

CITY OF ONTARIO HISTORIC PRESERVATION COMMISSION HISTORIC PRESERVATION SUBCOMMITTEE

AGENDA

October 13, 2016

All documents for public review are on file in the Planning Department located in City Hall at 303 East "B" St., Ontario, CA 91764.

MEETINGS WILL BE HELD AT 5:30 PM IN COMMUNITY CONFERENCE ROOMS 1 & 2 LOCATED AT 303 East "B" St.

PUBLIC COMMENTS

Citizens wishing to address the Historic Preservation Subcommittee on any matter that is not on the agenda may do so at this time. Please state your name and address clearly for the record and limit your remarks to five minutes.

Please note that while the Historic Preservation Subcommittee values your comments, the members cannot respond nor take action until such time as the matter may appear on the forthcoming agenda.

AGENDA ITEMS

For each of the items listed below the public will be provided an opportunity to speak. After a staff report is provided, the chairperson will open the public hearing. At that time the applicant will be allowed five (5) minutes to make a presentation on the case. Members of the public will then be allowed five (5) minutes each to speak. The Historic Preservation Subcommittee may ask the speakers questions relative to the case and the testimony provided. The question period will not count against your time limit. After all persons have spoken, the applicant will be allowed three minutes to summarize or rebut any public testimony. The chairperson will then close the public hearing portion of the hearing and deliberate the matter.

CONSENT CALENDAR ITEMS

A. MINUTES APPROVAL

Historic Preservation Subcommittee Minutes of August 11, 2016, approved as written.

Motion to Approve/Deny

PUBLIC HEARING ITEMS

B. MILLS ACT CONTRACT REVIEW FOR FILE NO. PHP16-012: A Mills Act Contract for a 2,160 square foot Spanish Colonial Revival style residential building, a Contributor within the designated Euclid Avenue Historic District, located at 1458 North Euclid Avenue, within the LDR5 (Low Density Residential) Zoning District. The Contract is not considered a project pursuant to Section 21065 of the CEQA Guidelines. (APN: 1047-352-14); submitted by Steven and Sylvia Romero. Planning Commission and City Council actions are required.

1. CEQA Determination

No action necessary – Not a project pursuant to CEQA Guidelines Section § 21065

1. File No. PHP16-012 (Mills Act Contract)

Motion to recommend Approval/Denial

C. MILLS ACT CONTRACT REVIEW FOR FILE NO. PHP16-013: A Mills Act Contract for a 1,398 square foot Early Post-War Tract style residential building, a Contributor within the designated College Park Historic District, located at 224 East Princeton Street, within the LDR5 (Low Density Residential) Zoning District. The Contract is not considered a project pursuant to Section 21065 of the CEQA Guidelines. (APN: 1047-541-12); submitted by Walter and Wendi Hafner. Planning Commission and City Council actions are required.

1. CEQA Determination

No action necessary - Not a project pursuant to CEQA Guidelines Section § 21065

2. File No. PHP16-013 (Mills Act Contract)

Motion to recommend Approval/Denial

D. MILLS ACT CONTRACT REVIEW FOR FILE NO. PHP16-014: A Mills Act Contract for a 2,079 square foot American Foursquare style residential building, Local Landmark No. 47 and a Contributor within the designated Euclid Avenue Historic District, located at 951 North Euclid Avenue, within the LDR5 (Low Density Residential) Zoning District. The Contract is not considered a project pursuant to Section

21065 of the CEQA Guidelines. (APN: 1048-043-08); submitted by Rebecca and Lekeith Brown.

1. CEQA Determination

No action necessary - Not a project pursuant to CEQA Guidelines Section § 21065

3. File No. PHP16-014 (Mills Act Contract)

Withdrawn - No Action Required

E. MILLS ACT CONTRACT REVIEW FOR FILE NO. PHP16-015: A Mills Act Contract for a 2,176 square foot Mediterranean Revival style residential building, a Contributor within the designated Rosewood Court Historic District, located at 403 East Rosewood Court, within the LDR5 (Low Density Residential) Zoning District. The Contract is not considered a project pursuant to Section 21065 of the CEQA Guidelines. (APN: 1048-063-17); submitted by Kelly Strayer and Robert Miller. Planning Commission and City Council actions are required.

