

TRANSMITTAL

To:
THE COUNCIL

Date: **OCT 29 2015**

From:
THE MAYOR

TRANSMITTED FOR YOUR CONSIDERATION. PLEASE SEE ATTACHED.



Ana Guerrero

ERIC GARCETTI
Mayor

DEPARTMENT OF
CITY PLANNING

OFFICE OF HISTORIC RESOURCES
200 N. SPRING STREET, ROOM 559
LOS ANGELES, CA 90012-4801

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October 27, 2015

The Honorable Eric Garcetti, Mayor
City of Los Angeles
200 N. Spring Street, Room 303
Los Angeles, CA 90012

Attn: Mandy Morales, Legislative Coordinator

RE: 2015 MILLS ACT HISTORICAL PROPERTY CONTRACTS

Pursuant to Executive Directive 3, transmitted herewith for your review, prior to City Council action, is (1) original of 66 Historical Property Contracts. 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 revenue 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 program is designed to assist under-utilized and under-valued properties. 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.

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The Mills Act Ordinance governs limitations on historical property contracts. These include requirements that eligible single-family properties are to be limited to a pre-contract assessed value of \$1,500,000; and that commercial properties are limited to a pre-contract assessed value 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

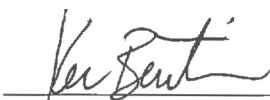
Current tax revenue loss to City:	\$1,005,425
Estimated impact of the new contracts:	\$93,643
Cumulative impact of existing and new contracts:	\$1,099,068
Estimated total tax revenue loss (all agencies):	\$9,335,353
Percentage of annual cap committed:	54.9%
Percentage of annual cap available:	45.1%

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
Manager, Office of Historic Resources

10/26/15

Date

Attachments: 2015 Mills Act List of Applicants
66 Historical Property Contracts

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
8	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
14	4255		Agnes Ave	91604	Amy Schulenberg	Christopher Culliton
15	1041-1043	S	Alfred Street	90035	Sarah and Mark Benor	Beth Freishtat
16	1053		Alvira Street	90035	Liron Israel Nelik	
17	6141		Barrows Drive	90048	Daniel Tellalian	Monica Carlos
18	1453		Bellevue Avenue	90026	Isac E. Walter	Emily Shur
19	4350		Beverly Blvd	90004	Dean Hansell	
20	801-829	S	Broadway Street	90014	Shay Yadin	
21	702	S	Bronson Avenue	90005	Marshall L. Hennington	Lorna D. Hennington
22	6524		Commodore Sloat Drive	90048	Ann Rubin	
23	6421	E	Crescent street	90042	Joseph A. Benkovich	Rebecca S. Benkovich
24	1950	N	Edgemont Street	90027	David L. Cremin	Dana-Joy Cremin
25	2574		Glendower Avenue	90027	Donald I. Brown	Christopher L. Parsons
26	245	N	Gower St.	90004	Jon Blando	Kim Blando
27	1139	S	Harvard Blvd	90006	Aaron Brown	Natasha Brown
28	1732	S	Harvard Blvd	90006	Albert C. Blondeel-Timmerman	Kim Annette Calvert
29	508	N	Highland Avenue	90004	Magdi Gindi	
30	624	N	Highland Avenue	90004	Michael Bruce	
31	701	S	Hill Street	90014	Michael Cho	
32	1806	S	Hobart Blvd.	90006	Leilani Riehle	
33	2242	S	Hobart Blvd.	90018	Ian Sinnott	
34	6253	W	Hollywood Boulevard	90028	The Loft at Hollywod and Vine	
35	4529		Homer Street	90031	Robert A. Mueller	Lucia Fabio
36	6622		Iris Drive	90068	Simon Malodonado	
37	464	N	June Street	90004	Dante Di Loreto	
38	740	NE	Kensington Road	90026	Ryan Sypek	
39	847-849	NE	Kensington Road	90026	Chandler Chang	
40	5900		Manola Way	90068	Sheryl A. Hellard	
41	6511		Moore Drive	90048	Arthur Ulene	
42	3539		Moore st.	90066	Josh Bleibtreu	Sarah Bleibtreu
43	17031	W	Nanette Street	91344	David Edminster	
44	1530	N	Ogden Drive	90046	James Yunker	Suzanne Yousefzadeh
45	1017	S	Orlando	90035	Phillis J. Ing	
46	1164	S	Orlando Avenue	90035	Stephanie Eshel	David Eshel
47	1709	S	Oxford Avenue	90006	Michael Mayer	
48	819	S	Santee Street	90014	Urban Foresight, LLC	
49	1351	N	Spaulding Avenue	90046	Robert J. Smith	Katherine D. Wise
50	1352	N	Spaulding Avenue	90046	Paul Thomas Wang	
51	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	