



CITY OF POMONA COUNCIL REPORT

November 21, 2022

To: Honorable Mayor and Members of the City Council

From: James W. Makshanoff, City Manager

Submitted By: Anita Gutierrez, AICP, Development Services Director

SUBJECT: APPROVAL OF 12 MILLS ACT CONTRACTS

RECOMMENDATION:

It is recommended that the City Council adopt the following resolutions:

RESOLUTION NO. 2022-181 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF POMONA APPROVING A MILLS ACT CONTRACT FOR A PROPERTY LOCATED AT 472 PRECIADO STREET

RESOLUTION NO. 2022-184 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF POMONA APPROVING A MILLS ACT CONTRACT FOR A PROPERTY LOCATED AT 1280 LOS ROBLES PLACE

RESOLUTION NO. 2022-185 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF POMONA APPROVING A MILLS ACT CONTRACT FOR A PROPERTY LOCATED AT 512 E. MCKINLEY AVENUE

RESOLUTION NO. 2022-186 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF POMONA APPROVING A MILLS ACT CONTRACT FOR A PROPERTY LOCATED AT 305 E. COLUMBIA AVENUE

RESOLUTION NO. 2022-187 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF POMONA APPROVING A MILLS ACT CONTRACT FOR A PROPERTY LOCATED AT 370 E. PEARL STREET

RESOLUTION NO. 2022-188 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF POMONA APPROVING A MILLS ACT CONTRACT FOR A PROPERTY LOCATED AT 1507 N. PARK AVENUE

RESOLUTION NO. 2022-189 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF POMONA APPROVING A MILLS ACT CONTRACT FOR A PROPERTY LOCATED AT 278 E. GARFIELD AVENUE

RESOLUTION NO. 2022-190 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF POMONA APPROVING A MILLS ACT CONTRACT FOR A PROPERTY LOCATED AT 305 E. JEFFERSON AVENUE

RESOLUTION NO. 2022-191 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF POMONA APPROVING A MILLS ACT CONTRACT FOR A PROPERTY LOCATED AT 573 E. KINGSLEY AVENUE

RESOLUTION NO. 2022-192 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF POMONA APPROVING A MILLS ACT CONTRACT FOR A PROPERTY LOCATED AT 311 E. PASADENA STREET

RESOLUTION NO. 2022-210 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF POMONA APPROVING A MILLS ACT CONTRACT FOR A PROPERTY LOCATED AT 533 E. ALVARADO STREET

RESOLUTION NO. 2022-211 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF POMONA APPROVING A MILLS ACT CONTRACT FOR A PROPERTY LOCATED AT 549 E. ALVARADO STREET

EXECUTIVE SUMMARY:

The matter before the Council is consideration of 12 Mills Act contracts, which if approved would allow for a reduction in the property taxes of these historically designated properties in exchange for restoring and maintaining the building in accordance with a Restoration, Rehabilitation and Preservation Plan reviewed and approved by the Historic Preservation Commission.

FISCAL IMPACT:

The approval of all 12 Mills Act contracts will result in an estimated property tax savings to the property owners for Fiscal Year (FY) 2023-24 of approximately \$36,054. Based on this estimate, over the ten-year period of the contract, the estimated decrease in property tax collected by the County Assessor is estimated to be approximately \$360,548. The estimated reduction in property tax revenue to be realized by the City of Pomona through the decrease in taxes collected is expected to be approximately \$8,510 for FY 2023-24 and \$85,100 spread over the next 10 years. The actual amount of the decrease for future years will be directly related to the assessed value of the property as determined by the Los Angeles County Office of the Assessor.

PREVIOUS RELATED ACTION:

The Historic Preservation Commission (HPC) recommended the 12 applications for approval on September 7, 2022 and October 5, 2022.

DISCUSSION:

Enacted in 1972 by the State of California, the Mills Act legislation grants participating local governments the authority to enter into contracts (Mills Act contracts) with owners of qualified historic properties who actively participate in restoring and maintaining their historic properties while receiving property tax relief. The minimum contract period is ten years, with an automatic annual one-year extension. Each local government establishes its own criteria for evaluating Mills Act program applications. The City's current Mills Act program was initially adopted in 2002, with a revised and restated program adopted in 2008.

The City's Mills Act program requires that the estimated property tax savings realized during the first ten years following execution of a contract be spent on completing the schedule of projects included in the Restoration, Rehabilitation and Preservation Plan (RR&P Plan) approved by the HPC.

