



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: DECEMBER 6, 2016

FROM: COMMUNITY & ECONOMIC DEVELOPMENT WARD: 3
DEPARTMENT

SUBJECT: PLANNING CASE P16-0480 – REQUEST BY JAMES FRAME AND JOHN
AZAR FOR A MILLS ACT HISTORIC PRESERVATION CONTRACT – 5085
ROCKLEDGE DRIVE

ISSUE:

The issue for City Council consideration is approval of one Mills Act contract application, Historic Property Preservation Agreement, filed by property owners John Azar and James Frame for the single-family residence located at 5085 Rockledge Drive.

RECOMMENDATIONS:

That the City Council:

1. Approve the Mills Act contract for the property located at 5085 Rockledge Drive; and
2. Authorize the City Manager, or his designee, to execute the attached Mills Act contract including making minor and non-substantive changes.

BACKGROUND:

The Mills Act Program was implemented by the City Council in 2004 with the adoption of Resolution No. 20825. Under the Mills Act Program, the owner of a designated historic property enters into a contract with the City where in exchange for reduced property taxes, the owner commits to investment of that savings back into the property itself. The provisions of the contract require the owner to perform work which may include rehabilitation, restoration, preservation, or maintenance projects valued equal to or greater than the property tax reduction. The program provides a financial incentive to encourage the preservation of designated historic districts and individual properties throughout the City, which ultimately preserves property values and ensures the preservation of the City's tangible links to the past for future generations.

DISCUSSION:

This year, one Mills Act application was submitted. The application meets the City's requirements for Mills Act contracts and includes a ten-year plan that totals approximately \$160,000 in property maintenance and improvements.

FISCAL IMPACT:

Since the administration and maintenance of the Mills Act Program is accomplished with existing staff, the City will not incur any direct costs. Moreover, the applicant has paid the current \$404 application and \$3,274 contract initiation fees established by City Council resolution which help offset the staff costs. However, the Mills Act provides for some property tax reductions. Because the City's share of tax revenue is relatively small and only one new contract is being administered during this cycle, the reduction in property tax revenue for the City will be minimal; conversely, the Program provides for some increase in property value given the continued reinvestment in the property on an annual basis.

Prepared by: Rafael Guzman, Community & Economic Development Department
Director

Certified as to
availability of funds: Scott G. Miller, PhD, Chief Financial Officer/City Treasurer
Approved by: Al Zelinka, FAICP, Assistant City Manager
Approved as to form: Gary G. Geuss, City Attorney

Attachment: Mills Act Contract for 5085 Rockledge Drive