1. CEQA Determination

No action necessary - Not a project pursuant to CEQA Guidelines Section § 21065

4. File No. PHP16-015 (Mills Act Contract)

Motion to recommend Approval/Denial

DISCUSSION ITEMS:

- 1. Claremont Modern Presentation
- 2. Driveways
- 3. A1 Block

If you wish to appeal a decision of the **Historic Preservation Subcommittee**, you must do so within ten (10) days of the **Historic Preservation Subcommittee** action. Please contact the **Planning Department** for information regarding the appeal process.

If you challenge any action of the **Historic Preservation Subcommittee** in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the **Historic Preservation Subcommittee** at, or prior to, the public hearing.

The next Historic Preservation Subcommittee meets on November 10, 2016.

I, Maureen Duran, Office Specialist of the City of Ontario, or my designee, hereby certify that a true, accurate copy of the foregoing agenda was posted on or before **October 7, 2016**, at least 72 hours prior to the meeting per Government Code Section 54954.2 at 303 East "B" Street, Ontario.

Maureed Duran

CITY OF ONTARIO HISTORIC PRESERVATION COMMISSION

Historic Preservation Subcommittee

Minutes

August 11, 2016

REGULAR MEETING:

Community Conference Room 1, 303 East B Street, Ontario, CA 91764 Called to order by Richard Delman, Subcommittee Chairman, at 5:45 pm

BOARD MEMBERS PRESENT

Richard Delman, Chairman Robert Gregerok, Planning Commissioner Jim Willoughby, Planning Commissioner

BOARD MEMBERS ABSENT

None

STAFF MEMBERS PRESENT

Diane Ayala, Senior Planner Elly Antuna, Assistant Planner

PUBLIC COMMENTS

There were no members of the public present.

MINUTES

A. <u>APPROVAL OF MINUTES</u>: Motion to approve the amended minutes of the July 14, 2016 meeting of the Historic Preservation Subcommittee was made by Mr. Willoughby and seconded by Mr. Gregerok; and approved unanimously by those present (3-0).

PUBLIC HEARING ITEMS

B. REQUEST TO REMOVE FROM THE ONTARIO REGISTER FOR FILE NO. PHP16-016: A request to remove a single family residence, located at 517 East El Morado Court, from the Ontario Register (APN: 1048-231-23). The request is not a "Project" pursuant to Section 21065 of the CEQA Guidelines.

Assistant Planner, Elly Antuna, presented the staff report on File No. PHP16-016. Ms. Antuna discussed the single family residence's original construction and alterations that have occurred since the 1980's survey. Ms. Antuna stated that as a result of the alterations, the single family residence no longer retains enough of the original features to represent the Craftsman Bungalow architectural style and does not meet the designation criteria as contained in the Ontario Development Code. Staff recommended removal of 517 East El Morado Court from the Ontario Register.

Historic Preservation Subcommittee Minutes – August 11, 2016 Page 2

Mr. Delman closed the public hearing.

Motion to approve File No. PHP16-016 was made by Mr. Willoughby; seconded by Mr. Gregerok and approved unanimously by those present (3-0).

DISCUSSION ITEMS

1. 2016-2017 CLG Grant Award

Senior Planner, Diane Ayala, shared with the HPSC members that the City has been awarded a grant to complete an Aeronautical Context and Survey for the City.

Mr. Willoughby asked if there were geographical boundaries set for the area to be included in the Survey.

Ms. Ayala stated that the Survey area is from Grove Avenue to Haven Avenue, and Airport Drive to Jurupa and along Mission Boulevard. Ms. Ayala stated that it is important to conduct the survey now that the Airport is under local control, the Survey will assist with land use planning and any future developments.

Mr. Willoughby asked what the time frame was for the project.

Ms. Ayala stated that the RFP would be going out in the near future so that work could begin on November 1. Ms. Ayala also stated that any historic resources discovered during the survey will be brought forward to the HPSC for consideration.

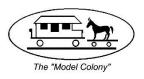
NEW BUSINESS

Mr. Delman shared with the HPSC that Ontario Heritage would be holding a fundraiser at the Iron Skillet Restaurant. This will be the first fundraiser that Ontario Heritage will be holding to raise funds for a clubhouse.

There being no further business, the meeting was adjourned at 6:09 pm.

