



Meeting Date: 12/14/2010

ACTION	TYPE OF ITEM
<input type="checkbox"/> Approved Recommendation	<input checked="" type="checkbox"/> Info/Consent
<input type="checkbox"/> Ord. No(s). _____	<input type="checkbox"/> Report
<input type="checkbox"/> Res. No(s). _____	<input type="checkbox"/> Public Hearing
<input type="checkbox"/> Other _____	<input type="checkbox"/> Other _____

Prepared By: Juan Martinez, Associate Planner *JM* Agenda Item No. **I-10**

Reviewed By: City Manager *[Signature]* City Attorney *[Signature]* Finance *[Signature]* Other (Specify) _____

DATE: November 23, 2010

TO: City Council

FROM: Susan L. Martin, AICP, Planning Manager *[Signature]*
Development Services Department

SUBJECT: Planning and Zoning Permit No. 10-680-01 (Mills Act-Property Tax Abatement Program), Achille Levy House, 201 South D Street. Filed by Ronald Jenny, A. Levy Apartments, LLC

RECOMMENDATION

That City Council approve and authorize the Mayor to execute a Mills Act Contract (City Contract No. A-7364) with Ronald Jenny, A. Levy Apartments, LLC to maintain and preserve a historic property located at 201 South D Street (Achille Levy House-Landmark No. 75) through a reduction in property taxes.

DISCUSSION

On April 10, 2007, the City Council adopted Resolution 13,215 authorizing Mills Act agreements for property tax relief contracts with owners of qualified historic properties who agree to restore and/or maintain their historic properties according to the Secretary of the Interior's Standards for the Treatment of Historical Properties guidelines.

The property owners are requesting to enter into a Mills Act contract with the City of Oxnard for the benefit of property tax savings in exchange for continued preservation of the subject property. The Achille Levy house is located at 201 South D Street and in December of 1982, it was designated Ventura County Landmark No. 75. The Ventura County Cultural Heritage Board staff conducted a visual inspection of the property to determine the existing condition of the exterior structure and surrounding property and found the property in good condition. On August 9, 2010, the Oxnard Cultural Heritage Board (CHB) reviewed the proposal and developed specific requirements set forth in Attachment 4 (Historical Property Contract) that outline rehabilitation measures for the life of the contract and recommends approval. If approved, this will be the fifth property with a Mills Act contract in Oxnard.

In accordance with the California Environmental Quality Act (CEQA) Guidelines, the establishment of a Mills Act contract is a discretionary action defined as a CEQA project. This action falls under Section 15331 a Class 31 CEQA exemption, "limited to maintenance, repair, stabilization, rehabilitation, restoration, preservation, conservation or reconstruction of historical resources consistent with the Secretary of the Interior's Standards for the Treatment of Historic Properties".

