

WHAT IS THE REVIEW PROCESS?

Before submitting an application to the City, a pre-application inspection of the exterior of the property by Building and Planning staff is required. The purpose is to inspect the condition of the property and discuss any items for restoration that may need to be completed in the first ten (10) years of the Agreement, and to identify items that need to be remedied before the application is accepted.

Once your pre-application inspection and corrections are completed and approved by staff, you may submit your application for the Mills Act contract. There is no cap on the number of Mills Act Contracts accepted per year. Complete applications must be received no later than October 1.

Please see the complete guide for the Mills Act program on the City website here:

<https://www.tustinca.org/DocumentCenter/View/4920/Mills-Act-Guidelines-and-Application-PDF>



CHECKLIST

- Pre-application inspection
 - Mills Act Program Application
 - Mills Act Program Ten-Year Rehabilitation Plan
 - Copy of Grant Deed with legal description of property
- IMPORTANT:** All parties listed on the grant deed will need to sign the contract.
- Copy of the current property tax statement
 - Cost estimate for each improvement listed in the ten-year improvement plan
 - Estimated rental value of the home completed by a licensed realtor
 - Any available historic photographs and information.

**Community Development
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Mills Act Program



WHAT IS THE MILLS ACT PROGRAM?

In June of 1997, the Tustin City Council authorized the implementation of the Mills Act Program in the City of Tustin and established a policy for historic property preservation agreements (which are commonly called Mills Act contracts) by resolution.

The Mills Act Program in Tustin is for property owners of qualified historic residential buildings per California Government Code, Article 12, Sections 50280-50290 and California Revenue and Taxation Code, Article 1.9, Sections 439-439.4. The Mills Act is an economic incentive program for owners of historic buildings that are listed in the National Register of Historic Places or are on a state, county, or city official register.

Under the program, property owners receive a reduction in property taxes in exchange for actively participating in restoring, rehabilitating, repairing and preserving their historic properties. Participants enter into a perpetual ten (10) year contract with the City that is automatically renewed each year. The contract may be transferred to new owners when the property is sold. City officials may periodically inspect properties to ensure proper maintenance.

Penalties may be imposed for breach of contract or failure to maintain the historic property. A cancellation fee of twelve and one-half percent (12-1/2%) of the current fair market value of the property, as determined by the county assessor, in the event of breach of contract. The county assessor's office re-assesses property taxes based on a capitalization of income formula than on market value. Mills Act participants may realize a property tax savings of approximately thirty (30) to sixty (60) percent each year depending on property value, net operating income, and other variables.



WHERE DO I START?

Pursuant to City Council's direction, the Mills Act Program is made available to the owners of residential properties with an "A," "B," or "C" rating in the 1990 Tustin Historical Resources Survey. Residential properties with equivalent ratings in the 2003 Historical Resources Survey are also eligible to participate. Commercial and industrial properties are not eligible for the Mills Act Program.

The Historic Resources Survey is available for availability verification at:

1990:

<https://www.tustinca.org/DocumentCenter/View/2000/City-of-Tustin-Historical-Survey-1990-PDF?bidId=>

2003:

<https://www.tustinca.org/DocumentCenter/View/613/2003-Tustin-Historical-Resources-Survey---Building-Information-PDF?bidId>

ELIGIBILITY

Staff may request modifications to the plan to show compliance with the Secretary of the Interior's Standards for Rehabilitation of Historic Properties.

Pictures must be submitted with the application to document the current condition of the property.

After the contract is recorded, you will also be required to submit annual reports on completed project (s), along with copies of receipts and building permits where applicable. City staff may conduct property inspections at any time to ensure that proposed work has been completed per contract agreement and meets all applicable City standards. Significant penalties may be imposed for breach of contract or failure to maintain the historic property.

To determine if your property meets the program criteria please contact Planning staff at (714) 573-3149.

