



CITY OF
**PALO
ALTO**

City Council Staff Report

From: City Manager

Report Type: ACTION ITEMS

Lead Department: Planning and Development Services

Meeting Date: April 22, 2024

Report #:2402-2684

TITLE

Addition of 16 properties to the City's Historic Resources Inventory based on Owner interest. CEQA Status: Pursuant to Public Resources Code Section 21065, the Historic Designation of Properties is not a Project Subject to Environmental Review.

RECOMMENDATION

Staff recommends the City Council:

1. Adopt the attached record of land use action (Attachment A) to add 16 properties meeting specified criteria to the City's Historic Resources Inventory, based on expressed owner interest.
2. Direct staff to continue outreach to eligible property owners among the properties discussed in this report and to place future additions to the Historic Resources Inventory with expressed owner interest on the Consent Calendar.

EXECUTIVE SUMMARY

In early 2022, the Council directed staff to review 167 properties throughout the City that were previously identified as being eligible for the National Register of Historic Places (NRHP) and California Register of Historical Resources (CRHR); 147¹ of those properties were found to still exist and retain their historic significance and integrity². Staff discovered one of the 147 properties had been placed on the Historical Resources Inventory (HRI) by Council action in 2014.

¹ Link to consultant's list and HRB hearing dates of 147 properties in the 2023 survey the HRB reviewed: <https://www.cityofpaloalto.org/files/assets/public/v/2/planning-amp-development-services/historic-preservation/historic-inventory/property-groupings-for-hrb-hearings-hyperlinked-rev12052023.pdf>

² Link to 2023 Reconnaissance Survey Report: https://www.cityofpaloalto.org/files/f6745b3d-6148-4678-99b3-3c7dd712743b/2023-Reconn-Survey-Report_2023-09-28_RevisedDraft.pdf

Through an extensive public engagement process with outreach and hearings before the City's Historic Resources Board (HRB), 83 of the 146 property owners objected to their property being listed on the inventory. Based in part on this feedback, the HRB decided not to recommend nomination over a property owner's objection. Accordingly, the HRB recommended the City Council list 63 properties on the City historic resources inventory.

However, the HRB and staff have not heard from all the 63 property owners despite sending multiple certified mailed notices to these owners. Three of the properties are City-owned and discussed later in this report. Another eleven property owners have affirmatively requested their property be listed on the City's historic resources inventory. The remaining property owners (and some are in trusts) may be unaware of the HRB recommendation, still considering options, or ambivalent to being listed.

The attached record of land use action advances 16 properties for local listing on the City's HRI. Staff further recommends that Council authorize continued engagement to owners of the remaining 47 properties. Properties for which the owners affirmatively express an interest in being listed will be transmitted to the Council on the Consent Calendar.

BACKGROUND

The City of Palo Alto's historic preservation program began in 1979 with a historic resources survey³ that looked at pre-1940 buildings located primarily north of Oregon Expressway. The survey identified the major styles of early Palo Alto and resulted in the local Historic Resources Inventory (HRI) with a list of hundreds of individual properties. The survey identified potential historic districts such as Professorville and Ramona Street Architectural District.

Between 1997 and 2001 another survey was prepared that built upon the 1979 survey and covered all properties within the city limits that were built prior to 1947. The survey addressed properties in relation to the national criteria for listing. Identified properties⁴ were placed in two categories: 1) those that appear National Register of Historic Places It is these 165 properties that are the subject of this report and associated with Council's direction on March 21, 2022 to advance Comprehensive Plan Program L-7.1.1, which in summary, encourages the City to update and maintain its local HRI.

³ 1979 survey report <https://www.cityofpaloalto.org/files/assets/public/v/1/planning-amp-development-services/historic-preservation/1979-inventory-and-report.pdf>

⁴ Link to list of properties identified in the 1997-2001 historic survey: <https://www.cityofpaloalto.org/files/assets/public/v/1/agendas-minutes-reports/agendas-minutes/historic-resources-board/2022/2001-survey-list-of-291-properties-evaluated-for-nrhp-resulting-in-165-nrhp-eligible-properties.pdf>

DISCUSSION

Staff engaged a historic consultant and worked with the HRB to evaluate the 165 properties in accordance with state and federal criteria and local codes. Staff, with the HRB, supported an extensive outreach effort to notify all properties that continued to meet eligibility criteria. Similar to an attempt at the turn of the century to list historic resources on the City's inventory, this effort too was met with opposition from property owners opposed to listing. Over 55% of the eligible property owners expressed their objection citing concerns over impacts to property values, ability to make changes to their property or structures, and a lack of incentives, among other concerns.

