

411 West Ocean Boulevard, 3<sup>rd</sup> Floor Long Beach, CA 90802 (562) 570-5237



October 22, 2019

HONORABLE MAYOR AND CITY COUNCIL City of Long Beach California

### **RECOMMENDATION:**

Authorize the City Manager, or designee, to execute Mills Act historic property contracts with owners of 11 historic properties. (Districts 1, 2, 3, and 6)

### DISCUSSION

The Mills Act was enacted by State law in 1972 and allows local governments to enter into tax abatement contracts with property owners of historic structures. Under the law, property owners agree to restore, maintain, and preserve the property in accordance with specific historic preservation standards and conditions identified in the contract. Entering into a Mills Act contract results in a property tax reassessment by the County Assessor, using the income-capitalization method, which may result in a 30 to 50 percent reduction in property tax.

City Council established a local Mills Act program (Program) in 1993. Between 1993 and 2006, the City awarded 31 contracts. In 2006, the program was put on hiatus, and reactivated on February 4, 2014 by the City Council. On January 6, 2015, the City Council approved guidelines and funding for the Program. The Program has been improved and eligibility requirements refined with each continuing application cycle. In 2015, only properties that were designated historic landmarks were eligible. In 2016, the eligibility requirements were expanded to include properties that were eligible to be designated as historic properties. In 2017, no changes were recommended. In 2018, a new category was created exempting properties that exhibit exceptional architectural significance, are culturally significant, or are at risk for demolition from otherwise applicable property valuation caps. The 2019 application cycle gave priority considerations to applicants from 2006 when the Program was suspended.

Mills Act contracts are executed between the City of Long Beach and the property owner for an initial term of ten years, with an annual automatic ten-year renewal, unless a request for non-renewal is made by either party. Long Beach maintains various mechanisms to bring a property into compliance and can terminate the contract if the property owner breaches any of the contract terms.

The Department of Development Services conducts an inspection prior to approval of each property eligible for the Program. To assure the property is receiving proper maintenance and rehabilitation is occurring in accordance with executed Mills Act contracts, staff inspects the properties every five years.

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The Mills Act application guide for the 2019 cycle was released to the public on February 8, 2019, and applications were due on March 29, 2019. A total of 19 applications were received prior to the deadline. At its meetings on June 10, 2019 and July 8, 2019, the Cultural Heritage Commission recommended approval of 11 Mills Act contracts (Attachment A).

Recommended applications from the 2019 Mills Act application cycle include the following:

- 1. **3200 E.** 1<sup>st</sup> **Street (Historic Landmark, District 3)** This single-family Revival style structure was designed by the architecture firm of Dedrick and Bobbe, and built in 1924 by master builder Jay W. Burgin. Dedrick and Bobbe are recognized for designing the Bay Hotel building (Long Beach Landmark), and the demolished Barker Bros. Building (former Long Beach Landmark). The work plan will involve a variety of repairs, including but not limited to, installation of new roofing and new stucco, installation of preventative flashing, arcade entry celling repair, foundation repair at the rear corner of the building, installation of new building foundation, installation of new electrical system, replacement of all plumbing throughout the house, rehabilitation of original wood windows, and replacement of non-period aluminum windows with new period appropriate wood windows.
- 2. **5281 E. El Roble Street (Historic Landmark, District 3)** This single-family building was constructed in 1951. The building was designed by noted master architect John Lautner, whose buildings are some of most well-regarded examples of mid-century modern architecture. This is the only known work by Lautner in Long Beach. The work plan will involve a variety of repairs, including but not limited to, repair or replacement of the roof, repair or replacement of damaged glazing on several floor-to-ceiling windows, and repaint the entire building its original color.
- 3. 326 W. 10<sup>th</sup> Street (District 1) This duplex building is a designated historic landmark known as the Parsonage Building, formerly at 640 Pacific Ave. In 2018, the Commission granted relocation of this structure to its current address and approved a restoration plan. Due to its direct association with the Bixby family, it is among one of the most important historic residential buildings associated with early Long Beach. Repair work started in July 2019. This year's work is ineligible for Mills Act property tax abatement, but the 2020 work plan is eligible. The work plan will involve a variety of repairs, including but not limited to, window restoration, wood siding repair and/or replacement as needed, restoration of original front door opening, new paint colors per forensic paint analysis, and refurbishment and restoration of 14 ornamental windows. This recommendation is conditional upon the owner obtaining a building permit to start construction. The City will only execute a contract if the owner obtains building permits and demonstrates substantial construction progress on the project.
- 4. **520 Daisy Avenue (District 1)** This single-family structure is one of the earliest examples of the American Foursquare style in the Drake Park/Willmore City historic

district, originally constructed in 1904. The building is intact, but still in need of substantial work. The building requires foundation work to include new footings, new connectors, replacement of girders, piers and pillars, an earthquake retrofit, and jacking up the building to level it. Work also includes replacement of all knob and tube electrical wiring, service upgrade to a 200 amp electrical panel, tree trimming, dry rot and termite damage repairs to front porch, exterior siding and upper exterior deck repair, repair of double-hung windows and historic doors throughout the building, replacement of old galvanized pipes, new paint throughout the home, and repair or replacement of the composition roof for the house and garage.

