



City of Palo Alto

City Council Staff Report

(ID # 11413)

Report Type: Consent Calendar

Meeting Date: 6/22/2020

Summary Title: 235 Hamilton Ave: Upgrade Historic Inventory From Category 3 to Category 2

Title: Adoption of a Record of Land Use Action Approving a Change to the Local Historic Resources Inventory Classification for 235 Hamilton Avenue (Cardinal Hotel) From a Category 3 (Contributing Building) to a Category 2 (Major Building) Historic Resource. The Historic Resources Board Recommends Adoption of the Record of Land Use Action. Approval of This Historic Designation is Exempt From the California Environmental Quality Act (CEQA) in Accordance With Section 15301 of the CEQA Guidelines

From: City Manager

Lead Department: Planning and Development Services

Recommendation

Staff recommends that Council reclassify 235 Hamilton Avenue, the Cardinal Hotel, originally constructed in 1924, from a Palo Alto Historic Inventory Category 3 Resource ('Contributing Building') to a Category 2 Resource ('Major Building') as recommended by the Historic Resources Board (HRB).

Executive Summary

This report and Record of Land Use Action (Attachment A) provide background and support the HRB's recommendation to upgrade the Cardinal Hotel's Historic Inventory classification from Category 3 ('Contributing Building') to Category 2 ('Major Building'). The building is located within the Ramona Street National Historic District and Commercial Downtown and provides ground floor retail spaces, as well as 59 hotel rooms. The HRB recommended the classification upgrade on May 14, 2020.

Over the years, the Cardinal Hotel was upgraded for adaptive, modern uses and general maintenance. Yet the hotel is individually eligible for listing in the California Register of Historical Resources (CRHR) under Criteria 1 and 3. The building, designed by William H. Weeks,

was previously found significant as a contributing building within a National Register historic district. The building is additionally significant for its role as a commercial hotel developed to anchor the commercial corridor on Ramona Street that was only just taking shape in 1924. The building was the first to be completed as part of the larger work by the Palo Alto Development Company, and the Cardinal Hotel became an important social and recreational space for Palo Alto in addition to providing commercial uses.

Background/Discussion

The hotel was first evaluated and added to the local historic inventory in May of 1978 as a Category 3 resource. The inventory form was later updated on March 4, 1985 (Attachment B), when the property was deemed a contributing building to the National Register Ramona Street Architectural District (Attachment C).

Palo Alto Municipal Code (PAMC) Chapter 16.49 defines a Category 3 contributing building as:

“a good local example of architectural styles and which relate to the character of a neighborhood grouping in scale, materials, proportion or other factors. A contributing building may have had extensive or permanent changes made to the original design, such as inappropriate additions, extensive removal of architectural details, or wooden facades resurfaced in asbestos or stucco.”

PAMC 16.49 defines a Category 2 major building as:

“any building or group of buildings of major regional importance, meritorious works of the best architects or an outstanding example of an architectural style or the stylistic development of architecture in the state or region. A major building may have some exterior modifications, but the original character is retained.”

Evaluation and Upgrade Request

The property owner contacted staff in August 2019 to alert staff to a potential façade upgrade, and desire to preserve historic features. Staff received funds from the owner to have the City’s historic consultant prepare a historic resource evaluation (HRE), completed in October 2019. The HRE was sought to help define the historic features and explore the building’s eligibility for the CRHR. The owner noted interest in the possibility of reclassifying the local inventory category and various benefits of a Category 2 designation. Benefits include floor area bonus following rehabilitation, which may be transferred off site to offset the costs of rehabilitation. The owner has not filed an Architectural Review (AR) application for the rehabilitation work. The owner is working now to submit a building permit for seismic rehabilitation work.

The attached record of land use action provides additional background information.

HRB Recommendations

On May 14, 2020, the HRB reviewed the historic resources evaluation (Attachment B), staff report¹ and received presentations. Meeting minutes are attached to this report (Attachment C).

Local Inventory Category Upgrade

The HRB confirmed elevating the building's local inventory historic category from 3 to 2 was appropriate. Some members supported consideration of the building as an exceptional building eligible for local inventory category 1. The HRB also encouraged the building's owners to consider a further request at a future date to change from a Category 2 to a Category 1.²

The HRB report included the original Historic Inventory form reflecting the Category 3 status as well as the recent Historic Resource Evaluation. The HRB recommended the class upgrade with no requirement for rehabilitation. The HRB action affirming this recommendation for upgrade to a Category 2 'Major Building' is documented in the draft excerpt HRB meeting minutes from May 14, 2020.

