DEPARTMENT OF CITY PLANNING

OFFICE OF HISTORIC RESOURCES 200 N. Spring Street, Room 559 LOS ANGELES, CA 90012-4801

CULTURAL HERITAGE COMMISSION

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INFORMATION preservation.lacity.org

October 29, 2015

The Honorable City Council City of Los Angeles 200 N. Spring Street, Room 395 Los Angeles, CA 90012

Attn: Sharon Dickinson, Legislative Assistant

RE: 2015 "MILLS ACT" HISTORICAL PROPERTY CONTRACTS

Pursuant to Los Angeles Administrative Code Chapter 14 (Approval of Historical Property Contracts), authorization for the Director of Planning to execute 66 Historical Property Contracts is hereby requested. The contracts are pro-forma and vary only to the extent that each contract represents a different property. Each property owner has entered into this agreement voluntarily and submitted the City's standard form of Historical Property Contract. The standard contract has been approved as to form and legality by the City Attorney.

As required under provisions of Ordinance No. 172,857 implementing State Government Code Sections 50280 et seq., commonly known as the "Mills Act", the Department of City Planning has verified the following:

- 1. That the properties subject to the contract are either designated as Historic-Cultural Monuments or Contributing Structures to an Historic Preservation Overlay Zone, and;
- 2. Engaging in these contracts will not cause the City's lost property tax revenues from the Historical Property Contracts program in aggregate to exceed \$2 million annually.
- 3. The applicants have submitted a rehabilitation/maintenance/preservation scope of work for the property.

The Mills Act Historical Property Contracts program is the State's leading financial incentive for historic preservation projects. Enabling legislation was approved by the state legislature in 1974. It allows local jurisdictions to enter into contracts with owners of qualified historical properties for their preservation maintenance and rehabilitation. The property is assessed on an income basis rather than market value. The result is property tax abatement. The City of Los Angeles adopted the Mills Act in 1996 and the first year of contracts began in 1997. To date, 769 properties have entered the program in the City. The program is designed to assist under-utilized and under-valued properties.

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The Mills Act Ordinance governs limitations on historical property contracts. These include requirements that eligible single-family homes are to be limited to pre-contract assessment valuations of \$1,500,000; and that commercial properties are limited to pre-contract assessed valuations of \$3,000,000 unless the Cultural Heritage Commission grants an exemption from these caps. The criteria for granting the exemption are 1) that the exemption will assist in the preservation of a structure (including unusual and/or excessive maintenance requirements) that would otherwise be in danger of demolition, substantial alteration or relocation; 2) the structure is an exceptional Historic-Cultural Monument or a Contributing Structure to an HPOZ; and 3) granting the exemption will not cause the annual cumulative loss of property tax revenue to the City to exceed \$2,000,000. Pursuant to Administrative Code Section 19.142, nine applications for exemptions to these limitations were received by the Department. The exemption cases were reviewed and approved by the Commission on September 17 and October 1, 2015. At these meetings, the Commission determined that eight properties met the exemption criteria. The remaining 58 properties have been qualified under priority consideration criteria established in the ordinance for investment, necessity and uniqueness. All properties are subject to final inspection to verify existing conditions on the property.

Program Summary

Existing contracts in program: 769
Pending 2015 applications (new contracts): 66

Estimated Mills Act fiscal impact for 2015-16

Current tax revenue loss to City: .\$1,005,425
Estimated impact of the new contracts: \$93,643
Cumulative impact of existing and new contracts: \$1,099,068
Estimated total tax revenue loss (all agencies): \$9,335,353
Percentage of annual cap committed: 54.9%
Percentage of annual cap available: 45.1%

The City's share of the general levy property tax collected by the County Assessor for FY 2015-16 (1% of property value) is 0.106146446, or 10.6%. It is the intent of the City Council that unrealized City revenue from the loss of property taxes not collected due to executed Historical Property Contracts shall not exceed \$2,000,000 annually. The current total revenue loss projection for 2015-16 would put the program at 54.9% capacity.

If there are any questions, please contact Ken Bernstein at (213) 978-1181 or Lambert Giessinger at (213) 978-1183.

Sincerely,

MICHAEL J. LOGRANDE

Director of Planning

Ken Bernstein, AICP

Date

Manager, Office of Historic Resources

Attachments:

