



# HISTORIC RESOURCES BOARD MEETING

## MINUTES: March 10, 2022

Council Chamber and Virtual  
8:30 A.M.

### **Call to Order/Roll Call**

Present: Chair Caroline Willis, Vice Chair Christian Pease; Board Members, Michael Makinen (via Zoom), Margaret Wimmer, Alisa Eagleston-Cieslewicz and David Bower

Absent: Gogo Heinrich

### **Oral Communications**

Chair Willis invited comments from the public on items not included on the agenda. There were none.

### **Agenda Changes, Additions and Deletions**

#### **City Official Reports**

##### 1. Historic Resources Board Schedule of Meetings and Assignments

Chair Willis suggested filling in the blanks on the schedule when board members will not be present at future meetings. She reported that there is a Preservation Conference that conflicts with the first meeting in June. Also, Ms. French will not be available for the second June meeting. Chair Willis said she wanted to wait to call off the meetings in case something changes. Ms. French noted as an option that there is a fifth Thursday in June, for which she would be available if the Board wanted to have a special meeting on that date. She will also work with Medina to get absences for future meetings scheduled.

#### **Action Items**

##### 2. Historic Resources Board Discussion of 2021 Work Plan Results and Review of Draft 2022 Work Plan

Ms. French presented a new format for the Work Plan which was brought forward after the Board's first two conversations on the plan. She shared the document in the new format. The format calls for some new, additional items of information, so it will require some additional work to complete. The "Prior year accomplishments" section will be something she will be working on in the coming weeks prior to the deadline for submitting to Council in April.

Ms. French noted that, in addition to the Board's previous discussion on the prior year Work Plan, the Annual CLG report will be submitted, which will include any educational training, seminars, webinars attended during the reporting period, so those need to be sent to Ms. French. She added that she has information for anyone interested in other available trainings. The CPF Conference will be held in early June, and she encouraged the Board members to attend this, which would be included in the next reporting period.

Ms. French shared what was left to do on the 2021-22 Work Plan as well as the items added to the Work Plan for 2022-23.

Chair Willis asked if there were items Board members felt it was important for Ms. French to include in the report of accomplishments from 2021-22 Work Plan. She felt they had made progress on a few things but hoped there would be much more to include in next year's report. Ms. French said she has compiled data from the year on how many resources were found eligible for the California Register under the

current Comprehensive Plan policy 7.2, and this can be claimed as an accomplishment which will precede an ongoing activity.

Chair Willis moved the discussion to the new Work Plan for 2022-23. She said it seemed ambitious to reassess the Historic Preservation Ordinance. She wondered if there would be someone who could help frame the issue before the last half of the program year since it is such a broad subject. She thought there should probably be a good deal of pre-work, perhaps reading and compiling things they like in other's ordinances. Ms. French said the policy is to reassess the Ordinance's effectiveness, which is not such a difficult task, and she thought they could point out where it could be better.

Chair Willis wondered about the memo which was referenced in the last meeting's discussion. Ms. French explained that it was part of the Work Plan item, "Update Bulletin adopted in October 2016." The Bulletin talks about Group A Resources. It was approved for use in October 2016 and was on the webpage until the new Comprehensive Plan was adopted at the end of 2017, which made some of the Bulletin subject to change, so it was pulled off of the webpage. Chair Willis thought that was good because she didn't find it to be very clear, especially in defining the term "minor," and thought it require a lot of editing. Ms. French thought it would be helpful to have the Board discuss it, perhaps on an April agenda. This would include developing a menu of what is considered "minor." Chair Willis thought reassessing the Historic Preservation Ordinance should be in conjunction with that and that assessment would not be a big piece but implementing additional historic preservation measures would be the bigger piece.

Ms. French respectfully requested that in the first quarter, highest priority be given in to Policy L.1.1, given the recent developments associated with SB 9. The item has been on the Work Plan for the past year, but the Board has had no resources to move it forward, and it is her hope that Council will provide resources to the Board in March. Chair Willis concurred.

Chair Willis asked if there is an actual proposal for the money. Ms. French said they do have a Scope of Work from the consultant. The end cost estimate was provided to her supervisor, who is preparing an SB 9 report to be published. She will forward this when the report is published. The more detailed data is not in the report, but once it is published, she will send it out. Ms. French said she would send the scope and, depending on what Council does on March 21st, they can talk about it at the next meeting. The Board's decision at the March 24<sup>th</sup> meeting will determine the conversation at the following HRB meeting.