Respectfully submitted,

Elly Antuna Assistant Planner



Historic Preservation Subcommittee

October 13, 2016

DECISION NO.:

FILE NO.: PHP16-012

DESCRIPTION: A Mills Act Contract for a 2,160 square foot Spanish Colonial Revival style residential building, a Contributor within the designated Euclid Avenue Historic District, located at 1458 North Euclid Avenue, within the LDR5 (Low Density Residential) Zoning District. (APN: 1047-352-14); **submitted by Steven and Sylvia Romero.**

PART I: BACKGROUND & ANALYSIS

STEVEN AND SYLVIA ROMERO, (herein after referred to as "Applicant") has filed an application for the approval of a Mills Act Contract, File No. PHP16-012, as described in the subject of this Decision (herein after referred to as "Application" or "Project").

(1) Project Setting and Background: The project site is comprised of 0.277 acres of land located at 1458 North Euclid Avenue, and is depicted in *Exhibit A: Project Location Map*, attached. This single family residence was constructed in 1937 (est.) for Dr. Ben Henke in the Spanish Colonial Revival architectural style. The property was designated as a Contributor to the Euclid Avenue Historic District on June 14, 2013 and is depicted in *Exhibit B: Site Photographs*, attached.

In order for an historic property to be eligible for a Mills Act Contract, the historic property must be either a local, state, or nationally designated property or a contributor within a locally designated historic district. The Mills Act Contract is between the City and a property owner whereby the property owner agrees to certain improvements to restore, rehabilitate or preserve a qualified historic building. In exchange, the County Tax Assessor reassesses the property's value based on an alternative formula that may result in a significant reduction in the owner's property taxes.

Pursuant to State law, a Mills Act Contract is recorded on the property and is a perpetual 10-year contract that automatically renews annually. The Mills Act Contract and all benefits and responsibilities remain with the land, even after a change of ownership. If a Contract is cancelled as a result of non-compliance with the conditions of the Contract, a cancellation fee of 12.5% of the market value (as of the time of cancellation) is assessed.

(2) Improvements: The applicants are proposing both exterior and interior work as part of the Contract that qualifies under the guidelines and standards set by the State of California. The exterior work includes repair to the roof, landscaping, re-glazing of windows and paint. The interior work includes plumbing repairs and replacements,

updating electrical, and refinishing of hardwood floors, cabinets and original door knobs. The improvements are valued at an estimated \$58,900. The proposed schedule of improvements is attached in *Exhibit C: Schedule of Improvements*. A condition has been included (Attachment "A") requiring that the applicant landscape the parkways to remedy the current landscaping deficiency and has been added to the Schedule of Improvements.

(3) Mills Act Impacts:

(i) Property Owner Savings: The following Mills Act savings to the property owner are based on estimates calculated by the Planning Department.

Current Annual Taxes Paid:	\$4,113.50
Mills Act Annual Taxes Estimated:	\$2,078.15
Potential Total Annual Tax Savings:	\$2,035.35
Estimated Savings over 10 years:	\$20,353.50
Estimated Savings Percentage:	49.48%

(ii) City Cost: According to the City budget, Ontario receives approximately 16.8% of the property taxes collected. The following shows the estimated loss in City property tax revenue for this Contract based on estimates calculated by the Planning Department.

\$691.07
\$349.13
\$341.94
\$3,419.39

(4) Evaluation: As indicated above, the estimated annual cost to the City of the Mills Act Contract would be \$341.94. In exchange for this modest decrease in property tax revenues, approximately \$58,900 will be reinvested into the historic building over a ten-year period – a ratio of \$17.23 in private funds spent for every dollar the City foregoes in property tax revenue.

PART II: RECITALS

WHEREAS, the Application is not a project pursuant to the California Environmental Quality Act ("CEQA") Guidelines Section 21065; and

WHEREAS, Ontario Development Code Table 2.02-1 (Review Matrix) grants the Historic Preservation Subcommittee ("HPSC") the responsibility and authority to review and act, or make recommendation to the Planning/Historic Preservation Commission, on the subject Application; and

WHEREAS, the Community Development and the Aesthetic, Cultural, Open Space and Recreational Resources elements of The Ontario Plan ("TOP") sets forth Goals and Policies to conserve and preserve Ontario's historic buildings and sites; and

WHEREAS, on October 13, 2016, the HPSC of the City of Ontario conducted a hearing on the Application and concluded said hearing on that date; and

WHEREAS, all legal prerequisites to the adoption of this Decision have occurred.

