

ZON-2025-0065
Mills Act Contract
229 North Cornell Avenue

City Council
November 4, 2025



Project Location

Zone: R-2P Two-Family
Residential Preservation



-- 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.
- This request is one of five applications submitted in the 2025 calendar year and is the City's tenth property requesting a Contract.
- The property falls under a qualified historic designation and meets additional eligibility criteria for consideration of a Mills Act Contract.



Existing Conditions

- The property was built in 1923 and represents a “Craftsman Bungalow” architectural style.
- Key defining features representative of this architectural style include:
 - Wide low gables, generally facing the street
 - Pronounced use of exposed structural members, especially roof rafters, roof support struts and projecting beams
 - Wide, low front porches
 - Brick or stone often used in foundations, parapet walls of porches and terraces and chimneys.





Existing Conditions

- Submitted Rehabilitation/Maintenance Plan outlines proposed improvements to be made within the next eight years:
 - Demo existing roof - install plywood and 30-year comp shingle roof
 - Window maintenance - replace broken glass and seals, repair hinges and locks
 - Screen repair - replace broken window screens
 - Siding repair; painting of exterior of house and garage
 - Replumb house sewer/water lines; rewire 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.

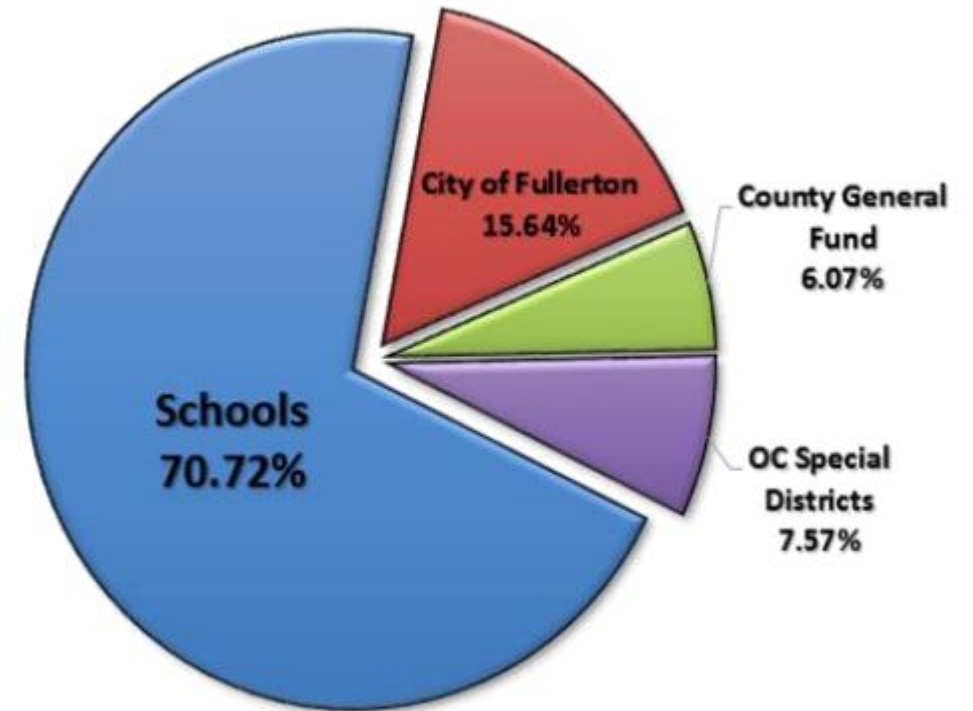


Property Tax Impacts

- 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)
229 North Cornell Avenue	\$1,368.5	\$ 354.25

How is the 1% Property Tax Allocated?



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



Recommended Actions

- Adopt City Council Resolution No. 2025-XX approving a Mills Act Contract between the City and owner of historic property located at 229 North Cornell Avenue in the form of a Historic Property Preservation Agreement.
- Authorize the 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-2025-0065
Mills Act Contract
229 North Cornell Avenue

City Council
November 4, 2025