California Register Eligibility

The City's October 2019 independent report found the building is eligible for CRHR listing under two of the four criteria:

- *Criterion 1 (Events): Resources that are associated with events that have made a significant contribution to the broad patterns of local or regional history, or the cultural heritage of California or the United States.* The property meets Criterion 1. For its role in the development of Palo Alto and the University South neighborhood, the building is significant. The building is also significant as the work of a prolific California architect, William H. Weeks, and is an important early project in the career of Birge Clark, Palo Alto's most important architect.
- *Criterion 3 (Architecture): Resources that embody the distinctive characteristics of a type, period, region, or method of construction, or represent the work of a master, or possess high artistic values.* For the importance of its architects, as well as its refined Italian Renaissance Revival façade and Arts and Crafts interior, the Cardinal Hotel is significant under Criterion 3.

¹ HRB staff report dated May 14, 2020 viewable here:

<https://www.cityofpaloalto.org/civicax/filebank/documents/76588>

² PAMC 16.49 defines a Category 1 Exceptional building as "any building or group of buildings of preeminent national or state importance, meritorious work of the best architects or an outstanding example of the stylistic development of architecture in the United States. An exceptional building has had either no exterior modifications or such minor ones that the overall appearance of the building is in its original character."

The HRB was supportive of the report's conclusions, as reflected in the meeting minutes.

Ramona Street Architectural District

The building and construction of the Ramona Street Architectural District was carried out by designer Pedro de Lemos, a prominent regional designer, and Birge Clark and William H. Weeks, well-known local architects. The district was central in the 1920s and 30s expansion of Palo Alto's downtown commercial district and its location addressed concerns that the town center was growing too laterally along University.

The Ramona Street Architectural District contains eight National Register District contributing buildings. The Cardinal Hotel is one of two Inventory Category 3 buildings in the district. The district also has two Category 1 buildings, three Category 2 buildings, and one Category 4 building. The eight buildings were built between 1924 and 1938.

The Inventory Category 1 resources in the district are both Pedro de Lemos' buildings – the building at 520 Ramona, originally built in 1925 but modified significantly over time, and 533 Ramona (the NOLA restaurant building). The addresses of buildings in the district and associated Inventory category numbers are as follows:

- 235 Hamilton Category 3
- 267 Hamilton Category 3
- 520, 522, 524, 526 Ramona Category 1
- 528-530 Ramona Category 2
- 533-539 Ramona Category 1
- 532, 534-536 Ramona Category 2
- 538-542 Ramona Category 2
- 541-545 Ramona Category 4

The City's the local inventory reflects a total of 89 Category 1 resources, 266 Category 2 resources, 237 Category 3 resources, and 281 Category 4 resources, citywide.

Architectural Review

Any façade restoration or rehabilitation improvements would be subject to Architectural Review (AR) with HRB review and recommendation to ensure compliance with the Secretary of the Interior's Standards. The owner intends to remodel several rooms on the second and third floors. The remodel would reduce the total number of guestrooms by a count of ten. The project intent is to preserve the exterior to the maximum extent possible, to not take away from the architectural style and aesthetics of the original design. This would be done in conjunction with a voluntary seismic upgrade to remove the deficiencies called out in a

structural report and engineer's assessment. The owner intends to utilize the California Historic Building Code in preparation of the seismic analysis and building permit submittal.

Policy Implications

Following Council reclassification of the building as a Category 2 building, the property owner intends to proceed with a seismic rehabilitation project. After the project is completed the owner may seek a floor area bonus and later, the applicant may pursue historic rehabilitation. Bonus floor area is transferrable to a non-historic building in the Downtown, and the PAMC sets forth processes to document any such transfer. The owner may instead submit an Architectural Review application to use the bonus floor area on site. Modification of the building exterior with bonus floor area would be subject to review for compliance with Secretary of the Interior's Standards during AR application review process.

Resource Impact

Any project utilizing bonus floor area on site would include review by the Historic Resources Board and Architectural Review Board. The owner would pay the appropriate processing fees in effect at that time, as defined in the Municipal Fee Schedule.

Stakeholder Engagement

The HRB members have been the key community partners during the process to reach this point.

Environmental Review

Reclassification of a historic building to a higher category of resource is exempt from CEQA review under California Environmental Quality Act and CEQA Guidelines per Section 21065.

Attachments:

Attachment A: Record of Land Use Action (RLUA) for Upgrade to Category 2 Resource

Attachment B: Historic Resource Memorandum October 2019

Attachment C: HRB Draft Excerpt Minutes 5-14-20

ACTION NO. -----2020

RECORD OF THE COUNCIL OF THE CITY OF PALO ALTO'S LAND USE ACTION TO UPGRADE 235 HAMILTON AVENUE FROM HISTORIC RESOURCES INVENTORY CATEGORY III TO CATEGORY II

On June 22, 2020, the Council _____ the property owner's request to reclassify the commercial building (Cardinal Hotel) at 235 Hamilton Avenue from a Category 3 to a Category 2 historic resource on the City's Historic Resources Inventory, making the following findings, determination and declarations:

SECTION 1. Background. The *City Council of the City of Palo Alto ("City Council")* finds, determines, and declares as follows:

- A. In August 2019, the property owner met staff to discuss a façade remodel and explore the possibility of reclassifying the building related to a rehabilitation proposal. With the owner's request and funding, staff obtained a historic resource evaluation from the City's consultant, Page and Turnbull, which supported the classification upgrade and described the building's eligibility for individual listing on the California Register under Criterion 1 and criterion 3.
- B. On May 14, 2020, the HRB received a staff report (ID #11087) and conducted a public hearing and concurred with the evaluation regarding the building's eligibility for upgrade from local inventory historic category 3 to category 2.

