

Communication from Public

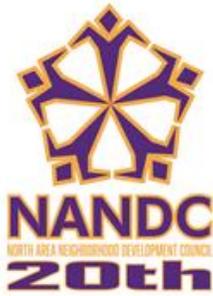
Name: NANDC (Jean Frost)

Date Submitted: 05/13/2023 02:09 PM

Council File No: 23-0331

Comments for Public Posting: We are submitting a list of issues that have been identified by numerous stakeholders. NANDC will comment further as the Planning Department, Cultural Heritage Commission and Office of Historic Resources and City Council continues the review process. The Chattel/AECOMM report has serious flaws and is conclusory without a basis in fact. • NANDC questions the proposal to cap the number of these contracts, and the proposal to begin to cancel/non-renew older existing contracts. Substantial testimony was provided by current Mills Act contract holders at public hearings before the CHC and Planning that these actions would have a serious negative impact on the effectiveness of the Mills Act program. • Some commented that the cancellation of their existing contract would seriously affect the ability to retain ownership. • The City should Increase the number of Mills Act Contracts, along with the staffing budget for Mills Act administration, not place an annual cap. • The City should not cancel/non-renew single family home contracts, unless it is learned that the owners are non-compliant, as single-Family homes only represent 25% of the taxes. • Capping the number each year could mean that deserving properties are denied. In the past, the City has approved as many as 50 Mills Act contracts in a single year, e.g., approving those that meet the criteria and not approving applications which do not. • The City should continue the capability of renewal of Mills Act Contract and the contract should be transferable to a subsequent owner. • NANDC supports equity as a goal and expanding the Mills Act to underserved communities. The suggestions in the report do not go far enough. People can't afford to participate in the program and ways need to be created to incentivize applications particularly in underserve areas. • Equity doesn't mean cancelling contracts in the very neighborhoods staff is targeting to make a more equitable program. • The current requirement is that a property must need major structural and systems upgrades, and usually a minimum of several hundred thousand dollars of work needed conflicts with the stated goal of bringing the program to communities who/where there are barriers to opportunity (including income barriers). • While it is positive for the City to expand the eligibility standards to make Mills Act available in other historical districts (Character Residential CPIOs, California Register and

National Register) it is counterintuitive to then limit the number of contracts. • The South Los Angeles Community Plan Area overall has 124 current Mills Act contracts; the vast majority of these are identified as being within neighborhoods that have “medium high” and “high” Barriers to Opportunity. • The report did little in terms of getting input from the people who currently have contracts to obtain their expert opinion on how the program is working. • Ascertain what current Mills Act contract holders might provide in terms of suggestions. • The major recommendation to Cancel/Not Renew all Mills Act contracts that are more than 10 years old, will do little to alleviate the reported City staffing issues but will harm all of those property owners. These property owners are likely relying on the contracted "in perpetuity" renewals in the contracts they signed to be able to benefit from some degree of property tax relief. They are also having reasonable expectations on higher property valuation when their properties are sold due to having a Mills Act contract. Moreover, this in-perpetuity clause is a tool for historic communities like ours to assure that properties that are currently compliant with the Secretary of Interior Standards remain so. • The Mills Act is the only historic preservation incentive offered to the City's single-family homeowners, and owners of historical small multi-family residences. Consideration should be given to see that no harm is done to those who have existing complying contracts. • The Mills Act needs to be considered in the context of the benefits that ensue to both the economy and employment as well as the enhancement of a community and not just in terms of 20M less property taxes annually.



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September 14, 2022

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Dear Planning Staff and Commissioners:

At the July Board meeting, NANDC moved that 1.) Stakeholders attend the City's August 8 forum on the Mills Act and 2.) NANDC formulate and delegate comment for submission by the September 1 deadline. The notice was placed on NANDC web site to seek comment which we provided herein.

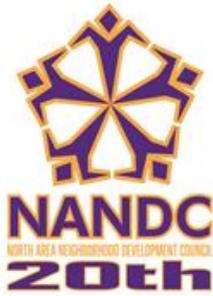
We are submitting a list of issues that have been identified by numerous stakeholders. NANDC will comment further as the Planning Department, Cultural Heritage Commission and Office of Historic Resources continue the review process. It is by no means comprehensive as NANDC continues to study the report and its recommendations.

