Los Angeles County
Department of Regional Planning

Planning for the Challenges Ahead

James E. Hartl, AICP
Director of Planning

September 26, 2005

TO: Supervisor Gloria Molina, Chair
Supervisor Yvonne B. Burke
Supervisor Zev Yaroslavsky
Supervisor Don Knabe
Supervisor Michael D. Antonovich

FROM: James E. Hartl, AICP
Director of Planning

Post-it™ brand fax transmittal memo 7671	# of pages ▸ 12
To Jessie Riggins	From Lorraine
Co. Exec. Office	Co. DRP
Dept.	Phone # 974-6401
Fax # 1-20-0636	Fax #

SUBJECT: REPORT ON HISTORICAL PRESERVATION
(Motion of June 14, 2005--SYN. NO. 76-A)

Background: On June 14, 2005, your Board adopted a motion directing the Department of Regional Planning (DRP) to coordinate with the Department of Public Works (DPW) and the County Historical Landmarks and Records Commission (Landmarks Commission) to research and identify options whereby the County could prevent historical buildings from being demolished, survey other local jurisdictions' historical preservation ordinances for possible adaptation to the County, address the feasibility of creating an adaptive reuse ordinance similar to one established by the City of Los Angeles, and investigate other historical preservation incentives such as creating a Mills Act program. A brief summary of the report you requested follows below, and the report in its entirely is attached.

Current County Regulatory Framework: The County Landmarks Commission acts primarily as a conduit for recommended additions to the National and State Registers, and periodically reviews proposed work on these buildings. The Commission does not currently have the power or duty to undertake a comprehensive approach to preserving historical resources. The County also applies an alternative Historical Building Code with reduced requirements to such designated buildings to facilitate their preservation; however, it has not established a Local Register or designated any historical districts.

Survey of Other Jurisdictions: Staff's survey of other local jurisdictions' historical preservation ordinances revealed that they range in complexity, from merely adding to National and Local Registers, to extensive programs that include fully functioning and staffed historical preservation commissions, establishment of local registers, comprehensive local surveys and designations to the registers, and designation of historical districts. The expenditure of fiscal resources and staff time vary accordingly, depending on the local jurisdictions' levels of commitment to this issue.

Adaptive Reuse Ordinance and Other Incentives: The City of Los Angeles has established an adaptive reuse ordinance to facilitate the transformation of older inefficiently used or vacant commercial buildings to residential use by providing a range of zoning and fee

incentives to property owners. Such a program may not be appropriate for the County's unincorporated areas that lack the City's concentration of numerous older commercial and industrial buildings; however, this matter should be studied further to determine if it could be used in the County. Two State programs, the Mills Act, which provides property owners with tax relief in return for rehabilitating historical buildings, and the Marks Act, which allows long-term low interest preservation loans for historical preservation, deserve consideration.

County Historical Preservation Program Options: Based on the information above, staff suggests three County program options for your consideration:

- Option 1: This would include the development of a computerized National and State Register database, continued application of the Historical Building Code to properties so designated, authorization of the Landmarks Commission as a permanent entity, preparation and adoption of an ordinance that establishes a local register of historical resources and procedures for adding such resources to the National, State and Local Registers, and for review of applications for work on such resources.
- Option 2: This would additionally include an expanded ordinance that establishes one or two historic districts and authorizes a small-scale survey of properties and their designation in the Local Register, adoption of the Mills Act, and expansion of historical preservation environmental review procedures.
- Option 3: This would include, in addition to those efforts cited in options 1 and 2, a further expanded ordinance that accommodates a comprehensive survey and designation of properties to the Local Register and establishment of two additional historical districts; and establishment of a Marks Act lending program.

Conclusion: Staff concludes that the County has a range of options in efforts to preserve historical properties. The fiscal expenditures and staff have been estimated for each option and are referenced in the attached report. We hope that the information staff has provided you will help determine the appropriate County options.

Should you have any question about the attached report, please contact me or Leonard Erlanger of my staff at (213) 974-6432.

JEH:RDH:LE:AP

Attachment

C: Chief Administrative Officer
County Counsel
Executive Officer, Board of Supervisors
Chairman, Historical Landmarks and Records Commission
Director, Department of Public Works

BOARD REPORT ON HISTORICAL PRESERVATION
(9/26/05)

BACKGROUND

On June 14, 2005, your Board adopted a motion directing the Department of Regional Planning (DRP) to coordinate with the Department of Public Works (DPW) and the County Historical Landmarks and Records Commission (Landmarks Commission) to research and identity the County's options for undertaking historical preservation efforts, survey other local jurisdictions' historical preservation ordinances, determine the feasibility of creating a County adaptive reuse ordinance, investigate historical preservation incentives such as the Mills Act, and report back to you with this information.