SECTION 2. Environmental Review. This project is exempt from the provisions of the California Environmental Quality Act (CEQA), per Section 15301.

SECTION 3. Designation Findings.

- A. The following criteria, as specified in Municipal Code Section 16.49.040 (b), shall be used as criteria for designating historic structures/sites to the historic inventory:
 - 1. The structure or site is identified with the lives of historic people or with important events in the city, state or nation;
 - 2. The structure or site is particularly representative of an architectural style or way of life important to the city, state or nation;
 - 3. The structure or site is an example of a type of building which was once common, but is now rare;
 - 4. The structure or site is connected with a business or use which was once common, but is now rare;
 - 5. The architect or building was important;
 - 6. The structure or site contains elements demonstrating outstanding attention to architectural design, detail, materials or craftsmanship.

The building at 235 Hamilton Avenue met many of the above criteria when it was first listed on Palo Alto's Inventory. With its inclusion in the National Register Ramona District, and the 2019 assessment, the building's status as a historic resource has improved.

- B. The definition of Category 2 in Municipal Code Section 16.49.020 (b) must be met to allow the upgrade to the structure's category designation: Category 2 Definition: "Major building" means any building or group of buildings of major regional importance, meritorious works of the best architects or an outstanding example of an architectural style or the stylistic development of architecture in the state or region. A major building may have some exterior modifications, but the original character is retained.

The building at 235 Hamilton Avenue meets the Palo Alto Inventory Category 2 definition, as per the HRB's determination.

- C. California Register of Historical Resources listing: The structure appears eligible for listing on the California Register of Historical Resources, under two of the four criteria. The property's eligibility under Criteria 1 and 3 is described in the report prepared by Page and Turnbull, October 2019 (Attached to ID #11087).

SECTION 5. Category Upgrade Approved. The City Council approves the property owner's request for re-designation of 235 Hamilton Avenue to a Category 2 historic resource on the City's Historic Resources Inventory.

PASSED:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

ATTEST:

APPROVED:

City Clerk

Director of Planning and
Development Services

APPROVED AS TO FORM:

Senior Asst. City Attorney



Direct Link to Attachment B: Historic Resource Memorandum:

<https://www.cityofpaloalto.org/civicax/filebank/documents/77215>



HISTORIC RESOURCES BOARD MEETING EXCERPT DRAFT MINUTES: May 14, 2020

Item 2

Virtual Teleconference Meeting
8:30 A.M.

Call to Order/Roll Call

Present: Chair Bower, Vice Chair Shepherd, Board Member Makinen, Board Member Pease, Board Member Wimmer, Board Member Bernstein
Absent: Board Member Kohler

Action Items

2. PUBLIC HEARING/QUASI-JUDICIAL. Cardinal Hotel, 235 Hamilton Avenue [20PLN-00024]: Request for Historic Designation Reclassification, from a Local Historic Resource Category 3 to a Category 2, of the Cardinal Hotel located within the National Register of Historic Places' Ramona Street Architectural District. Environmental Assessment: No project under California Environmental Quality Act and CEQA Guideline per Section 21065. Zone District: CD-C (GF)(P) – Downtown Commercial with Ground Floor and Pedestrian Shopping Combining District. For more information contact Amy French, amy.french@cityofpaloalto.org.

Chair Bower: We can then move to Agenda item number two, which is... Wait a minute, 235 Hamilton, Cardinal Hotel. So, let me read the official description. This is a public hearing/quasi-judicial. The Cardinal Hotel at 235 Hamilton Avenue, which is 20PLN-00024. It is a request for Historic Designation Reclassification from a Local Historic Resource Category 3 to a Category 2 of the Cardinal Hotel located within the National Register of Historic Places' Ramona Street Architectural District. Environmental Assessment: there is no project under California Environmental Quality Act and CEQA Guidelines per Section 21065. The zoning district is CD-C (GF)(P) – Down Commercial with Ground Floor and Pedestrian Shopping Combined District. For more information you can contact Amy French at amy.french@cityofpaloalto.org.

Ms. French: Thank you David.