- 5. **805 Maine Avenue (District 1)** This triplex property has two Craftsman Bungalow style buildings and the original garage. The corner building is a duplex and the rear unit is a single-family dwelling. All structures are remarkably intact with original porches, entries, materials and ornamentation. The work plan includes foundation replacement, repair or reconstruction of the front porch to repair foundation settlement, repair of cracked sewer lines, repair of windows and windows frames on south walls due to building shifting, refurbishment of 45 windows, repair of front porch cracks and crumbling and deterioration of back unit, repair of termite damage and termite abatement, replacement of knob and tube electrical wiring in all structures, restoration/repair of wood siding, removal of non-period features, new period appropriate painting of all structures, and roof replacement of all structures.
- 6. 630 Obispo Avenue (District 2) This single-family residence and classic Craftsman Bungalow style building features a half-width porch and dual front gable roof. The work includes replacement of 11 aluminum frame windows with new period-appropriate wood windows, repair and/or replacement of damaged wood siding on three building sides, installation of wall insulation, exterior painting of house and garage in period appropriate colors, installation of new foundation support post beams where missing or deteriorated to support floor joists, re-center support post under beams, replace missing foundation fasteners/nails to secure framing, retrofit building foundation for earthquake safety, back-fill soil to prevent settling/shifting/moving, and replacement of deteriorated garage door with a period appropriate door.
- 7. Ocean Center Building at 110 W. Ocean Boulevard (Historic Landmark, District 2) – The Ocean Center building is a 13-story Italian Mediterranean style building that is a designated historic landmark designed by the architectural firm of Meyer and Holler known for the Grauman's Chinese Theater and the Egyptian Theater in Hollywood. The building was previously granted a Mills Act contract in 2015, however the award was contingent upon the owner obtaining building permits to convert the structure from office to multi-family residential, which never occurred. The new ownership is currently working towards obtaining permits to convert the building's upper floors to multi-family residential use and commercial uses on the ground floor. Staff recommends a conditional approval, contingent obtaining a building permit and substantial construction progress is shown.

The new work plan includes repair and restoration of plaster walls, replacement of missing or broken clay tiles as necessary, removal of non-original features, repair of features such as finials, spires, parapets, and quoins, removal of non-period storefronts and wall in-fills, and restoration of original storefronts. The project will also involve refurbishment of all 544 metal casement windows, lead remediation, polish and repair of original vestibule and lobby floors and ceiling, restoration of elevators, including upgrades necessary to comply with current safety standards, upgrade of structural and shear wall systems, removal of lead and asbestos throughout the building, upgrades to the fire sprinkler and fire life safety systems, and upgrades to plumbing and HVAC systems to code-compliant standards throughout the building.

- 8. 631 Temple Avenue (District 2) This property consists of a single-family Craftsman constructed in 1919, and a non-historic duplex constructed behind the original historic building, that is not eligible. Proposed work includes, but is not limited to, various building code-compliance repairs, repair of incorrect drainage patterns that pool water at the foundation, replacement of outdated plumbing systems, replacement of heating system, replacement of cast stone finish on porch foundation, removal of non-period stucco from building, updating period-appropriate wood siding throughout the house, and repair of roof leaks.
- 9. 733 Walnut Avenue (District 2) This single-family property is a one-story Craftsman style building with a covered porch in the Hellman Craftsman Village Historic District. Proposed work includes, but not limited to, installation of new attic and wall insulation, bolting the house to the foundation for seismic retrofitting and earthquake safety, sealing of cracks in foundation and strapping together cracked sections, replacement of existing composition roof with new roof for house and garage, repainting of garage and house, and various window and door updates.
- 10.2634 E. 1<sup>st</sup> Street (District 3) This two-story, single-family residence features a hip and roof gable, symmetrical façade, and arched entry porch. The building is intact and the work plan includes installation of a roof, repairs to water damage in the exterior stucco, inspection and replacement of drainpipes to resolve occasional sewer odors, replacement of water damage in exterior kitchen wall, plumbing repairs, repairs to and refurbishment of various windows and doors, repairs to and replacement of original galvanized iron interior water distribution pipes, and repainting of the entire building exterior with period-appropriate colors.
- 11.730 E. Sunrise Boulevard (District 6) The Harnett House is a single-family residence and is a designated historic landmark. The stately two-story Craftsman style building was constructed in 1918 and is associated with the Harnett family, who had a long family history of civic engagement in Long Beach. The building is intact but needs restoration. The proposed work plan includes termite and dry rot repairs on both house and garage, reroof of garage, upgrade of electrical service in the garage, removal of knob and tube wiring, replacement of aluminum kitchen window with a period appropriate wood window, repair of brick and mortar and addition of a chimney cap and spark arrestor,

repair and/or replacement of damaged exterior siding and trim as needed, refurbishment of dining room French doors, removal of aluminum sliding door and replacement with wood French doors, undertaking an engineering evaluation to determine source of cracked brick at northwest porch column, repair/replacement of damaged wood siding on garage, repair of basement water damage and waterproofing of walls, and various updates and repairs to windows.

City staff evaluates the application process to improve the program periodically. In past years, requirements and policies have been refined in accordance with Cultural Heritage Commission recommendations. No program changes are recommended this year.

This matter was reviewed by Deputy City Attorney Erin Weesner-McKinley on October 4, 2019 and by Budget Management Officer Julissa Jose-Murray on September 23, 2019.

# **SUSTAINABILITY**

Implementation of the Mills Act helps retain and restore local historic landmarks. This work often is completed by reusing or reclaiming existing building materials and reducing construction waste as compared to new construction.

# TIMING CONSIDERATIONS

City Council action on this matter is requested on October 22, 2019, to allow sufficient time for the City Attorney to draft contracts, the property owners and City Manager to execute the contracts, and for the contracts to be recorded prior to the December 31, 2019 deadline established by the Los Angeles County Assessor for placement on the tax rolls.

# FISCAL IMPACT

The Mills Act generally results in a 30 to 50 percent property tax reduction for a historic property, based on an approximate assessed value of \$16,456,897 for the proposed Mills Act historic properties. The City could experience a decrease of property tax revenue to the General Fund ranging from approximately \$10,368 to \$17,280 annually. For the initial 10-year term, the total decrease of property tax to the General Fund could range from approximately \$103,680 to \$172,800. The Mills Act contracts require improvements be made to the property, and include a local hire and procurement provision. Implementation of the work plan items may create unknown new offsetting sales and other tax revenues. Given the limited number of properties, the impact on job creation is anticipated to be limited. Implementation of the Mills Act program has no staffing impact beyond the normal budgeted scope of duties and is consistent with adopted City Council priorities.

