



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

File #: 23-048, **Version:** 1

PLN100338 - SIGNAL HILL LLC

Provide a recommendation to the Planning Commission related to the approval of the Signal Hill LLC Reduced Height Alternative project.

Project Location: 1170 Signal Hill Road, Pebble Beach, CA 93953 Assessor's Parcel Number 008-261-007-000, Del Monte Forest Land Use Plan, Coastal Zone.

Proposed CEQA Action: Find the mitigation measures for Historic Resources are effective in reducing the impacts to the demolition of the Arthur and Kathleen Connell House.

RECOMMENDATION:

Staff recommends that the Monterey County Historic Resources Review Board (HRRB) adopt a Resolution recommending that the Planning Commission approve the Signal Hill LLC Reduced Height Alternative project and find the mitigation measures for Historic Resources are effective in reducing the impacts to demolition of the Arthur and Kathleen Connell House.

PROJECT INFORMATION:

Project Owner: Massy Mehdipour

APN: 008-261-007-000

Parcel Size: 2.2 acres

Flagged and Staked: Photographic simulations in EIR

SUMMARY:

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. Several entitlements and resource impacts associated with the proposed development have been identified and evaluated during staff review, but for purposes of Historic Resources Review Board (HRRB) review, this report focuses on historical resources. The existing residence was designed by Richard Neutra for Arthur and Kathleen Connell and was found eligible for the National Register of Historic Places.

BACKGROUND:

The Signal Hill LLC project includes a proposal to demolish an existing dwelling and construct a new dwelling at 1770 Signal Hill Road in Pebble Beach. On August 4, 2011, staff informed HRRB of the request and asked it to make a recommendation to the Planning Commission on the project. Instead, the HRRB recommended that the existing house (the one proposed for demolition) qualified as an historic resource. After review, the HRRB recommended that "the residence appeared to be significant under Criterion 3 of the California Register of Historical Resources."

The County deemed the Signal Hill LLC application complete in August 2013. Subsequently, staff determined that an Environmental Impact Report (EIR) was required pursuant to the California Environmental Quality Act (CEQA) and released a Notice of Preparation (NOP) of an EIR in February 2015. A Draft EIR was prepared for the project and circulated for public review in 2018. Many comments were received on the Draft EIR during the comment period. Staff reviewed all the comments and responded to those comments in a Final EIR. The Final EIR was circulated in November 2022, including via email to all HRRB members.

The HRRB also reviewed the project in August and September 2015, after the existing house was vandalized, resulting in significant damage. In mid-September 2015, the HRRB approved Resolution No. 15CP01861 (Signal Hill, LLC), recommending that the Monterey County Building official approve a Mothball Protection Plan (Mothball Plan) for a single-family dwelling. The Mothball Plan addressed temporary structure stabilization and weatherization with the goal of reducing deteriorating conditions while the permit application was under consideration. The owner/applicant carried out all the measures in the Mothball Plan, although the County required some corrective actions and maintenance of the Mothball Plan measures since installation. Despite the Applicant's implementation of the Mothball Plan, the structure remains uninhabitable and substandard, as determined by the Chief of Building.

The HRRB received updates on the Signal Hill LLC project status and Mothball Plan 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 for a review and recommendation on the project. However, at the January 5, 2023 meeting, HRRB could not establish a quorum to conduct this review. Consequently, this matter was continued to a Special Meeting set for January 12, 2023.

DISCUSSION:

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 HRRB voted that the existing residence at the project site should be reviewed for historic determination 2011. A final version of the project application for the demolition of the "Connell House" and construction of a new dwelling was deemed complete in August of 2013. The structure was nominated for eligibility on the National Register of Historic Places and found eligible for listing by the Keeper of the National Register of Historic Places in 2014, rendering it a protected historical resource. After learning of the historic determination, the property owner opted to move forward with the original proposal. Consequently, staff required the preparation of an EIR. The EIR concluded that the demolition of the Connell House would constitute a significant impact on the environment. After the determination to prepare an EIR but before the EIR was prepared, the existing house was vandalized and continued to be in disrepair due to a general lack of maintenance. Today the Connell House is difficult to repair and unsafe for occupancy, significantly damaged and in an advanced state of decay. Specifically, 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 or inexpensively fixed or repaired.

