

# CITY COUNCIL STUDY SESSION AGENDA

5:30 PM - Tuesday, April 25, 2023

via Videoconference and In Person

Please Note: The City Council will meet in person as well as via Telephone/Video Conference

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**Passcode: 461023** 

**TO PARTICIPATE IN-PERSON:** Members of the public may also participate in person by being present at the Los Altos Council Chamber at Los Altos City Hall located at 1 N. San Antonio Rd, Los Altos, CA

**TO PARTICIPATE VIA VIDEO:** Follow the link above. Members of the public will need to have a working microphone on their device and must have the latest version of ZOOM installed (available at https://zoom.us/download). To request to speak, please use the "Raise hand" feature located at the bottom of the screen.

**TO PARTICPATE VIA TELEPHONE:** Members of the public may also participate via telephone by calling the number listed above. To request to speak, press \*9 on your telephone.

**TO SUBMIT WRITTEN COMMENTS:** Prior to the meeting, comments on matters listed on the agenda may be emailed to PublicComment@losaltosca.gov. Emails sent to this email address are sent to/received immediately by the City Council. Please include a subject line in the following format:

## PUBLIC COMMENT AGENDA ITEM ## - MEETING DATE STUDY SESSION

Correspondence submitted in hard copy/paper must be received by 2:00 PM on the day of the meeting to ensure distribution prior to the meeting. Correspondence received prior to the meeting will be included in the public record.

Public testimony will be taken at the direction of the Mayor, and members of the public may only comment during times allotted for public comments.

#### **AGENDA**

MEETING CALLED TO ORDER

## **CONFIRM QUORUM**

# PUBLIC COMMENT ON AGENDA ITEM(S)

## **DISCUSSION ITEM(S)**

1. Conduct a Halsey House Next Steps Study Session; provide any staff direction in the form of a motion; find the Council's action in holding the study session and providing staff direction is exempt from review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15262. (A. Fairman)

## **ADJOURNMENT**

#### SPECIAL NOTICES TO THE PUBLIC

In compliance with the Americans with Disabilities Act, the City of Los Altos will make reasonable arrangements to ensure accessibility to this meeting. If you need special assistance to participate in this meeting, please contact the City Clerk 72 hours prior to the meeting at (650) 947-2610.

Agendas Staff Reports and some associated documents for City Council items may be viewed on the Internet at <a href="http://www.losaltosca.gov/citycouncil/online/index.html">http://www.losaltosca.gov/citycouncil/online/index.html</a>. Council Meetings are televised live and rebroadcast on Cable Channel 26.

On occasion the City COuncil may consider agenda items out of order.



## AGENDA REPORT SUMMARY

Meeting Date: April 25, 2023

**Subject**: Conduct the study session re: Halsey House Next Steps (Study Session);

provide any staff direction in the form of a motion; find the Council's action in holding the study session and providing staff direction is exempt from review under the California Environmental Quality Act (CEQA) pursuant to CEQA

Guidelines Section 15262.

**Prepared by:** Aida Fairman, Environmental Services and Utilities Director

**Approved by**: Gabriel Engeland, City Manager

**Initiated by**: City Council

#### **Previous Council Consideration:**

November 30, 2021; September 21, 2021; May 25, 2021; March 23, 2021; January 12, 2021; December 15, 2020; January 28, 2018; November 15, 2016; June 14, 2016; December 8, 2015, April 23, 2013

## **Fiscal Impact**:

Future fiscal impact associated with the Halsey House will be determined by the treatment method for the existing structure and future use.

If Council selects one or multiple options for CEQA analysis, staff will return with a request to increase the current fiscal year budget by approximately \$200,000 at the first meeting in May.

If the Council wishes to continue with mothballing, and not select option(s) for CEQA analysis, a budget approval of \$469,000 will be required. Staff will return with the budget request at the first meeting in May.

#### **Environmental Review:**

The City Council's action in holding a study session and providing staff direction is statutorily exempt from review under CEQA pursuant to CEQA Guidelines Section 15262 (Feasibility and Planning Studies), in that any direction from Council will be tentative pending further analysis by City officials and final action by the City Council.