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SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

Sunda F. Jahrm

LINDA F. TATUM, FAICP DIRECTOR OF DEVELOPMENT SERVICES

APPROVED:

TBUL.

THOMAS B. MODICA ACTING CITY MANAGER

ATTACHMENT: Attachment A – Cultural Heritage Commission Staff Reports

Attachment A



# **CITY OF LONG BEACH**

DEPARTMENT OF DEVELOPMENT SERVICES

333 West Ocean Blvd., 3rd Floor, Long Beach, CA 90802 (562) 570-5237

June 10, 2019

CHAIR AND CULTURAL HERITAGE COMMISISONERS City of Long Beach California

#### **RECOMMENDATION:**

Recommend that the City Council approve Mills Act contracts for the following 9 properties: 2634 E. 1st Street, 326 W. 10th Street, 520 Daisy Avenue, 805 Maine Avenue, 630 Obispo Avenue, 110 W. Ocean Boulevard, 730 Sunrise Boulevard, 361 Temple Avenue, 733 Walnut Avenue. (Districts 1, 2, 3, 6)

#### APPLICANT: Various

#### REQUEST

The Department of Development Services requests that the Cultural Heritage Commission recommend that the City Council approval a total of 9 Mills Act contracts. The combined applications consist of five single-family properties, three multi-family properties less than three units, and one multi-family property greater than four units (Exhibit A- Location Map). In consideration of the tax abatement provided, each property owner has proposed a workplan to rehabilitate their historic buildings and maintain them over the ten-year contract term (Exhibit B – Workplans).

#### BACKGROUND

The Mills Act, enacted by State law in 1972, allows local governments to enter into tax abatement contracts with property owners of historic structures. Property owners agree to restore, maintain, and preserve the property in accordance with specific historic preservation standards and conditions identified in the contract. Entering into a Mills Act contract results in a property tax reassessment by the County Assessor, using the income-capitalization method, which may result in a 30 to 50 percent reduction in property tax.

This is the fifth year the City of Long Beach has opened the application cycle since it was suspended in 2006. With each year, Development Services staff continues to evaluate the process to provide the Cultural Heritage Commission with feedback of how previous modifications to the program have affected the program and process.

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As with previous application cycles, staff conducted outreach to notify the public and provide technical assistance with the application process. Staff mailed notices to all owners of historic district properties and historic Landmark properties notifying them of upcoming Mills Act workshops. One workshop was conducted at the Long Beach Gas & Oil auditorium which was attended by over 120 people and a second workshop was held at the Ramona Park Community Room which was attended by over 50 people. Planning Bureau staff also advertised the workshops in local newspapers this year, which was not done in past application cycles.

There are five properties requesting landmark designation through this process. Of those five properties, four are located outside of a historic district. The other property is located in a historic district but is over the single-family valuation limit and requesting landmark designation. The property's value currently exceeds the \$1,089,482 valuation limit allowed under the program for single-family residences and is eligible to apply, but the property is applying under the exceptional architecture category which does not have a valuation limit. Under the Mills Act program, property owners are eligible to apply if their property value does not exceed the annual maximum property value cap. Valuation limits are established by property types. These five properties will be reviewed at separate Cultural Heritage Commission meeting to allow staff additional time to review the landmark nominations.

#### 2019 Application Cycle Summary

Under the existing program requirements, a total of 22 Mills Act contracts can be awarded in an application cycle based on application categories, not including rollover contracts from previous cycles. Application categories are based on property type and have a corresponding annual limit of contracts that can be awarded under each property type. A maximum of 12 contracts can be awarded per year to single family properties, three contracts per year for duplex or triplex properties, four contracts to multi-family properties with 4 units or greater, one contract each to non-residential (commercial, industrial, and institutional) properties, and two contracts regardless of property type if the property is deemed to be of exceptional architecture, culturally significant or at risk of demolition. There are also ten rollover contracts that are available from previous application cycles. This year, Development Services staff received 19 total Mills Act applications. Staff is recommending nine (9) applications be awarded through this action, five (5) applications be denied, and five (5) other applications be considered at a separate hearing pending evaluation of landmark designation status. No applications from last year's application cycle are recommended for approval this year.

To be eligible for the Mills Act program, a building must be currently designated as a landmark, be eligible for landmark designation, or be a contributing structure located in a historic district. The Commission also added a category for buildings that are exceptional architectural buildings, culturally significant, or at risk of demolition.

Following is a summary of the applications that are currently designated historic landmarks that are recommended for approval. The second table summarizes combination applications for both Mills Act and Landmark designation that are pending evaluation of landmark designation status.

Landmark Building Name	Address	Building Type	Historic District
Parsonage	326 W. 10 <sup>th</sup> Street	Duplex	Drake Willmore Historic District
Ocean Center	110 W. Ocean Bivd.	Office (multi-family adaptive reuse proposed)	N/A
Harnett House	730 Sunrise Blvd.	Single Family Residence	Sunrise Blvd Historic District

### Table 1. Recommended applications that are landmark properties

#### Table 2. Applications requesting Mills Act and landmark evaluation

Historic District	Address	Building Type	Additional Notes
Bluff Park	3200 E. 1st Street	Single Family	Association with architects Dedrick and Bobbe (Bay Hotel, Barker Bros Building)
N/A	20 Corona Avenue	Single Family	Associated with architect Reginald F. Inwood (Gaytonia Apartments, Belmont Theater)
N/A	5281 E. El Roble Street	Single Family	Associated with architect John Lautner (Sheats House)
N/A	716 Havana Avenue	Single Family	Researching historic associations and historic significance
N/A	3735 Pine Avenue	Single Family	Associated with architect Paul Tay

# Mills Act by the Numbers

Application information by historic district and council district are included in this report to illustrate the applications' geographic distribution throughout the City. The largest single source of applications this year were from outside the historic districts. This may be the result of advertising in local newspapers this year. Residents from the Drake Park/Willmore City Historic District filed four (4) applications which is the most of any historic districts. The City received applications from eight out of 18 historic districts, and 5 out of 9 council districts. By Council District, most applications filed were by property owners located in Council District 2, which is home to five historic districts. Council District 1 and 3 include high numbers of applications. Table 2 and 3 summarize the results of this year's application cycle by historic district and council district.

