

# **Mills Act Contract**

## **621 North Richman Avenue**

---

City Council  
August 19, 2025





# Project Location

**Zone: R-1-7.2** One-Family Residential (7,200 SF min. lot size)



-- subject property







# Project Description

Consideration of a Mills Act Contract for the preservation, rehabilitation and maintenance of historic property.





# Background

- In April 2020, the City Council adopted a Mills Act Program and associated Mills Act Program Guidelines.
- The Mills Act allows owners of historic properties to voluntarily enter into individual contracts with the City in order to receive a property tax reduction in exchange for the restoration and maintenance of their historic property.





# Background

- Pursuant to the adopted Mills Act Program Guidelines, the City may process no more than ten Mills Act Contracts per calendar year.
- The request is one of three applications submitted in the 2025 calendar year and is the City's eighth property requesting a Contract.
- The property falls under a qualified historic designation (City of Fullerton Local Register of Historical Resources) and meets additional eligibility criteria for consideration for a Mills Act Contract.





# Existing Conditions

- The property was built in 1930 and represents a “Spanish Colonial Revival” architectural style.
- Key defining features representative of this architectural style include:
  - Stucco surfaces
  - Low-pitched tile roofs
  - Use of decorative iron work for windows, doors, balconies and roof supports.







# Existing Conditions

- Submitted Rehabilitation/Maintenance Plan outlines proposed improvements to be made within the next five years:
  - Repair/replace front and side doors
  - Paint exterior of home and garage
  - Repair/replace windows
  - Replace Rain Gutters (front of house).
- Pre-approval inspection revealed property is generally in good standing with proper maintenance of its historic integrity.
- Based on the findings from the pre-approval inspection, the property continues to maintain its architectural integrity, according to state and local standards and remains a qualified historical property and would be appropriate for consideration of a Mills Act Contract.





## Mills Act Contract

- Work completed on the property should support the long-term preservation of the building and shall conform with the Secretary of Interior's Standards for Rehabilitation. All work must relate to the exterior or building systems.
- The City requires Mills Act Contract applicants to submit a description of work, timeline and cost estimates for the rehabilitation of the property during the first ten-year term of the contract.
- The Mills Act Contract between the property owner and the City includes the Rehabilitation/Maintenance Plan as an attachment and becomes binding on all future property owners. The proposed Rehabilitation/Maintenance Plan identifies qualifying exterior improvements.



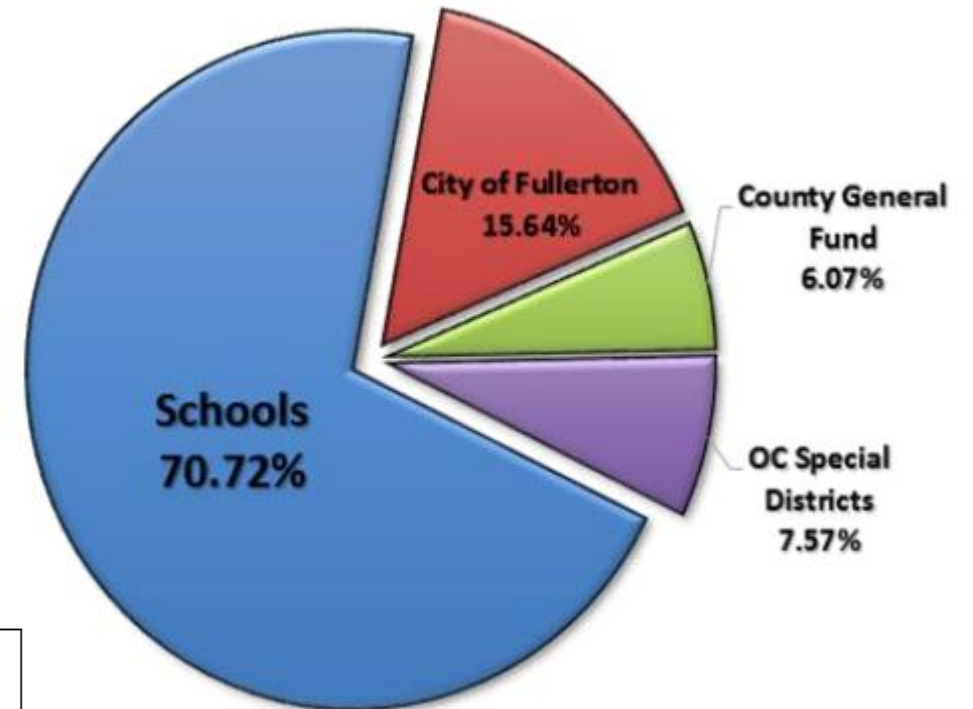


# Property Tax Impacts

- City receives 15.64% of property taxes, with the remaining portion going to County, School Districts and Special Districts.
- Reduction in property tax revenue to the City from a Mills Act Contract is limited to the General Tax Levy portion of the property tax bill.

Fullerton's Share of the Property Tax Estimated from This Property	Before Mills Act (Estimate)	After Mills Act (Estimate)
621 North Richman Avenue	\$ 6,860.33	\$ 4,297.16

How is the 1% Property Tax Allocated?



Source: O.C. Audit Controller TRA 2018-2019





## Recommended Actions

- Adopt City Council Resolution No. 2025-XXX approving a Mills Act Contract between the City and owners of historic property located at 621 North Richman Avenue in the form of a Historic Property Preservation Agreement.
- Authorize Director of Community and Economic Development to review subsequent updated schedules of improvements and maintenance items provided by the property owner pursuant to the Historic Property Preservation Agreement (Agreement) prior to the tenth anniversary of the Agreement and every tenth anniversary thereafter.



**ZON-2025-0047**

**Mills Act Contract  
621 North Richman Avenue**

---

City Council