



CITY OF LONG BEACH

DEPARTMENT OF DEVELOPMENT SERVICES

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

May 8, 2017

CHAIR AND CULTURAL HERITAGE COMMISSISONERS
City of Long Beach
California

RECOMMENDATION:

Recommend that the City Council approve Mills Act contracts for the following 23 properties: 2252 E. 6th Street, 1335 E. 8th Street, 1410-1412 E. 9th Street, 231 Coronado Avenue, 1038 Magnolia Avenue, 778 Molino Avenue, 210 The Promenade North, 117 E. 8th Street, 2625 E. 2nd Street, 2311-2315 E. 6th Street, 2321 E. 6th Street, 624-630 W. 8th Street, 517 W. 9th Street, 501 E. Broadway, 3615 Cerritos Avenue, 453 Chestnut Avenue, 909-915 Elm Avenue, 643 Euclid Avenue, 287 Granada Avenue, 3590 Gundry Avenue, 355 Junipero Avenue, 362 Junipero Avenue, and 537 Termino Avenue. (Districts 1, 2, 3, 4, 7)

APPLICANT: Various**REQUEST**

Staff requests the Cultural Heritage Commission to recommend a total of 23 Mills Act contracts that include six contracts from the 2016 cycle that were not previously awarded and 17 applications from the 2017 cycle. The applications consist of fourteen single-family properties, five multi-family properties of less than three units, three multi-family properties with greater than four units, and one non-residential property (Exhibit A-Location Map). In consideration for the tax abatement provided, each property owner has proposed a work plan 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 third year the City of Long Beach has opened the application cycle since it was suspended in 2006. This year, Development Services staff received 26 total Mills Act applications. With each year Development Services staff is evaluating the process

and returning to the Cultural Heritage Commission with feedback of how previous modifications to the program have affected the program and process.

As with previous application cycles, staff made outreach efforts to notify the public and provide technical assistance on the application process. Staff sent out notices to all owners of historic district properties and historic landmark properties notifying them of upcoming Mills Act workshops. One workshop was conducted in the Drake Park/Willmore City district and a second took place at the Dana Library near the California Heights Historic District.

2016 MILLS ACT APPLICATIONS

In this year's application period, staff gave priority consideration to contracts that were not awarded in last year's application cycle if owners remained eligible. Nine contracts were not awarded last year, of those staff is recommending to award six of those applications using rollover contracts from the previous two years. These 2016 applications did not meet last year's requirement to be eligible for landmark designation. However, that restriction has since been removed and staff is recommending that the Commission grant these applications a Mills Act award.

1. **2252 East 6th Street-** A one-story Craftsman style duplex that features a highly symmetrical front elevation with three front facing gables and trellis over the porch. The building is intact and provides a strong work plan for a structural evaluation of wall damage, repair water damage on porch, and replace roof and repair damaged areas.
2. **1335 East 8th Street-** A Colonial Craftsman style building with a clipped gable porch and main roof. The building features a centered porch entry flanked with two tripartite windows and simple wood trim ornamentation along the front elevation. Work plan items include window restoration, replacement of in appropriate architectural features and repair of moisture problems in foundation and crawlspace.
3. **1410-1412 East 9th Street-** A one-story Colonial Craftsman building with detached garage and dwelling at the rear of the property. The work plan includes substantial repair and restoration work to include structural repair of porch, replacing non-period windows, new plumbing and electrical work.
4. **231 Coronado Avenue-** An intact example of a Craftsman Bungalow with a centered front porch, two front facing gables and upper divided lights in the front facing windows. Work plan items include investigative foundation work, window restoration, exterior wood repair and maintenance, and replacement of missing features.
5. **1038 Magnolia Avenue-** A Craftsman Bungalow that maintains several original features including wood siding, wood windows and maintains the character-defining dual front gable appearance associated with the style. The work plan includes structural repair of the porch and sewer line repair.

6. **778 Molino Avenue-** An intact one-story Spanish Colonial style building. The building has a main flat roof with tile capped parapet wall and tiled front gable roof. The work plan includes window restoration, foundation work and repair damaged wall surfaces.

2017 MILLS ACT APPLICATIONS

During this year's Mills Act application period, staff received two applications that are designated landmark properties. The recommended landmark properties are the following:

7. **210 The Promenade North-** Designated as a historic landmark building last year by the Cultural Heritage Commission, the Barker Bros Annex Building includes Art Deco and Streamline Moderne features. The front façade was designed by Schilling and Schilling architects and reconstructed after the Long Beach Earthquake in 1933.
8. **117 East 8th Street-** The Long Beach Professional Building was constructed in 1929 and designated as a historic landmark in 1988. The 8-story Art Deco style building was the first large office building in the City devoted to medical practice. The application will include additional restoration beyond what was previously granted by the Commission last year.

