



AGENDA REPORT

Department: Community Development
Prepared by: David Welch, Associate Planner
Meeting Date: Tuesday, October 4, 2022
Approved by: Brad Raulston, City Manager

SUBJECT:

Resolution of the City Council of the City of National City authorizing the Mayor to execute a Mills Act Historic Preservation Contract for 520 'F' Avenue. (Applicants: Christine & Liam Dunfey, Joe Dzida) (Case File 2022-27 M)

RECOMMENDATION:

Staff recommends adoption of a resolution authorizing the Mayor to execute a Mills Act Historic Preservation Contract for 520 'F' Avenue.

BOARD/COMMISSION/COMMITTEE PRIOR ACTION:

Not Applicable.

EXPLANATION:

The property owners of 520 'F' Avenue are requesting a Mills Act contract. The structure, known as the Sarah B. Annis House, is a two-story Stick Eastlake style home located in the Small Lot Residential (RS-2) zone. The 2,130 square-foot house is constructed with wood siding, with decorative wood trim and contrasting colors. The home was constructed in 1886 and has been used as apartments in the past.

Mills Act contracts are historic preservation tools that provide property tax savings for owners in exchange for a commitment to maintain and/or restore a historic structure. This property was part of a list of historic properties designated by City Council in 2018. The residence is in decent condition, but requires some maintenance and repair work. Future work includes repair (and replacement, as necessary) of exterior woodwork, plumbing, electric components, and the removal and replacement of the exterior paint. The National City Historic Society requested the ability to approve the paint color. The Mills Act contract is valid for 10 years and automatically extends for one year on the anniversary date. The City may cancel the contract if breached or opt not to renew it if proper notice is provided. There are currently 18 Mills Act contracts in the City.

According to the San Diego County Assessor, there will be a reduction of approximately 30% in the assessed value of the property, which translates into a property tax reduction of about \$1,994 annually with respect to the "1%" portion of the property tax bill. Because the property lies within the former redevelopment area, this reduction will be to property taxes available to the Successor Agency. The loss to the Successor Agency would in turn impact the amount of residual balance available for distribution to other agencies, including the City whose share would be about \$359.

FINANCIAL STATEMENT:

This action will result in a reduction in annual Successor Agency property tax revenue of approximately \$1,994. The impact on the City would be an approximate loss of \$359 in residual balance distribution revenue from the Successor Agency.

RELATED CITY COUNCIL 2020-2025 STRATEGIC PLAN GOAL:

Not Applicable

ENVIRONMENTAL REVIEW:

This is not a project under CEQA and is therefore not subject to environmental review.CCR15378;
PRC 21065.

PUBLIC NOTIFICATION:

Agenda Report posted within 72 hours of meeting date and time in accordance with Brown Act.

ORDINANCE:

Not Applicable

EXHIBITS:

1. Overhead
2. Site Photos
3. Maintenance Plan
4. List of current Mills Act contracts
5. Mills Act Contract
6. Resolution