



CITY OF LONG BEACH

DEPARTMENT OF DEVELOPMENT SERVICES

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July 11, 2016

CHAIR AND CULTURAL HERITAGE COMMISSIONERS
City of Long Beach
California

RECOMMENDATION:

Recommend that the City Council designate the following eleven properties as Historic Landmarks: 3943 E. 5th Street, 347 W. 7th Street, 539 Daisy Avenue, 711 Daisy Avenue, 2202 E. Lowena Drive, 2220 E. Lowena Drive, 14 Paloma Avenue, 3020 E. Vista Street, 331 Wisconsin Avenue, 344 W. 8th Street and 1162 Los Altos Avenue (Districts 1, 2, 3)

Recommend that the City Council approve Mills Act contracts for the following 15 properties: 3943 E. 5th Street, 347 W. 7th Street, 539 Daisy Avenue, 711 Daisy Avenue, 2202 E. Lowena Drive, 2220 E. Lowena Drive, 14 Paloma Avenue, 3020 E. Vista Street, 331 Wisconsin Avenue, 344 W. 8th Street, 1162 Los Altos Avenue, 100 W. 5th Street, 4031 E. 5th Street, 800 E. Ocean Boulevard, and 260 E. San Antonio Drive. (Districts 1, 2, 3, 8)

APPLICANT: Various
(Application Nos. HP16-248, HP16-251 through HP16-264)

REQUEST

Staff requests the Cultural Heritage Commission recommend 119 Mills Act contracts for nine single-family properties, two multi-family properties less than three units, and four multi-family properties with greater than four units (Exhibit A- Location Map). In consideration for 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

On the June 13, 2016, staff and the Cultural Heritage Commission conducted a Study Session to provide an overview of the applications filed during the 2016 Mills Act cycle. Staff discussed their initial recommendation for the 24 applications filed, as well as recommendations for future changes to the Mills Act program (Exhibit C- CHC Staff Report).

The purpose of the study session was to make an initial presentation to the Commission on the 2016 applications, and to answer the Commission's questions on the applications and the review process. Staff also wanted to present feedback to the Commission on the applications and review process based on the experience of 2015, and its experience to date on the 2016 applications.

Last year, only properties that were designated landmark properties were eligible to apply for a contract. This year all historic properties were eligible to apply on the condition that the properties also apply for landmark designation. Therefore, the Cultural Heritage Commission must also consider whether these 11 properties also meet landmark designation criteria. Landmark designation findings (Exhibit D- Landmark Findings and Analysis) are attached along with supporting research, Primary Record forms and other historic documentation (Exhibit E- Primary Record DPR Forms).

2016 MILLS ACT APPLICATIONS

During this year's Mills Act application period, staff received five applications from properties that are currently designated landmark properties. At the June meeting, staff recommended approval of all five applications and is now recommending four of the five applications previously presented. Staff is continuing to review the application for 2025 E. 4th Street known as the Art Theatre building. This application may be returned to the Cultural Heritage Commission for consideration at a future date. The four properties recommended represent excellent examples of varying architectural styles with unique local historic significance. The recommended landmark properties are the following:

1. **100 West 5th Street (Kress Building- 52 contracts)**
2. **4031 East 5th Street (Ringheim/Wells House)**
3. **800 East Ocean Boulevard (Villa Riviera- 54 new contracts)**
4. **260 East San Antonio Drive (Kuglis/Jennings House)**

At the June meeting, staff anticipated recommending approval for ten landmark applications pending further property research. The evaluation of the applications is complete and staff has found that the following ten properties presented in June meet the City's landmark criteria. In order 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
- D. It has yielded, or may be likely to yield, information important in prehistory or history.

Staff is recommending both landmark designation and a Mills Act contract for each of the following properties:

