



## DISCUSSION ITEMS

### Agenda Item # 4

## AGENDA REPORT SUMMARY

**Meeting Date:** January 23, 2018

**Subject:** Halsey House Feasibility Study

**Prepared by:** Christopher Lamm, Engineering Services Manager; Manny Hernandez, Recreation and Community Services Director

**Reviewed by:** Susanna Chan, Public Works Director

**Approved by:** Chris Jordan, City Manager

**Attachments:**

1. Friends of Historic Redwood Grove survey letter, comment card and summary results

**Initiated by:**

City Council; Friends of Historic Redwood Grove; CIP CF-01004

**Previous Council Consideration:**

November 15, 2016 (continued); June 14, 2016; December 8, 2015, April 23, 2013

**Fiscal Impact:**

None at this time, future impacts are dependent on the alternative selected.

**Environmental Review:**

None at this time, future impacts are dependent on the alternative selected.

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

- Does Council wish to have interior program space for Recreation and Community Services in Redwood Grove?
- What is the priority of this project compared to other Recreation and Community Service needs and other facility capital needs?

**Summary:**

- The Friends of Historic Redwood Grove conducted outreach to previous donors seeking interest and commitment to raise additional funds for the project
- Grant programs available to supplement funding for the project
- Programming specific to the character of the nature preserve
- CEQA review of project alternatives

**Staff Recommendation:**

Develop a Capital Improvement Project to conduct an Initial Study which will evaluate environmental impacts associated with previously discussed alternatives



**Subject:** Halsey House Feasibility Study

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### **Purpose**

Receive an update on the Halsey House Feasibility Study, and direct staff accordingly. Following the June 14, 2016 discussion, Staff has worked with the Friends of Historic Redwood Grove (FHRG) to identify fundraising potential and grant programs available.

### **Background**

The Halsey House is located at 482 University Avenue in what is now the City-owned 6.12 acre Redwood Grove Nature Preserve. It was constructed in 1923 for Theodore Vail Halsey and Emma Wright Halsey. An addition to the house was made in 1928 to accommodate Emma's mother, Myra E. Wright, and later, dozens of redwood trees were transplanted to the site from the Santa Cruz Mountains.

The Halsey House property was purchased by the City in 1974 as a nature preserve and for recreation programs and, on May 26, 1981, was designated as a local historic resource by the Los Altos City Council. The Halsey House in Redwood Grove has served as a Nature Center for summer camps, school tours, and interpretive programs. Due to its state of disrepair, it was closed for public use in spring 2008. As a local historic resource, the City, in accordance with its Historic Preservation Ordinance shall:

12.44.210 - Duty to keep in good repair.

- A. The owner, occupant or the person in actual charge of a historic resource, a historic landmark or property located within a historic district shall keep and maintain in good condition and repair all exterior portions of the improvement or structure, and all interior portions thereof whose maintenance is necessary to prevent deterioration and decay of any exterior architectural feature or natural feature.

In April 2013, Council directed staff to develop a Capital Improvement Program (CIP) project to identify costs to both adaptively re-use the Halsey House to provide for the uses recommended by the Parks and Recreation Commission, and to demolish the facility and building of an alternative facility. The CIP project was designated to be funded by outside grants/fundraising. The Friends of Historic Redwood Grove, a community group, raised the funds in 2015 to have the study performed.

In December 2015, Council reviewed two alternatives presented in a feasibility report by M. Sandoval Architects, Inc. Design Option A, a renovation and adaptive re-use of the facility and Design Option B, a demolition and re-construction of a new facility. Council rejected Design Option B as a viable alternative. Further discussion raised the following items to be brought back to Council for discussion:

- Review parking and ADA requirements
- Present additional alternatives including a partial renovation and demolition



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In June 2016, Council reviewed additional alternatives including adaptive re-use/renovation (\$3.2M partial renovation (\$1.5M+), preservation (\$500K-\$700K), and demolition (\$115K). Additionally, information was presented regarding parking and ADA requirements.

Council was willing to consider the adaptive re-use/renovation option if additional outside funds could be raised through fundraising efforts or grant programs. External funding would need to exceed \$2M for consideration to be given for the City to fund the balance of the costs. Council requested the following items to be brought back to Council for discussion:

- The Friends of Historic Redwood Grove were asked to provide a fundraising commitment at a later date (approximately 6 months)
- The Friends of Historic Redwood Grove and staff were asked to review potential grant programs available for historic renovation
- Staff was asked to identify programming to be used in the space.