**Subject**: Halsey House Next Steps

# **Summary**:

- The City Council directed staff to proceed with mothballing the Halsey House at the conclusion of the previous study session in November of 2021.
  - o Staff released an RFP, and no responses were received.
  - Staff conducted a sole source search, and it was determined that the cost of mothballing would be, at minimum, \$469,000, which is almost 90% above the initial engineer's estimate.
- Mothballing of the Halsey House was selected to allow time for the discovery of additional financial resources by helping to further temporarily preserve the existing structure. Important to note that additional deferral of structure improvements will add additional costs over time.
  - o Since April 23, 2013, when this item was formally fdiscussed, no additional funding or financial resources have been identified by city staff or interested parties.
  - o In Fall 2022 Development Services Department attempted to obtain historical grant opportunity with the Couny of Santa Clara and was denied based on not meeting the preservation requirements of the grant. Maximum award approximately \$500,000 across all jurisdictions.

#### **Staff Recommendations**

- 1. The City Council must identify which option of the four listed in this report should move forward for CEQA analysis.
- 2. Alternatively, the City Council may identify multiple options (up to two), of the four listed in this report, to move forward for CEQA analysis.

Regardless of whether Council selects one option or multiple, the Council should find the Council's action in holding the study session and providing staff direction is exempt from review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15262 and provide staff with direction in the form of a motion on the next steps for the future of Halsey House.

## **Background**

At November 30, 2021, Study Session, the City Council received reports and information as requested at the September 21, 2021, Study Session and discussed various options.

Four main options were considered and are as follows:

**Option A**: Demolition - \$100-\$150K for EIR (takes approximately 12 months). Demolition costs - \$289,000 (original estimate from 2021). The anticipated estimate is \$405,000 (approximately 40% market condition in 2023).

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**Subject**: Halsey House Next Steps

**Option B**: Total Rehabilitation at one time - \$4,666,456 (original estimate from 2021). The anticipated estimate is \$6,533,038 (approximately 40% additional due to market conditions).

**Option C** Adaptive Reuse (Partial Rehabilitation and Partial Demolition) - \$3,260,842 (original estimate from 2021). The anticipated estimate is \$4,565,179 (approximately 40% additional due to market conditions).

**Option D**: Mothballing of the house structure - \$246,750 (original estimate from 2021). Actual estimate =\$469,000 at minimum (actual quote received in February 2023, approximately 90% above budget).

At this study session, the City Council directed staff to proceed with mothballing, Option D, as a temporary solution for the Halsey House.

It is important to note that all the costs listed above are minimum and do not include the cost of the 21 exclusions contained in the 2021 Feasibility Study.

#### **Discussion**

On November 30, 2021, the City Council directed staff to proceed with the mothballing option as the next step for the Halsey House. Mothballing of the Halsey House would allow for the temporary preservation of the structure until a permanent solution is identified, and allow staff to explore grants or other/alternative funding sources for potential total or phased rehabilitation.

On April 28, 2022, the City of Los Altos released an RFP to complete the mothballing of the Halsey House. At the close of the RFP window on June 1, 2022, no responses were received.

In the summer of 2022, Development Services staff submitted for a Historic Preservation Grant provided by the County of Santa Clara and was denied on the basis of not meeting the criteria of the structure being open to the public at the completion of the project.

Since the failure of the RFP in June 2022, city staff has been working with independent contractors to obtain sole source bids. After more than six months of due diligence, the Engineering Services Department received a response for a sole source vendor to complete mothballing to the Halsey House in February 2023.

The initial engineer's estimate was \$246,750, and the actual estimate received was \$469,000.

Staff did not proceed with mothballing as the cost was substantially higher than the engineer's estimate. The item for the Council to consider this evening is if one or two of the original alternative options should be considered and moved forward for study in the CEQA process.

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**Subject**: Halsey House Next Steps

#### Conclusion

The City Council should consider which options or options should be considered further with regards to the Halsey House. The option(s) should move into CEQA for an examination of the option(s) to be studied, including alternatives, and the "no project" option.

## The options are:

- Option A (Demolition)
- Option B (Total Rehabilitation)
- Option C (Adaptive Reuse)
- Option D (Mothballing)

If Council would like to continue with the previous direction of mothballing an additional budget appropriation in the amount of \$469,000 would be required. Staff does not recommend continuing with this option based on the information included in this report.

