the project to the Planning Commission.

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Approved by: Craig Spencer, Chief of Planning

The following attachments are on file with Housing and Community Development:

- Exhibit A - Draft HRRB Resolution recommending approval to the Planning Commission (Alternative 9, Reduced Height of the EIR)
- Exhibit B - Final EIR for the Signal Hill LLC project (*provided electronically via link below*)

The Final EIR can be found on the Monterey County HCD website at:

www.co.monterey.ca.us/home/showpublisheddocument/117619/638036931819800000