

Historic Preservation Program MILLS ACT APPLICATION

City of Ontario Planning Department
303 East "B" Street, Ontario, CA 91764
Phone: (909) 395-2036 Fax: (909) 395-2420



Dear Applicant,

The Mills Act program was created to lower property taxes for historic properties, creating an incentive for their continued preservation. It has been one of the most successful and popular incentives for preserving historic properties in California.

In Ontario, a property that is designated is eligible to participate in the Mills Act program. Applications are looked at on a case by case basis. While there is not a minimum dollar amount that is required to be invested, it is the intent of the program that the money saved is invested into the property through maintenance and improvements. Please note that Mills Act programs and requirements vary from city to city. Because of the tax system in California, the longer you have owned your home, the less money you will save through the Mills Act.

The Planning Department has staff available to assist you in evaluating whether the Mills Act program is right for you. Early consultation with Staff can help you identify issues, problems and solutions before your application is submitted for review.

If you have any questions, call the Planning Department (909) 395-2036.

Sincerely,

A handwritten signature in blue ink, which appears to read "Jerry L. Blum", is written over the typed name and title.

Jerry L. Blum

Planning Director

Historic Preservation Program

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MILLS ACT

What is a Mills Act Contract?

A Mills Act Contract is a contract between the owner of a designated historical resource and the City of Ontario. All properties within the City of Ontario that have been designated as Local Historic Landmarks, contributing structures in Designated Local Historic Districts and properties listed on the National Register of Historic Places or the California Register of Historic Resources are eligible for Mills Act Contracts, pursuant to the provisions of Article 12, Section 50280 through Section 50289, Chapter 1, Part 1, Title 5, of the California Government Code are.

The purpose of a Mills Act Contract is to provide property tax relief for historic properties in return for the owners of the property maintaining and preserving the historic character of the property. Mills Act contracts are for a period of 10 years and are automatically renewed unless a notice of non-renewal is submitted. With a notice of non-renewal the contract will be terminated at the end of the 10 year period. Any cancellation of a Mills Act contract is subject to a penalty of 12½ percent of the assessed market value of the property.

What is the approval process?

All applications are submitted to the Planning Department for review. A staff report and draft contract are prepared and taken before the Historic Preservation Subcommittee. The Historic Preservation Subcommittee reviews the application and makes a recommendation to the Historic Preservation Commission. The Historic Preservation Commission reviews the application and makes a recommendation to the City Council. City Council makes a determination to enter into the contract. Within 20 days of an approval, the contract must be filed with the County Recorder's office. A recorded copy of the contract is then sent to the County Assessor's office.

When will the savings be reflected in by Tax Bill?

It can take up to 18 months from the time the application is submitted until you see the savings. All contracts recorded during the **Calendar Year** (from January 1st until December 31st) goes into effect during the next year's tax cycle. For example, if a contract recorded in 2003, the savings will show up on your 2004 tax bill, typically mailed sometime after June.

FILING REQUIREMENTS

Initial Submittal:

1. A Complete Application
2. A copy of the grant or trust deed.
3. A copy of your last tax bill.
4. Two (2) sets of self-addressed, stamped (\$3.00 postage) manila envelopes for each applicant and/or representative to receive information about the application.
5. Pictures of areas where work is proposed. Pictures may be submitted digitally in the following formats: JPEG, BMP, TIF, or PSD; provided a list is also submitted with the file name, date the photo was taken, the photographer, and brief description.
6. Any other information considered necessary by the Commission to a determination as to whether the property does yield or may yield a reasonable return to the owners.
7. Filing Fees.

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GENERAL INFORMATION (print or type)

Property Owner: _____

Address: _____

City: _____ State: _____ Zip Code: _____

Telephone No: _____ Fax No: _____

Applicant: _____

Address: _____

City: _____ State: _____ Zip Code: _____

Telephone No: _____ Fax No: _____

Applicant's Representative: _____

Address: _____

City: _____ State: _____ Zip Code: _____

Telephone No: _____ Fax No: _____

Email: _____

APPLICATION TYPE

☐ New Contract ☐ Nonrenewal ☐ Cancellation

PROPERTY LOCATION

Street Address of Property: _____

Zip Code: _____ Assessor's Parcel No(s): _____

Precise Legal Description (attach additional sheets if necessary):

Tract: _____ Block: _____ Lot(s): _____

Other: _____

TO BE COMPLETED BY PLANNING DEPARTMENT STAFF

Reviewing Body & Application

☐ City Council
☐ New Contract
☐ Nonrenewal
☐ Cancellation

Property Status

☐ Designated ☐ Landmark – No.: _____
☐ Nominated ☐ District
☐ Eligible Name: _____
☐ National Register
☐ California Register

Application Processing

File No.: _____
Date: _____
Staff Init: _____
Fees: _____
Receipt #: _____
☐ Designation Req'd
Related File No.: _____

**Historic Preservation Program
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Ownership: _____ Private _____ Public
Present Use: _____ Original Use: _____
Size of Building (s.f.): _____ Number of Bedrooms: _____ Number of Bathrooms: _____

JURAT:

State of California
County of San Bernardino

I, _____, being duly sworn, depose and say that I am the applicant in the foregoing application, that I have read the foregoing application and know the content thereof and state that the same is true and correct to the best of my knowledge.

Applicant Signature

I, _____, the owner (if other than the applicant) of real property involved in this application, do hereby consent to the filing of this application.

Subscribed and sworn to (or affirmed) before me on this _____ day of _____, 2011, by _____

_____, proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

(seal)

Signature_____

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MILLS ACT APPLICATION

FINANCIAL ANALYSIS

| | | |
|------------------------|--------------------------------------|---|
| Monthly Rental Income: | \$ _____ | Assessment is based assumption that property is income producing. |
| Homeowner's Insurance: | \$ _____ | Annual cost. |
| Monthly Utilities: | \$ _____ | Sewer, water, gas, electric only. |
| Management Costs: | \$ _____ | Only if property is a rental property. |
| Maintenance / Repair: | \$ _____ | Only if property is a rental property. |
| Type of Construction: | _____ Wood Frame _____ Masonry/Brick | |
| Current Taxes: | \$ _____ | General Levy only. Mills Act does not reduce special assessments such as bond issues. |
| Property Tax Rate: | \$ _____ | Tax rate is listed on your tax bill. |

PROPOSED IMPROVEMENTS (attached additional sheets if necessary)

| | Contract Year | Work / Task | Estimated Cost |
|-------------|---------------|-------------|----------------|
| 1. | | | |
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| 19. | | | |
| 20. | | | |
| Total Cost: | | | |