

Ordinance Fact Sheet

TO: CITY COUNCIL

DATE: October 7, 2002

FROM: CITY ATTORNEY

SUBJECT: Zone Change to Implement a Mills Act Program

TITLE OF PROPOSED ORDINANCE:

AN ORDINANCE ADDING CHAPTER 17.53 TO THE PASADENA MUNICIPAL CODE CONCERNING HISTORIC PROPERTY CONTRACTS (MILLS ACT CONTRACTS), A PROPERTY TAX REDUCTION INCENTIVE TO ENCOURAGE PRESERVATION OF QUALIFIED HISTORIC PROPERTIES

PURPOSE OF ORDINANCE:

The purpose of this ordinance is to implement the California Mills Act, codified in the California Government Code, Section 50280 et seq. The Mills Act authorizes local governments to enter into contracts with owners of private historical property who will rehabilitate, restore, preserve, and maintain qualified historical property. Property owners of historic buildings may qualify for property tax relief if they pledge to rehabilitate and maintain the historical architectural character of their properties.

REASONS WHY LEGISLATION IS NEEDED:

The Mills Act provisions provide an incentive for owners of designated historic resources to rehabilitate and preserve their properties. Such preservation will assist in maintaining the City's existing housing, which includes affordable housing, and support the goals and objectives of the 1994 General Plan regarding preserving historically and architecturally significant buildings.

PROGRAMS, DEPARTMENTS OR GROUPS AFFECTED:

Applications for the Mills Act contracts will be processed through the Office of the City Manager and administered by the Director of the Planning and Development Department.

65936.1

MEETING OF 10/7/2002

AGENDA ITEM NO. 9.A.2.

PROGRAMS, DEPARTMENTS OR GROUPS AFFECTED:

Applications for the Mills Act contracts will be processed through the Office of the City Manager and administered by the Director of the Planning and Development Department.


ENVIRONMENTAL:

The adoption of a local Mills Act program is categorically exempt from the California Environmental Quality Act (§ 15308, Class 8 exemption, Actions by Regulatory Agencies for Protection of the Environment).


FISCAL IMPLICATIONS:

Typically, the loss of revenue to local jurisdictions from a Mills Act contract is modest, especially if the contracts are primarily for single-family residences. The amount of revenue increases for contracts on large commercial properties. Limiting the number of contracts each year should constrain the overall fiscal impact of the program.

Respectfully submitted,


MICHELE BEAL BAGNERIS
City Attorney

Prepared by:


MARIBEL S. MEDINA
Assistant City Attorney

Concurrence:


CYNTHIA J. KURTZ
City Manager