While the Council has the authority to list all eligible properties on the local registry, staff and the HRB do not recommend advancing any properties over a property owner's objection. Moreover, staff is concerned that the City has not heard from most of the other property owners remaining on the list. This may be because property owners are unaware of the potential for nomination despite extensive outreach and certified mailing, or, less likely, because owners are ambivalent to nomination. Accordingly, staff has drafted a record of land use action that forwards properties for listing from owners that have affirmatively expressed interest in being listed on the inventory. This differs from the HRB's recommendation, which supported listing all the remaining 63 properties that did not object to listing.

Staff seeks Council's support to continue outreach to the remaining 47 properties in an effort to determine their affirmative interest in nomination. If more property owners elect to proceed, staff would return to the Council in the next few months with a new record of land use action and present that to the Council on the Consent Calendar.

Properties Proposed for Nomination

The following is a summary of the properties proposed for nomination, the address, the local criterion met for designation, and a brief description supporting the recommendation:

1. **731 Emerson Street**⁵ is recommended for placement on the HRI as a Category 2 resource, under local Criterion 2 (*The structure or is particularly representative of an architectural style or way of life important to the city, state, or nation*), and Criterion 5 (*The architect or building was important*). Built in 1896, it is significant as an early and notable example of the Queen Anne style that was built by important local builder H.L. Upham.

⁵ Link to nomination form and evaluation for 731 Emerson:
https://www.cityofpaloalto.org/files/assets/public/v/1/planning-amp-development-services/historic-preservation/historic-inventory/emersonst_731.pdf

2. **243-245 Webster Street**⁶ is recommended for placement on the HRI as a Category 2 resource, under local Criterion 2. Built in 1904, it is significant as a property that embodies the distinct characteristics of the Eastern Shingle style.

3. **330 Cowper Street**⁷ is recommended for placement on the HRI as a Category 2 resource, under local Criterion 1 (*The structure or site is identified with the lives of historic people or with important events in the city, state or nation*). Built in 1904, with a period of significance 1930-1948, it is significant as a residence lived in by a notable Black family who were both active in the Black community of Palo Alto during a period of significant growth; and were rare Black residents in the city at a time when de jure and de facto segregation limited the ability of Blacks to reside within Palo Alto. 330 Cowper Street was constructed prior to the adoption of restrictive covenants (based on race and religion) and was located outside of the previously established small zone along Fife Avenue where Black families were allowed to rent property.

4. **541 E Crescent Drive**⁸ is recommended for placement on the HRI as a Category 2 resource, under local Criteria 2 and 5, and Criterion 6 (*The structure or site contains elements demonstrating outstanding attention to architectural design, detail, materials or craftsmanship.*) Built in 1928, it is a significant example of a Tudor Revival style building and a notable example of the work of significant local architect Charles K. Sumner. It is also an exemplar of craftsmanship by important local builder H.H. Dabinett. The building appears to retain a high level of integrity.

5. **421 California Avenue**⁹ is recommended for placement on the HRI as a Category 2 resource, under local Criteria 2 and 5. Built in 1929, it is significant as a notable example of a commercial building in the Spanish Colonial Revival style, and a rare example of the style in brick designed by prolific Palo Alto architect Birge Clark. Despite alterations to the facade including removal of

⁶ Link to nomination form and evaluation for 243-245 Webster:

https://www.cityofpaloalto.org/files/assets/public/v/1/planning-amp-development-services/historic-preservation/historic-inventory/websterstreet_243.pdf

⁷ Link to nomination form and evaluation for 330 Cowper:

https://www.cityofpaloalto.org/files/assets/public/v/1/planning-amp-development-services/historic-preservation/historic-inventory/cowperstreet_330.pdf

⁸ Link to nomination form and evaluation for 541 E Crescent:

https://www.cityofpaloalto.org/files/assets/public/v/1/planning-amp-development-services/historic-preservation/historic-inventory/ecrescentdr_541.pdf

⁹ Link to nomination form and evaluation for 421 California:

https://www.cityofpaloalto.org/files/assets/public/v/1/planning-amp-development-services/historic-preservation/historic-inventory/californiaave_421.pdf

original wrought iron features, the building retains significance as a unique work by important local architect Birge Clark.