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Applications By Historic District				
Bluff Heights	1			
Bluff Park	2			
California Heights	1			
Drake Park/Willmore City	4			
Hellman Craftsman	1			
Rose Park South	2			
Rose Park South	2			
Sunrise Blvd	1			
N/A	5			
TOTAL	19			

#### Table 3. Mills Act Applications by Historic District

#### Table 4. Mills Act Applications by Council District

Applications By Council District				
CD1	4			
CD2	7			
CD3	5			
CD4	0			
CD5	0			
CD6	1			
CD7	2			
CD8	0			
CD9	0			
TOTAL	19			

The tables illustrate that most applications are from the southern part of the City. While there are historic properties through out all of Long Beach, historically the southern portion of the City was developed first and retains the City's older building stock which explains why there is a preponderance of applications in Council Districts 1, 2 and 3.

#### Number of Contracts

A total of 19 Mills Act applications were filed this year. In this application cycle, 13 out of the 19 total applications received were in the single-family category. Three applications were received for the duplex and triplex category, which is equal to the annual limit for this property type. Three multi-family property applications were received, which is within the limit of four that can be awarded in a year.

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Staff is recommending nine (9) contracts be awarded, and five (5) contracts not be awarded through this action. The primary reasons are that the proposed workplans were not as thorough and competitive as other applications received and/or the properties did not need substantial repair and restoration. Five other contracts, totaling the 19 applications submitted, will be presented to this Commission at a separate hearing, and will consider both Landmark and Mills Act designation.

Property Type	Contracts Allowed Per Year (Adopted Guidelines)	2018 Application Cycle Applications Recommended	2019 Applications Filed	2019 Applications Recommended	2019 Pending Applications
Single Family Residential (1 dwelling unit)	12	16****	13	5	5
Duplex or Triplex Residential (2 or 3 dwelling units)	3	3	3	3	0
Multi-family Residential or Mixed- Residential/Com mercial (4 or more dwelling units)	4	2	3	1	0
Non-Residential (Commercial, Industrial, or Institutional)	1	1	0	0	0
Exceptional Architecture, Culturally Significant or at- risk for demo	2	0	0	0	0
TOTAL	22	22*	19	9**	5***

#### Table 5. 2019 Applications Under Consideration

\* No applications from 2018 are included in this year's application cycle.

\*\* No rollover "slots" from previous years are included.

\*\*\* 5 pending applications for combined Landmark and Mills Act designation will be presented at a separate CHC meeting.

\*\*\*\* Total from the 2018 application cycle which includes 3 single family applications from 2017

Application's in this year's application cycle reflect a broad range of improvements from major systems upgrades to roof improvement. Window rehabilitation and/or replacement along with exterior finish repairs continue to be consistent workplan items. Electrical and plumbing repairs were also featured workplan items in this cycle.

## 2019 MILLS ACT APPLICATIONS

Staff is recommending Mills Act contract approval as noted for each of the following properties:

- 1. 2634 E. 1st Street A two-story single-family residence that features a hip and roof gable, symmetrical façade and arched entry porch. The building is intact and the workplan includes installation of a 30-year roof; repairs to water damage in the exterior stucco; inspection and replacement of drainpipes to resolve occasional sewer odors; replacement of water damage in exterior kitchen wall; plumbing repairs; repairs to and refurbishment of all existing wood sash windows throughout the house; replacement of non-period windows and doors with period-appropriate doors; repairs to and replacement of original galvanized iron interior water distribution pipes; repaining of the entire building exterior with period-appropriate colors.
- 2. 326 W. 10th Street (Landmark) This duplex building is a designated historic landmark known as the Parsonage Building (formerly 640 Pacific Ave). In 2018, the Commission granted relocation of the structure to its current address and approved a restoration plan. Due to its direct association with the Bixby family it is among one of the most important historic residential buildings associated with early Long Beach. Repair work is anticipated to start in July 2019. This year's work is ineligible, but their 2020 workplan includes the following: window restoration; wood siding repair and/or replacement as needed; restoration of original front door opening; new paint colors per forensic paint analysis; 14 ornamental windows will be refurbished and restored. This recommendation is conditional upon the owner obtaining a building permit to start construction. The City will only execute a contract if the owner obtains building permits and demonstrates substantial construction progress for the project.
- 3. 520 Daisy Avenue Originally constructed in 1904, this single family building is one of the earliest examples of the American Foursquare style in the Drake Park Willmore City historic district. The building is remarkably intact, but still in need of substantial work. The building requires considerable foundation work to include new footings; new connectors; replacement of girders, piers and pillars; an earthquake retrofit; and jacking up the building to level it. Work also includes replacement of all knob and tube electrical wiring; service upgrade to a 200 amp panel; tree trimming; dry rot and termite damage repairs to front porch; exterior siding repair; and upper exterior deck repair, repair of double- hung windows and historic doors throughout the building; replacement of old galvanized pipes; new paint throughout the building; replacement of composition roof for house and garage.
- 4. **805 Maine Avenue** This triplex property has two Craftsman Bungalow style buildings and the original garage. The corner building is a duplex and the rear unit is a single-family dwelling. All structures are remarkably intact with original porches, entries, materials and ornamentation. The workplan includes foundation replacement; repair or reconstruction of the front porch, has settled, after

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completion of foundation; repair of cracked sewer lines; repair of windows and windows frames on south walls due to building shifting; repair of front porch cracks and crumbling and deterioration of back unit; repair of termite damage and termite abatement; replacement of knob and tube electrical wiring in all structures; refurbishment of 45 windows; restoration/repair of wood siding; removal of non-period features; new period appropriate painting of all structures; and roof replacement of all structures.