This year the city received 13 applications. One applicant withdrew their request because the staff estimate did not show any savings. The other 12 applications were recommended for approval by the Historic Preservation Commission on September 7, 2022 and October 5, 2022.

The estimated tax savings during the first ten years of the Mills Act contract for the subject properties are approximately \$360,548 while the rehabilitation plans includes projects with an estimated cost of \$600,366

Based on the estimated cost to the City, Pomona is receiving \$7 in proposed improvements for every \$1 it costs the City. A summary of each Mills Act Contract is below.

472 Preciado Street (MILLS-018818-2022)

Designated as part of the Hacienda Park Historic District, this property is a great example of the Monterey Revival style. The estimated tax savings during the first ten years of the Mills Act contract for the subject property is approximately \$41,789.10 while the approved Plan includes projects with an estimated cost of \$46,024.00. These projects include the painting the exterior of the house, repairing the windows and shutters, and landscape and tree maintenance. Staff has estimated that this Mills Act contract will cost the City of Pomona \$9,757.80 over 10 years.

1280 Los Robles Place (MILLS-018533-2022)

1280 Los Robles Place was locally designated as a Single Historic Landmark (MISC-07-312) by City Council in January 2008, as it is a distinctive example of the Spanish Colonial Revival style constructed in 1929 and has been identified as contributing to a potential locally designated historic district. The estimated tax savings during the first ten years of the Mills Act contract for the subject property is approximately \$28,300.20 while the approved Plan includes projects with an estimated cost of \$38,108.66. These projects include the installation of new window shutters and HVAC units. Staff has estimated that this Mills Act contract will cost the City of Pomona \$6,608.00 over 10 years.

512 East McKinley Avenue (MILLS-018404-2022)

512 E. McKinley Avenue was designated as a contributing structure to the Lincoln Park Historic District in 1998 during the formation of the district as it is a distinctive example of the California Bungalow. The estimated tax savings during the first ten years of the Mills Act contract for the

subject property is approximately \$32,621.60 while the approved Plan includes projects with an estimated cost of \$34,970.40. These projects include a reroof and new garage. Staff has estimated that this Mills Act contract will cost the City of Pomona \$7,617.10 over 10 years.

305 East Columbia Avenue (MILLS-018516-2022)

The property located at 305 East Columbia Avenue was designated as a contributing resource to the Lincoln Park Historic District. The Colonial Revival style home was constructed 1921 and retains many of its character-defining features. The estimated tax savings over the first ten years under the Mills Act contract for the subject property is approximately \$33,692.10. The approved Rehabilitation Work Plan costs approximately \$34,315 and includes the projects of re-roofing the entire house and detached garage, and painting the exterior woodwork. Staff estimates that this Mills Act contract for 305 E. Columbia Avenue will cost the City of Pomona approximately \$786.66 per year, or \$7,866.60 over ten years.

370 East Pearl Street (MILLS-018520-2022)

The property located at 370 East Pearl Street was designated as a contributing resource to the Lincoln Park Historic District. The Craftsman bungalow style home was constructed in 1910 and retains many of its character-defining features. The estimated tax savings over the first ten years under the Mills Act contract for the subject property is approximately \$19,666.70. The approved Rehabilitation Work Plan includes approximately \$25,000 worth of projects including reroofing the entire house and painting the exterior of the home. Staff estimates that this Mills Act contract for 370 E. Pearl Street will cost the City of Pomona approximately \$459.22 per year, or \$4,592.20 over ten years.

1507 North Park Avenue (MILLS-018534-2022)

1507 N. Park Avenue is a contributing resource to the Hacienda Park Historic District. It is a good example of the California Ranch architectural style. The estimated tax savings during the first ten years of the Mills Act contract for the subject property is approximately \$43,616.00 while the approved Plan includes projects with an estimated cost of \$84,200. The proposed projects include repairing windows, replacing the fence and awnings, replacing HVAC, repairing the roof, upgrading the electrical, and repairs to the walkway. Staff has estimated that this Mills Act contract will cost the City of Pomona \$10,834.10 over 10 years.

