


CITY ATTORNEY'S OFFICE

OAKLAND CITY COUNCIL

RESOLUTION NO. _____ C.M.S.

RESOLUTION, AS RECOMMENDED BY THE LANDMARKS PRESERVATION ADVISORY BOARD, APPROVING FIVE (5) MILLS ACT CONTRACTS BETWEEN THE CITY OF OAKLAND AND THE PROPERTIES AT 1420 MAGNOLIA STREET, 1120 CHESTER STREET, 1020-22 BELLA VISTA AVENUE, 671 LONGRIDGE ROAD, AND 901 TRESTLE GLEN ROAD, 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.

WHEREAS, the 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; 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 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 five Mills Act contract applications in 2021 from qualified properties: (1) 1420 Magnolia Street, an 1886-87 Italianate-Stick cottage in the Oak Center S-7 historic district; (2) 1120 Chester Street, an 1887-88 Stick-Eastlake house in the National Register eligible Oakland Point district; (3) 1020-22 Bella Vista Avenue, a 1900-01 Colonial-Craftsman house in the Bella Vista district above Park Boulevard; (4) 671 Longridge

Road, a 1919-20 Beaux Arts-eclectic house by Albert Farr in the Lakeshore district; and (5) 901 Trestle Glen Road, a 1941 Moderne-Normandy Revival house in the Lakeshore district; and

WHEREAS, one property was already formally designated by the Landmarks Board in 2002 as part of the Oak Center Historic District, and the other four were designated as Heritage Properties by the Landmarks Preservation Advisory Board on July 12, 2021, making all five City of Oakland Designated Historic Properties and eligible to apply for Mills Act participation; and

WHEREAS, the Landmarks Preservation Advisory Board on July 12, 2021, reviewed and voted unanimously to recommend all five applications for Mills Act contracts; and

WHEREAS, estimates of 2022-23 ad valorem property tax reductions for the five individual properties range from \$5,583 to \$17,177, for a total of \$45,418, all of which is required to be reinvested in restoration and upkeep of these historic Oakland properties; and

WHEREAS, the City receives approximately 27.28 percent 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 \$12,390; and

WHEREAS, the 2009-10 Ordinance Expanding and Making Permanent the Mills Act Property Tax Abatement 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, despite rising property prices the estimated first-year City property tax revenue reduction from new 2021 Mills Act contracts, at \$12,390, remains well below the Ordinance's cap of \$25,000; and

WHEREAS, at a duly noticed meeting on July 12, 2021, the Landmarks Preservation Advisory Board recommended all five applications for contract approval for the 2021 Mills Act program 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 21, 2021, the Planning Commission received and accepted an Informational Report on the Landmarks Board's Mills Act contract recommendations; and

WHEREAS, the City Council considered the matter at its September 21, 2021, duly noticed meeting; now, therefore, be it

RESOLVED: That the City Administrator, or designee, 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 following properties, and to take whatever actions are necessary to implement the previously approved Mills Act Program consistent with this resolution, including recognition and approval of potential first-year property tax revenue reduction of approximately \$12,390:

- 1420 MAGNOLIA STREET, Oakland CA**
- 1120 CHESTER STREET, Oakland CA**
- 1020-22 BELLA VISTA AVENUE, Oakland CA**
- 671 LONGRIDGE ROAD, Oakland CA**
- 901 TRESTLE GLEN ROAD, Oakland CA**

IN COUNCIL, OAKLAND, CALIFORNIA,

PASSED BY THE FOLLOWING VOTE:

AYES - FIFE, GALLO, KALB, KAPLAN, REID, TAYLOR, THAO AND
PRESIDENT FORTUNATO BAS

NOES –

ABSENT –

ABSTENTION –

ATTEST: _____

ASHA REED
City Clerk and Clerk of the Council of the
City of Oakland, California