6. **1401 Edgewood Drive**¹⁰ is recommended for placement on the HRI as a Category 2 resource, under local Criteria 1, 2, and 5. Built in 1938 with a period of significance 1938-1960, it is significant for both its association with local Palo Alto resident Merritt C. Speidel and for its Colonial Revival design by David Clark and Walter Stromquist. The building was constructed for Speidel, who owned and operated a Palo Alto-based chain of eight newspapers that were published across the nation. Speidel lived with his family at the subject building until his death in 1960. Speidel's personal residence is associated with his professional accomplishments as no other known location reflects that history. The building is a rare Colonial Revival design to come out of the office of prolific local architect Birge Clark, and was designed by his successors, David Clark and Walter Stromquist.

7. **1474 Edgewood Drive**¹¹ is recommended for placement on the HRI as a Category 2 resource, under local Criteria 2 and 5. Built in 1935, 1474 Edgewood Drive is significant for its Spanish Colonial Revival style as designed by Birge Clark, who was one of Palo Alto's most significant and prolific local architects.

8. **2340 Tasso Street**¹² is recommended for placement on the HRI as a Category 2 resource, under local Criteria 2 and 5. Built in 1933, it is significant as a property that embodies the distinct characteristics of the French Norman and Storybook subtypes of the Period Revival style and is one of the earliest known Palo Alto residences designed by the prominent local builder-contractor William F. Klay.

9. **311 El Carmelo Avenue**¹³ is recommended for placement on the HRI as a Category 2 resource, under local Criteria 2. Built in 1894, it is significant as a good and rare example of an

¹⁰ Link to nomination form and evaluation for 1401 Edgewood:

https://www.cityofpaloalto.org/files/assets/public/v/1/planning-amp-development-services/historic-preservation/historic-inventory/edgewooddrive_1401.pdf

¹¹ Link to nomination form and evaluation for 1474 Edgewood:

https://www.cityofpaloalto.org/files/assets/public/v/1/planning-amp-development-services/historic-preservation/historic-inventory/edgewooddrive_1474.pdf

¹² Link to nomination form and evaluation for 2430 Tasso:

https://www.cityofpaloalto.org/files/assets/public/v/1/planning-amp-development-services/historic-preservation/historic-inventory/tassostreet_2340.pdf

¹³ Link to nomination form and evaluation for 311 El Carmelo Ave:

https://www.cityofpaloalto.org/files/assets/public/v/1/planning-amp-development-services/historic-preservation/historic-inventory/elcarmeloavenue_311.pdf

early house type that was likely adapted from pattern book designs to incorporate two separate entrances, and that demonstrates characteristics of the Queen Anne style.

10. **541 Bryant Street**¹⁴ is recommended for placement on the HRI as a Category 2 resource, under local Criteria 2, 5, and 6. Built in 1946, it is significant as an early example of a professional office building in downtown Palo Alto at a time when such buildings were rare, and as an early and successful example of the courtyard office building in Palo Alto that demonstrates Midcentury Modern design. In addition, the building is a good example in the career of Leslie I. Nichols, demonstrating his transition to Modern styles in the post-World War II period.

11. **437 Kipling Street**¹⁵ is recommended for placement on the HRI as a Category 2 resource, under local Criteria 1, 2 and 4 (*The structure or site is connected with a business or use which was once common but is now rare*). Built in 1902 with a period of significance 1902-1947, it is significant for its use as a boarding house with a converted dress shop on the first floor. It is also a unique building type that combines stylistic elements of Queen Anne, Foursquare, and Colonial Revival.