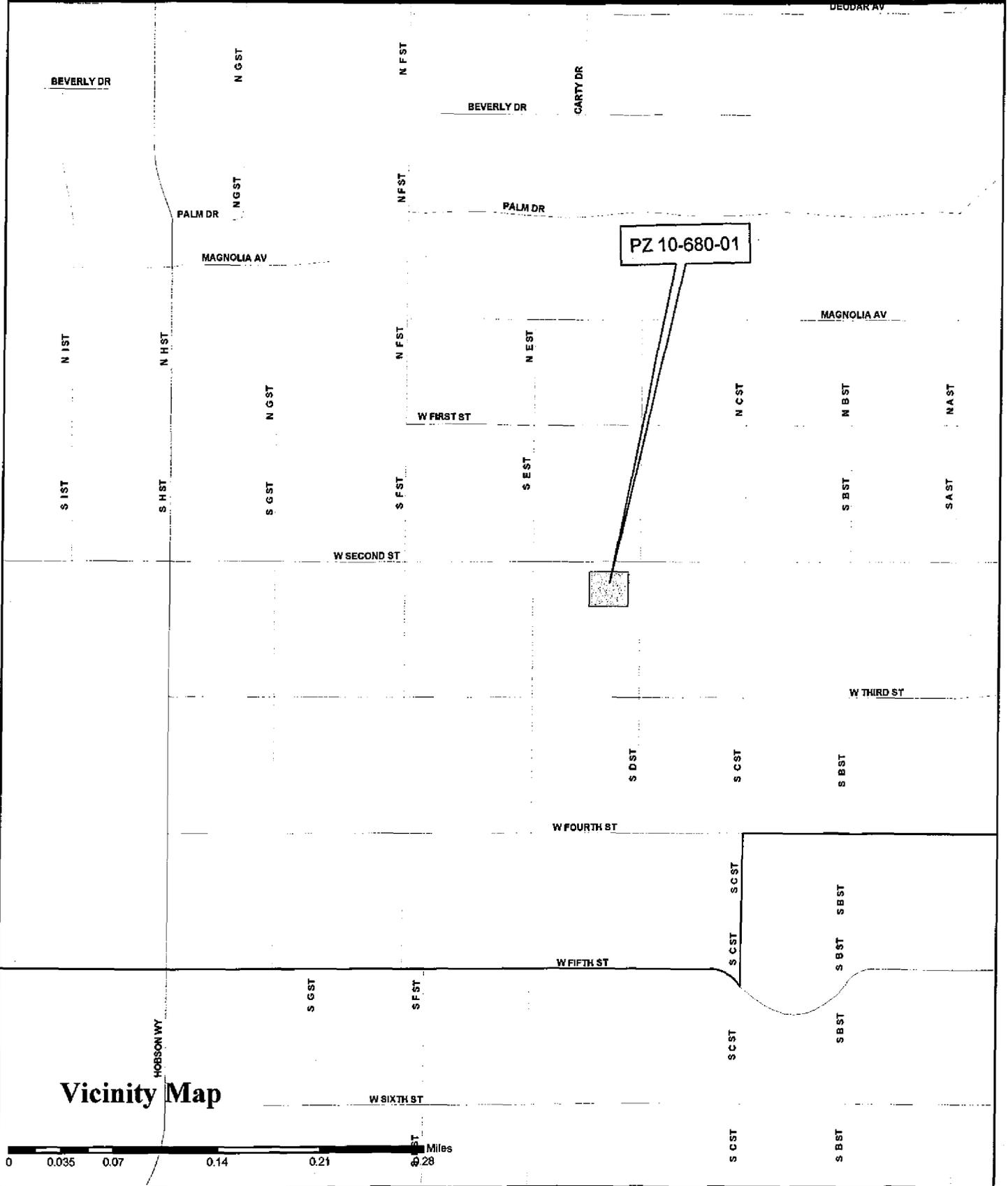
FINANCIAL IMPACT

Approval of a Mills Act contract would result in the annual loss of future property tax revenue to the City of approximately \$900.00 to \$1,200.00 as the Mills Act has the effect of freezing the assessed base value of the property.

Attachment:

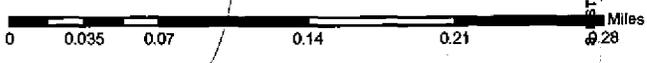
1. Location map
2. Oxnard Cultural Heritage Board Staff Report
3. Oxnard Cultural Heritage Board Resolution (October 7, 2010)
4. Mills Act Historical Property Contract (City Contract No. A-7364)

Vicinity Map



PZ 10-680-01

Vicinity Map



Oxnard Planning
November 19, 2010

PZ 10-680-01
Location: 201 S D Street
APN: 202008201
Ronald Jenny

ATTACHMENT 1
PAGE 2 OF 2

**OXNARD CULTURAL HERITAGE BOARD
STAFF REPORT AND RECOMMENDATIONS
AGENDA OF AUGUST 9, 2010
ITEM NO. 4a**

SUBJECT:

Recommendation regarding Mills Act Contract for Historical Landmark No. 75 located at 201 South D Street, Oxnard, CA, Project No. 10-301

APPLICANT/PROPERTY OWNER:

Ronald Jenny
A Levy Apartments, LLC
567 West Channel Islands Boulevard, Ste. 678
Port Hueneme, CA 93041

REQUEST:

Recommendation to the Oxnard City Council to establish a Mills Act or Historical Property Contract for Ventura County Historical Landmark No. 75, Achille Levy House, pursuant to City of Oxnard procedures and Section 50280 of the California Government Code for all structures on-site and the site.