CURRENT COUNTY REGULATIONS

Currently, the County does not have a comprehensive historical preservation program in place, although we have taken limited steps toward the preservation of the County's historical resources.

Landmarks Commission: Chapter 3.30 of the County Code establishes the County's Historical Landmarks and Records Commission, composed of five Board-appointed members who are architects or have some expertise in historical preservation issues, and five ex-officio members who are directors of certain County departments, including the Director of the Museum of Natural History, the County Librarian, the Registrar-Recorder/County Clerk, the Court Administrator/Clerk of the Los Angeles Municipal Court, and the Executive Officer/Clerk of the Superior Court. The Commission currently makes recommendations to the Board of Supervisors on additions of resources to the National Register of Historic Places and the State Register of Historic Resources; however, they are not currently authorized to establish a local register of historical resources, and no procedures have been established for their review of work on resources listed in these Registers. Additionally, the Commission meets only quarterly, with current staff limited to clerical support provided by the Executive Office of the Board of Supervisors. Section 3.30.110 of the County Code establishes a sunset review date of June 30, 2005 for this Commission.

General Plan, Community Plans, and Zoning Ordinance:

- County General Plan: The Land Use, and Conservation and Open Space Elements of the Countywide General Plan includes the following policies relating to historical preservation:
    - Promote the preservation and enhancement of landmarks, sites, and areas of cultural, historical, archaeological and urban design significance.
    - Protect cultural heritage resources, including historical, archaeological, paleontological, and geological sites, and significant architectural structures.
    - Encourage public use of cultural heritage sites consistent with the protection of these resources.
    - Encourage private owners to protect cultural heritage resources.

- O-S (Open Space) Zone: The Open Space Zone designation is often applied to publicly-owned historical properties in recognition of their value and in an effort to limit the types of new development on their sites and near them; however, the O-S Zone does not authorize Landmarks Commission review of proposed modifications to such buildings.
- Altadena Community Plan and Community Standards District (CSD): The Altadena Plan supports the preservation of historical buildings of significant architectural design merit--two of which are currently listed in the National Register--and charges the Landmarks Commission with recommending several other specified buildings for addition to the National and State Registers. Within the Lake Avenue area, the related CSD (Section 22.44.127 of the Zoning Ordinance) requires a director's review and referral to the Landmarks Commission for any proposed modification of five identified buildings that are of historical or architectural significance.
- Santa Catalina Island Specific Plan: The Santa Catalina Island Specific Plan (Section 22.46.460 of the Zoning Ordinance) requires that prior to any renovation or removal of a historical building, the developer proposing such activity shall retain the County Museum of Natural History to evaluate the Banning House, the Union Army Barracks and any building over 75 old to determine their historical significance, and if determined appropriate and feasible, these structures shall be preserved and any alteration or expansions shall only be done with the approval of the County.

County of Los Angeles Environmental Document Reporting Procedures and Guidelines: Pursuant to the California Environmental Quality Act (CEQA), the County uses its environmental review guidelines to review "discretionary" zoning applications that require a public hearing, for their impacts on historical resources. However, "non-discretionary" applications which do not require a public hearing, such as building permits for alterations and demolitions, are exempt from such environmental review.

Historical Building Code/Data Bases: The County has also incorporated the State Historical Building Code into the County Building Code (Title 26 of the County Code) as Section 9607 (Historical Buildings). Administered by DPW, the Code allows owners of historical buildings to use alternative construction methods that preserve original architectural elements and facilitate restoration of the buildings. Currently, these provisions are applied primarily to historical buildings listed in the National and State Registers; however, the Code is not a mechanism for preventing wholesale alteration or demolition of a historical resource. DPW's Building and Safety Division is also currently compiling a comprehensive listing of all designated National and State Register historical resources located within unincorporated areas. This will facilitate identification of buildings as historical properties when construction work is proposed on them.

FEDERAL AND STATE REGULATIONS

Both the Federal government and the State of California have formally recognized the importance of preserving historical resources by establishing extensive related regulations. The Federal regulations set up the general framework for national historical preservation goals and programs, and the State regulations provide for State coordination with Federal and local governments within the Federal framework, and establish the State as a conduit between the Federal and local governments.

