

**Attachment 2**  
**December 4, 2012**

RESOLUTION NO. 13

A RESOLUTION OF THE CULTURAL HERITAGE COMMISSION OF THE CITY OF BEVERLY HILLS RECOMMENDING THE CITY COUNCIL APPROVE A MILLS ACT CONTRACT FOR THE LILIORE PALMER RAINS ESTATE AT 603 DOHENY RD, BEVERLY HILLS.

Section 1. On October 18, 2011 the City Council adopted Ordinance No. 11-R-12838 establishing a Pilot Mills Act Program for a two year period, for a maximum of six qualified participating properties and with a capped maximum annual revenue loss to the City of \$50,000. The Pilot Mills Act Program was made available to “qualified historic property” within the City of Beverly Hills.

Section 2. A “qualified historic property” for the purposes of the Beverly Hills Mills Act Pilot Program is defined as:

- a. A single-family residential property or a commercial property constructed as a public theater as a primary use;
- b. Located entirely within the City of Beverly Hills;
- c. Privately owned;
- d. Not exempt from property taxation; and
- e. Individually listed in the City of Beverly Hills’ official landmark register based on the property satisfying at least two landmark criteria, including architectural significance.

Section 3. On January 24, 2012, the City Council adopted Ordinance No. 12-O-2617, establishing a historic preservation program and establishing a Local Register of Historic Properties in the City of Beverly Hills. The Ordinance enables the City Council to

designate local landmarks and historic districts and to place those properties and geographical areas on the City's Register of Historic Properties.

Section 4. On May 25, 2012, a Mills Act Contract Application was submitted to the City by Attorney Mark Egerman on behalf of the property owners of the Liliore Green Palmer Rains Estate at 603 Doheny Road, Beverly Hills. An updated Application was provided on October 3, 2012. In this case the City's Pilot Mills Act Program becomes available for this property once it qualifies for listing as a local Landmark on the City's Register of Historic Properties.

Section 5. On September 4, 2012, the Cultural Heritage Commission conducted a preliminary consideration of the Liliore Green Palmer Rains Estate at 603 Doheny Road, Beverly Hills pursuant to section 10-3-3215 A. of the Historic Preservation Ordinance, and concluded that the Liliore Green Palmer Rains Estate, warranted formal consideration by the Commission for inclusion onto the Local Register of Historic Properties.

Section 6. On October 9, 2012 The Cultural Heritage Commission considered a *Landmark Assessment Report* for the Liliore Green Palmer Rains Estate, and other evidence provided during the proceedings and observations of the property during a visit to the site and moved to nominate the Liliore Green Palmer Rains Estate as a Local Landmark. The Commission based its action on the findings of fact and reasons listed in the *Landmark Assessment Report* by Margarita Wuellner of PCR Services Corporation and other evidence.

Section 7. On October 9, 2012 The Cultural Heritage Commission also considered a Mills Act Application and accompanying Repair and Rehabilitation Plan (Preservation Plan) prepared by Historic Consultants, PCR Services Corporation of 233 Wilshire Blvd, Suite 130, Santa Monica in conjunction with General Contractor, PWI Group of 440 S. Hindry Ave, Suite G, Inglewood and submitted by Attorney Mark Egerman of Egerman & Brown, LLP of 9401 Wilshire Blvd, Suite 500, Beverly Hills on behalf of the property owners of the Liliore Green Palmer Rains Estate at 603 Doheny Road, Beverly Hills and other evidence provided during the proceedings and observations of the property during a visit to the site and moved to recommend to City Council approval of a Mills Act Program for the Liliore Green Palmer Rains Estate. The Commission based its action on findings of fact and careful consideration of the Mills Act Application and accompanying Repair and Rehabilitation Plan as presented by Margarita Wuellner of PCR Services Corporation and other evidence. The Mills Act Application and accompanying Repair and Rehabilitation Plan provides a list of projects to be completed by the property owner during the ten year contract term and forms part of the Mills Act Contract. In addition, the application provides an estimate of the property owner's tax savings of \$125,810.00 of which approximately 17%, or a maximum of \$21,300.00 per annum would be the annual property tax loss to the City. Since the estimated yearly reduction of property tax is based on financial data submitted by the applicant, City staff will work with the County Assessor to verify all calculations and to establish appropriate caps for revenue loss to the City prior to final tax assessments. By executing a Mills Act contract, the City does not corroborate the applicant's submitted financial statement, but authorizes tax abatement for the property. The current annual property taxes for this property are \$157,500.00. Under Mills Act the estimated annual property taxes would be reduced over the ten year period of the contract