- 5. 630 Obispo Avenue A single family residence and classic Craftsman Bungalow style building that features a half-width porch and dual front gable roof. The work includes replacement of 11 aluminum frame windows with new period-appropriate wood windows; repair and/or replacement of damaged wood siding on three building sides; installation of wall insulation; paint exterior of house and garage in period appropriate colors' installation of new foundation support post beams where missing or deteriorated to support floor joists, replace missing foundation fasteners/nails to secure framing; re-center support post under beams; retrofit earthquake foundation for safety; back-fill buildina soil to prevent settling/shifting/moving; and replacement of deteriorated garage door with a period appropriate door.
- 6. 110 W. Ocean Boulevard (Landmark) The Ocean Center building is a 13-story Italian Mediterranean style building that is a designated historic landmark designed by the architectural firm of Meyer and Holler known for Grauman's Theater and the Egyptian theater. The building was previously granted a Mills Act contract in 2015 when the Mills Act program was reopened after being inactive since 2006. In 2015, the award was contingent upon the owner obtaining building permits to convert the structure from office to multi-family residential which never occurred. The new ownership is currently working towards obtaining permits to convert the building's upper floors to multi-family residential use and ground level commercial. Staff's recommendation is for conditional approval contingent upon obtaining a building permit. A contract will only be executed after building permits are obtained and substantial construction progress is shown. The new workplan includes repair and restoration of plaster walls; replacement of missing or broken clay tiles as necessary; removal of non-original features; repair of features such as finials, spires, parapets and quoins; removal of nonperiod storefronts and wall in-fills; restoration of original storefronts; refurbishment of all 544 metal casement windows and lead remediate; polish and repair of original vestibule and lobby floors and ceiling; restoration of elevators and bring it up to current safety standards; upgrade of structural and shear wall systems; removal of lead and asbestos throughout the building; upgrades to the fire sprinkler system and fire life safety system; and upgrades to plumbing and HVAC systems to code-compliant standards throughout the building.
- 7. 730 Sunrise Boulevard (Landmark) The Harnett House is a single-family residence and is a designated historic Landmark. The stately two-story Craftsman style building was constructed in 1918 and is associated with the Harnett family, who had a long family history of civic engagement in Long Beach. The building is intact, but is in need of restoration. The proposed workplan includes termite and

dry rot repairs on both house and garage; reroof of garage; upgrade of electrical service in the garage; removal of knob and tube wiring; replacement of aluminum kitchen window with a period appropriate wood window; repair of brick and mortar and addition of a chimney cap and spark arrestor; repair and/or replacement of damaged exterior siding and trim as needed; refurbishment of dining room French doors; removal of aluminum slider and replacement with wood French doors; undertaking an engineering evaluation to determine source of cracked brick at northwest porch column; repair/replacement of damaged wood siding on garage; repair of basement water damage and waterproofing of walls; evaluation of all wood windows and wood screens and refurbishment, and replacement of all damaged glazing.

- 8. 361 Temple Avenue This property consists of a single family Craftsman constructed in 1919 which is eligible for Mills Act and a non-historic duplex was constructed behind the original historic building. Proposed work includes replacement of circuit breaker box; replacement of knob and tube electrical wiring; repair of prior electrical repairs with code compliant repairs; installation of new gutters and downspouts; repair incorrect drainage patterns that pool water at foundation; investigate source of leaks and replace outdated plumbing systems; replace heating system; replace cast stone finish on porch foundation; remove non-period stucco from building and restore siding underneath and/or replace with period-appropriate wood siding throughout the house; investigate and repair warped roof frame; repair roof areas of leaks and properly seal throughout.
- 9. 733 Walnut Avenue This single family property is a one-story Craftsman style building with a covered porch in the Hellman Craftsman Village Historic District. Proposed work includes installation of new attic and wall insulation; bolting the house to the foundation for seismic retrofitting and earthquake safety; installing epoxy-set foundation bolts with plate washers; sealing of cracks in foundation and strapping together cracked sections; and installation of additional supports and brackets in foundation; electrical upgrades; removal of knob and tube wiring system; replacement of deteriorating cast-iron drain lines; reconfiguration of incorrect drain lines for more efficient drainage; replacement of existing compositing roof with new roof for house and garage; repair of termite damage and reinforcement of garage; repainting of garage and house; refurbishment of 20 double-hung windows; replacement of broken glazing; replacement of two aluminum windows with new wood windows; and restoration of original front door finish and replacement of non-period door glazing.

### APPLICATIONS NOT AWARDED THIS YEAR

Most applications this year included important workplan items. Applications that included a comprehensive scope of work including "major" repair items and reversed exterior modifications and/or restored original architectural features were given strong consideration. Repairs that improve the condition of the structure for the long term were also the focus of applications that staff are recommending to receive Mills Act approval from the Commission. Applications that included limited work plan items or no major repairs were not recommended for consideration. Generally, staff found these properties CULTURAL HERITAGE COMMISSION June 10, 2019 Page 9 of 11

were in good to fair condition, where properties have already had more substantial repairs or where the scope of the workplans were limited and did not address the more long-term needs of the subject properties.

Awarding contracts with insufficient workplans is, in staff's evaluation, inappropriate in comparison to the property owner benefit and city cost of the contract, even on noteworthy or architecturally significant properties. It is also inequitable to require extensive workplans of some and not other applicants.