Federal: The National Historic Preservation Act of 1966 charges the Secretary of the Interior and the National Park Service with preserving the nation's historical resources. It establishes and maintains a National Register of Historic Places with criteria and procedures for documenting historic properties and adding them to the Register. Presently, 2,730 sites in Los Angeles County are listed in the National Register, only a portion of which are located within unincorporated areas. The Act also establishes the Federal Advisory Council on Historic Preservation to advise the Secretary and the Congress on preservation issues.

The Act provides for certain tax deductions and credits for the cost of preservation activities. It also requires State appointment of, and Federal coordination with, State Historic Preservation Offices and Review Boards, preparation of a State historical preservation plan, and comprehensive State surveys of historical properties. Additionally, it requires the States to assist local governments in acquiring their certification as a Certified Local Government (CLG). To participate in the CLG program, local jurisdictions must establish a local Historic Preservation Commission with professional staff, maintain a survey and inventory system, and allow for adequate public participation. The County of Los Angeles has not acquired CLG status to date. (Note: The National Historic Preservation Act doesn't require any particular local jurisdiction to achieve CLG status).

The Federal document "Secretary of Interior's Standards for the Treatment of Historic Properties with Guidelines for Preserving, Rehabilitating, Restoring and Reconstructing Historic Buildings" provides standards for preservation and repair work on historical buildings. It is recommended for use by local governments as a basis for approval of such work. On the local level, authorization for such work most often requires approval of permit requests for a "certificate of appropriateness". Currently, the Landmarks Commission does not review such applications, but does submit comments on proposed work when requested to do so by an applicant, DPW, the Los Angeles Conservancy or other non-profit groups.

State of California: In accordance with Federal law, State historical preservation regulations establish the State Historical Resources Commission to advise the State Office of Historic Preservation on maintenance of, and additions to, the California Register of Historical Resources. Presently, 5,788 sites in Los Angeles County are listed in the State Register, only a portion of which are located in unincorporated areas. The Commission is also authorized to advise on the preparation of a comprehensive State historical resources plan, and establishment of criteria for the rehabilitation of historical resources. Additionally, the regulations also require the States to assist local

governments in recommending additions to the National and State Registers, to achieve Federal CLG status and to acquire funding. They also call on the State to assist local jurisdictions with technical preservation matters, including drafting of preservation plans and ordinances, conducting surveys, and developing criteria for resource designations and approval of certificates of appropriateness.

Additionally, the Mills Act (Sections 50280-50290 of the Government Code) enables local jurisdictions to enter into "historical property contracts" that provide property owners with property tax relief in return for a commitment to appropriate rehabilitation and maintenance of a historical property, and the State Historical Building Code provides alternative and lower cost requirements for restoration and rehabilitation work. The Marks Historical Rehabilitation Act (Sections 37600-37603 of the Health and Safety Code) authorizes local jurisdictions to issue bonds, the funds from which may be utilized for historical preservation efforts.

Again, the provisions of CEQA require local jurisdictions to undertake environmental reviews for discretionary projects requiring a public hearing that may cause a substantial adverse change in the significance of a historical resource.

SURVEY OF OTHER JURISDICTIONS

General Survey: Staff conducted research on 13 local jurisdictions (see attached list) in California which indicates that the following approaches to their historical preservation ordinances are fairly common:

- Defining the purpose of the ordinance as the preservation of the salient historical buildings and sites of the community, and defining various historical preservation terms, such as "certificates of appropriateness" (for proposed work on historical buildings) and "contributing element" (to a historical building or district).
- Establishment of an historic preservation commission staffed by architects and/or persons with historical preservation expertise who are generally assigned to the planning department or a cultural affairs department.
- Procedures and criteria for nomination and addition of historical buildings to the Local, State or National Registers, including review by professional staff, notice to the property owner and surrounding residents, historic preservation commission public hearings and recommendations to city council or board of supervisors, and final approval by the council or board.
- Procedures and criteria for approval of certificates of appropriateness for work affecting historical buildings, in order to preserve their salient historical features, with distinctions between minor and major certificates, minor being reviewed by staff or the historic preservation commission as the final reviewing authority, and major being recommended by the commission to the council/board for final action.
- Establishment of requirements for environmental review for impacts of proposed work on historical buildings for certain non-discretionary permits (e.g. for building permits for demolitions) more restrictive than those provided for by CEQA.
- Adoption and implementation of the State Mills Act.

Many jurisdictions address their historical preservation provisions in their planning or zoning codes; however, some other jurisdictions list them within their building codes, and one jurisdiction includes them in the administrative code under the authorization for operation of the historical preservation commission. Additionally, some jurisdictions establish a design board with expertise that supplements the historical preservation commission for certain geographic areas such as downtowns, and certain jurisdictions establish an age threshold for buildings to qualify for consideration as a designated historical resource, typically a building of 50 to 75 years of age.

