



Historic Site Preservation Board Staff Report

DATE: JULY 8, 2014 NEW BUSINESS

SUBJECT: APPLICATION BY MICHAEL FLEMING AND LUIS A. LAVIN, OWNERS FOR A MILLS ACT HISTORIC PROPERTY AGREEMENT

CASE: HSPB 89

LOCATION: 1860 VISTA DRIVE

FROM: DEPARTMENT OF PLANNING SERVICES

PROJECT DESCRIPTION:

A request by Michael Fleming and Luis A. Lavin owners of 1860 Vista Drive, Class 1 historic site #89 to enter into a Mills Act Historic Property Agreement with the City of Palm Springs.

RECOMMENDATION:

That the City Council execute a Mills Act Historic Property Agreement between the City and Michael Fleming and Luis A. Lavin (owners) for 1860 Vista Drive "The Paul Dougherty Residence" (HSPB #89).

PRIOR ACTIONS

On May 7, 2014 the City Council by Resolution No. 23538, designated the Paul Dougherty residence located at 1860 Vista Drive, Class 1 historic site HSPB-89.

DESCRIPTION AND ANALYSIS

The Mills Act is state sponsored legislation granting local governments the authority to directly participate in a historic preservation program. It is designed to provide private property owners with an economic incentive, via property tax relief, to actively participate in the restoration of their historic properties.

Property owners may qualify for property tax relief if they pledge to restore and maintain

the historical and architectural character of their properties for at least a ten-year period. A formal agreement known as a Mills Act contract is executed between the local government and the property owner for a minimum ten-year term. Contracts are automatically renewed each year and are transferred to new owners when the property is sold. Property owners agree to preserve and maintain the property in accordance with specific historic preservation standards and conditions as identified in the contract. Local authorities may impose penalties for breach of contract or failure to protect the historic property. The contract is binding to all owners during the contract period.

The Mills Act contract has the effect of freezing the base value of the property. There is little effect over the first few years but as the property is restored over a longer period of time, it is presumed that the value of the property increases and thus the property tax savings have the potential to increase over time. The property owners have consulted with their tax advisors and determined that entering into a Mills Act contract with the City would be mutually beneficial for both parties. The owners also understand that entering into the Mills Act contract only represents the potential for property tax savings and is not a guarantee.

The potential property tax savings provided by the Mills Act contract will assist the owners in defraying the costs associated with restoring and maintaining the unique historic characteristics of the property.

REQUIRED FINDINGS

There are no specific findings to be made for Mills Act contracts, however Mills Act Agreements may only be executed on qualified historic properties.

Pursuant California Government Code 50280.1 "*Qualified historical property*" for purposes of this article, means privately owned property which is not exempt from property taxation and which meets either of the following:

- (a) *Listed in the National Register of Historic Places or located in a registered historic district, as defined in Section 1.191.2(b).*
- (b) *Listed in any state, city, county, or city and county official register of historical or architecturally significant sites, places, or landmarks.*

The property at 1860 Vista Drive meets the criteria of a qualified historical property because it was designated a Class 1 historic site by the Palm Springs City Council.

The property is subject to regulations as a historic site under the Municipal Code Section 8.05. Any owner-initiated alterations to the exterior of this home must conform to HSPB-approved Certificates of Approval. The exterior of the home must be maintained including all defining historic characteristics and elements in order for the contract to continue.

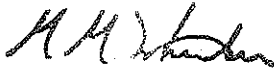
Following review and recommendation by the Board, the contract will be forwarded to the City Council for action.

ENVIRONMENTAL ASSESSMENT

In accordance with Section 15331 (Historical Resources Restoration/Rehabilitation) of the California Environmental Quality Act (CEQA), the proposed designation is categorically exempt from environmental review as the proposed designation meets the conditions outlined for preservation of a historic resource (Class 31 Categorical Exemption).