- 1. **2125 E.** 6<sup>th</sup> **Street-** This application had some good workplan items but was not as competitive as other applications. The workplan does not include removal of aluminum clad windows and installation of wood windows. The property also has a substantial amount of overgrown trees and landscaping, and excess exterior storage of equipment which should be corrected if the owner should decide to reapply.
- 2. **801 E. 37th Street** This application included good workplan items including removal of old knob and tube electrical wiring in the attic with new wiring and insulation, repair of water damage and leaks, repair/replace of side porch roof, and replacement and/or securing of foundation footings. However, the building appears to be in good condition and the workplan was not as strong or as competitive as other applications with more robust workplans.
- 3. **811 Coronado Avenue** The workplan consists of interior electrical work to upgrade electrical outlets, repair faulty switches, replacing faulty fan wiring, repair and/or replacement of garage doors, upgrade heating and plumbing system, replace the water heater, paint water stains and repair basement mortar, and replace basement door. However, the building appears to be in good condition and the workplan was not as strong or as competitive as other applications that had more robust workplans.
- 4. 813 Coronado Avenue This property consists of two two-story buildings in the Spanish style located in the Rose Park Historic District. The workplan includes replacement of broken roof tiles and reseating dislodged tiles, repair of roof drainage at front porch, and repair asphalt main roof. Repair of front porch concrete slab and install proper drainage, replace wood electrical panel enclosures, scrape/seal and repaint double hung windows at front elevation, repair foundation cracks at rear building, replace two water heaters, replace wrought iron front gate, trim trees and roots at northerly side property line. This application was not as strong or competitive as other applications with more robust workplans.
- 5. 1247 N. Loma Vista Dr This property has two detached residential buildings and freestanding garage. The workplan addressed some work on the primary structure but did not propose work to the middle building which is also historic. There is also an open enforcement case on the property which the applicant was notified about but has not yet been resolved. Resolving the enforcement action and a more

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comprehensive workplan may make this property a better candidate in next year's cycle.

#### Policy Changes for the 2019 Program

In 2014, the Cultural Heritage Commission, developed policies and restrictions for the Mills Act program that were approved by the City Council in 2015. These policies established application periods, guidance for property type categories, property value limits, and overarching policies for the direction of the Mills Act program. Last year the Commission, adopted the policy to expand the number of contracts awarded in a year by creating a new category for properties that exhibit exceptional architecture, have cultural significance or are at risk of demolition. This year we are further researching five properties for landmark eligibility but at this time believe that only one property meets the criteria of exhibiting exceptional architecture. Those applications pending review for landmark designation and/or eligibility for Mills Act due to the recently added criteria described above will be further evaluated and presented to the Commission at a separate meeting.

Planning Bureau staff does not have recommended policy changes this year, but we are planning to improve outreach efforts this year. Despite a solid public turnout at the City's Mills Act workshops, social media outreach, and advertising in local newspaper for the first time, the Planning Bureau still received less applications this year than last year.

Next year outreach efforts will include working with community advocates to help identify potential candidates for Mills Act and landmark designation and begin a direct outreach campaign for properties that may be eligible under the recently added eligibility criteria in the categories of exceptional architectural, culturally significance properties and those at risk of demolition.

#### PUBLIC HEARING NOTICE

Public notices are not required for the recommendation to City Council to award Mills Act contracts.

#### ENVIRONMENTAL REVIEW

In accordance with the 15331 Guidelines for Implementation of the California Environmental Quality Act (CEQA), environmental review is not required for actions taken for the preservation or restoration of historic structures.

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Respectfully submitted,

ALEJANDRO PLASCENCIA PRESERVATION PLANNER

PATRICIA A. DIEFENDERFER, AICP ADVANCE PLANNING OFFICER

For

CHRISTOPHER KOONTZ, AICP PLANNING BUREAU MANAGER

CK:PD:AP Attachments:

Exhibit A – Location Map Exhibit B – Workplans



# **CITY OF LONG BEACH**

DEPARTMENT OF DEVELOPMENT SERVICES

333 West Ocean Blvd., 3rd Floor, Long Beach, CA 90802 (562) 570-5237

July 8, 2019

CHAIR AND CULTURAL HERITAGE COMMISSIONERS City of Long Beach California

#### **RECOMMENDATION:**

Recommend that the City Council designate the following three properties as Historic Landmarks: 3200 E. 1<sup>st</sup> Street, 5281 E. El Roble Street, and 3735 Pine Avenue

Recommend that the City Council approve a Mills Act contract for properties located at 3200 E. 1st Street. (District 3) and 5281 E. El Roble Street (District 3)

APPLICANT: Various

#### REQUEST

Staff requests the Cultural Heritage Commission recommend that the City Council approve a landmark designation and Mills Act contracts for two properties located at 3200 E. 1<sup>st</sup> Street and 5281 E. El Roble Street, and Landmark designation only for the property at 3735 Pine Avenue (Exhibit A - Location Map). In consideration for the tax abatement provided, the property owners have proposed a work plan to rehabilitate the proposed Mills Act properties and maintain them over the 10-year contract term (Exhibit B - Workplans).

#### BACKGROUND

On June 10, 2019, the Cultural Heritage Commission conducted a public hearing and made a recommendation that the City Council approve nine Mills Act contracts (Exhibit C – Cultural Heritage Commission Mills Act Report). At that time, staff's recommendation for Mills Act contracts approval did not include five properties, which were also requesting landmark designation, because additional review was necessary to evaluate those applications. This review is now complete.

These five applications were included among the 19 total applications filed with the Planning Bureau during this year's application cycle. Limits have been established on the number of contracts awarded per year by property type. A limit of 12 contracts can be awarded for single family properties. Five applications for single family properties were recommended to the City Council by the Commission last month, leaving seven available contracts for single family properties. All five remaining applications are for single family buildings.

To be eligible for Mills Act program the properties must either be contributors to a historic district or designated historic landmarks. In this case, four applications are located outside of the historic district and require landmark designation in order to be eligible for Mills Act. Consequently, they are applying for landmark designation concurrently with their Mills Act applications. One property is in the Bluff Park historic district but exceeds the annual property valuation limit for single family properties, and this application is therefore dependent on meeting landmark designation criteria and being qualified under the unique or exceptional architecture category.

