

HISTORIC RESOURCE COMMISSION
MEETING MINUTES

Regular Meeting

June 3, 2009

The regular meeting of the Coronado Historic Resource Commission was called to order at 3:06 p.m., Wednesday, June 3, 2009, at the Coronado City Hall Council Chambers, 1825 Strand Way, Coronado, California, by Chairperson O'Brien.

MEMBERS PRESENT: Commissioners Jones, O'Brien, Ryan, and St. Denis

MEMBERS ABSENT: Commissioner Crenshaw

STAFF PRESENT: Ann McCaull, Associate Planner
Martha L Alvarez, Recording Secretary

APPROVAL OF MINUTES

The minutes of May 20 2009, were continued to the next regular meeting due to a lack of quorum necessary to approve the minutes.

DIRECTOR'S REPORT

Ms. McCaull reported that the Mills Act Special Exception request for 465 Palm, scheduled to be heard by the City Council on June 2, was continued to the City Council meeting of August 4, 2009.

Ms. McCaull provided updated information on the Mills Act application request for 927 D Avenue. She stated that at a previous Commission meeting, the project had received approval for an alteration permit (not yet implemented) which included changing out the front window to French doors, adding a second story at the rear of the home, and adding a two-story structure off of the alley. At the conclusion of the meeting, the property owner withdrew her previous alteration permit request to add a second story at the rear of the home and to make changes to the front façade. The Commission allowed the two-story structure off the alley to remain. Since that time, the property owners have decided to place their property for sale and a potential buyer is interested in completing the improvements. In order to address the issue, the current property owner must withdraw her application for a Mills Act request. If this is done, the conditions associated with the Mills Act approval and support will become null and void. The project would then retain its original alteration permit that was previously approved.

ORAL COMMUNICATIONS AND OTHER MATTERS

There were no members of the public wishing to speak at this time.

MISCELLANEOUS

Commission consideration to re-prioritize the property addressed as 1112 Churchill Place on the Mills Act waiting list (continued from the meeting of May 20, 2009)

The Commission continued the item because there were only four members present and five would be necessary if a change on the numerical ranking for the property would occur.

PUBLIC COMMENT

John Elkins, 1112 Churchill Place, agreed to continue the item until after the joint meeting between the Commission and City Council has taken place.

COMMISSION ACTION

CHAIRPERSON O'BRIEN, MADE A MOTION TO CONTINUE THIS ITEM UNTIL AFTER THE JOINT MEETING BETWEEN THE COMMISSION AND THE CITY COUNCIL HAS TAKEN PLACE.

COMMISSIONER ST. DENIS SECONDED THE MOTION.

AYES: Commissioners, Jones, O'Brien, Ryan, And St. Denis
NAYS: None.
ABSENT: Commissioner Crenshaw
ABSTAIN: None.

The motion passed with a vote of 4-0.

HRPA 8-08 City of Coronado: Discussion regarding proposed changes to the Mills Act Program and upcoming Public Workshop scheduled for June 23, 2009, at 6 p.m.

Ms. McCaull introduced the staff report as outlined in the agenda. At the February 18, 2009, Historic Resource Commission meeting, the Commission began preliminary discussions regarding the upcoming Mills Act workshops. Subcommittees of the Commission were formed to develop preliminary recommendations regarding the items to be discussed at the workshops. The areas the Commission would like to focus on include 1) eligibility requirements, e.g. what properties are eligible to apply; 2) process e.g., how are properties treated/evaluated on the waiting list; 3) funding levels, e.g. how should the fiscal cap be handled annually; and 4) alterations, e.g. extent of alterations allowed for Mills Act properties.

Ms. McCaull stated that the Commission has finalized their recommendations at a special meeting held on May 27. Portions of this report will now be converted into a PowerPoint presentation that will be reviewed by the public at a public workshop that will be held on Tuesday, June 23, 2009, at 6 p.m., in the City Hall Council Chambers.

