



City of Palo Alto City Manager's Report

TO: HONORABLE CITY COUNCIL

FROM: CITY MANAGER DEPARTMENT: PLANNING AND
COMMUNITY ENVIRONMENT

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DATE: DECEMBER 15, 1997 CMR:501:97

SUBJECT: FUTURE PROCESSING OF MILLS ACT CONTRACT REQUESTS

RECOMMENDATION

Staff recommends that the City Council direct that no new Mills Act requests be accepted until appropriate policies and procedures are examined as part of the new Historic Regulations.

BACKGROUND

A Mills Act contract is a voluntary agreement between a qualified owner of a historic property and the local jurisdiction that provides property tax relief in exchange for compliance with certain preservation restrictions. The local government has the option to choose the properties that are suitable for the incentive by evaluating various factors such as the significance of the building to the community, development pressure on the site, and the need for rehabilitation. A more detailed discussion of the Mills Act and its provisions is contained on page 3 of the report to the Historic Resources Board, dated November 5, 1997, and the draft Historic Property Preservation Agreement for the same report.

DISCUSSION

As referenced in the associated item regarding 420 Maple Street, no policy or procedures currently exist in the City for the processing and implementation of Mills Act contract requests. This issue is a part of the work program for the development of the new Historic Regulations. Staff believes that a significant amount of public interest exists in the Mills Act and that, as a result, additional requests are forthcoming.

Absent a coherent policy on this issue, staff expects that the questions raised by the Historic Resources Board regarding 420 Maple Street will be revisited each time a new request is received.

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