LOCATION AND PARCEL NUMBER:

201 South D Street, Oxnard, CA/APN: 202-0-082-010

BACKGROUND:

Historical Background

201 South D Street is a 10 unit multi-family dwelling that is located in downtown Oxnard (See Exhibit 1, Location Map). One additional structure exists in the rear, a carriage house that previously held a two-car garage underneath (now converted to a residential unit) with an apartment above. The house was designed by architect, Albert C. Martin and built for Achille Levy, in 1912.

Achille Levy became Hueneme postmaster in 1875 and went into general merchandise business with Moise L. Wolff. In the 1880s, Mr. Levy, a native of France, established a commission and forwarding business in Hueneme. He would buy grain and other products from the farmers and charter sailing schooners to take the goods to San Francisco. Gradually, he began lending money to the farmers and cashing their checks. He founded the Bank of A. Levy in 1882. He considered his bank to be an integral part of the community; there were no foreclosures during his lifetime, even during the Depression in the 1930s.

According to the 1981 State of California Department of Parks and Recreation (DPR) 523 Form, "this property is a two-story, shingle style house, irregular in plan, with medium pitched gable roof featuring wide overhanging eaves and exposed rafters. The second story has shingle siding and narrow to medium clapboard siding on the first story. Strong horizontal lines are reflected in the band of windows extending across southern portion of the house which may have been an early addition. Curved sidewalks lead to an open front porch supported by columns covered with clapboard siding. A large Craftsman door and light fixtures still remain. The house is relatively unaltered from its original appearance." The lot is 120 feet wide by 140 feet long and the house is approximately 6,846 square feet in size.

PROJECT ANALYSIS

The property owners have requested to enter into a Mills Act contract with the City of Oxnard for the benefit of property tax savings in exchange for continued preservation of the Achille Levy house, located at 201 S. D Street in Oxnard (See Exhibit 1, Location Map). Staff recommends that the Oxnard Cultural Heritage Board recommend to the City Council that they approve and authorize the Mayor to execute a "Mills Act" historical property contract ("Contract") with the property owners under Section 50280 of California Government Code.

The Contract requires that the owner stipulate proposed rehabilitation measures over a minimum ten-year period (See Exhibit 2). These are summarized on Pages 3 and 4 of Exhibit 2 and may be modified by the Board at this meeting. If the applicant's proposals are deemed insufficient by your Board, they may be modified with the agreement of the owner. The Contracts are automatically renewed each year and are transferred to new owners when the property is sold.

As stipulated by the Contract, the owner is required to maintain the property in accordance with the Secretary of the Interior Standards for Rehabilitation, and other regulations cited in paragraph 3a of the Contract, Exhibit 2. The owner shall submit any and all modifications to the site to be approved by the Cultural Heritage Board pursuant to the City's Cultural Heritage Ordinance. Information regarding the historic characteristics of the subject property and maintenance standards is included in Exhibit 3.

Also, as required, the owner has submitted a preliminary title report that verifies their ownership and provides the legal description of the subject property (See Page 5 of Exhibit 2, Legal Description).

FINDINGS: As required by the language of the contract, the following findings must be made by your Board:

1. A Levy Apartments, LLC. possess and own real property located at 201 South D Street in the City of Oxnard, California;

2. The house on the lot is qualified historical property that is privately owned, not exempt from property taxation and is Ventura County Historical Landmark No. 75 designated by the Oxnard City Council in December of 1982;
3. The owner desires to carry out the relevant purposes of the California Government Code for the entire site and structures thereon, and
4. The owner desires to limit the use of the Historical Property, the Achille Levy House site, to retain its characteristics as a property of historical significance.