Ken Lyon, RA,
Associate Planner



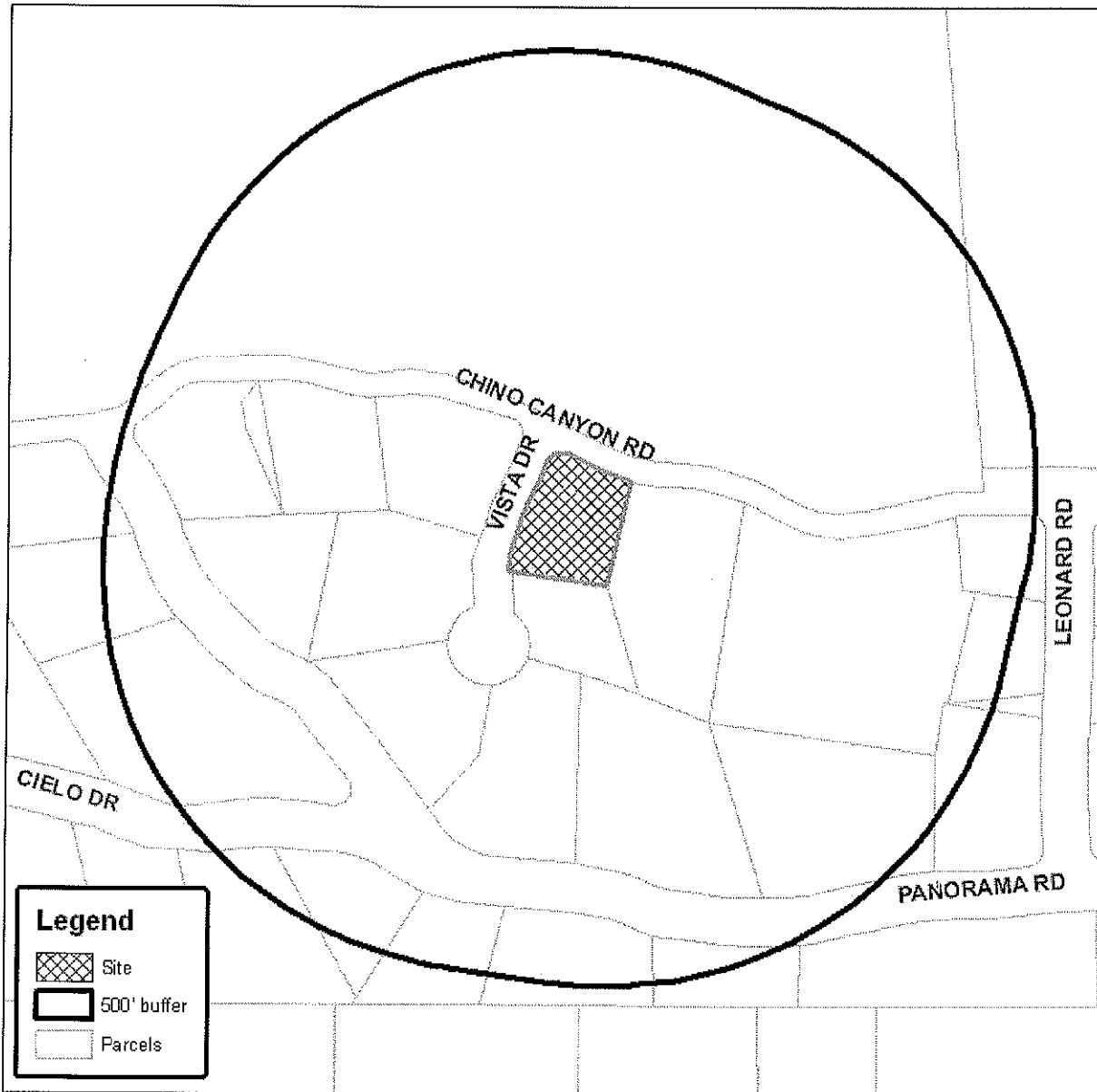
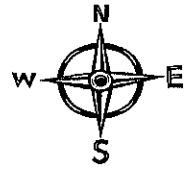
M. Margo Wheeler FAICP
Director of Planning Services

Attachments:

1. Vicinity Map
2. Application request from Michael Fleming and Luis A. Lavin



Department of Planning Services Vicinity Map



CITY OF PALM SPRINGS

CASE NO: HSPB 89

APPLICANT: Michael F. Fleming &
Luis A. Lavin, Owners

DESCRIPTION: Application requesting designation of 1860 North Vista Drive as a Class 1 Historic Site, Zoned R-1-A, APN: 504-200-010.

Michael F. Fleming
4411 Los Feliz Boulevard, Suite 307
Los Angeles, California 90027
310.386.5284 (cell)
michael.fleming@yahoo.com

RECEIVED

JUN 02 2014

PLANNING SERVICES
DEPARTMENT

May 27, 2014

Director of Planning
City of Palm Springs
Department of Planning Services
3200 Tahquitz Canyon Way
Palm Springs, California 92263

To whom it may concern:

On May 7, 2014 the Palm Springs City Council voted unanimously to grant our home at 1860 North Vista Drive, Palm Springs historic status.

We would therefore like to request that the City of Palm Springs execute a Mills Act Historic Property Maintenance Agreement between us (Luis A. Lavin and Michael F. Fleming, the homeowners) and the City of Palm Springs.

We have been advised that the fee to execute this agreement is \$824.00. A check for that amount is attached.

Thank you for your attention to this matter. If you have any questions, please feel free to call or write us directly.

Regards:



Luis A. Lavin and Michael F. Fleming