12. **1275 Dana Avenue**¹⁶ is recommended for placement on the HRI as a Category 1 resource, under local Criteria 5 and 6. Built in 1935 with a period of significance 1935-1936, it is significant for its unique architectural design, high integrity and retention of character, and as the work of important local architects and builders W.F. Klay and H.H. Dabinett. It is also significant as the residence of San Francisco architect Charles H. Sawyer, who designed an addition in 1936 and occupied the residence through 1950.

13. **832 Kipling Street**¹⁷ is recommended for placement on the HRI as a Category 2 resource under local Criterion 2. Built in 1893, it is significant as a distinctive and stately example of the Queen Anne style.

¹⁴ Link to nomination form and evaluation: https://www.cityofpaloalto.org/files/assets/public/v/1/planning-amp-development-services/historic-preservation/historic-inventory/bryantstreet_541.pdf

¹⁵ Link to nomination form and evaluation https://www.cityofpaloalto.org/files/assets/public/v/1/planning-amp-development-services/historic-preservation/historic-inventory/kiplingst_437.pdf

¹⁶ Link to nomination memo and evaluation for 1275 Dana: https://www.cityofpaloalto.org/files/assets/public/v/1/planning-amp-development-services/historic-preservation/historic-inventory/danaave_1275.pdf

¹⁷ Link to nomination memo and evaluation for 832 Kipling: https://www.cityofpaloalto.org/files/assets/public/v/1/planning-amp-development-services/historic-preservation/historic-inventory/kiplingst_832.pdf

The following City properties were reviewed by staff from Administrative Services, Community Services, and Utilities prior to the HRB nominations hearings; staff did not identify any impediments to City operations or uses:

1. NW of Palo Alto Avenue & Hale Street (**Cistern and Pump House**): recommended for placement on the HRI as a Category 2 resource¹⁸ under local Criteria 1 and 2. Built in 1924, it is an important part of the Palo Alto municipal water system that was developed from wells beginning in 1887. The subject building is significant as one of only two remaining early Palo Alto decorated utility structures and as an important part of the Palo Alto municipal water system that was developed from well sources beginning in 1887. The Cistern and Pump House also represents an important Northern California building typology that emerged from the City Beautiful Movement. It was designed to express pride in civic and public infrastructure.

2. **201 Alma Street** (the water tower property): recommended for placement on the HRI as a Category 1 resource¹⁹ under local Criterion 1, Criterion 4 (The structure or site is connected with a business or use which was once common but is now rare) and Criterion 5. Built in 1910 with a period of significance 1910-1962, it is significant as a distinctive example of a decorated municipal building that embodies the design principles of the City Beautiful movement. It is an early example of reinforced concrete construction and is significant for its design by important local builder Maurice Couchot. It also is associated with early municipal water retention planning in Palo Alto.

When Council recently reviewed a park dedication ordinance for this site, Council recommended staff endeavor to place the site on the National Register of Historic Places; staff estimates the cost for consultant assistance on the task would be approximately \$16,000. Additionally, staff is targeting the May 9 HRB meeting to enable a discussion with CSD staff about naming the park after an important person associated with Palo Alto Utilities, Fred Eyerly.

3. **2601 East Bayshore Road** (The Federal Telegraph Company – Marsh Station): recommended for placement on the HRI as a Category 1 resource²⁰, under local Criteria 1, 4, and 5. Built in 1921 and with a period of significance 1921 - 1977, the former Federal Telegraph Company – Marsh Station is significant for its remarkable contributions to the field of radio communications that impacted the field nationally and were significant to the American war

¹⁸ Link to HRE for pump and cistern <https://www.cityofpaloalto.org/files/assets/public/v/1/planning-amp-development-services/historic-preservation/historic-inventory/cistern-and-pump-house.pdf>

¹⁹ Link to HRE for Water Tower site https://www.cityofpaloalto.org/files/assets/public/v/1/planning-amp-development-services/historic-preservation/historic-inventory/almast_201.pdf