Chair Bower: Let me start before you begin, Amy. Are there any disclosures from Board Members? I will start by saying that I have visited the hotel many times, but not recently. Anyone else have any disclosures? I'm not seeing anybody. Oh, Michael.

Board Member Makinen: We had a tour of the hotel by the project people sometime in March I think it was. We went through the hotel site. Excuse me, that was the other hotel. Cancel that.

Chair Bower: Martin, I see your light.

Board Member Bernstein: Yes. Thank you, Chair Bower. So, I've been in the hotel. I've been given a tour of the hotel and I personally have given tours of the hotel. That's my disclosure. Thank you.

Chair Bower: Alright. I'm seeing other people shaking their heads no. So, Amy, why don't you begin with the Staff Report.

Ms. French: Okay. Well today we are, it's hotel day. We've got two hotels, the first being the Cardinal Hotel. This is Item Two. The hotel was built in 1924 and it is History Inventory Category 3 on our local inventory. It was put there in 1978 as a Category 3. Then in 1985 it was put as a Contributing Resource to the National District. That's when the National District at Ramona was put into that category. The Cardinal Hotel is the first building that was built in the Ramona Street District and per the Historic Resource Evaluation prepared by Page & Turnbull in the fall of 2019, it is eligible as an Individual Resource under Criterion 1 and Criterion 3. It is designed by William Weeks in the Italian Renaissance Revival Style. Birge Clark was the supervising architect and it has been largely unaltered since 1944. It is just, with its existing Category, eligible for using the California Historical Building Code and energy standards, as well as Historic Preservation incentives in the City's Zoning Code. It is a Seismic Category II Building and alternations based on the seismic issues have been in discussion so far, but there is no application submitted. The Cardinal Hotel is in, and I'll say what these are, Commercial Downtown Ground-Floor Pedestrian Zone. That enables a building such as this with a 283 FAR to apply for historic bonus for use on site up to the 3 to 1, but the applicant has not indicated interest so far, and that the applicant has indicated interest in potentially transferring bonus floor area off the site following rehabilitation. So, this is in our code, Palo Alto Municipal Code Section 18.18.070 that allows the applicant to perform rehabilitation for both historic and seismic reasons and go through a process on that. But only the Council can approve on-site use of such bonuses, again, only up to the 3 to 1 FAR. The Cardinal Hotel, the reason it is eligible for California Register Individual Listing is for its role in Palo Alto's commercial development and its distinctive characteristics of a type, period or method of construction. These are considered significant. It also meets all seven of the aspects of integrity as noted. The Cardinal Hotel has some alterations to date. The ground floor commercial spaces, storefront doors and display windows, upper floor windows were replaced with original fenestration openings. The intact features include the ground floor bulkheads, windows and transoms, the window rhythms and all original decorative façade details. The hotel lobby is special. It has craftsmanship from the American Arts and Crafts Movement in the 1920s and you can see there are still the retained flooring, ceiling, fireplace and other items still intact. A stairway was clearly added at some point later, on the right there. So, we're looking to make the findings for the upgrade inventory classification on the City's inventory, the reasons being it's the first commercial anchor for the Ramona Street Historic District. It's meritorious work of the architect and his supervising architect. It retains many character-defining features, all seven integrity aspects and the original character is intact. Our consultant, Page & Turnbull, who is also a participant are watching the presentation today has determined that it exceeds the criterion set for Category 3 buildings, and more appropriately classified as a Local Inventory Category 2. So, this is tentatively on the Council agenda consent for June 22. I'll leave that slide up and turn it over to the applicant, who has images to share. Abha, are you participating?

Abha Nehru: Yeah. Good morning. Yes, I wanted to have the screen... Vinh you want to...

Mr. Nguyen: I (not understood) Amy screen shared, so you can share your screen now. If you are unable to, I can also project it for you.

Ms. Nehru: Okay, alright. Let me check and then I will start. I will keep my video off because my internet here can be spotty, so thanks for understanding. Good morning Chair Bower, Vice Chair Shepherd, good morning to all board Members. I am Abha Nehru and I work with Carrasco and Associates. I would like to first thank Amy and the City staff for their research and work on this project. I would also like to thank the Board and staff for working through the pandemic and for organizing this on-line hearing. We all really appreciate that. To start with, I would like to introduce Stephanie Wansek. She is the general manager of the Cardinal Hotel and is representing the owners. Vinh, could you unmute her? She just has a few lines that she would like to say.

Mr. Nguyen: Sure. Could you say, which name again?

Ms. Nehru: Stephanie Wansek. Stephanie, could you raise your hand?

Mr. Nguyen: Okay, I have unmuted you, but you have to unmute yourself as well.

Stephanie Wansek: Yes, good morning. Are people able to hear me?

Chair Bower: Yes.

