


CITY ATTORNEY'S OFFICE

OAKLAND CITY COUNCIL

RESOLUTION NO. _____ C.M.S.

RESOLUTION, AS RECOMMENDED BY THE LANDMARKS PRESERVATION ADVISORY BOARD, APPROVING FOUR (4) MILLS ACT CONTRACTS BETWEEN THE CITY OF OAKLAND AND THE OWNERS OF THE PROPERTIES AT 5837-39 AYALA AVENUE, 1311 EAST 27TH STREET, 384 BELLEVUE AVENUE, AND 323-25 24TH STREET, PURSUANT TO ORDINANCE NO. 12987 C.M.S., TO PROVIDE PROPERTY TAX REDUCTIONS IN EXCHANGE FOR OWNERS' AGREEMENT TO REPAIR AND MAINTAIN HISTORIC PROPERTIES IN ACCORDANCE WITH SUBMITTED WORK PROGRAMS AND APPROVING TOTAL CITY TAX REVENUE REDUCTION ESTIMATED TO BE BELOW \$25,000 PER YEAR, AND MAKING CALIFORNIA ENVIRONMENTAL QUALITY ACT FINDINGS

WHEREAS, the Oakland General Plan Historic Preservation Element Policy 2.6.1 calls for the adoption of a Mills Act contract program pursuant to Sections 50280-90 of the California Government Code and Section 439.2 of the California Revenue and Taxation Code, to promote historic preservation in the City of Oakland (City); and

WHEREAS, the Oakland City Council adopted a pilot Mills Act program on February 6, 2007, by Ordinance No. 12784 C.M.S. and a permanent Mills Act Property Tax Abatement Program (Mills Act Program) for qualified historic properties on January 5, 2010, by Ordinance No. 12987 C.M.S.; and

WHEREAS, the implementation of the Mills Act Program meets numerous General Plan goals and policies, including housing rehabilitation, preservation of community character and identity, blight prevention and correction, support of skilled building trades, sustainability, revitalization, and image; and

WHEREAS, the City has received four Mills Act contract applications in 2024 from qualified properties: (1) 5837-39 Ayala Avenue, a robust 1911 Craftsman bungalow in Temescal, converted to flats in 1941; (2) 1311 East 27th Street, a woman developer's distinctive 1905-07 Colonial-Shingle house in East Oakland's Highland Park tract; (3) 384 Bellevue Avenue, an

elegant architect-designed Craftsman house in a potential National Register district in Adams Point; (4) 323-25 24th Street, an eccentric 1907 Colonial flats building designed, developed, and occupied by architect Sidney Newsom in the Waverly district northwest of Lake Merritt; and

WHEREAS, all four properties were designated as Heritage Properties by the Landmarks Preservation Advisory Board on July 1 2024, making them City Designated Historic Properties and eligible to apply for Mills Act participation; and

WHEREAS, estimates of 2025-26 ad valorem property tax reductions for the four individual properties range from \$4,767 to \$18,445, for a total of \$41,329, all of which is required to be reinvested in restoration and upkeep of these historic properties; and

WHEREAS, the City receives approximately 27.28% of ad valorem property taxes collected by Alameda County, so that the City's share of the potential Mills Act tax reductions would be approximately \$11,275; and

WHEREAS, the City's Mills Act Program capped fiscal impacts of new Mills Act contracts on City tax revenues at \$25,000 per year plus up to \$500,000 impact on Redevelopment tax revenues; and

WHEREAS, the City's Mills Act Program provides that tax losses may exceed the program limits with approval of the City Council; and

WHEREAS, the estimated first-year City property tax revenue reduction from new 2024 Mills Act contracts, at \$11,275, is well below the Mills Act Program City revenue reduction cap of \$25,000; and

WHEREAS, this action is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA guidelines sections 15301 (Existing Facilities); 15305 (Minor Alterations in Land Use Limitations); 15306 (Information Collection); 15308 (Actions by Regulatory Agencies for Protection of the Environment); 15331 (Historical Resource Restoration/ Rehabilitation); and

WHEREAS, at a duly noticed meeting on July 1, 2024, the Landmarks Preservation Advisory Board recommended the four applications for Mills Act contract approval for 2024 and expressed support for the revenue reduction in view of the benefits of the specific nominated projects and the Mills Act program in general; and

WHEREAS, at a duly noticed meeting on July 10, 2024, the Planning Commission received and accepted an Informational Report on the Landmarks Board's Mills Act contract recommendations; now, therefore be it

RESOLVED: That the City Council finds and determines that the decision made hereby is made in conformance with the requirements of CEQA; and be it

FURTHER RESOLVED: That the City Administrator is hereby authorized to enter into Mills Act contracts, subject to review and approval of the City Attorney, in substantial conformity with the previously-approved model Mills Act contract, with the owners of the following properties:

**5837-39 AYALA AVENUE, Oakland CA;
1311 EAST 27TH STREET, Oakland CA;
384 BELLEVUE AVENUE, Oakland CA;
323-25 24TH STREET, Oakland CA;** and be it

FURTHER RESOLVED: That the City Administrator is hereby authorized to take all actions necessary to implement the previously approved Mills Act Program consistent with this Resolution.

IN COUNCIL, OAKLAND, CALIFORNIA,

PASSED BY THE FOLLOWING VOTE:

AYES - FIFE, GALLO, JENKINS, KALB, KAPLAN, RAMACHANDRAN, REID, AND
PRESIDENT FORTUNATO BAS

NOES –

ABSENT –

ABSTENTION –

ATTEST: _____
ASHA REED
City Clerk and Clerk of the Council of the
City of Oakland, California