RESOLUTION NO. 2005-12

A RESOLUTION OF THE COUNCIL OF THE CITY OF EUREKA
ESTABLISHING THE MILLS ACT HISTORIC PROPERTY TAX
INCENTIVE PROGRAM IN THE CITY OF EUREKA, COUNTY OF
HUMBOLDT, STATE OF CALIFORNIA

WHEREAS, California Government Code, Section 50280, et seq., and California Revenue and Taxation Code, Section 439 et seq., authorize the City of Eureka to enter into contract with the owner(s) of qualified historical property, defined as property that is (a) located entirely within the City of Eureka; (b) is privately owned; (c) is not exempt from property taxation; (d) is taxed as residential property; and (e) is individually listed on the City of Eureka’s Local Register of Historic Places, to restrict the use of the property in a manner which the City deems reasonable to carry out the purposes of California Government Code, Section 50280, et seq., and California Revenue and Taxation Code, Section 439 et seq.; and

WHEREAS, the City of Eureka is fortunate to possess a wide range of historic and cultural resources; these resources include sites, buildings, structures, places, objects, districts, traditional cultural properties and landscapes that were created by nature and the people who have lived and worked in this area. These resources are valued as sources of pride for the entire community; and

WHEREAS, in 1996, the Eureka City Council, recognizing these resources as an asset to the community and acknowledging their extraordinary contribution to the City, adopted an Historic Preservation Ordinance and established the Historic Preservation Commission; and

WHEREAS, The Historic Preservation Ordinance grants authority to the Historic Preservation Commission to negotiate with owners of properties having special characteristics for, and may recommend to the City Council the approval of contracts to restrict the use of such property and the Commission may make appropriate recommendations on the general subject of preservation to the City Council; and

WHEREAS, the Historic Preservation Commission maintains the Local Register of Historic
Places, which is a list of historic properties that are locally, regionally, and/or nationally significant properties and/or districts; and

WHEREAS, in 1999, for the purpose of furthering the objective of supporting historic preservation within the City, the City of Eureka became a Certified Local Government (CLG); and

WHEREAS, the Eureka City Council is dedicated to providing economic and other incentives to assist owners of historic property with the preservation, rehabilitation, restoration, and/or reconstruction of historic resources; and

WHEREAS, the Mills Act is a state sponsored legislation that grants local governments the authority to participate in a locally based preservation incentive program; and

WHEREAS, the Mills Act program allows private property owners of qualified historic property to receive property tax relief in exchange for agreeing to preserve, rehabilitate, and maintain their historic properties for a specified period; and

WHEREAS, the Eureka Redevelopment Agency was established on February 5, 1970, with the primary objective of revitalizing and improving the economic base of the community by facilitating both redevelopment and economic development activities; and

WHEREAS, The Eureka Redevelopment Agency receives primary funding from tax increment revenues; and

WHEREAS, many qualified historic properties are located within the Redevelopment Area of the City of Eureka and entering into Mills Act Historic Property contracts with owners of qualified historic property within the Redevelopment area could impact funding for the Eureka Redevelopment Agency programs.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Eureka as follows:
Section 1. There shall be established in the City of Eureka a Mills Act Historic Property Tax Incentive Program.

a. The City of Eureka Mills Act Historic Property Tax Incentive Program will initially be a pilot program. The pilot program shall be limited as follows:

1. Two years from the date the City Council adopts the Mills Act Historic Property Tax Incentive Program, the Program will terminate and no new applications will be accepted or processed until and unless a new Resolution of Adoption is passed by the City Council. Termination of the City of Eureka Mills Act Historic Property Tax Incentive Program will not terminate existing recorded Mills Act contracts; and

2. No more than five (5) Mills Act Historic Property Contracts shall be entered into and recorded until and unless a new Resolution of Adoption is passed by the City Council.

Section 2. A Qualified Historic Property for the purposes of the City of Eureka Mills Act Historic Property Tax Incentive Program is defined as property that is (a) located entirely within the City of Eureka; (b) is privately owned; (c) is not exempt from property taxation; (d) is taxed as residential property; and (e) is individually listed on the City of Eureka’s Local Register of Historic Places.

Section 3. The City Manager or authorized designee is appointed as the agent of the City Council to execute each Mills Act Historic Preservation Contract following approval and adoption by the City Council of the RESOLUTION OF THE COUNCIL OF THE CITY OF EUREKA APPROVING A MILLS ACT HISTORIC PROPERTY CONTRACT.

Section 4. Prior to Council action on the RESOLUTION OF THE COUNCIL OF THE CITY OF EUREKA APPROVING A MILLS ACT HISTORIC PROPERTY CONTRACT, the Historic Preservation Commission shall review the application for a Mills Act Historic Preservation Contract and provide their recommendation(s) to the City Council.
Section 5. For property located within the Redevelopment Area, prior to Council action on the RESOLUTION OF THE COUNCIL OF THE CITY OF EUREKA APPROVING A MILLS ACT HISTORIC PROPERTY CONTRACT, the Eureka Redevelopment Agency shall review the application for a Mills Act Historic Preservation Contract and provide their recommendation(s) to the City Council.

Section 6. It is the expectation of the City Council that the property owner will use the Mills Act property tax savings to finance the preservation, maintenance and improvements of the qualified historic property as specified in the recorded Mills Act Contract.

Section 7. The City Council has determined that adoption of the City of Eureka Mills Act Historic Property Tax Incentive Program will have no potential for causing a significant effect on the environment and therefore pursuant to California Environmental Quality Act (CEQA) Guidelines Section 15061 is not subject to CEQA.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Eureka, County of Humboldt, State of California, on the fifteenth day of March 2005, by the following vote:

AYES: COUNCIL MEMBERS: WOLFORD, BASS-JACKSON, KERRIGAN
NOES: COUNCIL MEMBERS: JONES
ABSENT: COUNCIL MEMBERS: LEONARD
ABSTAIN: COUNCIL MEMBERS:

ATTEST:

Peter La Vallee     Kathleen L. Franco Simmons
Mayor               City Clerk
Resolution 2005-12
Establishing the City of Eureka Mills Act Historic Property Tax Incentive Program

APPROVED AS TO ADMINISTRATION:          APPROVED AS TO FORM:

David W. Tyson                         David E. Tranberg
City Manager                           City Attorney