Ms. Wansek: Good morning everyone. Thank you for your time again to echo Abha. I just wanted to read a few words. It has been my pleasure to manage the Cardinal Hotel for the past twenty years. During its proud history since 1924 the Cardinal Hotel has listed countless visitors to downtown Palo Alto. We proudly know the Cardinal to be a significant historic node since it was built. It was built to bring commercial development to Hamilton Street. It also became the scene of local community gatherings and dance events. The Cardinal Hotel continues its 95-year-old tradition to offer travelers visiting Palo Alto on business or leisure an experience noteworthy of remembrance. Global and domestic travelers visiting Palo Alto, Stanford and the San Francisco Bay Area experience the 1920s Revival Period while at the same time being part of today's Palo Alto. Guests who visit the Cardinal are constantly impressed with the thoughtful preservation of the hotel and the authentic experience of their stay. The Dahl Family has owned this historic hotel since 1944 and have through the generations continued to preserve and celebrate its history. We look forward to hearing your feedback today regarding our proposal. Thank you.

Chair Bower: Abha, do you want to continue?

Ms. Nehra: Yes, I can continue, thanks. So, on behalf of the Cardinal Hotel ownership we are requesting that the Cardinal Hotel be designated as a Category 2 building in the Palo Alto Historic Inventory listing. It is currently listed as a Category 3 building. So, it's a visual landmark anchored on the corner of Hamilton and Ramona. It is currently part of the Ramona Street Architectural District. It was built in 1924, designed in an Italian Renaissance Revival style by the prolific California architect William H. Weeks in collaboration with Birge Clark. It was the first hotel of its kind and the builders spared no expense to make the Cardinal Hotel the last word in hotel buildings at that time. The image on the right shows how the Cardinal Hotel is anchoring the Ramona Street Architectural District at the corner of Hamilton and Ramona. I'll just walk you through the existing and the 1924 plans to show that not much has been altered over the years. This is the basement plan. The basement they were primarily using it for storage, housekeeping, mechanical and utility rooms were there. At one time there was also a dance floor in the basement. Not much has changed since then except for the fact that there is no dancing happening there. We still have our utilities, server rooms and storage in the basement. This is the current basement plan from 2020. This slide shows the first-floor plan drawing from 1924. We just outlined the lobby and the main entrances from Ramona and Hamilton which was part of the main hotel reception and still is. Surrounding ground floor spaces are all retail and they were designed as retail earlier and they still are retail now. The shaded areas show the retail portions. We have an alley on the side, on the southwest side. The main entry being from Hamilton and the second entry is from Ramona side. The legend here shows a few changes that have happened over the years, and these primarily are glazing doors or windows that have been replaced or repaired over time. The second and third floor plans are the guest floors, and this is a u-shape on the second and third floors around the light well. The interior guest rooms get this light and air from this rectangular lightwell and it will be more clear on the next image. These rooms and these floors, both second and third floor have not been modified or altered over the years. There has not been much change except for upgrade to bathrooms, styles and plumbing. So, I'll just breeze past these slides. These were just to show you that the second and third floor plans have remained intact. This is a roof plan, not much change, same as before. This is an elevation drawing of Hamilton Avenue from 1924 and the next image would show how this building looks like today, 2020 elevation. The notations here show that along Hamilton the windows and glazing have been changed or repaired over time. There has been some added signage and fabric awnings, but the building primarily looks the same as it did in 1924. The next slide will show a Ramona drawing. Similarly, only the windows and glazing along this façade have changed over time. The windows on the second and third floors have been replaced, but within the opening fenestration. This is the Ramona Street elevation from 2020. We have noted what has changed. There has been the addition of a neon sign which wasn't there in 1924, but we think it was still added around later in the 1920s because we see that in images from 1930 onwards. These are rare elevations. The only changes we see again are replacement windows which are

noted here. This is the west alley elevation. Again, just the modification to windows, window replacement on the second and third guest floors and glazing replacement at the first-floor corner here where we have the Base Gallery right now. So, I just have a few more images to share with you. The hotel opened in December, but the formal opening of the hotel was on December 13. This was an article in San Jose Mercury (not understood) at the time announcing the grand opening of the hotel. This is how the building looked from the southeast corner from 1924 and if I take a black and white image now today, it would almost look the same. This is a view, southeast view from 2020. There has been some addition of a neon sign and the flag posts are not there any longer. The building looks the same. This is the Hamilton façade today. Here, this image shows the material palate of stucco, terra-cotta, wrought iron and we have clay tile at the top edge. There were shields designed in the spandrel panels between windows and this is typical along Hamilton and Ramona façade. Horizontal (not understood) reminiscent of those times was used to separate the first floor from the two upper levels. This is the main Hamilton entry. It has spiraled classical Corinthian columns at Hamilton entrance and a metal marquee over this entrance and it is similar at the Ramona entrance. You can also see the stained-glass transom window at the corner there next to the pilaster. The next image shows how the hotel lobby looked in 1924 and the hotel interior again has primarily stayed intact. If I were to take this image as a black and white image today, I probably would not be able to make out the difference, except that there was a stair added at some point, which goes to the mezzanine level. The last few images. This is the main stair; the left image shows the main stair from 1924 and we took the main stair image as a black and white for 2020. The difference being only that today's picture is a little sharper. My last slide, I just want to conclude that the Cardinal Hotel was the first building constructed to attract commercial development on Hamilton and Ramona Streets. It was followed by other contributing buildings that became part of the Ramona Street Architectural District. The character-defining features of the building are substantially retained. It represents distinctive characteristics of style, period and workmanship. The collaboration of William Weeks and Birge Clark shaped the path for the other buildings that followed in this district. Lastly and most importantly, the owners wish to preserve this history for the future generations. Thank you for your time and I will mute myself now and answer any questions that you may have.