PART III: THE DECISION

NOW, THEREFORE, IT IS HEREBY FOUND AND DETERMINED by the Historic Preservation Subcommittee of the City of Ontario, as follows:

SECTION 1: As the recommending body for the Project, the HPSC has reviewed and considered the information contained in the administrative record for the Project. Based upon the facts and information contained in the administrative record, including all written and oral evidence presented to the HPSC, the HPSC finds as follows:

- (1) The Application is not a project pursuant to Section 21065 of the CEQA Guidelines; and
- SECTION 2: Based upon the substantial evidence presented to the HPSC during the above-referenced hearing and upon the specific findings set forth in Section 1, above, the HPSC hereby concludes as follows:
- (1) California Government Code Section 50280, et seq., authorizes cities to enter into contracts with the owners of a qualified historical property to provide for the use, maintenance and restoration of such historical property so as to retain its characteristics as a property of historical significance; and
- (2) The Dr. Ben Henke House, located at 1458 North Euclid Avenue, was designated as a Contributor to the Euclid Avenue Historic District on June 14, 2013 and is therefore a qualified historical property; and
- (3) The Applicant has set forth a work program for this specific property to ensure the preservation of this historic resource that qualifies under the guidelines and standards set by the State of California.

SECTION 3: Based upon the findings and conclusions set forth in Sections 1 and 2 above, the HPSC recommends the Historic Preservation Commission recommend the City Council approve the request for a Mills Act Contract subject to the condition, included as Attachment "A" of this Decision, and incorporated herein by this reference.

Historic Preservation Subcommittee File No. PHP16-012 October 13, 2016

SECTION 4: The Applicant shall agree to defend, indemnify and hold harmless, the City of Ontario or its agents, officers, and employees from any claim, action or proceeding against the City of Ontario or its agents, officers or employees to attack, set aside, void or annul this approval. The City of Ontario shall promptly notify the applicant of any such claim, action or proceeding, and the City of Ontario shall cooperate fully in the defense.

SECTION 5: The documents and materials that constitute the record of proceedings on which these findings have been based are located at the City of Ontario City Hall, 303 East "B" Street, Ontario, California 91764. The custodian for these records is the City Clerk of the City of Ontario.

APPROVED AND ADOPTED this 13th day of October, 2016.

Historic Preservation Subcommittee

Exhibit A: Project Location Map





Exhibit B: Site Photographs





Exhibit C: Schedule of Improvements

Improvements Information:

	Description:	Completed?	Cost:
Year 2017	Landscaping of parkway and rear yard.		\$17,000.00
Year 2018	Paint interior and exterior of home.		\$8,000.00
Year 2019	Replace plumbing in bathroom. Reglaze bathtub.		\$5,000.00
Year 2020	Replace and repair electrical as needed.		\$17,000.00
Year 2021	Reglaze windows and doors where glass is broken.		\$800.00
Year 2022	Tree trimming (4 trees) by arborist.		\$2,400.00
Year 2023	Repair cupboards in kitchen, bathroom and hall.		\$2,000.00
Year 2024	Refinish/replace wood floors throughout home.		\$2,500.00
Year 2025	Replace broken tiles on roof.		\$500.00
Year 2026	Replace skeleton keys and refinish door knobs. Repair garage roof.		\$3,700.00

Total Cost of Improvements \$58,900.00

Attachment "A" FILE NO. PHP16-012 CONDITIONS OF APPROVAL



MILLS ACT CONTRACT

CONDITIONS OF APPROVAL

Date: October 13, 2016

File No.: PHP16-012

Location: 1458 North Euclid Avenue

(APN: 1047-352-14)

Prepared By: Elly Antuna, Assistant Planner

Description: A Mills Act Contract for a 2,160 square foot Spanish Colonial Revival

style residential building, a Contributor within the designated Euclid Avenue Historic District, located at 1458 North Euclid Avenue, within the LDR5 (Low Density Residential) Zoning District. (APN: 1047-

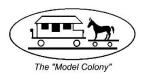
352-14).

CONDITIONS OF APPROVAL

The above-described Project shall comply with the following Conditions of Approval:

1. Landscaping.

1.1.Parkways and right-of-ways shall be landscaped with living plant material less than 18" high, shall be automatically irrigated and contain street trees per the Master Street Tree Plan.