DRAFT CHANGES TO MILLS ACT PROGRAM (June 3, 2009):

1. MILLS ACT PROCESS: How should applications be processed? *The Commission reviewed and recommends A & E*
 - A. Process applications based upon historical significance with increased weight given to application date. (Eliminate existing criteria of in-danger because it is difficult to measure).
 - B. Process applications based upon application date.
 - C. Process a maximum of 5 or 6 applications each calendar year.
 - D. Process one home from each of the 5 categories of development before a second home in any particular category is selected.
 - E. Retain Mills Act Exemptions for special circumstances approved by the City Council.
2. ELIGIBILITY REQUIREMENTS: Who is eligible to apply for Mills Act? *The Commission reviewed and agrees with A, B, and C*
 - A. Only property owners with historically designated residential structures may apply for a Mills Act Agreement.
 - B. Only the historic structure itself shall receive tax relief. No tax reduction for non-historic additions or accessory buildings except in special circumstances.
 - C. A historically designated property that already has inappropriate or illegal additions or changes, in particular to the front façade, may not be eligible for MA benefits.
3. ALTERATIONS TO MILLS ACT PROPERTIES: What types of alterations are allowed?

Overview: Alterations allowable for historically designated structures may be more lenient and flexible (within the Sec. of the Interior's Standards) than those allowable to Mills Act properties. The owner has two choices:

- 1) Preserve and protect a historic house and foster the strong community identity unique to Coronado's rich heritage in exchange for the pride of stewardship and Mills Act tax benefits or
- 2) "Save" a historic house and add to or alter it as appropriate (subject to HRC approval), adapting a piece of Coronado's history to today's lifestyle. Owner may take advantage of considerable possible zoning exceptions and other benefits, with the understanding that he/she may forego the possibility of Mills Act tax

benefits.

- A. The front façade is sacred. Changes to the front facade primarily, or any façade facing a public right-of-way (excluding alleys) should be avoided (moved from other section). Proposed alterations to a front façade (i.e. replacing windows with French doors or adding a visible second story to a one-story house), although deemed historically compatible and approved by HRC, may make that house ineligible for the Mills Act. Owners should be made aware of this at the time the proposed alterations are reviewed by HRC. Previous alterations and additions that have occurred to a residence prior to an application for a Mills Act Agreement may also make the house ineligible for a Mills Act Agreement.
- B. Rehabilitation (returning a historic structure to its original condition on elevations visible from public rights-of-way) shall be eligible for Mills Act benefits if the application is accompanied by historic photographs and/or other reliable documentation of the likely appearance of the original structure.
- C. Alterations and additions proposed for Mills Act Properties shall comply with the Secretary of Interior's Standards for Rehabilitating Historic Buildings (www.nps.gov/history/hps/tps/tax/rhb/guide.htm). The following are important guidelines considered by the Historic Resource Commission when considering alterations and additions for a Mills Act Property.

GUIDELINES FOR ALTERATIONS TO MILLS ACT PROPERTIES

I. REHABILITATION

- A. Preserve Primary Historic Building Materials whenever feasible.
 - 1. Retain and preserve original wall and siding materials.
 - 2. Do not cover or obscure original façade materials.
 - 3. If stucco covers original siding, then its removal is encouraged.
 - 4. The use of vinyl is prohibited (includes windows, fences, downspouts, guard rails, etc.)
- B. Preserve Historic Architectural Features and Details.
 - 1. Preserve and maintain significant stylistic and architectural features.
 - 2. Deteriorated architectural features and details should be repaired or restored rather than replaced whenever possible
 - 3. Avoid adding elements or details that were not part of the original building.
- C. Character of a Structure.
 - 1. Preserve the functional and decorative features of original windows and doors.
 - 2. Maintain original window and door proportions.

3. Maintain the historic window arrangement on a primary façade.
4. Repair a deteriorated window or door instead of replacing it or enclosing the opening altogether whenever possible.
5. Do not add new window or door openings on character-defining facades.
6. A new opening should be similar in location, size and type to those seen traditionally.
7. If replacement of windows or doors is necessary, replicate the original design, detailing and materials as closely as possible.
8. Original hardware should be re-used on replacement if possible.
9. Aluminum clad windows are prohibited (where visible from the street right-of-way), as are aluminum awnings (unless material is original to structure).

D. Preserve a Porch in its original condition and form.

1. Maintain an original porch, when feasible.
2. Enclosing a porch with opaque materials that destroy the openness and transparency of the porch is not recommended.
3. Where building codes stipulate that new porch railings lower than 36 inches in height be augmented or corrected to raise their effective height to 36 inches or greater, consider providing a smaller railing above the historic railing to achieve a greater overall railing height.
4. Repair rather than replace those elements of a porch that are deteriorated, whenever possible.
5. Restoring an altered porch back to its original design and configuration is recommended.
6. When porch replacement is necessary, it should be similar in character, design, scale and materials to those seen traditionally.