Chair Bower: Okay. So, at this point thank you very much for that presentation. It's a beautiful building and it is remarkable how much of the original historic fabric is still there. I'd like to take, at this point, to have Board Members ask questions, just questions. We'll have a discussion after that. Any Board Members have questions? I'm going to start by calling on people, just to make it simpler. Christian, any questions?

Board Member Pease: Not at this time.

Chair Bower: Okay, Debbie?

Vice Chair Shephard: No, thank you.

Chair Bower: Okay. Mike?

Board Member Makinen: No questions.

Chair Bower: Okay. Margaret?

Board Member Wimmer: Yeah, I don't know if this is an appropriate question for this part of the meeting, but I'm just wondering why you, have you considered moving it to a Category 1? I just was, I think it's great that you're moving the category to a greater significance. I just was wondering why 2 and not go for a Category 1? Just out of curiosity.

Ms. Nehra: I think we asked Page & Turnbull to review this building. At that time the methodology and the criteria they used, they thought it would fit the Category 2 instead of Category 1. That it would not meet the criteria set by the HRB Board. So, they made that call, and maybe Christina can address that. She is here attending the meeting.

Chair Bower: Christina, can you respond if you want.

Board Member Wimmer: I was just to interject. I mean, the difference between the Category 1 and Category 2, the Category 1 is an exceptional building, a Category 2 is a major building. I mean, because this building hasn't had a lot of alterations, it's largely intact, it keeps its character. I mean, for me it's kind of an exceptional building, so I just, I'm just thinking since you're going through this effort to move it up. Maybe just the Category 1 would obligate you to things that you don't want to be obligated to. Because in that sense, you could become a national level recognized building, which I think, I mean I would be in support of that just because I think it's such a landmark.

Ms. French: So, Vinh, Christina is on the attendee side, so she needs to be unmuted.

Christina (no last name): Hi, can you hear me?

Chair Bower: Yes.

Christina: I'm actually, so I wasn't the author of the Historic Resource Evaluation and I did review it but I didn't see that we opined about category level. We were evaluating for the California Register, so I'm not sure if this was a separate conversation that my colleague had perhaps with Amy. Amy might have more information about that, but I don't actually have anything to contribute about this. I'm sorry.

Chair Bower: Okay. Amy, you have a comment.

Ms. French: Yeah. I didn't recall a conversation suggesting that Category 2 is the appropriate category. I mean, we have our Palo Alto Municipal Code, Chapter 16.49 that has, you know, the findings or the categories and, yes, exceptional building is one of them, Category 1. As a comparison, the President Hotel is also a Category 2, not a Category 1. We're seeing that later today. I think because there are rehabilitation features that could happen on this building, then the question would be, after those happened is it then eligible for Category 1. That would be a kind of a question that I would have. You know, Category 1, how many Category 1 buildings do we have in Palo Alto. That's a question I have and what differentiates them from the Category 2s and I don't have an answer.

Chair Bower: Okay. So, I'd like to suggest that for today, let's just consider the change from Category 3 to Category 2, but I'm very interested in Margaret's suggestion and it would be worth having another, looking at this issue at a different meeting. Not that the applicant needs to come, but we as a Board could look at the definitions, look at the list of buildings that are Category 1 and Category 2, and then maybe think about changing the designation at that meeting. But for today, let's just focus on this change from 3 to 2.

Board Member Wimmer: I just wanted to say one last thing. The Board has discussed that at length before, but we've never made any changes to the Categories 1 through 4. We were considering saying historic, nonhistoric, just having one category. I mean, I still think that there is, having 4 categories is good and I think we should maybe have a workshop to take a look at the definitions.

Chair Bower: Okay, great. Thanks Margaret. Martin, do you have any questions?

Board Member Bernstein: Yes. Am I unmuted?

Chair Bower: You are.

Board Member Bernstein: My question would be to the owner or owner representative, has the owner or owner representative considered raising it to Category 1?

Ms. Nehru: We had not considered it but we can look into it. We would have to talk with the owners.