Following is an overview of the five applications reviewed during this process and staff's recommendation for each:

Address	Building Type	Historic District	Landmark Recommendation	Mills Act Recommendation
3200 E. 1st Street	Single family	Bluff Park	Yes	Yes
20 Corona Avenue	Single Family	N/A	No	No
5281 E. El Roble Street	Single Family	N/A	Yes	Yes
716 Havana Avenue	Single Family	N/A	No	No
3735 Pine Avenue	Single Family	N/A	Yes	No

# LANDMARK DESIGNATION

In addition to applying for the Mills Act, these applicants also filed for landmark designation, which is required for four of the applicants since they are not located within a historic district. One property is located in a historic district and would typically be eligible to apply as a contributing structure in the district, but, in this instance, also requires landmark designation under the exceptional category because the property exceeds the property valuation limit. Landmark designation is beneficial for protecting historically significant buildings located outside of historic districts and which currently do not have any historic district protections afforded to them. Landmark designation is an opportunity to individually recognize properties outside of designated historic districts. These properties have been evaluated against the City's Landmark designation criteria and for historic building integrity (Exhibit D- Department of Parks & Recreation Property Inventory Forms). To be eligible for Landmark designation, a cultural resource must retain integrity and meet one of the following criteria:

- A. It is associated with events that have made a significant contribution to the broad patterns of the City's history; or
- B. It is associated with the lives of persons significant in the City's past; or
- C. It embodies the distinctive characteristics of a type, period, or method of construction, or it represents the work of a master or it possesses high artistic values; or

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D. It has yielded, or may be likely to yield, information important in pre-history or history.

The properties have been thoroughly evaluated in accordance with Chapter 2.63 of the Long Beach Municipal Code and the criteria for designation outlined above (Exhibit E – Landmark Findings).

## <u>ANALYSIS</u>

Since this group of Mills Act applications are dependent on Landmark designation, a combined analysis of each property's eligibility for both Landmark designation and Mills Act is provided below; the discussion is organized by address.

#### 3200 E. 1st Street

Landmark Designation – This unique single-family property was designed by the architecture firm of Dedrick and Bobbe and built in 1924 by master builder Jay W. Burgin. Dedrick and Bobbe are recognized for designing the Bay Hotel building (Long Beach Landmark) and the now demolished Barker Bros. Building (former Long Beach Landmark). Warren Dedrick, is independently credited with designing the Long Beach Port Administration Building. W. Jay Burgin is credited with building the Breakers Hotel building (Long Beach Landmark) among several other local buildings. This particular building is unique as a two-story revival building. The building's covered entry has a distinct feature uncommon in the Bluff Park neighborhood which sets it apart from other buildings in the area. The building also reflects the detailed craftsmanship of both Dedrick and Bobbe and W. Jay Burgin with its fundamental revival characteristics, including a deep porch, large classical columns, symmetrical high arches and symmetrical door and window fenestration. If approved for landmark designation as recommended, the building will be known as the Bowyer House after the original owners.

**Mills Act** – One of the most unique elements of this building is its porch, but it is also in considerable disrepair. The applicant's workplan seeks to address the protection and restoration of the arcade entry. The plan will repair water damage to the roof deck above the arcade porch including new roofing and new stucco and install preventative flashing. Arcade entry celling repair is also proposed to address water damage that has penetrated the framing system. The Corinthian columns have layers of textured stucco which will be removed and replaced with a smooth stucco finish throughout the house. Foundation repair at the rear corner of the building needs new footings and foundation. Old knob and tube wiring will be replaced with a code-compliant electrical system as is replacement of all plumbing throughout the house. Rehabilitation of original wood windows is proposed along with replacement of non-period aluminum windows. The combined expertise of architects Dedrick and Bobbe and master builder W. Jay Burgin led to a uniquely designed custom building. The arcade entry is prominently situated. symmetrical in appearance, and stands out amongst other building styles. The plan is comprehensive and addresses character defining features. The building is unique and eligible under the exceptional architecture category.

Conclusion: Based on staff evaluation, this property has been found to be eligible for both Landmark designation and Mills Act.

### 20 Corona Avenue

Landmark Designation – This building is a Tudor style building constructed in 1928, located in the Belmont Shore neighborhood. The single-family building was designed by architect Reginald F. Inwood, who is also known for designing the Gaytonia Apartments (Long Beach Landmark) and the former Belmont Theater (former Long Beach Landmark). He became known for his church designs. This building is unique and reflects a compact example of a Tudor Style structure on a 30' x 80' property near the beach. The style is rare for the neighborhood, and uses character defining features of the style, including, stained glass, decorative half-timbering, tower entry, and diamond-pane door and window glazing.

**Mills Act** – The building is in relatively good condition. The proposed plan was limited to three workplan items. Those workplan items include roof removal and repair of roof leaks; installation of new roofing material, replacing outdated electrical wiring with new code compliant wiring; and refurbishment of stained-glass windows and structural correction to address bowing of stained-glass panes.

The property is not located in a historic district. As a result, to be eligible for the Mills Act, the property needs to be designated as a historic landmark. Staff found the building to be eligible for designation, but also concluded that the proposed workplan was not commensurate with the tax benefit. The applicant was presented with the option of continuing with landmark designation without the Mills Act but declined to proceed.

Conclusion: In light of the above, Mills Act and Landmark designation are not recommended for Commission consideration for this property.

# 5281 E. El Roble Street

Landmark Designation – This single-family building constructed in 1951 is a unique property in Long Beach. The building was designed by noted architect John Lautner, who while notable for many buildings, is recognized for having designed "Googie's Coffee Shop" which was located on the Sunset Strip. The word "Googie" is now used to describe commercial buildings influenced by car culture and space age, and typically refers to architecture associated with restaurants and diners. This particular building exhibits many of the stylistic elements associated with Lautner and includes the use of floor-to-ceiling glass walls, exposed wood built-in furniture, extensive use of brick, and the use of geometric building forms. This is the only known work by Lautner in Long Beach. This building meets the criteria for landmark designation under the exceptional architecture category and is therefore eligible for Landmark designation. If approved for landmark designation the building would be known as the "Alexander House" after the original owners.