Historic Preservation Subcommittee

October 13, 2016

DECISION NO.:

FILE NO.: PHP16-013

DESCRIPTION: A Mills Act Contract for a 1,398 square foot Early Post-War Tract style residential building, a Contributor within the designated College Park Historic District, located at 224 East Princeton Street, within the LDR5 (Low Density Residential) Zoning District. (APN: 1047-541-12); **submitted by Walter and Wendi Hafner.**

PART I: BACKGROUND & ANALYSIS

WALTER AND WENDI HAFNER, (herein after referred to as "Applicant") has filed an application for the approval of a Mills Act Contract, File No. PHP16-013, as described in the subject of this Decision (herein after referred to as "Application" or "Project").

(1) Project Setting and Background: The project site is comprised of 0.143 acres of land located at 224 East Princeton Street, and is depicted in *Exhibit A: Project Location Map*, attached. This single family residence was constructed in 1939 by Arthur and Annie Schmidt in the Early Post-War Tract architectural style. The property was designated as a Contributor to the College Park Historic District on July 18, 2000 and is depicted in *Exhibit B: Site Photographs*, attached.

In order for an historic property to be eligible for a Mills Act Contract, the historic property must be either a local, state, or nationally designated property or a contributor within a locally designated historic district. The Mills Act Contract is between the City and a property owner whereby the property owner agrees to certain improvements to restore, rehabilitate or preserve a qualified historic building. In exchange, the County Tax Assessor reassesses the property's value based on an alternative formula that may result in a significant reduction in the owner's property taxes.

Pursuant to State law, a Mills Act Contract is recorded on the property and is a perpetual 10-year contract that automatically renews annually. The Mills Act Contract and all benefits and responsibilities remain with the land, even after a change of ownership. If a Contract is cancelled as a result of non-compliance with the conditions of the Contract, a cancellation fee of 12.5% of the market value (as of the time of cancellation) is assessed.

(2) Improvements: The applicants are proposing both exterior and interior work as part of the Contract that qualifies under the guidelines and standards set by the State of California. The exterior work includes roof replacement, landscaping, installation of a French drain in front of garage, and paint. The interior work includes refinishing of

hardwood floors, repair and replacement of baseboard and door molding, and period appropriate replacement of interior fixtures and hardware. The improvements are valued at an estimated \$32,500. The proposed schedule of improvements is attached in *Exhibit C: Schedule of Improvements*.

(3) Mills Act Impacts:

(i) Property Owner Savings: The following Mills Act savings to the property owner are based on estimates calculated by the Planning Department.

Current Annual Taxes Paid:	\$4,145.98
Mills Act Annual Taxes Estimated:	\$2,193.97
Potential Total Annual Tax Savings:	\$1,952.01
Estimated Savings over 10 years:	\$19,520.10
Estimated Savings Percentage:	47.08%

(ii) City Cost: According to the City budget, Ontario receives approximately 16.8% of the property taxes collected. The following shows the estimated loss in City property tax revenue for this Contract based on estimates calculated by the Planning Department.

Current Annual City Tax Revenue:	\$696.52
Mills Act Annual City Tax Revenue Estimated:	\$368.59
Estimated Total Annual Cost to the City:	\$327.93
Estimated Cost to the City over 10 years:	\$3,279.38

(4) Evaluation: As indicated above, the estimated annual cost to the City of the Mills Act Contract would be \$327.93. In exchange for this modest decrease in property tax revenues, approximately \$32,500 will be reinvested into the historic building over a ten-year period – a ratio of \$9.91 in private funds spent for every dollar the City foregoes in property tax revenue.

PART II: RECITALS

WHEREAS, the Application is not a project pursuant to the California Environmental Quality Act ("CEQA") Guidelines Section 21065; and

WHEREAS, Ontario Development Code Table 2.02-1 (Review Matrix) grants the Historic Preservation Subcommittee ("HPSC") the responsibility and authority to review and act, or make recommendation to the Planning/Historic Preservation Commission, on the subject Application; and

WHEREAS, the Community Development and the Aesthetic, Cultural, Open Space and Recreational Resources elements of The Ontario Plan ("TOP") sets forth Goals and Policies to conserve and preserve Ontario's historic buildings and sites; and

WHEREAS, on October 13, 2016, the HPSC of the City of Ontario conducted a hearing on the Application and concluded said hearing on that date; and

WHEREAS, all legal prerequisites to the adoption of this Decision have occurred.

