

HISTORIC PRESERVATION COMMISSION STAFF REPORT

APPLICATION: Time Extension AGENDA ITEM: AR-1

PREPARED BY: Nancy Lee MEETING DATE: April 25, 2018

Associate Planner

SUBJECT: Time Extension for Mills Act Contract Condition

HL-105/MA-99

220 North Encinitas Avenue

APPLICANT: Kristine Kelly, Property Owner

220 North Encinitas Avenue

Monrovia, CA 91016

REQUEST: Extend the time requirement to complete Mills Act Contract Conditions

ENVIRONMENTAL DETERMINATION: Categorical Exemption (Class 1)

BACKGROUND: The property located at 220 North Encinitas Avenue was approved as a Historic Landmark with a Mills Act Contract by the City Council in November 2006. The owner is requesting a time extension for one Mills Act Condition.

DISCUSSION: The property at 220 North Encinitas Avenue celebrated its ten-year Mills Act anniversary in November 2016. The ten-year progress report indicates that the owner continues to preserve the home. In accordance with the City Council Staff Report and Mills Act Conditions, a seismic retrofit was required to be completed by the tenth-year anniversary.

On March 22, 2018 the owner submitted a request for a five-year time extension to complete the seismic retrofit by November 2021 due to a financial hardship. Based on the scope of work submitted by the property owner (Attachment "A"), the seismic retrofit is estimated to cost approximately \$35,600. Attached is the owner's letter requesting the time extension (Attachment "B").

Below is a chart showing the tax savings the property has realized based on their Prop 13 value:

Tax Year	Prop 13 Base Year Value	Estimated Current Fair Market Value	Mills Act Value	Savings
2015	\$397,666	\$575,000	\$181,900	54%
2016	\$403,729	\$620,000	\$200,300	50%
2017	\$411,802	\$600,000	\$214,000	48%

Staff recommends that the Commission extend the time until November 2021 to provide documentation acceptable to the Building Division Manager to complete the seismic retrofit. If the Commission concurs then the appropriate motion would be:

Extend the time requirement until November 2021 for completion of the seismic retrofit for the property located at 220 North Encinitas Avenue (Mills Act Contract MA-99)



ATTACHMENT "A"

HL - 105/MA-99

220 North Encinitas Avenue

MARK HOUSTON ASSOCIATES INC

DESIGN BUILD

135 WEST FOOTHILL BLVD., SUITE 5 MONROVIA, CALIFORNIA 91016 626.357.7858 STATE LICENSE NO. 875303 www.markhoustonassociates.com

ESTIMATE / PROPOSAL

For: Kristine Kelly ("Owner") 220 N. Encinitas Ave. Monrovia, CA 91016

PROJECT DESCRIPTION:

Provide installation labor and material for anchorage of existing house to new foundation components. Work shall be performed per approved plans. Includes engineering design for seismic retrofit.

Permits

Fees payable to city of Monrovia shall be the responsibility of Owner.

Temporary Chemical Toilet

Provide and maintain temporary toilet for duration of project.

Excavation / Foundation / Framing:

Excavate for new pier footings, install formwork, pour concrete pier footings, install framing members and hardware per approved drawings.

TOTAL FOR ITEMS LISTED ABOVE ------\$35,600.00

EXCLUSIONS

Plumbing and Electrical Work
Heating and Air Conditioning Work
Painting
Upgrades to Electrical Panel
Landscape/Irrigation
Masonry Work
Permits

PAYMENT SCEHDULE

First Installment (30%)

Jobsite set up, start of excavation.

Second Installment (40%)

Start of formwork for new footings.

Third Installment (20%)

Start of framing work.

Fourth Installment (10%)

Upon completion of work, final inspection.

Terms & Notifications:

All material is guaranteed to be as specified, and the work described above shall be performed in accordance with the drawings and specifications approved by building and safety department and completed in a substantial workmanlike manner.

MHA carries general liability insurance (\$2,000,000.00) and workers compensation insurance. Certificates are available upon request.

This Agreement is valid for 30 days from March 21, 2018. Owner has the right to cancel this agreement at any time prior to midnight of the third business day after the date of this transaction.