²⁰ Link to HRE for ITT site: https://www.cityofpaloalto.org/files/assets/public/v/1/planning-amp-development-services/historic-preservation/historic-inventory/EastBayshoreRoad_2601.pdf

effort in World War II. The company, which was originally founded in 1909 in Palo Alto as the Poulsen Wireless Telephone & Telegraph Company, was a pioneer in continuous wave transmission and long-distance transmission. Marsh Station was the hub of all West Coast wired communication (telegraph and telephone, and later ship-to-shore radio transmission) when it was completed in 1921, and led the world in how many channels of communication could be used simultaneously. While alterations have been made to the property with the removal of several structures, the site's significant association with national communication history remain legible through the presence of its main surviving building within the vast open marshland and the various concrete anchorage blocks that remain scattered throughout the site and once supported a 626-foot-tall radio tower (present from 1921-1960).

The HRB discussed this nomination on January 25, 2024. The question is whether listing on the local inventory helps create opportunities for its reuse, so that if it is demolished in the future there is some plan to do interpretive work preserving and highlighting the history conveyed on the site so that the public could understand the significance of the site.

POLICY IMPLICATIONS

Nominating properties for listing on a historic inventory can be controversial for any jurisdiction. While historic resources do benefit from certain zoning and building code incentives, it may not be as meaningful for homeowners who have already improved or simply plan to maintain their homes.²¹

Communities that have an incentive program that reduces property taxes in exchange for the preservation and maintenance of designated historic resources, such as a Mills Act program, are likely to see more voluntary requests for listing. Reduced property taxes, however, in places like Palo Alto with high property values, may also impact revenue to the Palo Alto Unified School District. The HRB has long championed a Mills Act program for Palo Alto. The City has only one Mills Act contract but has not expanded this program. Expansion would require direction from the Council and would need to be balanced to other Council and department priority objectives.

Communities that preserve historic resources create a sense of place and identity and can foster community pride as it celebrates its connection to the past. Robust preservation efforts can support economic development and support environmental sustainability through rehabilitation and reduced waste from construction.

²¹ Preservation incentives webpage: <https://www.cityofpaloalto.org/Departments/Planning-Development-Services/Historic-Preservation/Preservation-Incentives>

FISCAL/RESOURCE IMPACT

There is no significant fiscal or resource impact associated with the recommendation in this report; all expenses have been previously accounted for in the department budget.

STAKEHOLDER ENGAGEMENT

The City maintained a project website; provided certified mailing to property owners with eligible historic resources; held a community meeting in April and again in October 2023 followed by several evening public hearings before the HRB. Notice of this hearing was published in the Daily Post on April 12, 2024, at least ten days in advance of the meeting.

NEXT STEPS

Based on the recommendation in this report, staff would continue to engage property owners whose properties are eligible for listing but who have not affirmatively expressed an interest in listing for the next two months. Afterwards, if there are any additional properties identified for listing, staff would advance that to the Council on the consent calendar.

For properties that are listed as part of the Council's action, they would have six months to reconsider and request their property not be listed on the inventory. After that time period, properties would be included in the inventory.

As an alternative to the recommendation in this report, the Council could decide to direct staff to return with a record of land use action to nominate all 63 properties recommended by the HRB. If so directed, staff recommends rescheduling the item for a future public hearing.

ENVIRONMENTAL REVIEW

Historic designation of properties is not a project under the California Environmental Quality Act (CEQA) and CEQA Guidelines per Section 21065. Court cases have established that historic resources do not need to be on a register to be protected under the California Environmental Quality Act (CEQA) when a discretionary permit or approval is required. CEQA may, therefore, require reviewing a project for potential historic status even if it is not on the local historic inventory. This means that the City's Historic Ordinance, local inventory, and procedures alone will not make clear the requirements that a property may be subject to, especially pursuant to CEQA.

ATTACHMENTS

Attachment A: Record of Land Use Action with Exhibit for April 22 2024 Inventory Update

Attachment B: List of 147 Properties Eligible for HRI in the 2023 Survey Report (one property is already listed on the local HRI)

Attachment C: List of 14 Properties Removed from Eligibility in Survey Report

APPROVED BY: Jonathan Lait, Planning and Development Services Director