## **Discussion/Analysis**

### Fundraising

The Friends of Historic Redwood Grove prepared a fundraising survey letter (Attachment 1) that was sent to the donors and interested parties who took part in the initial fundraising efforts to conduct the feasibility report prepared in December 2015. The survey letter was mailed to 60 individuals. No dollar amounts were provided.

At this point, the Friends of Historic Redwood Grove have not provided to the City a value that can be committed to be raised. Through outreach efforts to date, the group has receive feedback from potential donors that some are unwilling to commit to donating or committing funds without the certainty of a project identified by the City.

### Grant Opportunities

The Friends of Historic Redwood Grove identified the Santa Clara County Historical Heritage Grant Program as the most likely candidate for seeking funds in the renovation of the Halsey House. Each year the program has the ability to grant upwards of \$200,000 towards construction (not planning or design). To qualify, the grant application must come from a nonprofit or City within Santa Clara County and the project must be a building or structure that will be open to the general public. Grant Applications are due in June of each year.

### Programming

Staff looked into possible programming for a renovated Halsey House facility located in Redwood Grove. The assumption of such a facility is that it would contain amenities consistent with a small public recreation facility. Basic amenities would be one or more indoor activity rooms, a patio adjacent to the building, storage space and restroom facilities. At Council's request, staff looked at community programming that would be considered unique to a facility located in a nature preserve. Below is a



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list of possible activities that would be unique and appropriate for a recreation facility located in Redwood Grove Nature Preserve:

- Nature Inspired Art Classes - With nature as an inspiring setting for artists, these classes would combine nature exploration with hands-on crafts and art projects. The interior of the Halsey House could be turned into a gallery for end of class receptions attended by family.
- Nature Education Programs - Trail walks and nature preserve exploration combined with activity room lessons and exercises will provide the optimal environment for learning and adventure in this unique location.
- Eco-Friendly Birthday Parties - Party themes would feature trail games, nature walks, natural science exploration and more. Trained naturalists could be contracted to provide a safe, exciting and natural environment for children.
- Theatre in the Grove - Along with the Los Altos Youth Theatre instructors, program participants would play acting games outdoors in the preserve as well as inside the Halsey House, and write, produce and perform nature-themed plays for parents and family.
- Meditation/Yoga/Tai Chi - The peaceful setting of the Halsey House and Redwood Grove would be ideal for Meditation, Yoga and Tai Chi classes. When incorporated with an indoor/outdoor space (patio/open wall) these type of activities are well suited for the quiet surroundings of the Halsey House.
- Garden Club - Club members who currently meet in the Hillview Multi-purpose Room would have the opportunity to meet in the natural and very appropriate setting of Redwood Grove. An activity room in Redwood Grove is a good meeting space for this club while still being able to connect with the surrounding nature preserve.
- Rose Garden - A rose garden could be located near the Halsey House and tended by volunteer rose enthusiasts. Activities such as rose growing and pruning instruction and demonstrations could take place as part of the community programming.

#### CEQA Requirements

Additionally, the City could choose to perform an Initial Study (IS) to evaluate environmental impacts for the alternatives previously discussed. An Initial Study is anticipated to cost approximately \$25K-\$30K.

If the results of an IS determine that the renovation of the structure can be accomplished without significantly altering the integrity and historical significance of the original building, then:

- A negative declaration or mitigated negative declaration could be issued for the adaptive re-use/renovation of the structure.
- An Environmental Impact Report with statement of overriding considerations would be required for removal of the structure.

If the results of an IS determine that renovation of the structure results in the replacement or loss of a significant portion of the original material and historical significance of the structure, then:



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- A mitigated negative declaration could be issued for the adaptive re-use/renovation of the structure.
- A mitigated negative declaration could be issued for a partial adaptive re-use/renovation and partial demolition of the structure.
- A mitigated negative declaration could be an appropriate path to allow its removal.