PART III: THE DECISION

NOW, THEREFORE, IT IS HEREBY FOUND AND DETERMINED by the Historic Preservation Subcommittee of the City of Ontario, as follows:

SECTION 1: As the recommending body for the Project, the HPSC has reviewed and considered the information contained in the administrative record for the Project. Based upon the facts and information contained in the administrative record, including all written and oral evidence presented to the HPSC, the HPSC finds as follows:

- (1) The Application is not a project pursuant to Section 21065 of the CEQA Guidelines; and
- SECTION 2: Based upon the substantial evidence presented to the HPSC during the above-referenced hearing and upon the specific findings set forth in Section 1, above, the HPSC hereby concludes as follows:
- (1) California Government Code Section 50280, et seq., authorizes cities to enter into contracts with the owners of a qualified historical property to provide for the use, maintenance and restoration of such historical property so as to retain its characteristics as a property of historical significance; and
- (2) The Geza J. Kiss House, located at 224 East Princeton Street, was designated as a Contributor to the College Park Historic District on July 18, 2000 and is therefore a qualified historical property; and
- (3) The Applicant has set forth a work program for this specific property to ensure the preservation of this historic resource that qualifies under the guidelines and standards set by the State of California.
- SECTION 3: Based upon the findings and conclusions set forth in Sections 1 and 2 above, the HPSC recommends the Historic Preservation Commission recommend the City Council approve the request for a Mills Act Contract.
- SECTION 4: The Applicant shall agree to defend, indemnify and hold harmless, the City of Ontario or its agents, officers, and employees from any claim, action or proceeding against the City of Ontario or its agents, officers or employees to attack, set aside, void or annul this approval. The City of Ontario shall promptly notify the applicant

Historic Preservation Subcommittee File No. PHP16-013 October 13, 2016

of any such claim, action or proceeding, and the City of Ontario shall cooperate fully in the defense.

SECTION 5: The documents and materials that constitute the record of proceedings on which these findings have been based are located at the City of Ontario City Hall, 303 East "B" Street, Ontario, California 91764. The custodian for these records is the City Clerk of the City of Ontario.

APPROVED AND ADOPTED this 13th day of October, 2016.

Historic Preservation Subcommittee

Exhibit A: Project Location Map

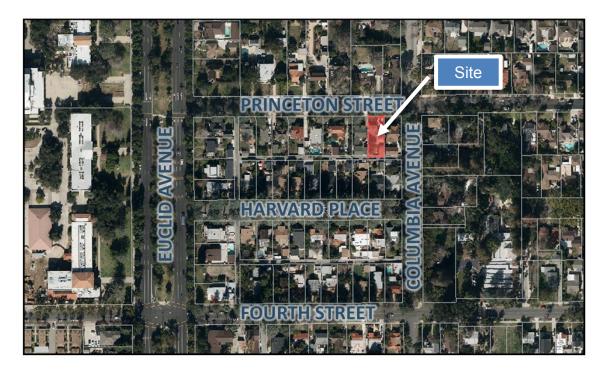




Exhibit B: Site Photographs





Exhibit C: Schedule of Improvements

Improvements Information	Impr	ovements	Information:
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Year 2017	Description: Scrape peeling paint and paint exterior of house.	Completed? □	Cost: \$3,300.00
Year 2018	Landscape and repair lawn in front and rear yard.		\$1,700.00
Year 2019	Replace garage door with period appropriate door.		\$1,000.00
Year 2020	Install french drain in front of garage.		\$5,000.00
Year 2021	Install new front period appropriate fence (\$1,500). Repair and patch plaster (interior) (\$2,000).		\$3,500.00
Year 2022	Repair and replace baseboard and door molding (\$2,000). Sand and refinish front door (\$200). Replace interior lighting with period appropriate fixtures (\$1,000).		\$3,200.00
Year 2023	Sand and refinish hardwood floors throughout house.		\$5,000.00
Year 2024	Replace hardware and handles on interior doors/cabinets to period appropriate hardware (\$300).		\$300.00
Year 2025	Install new roof.		\$7,000.00
Year 2026	Install new fireplace with period appropriate mantle and surround.		\$2,500.00

Total Cost of Improvements \$32,500.00



CITY OF ONTARIO MEMORANDUM

TO:

Historic Preservation Subcommittee Chairman

FROM:

Elly Antuna, Assistant Planner

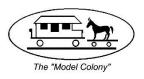
DATE:

October 7, 2016

SUBJECT:

Mills Act Application File No. PHP16-014

The Applicants (Rebecca and Lekeith Brown) for the above-referenced project have withdrawn their project application for a Mills Act Contract for 951 North Euclid Avenue.