Retainer due upon acceptance of agreement

And credited to Owner(s) upon final payment. ----- \$1,000.00

CONTRACT PROVISIONS

- 1. ADDITIONAL SERVICES AND MATERIALS: If customer requests services and/or materials outside, extra altering, or modifying those listed hereinabove, they will be furnished by Mark Houston Associates, Inc. (MHA), at its established prices in addition to the contract price herein.
- 2. SUBCONTRACTORS AND LABORERS: MHA expressly reserves the right to hire any subcontractors and/or laborers that are needed to complete this contract.
- 3. CLEAN UP: Upon completion of the work under this contract, MHA shall remove from the site, all temporary debris, equipment and waste incidental to its operation.
- 4. WORKMANSHIP: All the workmanship shall be of the best of its several kinds, and all materials used in the work herein described shall be furnished in ample quantities to facilitate the proper execution of the work, and shall be new and the best of their respective kinds, except such materials expressly provided in this contract.
- 5. PLANS AND SPECIFICATIONS: The job will be performed and constructed according to approved plans and specifications which have been furnished by MHA.
- 6. DELAY AND LIABILITY: MHA shall be excused for damages and/or delay in completion of this contract caused by acts of God, acts of others, acts of Owner(s) or Owner's agents or representatives, poor weather, acts of public utilities, public entities or inspectors, extra work, failure to prompt payment by Owner or other unforeseen contingencies beyond reasonable control of MHA. MHA shall not be liable for any delay or damages resulting from existing structural defects, for settling and/or subsidence of the Owner's structure of the work of other contractors or subcontractors.
- 7. REPRESENTATIONS AND WARRANTIES: No representations or warranties shall exist or have effect unless specifically and expressly provided in this contract.
- 8. LIMITATIONS: No action arising from or related to this contract or performance thereto shall be commenced by either party against the other after five (5) years from completion or cessation of work under this contract.
- 9. RIGHT TO STOP WORK: MHA shall have the absolute right and privilege to stop work if any payment due shall not be made promptly and shall not recommence work until payment is made in full.
- 10. INSURANCE: While work is being performed under this contract, Owner shall continuously provide, entirely at Owner's own expense, adequate property coverage insurance. While work is being performed under this contract MHA shall continuously provide, entirely at MHA's own expense, appropriate workers' compensation coverage to protect against any result of MHA's own negligence.
- 11. PERMITS: Any governmental fees and permits required are not included in the contract and shall be at Owner's expense.
- 12. ATTORNEY'S FEES: In an litigation or arbitration between the parties regarding the terms of or performance under this contract, the prevailing party shall be entitled to an award of reasonable attorney's fees incurred in prosecuting or defending the proceeding.
- 13. SOLE AND ENTIRE AGREEMENT: This contract constitutes the sole and only agreement of parties to this contract, concerning the job and correctly sets forth the rights, duties and obligations of each to the other as of its date. Any prior agreements, promises, negotiations or representations not expressly set forth in this contract are of no force and effect.

- 14. ARBITRTATION VALIDITY DAMAGE: Any controversy or claim arising out of or related to this contract, or the breach thereof, shall be settled by arbitration in accordance with the Construction Industry Arbitration rules of the American Arbitration Association and judgment upon the award rendered by Arbitrator(s) may be entered in any court having jurisdiction thereof. Claims within the monetary limit of the Small Claims Court shall be litigated in such court at the request of either party. In case one or more or the provisions of this agreement or any application thereof be invalid, unenforceable or illegal, the validity, enforceability and the legality of the remaining provisions and any other application shall not in any way be impaired thereby. Any damages for which MHA may be liable to Owner shall not in any event exceed the total cost of this contract.
- 15. TERMITE AND DRY ROT WORK: MHA shall not be obligated to perform any work to correct damage caused by termites or dry rot unless expressly included in the written specifications herein. Any such work shall be an extra charge.
- 16. CLEAN UP: Owner agrees that he / she is aware of the possibility of significant amounts of dust being created during the performance of demolition and general construction. MHA will take necessary precautions to prevent the spread of dust beyond the limits of the construction area; however, MHA shall not under any circumstances be liable for any damage or soiling of personal property which occurs because of the presence of such dust.

Acceptance:	
Kristine Kelly	
Mark Houston / MHA	



ATTACHMENT "B"

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220 North Encinitas Avenue

I am requesting a 5 year (minimum) extension on completing the seismic retrofit of my house.

My plan was to complete the project in the next several months, however, I've recently learned that because my home has a stone foundation that the cost of bolting it is 10 times more expensive than I had expected. I have talked to a commercial retrofit company who quoted me \$35,000 minimum to perform the job. I then consulted with Mark Houston who came to my house and inspected the foundation. He is in the process of coming up with an approach and pricing to secure my foundation.

Before this time, I was under the impression and expectation that bolting my house would cost somewhere between \$3,500 and \$5,000. This was the average cost that my neighbors and others had paid for retrofitting. The reality that I've just become aware of is that because of my type of foundation the cost will be incredibly costly, and is an expense that I had not prepared for or anticipated when I got my Mills Act. I simply cannot afford this at this time and am asking for an extension for financial reasons. Over the coming years, I will come up with some financial plan as well as research all options to bolt the house.

I thank you for your consideration and would be open to any help or suggestions from the Commission.

Kristine Kelly