Chair Bower: Is that a no.

Ms. Nehru: No, I'm, I haven't talked to them and this didn't come up at our meetings at all, so...

Chair Bower: I understand. I'm not saying you are not interested in it. I'm just verifying that you hadn't considered it. That's all. So, everybody has spoken. I have a couple of questions about, just detail questions. Do you happen to know the age of that stair, when that stairway in the lobby was installed? Do you have any idea when that came?

Ms. Nehru: No, off the top of my head I do not, but it has been there now for a long time. Maybe Stephanie, the manager of the hotel knows when it was put in.

Chair Bower: I'm asking because if it's over fifty years, it then becomes significant fabric. I think it's over fifty years because I remember it there when I was in high school. So...

Ms. Nehru: Let me meanwhile check with her if she knows this.

Chair Bower: It's just something to consider. It's not really part of this. The next question I have is, I noticed that the building has extraordinary symmetry in its architecture and that the awnings for Osteria, a favorite restaurant of mine, really obscures those upper windows. I'm assuming those windows are still there. Is that the case? I think they are.

Ms. Nehru: Yes, that's correct. They are still there. We peeked inside to check.

Chair Bower: So, I'm wondering if at some point in the future you might consider removing that awning which obscures that important symmetric design. It's half of that Hamilton façade on the first floor, and that maybe there would be another opportunity for signage. Osteria has been there a very long time. It's clearly recognizable and known in the community. I hope it remains there in this difficult time. But it's something I'm just suggesting that at a further or future date might consider unmasking the windows.

Ms. Nehru: Thanks for that comment and yes, we are looking at that.

Chair Bower: Okay, great. Thank you. Those are all my questions. I guess if there are no further Board Member questions, I'll bring this back to the Board for discussion. We will need to create a motion to move this forward and vote on it. So, what we're being asked to do is to recommend that the building be reclassified from a Contributing Building Category 3 to a Major Building Category 2 resource on the History Inventory. So, comments or discussion by Board Members? Let's see, I started with Christian last time. Let me start with Martin this time, since you were at the end. Martin, any discussion?

Board Member Bernstein: Not at this point.

Chair Bower: Okay. Let's see, how do we go through, Margaret, I guess you are up next. Any discussion?

Board Member Wimmer: Yes. I mean, I'm just going to go back to my original comment about I think this is an exceptional building. I think it's the cornerstone of the Ramona Street District. I think that Palo Alto doesn't have a lot of Category 1 buildings. I think this is an opportunity for us to have, it's an exceptional building. And I don't know strategically if Category 2 gives them more or Category 1 limits them what they can do in the future, but I mean, I'm in support of it being moved up. I would also be in support or encourage them to investigate becoming a Category 1. I mean, we, that could be a feather in Palo Alto's cap, having more historic buildings. I think this is a perfect, it's almost 100 years old, right. It was built in 1924. We're four years away from it being a 100-year-old building. I think it's time for Palo Alto to recognize that and to celebrate that and I think it's an exceptional building. I would encourage the applicant to not settle for Category 2, because I clearly think it's a candidate for a Category 1.

Chair Bower: That's a good point, Margaret. I think that for today's consideration we need to stay with the move from 3 to 2, because I think, as I just mentioned, there is, I think there is further investigation before we do that. I'm in support of looking at that and doing that.

Board Member Wimmer: But if we have a motion and we all agree to move it up to a 2, I mean, is this just lost then, or is there... Can we just, I guess when we craft our motion, we can encourage them to investigate a Category 1 in our motion, I guess.

Chair Bower: Amy, do you have a comment on that?

Ms. French: I would just say, you know, let's stay the course as you suggested a Category 2. That gets them into the floor area bonus territory where they can, you know, hopefully get some benefit to make some additional improvements to the building that would bring it into further compliance at the storefront level, because they're interested in doing some of those things. And then we can return with whatever they plan to do with the building, be it seismic or historic rehab at the storefront level, and have that discussion again. And if they want to delay going to Council with the upgrade to have those conversations, we can certainly do that. But I wouldn't want to delay them because we do have a tentative date of June 22 for this category.

Chair Bower: Sure. I think my feeling is that before we move up to Category 1, we would need to look at the awning and some other minor architectural changes that would make a difference. So, I think it's up to the applicant if they want to postpone it, we can certainly figure out a way to put this back on our agenda to move it up to a Category 1. I don't see that the action we take today will preclude another hearing to change the category again from 2 to 1. (crosstalk)

Ms. French: David, can I just say before you take a vote that we need to make sure the public is invited to comment if there is anyone to comment on this item. Did we get any requests?

Chair Bower: Oh, thank you. I had that on my list after the Board discussion. So, Vinh, you can look and see if anyone, any public member would like to speak, if they could use the raise your hand feature. After we have this discussion, we will have those comments. So, Debbie, do you have any comments or discussion?