As the demolition of the Connell House would be a significant and unavoidable impact on the environment, the proposed project, including such demolition, may only be approved if the Planning Commission; 1) certifies the EIR, 2) adopts the necessary CEQA findings, 3) adopts Statement of Overriding Considerations, that would justify approval notwithstanding the irremediable impact, and 3) adopts the EIR's recommended mitigation measures to at least minimize the historic impacts to the extent feasible. As such, the HRRB is asked to review the two EIR mitigation measures that require:

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 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 non-demolition Alternatives, “Preservation” and “Project Integration,” followed by staff’s analysis of those alternatives.

Alternative 1 - Preservation

The project’s Draft EIR concluded that the environmentally superior alternative would be onsite “Preservation” (Alternative 1). The “Preservation” alternative is described in Chapter 9 of the FEIR, starting on page 9.1-4. Preservation would 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 restoration may be considered when 1) the property’s design, architectural, or historical significance during a particular period outweighs the potential loss of extant materials, features, spaces, and finishes that characterize other historical periods; 2) there is substantial physical and documentary evidence supporting this option; and 3) contemporary alterations and additions are not planned. The Preservation Alternative would retain some original elements and replace others in accordance with the Secretary of the Interior’s standards. Specifically, some of the original materials could 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; 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:

- Documentation of primary and secondary character-defining elevations, spaces, and features to identify opportunities and constraints for additions and expanded living space, and
- Participation at conceptual, schematic, and design development phases of an analysis performed by 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 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, and, not taking costs or social aspects of the project into account, is feasible, 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.

The Connell House has been significantly damaged and is in an advanced state of decay. The damage to supporting walls and decay to nearly all aspects of the home are not easily fixed or repaired. Restoration or rehabilitation of the structure would likely include demolition of significant portions of the home and require some replication of historic elements of the home in reconstruction. The Connell House structural evaluation by Simpson, Gumpertz, and Heger (Appendix F of the Final EIR) presents the results of an independent investigation to determine the building's structural condition, its safety, and to opine whether the structure can be practically repaired and restored, or moved to another site. The report, dated 2016, found that the "shoring and protection that has been put in place is at best a short term solution." Restoration of the structure was found technically feasible, and this informed the EIR's analysis. The report also stated that such a restoration would "likely entail an effort comparable to the structure's original construction." In the seven years since this structural evaluation of the Connell House, the cost of such an undertaking has increased. The feasibility of any alternative involving restoration has greatly lessened.

Staff finds the social aspect of investment-backed expectations of the property owner to be a compelling reason for a Statement of Overriding Considerations, as well. The current owner purchased the property in 2004. An application to demolish and rebuild the house was filed with the County in 2010. A nomination for listing on the National Register was filed with the State Office of Historic Preservation and the house was found eligible for listing as a historic resource at the State and National levels on April 22, 2014. The treatment of the property with previous permits, such as the 825 square foot addition in the early 1990s, and the treatment of other properties in the vicinity to modernize and expand footprint and height supports a conclusion that an applicant's

objectives for the site are reasonable. The preferred alternative of the EIR could, if adopted, arguably undermine the property owner's investment-backed expectations.

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 ecological sustainability 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 discussion, potential social, economic, and technical considerations surrounding this 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
- 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 is asked to find that the mitigation measures for Historic Resources are effective in reducing the impacts to demolition of the Arthur and Kathleen Connell House.

Prepared by: Mary Israel, Supervising Planner
Approved by: Erik V. Lundquist, HCD Director

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