



## City of South Pasadena Filing Instructions for MILLS ACT APPLICATION

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### Applicability

Upon designation of a structure or improvement as a cultural resource, the property owner may apply for aid and assistance in its rehabilitation. The purpose of providing such incentives is to encourage preservation, rehabilitation and maintenance of cultural resources. The City of South Pasadena has over 2500 historic properties, but the City applies the Mills Act more restrictively than other municipalities. Qualifying properties must meet at least one of these criteria:

1. Listed on or eligible for listing on the National Register of Historic Places;
2. Listed on the California Register of Historical Resources;
3. A designated City of South Pasadena Landmark;
4. A contributor to a designated Historic District (refer to the Cultural Heritage Ordinance).

**Note: Not all historic properties are eligible.**

### Purpose of the Incentive

California law authorizes cities to enter into contracts ("Mills Acts Agreement") with the owners of qualified historic properties to provide a property tax reduction as an incentive for the use, maintenance, rehabilitation, and restoration of historically designated properties. This property tax abatement has been proven to be the single most important and effective means of encouraging the rehabilitation and maintenance of historic properties. The Mills Act contract also requires that the County Tax Assessor's Office assess the value of the historic resource based on the fair market rental rate, rather than future development potential.

### Term of Contract

A Mills Act contract spans a ten (10) year period and is renewed automatically each year on the anniversary date of the contract. The rights and obligations of the contract are also binding upon all successive owners of the property during the life of the contract. Although contracts can be approved at any time, the new valuation will not take effect until March of any given year.

To end the contract, either party must submit a notice of non-renewal which will terminate the contract at the end of the ten (10) year period. Cancellation of the contract by the City, due to non-compliance with the contract, will result in immediate termination and a penalty equal to 12.5% of the current fair market value of the property.

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### Review Process

A Mills Act contract is a monetary incentive that is granted by the City Council following review and recommendation by the Cultural Heritage Commission. Keep in mind that the Cultural Heritage Commission will need to consider whether: 1) the property is worth preserving; 2) that the appropriate treatment(s) are being applied to rehabilitate and maintain the property; and 3) whether granting approval of the Mills Act will be the appropriate incentive to maintain, rehabilitate, and restore the property.

**STEP 1** - Submit a written intention to file a Mills Act Application. Prove that the property meets the "high bar" as articulated under the "applicability" section above. The Letter of Intent should indicate how long the property owner has lived/owned the property. The letter of intent should also address why historically accurate renovations are important to the project. The Planning and Building Department can assist you with any information that may be available about your home and neighborhood.

Please note that any work completed, or initiated before the Planning & Building Department receives a "written intention" will not be considered for relief under the proposed Mills Act contract. Photo document the current condition of your property, and include it as part of your request. Submit this to the Planning and Building Department, and your request will be scheduled for a discussion with the CHC. The CHC may appoint a subcommittee to review your request before moving on to the next step. Planning staff will arrange an on-site meeting with you, a city planner, and the subcommittee to inspect the condition of the property and discuss any potential items for restoration that may be needed during the first ten years of the agreement. Those items will be listed in the order of highest priority first.

**STEP 2** – The maintenance, rehabilitation, and restoration tasks that were identified at the on-site meeting must meet the Secretary of the Interior Standards. The Standards promote responsible preservation practices that help protect cultural resources. For example, the methods of removing paint and the techniques of preparing paint need to be considered. Special attention is required for the preservation of original windows and glass. Visit the National Park Service website at [www.nps.gov/hps/tps/standguide/](http://www.nps.gov/hps/tps/standguide/) for helpful information regarding the Preservation, Rehabilitation, Restoration, and Reconstruction guidelines. The Description of your program must show how the standards are being met, and how progress will be reported to the City.

