

MOTION

PLANNING & LAND USE MANAGEMENT

The City adopted the *Mills Act Historical Property Contract Program* in 1996 (Ordinance No. 171413), Council File No. 94-0644. The program is administered by the Planning Department, and provides financial incentives to further the City's historic preservation goals and objectives. Property tax savings are directed to the preservation, rehabilitation and maintenance of historic properties.

The *Mills Act* is available to property owners of designated as Historic-Cultural Monuments (HCMs) and/or are Contributors to a Historic Preservation Overlay Zone. **The *Mills Act* is a contract between the City and a property owner that allows for a potential reduction in property taxes with the obligation that the property owner will invest funds for restoration, rehabilitation, and maintenance of the property.** The Cultural Heritage Commission reviews and approves applications for properties valued above the program limits and *Mills Act* contracts are approved by the Council. The contract obligates an owner to complete necessary work and comply with property maintenance requirements.

There are currently 951 *Mills Act* contracts with property owners Citywide, and a limited number of staff that are able to ensure that individual properties are in compliance with their contracts. The Planning Department is currently exploring ways in which to enhance contract compliance while also ensuring the financial viability and equitable distribution of the *Mills Act* benefits into the future.

Failure of a *Mills Act* property owner to preserve, rehabilitate and maintain their historic property is not only a violation of the contract but a misappropriation of property tax dollars that could be allocated to greater community purposes. The misuse of the *Mills Act* is even more egregious when activity at the property is counter to the purpose of the program to demonstrate the best practices in historic preservation and property maintenance.

While the Planning Department works on updating the *Mills Act* program, there are two *Mills Act* properties in Council District No. 13 that appear to be in violation of the terms of their contracts that need to be investigated. The properties are: (1) the *Little Country Church of Hollywood* (HCM #567), located at 1750 N. Argyle Avenue and; (2) the *Jardinette Apartments* (HCM #390), located at 5128 Marathon Street, both located in Hollywood.

The primary church building on the *Little Country Church of Hollywood* property was destroyed by fire in 2007. However, the historic gardens remain and are in a deteriorated state. The Department of Building and Safety has investigated the site over the years for conditions that seemingly are in violation of their *Mills Act* contract. In addition, **the Police Department has reported that the site is routinely broken into and have responded to multiple calls for service.** The *Jardinette Apartments*, designed by master architect Richard Neutra, is a vacant 4-story apartment building, subject to the Rent Stabilization Ordinance. It has significantly deteriorated and has active code enforcement for unpermitted construction work which is seemingly in violation of their *Mills Act* contract.

I THEREFORE MOVE that the Council instruct the Planning Department and the Department of Building and Safety, with the assistance of the City Attorney, and Police Department, to **prepare a report with recommendations in 30 days on the existing condition of the following two *Mills Act* historical contract properties that appear to be in violation of the terms of their contracts:** (1) the *Little Country Church of Hollywood* (HCM #567), located at 1750 N. Argyle Avenue, and (2) the *Jardinette Apartments* (HCM #390), located at 5128 Marathon Street, **and whether or not the *Mills Act* contract obligations for these two properties are being met; and if not, the enforcement or termination actions the City can take to ensure that the properties are being preserved and maintained in accordance with the terms of the *Mills Act Historical Property Contract Program* (Ordinance No. 171413).**

PRESENTED BY:

MITCH O'FARRELL

Councilmember, 13th District

SECONDED BY:

Paul R. [Signature]

AUG 26 2022

Mr. [Signature]

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