278 East Garfield Avenue (MILLS-018404-2022)

The property located at 278 E. Garfield Avenue was designated as a contributing structure to the Lincoln Park Historic District. The Spanish Eclectic style home features a red clay tile roof with a bay window and a covered arcaded porch. The estimated tax savings during the first ten years of the Mills Act contract for the subject property is approximately \$48,096.10 while the approved plan includes projects with an estimated cost of \$74,172.00. These projects include seismically retrofitting the foundation, repairing the plumbing system, repairing and restoring the windows, painting the exterior, replacing the HVAC, refinishing the floors and relining the sewer pipe. Staff has estimated that this Mills Act contract will cost the City of Pomona \$11,230.40 over 10 years.

305 East Jefferson Avenue (MILLS-018552-2022)

The property located at 305 E. Jefferson Avenue was designated as a contributing structure to the Lincoln Park Historic District. The English Tudor Revival style home features a multitude of English architecture such as a high gable roof line with a projected gable entrance, half-timbering with stucco infill and stucco exterior. The estimated tax savings during the first ten years of the

Mills Act contract for the subject property is approximately \$19,710.80 while the approved plan includes projects with an estimated cost of \$72,900.00. These projects include repairing the exterior walls, repairing the sprinkler system, repairing the windows/sash and chimney mortar, replacing the HVAC, updating electrical outlets and wiring, replacing the water heater, refinishing the wood floors, replacing awnings, repairing the fence, and re-roofing the property. Staff has estimated that this Mills Act contract will cost the City of Pomona \$4,602.50 over 10 years.

573 E. Kingsley Ave (MILLS -018568-2022)

573 E. Kingsley Avenue is a contributing resource to the Lincoln Park Historic District. The home is a good example of the Craftsman Bungalow architectural style. The estimated tax savings during the first ten years of the Mills Act contract for the subject property is approximately \$24,273.20 while the approved plan includes projects with an estimated cost of \$51,500.00. These projects include painting the exterior of the home, adding HVAC, and repairing the windows and doors. Staff has estimated that this Mills Act contract will cost the City of Pomona \$5,667.70 over 10 years.

311 East Pasadena Street (MILLS-019092-2022)

The property located at 311 East Pasadena Street was designated as a contributing structure to the Lincoln Park Historic District. The Colonial Revival Bungalow style home was constructed in approximately 1912. There are two units on the property. The estimated tax savings over the first ten years under the Mills Act contract for the subject property is approximately \$27,359.80. The approved Rehabilitation Work Plan will cost approximately \$36,750 and includes the installation of a new HVAC system. Staff estimates that this Mills Act contract for 311 E. Pasadena Street will cost the City of Pomona approximately \$638.85 per year, or \$6,388.50 over ten years.

533 East Alvarado Street (MILLS-018588-2022)

Designated as part of the Lincoln Park Historic District, this property is a great example of the Craftsman Bungalow style. The estimated tax savings during the first ten years of the Mills Act contract for the subject property is approximately \$19,989.30 while the approved Plan includes projects with an estimated cost of \$43,500. These projects include the installation of four AC mini splits, new copper plumbing, replacing the hard wood flooring and installing new insulation. Staff has estimated that this Mills Act contract will cost the City of Pomona \$4,667.50 over 10 years.

549 East Alvarado Street (MILLS-018599-2022)

Designated as part of the Lincoln Park Historic District, this property is another example of the Craftsman Bungalow style. The estimated tax savings during the first ten years of the Mills Act contract for the subject property is approximately \$21,433.50 while the approved Plan includes projects with an estimated cost of \$47,950. These projects include the painting the interior of the house, repairing the windows, installing new property line fence, installing new plumbing and new insulation. Staff has estimated that this Mills Act contract will cost the City of Pomona \$1,247.80 over 10 years.

COUNCIL PRIORITIES & GOALS:

Approval of the 12 Mills Act contracts supports the 2019-20 City Council Priorities and Goals; Goal J: Encourage the development and maintenance of quality housing opportunities for all.

Prepared by:

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Historic Preservation Supervisor

ATTACHMENTS:

- Attachment No. 1 – Resolution No. 2022-181
- Attachment No. 2 – Resolution No. 2022-184
- Attachment No. 3 – Resolution No. 2022-185
- Attachment No. 4 – Resolution No. 2022-186
- Attachment No. 5 – Resolution No. 2022-187
- Attachment No. 6 – Resolution No. 2022-188
- Attachment No. 7 – Resolution No. 2022-189
- Attachment No. 8 – Resolution No. 2022-190
- Attachment No. 9 – Resolution No. 2022-191
- Attachment No. 10 – Resolution No. 2022-192
- Attachment No. 11 – Resolution No. 2022-210
- Attachment No. 12 – Resolution No. 2022-211