# **Staff Recommendations**

- 1. The City Council must identify which options of the four listed in this report should move forward for CEQA analysis.
- 2. Alternatively, the City Council may identify multiple options (up to two), of the four listed in this report, to move forward for CEQA analysis.

Regardless of whether Council selects one option or multiple, the Council should find the Council's action in holding the study session and providing staff direction is exempt from review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15262 and provide staff with direction in the form of a motion on the next steps for the future of Halsey House.

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# PUBLIC CORRESPONDENCE

The following is public correspondence received by the City Clerk's Office after the posting of the original agenda. Individual contact information has been redacted for privacy. This may *not* be a comprehensive collection of the public correspondence, but staff makes its best effort to include all correspondence received to date.

To send correspondence to the City Council, on matters listed on the agenda please email <a href="mailto:PublicComment@losaltosca.gov">PublicComment@losaltosca.gov</a>

From: Jim Wing

To: Public Comment

Subject: PUBLIC COMMENT AGENDA ITEM 01 METTING DATE 04/25/2023 STUDY SESSION

**Date:** Thursday, April 20, 2023 2:00:06 PM

Los Altos Mayor Meadows and Distinguished Council Members,

Subject: Council 04/25/2023 Study Session Halsey House

You are stewards of Redwood Grove and need to protect our gem of a nature preserve!

I recommend you choose Option A Demolition of Halsey House. Also include demolition of Caretaker House to minimize impact of park closure during contractor work and cost.

Public Benefit should be the major factor in your decision. Type of Redwood Grove public usage has changed dramatically in past 10 years with majority wanting a "tranquil place to walk and see nature. As a 55-year resident who almost daily walks Redwood Grove, I have seen the following changes:

- Public visitors have increased 10-fold due to native plant restoration, safety, and four entrances [Shoup, University, Fremont, Manresa]. Sometimes on weekends I see over 20 families enjoying safe tranquil walks on trails. Many are drawn by Bay Area Trail Apps that highlight Redwood Grove / Fremont connection to Los Altos Hills trails and beyond. Weekdays 3 to 5 families with strollers and many "work at home" neighbors taking a break and walking dogs.
- Many come to enjoy safe tranquility of walking in a quiet nature preserve. They want to get away from noise in Shoup Park and its Garden House / Patriots Corner event centers.
- Los Altos Hills Public Works has connector pathway project to enhance safety of Fremont trail entrance by using gentile slope of old abandoned Fremont Road. A pathway that I safely used in 1970 / 1980 with my children in stroller. Grass Roots Ecology has just completed native plant restoration along Manresa entrance 1/3-mile trail. This is a popular entrance because University has available street parking.
- Naturescape features like those in Golden Gate Park have been ordered by staff and will be installed soon in Redwood Grove flat areas.

Los Altos will need additional investment to keep Redwood Grove safe. Investments like \$978K to rebuild pedestrian bridge, elevated pathway, and creekbank erosion in 2012.

- Halsey family planted almost 250 Coastal Redwood Trees in early 1920's.
   Presently there are 136 Redwood Trees with 16 of them beyond saving from
   death per Ted Dawson UC Berkeley Department of Forestry criteria. Investment
   needs to be made for saving remaining trees using good forestry practice
   developed by lumber companies.
- Eight-ton Fire / Maintenance bridge is starting to have structural problems. This is only bridge that provides emergency access to Halsey House and southern half of Redwood Grove. Fire Department has looked at under bridge structure and will review again this summer during biannual Redwood Grove inspection / procedure update. They have a 6.8ton pump truck that they would like to use for Halsey House and surrounding trees.
- Sidewalk along Adobe Creek adjacent to Halsey House has been undercut by creekbank erosion and now cracked. Small children are now at risk of falling into

- creek during high water flows. Sidewalk will soon be at risk of breaking off and falling into creek. This safety problem was reported in 2019 and 2023 to staff and Parks Commission. In 2019 staff said it needed to be fixed, but deferred any action until Halsey House was refurbished.
- Adobe Creek and its flood zone is classified as "ephemeral stream" and is governed by Federal Environmental Regulations. These regulations limit construction June to November "dry months" and designs require Core of Engineers approval. United States Supreme Court held 10/03/2022 oral arguments on Case number 21-454 Sackett v EPA that may increase cost and timing of any Halsey House project.
- Caretaker House needs demolition because of structure rot and electrical power line from Fremont Road supported by tree trunks. Replacement only needs to be a small storage building to be used by Summer Camps and Grassroots Ecology.
- Halsey House is in a 100-year flood plain. In 1976 flood, I stood just uphill of archery hay bale target and saw over one foot of Adobe Creek flood water inside of Halsey House. Cement front porch was covered with water and not visible. We are at risk of another flood like 1976 if Adobe Creek watershed has a fire. Recent CZU fire came with 1/3 mile of jumping over Skyline Road and into Adobe Creek watershed. A watershed that is "ripe" for a fire because of inaccessible dry brush and dead trees.