Board Member Pease was uncomfortable with it being the last meeting before the Council vote on funding resources and knowing very little about the details of what is being asked for specifically. He said if this is to be their highest priority for the year – and since it has been a long time since Council has considered funding for the HRB – that the Board should have more information and input into it before the Council votes on it. Ms. French responded that the estimate for the consultant's work came back at around \$30,000, and that it would probably be bumped up to include staff contingency, perhaps another 10 percent. She thought they were hoping for up to \$50,000.

Chair Willis wanted to understand what they can accomplish with that money, and which part of the Work Plan that it corresponds to. Ms. French indicated that the consultant would be significantly involved and would help manage the project, the outreach, which is the biggest piece. They would talk with all of the property owners. They would attend HRB meetings, of which four meetings are designated in the Scope, to talk about the outreach as well as another two Council meetings. Essentially, the scope involves outreach to the property owners, using the consultant and working with the subcommittee and the Board; attendance at the HRB meetings in which HRB would nominate resources onto the City's inventory; discussion on which category to pick for each resource; and attendance at the Council meetings in which the nominations are placed on the agenda, probably the Consent Calendar.

Ms. French invited further questions on the Scope of Work. Board Member Pease said he would like to hear more detail on the outreach, the steps, the actual work, that would be done to implement it, how it would work, how they would receive feedback, and how valid it might be.

Ms. French said the outreach would involve communication with formal letters to each property owner explaining the project and the Council's support of it. There would likely be a phone call with each property owner, which would be part of the paid consultant's work but could also involve the Ad Hoc

Committee. She emphasized that the Board can craft what they think would be the most appropriate outreach, and she asked that they do weigh in on that.

Board Member Pease noted that this will be constrained by the amount of money assigned to fund it. Ms. French said that if the HRB is willing to be part of the outreach as volunteers, to that extent it would help minimize having to ask the Council for additional money. She noted that outreach like this is a new thing, informing property owners of the goal to put their property on the inventory, and advising them that it will mean they are subject to the restrictions of the ordinance.

Board Member Pease thought a formal letter and a personal phone call are good ideas. He thought, additionally, of having one or two Zoom meetings in which candidate property owners could choose to participate and ask questions of the Board members and staff. Ms. French welcomed input on that and encouraged Board members to provide details and components for the outreach. Board Member Pease thought it would be helpful if the general public could be invited, but he saw it as being targeted at the owners of the subject property owners. He felt there should be at least two meetings for flexibility. He felt a live remote meeting would encourage attendance with its convenience and flexibility. It could include a presentation, followed by discussion and Q&A. Ms. French noted that this is what they envisioned for the four formal HRB meetings. The City would send notices to the property owners and residents of the resources. Those people could attend in person, or they could call in. Four HRB meetings would be dedicated to this. She envisioned the first meeting including general information. The Board could consider what the following three meetings would include. She clarified that it is not all mapped out currently, but staff is just trying to get to step one to the extent that money is involved. The immediate hurdle is for Council to give the go-ahead on a contract or some means of support to launch the project and the associated Work Plan. Board Member Pease expressed approval with this approach.

Chair Willis pointed out they should move at least some of the HRB meetings to the evening to encourage attendance.

Board Member Wimmer asked if the funds to be requested at the next Council meeting were specifically for this one project, as there are several projects on their list, such as the Mills Act and reviewing the Bulletin. Ms. French said the specific report going to Council is about SB 9. They are coming back with an ordinance that deals with lot splits for SB 9. In the report is embedded a conversation about the risk to identified eligible properties and how they are not protected by the ordinance and that they are asking Council to support launching Policy L.7.1.1. The funding request is solely focused on this item. She said they could ask separately for more money for other programs, but the focus has currently been on L.7.1.1.

Board Member Eagleston-Cieslewicz asked if the Scope of Work for the consultant includes things like preparing nomination forms or any of the associated paperwork. Ms. French replied that there was not a nomination form, but the consultant will be the Historic Preservation resource, so they would be tasked to help with the whole project, the L.7.1.1., but not beyond that for other projects.

Board Member Eagleston-Cieslewicz echoed that moving some of the public outreach meetings to evenings would make them more accessible for people who work and would make it easier to participate.

Chair Willis invited further comments on the Work Plan. Seeing none, she turned to the topic of Preservation Week and also asked to get Board member thoughts on the Mills Act.

Chair Willis thought they should do something for Preservation Week. She said she had looked up ideas from other communities and thought an easy place to start would be to organize some tours, as PAST has done in the past. She thought it would be nice to get their faces out in the community. She said there are buildings that she feels enthusiastic about and would love to talk about. She has done a number of tours in the past, and there is a lot of material out there, so it wouldn't be hard to find information to talk about. It would put a public face on the HRB and would be a good way to meet allies and people who are interested and believe in preservation. She encouraged the Board members to each do a tour, perhaps one a week. They could potentially double up for support. She said for the next meeting she would list some tours that have been done in the past and perhaps distribute some information.

