



CITY OF LONG BEACH

The City Planning Commission

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December 13, 2005

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager to execute a Mills Act Historic Property contract with Shalla Callahan, owner of 395 Wisconsin Avenue, a qualified historic property in the Bluff Heights Historic District. (District 2)

DISCUSSION

The Mills Act Historic Property Contract for 395 Wisconsin Avenue was recommended by the Cultural Heritage Commission on November 16, 2005, and approved by the Planning Commission on November 17, 2005 (see attached Planning Commission staff report).

The Mills Act was enacted as State legislation in 1972 and amended in 1984. The Mills Act Historic Property Contract is a contractual agreement between the City and a property owner allowing a reassessment and reduction in property taxes in return for maintaining and rehabilitating a qualified historic property. The economic incentive of the Mills Act fosters the preservation of residential neighborhoods and the revitalization of commercial areas. The Mills Act is the single most important economic incentive program in California for the preservation, restoration, and rehabilitation of qualified historic buildings by private property owners.

To qualify, a property must be officially designated as historic, either as an individual landmark or as a contributing building in a historic district. In reviewing candidates for Mills Act contracts, the Cultural Heritage Commission seeks owners with a strong commitment to protect, preserve, and maintain their property in accordance with specific preservation standards and other conditions. The resulting tax savings from a Mills Act contract assists an owner with the financial burdens of preserving and restoring a historic building.

The subject property is an intact turn-of-the-century Queen Anne-inspired residence that was built in 1903. It is a very good example of the idiom and is a contributing property to the Bluff Heights Historic District, which was designated as such by Ordinance No. C-7937 in 2004. Since purchasing the house, the applicant has already begun to rehabilitate the property. Ms. Callahan is very appreciative of the historical and architectural qualities of the house, and has applied for a Mills Act contract in order to be able to afford the proper standards for historic restoration and preservation. The style, age and materials of the house make it a challenge to preserve and maintain. However, the owner is aware of the associated obligations and responsibilities under the contract and readily accepts them.

The Mills Act program for this property is as follows:

- Term: Ten years
- Option to Renew: Renewed automatically annually, unless or until discontinued by either party.
- Rehabilitation Work Program: Over the next ten years the owner intends to restore and repaint the north side of house; repair plumbing; paint the interior in appropriate colors of the era; landscape with appropriate plantings along the north and west sides of the dwelling; refinish the hardwood floors; lay European wool carpet in the upstairs rooms and stairway (design and style are consistent with the era); and continue the general upkeep and maintenance according to the Secretary of the Interior's Standards.

TIMING CONSIDERATIONS

The Mills Act contract needs to be executed, finalized and recorded by the City Clerk by December 31, 2005, in order for the property owner to realize a tax savings benefit in 2006.

FISCAL IMPACT

The revenue loss to the City for the property tax reduction is estimated at \$2,193 annually.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

MATTHEW JENKINS, CHAIR
CITY PLANNING COMMISSION

By: 
Suzanne Prick
Director of Planning and Building

SF:JO:kmb

Attachment: Planning Commission Staff Report 11/17/2005