2. ADDITIONS

A. Design a New Addition to be compatible with the historic building.

1. Additions should be compatible in character and style of architecture to the historic building.
2. Additions should be subordinate in scale, bulk and mass to the historic building.
3. New dormers or other roof forms should be subordinate to the roof of the historic building.
4. Additions should be located at the rear or on an inconspicuous side of the historic building.
5. Avoid additions that obscure, damage, destroy or remove original character-defining features of the historic building.
6. Use building materials that are compatible with those of the historic structure.
7. Windows of the addition should be similar in character, color and materials to original historic windows.

8. Additions should be designed to be reversible.
 9. Additions should be designed in such a manner that the addition is discernable from the original.
4. **FISCAL CAP OF THE MILLS ACT PROGRAM:** Should the fiscal investment the City has in the Mills Act be changed? *The Commission considered A, B, & C. The Commission prefers C.* (This item was changed, see below).

- A. Eliminate the fiscal cap to the program in year 1 (FY 2008-09).

This proposal involves allowing all property owners on the Mills Act waiting to list to receive approval in FY 2009-10. This action would involve an annual increased investment in the City's Preservation Program of approximately \$230,000.

This proposal would acknowledge the City's Preservation Program as an extremely high priority for the community given the foregone City and CDA revenues that would occur on an annual basis with the proposal. The new Mills Act eligibility criteria that is being recommended may reduce the number of program participants as well as the decreasing number of historic properties eligible for the Mills Act. This proposal relieves the Mills Act approved applicant backlog to zero in year 1 (FY 2009-10). All future years could be controlled by a formula that pegs future Mills Act applications to revenue see paragraph C below.

- B. Negotiate a rental value with the property owner (as provided in the Mills Act Legislation Guidelines) to allow the City to control the reduced property tax revenues associated with a Mills Act Agreement. A general policy allowing for a 50% reduction in property taxes with a Mills Act Agreement could be established.

The Commission determined the Mills Act Program should be administered in the spirit of the legislation that was established and only in unique circumstances should this methodology be used. The Commission wants to treat past, present, and future owners the same with respect to reduced property taxes rather than 50% or other arbitrary percentage. Historic properties are costly to preserve and a reduced property tax reduction may deter owners from participating in the program.

- C. Replace the fiscal cap with a NEW FORMULA that would be used to maintain fiscal accountability with the program and regulate the number of participants each year. The general concept is to tie the program to a percentage of the Residential Property Tax revenues the City receives. As property tax revenues increase, the number of participants each year could increase. Alternatively, as revenues decline, the number of new participants in the given year would reduce. The concept is more fully described in the attached power point.

- D. Implement alternative A in FY 2009-10 and implement alternative C beginning in FY 2010-11. (This item was added, see below.)

Commissioner Ryan proposed item D be added, with the recommendation that “The Commission prefers D.”

The Power Point will address (1) Regular Mills Act Application (2) 50% Mills Act Application and (3) Historic Resource Commission’s recommendation.

Draft Public Workshop Power Point Presentation

- Welcome and Introductions (HRC and staff)
- Purpose of Meeting (Public Input on Improvements to the Historic Preservation Program)
- Staff overview of current program (process, eligibility, alterations, fiscal cap)
- Subcommittee Presentations on Program Changes
 - Mills Act Process
 - Eligibility Requirements
 - Mills Act Alterations and Guidelines:
 - Monetary Investment to Historic Preservation Program

Draft Guide for Participating in the City’s Historic Preservation Program will be distributed at the meeting. Per the Commission’s discussion, the Secretary of Interior’s Guidelines would be attached to the Guide

Discussion regarding the Mission of the Historic Preservation Program

The Commission agreed that the Mission Statement should read as follows:

“The Historic Resource Commission seeks to encourage community-wide interest and voluntary participation in preserving and enhancing the community’s village homes. The Commission leads with a spirit of encouragement and compromise in working with individual homeowners and the community at large towards retaining and improving the City’s historical resources.”

ADJOURNMENT

There being no further business, the meeting was adjourned at 4:01 p.m.

Rachel A. Hurst, Director of Community Development,
Redevelopment & Housing Services