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*Before the Historic Resources Review Board in and for the
County of Monterey, State of California*

Resolution No. 24-005

PLN240184 - YEUNG GABRIEL M TR

Resolution by the County of Monterey Historic Resources Review Board (HRRB) recommending that the:

- 1) Project qualifies for a Class 31 categorical exemption pursuant to CEQA Guidelines section 15331, and that none of the exceptions from Section 15300.2 apply;
- 2) Chief of Planning determine that the property at 62 Yankee Point drive, containing the “June Haas House” qualifies for a Historic Property (Mills Act) contract, including granting an exception to the value cap limitation for residential properties; and
- 3) Board of Supervisors approve said Historic Property Contract.

WHEREAS, this matter was heard by the Historic Resources Review Board (HRRB) of the County of Monterey on October 3, 2024, pursuant to the regulations for the Mills Act Program contained in Chapter 18.28 of the Monterey County Code.

WHEREAS, 62 Yankee Point Drive, Carmel (Assessor's Parcel Number 243-152-005-000), which contains the "June Haas House".

WHEREAS, on June 21, 2024, Tai Tang of Studio Schicketanz representing property owner Gabriel Yeung, trustee of the Gabriel Yeung living trust filed an application for a Historic Property (Mills Act) contract.

WHEREAS, the “June Haas House” is listed on the Monterey County Register of historic resources (Board of Supervisors Resolution No. 23-454, HCD-Planning File No. REF230016).

WHEREAS, the property is significant historically under the California Register of Historic Resources Criterion 2, *“Associated with the lives of persons important to local, California or national history”* for its association with the noted architect Mark Mills and under the California Register of Historic Resources Criterion 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”*.

WHEREAS, to be eligible for a Historic Property (Mills Act) contract, five criteria detailed in Monterey County Code (MCC) section 18.28.080.A must be met.

WHEREAS, the HRRB site review subcommittee conducted a site inspection on September 13, 2024 to evaluate the condition of the property.

WHEREAS, the application meets criteria 18.28.080.A.1, *“The property that is the subject of the application is a qualified historical property as defined by this Chapter,”* as the property is listed on the Monterey County Register of Historic Resources.

WHEREAS, meets criteria 18.28.080.A.2, *“The application is consistent with the County's historic preservation goals and policies, as set forth in the County's General Plan and ordinances.”* Staff reviewed the application and found it consistent with the applicable policies of the 1982 General Plan and the requirements of Monterey County Code (MCC) Chapter 18.25. The property meets the criteria for a historic resource as defined in MCC section 18.25.070, the proposed work activities appear consistent with the review criteria in MCC section 18.25.170.D, and the use utilization of the tax savings from the Mills Act contract to preserve the resource would advance 1982 General Plan policy 52.1.5.

WHEREAS, the application meets criteria 18.28.080.A.3, *“The application is consistent with the applicable Secretary of the Interior's Standards for the Treatment of Historic Properties, the rules and regulations of the Office of Historic Preservation of the California State Parks Department, and the California Historical Building Code.”* County staff and the HRRB have reviewed the proposed work plan and find the activities keeping with the requirements of the Secretary of the Interior’s Standards for the Treatment of Historic Properties at a programmatic level.

WHEREAS, the application meets criteria 18.28.080.A.4, *“The fair market value of the property that is the subject of the application is equal to or less than the valuation limits set forth in Section 18.28.040.C of this Chapter, unless an exception has been granted pursuant to this Chapter.”* A uniform residential appraisal was prepared by Sandra Cimo of S.A.C Appraisal Service, State Certification No. AR005902, which concluded that the fair market value of the property is \$5,200,000, \$2,200,000 over the value cap limitation for residential properties of \$3,000,000 dollars. However, an exception to the value cap limitation can be granted as detailed in the subsequent recitals.

WHEREAS, the phase I historic assessment prepared for the property by Kent L. Seavey (HCD-Planning File No. LIB220321) and value cap exception justification letter prepared by Kent L. Seavey, including the addendum dated August 27, 2024, provide sufficient justification that the June Haas House meets the exception criteria 18.28.080.B.1, *“The site, building, object, or structure is a particularly important resource such as the last or only example of its kind, and it represents an exceptional example of an architectural style, the work of a master, or is associated with the lives of significant persons or events important to history”*.

WHEREAS, the contract would meet exception criteria 18.28.080.B.2, *“2. The historical property contract will result in the preservation of a site, building, object, or structure whose significance as a historical resource would otherwise be at immediate risk of substantial adverse change. A substantial adverse change in the significance of the historical resource means the physical demolition, destruction, relocation, or alteration of the resource or its immediate surroundings such that the significance of the resource would be materially impaired; and”*. The applicants have submitted a supporting property inspection report prepared by residential inspector Paul Murrer (License No. 200320) to document the necessity of the physical rehabilitation and maintenance activities. The report observed a number of potential deficiencies

in the residence that should be evaluated and addressed, including areas of fungus and/or moss on the roof, lack of drainage on the exterior stucco, and mold-like growth in the exterior area. The HRRB's ad hoc site review subcommittee also conducted a site inspection on September 13, 2024, to evaluate the condition of the residence and environment, noting that hazard conditions associated with its location on a coastal bluff, with storms and coastal salt air, which can deteriorate the exterior gunite material of the structure. This gunite shell is also one of the character defining features of the resource.