Historic Preservation Subcommittee

October 13, 2016

DECISION NO.:

FILE NO.: PHP16-015

DESCRIPTION: A Mills Act Contract for a 2,176 square foot Mediterranean Revival style residential building, a Contributor within the designated Rosewood Court Historic District, located at 403 East Rosewood Court, within the LDR5 (Low Density Residential) Zoning District. (APN: 1048-063-17); **submitted by Kelly Strayer and Robert Miller.**

PART I: BACKGROUND & ANALYSIS

KELLY STRAYER AND ROBERT MILLER, (herein after referred to as "Applicant") has filed an application for the approval of a Mills Act Contract, File No. PHP16-015, as described in the subject of this Decision (herein after referred to as "Application" or "Project").

(1) Project Setting and Background: The project site is comprised of 0.17 acres of land located at 403 East Rosewood Court, and is depicted in *Exhibit A: Project Location Map*, attached. This single family residence was constructed in 1928 in the Mediterranean Revival architectural style. The property was designated as a Contributor to the Rosewood Court Historic District on October 2, 2001 and is depicted in *Exhibit B: Site Photographs*, attached.

In order for an historic property to be eligible for a Mills Act Contract, the historic property must be either a local, state, or nationally designated property or a contributor within a locally designated historic district. The Mills Act Contract is between the City and a property owner whereby the property owner agrees to certain improvements to restore, rehabilitate or preserve a qualified historic building. In exchange, the County Tax Assessor reassesses the property's value based on an alternative formula that may result in a significant reduction in the owner's property taxes.

Pursuant to State law, a Mills Act Contract is recorded on the property and is a perpetual 10-year contract that automatically renews annually. The Mills Act Contract and all benefits and responsibilities remain with the land, even after a change of ownership. If a Contract is cancelled as a result of non-compliance with the conditions of the Contract, a cancellation fee of 12.5% of the market value (as of the time of cancellation) is assessed.

(2) Improvements: The applicants are proposing both exterior and interior work as part of the Contract that qualifies under the guidelines and standards set by the State of California. The exterior work includes front door replacement, tree removal,

reglazing of original windows, paint and driveway repair or replacement. The interior work includes termite abatement and paint. The improvements are valued at an estimated \$45,150. The proposed schedule of improvements is attached in *Exhibit C: Schedule of Improvements*.

(3) Mills Act Impacts:

(i) Property Owner Savings: The following Mills Act savings to the property owner are based on estimates calculated by the Planning Department.

Current Annual Taxes Paid:	\$4,600.63
Mills Act Annual Taxes Estimated:	\$2,915.62
Potential Total Annual Tax Savings:	\$1,685.01
Estimated Savings over 10 years:	\$16,850.10
Estimated Savings Percentage:	36.63%

(ii) City Cost: According to the City budget, Ontario receives approximately 16.8% of the property taxes collected. The following shows the estimated loss in City property tax revenue for this Contract based on estimates calculated by the Planning Department.

Current Annual City Tax Revenue:	\$772.91
Mills Act Annual City Tax Revenue Estimated:	\$489.82
Estimated Total Annual Cost to the City:	\$283.09
Estimated Cost to the City over 10 years:	\$2,830.82

(4) Evaluation: As indicated above, the estimated annual cost to the City of the Mills Act Contract would be \$283.09. In exchange for this modest decrease in property tax revenues, approximately \$45,150 will be reinvested into the historic building over a ten-year period – a ratio of \$15.95 in private funds spent for every dollar the City foregoes in property tax revenue.

PART II: RECITALS

WHEREAS, the Application is not a project pursuant to the California Environmental Quality Act ("CEQA") Guidelines Section 21065; and

WHEREAS, Ontario Development Code Table 2.02-1 (Review Matrix) grants the Historic Preservation Subcommittee ("HPSC") the responsibility and authority to review and act, or make recommendation to the Planning/Historic Preservation Commission, on the subject Application; and

WHEREAS, the Community Development and the Aesthetic, Cultural, Open Space and Recreational Resources elements of The Ontario Plan ("TOP") sets forth Goals and Policies to conserve and preserve Ontario's historic buildings and sites; and

WHEREAS, on October 13, 2016, the HPSC of the City of Ontario conducted a hearing on the Application and concluded said hearing on that date; and

WHEREAS, all legal prerequisites to the adoption of this Decision have occurred.

