

RESOLUTION NO. 22-0111

A RESOLUTION OF THE MANHATTAN BEACH CITY COUNCIL APPROVING THE DESIGNATION OF 1505 CREST DRIVE AS A LOCAL HISTORIC LANDMARK AND A MILLS ACT CONTRACT BETWEEN THE PROPERTY OWNER AND THE CITY (ANDERSON & DANTZLER)

THE MANHATTAN BEACH CITY COUNCIL HEREBY FINDS, DETERMINES AND RESOLVES AS FOLLOWS:

SECTION 1. In October 2014, the City Council adopted a Mills Act Program for the City to incentivize the preservation, maintenance, and rehabilitation of historic properties through property tax reductions, with a program sunset date of October 2016.

SECTION 2. In February 2016, the City Council adopted the City's Historic Preservation Ordinance, Manhattan Beach Municipal Code (MBMC) 10.86, which provides for the identification, protection, enhancement, perpetuation, and use of improvements, buildings, structures, objects, sites, and features that represent the City's architectural, cultural, social, historical, and political heritage.

SECTION 3. In March 2018, the City Council re-established the Mills Act Program.

SECTION 4. In November 2021, Anderson and Dantzler ("the property owners" and "applicants") submitted an application to the City to nominate 1505 Crest Drive ("the subject property") to be designated a historic landmark and to initiate the City's evaluation of the property's eligibility to be a historic landmark.

SECTION 5. In January 2022, the property owners and applicants submitted an application to the City requesting a Mills Act Contract.

SECTION 6. Also in January 2022, the City Council adopted an interim zoning ordinance (Urgency Ordinance No. 22-0002-U) that amended sections of the City's Historic Preservation Ordinance governing the alteration/demolition review process, 60-day waiting period for demolitions, and environmental review, such that it would pertain only to historical landmarks and contributing resources to Historic Districts, rather than properties that are potentially eligible for historic designation. In March 2022, the City Council adopted Urgency Ordinance No. 22-0004-U, extending Urgency Ordinance No. 22-0002-U to January 17, 2023.

SECTION 7. The Urgency Ordinance did not amend any sections of MBMC 10.86 that are applicable to the designation of historic landmarks and approval process for Mills Act contracts, which are the governing requirements for this project. Therefore, the analysis for this project is based on the sections of MBMC 10.86 that remain unaltered by the Urgency Ordinance.

SECTION 8. The City contracted with Sapphos Environmental, Inc. for the review, to ensure that the evaluation of application materials was conducted by a qualified architectural historian pursuant to Section 10.86.080.C of the MBMC.

SECTION 9. On May 11, 2022, the Planning Commission conducted a duly noticed public hearing to consider 1505 Crest Drive for designation as a local historic landmark and for recommendation of a Mills Act Contract between the property owners and the City. The Commission provided an opportunity for the public to provide evidence and testimony at the public hearing, and recommended approval.

SECTION 10. On July 19, 2022, the City Council conducted a duly noticed public hearing to consider 1505 Crest Drive for designation as a local historic landmark and for approval of a Mills Act Contract between the property owners and the City. The City Council provided an opportunity for the public to provide evidence and testimony at the public hearing.

SECTION 11. The City has reviewed the proposed project for compliance with the California Environmental Quality Act (CEQA) and has determined that the Historic Preservation designation and Mills Act contract (“the project”) would not have a significant effect on the environment. First, the project is limited to maintenance, repair, stabilization, rehabilitation, restoration, preservation, conservation or reconstruction of historic resources in a manner consistent with the Secretary of the Interior’s Standards for the Treatment of Historic Properties with Guidelines for Preserving, Rehabilitating, Restoring, and Reconstructing Historic Buildings (1995), Weeks and Grimmer, and is therefore exempt per CEQA Guidelines, Article 19, Section 15331, Class 31. Second, the project consists of actions taken by regulatory agencies, as authorized by state or local ordinance, to assure the maintenance, restoration, enhancement, or protection of the environment where the regulatory process involves procedures for protection of the environment, and is therefore exempt per CEQA Guidelines, Article 19, Section 15308, Class 8. Third, the project does not have potential for causing a significant effect on the environment, as there is certainty that there is no possibility that the project will have a significant impact on the environment, and is therefore exempt per CEQA Guidelines, Title 14, Section 15061(b)(3). Lastly, the project does not trigger any exceptions to Categorical Exemptions per CEQA Guidelines, Article 19, Section 15300.2. Thus, no further environmental review is necessary.

SECTION 12. Based on substantial evidence in the record, and pursuant to the Manhattan Beach Municipal Code Section 10.86.070, the City Council hereby finds that the property at 1505 Crest meets the eligibility criteria for designation as a local historic landmark as follows:

- A. The existing residential structure at the subject property meets the minimum age criteria of 45 years or older, as it was built in 1964 and is approximately 58 years in age.
- B. As confirmed by qualified historians, the residence at the subject property retains its integrity from its period of significance in terms of location, setting, design, workmanship, feeling and association, such that it conveys the reasons for its historic and architectural significance. The A-frame structure has not be moved from its original location. Despite minor changes, the original form of the A-frame, plan, space, structure and style have been retained. The house retains most of the physical features that constitute its style, and therefore retains a high degree of

integrity of materials. Alterations, including new skylights, mechanical, electrical, and plumbing systems have been integrated in a manner to be a minimally as possible; none of which are visible from the public right-of-way. Since all of the character-defining materials have been retained, the house also retains integrity of workmanship, demonstrated in details such as the colored pebble glass in the double height glazing as well as wood railing details along the balcony.

