TO: HONORABLE CITY COUNCIL

FROM: CITY MANAGER

DEPARTMENT: PLANNING AND COMMUNITY ENVIRONMENT

DATE: MAY 6, 2002

CMR:234:02

SUBJECT: 2560 EMBARCADERO ROAD (SEA SCOUT BASE): RECOMMENDATION FROM THE HISTORIC RESOURCES BOARD TO DESIGNATE THIS BUILDING TO THE CITY OF PALO ALTO’S HISTORIC INVENTORY IN CATEGORY 1 PURSUANT TO MUNICIPAL CODE CHAPTER 16.49 (HISTORIC PRESERVATION ORDINANCE); AND RECOMMENDATION BY STAFF TO DELAY DESIGNATION UNTIL A STRUCTURAL ENGINEERING REPORT IS COMPLETED.

RECOMMENDATION

Staff recommends that the decision of the City Council regarding designation of the building known as the Sea Scout Base, located at 2560 Embarcadero Road, be continued until a structural engineering report on the building has been completed and evaluated by staff.

The Historic Resources Board (HRB) recommends that the City Council designate the building known as the Sea Scout Base, located at 2560 Embarcadero Road, as a significant building in Category 1 based on the Board's finding that the building meets the definition of a Category 1 building and all six local criteria for historic designation as set forth in Chapter 16.49.

BACKGROUND

The Sea Scout Base, dedicated on May 30, 1941, is a fine example of the Streamline Moderne style. It is a wood frame building clad in horizontal v-groove siding and is designed, like many other Streamline Moderne buildings, to resemble the upper portion of a ship. It is an unusual and inventive example of the style in that its intended maritime usage caused the design to be closer in appearance to an actual ship than is the case with most Streamline Moderne buildings. Character-defining features of the style of the Sea Scout Base include the overall ship-like form, flat roofs, rounded corners, decks with
steep metal stairways, thin metal railings, rows of porthole windows, ribbons of rectangular windows, strips of colored molding crowning the white walls which visually serve as “speed lines” running around the building, and the "pilot house" and mast on the roof.

The HRB, at its meeting on November 15, 2000, reviewed the application for the historic designation of the Sea Scout Base (see Attachment E). The co-applicants, Beth Bunnenberg and Pria Graves, spoke during the public hearing and emphasized that the focus of the designation should be the historic and architectural significance of the building and its high degree of integrity, not its current physical condition or possible future uses. Commissioners also noted that the nautical Streamline Moderne theme is present in the interior as well as on the exterior, and that most of the original interior features survive. The HRB unanimously voted (5-0-0-1, Mario absent) for designation of the Sea Scout Base as a Category 1 historic building and to forward the Board's recommendation to the City Council. The Board's recommendation was based on consideration of the definitions of the Historic Categories and the criteria for designation found in Palo Alto Municipal Code Chapter 16.49, and on consideration of the Dames & Moore historic survey evaluation of the building.

Upon designation in Category 1, the Sea Scout Base would be subject to a demolition moratorium of 60 days as set forth in PAMC 16.49.070 (a). In addition, the Architectural Review Board (ARB), HRB, or any interested person may recommend that the City Council extend the moratorium up to one year, as provided in PAMC 16.49.070 (b)(c). The ARB review of proposed alterations or additions to the building would be required to include referral to the Historic Resources Board for recommendations, as provided in PAMC 16.49.050 (1)(A). The Sea Scout Base would not be subject to any maintenance regulations specific to historic structures. The maintenance regulations for historic buildings in Chapter 16.49 apply only to the downtown CD zones, as provided in PAMC 16.49.080. Any future review process for the Sea Scout Base under the California Environmental Quality Act would be the same with or without designation to the Historic Inventory.

The recommendation from the HRB was scheduled for City Council action on December 11, 2000. On that date, staff requested continuance of the item to allow the Lucie Stern Maritime Center time to prepare a feasibility analysis of the building's proposed reuse.

DISCUSSION
As Council considers the proposed historic designation of the Sea Scout Base, it is also necessary to review the background of the Sea Scout Base project and update the Council on the progress made by the Lucie Stern Maritime Center (LSMC) in preserving the building.

On February 10, 1986 (CMR:142:6), staff presented Council with a Yacht Harbor Building Assessment Report that recommended the demolition of the Sea Scout Base as
part of the harbor reclamation project of the Baylands Master Plan. The Plan, adopted by Council in 1978, called for the removal of the harbor berths and buildings, including the Sea Scout Base, in order to return the harbor to its natural state. The voters of the City reaffirmed the Master Plan on November 4, 1980 when a ballot measure to continue operation of the harbor was defeated.

City Lease Agreements With the Sea Scouts Since 1988
On October 24, 1988 (CMR:495:8), the City Council delayed consideration of the proposed demolition of the Sea Scout Base by authorizing the mayor to execute a five-year lease with a conditional five-year extension option in order to give the Sea Scouts adequate time to find new facilities. The five-year extension option was subject to the condition that the Sea Scouts remove the piers and existing dock and relocate its five largest vessels during the primary lease term. The Sea Scouts removed the piers and dock and moved the vessels to the Port of Redwood City within the allotted time period; therefore, its request to exercise the option for an additional five years was granted. The lease expired on June 30, 1998 and there was no provision in the lease to allow the Sea Scouts to occupy the facility beyond that date. On June 8, 1998 (CMR:249:98) Council authorized the City Manager to extend the lease for two years, and directed that the Sea Scouts be advised to find a new location, given the damaged condition of the Sea Scout Base floor and foundation, and the apparent infeasibility of repair. To assure that the Sea Scouts would follow through, the lease extension required that the Sea Scouts make quarterly reports to the City Manager on their progress in finding a new location.