A Rehabilitation and Restoration Plan must identify the location of the treatment, the scope of work, and the proposed procedure for rehabilitating it. A Maintenance program needs to include standards such as: painting, plumbing, electrical, gardening, cleaning, mechanical, heating repairs, and structural repairs. In addition to the Rehabilitation, Restoration, and/or Maintenance program, please submit the

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following:

- Mills Act Contract application form with completed Owner's Affidavit;
- Copy of the deed or title report showing the legal description of the property;
- A schedule for doing routine maintenance tasks, a time frame for the accomplishment of priority restoration and rehabilitation tasks, and a reporting system to City staff. The City must have documentation (i.e. photos, receipts, and copies of building permits) indicating that the work is being done in accordance with a priority list,
- A Certificate of Appropriateness for the work that will be done to the historic resource
- Filing fee.

A professional that meets the Secretary of Interior Standards could assist you with the Rehabilitation, Restoration, and or Maintenance program. You can contact the Los Angeles Conservancy to find a list of professionals who can do this. Visit the LA Conservancy website at [www.laconservancy.org](http://www.laconservancy.org). The items identified in this step will be presented to the CHC. If the Commission is inclined to recommend approval of the Mills Act Contract, the applicant will be required to submit the items identified in Step 3.

**STEP 3** - Cost estimates are provided for basis of work. Following the review of items identified in this step, the CHC will decide whether to recommend approval to the City Council.

- A completed Financial Analysis of Mills Act Contract Form (see attached form and sample);
- A cost estimate of the restoration/rehabilitation from a City-approved preservation architect; and

If approved, the Cultural Heritage Commission will then forward a recommendation to the City Council.

*For more information, please contact the Planning and Building Department at (626) 403-7220.*



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ALL ITEMS ON THIS FORM MUST BE COMPLETED AND SUBMITTED BEFORE THE APPROVAL PROCEDURE MAY BEGIN.

1. Property Address for this application: \_\_\_\_\_
2. Existing use of this property: \_\_\_\_\_
3. Assessor's Parcel Number: \_\_\_\_\_

(Please attach proof of legal description, ie. Copy of Deed or Property Profile)

4. Rehabilitation and maintenance needed (attach maintenance plan):  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

5. Date of Designation: \_\_\_\_\_

6. Check those that apply to this property:

National Register: Listed  Eligible  California Register: Listed

Is this property listed as part of an established historic district? Yes  No

If so, what district? \_\_\_\_\_

Is this property a South Pasadena Landmark? Yes  No

7. List any public or private funds granted for the restoration of the resource.  
 \_\_\_\_\_

8. Owner Information: \_\_\_\_\_

Owner's Name

\_\_\_\_\_  
Street, City, State, Zip

( )

Home Number

( )

Work Number

( )

Cell Number

( )

Fax No.

\_\_\_\_\_  
E-mail:

9. Primary Contact Person:

\_\_\_\_\_  
Name

\_\_\_\_\_  
Street, City, State, Zip

(     )                                (     )  
\_\_\_\_\_  
Home Number                                Work Number

(     )                                (     )  
\_\_\_\_\_  
Cell Number                                Fax No.

E-mail: \_\_\_\_\_

**Owner's Affidavit  
(to be notarized)**

State of California  
County of Los Angeles

I/We \_\_\_\_\_ hereby declare under penalty of perjury that I/we am/are the owner(s) of the property involved in this request and that the foregoing statement and the information submitted herewith are true and correct.

Owner(s):

_____	_____
(Signature)	(Signature)

Owner(s) Address:

_____	_____
Street Address	Street Address
_____	_____
City, State and Zip Code	City, State and Zip Code
_____	_____
Telephone Number	Telephone Number

Subscribed and sworn to before me on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_,  
\_\_\_\_\_.

\_\_\_\_\_  
Signature of Notary





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*The following information is to be completed by staff*

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Project Address: \_\_\_\_\_

Date Filed: \_\_\_\_\_ Received by: \_\_\_\_\_

Application Materials Required (check if received):

- Completed Application
- Signed Notice to Applicant
- Owner's Affidavit
- Rehabilitation Plan/Maintenance List
- Cost Estimate of Rehabilitation/Maintenance Plan
- Financial Analysis Form
- Proof of Legal Description