- NANDC questions the proposal to cap the number of these contracts, and the proposal to begin to cancel/non-renew older existing contracts. Substantial testimony was provided by current Mills Act contract holders at public hearings



before the CHC and Planning that these actions would have a serious negative impact on the effectiveness of the Mills Act program.

- Some commented that the cancellation of their existing contract would seriously affect the ability to retain ownership.
- The City should Increase the number of Mills Act Contracts, along with the staffing budget for Mills Act administration, not place an annual cap.
- The City should not cancel/non-renew single family home contracts, unless it is learned that the owners are non-compliant, as single-Family homes only represent 25% of the taxes.
- Capping the number each year could mean that deserving properties are denied. In the past, the City has approved as many as 50 Mills Act contracts in a single year, e.g., approving those that meet the criteria and not approving applications which do not.
- The City should continue the capability of renewal of Mills Act Contract and the contract should be transferable to a subsequent owner.
- NANDC supports equity as a goal and expanding the Mills Act to underserved communities. The suggestions in the report do not go far enough. People can't afford to participate in the program and ways need to be created to incentivize applications particularly in underserve areas.
- Equity doesn't mean cancelling contracts in the very neighborhoods staff is targeting to make a more equitable program.
- The current requirement is that a property must need major structural and systems upgrades, and usually a minimum of several hundred thousand dollars of work needed conflicts with the stated goal of bringing the program to communities who/where there are barriers to opportunity (including income barriers).
- While it is positive for the City to expand the eligibility standards to make Mills Act available in other historical districts (Character Residential CPIOs, California



Register and National Register) it is counterintuitive to then limit the number of contracts.

- The South Los Angeles Community Plan Area overall has 124 current Mills Act contracts; the vast majority of these are identified as being within neighborhoods that have “medium high” and “high” Barriers to Opportunity.
- The report did little in terms of getting input from the people who currently have contracts to obtain their expert opinion on how the program is working.
- Ascertain what current Mills Act contract holders might provide in terms of suggestions.
- The major recommendation to Cancel/Not Renew all Mills Act contracts that are more than 10years old, will do little to alleviate the reported City staffing issues but will harm all of those property owners. These property owners are likely relying on the contracted "in perpetuity" renewals in the contracts they signed to be able to benefit from some degree of property tax relief. They are also having reasonable expectations on higher property valuation when their properties are sold due to having a Mills Act contract. Moreover, this in-perpetuity clause is a tool for historic communities like ours to assure that properties that are currently compliant with the Secretary of Interior Standards remain so.
- The Mills Act is the only historic preservation incentive offered to the City's single-family homeowners, and owners of historical small multi-family residences. Consideration should be given to see that no harm is done to those who have existing complying contracts.
- The Mills Act needs to be considered in the context of the benefits that ensue to both the economy and employment as well as the enhancement of a community and not just in terms of 20M less property taxes annually.
- Many neighborhood councils have stakeholders that will be affected by these recommendations, and yet the staff report has only been presented to the Cultural Heritage Commission without prior NC input.



NANDC looks forward to continuing discussions and achieving preservation, sustainability and equity goals.

NANDC is a self-governed, self-directed, and independent organization empowered by the Los Angeles City Charter. This charter offers neighborhood councils a role in the City's decision-making process. NANDC was certified by the City of Los Angeles on April 27, 2002 and was the 24th neighborhood council formed under the guidelines of the City Charter.

Sincerely,

A handwritten signature in blue ink, appearing to read "Thryeris Mason".

Thryeris Mason, President
Empowerment Congress North Area Development Council (NANDC)
www.NANDC.org

cc: Councilmember Marqueece Harris-Dawson
Councilmember Curren Price
Councilmember Gil Cedillo
Albizael Delvalle CD8
Sherilyn Correa CD 9
Gerald Gubatan CD1
Nora Martinez CD9
Hugo Ortiz CD1
Isaias Benavides CD8