PUBLIC COMMENTS

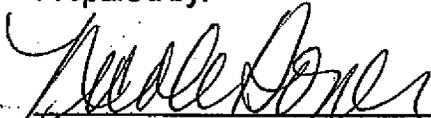
No public comment regarding this application has been received

RECOMMENDATION ACTIONS:

1. Conduct public hearing and hear testimony;
2. Consider and approve findings 1 through 4 noted above; and
3. If the findings are approved, the Cultural Heritage Board shall consider recommending the adoption of the proposed Mills Act contract to the Oxnard City Council.

The Cultural Heritage Board's action will be final unless appealed to the Board of Supervisor's within 15 days of notification of the decision (Section 1366-7.c).

Prepared by:



Nicole Doner, Senior Planner
805-654-5042

Exhibit 1: Location Map
Exhibit 2: Mills Act Application, Contract, and Legal Description
Exhibit 3: Historic Property Characteristics/ Mills Act Standards
Exhibit 4: Photographs of 201 S. D Street, Oxnard

cc: Sue Martin, City of Oxnard Planning Department

**RESOLUTION OF
THE OXNARD CULTURAL HERITAGE BOARD
RECOMMENDING APPROVAL OF THE
MILLS ACT CONTRACT FOR THE
ACHILLE LEVY HOUSE KNOWN AS
VENTURA COUNTY HISTORICAL LANDMARK NO. 75**

WHEREAS, the Ventura County Cultural Heritage Board serves as the Cultural Heritage Board for the City of Oxnard; and

WHEREAS, the Oxnard Cultural Heritage Board, on August 9, 2010, held a public hearing to consider a request for a "Mills Act" historical property contract ("Contract") with the property owners of the Achille Levy House, located at 201 S. D Street, Oxnard, CA (hereinafter referred to as the "Achille Levy House") pursuant to City of Oxnard procedures and Section 50280 of the California Government Code for all structures on-site and the site; and

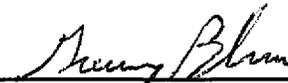
WHEREAS, the Achille Levy House is a qualified historical property that is privately owned, not exempt from property taxation, and is Ventura County Historical Landmark No. 75 designated by the Oxnard City Council in December of 1982; and

WHEREAS, the property owners of the Achille Levy House, as a County Landmark, are eligible to take advantage of the Contract benefits of property tax savings in exchange for restoration, preservation, and maintenance of the Achille Levy House; and

WHEREAS, the Contract requires that the owner stipulate to proposed rehabilitation measures over a minimum ten-year period and that the Contract is automatically renewed each year and is transferred to new owners when the property is sold.

NOW, THEREFORE, BE IT RESOLVED that the Oxnard Cultural Heritage Board recommends to the City Council that they approve and authorize the Mayor to execute a Mills Act Contract for the Achille Levy House known as Ventura County Historical Landmark No. 75. A recorded copy of such Contract to be on file with the Ventura County Recorder's Office.

Date: 10/7/10

By: 
Gary Blum, Chair

RECORDING REQUESTED BY:

CITY OF OXNARD

Request recording without fee. Record for
Benefit of the City of Oxnard pursuant to
Section 6103 of Government Code.

WHEN RECORDED MAIL TO:

Oxnard City Clerk's Office
305 West Third Street
Oxnard, CA 93030

AGREEMENT A-7364

HISTORICAL PROPERTY CONTRACT

THIS AGREEMENT is made and entered into by and between

CITY OF OXNARD, State of California, hereinafter called ("CITY") and

Ronald Jenny, A. Levy Apartments, LLC, a California Limited Liability Company

hereinafter called ("OWNER")

RECITALS

OWNER possesses and owns real property located within CITY, as described in Exhibit A, attached hereto and incorporated herein by this reference.

The real property is qualified historical property that is privately owned, is not exempt from property taxation, and is either: (a) Listed in the National Register of Historic Places or located in a registered historic district, as defined in Section 1.48-12(d) of Title 26 of the Code of Federal Regulations; or (b) listed in any state, city, county, or city and county official register of historical or architecturally significant sites, places or landmarks. The real property is hereinafter referred to as the "Historical Property."

Both CITY and OWNER desire to carry out the purposes of Article 12 (commencing with Section 50280) of Chapter 1 of Part 1 of Division 1 of Title 5 of the California Government Code, and Article 1.9 (commencing with Section 439) of Chapter 3 of Part 2 of Division 1 of the California Revenue and Taxation Code.

