

22 September 2025

Landmarks Preservation Commission / Mills Act Subcommittee UPDATE

Dear fellow commissioners and Planning staff,

After further discussion about proposed changes to the City's Mills Act program, the following changes are those on which we have reached consensus as a subcommittee.

The Landmarks Preservation Ordinance and related city programs serve a clear purpose for the City in protecting and conserving historic resources. Berkeley's participation in the State of California Mills Act program is currently the only City-sponsored way in which property owners of designated landmarks can obtain financial support for the specialized upkeep and renovation work older historic properties often require. We note that the City has no other incentive programs for historic resources and also suggest that the City examine additional ways in which critical historic resource investments could be made or encouraged. An example might be a City mini-grant or matching grant program targeted at lower-income property owners that would support key repairs or upgrades to designated historic resources.

We also note that the City has not yet funded the recommended citywide Historic Resources Survey and Historic Context Statement, which we regard as a crucial tool to help guide evaluation and designation of historic resources in the future. The last (and only previous) citywide survey / assessment was undertaken more than forty years ago, and even then did not fully address and assess historic resources. Moreover, this tool is helpful for preservation, planning, and development efforts alike, and we hope that any effort to reform the Mills Act is done in conjunction with a push for a survey.

The Commission stands ready to work with the Council and City staff on these, and similar, programs and policies.

- 1. Requiring homeowners to self-report at the fifth (halfway point) and tenth year (endpoint) on the progress of their restoration plan as established by their Mills Act contract.** These reports will be reviewed by staff and also added to the LPC Correspondence item on the monthly agenda.
 - There is currently no self-reporting requirement and Mills Act reductions proceed and renew with little oversight

- 2. End auto-renewal of Mills Act contracts.** At the end of their ten-year contract, homeowners may come before the commission again with a new application, otherwise their Mills Act contract will be cancelled and their property taxes restored to appropriate levels.
 - Mills Acts contracts currently auto-renew without having to come before the commission again

3. **Setting an assessed value limit on eligibility for Mills Act contracts, with residential properties capped at \$2,000,000 and non-single-family residential properties capped at \$4,000,000**
 - There is currently no limit on the assessed value of properties eligible for the Mills Act
4. **Setting a cap on the number of new Mills Act contracts entered into by the City at three contracts annually.** Applications above that number will be added to a waitlist for the following cycle.
 - There is currently no cap on the number of Mills Act contracts that can be entered annually.
5. **Allowing termination of a Mills Act contract (with a one-year notice) by the homeowner *without* cause and termination by the City *with* cause**
 - *Note: this is the existing policy per the City's Mills Act guidelines*
6. **Planning Department is responsible for monitoring Mills Act compliance and process.**
 - This is already the *de facto* case, but further formalization of the role and process is requested.
 - At the end of every year, just prior to the consideration of the year's Mills Act contracts, Planning prepares a basic report outlining the status of the program (number of contracts, expirations, cost to taxpayers, etc.)

Thank you,

Mills Act Subcommittee / Landmarks Preservation Commission

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