



## AGENDA REPORT SUMMARY

**Meeting Date:** March 8, 2022

**Subject:** Historic Resource Inventory (HRI): Review and discuss designation process, criteria and application of Historic Review and Historic Resource/Inventory Designation

**Prepared by:** Steve Golden, Interim Planning Manager

**Reviewed by:** Laura Simpson, Interim Development Services Director

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

**Attachment(s):**

1. Historic Resource Inventory (HRI) Presentation

**Initiated by:**

City Council

**Previous Council Consideration:**

None

**Fiscal Impact:**

None

**Environmental Review:**

Not applicable. The purpose of this item is to obtain direction from the City Council, to be formalized in a later Council action, so that the City Council is not committing itself to any policy option at this time. Any final City Council action is anticipated to be exempt pursuant to Sections 15061(b)(3) (Common Sense Exemption) and/or 15307 (Actions for the Protection of the Environment) of the California Environmental Quality Act Guidelines.

**Policy Question(s) for Council Consideration:**

How does the City Council desire to address historic resources in connection with housing development projects?

**Summary:**

The City Council asked staff for a report on the Historic Resource Inventory (HRI), specifically how it is compiled and applied to planning entitlement applications. The presentation is intended to provide an overview of this process. Staff anticipates this topic covering two meetings, the first to provide information on the process and application, and the second to discuss and/or formalize any changes the City Council would like to consider.

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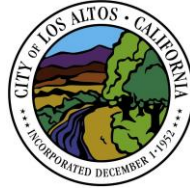
**Reviewed By:**

City Manager  
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NON-BCI27916001  
*GE*

City Attorney  
*JH*

Finance Director  
*JE*

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**Staff Recommendation:**

Staff recommends the City Council discuss and provide direction based upon the policy choices set forth in this memorandum.

**Purpose**

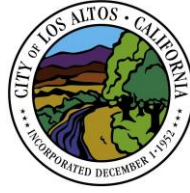
The presentation is in response to the City Council’s request to review how properties are included in the HRI and how the HRI is applied.

**Background**

The Community Design and Historic Resources Element of the City’s General Plan focuses on the protection and enhancement of historic structures, objects, or properties in the city. The Community Design and Historic Resources Element identifies several national and state laws responsible for preserving and protecting resources significant at the national, state and local levels. However, resources that are more historically significant at the local level are protected through municipal code Chapter 12.44, Historic Preservation.

The Historic Preservation Ordinance establishes criteria to determine the significance of resources, an evaluation methodology, and procedures to designate a resource as either a historic resource or a historic landmark on the Historic Resource Inventory (HRI) (Sections 12.44.040 thru 12.44.090). Once listed on the HRI or designated as a landmark, a historic alteration permit or an advisory review by the Historical Commission must be completed to alter, demolish, remove, relocate or otherwise change in any manner any exterior architectural feature or natural feature that contributes to the integrity or the historic significance of a historic resource; or remove or relocate any improvements, structures or natural features that contribute to the integrity or the historic significance of a historic landmark. The last citywide comprehensive review and update of the HRI was completed in 2012; however, new listings have been included on the HRI since then after completion of the historic resource listing process.

With regards to applications for housing development projects, SB 330 and SB8 require that the City determine whether a proposed project involves the alteration or demolition of a historic resource at the time the application for the housing development project is deemed complete. If an applicant has submitted all the application materials listed on the city’s application requirement list, this determination must be made within 30 days from application submittal. If a housing development project site is listed on the HRI or in the California Register (which includes historic resources listed in the National Register), then it is presumed to be a historic site. Resources not listed in the California Register but determined to be eligible for listing by the state’s Historic Resources Commission are also deemed historic.



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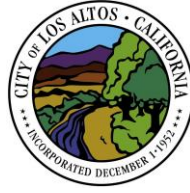
Other project sites, sometimes referred to as “discretionary historic resources,” may also be historically significant. As stated in 14 CCR § 15064.5(a)(3), (4), any building or structure “may be considered to be a historic resource” by a local agency if the local agency’s determination is supported by substantial evidence. Generally, this requires a showing that the resource is eligible for listing in the California Register, even if the resource is not already listed in the California Register or determined to be a local historic resource or historic landmark. If there is reason to believe that the City’s HRI is not sufficiently comprehensive in identifying all potential historic resources in the City, then to facilitate the requirement under SB 330 and SB 8 for an early historic determination, it is necessary at the application phase for the City to require that some kind of historic analysis be submitted with the application so that staff can make the required determination by the time the application is accepted for processing or deemed complete.