In 1937, the first modern A-frame house was designed and built in Lake Arrowhead, California by Rudolph Schindler. By the 1950s, A-frame houses were widely published in magazines and rising in popularity. The rise of the A-frame coincided with the postwar era when there was a sharp increase in individual prosperity, coupled with more leisure time. The relative ease and affordability of building an A-frame house led to it becoming commonly used for vacation getaway homes throughout the United States, including Southern California, and consequently, was associated with 1960s leisure culture. The subject property is an, excellent, intact example of an A-frame building that embodies the form and development of this type of architecture in post-war Manhattan Beach.

- C. The property is also required to meet one of six eligibility criteria outlined in MBMC Section 10.86.070.D. The residence at the subject property exceeds the minimum requirement for Historic Landmark criteria in that, rather than meeting just one criterion, it meets two criteria. In accordance with Criterion Three, the structure embodies the distinctive characteristics of A-frame homes that were common in the period of significance associated with A-frame architecture, between 1954 and 1975. In accordance with Criterion Five, the structure represents the last, best remaining example of the A-frame architectural style in Manhattan Beach, which was once common, but has been reduced to three remaining specimens.

SECTION 13. Based on substantial evidence in the record, and pursuant to City Council-approved Resolution 18-0034, Section 8, which identifies qualification requirements for properties being considered for the Manhattan Beach Mills Act Program, the City Council hereby finds that the Mills Act Contract application for the property at 1505 Crest Drive meets the qualification requirements for a Mills Act contract with the City, contingent upon the City Council designating the property as a local historic landmark:

- A. The subject property is zoned medium-density residential and is developed with a single-family residence, with a tax assessed value of \$1,804,500, in compliance with the eligibility requirement providing that the property exist as a single- or multi-family residential property or a commercial property with a tax assessed value not exceeding \$5 million dollars.
- B. The subject property is located near the northwest corner of Crest Drive and 15th Street, nearly across the street from Manhattan Beach City Hall, two streets east of the Strand boardwalk, and entirely within the City boundaries of Manhattan Beach, in compliance with the requirement that the property is located entirely within the City of Manhattan Beach.

- C. The subject property is privately owned by the applicants, Anderson and Dantzler, in compliance with the requirement that the property is privately owned.
- D. The subject property is not exempt from property taxation. During the fiscal year of July 1, 2021 to June 30, 2022, the applicant and property owners were required to pay \$20,675.36 in property tax.
- E. Contingent upon the City Council approving the designation of the property as a Historic Landmark, the property will be added to the Register of Historic Resources and would meet the requirement that Mills Act properties are individually designated as a historic landmark.
- F. If the requested Mills Act Contract is approved for 1505 Crest Drive, the property owners will invest approximately \$450,000 to rehabilitate, restore and maintain the house over an eleven-year period. The proposed rehabilitation, restoration, and maintenance efforts, as identified by the application, include but are not limited to: earthquake retrofitting, sheer lateral reinforcement of walls, replacement of water and sewer pipes, repair and paint the exterior siding, repair water and termite damage, and rehabilitate original stained glass front door and front-facing stained glass window.

SECTION 14. Based on substantial evidence in the record, and pursuant to Section 9 of City Council Resolution 18-0034, which provides fiscal impact minimizing strategies for which the City must demonstrate compliance in the event that the Mills Act Contract is approved, the City Council hereby finds:

- A. The City will not exceed its \$50,000 maximum loss of property tax revenues resulting from the Mills Act Program. The City has one active Mills Act contract (2820 Highland Avenue), which amounts to an annual property tax loss of \$10,339. The estimated property tax savings for the subject property through the Mills Act Program is \$15,137. If the subject Mills Act application is approved, then the new total annual loss of property tax revenues resulting from the Mills Act Program will be \$25,476, which is within the City's allowable limit.
- B. If approved, the current requested Mills Act contract will be the first to be executed in 2022, maintaining the City's limit for approval of no more than three Mills Act contracts per calendar year.
- C. If approved, the Mills Act contract for 1505 Crest Drive will include language that maintains the City's full right to cancel the Mills Act contract pursuant to Government Code 50280.

SECTION 15. Based upon the foregoing, the City Council hereby **ADOPTS** the attached draft resolution designating the property at 1505 Crest Drive as a historic landmark, approving a Mills Act Contract between the City and the property owner, and adopting a determination of exemption under CEQA.

SECTION 16. The City Council's decision is based upon each of the independent and separate grounds stated herein, each of which stands alone as a sufficient basis for its decision.

SECTION 17. The Secretary of the City Council shall certify to the adoption of this Resolution and shall forward a copy of this Resolution to the property owner. The Secretary shall make this resolution readily available for public inspection.

ADOPTED on July 19, 2022

AYES:

NOES:

ABSENT:

ABSTAIN:

STEVE NAPOLITANO
Mayor

ATTEST:

LIZA TAMURA
City Clerk