Chair Willis read off some other ideas for Preservation Week, including a public display at the Library, even the Children's Library, perhaps putting up a poster to get kids interested in where they live, and parents along with them. Other suggestions included contacting the newspapers about doing some stories on their

historic buildings, or their history; community gatherings where people share their memories and tell their stories; guest speakers if anyone has an idea on that; walking tours; a entry on their website to highlight Preservation Month; or a Preservation Scavenger Hunt. She thought maybe if someone had a Girl Scout Troop they could maybe organize something like that. Finally, a Historic Cemetery Clean-Up Day. She commented that she has never been to Alta Mesa, the historic cemetery, and it would be an interesting way to see history. She felt Preservation Week was a good opportunity that they should not let fall through the cracks. She proposed talking about it at the next meeting and asked for people to come back with something they were willing to pursue for Preservation Week. It would not have to be huge project for anyone. She has cue cards for walking tours of Homer, Downtown and Professorville, possibly College Terrace. They could also partner with PAST Heritage on the tours and maybe double the information.

Board Member Wimmer thought partnering with PAST was a good idea and she has gone on one or two of their tours in the past. It was informative. She didn't know if they were doing anything currently and couldn't remember how they recruited people for the tours, possibly by put an ad in the paper. Chair Willis thought it might have been under Activities in *The Weekly*. Board Member Bower advised that PAST will be re-starting their tours in the fall, the ones they have typically done in the spring, and all of them are on their website. Board Member Eagleston-Cieslewicz said she had received an email from them, so they do have some kind of distribution list.

Chair Willis asked Board Member Bower if PAST was doing anything for Preservation Week. He replied that they are not, as it is still too close to the pandemic. Uncertainty about the pandemic has pushed things out to the fall. Chair Willis said she would look into coordinating with PAST Board. She said she loves their tours, and it would be a different way for them to connect with the public. They will need support if they want to get things done on their program this year.

Chair Willis broached the topic of the Mills Act. She said her point of view is she just wants to know about the money and if there is a way to make it impact only the City financially and not the School District, and when the monies are large, to limit it. Board Member Bower said he was not aware of any community that does that. In all of the Mills Act seminars he has been to in preparation for trying to create one for Palo Alto, it is a property tax re-direction. The way it plays out, in his understanding, is that the tax assessor calculates the impact for all of the entities that get property taxes and then on the same proportion that they receive property taxes. In 2018, he thought the School District got something like 43 percent and then the State gets the next largest chunk. The County gets some. Palo Alto at that time got 9 percent. He said the point of this is to share the burden, and in Palo Alto the School District is reaping windfall profits in property taxes as people sell their house and someone comes in and buys it, and the property tax benefit on the property just sold is 12 times what was paid. It is a very substantial amount of money. He said he supports strong schools.

Board Member Bower added that he attended Palo Alto schools for 13 years, as did his children and his wife. His parents and grandmother all went to Palo Alto schools, so he is not anti-School District, although he would like to see the School District use funds better than they do. He wasn't sure how to create a Mills Act system that does not conform to state law. He said it is a state law being implemented, so maybe it could be crafted so that only that small percentage received by the City would be the fund, although that would very much impact the City funds, which are not unlimited. He thought everybody should contribute, since it is for the good of history in Palo Alto. It is not for one particular group or another.

Board Member Bower added that they essentially have the Mills Act proposal ready to be reviewed. He said the Council has to approve every Mills Act contract, so they will be the ones who control the entire spending part of this. He felt that was appropriate as they are the elected officials. He thought that was the right way to do it, and it is the way other communities do it.

Chair Willis asked in regard to the Mills Act, if there was a way to craft it so that the \$15-million properties are out of the conversation and that the properties that they were talking about are ones that are really at risk. She said there is always the decision at the end which can be rejected, but she felt it would be more diplomatic if they were more clear from the beginning, so that people did not prepare an application and think they were on target and take it to Council, only to be denied. Board Member Bower said he and Board Member Wimmer, along with Brandon Corey, created this in 2018, and he thought there was a limit on property value, or they could put a limit in. The maximum amount of money that any Mills Act applicant could receive in one year is \$150,000. What he and Board Member Wimmer have been working on is just exactly what would qualify as a Mills Act contract, which is really the tricky part of it, in his opinion. They have a list for the Board to review, discuss and modify. There is an opportunity to say if the property is

worth more than “X” number of dollars, then it is ineligible, although if Council approves this and puts it into the Ordinance, they want to avoid boxing in the proposal. Twenty years from now, that limit would essentially eliminate all Mills Act contracts.

Chair Willis invited further comments on the Mills Act.

