

HISTORIC PRESERVATION COMMISSION STAFF REPORT

| APPLICATION: | Time Extension | AGENDA ITEM: | AR-3 | |
|--------------|---|---------------------|----------------------|--|
| PREPARED BY: | lli Lobaco Associate Planner | MEETING DATE: | July 23, 2014 | |
| SUBJECT: | Time Extension for Mills Act Contract Conditions HL-19/MA-18 176 North Ivy Avenue | | | |
| APPLICANT: | David and Kathleen Kennedy 176 North Ivy Avenue Monrovia, CA 91016 | | | |
| REQUEST: | Extend the time requirement to | complete a Mills Ac | t Contract Condition | |

ENVIRONMENTAL DETERMINATION: Categorical Exemption (Class 1)

BACKGROUND: The property located at 176 North Ivy Avenue was approved as a Historic Landmark with a Mills Act Contract by the City Council in October 1998. The owners are requesting a time extension for two Mills Act Conditions.

DISCUSSION: In October 2008, the property owners requested and were granted a oneyear time extension for completion of their seismic retrofit and plumbing. Condition #4 on their Standards and Conditions list requires the seismic retrofit and Condition #7 requires the entire house to have new plumbing installed within 10 years. The condition to replace the plumbing was based on the owner's maintenance plan. Unless there is a known eminent risk to the structure, these types of tasks are no longer included on Mills Act Contracts. However, since it was required, it cannot be removed without amending the contract which also requires City Council approval. The amended contract would then have to be recorded.

In January 2010, the owners requested and were granted a second time extension by the Commission for project completion by October 2011. The owners sent Planning Staff an update in December 2011 indicating the plumbing would be completed by the Spring of 2012 and the retrofit by Fall 2012.

In January 2013, the owners requested and were granted a third time extension to complete the plumbing by October 2013 and the retrofit by May 2014.

The owners are now requesting additional time to complete the seismic retrofit (due May 2014) and the plumbing (due October 2013). As their attached letter indicates, the owners are requesting a time extension to complete the retrofit by the end of July 2014 and the plumbing by December 2014. Staff is recommending the seismic retrofit be extended until the end of August 2014 and the plumbing until October 2018.

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 |
|-------------|----------------------------|--|-----------------|---------|
| 2010 | \$411,064 | \$1,000,000 | \$332,777 | 19% |
| 2011 | \$414,158 | \$780,000 | \$335,405 | 19% |
| 2013 | \$430,888 | \$1,100,000 | \$318,700 | 26% |

MOTION: If the Commission determines to extend the time limit for the plumbing and seismic retrofit then the appropriate motion would be:

Extend the time requirement for completion of the plumbing until October 2018 and the seismic retrofit until August 2014 for the property located at 176 North Ivy Avenue (Mills Act Contract MA-18)

David and Kathleen Kennedy 176 North Ivy Avenue Monrovia, California 91016 (626) 301-9593 kkennedy7@roadrunner.com

June 26, 2014

City of Monrovia Home Preservation Group 415 South Ivy Avenue Monrovia, California 91016-2888

RE: Mills Act Contract MA-18

To Whom This May Concern,

We are writing to update progress on the remaining requirements on our Mills Act contract. The final steps include the completion of the plumbing, which is replumbing the master bathroom, and the seismic retrofit.

We have contracted to have the seismic retrofit done by Seismic Safety, Inc., a company located in Pasadena. Work is scheduled to be completed in July, 2014.

We are using Rob Tedei, to complete the plumbing, which has already been started. We are planning for the plumbing to be completed by the end of 2014.

We appreciate your patience as we complete the final requirements in getting our contract in compliance.

Sincerely,

David and Kathleen Kennedy