

(R-95-1146)

RESOLUTION NUMBER R- 285410

ADOPTED ON FEB 27 1995

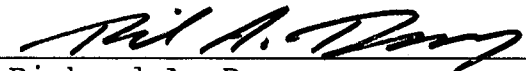
A RESOLUTION ESTABLISHING COUNCIL POLICY NO.
700-46 REGARDING MILLS ACT AGREEMENTS FOR
PRESERVATION OF HISTORIC PROPERTY.

BE IT RESOLVED, by the Council of The City of San Diego,
that Council Policy No. 700-46 regarding Mills Act Agreements for
Preservation of Historic Property be and is hereby established as
set forth in the Council Policy filed in the Office of the City
Clerk as Document No. RR- 285410.

BE IT FURTHER RESOLVED, that the City Clerk is hereby
instructed to add the aforesaid to the Council Policy Manual.

APPROVED: JOHN W. WITT, City Attorney

By



Richard A. Duvernay
Deputy City Attorney

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Or.Dept:Plan.
R-95-1146
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COUNCIL POLICY

SUBJECT

MILLS ACT AGREEMENTS FOR PRESERVATION OF HISTORIC PROPERTY

POLICY NUMBER 700-46

EFFECTIVE DATE

BACKGROUND

California state law authorizes cities to enter into contracts ("Mills Act Agreements") with the owners of qualified historical properties to provide a property tax reduction for the use, maintenance and restoration of historically designated properties. The minimum requirements for a Mills Act Agreement, as mandated by state law include:

- 1) Minimum contract term of ten (10) years, automatically renewable on an annual basis, to be recorded against title to the property and running with the land.
- 2) Owner shall maintain the regulated characteristics of historical significance of the Historic Site in accordance with the rules and regulations published by the Secretary of the Interior.
- 3) Owner must allow reasonable periodic examination of the Historic Site, if a request is made and by prior appointment, by representatives of the County Assessor, State Department of Parks and Recreation and the State Board of Equalization.
- 4) City may cancel the agreement following a duly noticed public hearing if it is determined that the owner breached any mandatory conditions of the Contract.

PURPOSE

This policy is adopted to provide a monetary incentive to the owners of historically designated properties in the form of a property tax reduction for the maintenance, restoration and rehabilitation of historic properties within the City of San Diego. A properly recorded Mills Act Agreement automatically triggers an alternative method for determining the assessed value of the affected historic property, thus potentially resulting in significant property tax savings for the owner of the historic property.

POLICY

It is the policy of the City of San Diego to foster and encourage the preservation, maintenance, rehabilitation and restoration of historically designated properties. It is recognized by the City that a reduction in property taxes afforded by the Mills Act will serve as a key monetary incentive for citizens to acquire, maintain and restore historic property within the City of San Diego. However, it is also recognized that the revitalization goals of the Mills Act may overlap and conflict with the neighborhood revitalization mission, goals, policies and programs of the Redevelopment Agency of the City of San Diego.[Pursuant to Council Action taken on November 1, 1994, a proposal from the Redevelopment Agency for inclusion into this Council Policy is due 180 days after this policy is adopted by the City Council]

RR-285410
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FILED FEB 27 1995
OFFICE OF THE CITY CLERK
SAN DIEGO, CALIFORNIA

COUNCIL POLICY

SUBJECT

MILLS ACT AGREEMENTS FOR PRESERVATION OF HISTORIC PROPERTY

POLICY NUMBER

700-46

EFFECTIVE DATE

IMPLEMENTATION1. Areas Outside of Redevelopment Project Areas and Study Areas

The City Manager or designee is authorized to enter into a Mills Act Agreement with the owner of any historically designated property, upon application by the owner and subject to the following restrictions:

- A) The contract shall contain the minimum mandatory conditions required by state law.
- B) The owner shall pay a graduated processing fee of \$100 per \$100,000 of assessed value prorated to actual value, however in no event shall the processing fee exceed the actual cost of processing and recording the Agreement.
- C) A drive by inspection will be performed on a periodic basis by City staff to verify that the structure is being maintained in weathertight condition.
- D) The Owner must allow visibility of the exterior of the structure from the public right-of-way.

2. Areas Within Redevelopment Project Areas and Study Areas

[Pursuant to Council Action taken on November 1, 1994, a proposal from the Redevelopment Agency for inclusion into this Council Policy is due 180 days after this Policy is adopted]

The City Manager shall report on annual basis to the City Council with respect to the number of Mills Act Agreements executed and the effectiveness of the program.

CROSS REFERENCE

San Diego Municipal Code Section 26.0201, et seq.
Government Code Sections 50280, et seq.