### Options

- 1) Develop a Capital Improvement Project to conduct an Initial Study which will evaluate environmental impacts associated with previously discussed alternatives

**Advantages:** Following an Initial Study, staff and Council will have additional information pertaining to the feasibility and environmental and historic impacts of various alternatives

**Disadvantages:** None

- 2) Continue with the adaptive re-use/renovation option and either grant the Friends of Historic Redwood Grove additional time to continue fundraising efforts towards the renovation of the Halsey House or increase City funding towards the project

**Advantages:** At the June 2016 Council meeting, the City Council was willing to commit \$500k- \$1M if the remainder of the funds could be raised by the Friends of Historic Redwood Grove or acquired through grant programs. A time extension would give the group additional time to conduct outreach to the community in search of funds

**Disadvantages:** Without a defined project, the Friends of Historic Redwood Grove have found it difficult to find buy in from potential donors. An extension of time without work done to protect the house will lead to its continued degradation. The project would compete for funding with other City capital needs

### Recommendation

Option 1: Develop a Capital Improvement Project to conducting an Initial Study to evaluate environmental impacts associated with demolition of the structure. Based on the direction provided by the City Council in June, 2016, staff would suggest that the conditions needed to renovate the Halsey House have not been met. The Council can either grant additional time for fundraising efforts or provide additional public funds. Additionally, the City will need to perform temporary measures to protect the structure at an estimated \$25,000.

**Survey mailed to previous RFP donors (64)**

<b>Yes Votes</b>	
<b>Question 1</b>	
I/We are still interested in a partial or complete renovation and preservation of the Halsey House at Redwood Grove.	14
<b>Question 2</b>	
I/We would like to see programming for the Nature Preserve that would be nature based and/or appropriate to the grove setting.	11
<b>Question 3</b>	
I/We would be interested in contributing to the community fundraising effort that would be necessary to see this project to completion.	13

## FRIENDS OF HISTORIC REDWOOD GROVE

### Friends of Historic Redwood Grove Update

I know we have been remiss in keeping in touch with all the generous contributors to the Friends of Historic Redwood Grove (FOHRG). Our apologies. But our silence has not been a lack of activity on our part: in the past 12 months we have accomplished much toward our goal to preserve and make possible the adaptive reuse of Halsey House and maintain with integrity the community value of the Historic Redwood Grove Nature Preserve.

Through your contributions, we were able to meet and exceed our goal of raising \$25,000 to fund a feasibility study and cost analysis for adaptive reuse of Halsey House, the centerpiece and reason we today have a redwood preserve in Los Altos. The study and analysis was done by Mark Sandoval, an architect with substantial experience working on historic structures with project management from City Staff and input from Friends of Historic Redwood Grove. The initial report was presented to the City Council in April 2016 and estimated that the cost of adaptive reuse was less expensive than tearing down Halsey House and building a comparably sized new structure.

At a follow on study session in June 2016, the Council did not take action. They indicated that they would be consider \$500k-\$1M toward full renovation/adaptive reuse if the remainder of the shortfall was funded by individuals, grants, and foundations. The Council directed staff to work with Friends of Redwood Grove to determine if there was an interest and commitment on our part to raise funds to renovate Halsey House Nature Center.

At this point we are working with City staff to coalesce these alternatives, verify the budget and finalize building conceptual plans. We are also looking to gauge our community's interest in supporting an option to move ahead with a more modest renovation, and willingness to let the Council know that demolition is not an acceptable alternative. Please share with us what you think.

Please help us by mailing back the enclosed postcard or emailing [mbacks@mindspring.com](mailto:mbacks@mindspring.com)

Your opinions are valuable.

Sincerely,

Marie Backs, Chr.



- I/We are still interested in a partial or complete renovation and preservation of the Halsey House at Redwood Grove.
- I/We would like to see programming for the Nature Preserve that would be nature based and/or appropriate to the grove setting.
- I/We would be interested in contributing to the community fund-raising effort that would be necessary to see this project to completion.

Name: \_\_\_\_\_

Email: \_\_\_\_\_



*Los Altos*

# Halsey House



**January 23, 2018**

# Discussion Items

- Recommendation - Develop a Capital Improvement Project to conduct an Initial Study which will evaluate environmental impacts associated with previously discussed alternatives.
- Site History
- Alternatives
  - M. Sandoval Report
  - June 2016 Study Session
- Fundraising / Grants
  - Friends of Historic Redwood Grove
  - Grant Opportunities
- Programming
- CEQA / Initial Study Recommendation