Vice Chair Shepherd: No, I don't at this time.

Chair Bower: Okay. Mike, how about you?

Board Member Makinen: I pretty much agree with Margaret's comments that we should look further at a Category 1. I think the motion should contain some wording that the Board strongly recommends further consideration for a higher upgrade or Category 1. I think that should be in the motion.

Chair Bower: Okay. Christian, any discussion?

Board Member Pease: I agree with Mike's suggestion.

Chair Bower: Okay, I can't see Martin, but Martin, do you have any further comments?

Board Member Bernstein: No further comment.

Chair Bower: Okay, Vinh, do we have any members of the public who would like to speak to us on this item?

Mr. Nguyen: Yes, we do. We have one raised hand from John. If there is anyone else who wants to speak on this item, please raise your hand now. The raise hand button is at the bottom of your Zoom

screen. If you're calling in from a phone, you can raise your hand by pressing *9. John, I will unmute you now so you can speak.

John: Thank you Vinh. Can you hear me?

Chair Bower: Yes. Welcome John.

John: Thank you Chair Bower and HRB. Thank you, guys, for looking at this. I'm a big fan and a big supporter of the Cardinal Hotel. I'm so grateful that, like many other owners, but like the Thoits family, the Dahls have just been great caretakers of this asset for so many decades and I applaud and support their application today to move to a Category 2. I understand ya'lls interest and support of even going to a 1. It is a fantastic asset for the downtown. I just want to point out that these kinds of moves and such have lots of implications and issues and costs that the owners need to figure out and to not do anything that's going to tie their hands, you know, especially in today's economy and COVID-19 and they're a hotel and all of these things. You know, I would hope, and I don't know exactly what I'm speaking to. Amy would be the guru, but really, I would just hope ya'll would approve this so it opens up their avenue for some financing vehicles to help them continue to maintain and analyze projects to enhance the building in the years to come. I just want to voice a very strong level of support. The Thoits family owns buildings across the street as well as throughout the downtown, and it was fun by the way, to see in the historic analysis some of the Thoits family members mentioned for their contributions and activities on neighboring buildings there on Ramona. Oh, I don't know, 100 years ago. But anyway, I think it's fantastic and I applaud Stephanie as their manager on the asset to undertake this and explore it, because it's a great step toward preserving our downtown. I thank ya'll there and hope you vote yes. Thanks.

Chair Bower: Thank John for sharing and spending time with us today. Of we have no further public comments Vinh?

Mr. Nguyen: Chair Bower, that concludes the public comments for this item.

Chair Bower: Okay, well, let's move on to crafting a motion. I don't think it has to be complicated. Anyone want to step up to that. Wow, don't raise your hands all at once.

MOTION

Chair Bower: Well, I can start and then you can tell me, you can let me know if there are things I'm missing. I would say that I move that we *recommend that the Council reclassify the building from a Category 3 to a Category 2 building* on the Palo Alto Historic Resource Inventory and would *encourage the building's owners to consider a further request at a future date to change from a Category 2 to a Category 1*, but that is not contingent on this particular approval. How's that Amy? Do you think that's clear?

Ms. French: Yes, I think that works. Certainly, you know, I hear the motion and I think there is something we can do to take a look at the Ramona District and see, you know, how many of those buildings are Category 1 versus Category 2 individually, and I can get a report back to the HRB to help the Board with their deliberation for next steps, if the applicant wishes to go with Category 1.

Chair Bower: I want to be very clear for the minutes, in the minutes that it's an encouragement to change from Category 2 to Category 1. It is not a requirement and is not, I don't want the owners to feel like they are being pushed to do something they are uncomfortable with. Because as John just mentioned, there are many implications of changing categories. Okay. Do I have a second?

Board Member Makinen: I'll second it.

Chair Bower: Okay, Mike, your second. Is there any further discussion or are we ready to vote? I don't see any further discussion so I'll just go right down the line and ask people to vote yes in favor or no, not in favor. Christian?

Board Member Pease: Yes.

Chair Bower: Okay. Mike?

Board Member Makinen: Yes.

Chair Bower: Debbie?

Vice Chair Shepherd: Yes.

Chair Bower: Margaret?

Board Member Wimmer: Yes.

Chair Bower: Martin?

Board Member Bernstein: Yes.

Chair Bower: Okay, and I'm also a yes so that's a unanimous six votes for changing this.

MOTION PASSED WITH A VOTE OF 6-0.

Chair Bower: I want to thank all the people who have participated in this, staff and of course, the applicants and the applicant's consultants. It was a very thorough review and when you see me looking down, I'm actually looking on my iPad at the very long 100-page reports. I'm not reading my phone. But it helps to be able to see that. I can't do that on my computer. Okay, thank you for that. Thank you for all who have participated.