period. The actual revenue loss per annum to the City is subject to annual review and determined jointly by the City and County Tax Assessor once the contract has been executed and recorded with the County. The Applicant's Repair and Rehabilitation Plan projects a total estimated cost for all rehabilitation, repair and maintenance works scheduled over the ten year contract period to be \$1,017,528.27.

Section 8. ENVIRONMENTAL ANALYSIS. Approval of a Mills Act Contract for the Liliore Green Palmer Rains Estate at 603 Doheny Road, Beverly Hills was assessed in accordance with the authority and criteria contained in the California Environmental Quality Act (CEQA), the State CEQA Guidelines, and the environmental regulations of the City. It has been determined that the inclusion of the Liliore Green Palmer Rains Estate into the City's Pilot Mills Act Program would not have a significant environmental impact and is exempt from CEQA pursuant to Sections 15061(b)(3), 15308, and 15331 of Title 14 of the California Code of Regulations. It can be seen with certainty that there is no possibility that the inclusion into the City's Pilot Mills Act Program of the Liliore Green Palmer Rains Estate will have a significant effect on the environment, as no specific development is authorized by this resolution, and any future development proposed pursuant this resolution will require separate environmental analysis when the details of those proposals are known. Further, the inclusion of the Liliore Green Palmer Rains Estate into the City's Pilot Mills Act Program is an action of the City to protect and preserve an historic resource.

Section 9. GENERAL PLAN CONSISTENCY. Inclusion of the Liliore Green Palmer Rains Estate into the City's Pilot Mills Act Program is consistent with the objectives, principles, and standards of the General Plan. General Plan Policy "HP 1.4 –

Develop Incentives to Protect Significant Historic Resources” encourages the development and funding of financial and regulatory incentives to encourage the protection of historic buildings, including Mills Act contracts.

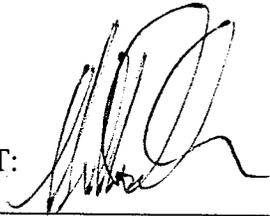
Section 10. The Cultural Heritage Commission hereby recommends that the City Council include the Liliore Green Palmer Rains Estate into the City’s Pilot Mills Act Program.

Section 11. The record of proceedings for inclusion of the Liliore Green Palmer Rains Estate into the City’s Pilot Mills Act Program is maintained by the City as part of the official records of the Community Development Department at 455 North Rexford Drive, Beverly Hills, California, 90210.

Section 12. The Secretary shall certify to the adoption of the Resolution and shall cause the Resolution and his certification to be entered in the Book of Resolutions of the Cultural Heritage Commission of the City.

Adopted November 6, 2012

ATTEST:



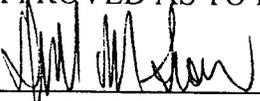
(SEAL)

Secretary



NOAH FURIE  
Chairperson of the Cultural Heritage  
Commission of the City of Beverly Hills,  
California

APPROVED AS TO FORM:

  
\_\_\_\_\_  
DAVID M. SNOW  
Assistant City Attorney

APPROVED AS TO CONTENT:

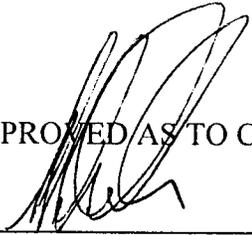
  
\_\_\_\_\_  
WILLIAM R. CROUCH  
Urban Designer

Exhibit A – Updated Mills Act Application of October 3, 2012 for 603 Doheny Road, Beverly Hills.

Exhibit B – Repair and Rehabilitation Plan (Preservation Plan) prepared by Historic Consultants, PCR Services Corporation of 233 Wilshire Blvd, Suite 130, Santa Monica in conjunction with General Contractor, PWI Group of 440 S. Hindry Ave, Suite G, Inglewood.

**EXHIBITS A and B**  
**Are now attached to the City Council Resolution**