**Halsey House**

# Site History

- Constructed in 1923
- Purchased by the City in 1974
- Landmarked in 1981
  - 12.44.210 - Duty to keep in good repair.
    - A. The owner, occupant or the person in actual charge of a historic resource, a historic landmark or property located within a historic district shall keep and maintain in good condition and repair all exterior portions of the improvement or structure, and all interior portions thereof whose maintenance is necessary to prevent deterioration and decay of any exterior architectural feature or natural feature.
- Closed in 2008 due to public health and safety concerns
- In 2013 a CIP project was developed to better understand the feasibility and costs associated with two alternatives – renovation for adaptive reuse, and demolition and new construction
- M. Sandoval Architects was selected in 2015 to perform a feasibility study to review 2 design alternatives (renovation vs. new construction)



# M. Sandoval Feasibility Study

- Alternative A – Preservation and Adaptive Reuse
  - Preserves the historic Halsey House.
  - CEQA – By following the Secretary of the Interior’s standards, the project would likely qualify as being categorically exempt.
  - Provides 4,000 SF of programmable space for Recreation and Community Services.
  - Overall project cost - \$3.2M
- Alternative B – Demolition and Re-build purpose built facility
  - Greater flexibility for potential use. Size of facility can be selected to fit the best needs of the community
  - Would likely require EIR to address loss of historical significance.
  - Requires vehicular access up to the building (new bridge)
  - Greater overall cost - \$4.4M
  - Not deemed a viable alternative at December 8, 2015 City Council Meeting
- Additional Alternatives requested at follow up Study Session





# June 14, 2016 Study Session

## Alternative A (partial demo/renovation) 1,200SF

- Would likely require EIR to address loss of historical significance and potential mitigation costs.
- Greatly limits available programming (use would be similar in nature to the Neutra House).
- Cost of \$1.6M (not including EIR and mitigations)

## Alternative C – Exterior Preservation Only

- Preserves the exterior of the Halsey House.
- Meets the City's requirements for historic preservation.
- Does not trigger site work requirements and occupancy related work.
- Based off similar work performed in Capitola on the Rispin Mansion
- Estimated cost of \$500k-700k
- Not deemed a viable alternative at June 14, 2016 Study Session

## Alternative D – Demolition

- No programmable space would be provided.
- Would likely require an EIR (\$75-100k) to address loss of historical significance
- Demolition cost ~\$115k



# June 14, 2016 Study Session

## Study Session Follow up Requests

- The Friends of Historic Redwood Grove were asked to provide a fundraising commitment at a later date
- The Friends of Historic Redwood Grove and staff were asked to review potential grant programs available for historic renovation
- Staff was asked to identify programming to be used in the space.



# Fundraising / Grants

## Friends of Historic Redwood Grove

- No dollar commitment has been provided to date.
- Post card mailer sent to 64 donors who contributed towards the feasibility study. 13 respondents denoted they would be willing to contribute additional funds (no set amount requested)

## Santa Clara County Historical Heritage Grant

- Appropriates approximately \$350k per year.
- Largest award in 2017 was \$185k to the City of Morgan Hill





# Programming

Staff reviewed classes that were previously offered, prior to the closure of the facility and other classes offered at similar nature preserve facilities. Programs or activities proposed would be nature based and could include:

- Nature inspired art classes
- Nature education programs
- Eco-Friendly birthday parties
- Theatre in the Grove
- Meditation/Yoga/Tai Chi
- Gardening Club
- Rose Garden



# Recommendation - Initial Study

- Recommendation – Develop a Capital Improvement Project to conduct an Initial Study which will evaluate environmental impacts associated with previously discussed alternatives.
- An Initial Study (IS) is a study in which an environmental consultant will perform a historical evaluation, update the historical record, and provide a preliminary analysis of environmental impacts of various alternatives
- IF the results of the IS determine that renovation of the structure can be accomplished without significantly altering the historical significance, then:
  - A negative declaration or mitigated negative declaration could be issued or categorical exemption may be claimed for the adaptive reuse/renovation of the structure.
  - An Environmental Impact Report with statement of overriding considerations would be required for removal of the structure.
- IF the results of the IS determine that renovation of the structure results in the replacement or loss of a significant portion of the original structure and historical significance, then:
  - A mitigated negative declaration could be issued for the adaptive re-use/renovation of the structure.
  - A mitigated negative declaration could be issued for a partial adaptive re-use/renovation and partial demolition of the structure.
  - A mitigated negative declaration could be an appropriate path to allow its removal.