Community interest in preservation of the Sea Scout base broadened after May 2000, when the City's historic survey consultant, Dames & Moore, found that the building appeared eligible for the National Register of Historic Places at the State level of significance (the highest ranking in the citywide survey).

Lucie Stern Maritime Center Organization
In 1999, a group of current and alumni Sea Scouts and Mariners formed the Lucie Stern Maritime Center (LSMC) whose goals include saving the Sea Scout Base from demolition, identifying preservation options, developing a private fundraising program, and promoting designation of the building to the City's Historic Inventory to help attract financial support for the preservation plan. In a letter dated March 26, 1999, prepared by Kevin Murray, Board President of the Lucie Stern Maritime Center, a proposal to open the Sea Scout Base for public use and as a maritime library, and to continue usage of the building for Sea Scout meetings was outlined. A second report followed in October 1999 with a more descriptive outline of the LSMC's proposal. At its March 22, 2000 meeting, Council extended the lease to January 31, 2001 in order to allow staff to work with the Sea Scouts through the LSMC to identify preservation and fundraising strategies. On March 22, staff sent a letter to Kevin Murray clarifying the information Council would require before it could take action to encourage the relocation of the building including:
- A professional written evaluation of the condition of the Sea Scout Base, especially the floor and foundation;

- An estimate of all costs associated with the moving and the rehabilitation of the building including code and ADA accessibility requirements;

- A detailed report describing how the building would be moved from its current location.

On May 18, 2000 the City Manager met with the LSMC steering committee and, referencing the City's March 22 letter to Mr. Murray, outlined the information that would be required to determine if the building could be relocated and preserved. The City Manager also recommended that the steering committee produce a full formal preservation plan with indications how each task in the plan would be accomplished.

Condition of the Sea Scout Base
Staff ordered a termite inspection of the building on January 29, 2001. The inspector found several areas of dry rot in the building's two decks and recommended that the decks be closed until they could be repaired. Staff posted a public notice that the decks were unsafe and plywood was installed to prevent access to the decks. In a letter dated March 27, 2001 staff informed the LSMC steering committee that the City would no longer allow occupancy of the building. On March 30, 2001 the lease extension expired and the parent organization of the Sea Scouts (Pacific Skyline Council of the Boy Scouts of America) discontinued its insurance on the building.

The LSMC continued to pursue tasks related to preservation of the building and, in a letter dated December 4, 2001, the LSMC's structural engineer furnished a report based on his examination of the exterior of the building. The engineer's report stated that the building could be occupied under certain conditions: the building could be used only in "temperate" weather and only if the level of the tide was below the top of the pile caps. At a meeting with staff on January 17, 2002, the structural engineer added that he estimated that the building would have a 50/50 chance of surviving a move. The engineer also stated that he had not assessed the stability of the floor or the foundation. Based on this information, access to the building is now limited to a licensed contractor or a structural engineer.

At the same meeting, LSMC representatives provided written documentation of LSMC’s non-profit corporation status and furnished a letter from a general contractor estimating the cost to relocate the Sea Scout Base to a new engineered foundation at $250,000 to $300,000. The contractor also estimated that it would cost another $200,000 ($90 per square foot) to allow for upgrades, both optional and as required by regulations and building condition. Staff believes this estimate is extremely low given that in 1991 the City spent $211 per square foot to rehabilitate the Harbormaster's House nearby. More than two years have passed since the City's initial request to the LSMC for a report on the
building's condition, especially the state of the floor and foundation which staff believes will be the key factor in any plan to preserve the building. The girders and sub-flooring that are between the floor and the pilings holding up the building have been subject to flooding since the breakwater failed in 1971, and the building continues to deteriorate.

**RESOURCE IMPACT**

Designation of the Sea Scout Base to the Historic Inventory will have no funding impact. Based on Council direction, the General Fund is not proposed to be used for any rehabilitation or relocation of the building. LSMC presented a proposal (see Attachment F) to apply for state, federal and county historic grants after the building is designated to the Historic Inventory. The LSMC indicated that it is currently applying for funds from local foundations that are designed to finance youth services and public education projects. The LSMC also stated that its 160 members would be a source of funding and volunteer labor, that the LSMC was commencing a pledge drive, that seven of their members had already agreed to donate $2,300, and that the Palo Alto Elks Club would donate $1,000. During the past two years the LSMC has raised only $3,300; staff is concerned about the time that may be required for the LSMC to reach its goal of $500,000, and whether that figure will be sufficient to preserve the building.

**ATTACHMENTS**

Attachment B: Evaluation of the Sea Scout Base by Dames & Moore.
Attachment C: Draft National Register Nomination Prepared by Beth Bunnenberg and Pria Graves.
Attachment D: Photo Survey of the Sea Scout Building Prepared by Beth Bunnenberg.
Attachment E: Verbatim Minutes of the HRB Meeting of November 15, 2000.

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