WHEREAS, the contract would meet exception criteria 18.28.080.B.3, “ *The exception is warranted due to one or more of the following additional factors: a. The resource is highly visible to the public; b. The difference between the current property tax obligation for the property and the estimated property tax obligation under the Mills Act is within the same range as the expected estimated lost property taxes from historic property contracts for properties meeting the valuation limit; c. The work program proposes to provide for critical improvements immediately necessary to preserve the resource, and it provides for the best and most efficient use of the expected property tax savings; or d. Approval of the contract would generate heritage tourism, affordable housing, or similar public benefits,*” as there as sufficient additional factors present to justify granting the value cap exception. The applicants have offered to include allowing a yearly public tour of the property per MCC code 18.28.050.B.9, which has the potential to advance heritage tourism in Monterey County, given the exceptional nature of the residence, and the discussion in the value cap exception letter that the property was previously used to teach local architectural history. The addition of public access would also allow the public to better enjoy and appreciate the architectural heritage of the resource, as many of its character defining elements are not visible from the public right of way.

WHEREAS, the application meets criteria 18.28.080.A.5, “*The application is consistent with the requirements of this Chapter,*”. Materials necessary for the review of the Mills Act Contract application have been submitted and reviewed by staff, the property would meet the definition of a qualified historical property should it be listed on the local register, and the proposed work plan appears generally consistent with the sections policies in Monterey County Code Chapter 18.28.

WHEREAS, the 10-year rehabilitation and maintenance has a total estimate of \$461,470 in activities over the initial 10-year contract term. \$106,200 of this is in recurring maintenance activities, and \$355,270 is one-time rehabilitation activities.

WHEREAS, based on the property's 2023 – 2024 tax bill, the Proposition 13 assessed value of the property is \$2,916,189 while the total tax obligation for that year was \$30,694.66. The estimated property taxes based on the Mills Act tax savings worksheet are \$583.42, resulting in an approximate tax savings (or loss of revenue) of \$30,111.24. Over a period of 10 years this would be a savings of \$301,112.40 dollars.

WHEREAS, CEQA Guidelines section 15331 categorically exempts projects limited to the maintenance, repair, stabilization, rehabilitation, restoration, preservation, conservation, or reconstruction of historical resources in a manner consistent with the Secretary of the Interior Standards for the Treatment of Historic Properties.

WHEREAS, the project consists of approving a historic property contract to allow the on-going maintenance and preservation of a historic home, consistent with the intent of this exemption.

WHEREAS, none of the exceptions in CEQA Guidelines section 15300.2 apply to the project: Class 31 exemptions are not qualified by their location; Approving the contract would not contribute to a cumulative environmental effect; there are no unusual circumstances associated with the project that would create the reasonable possibility of a significant environmental effect; the project would not cause damage to scenic resources within view of a state scenic highway; the project is not on a hazardous waste site listed pursuant to Section 65962.5 of the Government Code; and the project would not cause a substantial adverse change to a historical resource.

THEREFORE, BE IT RESOLVED, that having considered all the written and documentary information submitted, oral testimony, and other evidence presented before the HRRB, the HRRB recommends that the Chief of Planning determine that the property at 62 Yankee Point drive, containing the “June Haas House” qualifies for a Historic Property (Mills Act) contract, including granting an exception to the value cap limitation for residential properties, that the Board of Supervisors approve said Historic Property Contract and, adopts the following findings, supported by the listed evidence:

- Finding: While the property is over the value cap limitation established for residential properties, the necessary criteria to grant an exception to the value cap limitation requirement can be met.
- Finding: The property at 62 Yankee Point Drive, containing the “June Haas House,” qualifies for a Historic Property (Mills Act) contract.
- Finding: There are a finite number of Mill Act Contract eligible properties within the County.
- Finding: There is an ongoing loss of historically significant resources within the County.
- Finding: The June Hass House is an exceptional example of significant architectural style and craftsmanship that cannot be replicated.
- Finding: The project qualifies for a Class 31 categorical exemption pursuant to CEQA Guidelines section 15331, and that none of the exceptions from Section 15300.2 apply.

Supporting Evidence:

1. Application materials in the file PLN240184, including the tax savings estimate;
2. Value cap exception justification letter prepared by Kent L. Seavey including addenda dated August 27, 2024;
3. Property inspection report prepared by inspector Paul Murrer (License No. 200320)
4. Uniform residential appraisal prepared by Sandra Cimo of S.A.C Appraisal Service, State Certification No. AR005902;
5. The Mills Act Program contained in Chapter 18.28 of the Monterey County Code;
6. The Preservation of Historic Resources Code in Chapter 18.25 of the Monterey County Code;

7. The phase I historic assessment prepared for the property by Kent L. Seavey (HCD-Planning File No. LIB220321);
8. The historic register listing REF230016 for the June Haas House at 62 Yankee Point Drive, including the historic assessment prepared by Kent L. Seavey with HCD-Planning File No. LIB22032;
9. The historic register listing for the property, Board of Supervisors Resolution No. 23-454, (HCD-Planning File No. REF2300162);
10. Oral testimony and HRRB discussion during the public hearing and the administrative record;
11. County staff site visits and photos from September 29, 2022 and October 3, 2023;
12. HRRB site review ad hoc subcommittee site visit and observations on September 13, 2024;
13. Oral testimony and HRRB discussion during the public hearing and the administrative record;
14. CEQA Guidelines section 15331 and 15300.2.

Passed and adopted on this **October 3, 2024**, upon motion of Kellie Morgantini, seconded by Judy MacClelland, by the following vote:

AYES: John Scourkes, Kellie Morgantini, Judy MacClelland, Belinda Taluban, Michael Bilich, Salvador Muñoz

NOES: None

ABSENT: Sheila Lee Prader

ABSTAIN: None

Signed by:

Craig Spencer

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Attest

Craig Spencer, HRRB Secretary

October 3, 2024

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