PART III: THE DECISION

NOW, THEREFORE, IT IS HEREBY FOUND AND DETERMINED by the Historic Preservation Subcommittee of the City of Ontario, as follows:

SECTION 1: As the recommending body for the Project, the HPSC has reviewed and considered the information contained in the administrative record for the Project. Based upon the facts and information contained in the administrative record, including all written and oral evidence presented to the HPSC, the HPSC finds as follows:

- (1) The Application is not a project pursuant to Section 21065 of the CEQA Guidelines; and
- SECTION 2: Based upon the substantial evidence presented to the HPSC during the above-referenced hearing and upon the specific findings set forth in Section 1, above, the HPSC hereby concludes as follows:
- (1) California Government Code Section 50280, et seq., authorizes cities to enter into contracts with the owners of a qualified historical property to provide for the use, maintenance and restoration of such historical property so as to retain its characteristics as a property of historical significance; and
- (2) The Aaron Beasley House, located at 403 East Rosewood Court, was designated as a Contributor to the Rosewood Court Historic District on October 2, 2001 and is therefore a qualified historical property; and
- (3) The Applicant has set forth a work program for this specific property to ensure the preservation of this historic resource that qualifies under the guidelines and standards set by the State of California.
- SECTION 3: Based upon the findings and conclusions set forth in Sections 1 and 2 above, the HPSC recommends the Historic Preservation Commission recommend the City Council approve the request for a Mills Act Contract.
- SECTION 4: The Applicant shall agree to defend, indemnify and hold harmless, the City of Ontario or its agents, officers, and employees from any claim, action or proceeding against the City of Ontario or its agents, officers or employees to attack, set aside, void or annul this approval. The City of Ontario shall promptly notify the applicant

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of any such claim, action or proceeding, and the City of Ontario shall cooperate fully in the defense.

SECTION 5: The documents and materials that constitute the record of proceedings on which these findings have been based are located at the City of Ontario City Hall, 303 East "B" Street, Ontario, California 91764. The custodian for these records is the City Clerk of the City of Ontario.

APPROVED AND ADOPTED this 13th day of October, 2016.

Historic Preservation Subcommittee

Exhibit A: Project Location Map





Exhibit B: Site Photographs



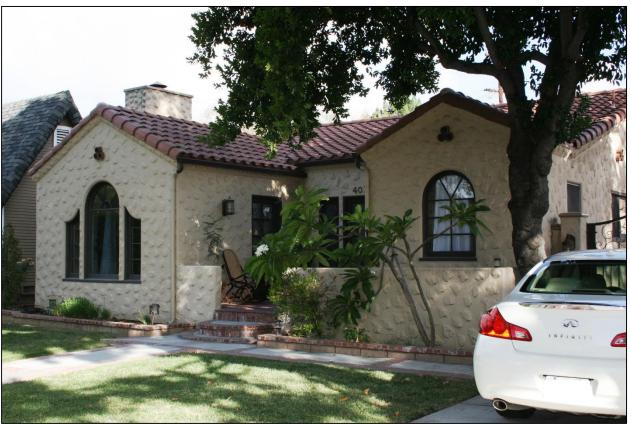


Exhibit C: Schedule of Improvements

Improvements Information:

	Description:	Completed?	Cost:
Year 2017	Replace rotted wood frame front door and french door with new hardware.		\$4,000.00
Year 2018	Replace kitchen door with period appropriate door and hinges.		\$400.00
Year 2019	Remove tree that is lifting foundation.		\$750.00
Year 2020	Termite abatement.		\$2,000.00
Year 2021	Reglaze window in living room.		\$2,000.00
Year 2022	Paint interior.		\$3,000.00
Year 2023	Repair window in kitchen/breakfast nook area.		\$2,000.00
Year 2024	Exterior paint.		\$10,000.00
Year 2025	Landscape front yard.		\$1,000.00
Year 2026	Repair/replace driveway where cement is lifting.		\$20,000.00

Total Cost of Improvements \$45.150.00