Thank you for your consideration! 55-year resident Jim Wing, Milverton Road, Los Altos

From: Pat Marriot
To: Public Comment

Subject: PUBLIC COMMENT STUDY SESSION HALSEY HOUSE APRIL 25, 2023

**Date:** Monday, April 24, 2023 11:03:27 AM

## Council Members:

PLEASE stop waffling and wasting time on Halsey House. Just tear it down and plant some more redwood trees.

Today's Daily Post reports Council has discussed this at least 19 times since 2008 and the Historic Commission at least 28 times.

I know some residents have an emotional attachment to it for what it used to be. I know there are issues regarding its historical designation. But it's just a dilapidated old building. It's absolutely not worth spending millions of dollars to fix it up when we have so many other priorities.

Los Altos has not been known for asset maintenance. Let Halsey House serve as a lesson for the future. Consider, for example, the former coffee shop at the \$2.8M triangle in Loyola Corners.

Thanks for listening,

Pat Marriott

Halsey House.

Like many members of the council and public I had several reactions to the recent events.

First however I need to be clear that I do want Halsey House, a city landmark, preserved as a landmark structure, but within that broad framework I am open to adaptive use alternatives that once again make it a valuable and well used part of the Los Altos experience.

Secondly there has been nonsensical talk by some in the community, including unfortunately council member Pete Dailey that somehow the land is unsuitable for the continued existence of Halsey house. We have had massive rain and flooding over the past 4 months without any impact to Halsey house, we have had earthquakes as well since the house was constructed. Any extant conditions can be addressed when the house is repaired. Garden house is at far greater risk of damage than Halsey House.

There have also been efforts by Pete Dailey and others to defend tearing down Halsey house because of the business practices of Theodore Halsey. Using that same logic, we would eliminate Shoup park and the entire city of Los Altos. The building is the reason Redwood Grove exists and by itself has historic and architectural merit. No one is advocating putting up a statue to honor Halsey, but the demolition of a historic building is not an acceptable remedy.

Point 1-Sympathy-all of us in town should be sympathetic to the issue of having a cost estimate that is one half the cost that a contractor is willing to do the work. this issue needs to be reviewed, to understand why and see if the scope of the RFP needs to be modified or other contractors engaged. I am happy to help that effort

2-Reasonability-how can the city require homeowners and businesses which own landmark building to maintain them under penalty when the city has, over the past 20 years, not met its legal obligation. As an owner of a city landmark building, I am appalled and offended by the city trying to weasel out of their responsibility when all others accountable.

3-Shame-how does this city spend and continue to spend tens of thousands of dollars on discretionary projects ahead of an expenditure required by law. The community center, a feasibility study of downtown theater, the dog park all have money allocated. The reality is the park in lieu money is real, it is available and the city council has taken actions which are not consistent with their obligations and the funds that are available for projects such as Halsey House. The city council made a decision and commitment two years ago to mothball the structure. The funds required have increase by approx. 200kfor god sake the community center ran \$12M over the originally proposed budget.

4-Legality-Council member Meadows, Weinberg and Dailey ran on a platform that they wanted to keep the city from lawsuits. The law is very clear on the requirements to maintain a landmark structure. All of you defend the housing element effort, in part because you claim the city must follow the law. Or is only selective laws the city council decides it must follow? Evaluations of Halsey House by professionals have confirmed the integrity of the building as well as the urgent need to stabilize the structure. Nothing has changes since other than the city slow walking the work that needs to be done. If it were your home, it wouldn't take a year and a half to hire a contractor for urgent repairs. Demolition by neglect is illegal.

You have obligation to maintain a landmark structure, not try to use pretenses and CEQA to justify its demolition.

Jonathan Baer