Both CITY and OWNER desire to preserve the Historical Property and, when necessary, to restore and rehabilitate the Historical Property to retain its characteristics as property of historical significance.

A G R E E M E N T

NOW, THEREFORE, OWNER and CITY, in consideration of the mutual promises, covenants and conditions contained herein and the substantial public benefits to be derived therefrom, agree as follows:

1. Agreement Subject to California Government Code Sections 50280-50290

This Agreement is made pursuant to California Government Code Sections 50280 through 50290 and Article 1.9 (commencing with Section 439) of Chapter 3 of Part 2 of Division 1 of the California Revenue and Taxation Code, and is subject to all of the provisions of those statutes.

2. Furnishing Information

OWNER shall furnish CITY with any information requested by CITY to enable CITY to determine the eligibility of the Historical Property to be classified as qualified historical property.

3. Preservation, Restoration and Rehabilitation of Property

OWNER agrees to preserve, restore, and rehabilitate the Historical Property in conformance with the following conditions, requirements, and restrictions:

- a. OWNER shall preserve and maintain the characteristics of historical significance of the Historical Property. A list of the minimum standards and conditions for maintenance, use, and preservation of the Historical Property, which shall apply to such Historical Property throughout the term of this Agreement, is attached hereto as Exhibit B and incorporated herein by this reference.
- b. OWNER shall, where necessary, restore and rehabilitate the Historical Property according to the rules and regulations of the Office of Historic Preservation and the Department of Parks and Recreation, the United States Secretary of the Interior's Standards for Rehabilitation, and the State Historical Building Code, and in accordance with schedule of rehabilitations attached hereto as Exhibit C and incorporated herein by this reference.

4. Inspections

OWNER agrees to permit periodic examinations of the interior and exterior of the Historical Property by CITY's Cultural Heritage Board representative(s), the Assessor of Ventura County, the State Department of Parks and Recreation, and the State Board of Equalization, as may be necessary to determine OWNER'S compliance with this Agreement.

5. Annual Fee

Each year on the anniversary date of this Agreement, OWNER shall pay an annual fee of \$100 to CITY's Cultural Heritage Board for inspection of the Historical Property by Cultural Heritage Board representative(s).

In accordance with City Council Resolution No. 13,215, Section No. 1, such fees shall be increased annually based on Consumer Price Index (CPI) adjustments starting January 1, 2008.

6. Term of Agreement

The term of this Agreement shall be for a minimum period of ten years, from January 1, 2011 to and including December 31, 2020.

7. Notification by Owner

OWNER or an agent of OWNER shall provide written notice of this Agreement to the Office of Historic Preservation within six months of the execution of this Agreement.

8. Automatic Renewal

On the anniversary date of this Agreement, one year shall be added automatically to the initial ten year term of the Agreement, unless Notice of Nonrenewal is given as provided in this Agreement.

9. Notice of Nonrenewal

If in any year either OWNER or CITY desires not to renew this Agreement, that party shall serve written Notice of Nonrenewal on the other party in advance of the annual renewal date. Unless the Notice is served by OWNER at least 90 days or by CITY at least 60 days prior to the renewal date, one year shall automatically be added to the term of this Agreement. Upon receipt by OWNER of a Notice of Nonrenewal from CITY, OWNER may make a written protest. At any time prior to the renewal date, CITY may withdraw its Notice of Nonrenewal.

10. Effect of Notice of Nonrenewal

If in any year either party serves Notice of Nonrenewal, this Agreement shall remain in effect for the balance of the period remaining since the original execution or the last renewal of this Agreement, as the case may be.

11. Cancellation

CITY may cancel this Agreement if CITY determines OWNER has breached any of the conditions or covenant of this Agreement or has allowed the Historical Property to deteriorate to the point that it no longer meets the standards for qualified historical property. CITY may also

cancel this Agreement if it determines OWNER has failed to restore or rehabilitate the Historical Property in the manner specified in this Agreement.