5. **3943 East 5th Street-** The Elizabethan Studio is an important work from prominent architect John Halstead Roberts and associated with other important architects. The dwelling and studio were constructed during a period of city expansion and seaside resort development meeting Criteria A for designation. The building embodies distinctive characteristics associated with the Tudor Revival style and therefore meets Criteria C.
6. **347 West 7th Street-** This historic Queen Anne style single-family building is a significant example of early development in the area. The house conveys the period of expansion and seaside resort development that took place in the central core of Long Beach during its construction. The building meets Criteria A for landmark designation as an example of early development in the Drake Park/Willmore City area.
7. **539 Daisy Avenue-** This custom Craftsman single-family building was relocated to its current site on Daisy Avenue from 228 Nylic Court. This one-story Craftsman building has been restored and is an excellent intact example of the style. It retains integrity for design, materials and Craftsmanship and meets the Criteria C for landmark designation.
8. **711 Daisy Avenue-** This two-story single-family building is an intact Craftsman style building. This structure embodies many of the distinctive characteristics of the style including the exterior wood finishes, full-width porch, cast stone piers, tapered porch columns, and wide over-hanging roof eaves. This structure retains integrity and is meets Criteria C for landmark designation.
9. **2202-08 East Lowena Drive & 230 Junipero Avenue-** One of the few Chateausque examples in City, this one-story apartment building is significant for its association with events that have made a significant contribution of the broad patterns of California's history and cultural heritage. The building conveys the period of expansion and seaside resort destination and falls within the period of significance for the Lowena Drive district. Mr. Herbert N. Lowe influenced the development of the city as the creator of the contiguous collection of medieval buildings which make up the district. Mr. Lowe is also significant in history for his involvement in the Long Beach Social Vagrancy Scandal and Trial of 1914. This property meets the eligibility Criteria A, B and C for landmark designation.
10. **2220 East Lowena Drive-** After construction of the abutting building in 1919, Herbert N. Lowe constructed this two-story Chateausque multi-family building in 1926 on his flower farm. This French-influenced building with its steep hipped-roofs, dormers and wood casement windows embody the distinctive characteristics of the style. This structure meets the eligibility for Criteria A, B and C for landmark designation.

11. **3020 East Vista Street-** This two-story Craftsman style single-family building built in 1913 was constructed by noted builders C.T. McGrew and Sons. This historic structure was built during the period of significance for the Bluff Heights Historic District. The house retains character-defining features such as the widely overhanging roof, Arts and Crafts decorative trim, and grouping of windows that all emphasize the horizontality of the style. This structure meets eligibility Criteria A and C for landmark designation.
12. **331 Wisconsin Avenue-** The one-story dwelling is an example of the Craftsman Bungalow style which features clapboard wood siding, deep gabled porch, a half-width porch solid brick piers and encased columns. A later rear house matches much of the style and fenestration of the main house. Most character-defining features are intact and well preserved and reflects a high level of integrity. The building was constructed during the period of significance for the Bluff Heights Historic district and during a period of expansion and seaside development. The property meets Criteria A for landmark designation.
13. **344 West 8th Street-** This mixed-use building is a Vernacular Commercial style building with ground-floor commercial and a second-floor dwelling unit. Research of Sanborn Map records indicates the building was constructed as early as 1908. The building is located one block east of the former Pacific Electric's Magnolia Avenue streetcar line and has served as a neighborhood grocery store for over one hundred years and may be the oldest surviving market in Long Beach. The building retains integrity of setting, location, feeling and association of having played an important role in providing a service to the neighborhood. The building meets Criteria A for its contributions to the early development of the Drake Park/Willmore City area.
14. **1162 Los Altos Avenue-** This single-family at 1162 Los Altos Avenue conveys a particular American historic Contemporary Ranch architectural style. The low-pitched, stone-clad roof, exposed beam ends, wide stone chimney, and bands of windows all emphasize horizontality of the style. The building was designed by architect Richard Poper. While in college he trained under Jess Jones in the Elizabethan Studio. He went on to design many notable buildings in Long Beach and throughout Southern California. The building meets landmark designation Criteria C as the work of a master architect.

One property that is being included on the list of recommended properties is 14 Paloma Avenue. It was initially determined by staff that the building would not meet landmark eligibility requirements. Upon further research and evaluation of the property, staff is now recommending landmark designation of the property and a Mills Act contract.

15. **14 Paloma Avenue-** The property is associated with events that have made a significant contribution to the broad patterns of Long Beach history and cultural heritage. The building conveys early neighborhood development and was built within the period of significance of the Bluff Park Historic District. The building is associated with lives of persons significant in the City's past. John G. Munholland was a prominent Long Beach attorney who was significant to the community and

made a significant contribution to the built environment of Long Beach during the 20th century with the Mun Hotel, and with his adjacent Munholland Apartments. The building meets Criteria A and B for landmark designation.

POLICY CHANGES FOR THE 2017 PROGRAM

In 2014, the Cultural Heritage Commission developed policies and restrictions for the Mills Act program that were then approved by the City Council in 2015. With two years of experience in processing applications since the Mills Act program was resumed, staff is recommending several policy changes for implementation during the 2017 program. These changes relate to eligibility for Mills Act contracts, property valuation limits, the number of contracts, and work plan requirements.