The City of Los Angeles' Historic Preservation Ordinance contains most of the cited provisions common to most jurisdictions' ordinances, and is relatively complex. In addition to establishing historical districts for areas containing unique concentrations of historical resources, the City has established several kinds of application categories for proposed work on historical buildings. The City's current ordinance authorizing the Historic Preservation Commission currently lacks requirements that its members have professional expertise in historical preservation matters; for this reason the City has not obtained CLG status as yet. The City currently staffs its historic preservation efforts with two full-time Planning Department Historic Preservation Officers. The City recently obtained a grant of $2 million from the Getty Conservation Institute to undertake a comprehensive historical resource survey which the Los Angeles Conservancy estimates will ultimately cost $5 million to complete. Consultant teams will be hired with these funds to conduct the survey field work.

The City of Pasadena has six Planning Department professional staff members who prepare historical designation and certificate of appropriateness cases for consideration by the Historic Preservation Commission. The Commission is authorized to delay a demolition project for a period of time in order to negotiate with the applicant regarding preservation. The City has undertaken a comprehensive survey, established a comprehensive local register, and acquired CLG status.

ADAPTIVE REUSE AND OTHER INCENTIVES

The City of Los Angeles has established an adaptive reuse ordinance, which provides density bonus, zoning designation, and development standard incentives to encourage community revitalization and conversion of historical non-residential buildings to residential and/or mixed uses. Such incentives may allow residential uses by right in commercial zones, and may include reductions in parking requirements, relaxed height restrictions and waiver of setback requirements. This ordinance is uniquely appropriate to the City's concentration of numerous older commercial and industrial buildings. However, this matter should be studied further to determine if it can be used for the County.

In addition, the State of California has authorized local jurisdictions to utilize two major types of incentives to promote the preservation of historical buildings by their owners. As cited before, the Mills Act authorizes local jurisdictions to enter into "historical property contracts" with owners of historical buildings to ensure preservation of the buildings. In such a contract, the local jurisdiction must agree to exempt the property owner from a

portion of the property tax owed, and in return the owner must promise to rehabilitate and preserve the property for a period of at least 10 years. Such an incentive is crucial to the preservation of a historical building because Federal law provides that in the absence of agreement by a property owner, a historical building may not be listed in the National or State Registers. For these reasons, staff feels the Mills Act is an appropriate incentive mechanism for the County.

The Marks Act authorizes local jurisdictions to make long-term low-interest loans to finance the rehabilitation of historical properties. It provides that local jurisdictions may issue bonds and notes to finance the funding of such loans, and that they may fix fees, interest rates, and other conditions for financing such rehabilitation projects. This mechanism would also be valuable for the County in its efforts to entice historical property owners to allow their property to be listed in the National and State Registers, and to encourage property owners to preserve their buildings' historical features.

ALTERNATIVE HISTORICAL PRESERVATION OPTIONS

After consultations with the DPW and the County Landmarks Commission, this Department has identified three possible approaches to the preservation of the County's historical resources, reflecting a range of manpower and fiscal resource commitments.

Option 1: This would include the following efforts:

- *Data Base:* Continue current DPW Building and Safety efforts to complete a National and State Register database, so as to facilitate easy sharing of the data with DRP and the Landmarks Commission, and easy identification of such buildings when work is proposed on them.
- *Historical Building Code:* Continue enforcement of the State Historical Building Code for work proposed on historical buildings.
- *Historical Preservation Ordinance:* Prepare and adopt a Historical Preservation Ordinance that contains:
    - Establishment of a Local Register of Historical Resources.
    - Procedures and criteria for recommending additions to the National, State and Local Registers, including noticed public hearings, Landmarks Commission recommendations to the Board of Supervisors, final action by the Board, and transmittal of the Board's recommendations, where appropriate, to the Federal and State governments.
    - Procedures and criteria for approval of modifications to historical buildings listed in the National, State and Local Registers, including review of certificates of appropriateness, conditioning of approvals, distinctions between minor and major certificates, noticed public hearings by the Landmarks Commission, Commission final decisions on minor certificates, and Commission recommendations to the Board for final action on major certificates.
      (Note: Typically, the local government would need to designate these sites at a local level before it could begin to require certificates of appropriateness and other such review. National Register and California

Register status would likely not be sufficient to trigger this type of local review, beyond CEQA review).

- The preparation of this ordinance will require a one-time expenditure of approximately $125,000 for County staff and related public hearing purposes.

