

1 July 2025
Landmarks Preservation Commission / Mills Act Subcommittee

Dear fellow commissioners and Planning staff,

After meeting to discuss proposed changes to the City's Mills Act program, these are the key changes on which we have reached consensus as a subcommittee:

1. **Setting a new eight-year timeframe on Mills Act contracts**
 - Current timeframe is a ten-year contract
2. **Requiring homeowners to self-report at the fourth (halfway point) and eighth 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
3. **End auto-renewal of Mills Act contracts.** At the end of their eight-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
4. **Setting an assessed value limit on eligibility for Mills Act contracts, with residential properties capped at \$3,000,000 and commercial properties capped at \$5,000,000**
 - There is currently no limit on the assessed value of properties eligible for the Mills Act
5. **Setting a cap on the number of Mills Act contracts entered into by the City at five 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.
6. **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*

7. LPC Secretary is responsible for monitoring Mills Act compliance and process.

- This already seems to be the de facto case, but further formalization of the role and process is requested.

Further questions and potential policies for discussion:

- 1. Given the passage of reform, what to do about the thirty Mills Act contracts (out of a total of forty-five) that are currently expired/auto-renewed.**
- 2. Establishing some sort of eligibility policy that requires properties to be publicly viewable: either they are not obscured from the street (e.g. hedges) or the owners agree to let the public tour their property (e.g. annual BAHA tour).**
- 3. How to properly calculate the proposed assessed value cap (\$3 mil for residential, \$5 mil for commercial). Does Mills Act application require reassessment or recent assessment?**
 - Issue is with properties that have not been reassessed in many years
- 4. Given LPC-wide consensus on policy changes, how to proceed with enacting Mills Act reform.**

Thank you,

Luke Leuschner