Eligibility

Staff recommends changing the historic designation criteria to include contributing structures within existing landmark districts. While existing and new landmarks should be given priority, staff feels it is also appropriate to incentivize the rehabilitation and improved maintenance of the many structures that make up our landmark districts. Nine of the applications received in 2016 were good applications but did not meet the criteria for individual landmark listing. These applications and any new applications received in 2017 should be considered for a contract.

Property Valuation

Over the last two years, staff has received many comments regarding the valuation limits for contracts. Specifically, several homeowners have expressed an interest in obtaining Mills Act contracts for single-family homes that exceed the current \$1,000,000 valuation limit. Staff does not recommend raising this valuation limit but does propose indexing the limit to the annual Consumer Price Index (all items, Los Angeles-Riverside-Orange County local area statistic) as reported by the United States Bureau of Labor Statistics in their annual averages report. Because there was no adjustment in 2016, staff proposes that the 2017 valuation limits be adjusted to account for escalation in 2015 and 2016. In future years, the annual escalation would account for the previous year change in CPI.

Valuation limits assure that the City is able to invest limited financial resources in a larger number of contracts and that those contracts are able to benefit owners that are more likely to lack the financial resources for substantial rehabilitation. The valuation limits are shown in the table below:

Property Type	Existing Valuation Limit	Proposed Valuation Limit with 2015 CPI Adjustment
Single Family Residential (1 dwelling unit)	\$1,000,000	\$1,020,000
Duplex or Triplex Residential (2 or 3 dwelling units)	\$600,000.00 per dwelling unit.	\$612,000 per dwelling unit

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Multifamily Residential or Mixed Residential/Commercial (4 or more dwelling units)	No valuation limit.	No valuation limit
Non-Residential (Commercial, Industrial, or Institutional)	\$2,500,000	\$2,550,000

Number of Contracts

Both a maximum number of contracts and contracts by category were established for the program. This mix was heavily weighted toward single-family homes, in order to assist single-family owners to compete with more substantial multi-family structures. The actual applications that have been filed include a greater number of multi-family applications than anticipated and fewer single-family applications than anticipated. In the 2015 cycle, the additional multi-family applications were able to move forward only because "slots" for single-family units went unsubscribed and could be used for another category. For reference, 51 percent of the housing units in the City are in multi-family structures and 42 percent are in single-family homes. Staff is recommending an expansion of the Mills Act program to accommodate additional multi-family applications as set forth in the Table below. The estimated cost of this expansion to the City's General Fund is approximately \$33,000 per year after a five-year ramp-up period.

Property Type	Contracts Per Year (Adopted Guidelines)	2015 Applications Received	2016 Applications Received	Proposed Guideline Revision
Single Family Residential (1 dwelling unit)	12	4	15	12
Duplex or Triplex Residential (2 or 3 dwelling units)	3	0	3	3
Multifamily Residential or Mixed Residential/Commercial (4 or more dwelling units)	1	4	5	4
Non-Residential (Commercial, Industrial, or Institutional)	1	1	1	1
Total	17	9	24	20

If the change to allow contributing structures within districts to apply without meeting the criteria for landmark status is approved, staff anticipates additional interest and applications during the 2017 cycle. Obtaining a number of applications beyond what can be filled allows the City to reward the best applications and encourages more robust work plans and investments into the historic properties.

As a final change, staff recommends including a question in the proposed work plan form regarding use of local labor and materials in the implementation of the work plan. While not all historic building materials may be available locally, purchasing those materials that are available in Long Beach locally rather than other jurisdictions helps allay the fiscal cost imposed on the City through issuance of the contracts. Local purchases directly support City sales and indirectly supports property and business tax revenues.

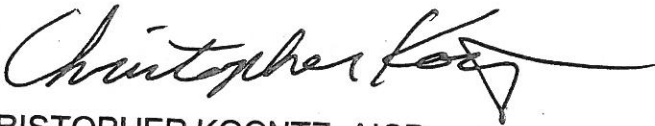
PUBLIC HEARING NOTICE

Public notices were distributed on June 22, 2016. As of this date no letters have been received.

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



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PLANNING BUREAU MANAGER

LFT:CK:ap

Attachments: Exhibit A – Location Map
Exhibit B – Workplans
Exhibit C – Cultural Heritage Commission - Staff Report, June 13, 2016.
Exhibit D – Landmark Findings & Analysis
Exhibit E – Primary Record DPR Forms