Board Member Wimmer mentioned that their efforts to revive the Mills Act was within a bigger effort to create incentives, and the Mills Act was identified as an obvious incentive. The goal was to create reasons for people to preserve and protect their historic resources, and they felt if they were given an incentive, they might move closer to what the Board is trying to suggest and implement, which is preservation. Many people who have historic resources simply might not value it as much, but some incentive for them to value it more or help them realize the importance of their historic resource has always been one of their goals in creating incentives. Their deep dive into the Mills Act revealed its complexities and limitations and that it requires a lot of work beyond implementation of the program, but also people and time and staff to manage it and work with the individual homeowners to tally their expenses, et cetera, things beyond their scope, so she wondered if the Mills Act is going to work at furthering their goals.

Chair Willis supported Board Member Wimmer’s comments and said they need to incentivize the community, especially those who are new and don’t really have knowledge about what they are moving into. Board Member Bower added that there is currently only one Mills Act contract in Palo Alto that he is aware of – the Squire House. In that contract there are no responsibilities or definition of what that tax reduction would be spent on, and that is the purpose of having a local Tailored Mills Act – tailoring your specific community’s needs and then delineating the responsibilities to the property owner. It is supposed to be a redirection. It is not a gift. Right now it is a gift, and there are complications with the Squire House beyond that, so it is important for the City to either have a Mills Act or discontinue Mills Act contracts, because there is no definition of what the City gets out of it.

Chair Willis asked if the Ad Hoc had defined some things that might be potential ways for the City to benefit. Board Member Bower stated that it is virtually done. Emily Vance has put together seven pages of explanations and history. The part that was unfinished in 2018 pertained to the acceptable project list. He worked on that in December and January, and recently talked about it with Board Member Wimmer. He said it is ready for the Board to look at and decide whether or not to move forward with it. He said there is not an application form, because he didn’t know how to go about this for the City and assumed staff would do that. There would be a lot of work for the Board to do before moving it ahead to Council, but they need to get started talking about it. Board Member Wimmer thought they could at least share the document with the Board, up to the point where they left off.

Ms. French said if the Board wants to have a full discussion on it, they should agendaize it and advertise the meeting. Board Member Wimmer felt it should be the primary goal of the meeting, to read through the document with the Ad Hoc, adding further explanation if needed and fielding questions, looking for comments or thoughts, especially from new Board members who weren’t on the Board several years ago. Board Member Pease asked if it could be distributed now before having a meeting scheduled to give time to study it. Board Member Bower explained that it is a Brown Act issue that no more than three of them can talk about it unless it’s in a public forum. Ms. French said she could send it out, with no one talking serially, and wait for it to be an agenda item.

Board Member Pease advocated trying to fit a preliminary discussion of it into the first meeting in April. Board Member Bower asked Ms. French to incorporate the most recent page. Ms. French said the original document was published in the September HRB packet and she would forward the additional supplement by email for Board members to read. She noted that the next agenda, which has been published, includes a project on 526 Waverley; review and recommendations for improvements to outreach materials, including incentives to rehabilitation; and considering ways Palo Alto can participate in Historic Preservation month. Board Member Wimmer’s outreach materials could also be included in the packet that will go out the next week.

## **Approval of Minutes**

### **3. Approval of Historic Resources Board Draft Minutes of January 27, 2021**

Chair Willis said there were items sent by Board Member Heinrich which were received by staff (these suggested changes to minutes included use of ‘Mr.’ rather than ‘Ms.’ to refer to a male HRB member, to correct member Heinrich’s paragraph to say “UC Berkeley”; “John Boyd Architects”; “Gentry and

Associates" and "city" instead of "chity", to correct Board Member Eagleston-Cieslewicz's paragraph, it's "UC Berkeley".) Board Member Bower pointed out two minor corrections. On packet page 17, the bottom paragraph should indicate "Liberty Hill," instead of "Libertyville". Later in the paragraph, "their history" should be changed to "our (Palo Alto) history."

## **MOTION**

Board Member **Bower** moved to approve the January 27, 2021 draft minutes as corrected. Seconded by Board Member **Wimmer**, the motion passed (6-0), by roll call vote.

## **Subcommittee Items**

Ms. French asked the Board to consider having the opportunity for subcommittees to report on their work in the first meeting of the month. She said that subcommittee report-outs could be a standing item on the agendas for the first meeting of the month.

Chair Willis concurred with this.

## **Board Member Questions, Comments or Announcements**

### **Adjournment**

\_\_\_\_\_ moved to adjourn the meeting. Seconded by \_\_\_\_\_, the motion carried (6-0), by roll call vote.

*(Note the video skips the portion where the motion and second to adjourn the meeting were made)*