- *Landmarks Commission Extension Ordinance*: Prepare and adopt ordinance amendments to extend the term of the Landmarks Commission indefinitely.
- *Required Professional Staff:* Increase the County budget to add a minimum of one full-time person with historical preservation expertise to provide professional support to the Landmarks Commission in its expanded duties. The required additional annual ongoing expenditures to support the new staff person, the Landmarks Commission, and related public hearings will be approximately $125,000 per year (some of which could be recouped after adoption of the historical preservation ordinance by requiring design review fees of applicants who propose work on historical buildings). Additional DPW staff may also be required.
  (Note: We would be very cautious about suggesting any significant fees on review of work on historical buildings. We would hope that the ordinance would be user-friendly and would provide incentives, not disincentives, to participate in the preservation program. If significant fees are imposed, this could have a chilling effect on participation in a designation program and may also encourage property owners to do work illegally, without permit).
- *Local Historical Preservation Organizations:* Undertake consultations with local historical preservation organizations and local universities and colleges.

Option 2: In addition to the efforts cited above, this approach would include the following efforts:

- *Surveys:*
  - Survey and designation of the most significant local historical properties in unincorporated areas of the County for addition to the Local Register, and addition of the designated resources to the DPW-maintained data base.
  - Survey and establishment of two historical districts with unique concentrations of historical buildings.
  - The one-time total cost of both surveys is estimated to total approximately $100,000.
- *Historical Preservation Ordinance:* Prepare and adopt a Historical Preservation Ordinance that contains the following features in addition to those cited in Option 1:
  - Expansion of Landmark Commission duties in accordance with the additional cited Local Register tasks.
  - Expansion of environmental review for impacts on historical resources beyond the current requirements of CEQA, to some non-discretionary permits, such as demolitions or additions to historical buildings.
  - The preparation of this ordinance will require a one-time total expenditure of approximately $150,000 for County staff and related public hearing purposes.

- *Mills Act:* Adoption and implementation of the Mills Act to promote preservation of historical buildings through provision of property tax abatement.
- *Educational Activities:* Landmarks Commission education efforts on the importance of historical preservation and the County's related efforts.
- *Required Professional Staff:* Increase the County budget to add two full-time persons with historical preservation expertise to provide professional support to the Landmarks Commission in its expanded duties. The required total annual ongoing expenditures to support the new staff persons, the Landmarks Commission, and related public hearings would be approximately $250,000. Additional DPW staff may also be required.

Option 3: In addition to the efforts cited in the two options discussed above, this would include the following efforts:

- *Survey*:
  - A comprehensive Countywide Local Resources Survey that identifies all significant historical resources in the unincorporated area to add to the Local register, with related procedures and hearings as cited above.
  - Establishment and survey of two additional historical districts.
  - The one-time cost of such a comprehensive survey, including the hiring of a consultant, could be several million dollars.
- *Designation Program:* Proactive designation program under which staff would initiate nominations of sites for inclusion in the local register
- *Historical Preservation Ordinance:* Prepare and adopt a Historical Resource Preservation Ordinance that contains the following additional features:
  - Expansion of the duties of the Landmarks Commission in accordance with the added tasks related to the comprehensive survey, new districts, and increased numbers of certificate of appropriateness applications.
  - The preparation of this ordinance will require a one-time total expenditure of approximately $175,000 for County staff and related public hearing purposes.
- Establish a Marks Act long-term low interest loan fund for the rehabilitation of historical properties, if an appropriate funding source can be identified.
- *Required Professional Staff:* Increase the County budget to add three full-time persons with historical preservation expertise to provide professional support to the Landmarks Commission in its expanded duties. The required total annual ongoing expenditures to support the new staff persons, the Landmarks Commission, and related public hearings under this option would be approximately $350,000. Additional DPW staff may also be required.

CONCLUSION

This Department, DPW and the Landmarks Commission concur with the Board that preserving historical buildings and other structures within the unincorporated areas of the County is an important undertaking. Staff concludes that the County has a range of options to preserve historical properties, and the fiscal expenditures and staff have been estimated for each option. Depending on what option the Board chooses, the exact roles

and responsibilities of each County agency that may have interests in historical preservation would be determined by further study.

JEH:RDH:LE:AP

Attachment

Board Report--22 9/25/05

SURVEY OF OTHER JURISDICTIONS

The following jurisdictions' historical preservation ordinances were surveyed in the writing of this report:

City of Azusa
City of Burbank
City of Claremont
City of Glendale
City of Long Beach
City of Los Angeles
City of Monrovia
City of Pasadena
City of San Gabriel
City of Santa Ana
City of Santa Barbara
City of Whittier
County of Santa Clara