**Mills Act** – The proposed workplan includes replacement of the brick privacy wall and repair and/or replacement of the roof, which is a combination of a flat roof and a pitched

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roof with asbestos tiles. Window rehabilitation is proposed to fix original casement windows which are inoperable. Repair and/or replacement of damaged glazing on several floor-to-ceiling windows and repair of termite-damaged window frames are included in the proposed scope. The entire building will be repainted to its original color. The garage door will be repaired and/or replaced to match the original. Repairs to wood beam damage from rot to three building cantilevers which are unique and character-defining features of this building are also proposed. This building meets the criteria for landmark designation under the exceptional architecture category.

Conclusion: Based on staff evaluation, this property has been found to be eligible for both Landmark designation and Mills Act.

### 716 Havana Avenue

Landmark Designation – This building is a one-story, single-family building most closely resembling elements of both a Spanish and ranch style house. It was constructed in 1931 for Mr. Harry C. Armitage who was in the furniture business. The building remained the sole building to be constructed on this block until 1945. While these were interesting facts about the property history, there wasn't enough historical connections to individuals significant in history or a strong enough connection to broad patterns of the city's history. The building also does not meet the criteria of having an architectural style that is unique, well executed or a representative example of an architectural style.

**Mills Act** – The proposed workplan includes replacement of knob and tube wiring with new code-compliant electrical wiring and electrical panel replacement; new insulation in the walls and attic; structural foundation repair and seismic retrofit; roof replacement, replacement of large vinyl bay window with period appropriate window; and replacement of three vinyl windows with new period appropriate wood windows.

Conclusion: While the workplan addressed many important building features, this application was dependent on meeting landmark designation since it is not located in a historic district. However, staff found that the building does not meet the criteria for landmark designation and as a result is ineligible for landmark designation. Therefore, Mills Act and Landmark designation are not under the Commission's consideration for this property.

#### 3735 Pine Avenue

Landmark Designation – This structure is a one-story building originally constructed in 1959. The architect of record for this building is Paul Tay whose work spans nearly three decades and who designed several buildings in Long Beach. The building is considered a Contemporary Ranch or Ranch Modernism which is a subtype of the Ranch style that blends in more mid-century aesthetics. This building features a post and beam style, low pitch roof with wide eave overhangs, floor-to-ceiling glass walls, clerestory windows, and decorative screens. The building reflects Long Beach's legacy of well-executed, mid-century style buildings. If approved for landmark designation the building would be known as the "Petersen Residence."

**Mills Act** – The work plan includes repair of termite damage to privacy screen; spraying of the privacy screen and rear fence for termite abatement; general termite inspection of house and garage and treatment as necessary; repair and replacement and painting of fascia boards; replacement of damaged front doors with new solid front doors to match existing front doors; replacement of front post supporting roof beam; and installation of new roof. The property is not located in a historic district. To be eligible for the Mills Act the property needs to be designated as a historic landmark. Staff found the building to be eligible for designation, but also concluded that the proposed workplan was not commensurate with the tax benefit.

Conclusion: In light of the above, the applicant was presented the option of continuing with landmark designation without the Mills Act and agreed to proceed. Therefore, only Landmark designation is recommended for the Commission's consideration for this property.

#### PUBLIC HEARING NOTICE

Public notices for landmark designation were distributed on June 24, 2019, in accordance with the requirements of Chapter 21.21, of the Long Beach Municipal Code. As of this date, no objections have been filed as it relates applications.

#### ENVIRONMENTAL REVIEW

In accordance with the 15331 Guidelines for Implementation of the California Environmental Quality Act (CEQA), environmental review is not required for actions taken for the preservation or restoration of historic structures.

CULTURAL HERITAGE COMMISSION July 8, 2019 Page 7 of 7

Respectfully submitted,

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aber

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CK: PAD:AP Attachments:

Exhibit A – Location Map Exhibit B – Workplans

Exhibit D – Voltpratia Exhibit D – Department of Parks & Recreation, 523 Property Inventory Forms Exhibit E – Landmark Findings

# The Uptown Project

# 6141-6191 Atlantic Ave

	Existing	Revised	Difference
Project	30,422 sq. ft.	36,241 sq. ft	+ 5,819 sq. ft.
Restaurant	9,889	10,061	+172 sq. ft.
Restaurant Pad	4,177	2,162	-2,015 sq. ft.
Retail	14,356	9,788	-4,568 sq. ft.
Gym	0	13,820	+13,820 sq. ft.
Storage	2,000	0	-2,000 sq. ft.
Deck	420	0	-420 sq. ft.
Parking Spaces	134	137	+3

# **Proposed Project Modifications:**

# **Parking Analysis:**

**Community Cluster** - For retail commercial projects less than 60,000 square feet in size with 3 or more tenants with common open parking on the side, back, or otherwise behind a project (a "commercial cluster") the parking requirement is 4/1000. These projects can take advantage of the "50% rule" whereby up to half of the floor area can be devoted to restaurants or other higher intensity uses without calculating their parking requirement separately.

Use	Standard	Project Size	Required Spaces	Provided Spaces	Use Intensity
Fast Food (Separate Pad)	5 spaces plus 1 per 3 seats in dining area or 10 spaces /1,000 GFA*	2,162 sq. ft. (less 216*)	20 spaces	12 spaces	N/A – Separate calculation
Food	4 spaces/1,000 GFA*	10,061 sq. ft. (less 1, 006*)	36.22 spaces	36.22 spaces	High
Gym	5 spaces plus 4/1,000 GFA* plus 20/1,000 for exercise floor area	13,820 sq. ft. w/out exercise floor area (less 1,658*)	53.65 spaces	53.65 spaces	N/A – Separate calculation
Retail	4 spaces/1,000 GFA*	9,788 sq. ft. (less 979*)	35.24 spaces	35.24 spaces	Low
Total			145.11 spaces	137 spaces	
Intensity Mix					High: 51% Low: 49%

\*GFA excludes utility and elevator cores, stairwells and restrooms (12% less for gym and 10% less for all uses for GFA)