2015 Mills Act List of Applications 66 Historical Property Applications

10/21/15

		2015 MILLS ACT APPLICANTS							
	Property Street Num.	Property Street Dir.	Property Street Name	Property Zip	Owner Name 1	Owner Name 2			
1	1229		3rd Avenue	90019	JoEllen Williamson				
2	1107-1109		4th Avenue	90019	Barbara H. Corry				
3	1262		5th Avenue	90019	Christopher Gary	Jasmine Andrews			
4	215	W	7th Street	90014	Neva Chevalier				
5	3184	W	8th Street	90005	Daniel Tenenbaum				
6	859	W	13th Street	90731	Marcus R. Pigrom	Amy McNamara			
7	2908	W	15th Street	90006	Justin Ames Nowell	Ivy C. Pochoda			
В	1431	W	24th Street	90007	Sharon Carz	Richard Crowley			
9	2255	W	25th Street	90018	Jason Torreano	Leah Katz			
10	2103	w	28th St.	90018	Willie Ray Lewis, Jr.	Ronald Julien Hernandez			
11	2082	w	29th Place	90018	Courtney Sexton	Meredith Russo-Sexton			
12	2158	w	29th Place	90018	Aram Nadjarian				
13	2117	W	29th Street	90018	David W. Lane	Yang K. Kwon			
4	4255		Agnes Ave	91604	Amy Schulenberg	Christopher Culliton			
.5	1041-1043	S	Alfred Street	90035	Sarah and Mark Benor	Beth Freishtat			
.6	1053		Alvira Street	90035	Liron Israel Nelik				
7	6141		Barrows Drive	90048	Daniel Tellalian	Monica Carlos			
8	1453		Bellevue Avenue	90026	Isac E. Walter	Emily Shur			
.9	4350		Beverly Blvd	90004	Dean Hansell	Entity Strot			
0	801-829	S	Broadway Street		Shay Yadin				
1	702	S	Bronson Avenue		Marshall L. Hennington	Lorna D. Hennington			
2	6524		Commodore Sloat Drive		Ann Rubin	Lorna D. Heimington			
3	6421	E	Crescent street	90042	Joseph A. Benkovich	Rebecca S. Benkovich			
4	1950	N	Edgemont Street	90027	David L. Cremin	Dana-Joy Cremin			
5	2574	14	Glendower Avenue	90027	Donald I. Brown	Christopher L. Parsons			
6	245	N	Gower St.		Jon Blando	Kim Blando			
7	1139	S	Harvard Blvd		Aaron Brown	Natasha Brown			
8		S	Harvard Blvd		Albert C. Blondeel-Timmerman				
9	508	N N	Highland Avenue		Magdi Gindi	Kim Annette Calvert			
0	624	N	Highland Avenue		Michael Bruce				
1		S	Hill Street		Michael Cho				
2		S	Hobart Blvd.		Leilani Riehle				
_				-					
3		<u>S</u>	Hobart Blvd.	+	lan Sinnott				
4		W	Hollywood Boulevard	+	The Loft at Hollywood and Vine	1			
5	4529		Homer Street		Robert A. Mueller	Lucia Fabio			
_	6622		Iris Drive		Simon Malodonado				
7		N	June Street		Dante Di Loreto				
_		NE	Kensington Road	1	Ryan Sypek				
		NE	Kensington Road	+	Chandler Chang				
_	5900		Manola Way		Sheryl A. Hellard				
_	6511	*,	Moore Drive	+	Arthur Ulene				
_	3539		Moore st.		Josh Bleibtreu	Sarah Bleibtreu			
_		W	Nanette Street		David Edminster				
_		N	Ogden Drive		James Yunker	Suzanne Yousefzadeh			
		S	Orlando		Phillis J. Ing				
		S	Orlando Avenue		Stephanie Eshel	David Eshel			
$\overline{}$		S	Oxford Avenue		Michael Mayer				
$\overline{}$		S	Santee Street		Urban Foresight, LLC				
			Spaulding Avenue		Robert J. Smith	Katherine D. Wise			
_			Spaulding Avenue		Paul Thomas Wang				
1	5730	W	Spring Oak Drive	90068	Peter Betz Ellis	Nanci Katz Ellis			

52	1830	N	Taft Avenue	90028	The Polynesian	
53	125	N	Van Ness Ave.	90004	Mark Hudis	Natalya Hudis
54	906	S	Victoria Avenue	90025	Catherine Opie	Julie Burleigh
55	1801	S	Victoria Avenue	90019	Michael Chu	Deborah Clare Lawrence
56	4359		Victoria Park Place	90019	James B Cain	
57	1201		Westchester Place	90019	Gary Leon Goldman	Judith Wyle Goldman
58	1212		Westchester Place	90019	Nero Smeraldo	Ariana Smeraldo
59	1810		Westmoreland Blvd.	90006	Shunit Mor-Barak	Michal Mor-Barak
60	1965	N	Whitley Avenue	90068	Christiane Jory	
61	6660		Whitley Terrace	90068	Jerome Solomon	
62	6697		Whitley Terrace	90068	Laurel R. Moreno	
63	1215	S	Wilton Place	90019	Ina Bryant	
64	454	S	Windsor Blvd.	90020	Jeet Sohal	Eric D. Andersen
65	8941		Wonderland Park Avenue	90046	Arnaud Levy	Tania Levy
66	4908		York Blvd	90042	Betsy Cole	

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