Staff is recommending a Mills Act contract for each of the following properties:

9. **2625 East 2nd Street-** This Craftsman style single-family building was constructed in 1911 and is an excellent example of the style. The house conveys the period of construction and retains several character-defining features. The work plan includes earthquake retrofitting and foundation work, sewer line replacement and restoration of significant historic building features.
10. **2311-2315 East 6th Street-** This property features two bungalows constructed in 1913 and 1922. The buildings are clad in a combination of wood shingles and wood siding and maintain several original features. Work plan items include porch repair, and reconstruction based of a porch roof, replacing the non-period front door, replacing damaged shingle and siding, removing non-period windows and replacing with historically accurate windows, termite abatement and repair, and earthquake retrofitting.
11. **2321 East 6th Street-** A single-story intact Craftsman style building with a front elevation that features a symmetrical façade with Colonial influences. A front gable porch entry frames the centered main entry and includes boxed-in roof eaves. The work plan includes foundation repair, seismic retrofitting, and investigation and repair of water and moisture concentrations.
12. **624-630 W. 8th Street-** The property consists of a two-story four-unit brick apartment building constructed in 1924. The work plan consists of removing

inappropriate alterations, repairing exterior finishes, repairing mortar on the brick façade, replacing non-period windows and doors with historically accurate period doors, and repairing and installing new roofing materials.

13. **517 West 9th Street-** This Victorian Cottage is a charming home that maintains several of its original character defining features. The work plan includes a seismic retrofit of the foundation, lead-paint removal and new paint, restoration of wood windows, and removal of porch alterations.
14. **501 East Broadway-** Originally constructed in 1922, the Metropolitan Apartments' façade was redesigned by Horace Austin into its current Streamline Moderne appearance after damage from the Long Beach Earthquake. The three-story mixed-use building will undergo restoration work along the storefronts, remove inappropriate alterations, restore original features, replace missing architectural features, investigate original building colors, and paint the building according to the paint analysis.
15. **3615 Cerritos Avenue-** A one-story Spanish Colonial style building that features a side gable roof, large picture window, bay window and several arch-shaped openings along the front façade. The restoration includes replacing all non-period aluminum windows with new wood windows, replacing plumbing and electrical, repairing foundation damage, and retrofitting the foundation.
16. **453 Chestnut Avenue-** A two-story Craftsman style building located on the corner of Chestnut and 5th Street. The building has a half-width front porch, and a prominent front-facing cross-gable roof with original architectural features that remain intact. Restoration work includes structural repair of the porch, repair the foundation, termite abatement and repair, and repair of damaged exterior wood architectural features.
17. **909-915 Elm Avenue-** This unique property was originally constructed with a Victorian Queen Anne influenced single-family building in the rear of the property in 1906. A duplex building was constructed in the front half of the property in 1918 reflecting the rapid growth and development of the City in the early 20th century. The work plan for both buildings includes restoration of original wood architectural features, roof replacement, window restoration, termite abatement and repair.
18. **643 Euclid Avenue-** The property is a unique double lot, with a two-story Craftsman building with a half width porch. The building was the first building constructed on the block. The work plan includes major foundation work to replace crumbling foundation walls, install new piers and seismically retrofit the building to the foundation. The work plan also include extensive updating plumbing and electrical services, lead paint removal, and restoration and repair of several architectural features.
19. **287 Granada Avenue-** This two-story duplex is a well designed Spanish Colonial example that maintains many of the classical architectural features associated with its architectural style. Restoration includes replacement of non-period

aluminum windows with wood windows, repair and restoration of existing wood windows and doors, replace knob and tube electrical wiring, foundation seismic retrofit, and replacement of sewer line.

20. **3590 Gundry Avenue-** The property is a one-story Spanish Colonial style building with a tile covered porch and front gable. Proposed building work includes replacing the roof on the residence and accessory structures, repairing roof leaks, replacing the clay sewer line, removing old knob and tube, service panel upgrading, retrofitting foundation and termite abatement and repair.
21. **355 Junipero Avenue-** This unique two-story building constructed in 1914 was designed by Austin and Lochridge architects and is a well preserved example of a Craftsman style building. The building is clad in wood shingle, retains several original windows with upper divided lights, exposed beams, and a brick chimney. Restoration includes removal of non-period louver windows, restoration of wood windows, paint and repair exterior siding, update plumbing systems, and investigate structural repair of floor framing
22. **362 Junipero Avenue-** This prominent two-story Craftsman style building constructed in 1913 and designed by C.B. Sholes is located within the Carroll Park Historic District. The building is a well-designed custom home that retains several character defining features. The building is clad in wood shingle, with wide overhanging roof eaves, large windows, and exposed rafter tails. The work program includes extensive window restoration and repair, replacing inappropriate window glazing in front door, tuckpointing brickwork throughout the building, replacement of roofing materials and repair of structural roof deficiencies.
23. **537 Termino Avenue-** This classic Craftsman Bungalow features two front facing gables, a half width porch and is clad in wood siding. Restoration work includes foundation repair, seismic retrofitting, repair sagging roof, remove non-period stone features, restore wood windows, replace non-period windows with wood windows, and replace knob and tube electrical wiring.