The necessity of early historic evaluation applies to all types of housing developments. Since January 1, 2020, SB 330 has required early historic determination for all multi-family and mixed-use housing development projects. Since January 1, 2022, SB 8 has extended the requirement for early historic determination to single-family housing development projects. The City also can apply early historic determination to SB 9 projects. SB 9 categorically excludes projects on sites “located within a historic district or property included on the State Historic Resources Inventory ... or within a site that is designated or listed as a city or county landmark or historic property or district pursuant to a city or county ordinance,” but it also states that the local building official may deny a proposed SB 9 project that will have a specific, adverse impact on the physical environment. A significant, adverse impact on the physical environment includes a significant impact on any historic resource, including any discretionary historic resource.

One way that local agencies address early historic evaluation is to require housing development project applicants to submit historic evaluations using Department of Parks and Recreation (DPR) Forms 523A and 523B (“DPR forms”). Pursuant to the City’s participation in the Certified Local Government Program (CLG), established through the National Historic Preservation Act, DPR forms should be used to determine whether structures fifty years or older are historically significant. As a CLG, the DPR forms shall be completed by a qualified historian, which includes:

“A professional with at least one year of graduate study in architectural preservation, American architectural history, preservation planning, or closely related field; or (2) at least one year of full- time professional experience on historic preservation projects”

To make historic determinations within the 30-day time period allotted under SB8 and SB 330, the Planning Division requires the submission of completed DPR forms as part of all housing development applications involving projects that will alter or destroy buildings or structures that were constructed at least 50 years ago. DPR forms create a streamlined way for applicants to provide information to the City about the potential historic character of their properties. However, DPR forms must be prepared by qualified historic consultants, which requires an investment of



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time and money. Requiring the submission of DPR forms would be unnecessary if a comprehensive update to the HRI is completed.

**Analysis:**

For non-housing development project applications, if staff receives information after a project application is submitted that the project may involve the alteration or destruction of a historic resource, City staff can require preparation of a full Historic Resource Evaluation (HRE) by a qualified historic consultant. If there are further questions, a peer review of the HRE may be required. The ultimate determination whether the project site is historically significant is made by the approval authority at the same time the approval authority considers the project. This can be a lengthy and expensive process depending upon individualized circumstances. This case-by-case approach was previously applied to housing development projects, but as explained above, state law now requires that any historic determination be made early at the time the project application is accepted for processing or deemed complete. As a practical matter, this requirement for early historic evaluation requires a staff-level determination.

Considering the foregoing limitations of state law, the City essentially has four non-mutually exclusive options for addressing historic resources with respect to housing development project applications.

The first option is to rely upon state and local listing or designation of historic resources and not to require additional historic analysis for proposed housing development projects. Legally this is an option because an unlisted/undesigned historic resource is not deemed a historic resource for purposes of CEQA and other historic preservation laws unless it is determined to be significant by the local agency based on substantial evidence following historic review. This option would facilitate housing development in Los Altos to address the state's current housing crisis, but it risks the loss of unlisted or undesigned local historic resources.

To avoid choosing between these policy goals, the City could update the HRI, but that will cost money and take time, so that an interim policy decision is still necessary.

Another option is to require early historic review, consistent with current City practice, for all housing development projects involving the alteration or destruction of buildings or structures constructed at least fifty years ago. Fifty years is considered a suitable cutoff for this type of analysis because it is extremely unlikely that any building or structure constructed less than fifty years ago would satisfy the criteria for historic designation. Requiring early historic review costs applicants time and money, but it will protect historic resources in the City that may not yet be formally identified as such.



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A final option is to establish more specific criteria for requiring early historic review. Much of the City's housing stock was constructed prior to 1972, but most of it is not historically significant. There may be criteria that would categorically rule out historic review for most single-family housing development projects in the City. Establishing those criteria, however, will take time and require historic expertise because if the criteria established are not exact, some historic resources may escape historic review.

The bottom line is that gone are the days when staff could determine on a case-by-case basis the best way to address historic resources when considering a housing development project application. The City is required to address historic resources in a manner that is uniform, fair, and consistent with state law.

**Staff Recommendation:**

Staff recommends Option 3 below, and that the City Council discuss and provide direction at this meeting to be formalized in a future Council action. Options available to the City Council include the following, which are not necessarily mutually exclusive:

**Option No. 1:** Do not require early historic evaluation of housing development projects.

Pros: This option will facilitate housing development to address the state's housing crisis.

Cons: Historic resources that have not yet been identified may be lost forever.

**Option No. 2:** Require early historic evaluation for all housing development projects that will alter or destroy buildings or structures constructed at least 50 years ago.

Pros: Of the options legally available to the City, this option is the most protective of historic resources.

Cons: This will add time and expense to housing development applications, which will especially impact single-family housing development projects.

**Option No. 3:** Require early historic review for housing development projects that are time sensitive and meet specific criteria.

Pros: This option balances the competing goals of housing and historic preservation. Also, although this option will require time and expense to the City, it is anticipated to require less time and expense than updating the HRI.

Cons: This option will require time, money, and an interim policy decision.