12. Notice of Cancellation

This Agreement cannot be cancelled until after CITY has given notice and has held a public hearing regarding the grounds of cancellation set forth in paragraph 11. Notice of the hearing shall be mailed to the last known address of OWNER of the Historical Property and to each owner of property within the historic zone where the Historical Property is located, and shall be published in accordance with Government Code Section 6061.

13. Cancellation Fee

If CITY cancels this Agreement in accordance with paragraph 12 above, OWNER shall pay a cancellation fee of 12-1/2% of the current fair market value of the Historical Property at the time of cancellation, which shall be determined by the Ventura County Assessor without regard to any restriction on the Historical Property imposed pursuant to this Agreement. The cancellation fee shall be paid to the Ventura County Auditor-Controller at such time and in such manner as he or she shall prescribe. The Ventura County auditor shall allocate the cancellation fee to each jurisdiction in the tax rate area in which the Historical Property is located in the same manner as he or she allocates the annual tax increment in that tax rate area in that fiscal year.

14. Alternative Enforcement

As an alternative to cancellation of this Agreement for breach of any condition, CITY or any landowner may bring any action in court necessary to enforce the Agreement including, but not limited to, an action to enforce the Agreement by specific performance or injunction.

15. Notices

All notices required by or provided for in this Agreement shall be given in writing and may be mailed or delivered in person. If mailed, the address of OWNER shall be that last known address on CITY records, and CITY's address shall be: Planning Division, 214 South C Street, Oxnard, California 93030. Deposit of notice in the mail, postage prepaid, shall be deemed receipt of the notice.

16. No Compensation

OWNER shall not receive any payment from CITY in consideration of the obligations imposed under this Agreement, it being recognized and agreed that the consideration for the execution of this Agreement is the substantial public benefit to be derived therefrom and the advantage that will accrue to OWNER as a result of the effect upon the assessed value of the Historical Property on account of the restrictions on the use and preservation of the Historical Property.

17. Remedy if Agreement Held Not an Enforceable Restriction

If a court determines, and that determination is not appealed or is upheld on appeal, that this Agreement does not constitute an enforceable restriction within the meaning of the applicable provisions of California Government Code and the California Revenue and Taxation Code, except for an unenforceability arising from the cancellation or nonrenewal of this Agreement, for any tax year during the Term or any renewal of this Agreement, then this Agreement shall be null and void and without further effect and the Historical Property subject to this Agreement shall from that time be free from any restriction whatsoever under this Agreement without any payment or further act of the parties to the Agreement.

18. Eminent Domain Proceedings

In the event that the Historical Property is acquired in whole or in part by eminent domain or other acquisition by any entity authorized to exercise the power of eminent domain, and the acquisition is determined by CITY to frustrate the purpose of this Agreement, the Agreement shall be cancelled and no fee shall be imposed under Government Code Section 50286. This Agreement shall be deemed null and void for all purposes of determining the value of the property so acquired.

19. Recordation

No later than 20 days after CITY enters into this Agreement, the City Clerk of the City of Oxnard shall record a copy of the Agreement (with properly notarized signatures of the Agreement signatories). This Agreement shall be recorded on or before the lien date for the fiscal year in which the valuation, pursuant to Revenue and Taxation Code Section 439 et seq., will apply. From and after the time of recordation, this Agreement shall impart notice thereof to all persons, as is afforded by the recording laws of the State.

20. Successors and Assigns

This Agreement is binding upon and shall inure to the benefit of all successors in interest of OWNER. A successor in interest shall have the same rights and obligations under this Agreement as the original OWNER who entered into this Agreement.

IN WITNESS WHEREOF, CITY and OWNER have caused their names to be affixed hereto by the proper officers thereof. This Agreement is signed and executed this 7th day of December 2010.

CITY OF OXNARD

OWNER/S

Dr. Thomas E. Holden, Mayor

Ronald Jenny, Managing Member
A. Levy Apartments, LLC

ATTEST:

Daniel Martinez, City Clerk

APPROVED AS TO FORM:



Alan Holmberg, City Attorney

APPROVED AS TO CONTENT:

Matthew G. Winegar, Development Services Director