While proceeding with Mills Act contract recommendations, we will return to the Commission at a future meeting with recommendations for landmark designations. Additional time is necessary to fully complete the property evaluations. Staff is continuing to evaluate at least five applications for landmark designation including: 501 East Broadway, 909-915 Elm Avenue, 287 Granada Avenue, 355 Junipero Avenue, and 362 Junipero Avenue. All of the aforementioned properties with the exception of 362 Junipero Avenue (Carroll Park) are located outside of a historic district and, under the program's eligibility requirements, will need to meet the criteria for landmark designation.

APPLICATIONS NOT AWARDED THIS YEAR

The applications received this year were more competitive as a whole. Most applications included important work plan items. Applications that included a comprehensive scope of repairs and substantial "major" repair items were the applications that staff recommended to the Commission. Applications that included less work plan items or no

major repairs were not recommended for consideration. Generally, staff found these properties were in good to fair condition and were properties where more substantial repairs had already been completed.

1. **3053 East 1st Street-** This is an interesting property that may have some association to Miner Smith, but could not be verified at this time without further research. This property is in fair to good condition compared to other applications.
2. **3301-3305 East 4th Street-** This work plan had good restoration items proposed in the work plan, but many of the larger repairs have already been completed.
3. **2720 East 6th Street-** This application had a very limited work plan and not as competitive as other applications. The property is also currently under construction with an approved addition.
4. **3804 East 15th Street-** This property is not located within any historic district, and we anticipate that it would not meet landmark designation criteria.
5. **3569 California Avenue-** This property had a limited work plan, and was not as competitive as other applications.
6. **362 Carroll Park East-** This duplex property was unique and interesting and proposed good work plan items, but many of the major repairs have been completed.
7. **789 Coronado Avenue-** This application included several good work plan items, but needed to include highly visible alterations that include stucco removal over siding, and replacement of non-period windows.
8. **737 Dawson Avenue-** This application proposed several work plan items, but was not as competitive as other applications.
9. **304 Eliot Lane-** This application proposed several work plan items, but was not as competitive as other applications.

POLICY CHANGES FOR THE 2018 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. With three years of experience in processing applications since the Mills Act program was resumed, staff is not recommending any policy changes for implementation during the 2018 program. Staff finds that past changes adopted by the Cultural Heritage Commission have resulted in more competitive applications. We've also found the annual amount of applications received is still within the annual award limits by property type.

Number of Contracts

A total of 26 Mills Act applications were filed in this year's Mills Act cycle. Of the 26

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applications filed, staff is recommending 17 properties be awarded contracts along with six applications from last year. In this cycle, 18 out of the 26 total applications received were in the single-family category. The duplex and triplex category was over by one application. Ten total contracts this year were not recommended for a contract for multiple reasons, but the main reason is that the proposed work plans were not as thorough and competitive as other applications received and/or the properties did not need substantial repair and restoration.

Property Type	Contracts Per Year (Adopted Guidelines)	2016 Applications Recommended	2017 Applications Received	2017 Applications Recommended	Total Contract Awards Recommended
Single Family Residential (1 dwelling unit)	12	4	18	10	14**
Duplex or Triplex Residential (2 or 3 dwelling units)	3	2	4	3	5**
Multifamily Residential or Mixed Residential/Commercial (4 or more dwelling units)	4	0	3	3	3**
Non-Residential (Commercial, Industrial, or Institutional)	1	0	1	1	1
Total	20	6	26	17	23*

*The 23 total applications includes 6 applications from 2016.

** Utilizes rollover "slots" from previous years.

The single largest change from last year was removal of the restriction that all properties be landmark-designated buildings or meet the criteria for designation. This change made contributing structures with historic districts eligible. The effect this change had was that Development Services received substantially more interest in the program. Attendance at workshops increased substantially as did the number of inquiries to staff. Interestingly, while the changes last year expanded the pool of eligible applicants, only 2 more applications were submitted than the 24 received last year.

Staff finds that changes from last year to make contributing properties eligible, and to increase the number of multi-family contracts from one to four annual contracts is on target with finding a competitive balance in the number of applications received. For that reason, staff is not recommending any changes to the annual number of contracts awarded. We've found that this year's pool of applications was much more competitive in terms of presenting strong work plans and substantial property investment. Going forward, we anticipate increased interest in the program resulting in more competitive applications.

Many applicants stated that they anticipate that award of a Mills Act contract will help alleviate the costs of their project's major repairs. In discussions with applicants, we frequently heard feedback that the Mills Act was their opportunity to undertake major repairs that were often delayed due to the high cost.

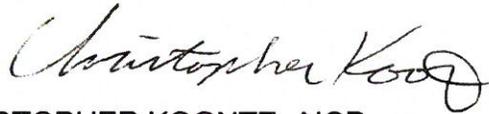
PUBLIC HEARING NOTICE

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

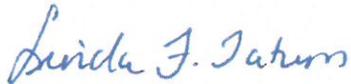
ENVIRONMENTAL REVIEW

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.

Respectfully submitted,



CHRISTOPHER KOONTZ, AICP
ADVANCE PLANNING OFFICER



LINDA F. TATUM, AICP
PLANNING BUREAU MANAGER

LFT:CK:ap

Attachments: Exhibit A – Location Map
Exhibit B – Workplans