

Is there any reason my application would be denied?

The Mills Act is not an automatic entitlement of historic designation, and in some cases applications may not be approved. Alterations and additions that have occurred to a residence prior to the submittal of a Mills Act application may make it ineligible for a Mills Act Agreement.

What are the restrictions associated with a Mills Act Agreement?

- Preservation of the designated resource is required throughout the term of the agreement.
- When necessary, restoration and rehabilitation to the property may be required.
- The front façade is considered to be of the utmost importance. Changes to the front façade or any façade facing a public right-of-way (excluding alleys) shall be avoided.
- Periodic examinations of the property may be required as necessary to determine the owner's compliance with the agreement.

The City considers the Mills Act Agreement as an extremely important benefit provided to a homeowner for participation in the historic program. As such, properties with Mills Act Agreements are held to a higher standard of preservation responsibility. Additional guidelines are provided for Mills Act properties where alterations and additions are proposed are provided in the City of Coronado's *Guidebook to the Historic Preservation Program*.



Mills Act Homes

- | | |
|-------------------------|----------------------|
| 611 A Avenue | 941 G Avenue |
| 526 A Avenue | 1027 G Avenue |
| 536 A Avenue | 1125 G Avenue |
| 623 A Avenue | 600 Glorietta Blvd. |
| 625 A Avenue | 848 Glorietta Blvd. |
| 629 A Avenue | 940 Glorietta Blvd. |
| 1005 Adella Avenue | 1504 Glorietta Blvd. |
| 1013 Adella Avenue | 930 I Avenue |
| 1033 Adella Avenue | 740 J Avenue |
| 633 Alameda Blvd. | 909 J Avenue |
| 757 Alameda Blvd. | 1015 Loma Avenue |
| 1244 Alameda Blvd. | 1111 Loma Avenue |
| 1241-1247 Alameda Blvd. | 1116 Loma Avenue |
| 520 B Avenue | 1118 Loma Lane |
| 550 B Avenue | 300 Ninth Street |
| 566 B Avenue | 541 Ocean Blvd. |
| 744 B Avenue | 1015 Ocean Blvd. |
| 279 C Avenue | 1043 Ocean Blvd. |
| 765 C Avenue | 1010 Olive Street |
| 1112 Churchill Place | 465 Palm Avenue |
| 350 D Avenue | 1022 Park Place |
| 1015 Flora Avenue | 605 Tenth Street |
| 1111 Flora Avenue | 1313 Tenth Street |
| 1125 Flora Avenue | 801 Tolita Avenue |
| 329 G Avenue | 1704 Visalia Row |
| 471 G Avenue | 1710 Visalia Row |
| 777 G Avenue | 1718 Visalia Row |

If you would like additional information about the Mills Act or the Historic Preservation Program, please contact the City of Coronado Community Development Department.

Front cover photo: Mills Act home at 279 C Avenue

**City of Coronado
Historic Preservation**

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The Mills Act
Frequently Asked Questions



City of Coronado

Fostering civic pride
through historic
preservation

What is the Mills Act?

The Mills Act allows a reduction in property tax on historically designated property. The legislation is not state mandated; each city has the option of implementing the Mills Act and can tailor the program to the needs of the individual community. In 2000, the City Council authorized implementation, by resolution, of the Mills Act within the City of Coronado.

Mills Act Agreements are contracts that provide a reduced property tax to a homeowner in exchange for preservation and when necessary, restoration, of a Historic Resource. Non-historic additions and new construction are excluded from the Mills Act property tax reduction.

Mills Act Agreements are a ten (10) year contract, renewed annually. This means that on the anniversary date of the agreement, a year is added automatically to the initial term of the agreement, keeping the agreement perpetually ten (10) years from expiration.

Mills Act Agreements run with the land and will continue to be valid upon a change of property ownership. Homeowners considering applying for a Mills Act agreement should be aware the program is subject to change as deemed necessary by the City Council.



Mills Act home at 1015 Flora Avenue

What kind of property tax savings can I expect on my property tax bill?

In December of 2011, the City Council of the City of Coronado adopted Resolution No. 8524 instituting a maximum savings of 50% of current property taxes for all applications submitted beginning in 2012. Homeowners benefitting from Proposition 13 assessment values may not see a savings with a Mills Act Agreement; in those cases, the property owner would retain the lower Proposition 13 assessment value.

Who is eligible to apply for the Mills Act?

Owners of Historic Resources in residential zones are eligible to apply. Application forms are available at the Community Development Department. There is a \$100 application fee for a Mills Act Agreement.

What happens after I apply?

Applications are reviewed by staff and considered by the Historic Resource Commission at a noticed public hearing. The Commission will make a recommendation to the City Council regarding whether the Mills Act should be granted.

How are Mills Acts approved?

Each January, the Historic Resource Commission evaluates applications received the previous year to determine historical significance and they are added to the waiting list for City Council approval. Each year, in October, Mills Act applications are considered for approval by City Council at a noticed public hearing. The City Council approves Mills Act applications based upon a structure's placement on the Mills Act waiting list, and also the desire to accommodate as many application requests as possible while keeping within the established budget for the program. Approved Mills Act Agreements are entered into by the property owner and the City and recorded at the San Diego County Recorder's office each December.

What is the fiscal cap?

When the program was established in 2000, City Council placed a \$15,000 fiscal cap on the annual property tax loss to the City. Each year after, the fiscal cap for the program was to be placed at \$5,000 to allow for program growth. In 2004, the City Council voted to increase the fiscal cap to \$10,000 per year and in December 2007, the City Council voted to increase the fiscal cap to \$15,000 per year.

Are there exceptions to the fiscal cap established for the program?

Yes, resolution No. 7736, adopted by the City Council in September 2000, established the program and contains an exception clause to the fiscal cap. This exception clause was carried forward when the Mills Act Policy was amended in 2011 with the adoption of City Council Resolution No. 8524. The clause provides that extraordinary circumstances may arise, and in those rare cases, the City Council may waive the fiscal cap due to the significance of the resource and the overwhelming community impact and loss that would occur if the resource were demolished.

Can my Mills Act Agreement be cancelled?

A Mills Act Agreement can be cancelled by the City or a property owner by giving a Notice of Non-Renewal as provided in the Government Code. If a Notice of Non-Renewal is filed, the agreement will become null and void upon expiration of the 10-year term in effect at the time the Notice was filed. During the 10-year term preceding the cancellation of the contract, the County Assessor will gradually increase property taxes to their previous level.

