



Office of the City Manager

CONSENT CALENDAR
May 11, 2021

To: Honorable Mayor and Members of the City Council
 From: Dee Williams-Ridley, City Manager
 Submitted by: Jordan Klein, Director, Planning and Development Department
 Subject: Mills Act Contract – 1 Orchard Lane

RECOMMENDATION

Adopt a Resolution to authorize the City Manager to enter into a Mills Act contract with Gregory LeBlanc for the City Landmark property at 1 Orchard Lane.

FISCAL IMPACTS OF RECOMMENDATION

Approving the Mills Act contract for the City Landmark property at 1 Orchard Lane would reduce the property tax bills for the owners by an estimated total of approximately \$17,725 in year one, approximately 30% (\$5,300) of which would be diverted from Berkeley's tax revenue (final amounts are determined by Alameda County after contract execution). This will be an annual impact to the City's tax revenue, as the contract runs for ten years (in comparable annual amounts) and automatically renews annually thereafter unless notice of nonrenewal is given. In turn, the work plan commits the owners to spending the anticipated tax savings on restoring the landmarked property. The Mills Act also specifies procedures for cancellation of the contract for a breach of conditions.

Council approval will allow property tax reduction for this property to begin in the 2022-2023 fiscal year.

CURRENT SITUATION AND ITS EFFECTS

On December 3, 2020, the property at 1 Orchard Lane was designated as a City of Berkeley Landmark, making the property owner eligible to take advantage of the Mills Act. The designation included analysis of historic distinguishing features and features to be preserved (see Attachment 2).

On December 3, 2020, the Landmarks Preservation Commission (LPC) reviewed the proposal by the present owner, Gregory LaBlanc, to enter into a Mills Act contract for 1 Orchard, including a proposed scope of work and maintenance schedule, and voted 8-0-0-1 (Yes: Abranches Da Silva, Adams, Adams, Crandall, Enchill, Finacom, Johnson, Montgomery; No: none; Abstain: none; Absent: Schwartz) to recommend approval of the Mills Act Contract application to City Council.

BACKGROUND

The Mills Act allows owners of historic properties to voluntarily enter into individual contracts with the City in order to obtain limited ad valorem tax relief at the discretion of host jurisdictions in exchange for maintaining and restoring their historic property. The property tax savings are offered to create an incentive for owners to maintain their historic properties, to designate historic properties that are currently not protected, and to purchase and upgrade already dilapidated historic properties.

In Berkeley, owners of those properties designated by the LPC as either a Landmark or a Structure of Merit may apply for a Mills Act contract. The Alameda County Assessor uses a formula, consistent with the provisions of the Mills Act, to determine the amount of property tax reduction, which applies a capitalization rate to the calculated net operating income for the property under the Mills Act contract. The Mills Act application includes a ten-year work plan to restore and maintain the subject property. The total investment in the work plan is intended to equal or exceed the total amount of the property tax relief over the contract period.

On February 24, 1998, the Berkeley City Council passed Resolution No. 59,355-N.S. which authorizes the local use of the Mills Act of 1972, as amended, which is codified in California Government Code Section 50280-90 and Revenue and Taxation Code Section 439.

In 2011, State law was amended to include more specific requirements regarding inspection, fees, and cancellation. The amendments clarified that the local legislative body may require fees for providing services pursuant to the Mills Act; shall inspect the property prior to a new agreement and then every five years thereafter; and shall cancel the contract if it determines that the owner has breached the conditions of the contract. As a result of these amendments, Land Use Planning fees for the approval and monitoring of these contracts were added in July 2012, and an ongoing inspection program is in place.

RATIONALE FOR RECOMMENDATION

In order to qualify for Mills Act consideration, 1) the property must qualify as historic; 2) the contract must adequately meet the requirements for Mills Act contracts; and 3) the type of improvements outlined in the work plan must meet the City standards, which require that tax savings be used according to the rules and regulations outlined in the Act.

The property located at 1 Orchard Lane is eligible for the Mills Act contract because it is designated as a City of Berkeley Landmark. The contract format has been reviewed by the City Attorney's Office for conformance to all relevant City and State regulations. Finally, the contract includes a comprehensive work plan that the property owners have agreed to complete within the first ten-year contract period (see

Attachment 3) and that provide for the property “use, maintenance and restoration as to retain its characteristics as property of historical significance.” The LPC has concluded that the proposed work plan meets the standards adopted by the City Council, and the costs of the proposed improvements are anticipated to equal or exceed the tax savings afforded the owners.

ENVIRONMENTAL SUSTAINABILITY

Approval of the contract would encourage historic resource rehabilitation, materials conservation, and construction and demolition waste diversion.

ALTERNATIVE ACTIONS CONSIDERED

The Council could deny the application if it found that it did not satisfy the requirements of the Act.

CONTACT PERSON

Jordan Klein, Director, Planning and Development Department, 510-981-7534
Fatema Crane, Senior Planner/LPC Secretary, 510-981-7413
Alison Lenci, Assistant Planner/LPC Clerk, 510-981-7544

Attachments:

1. Draft City Council Resolution
2. LPC NOD, Landmark Designation, December 3, 2020
3. Rehabilitation and Maintenance Plan, received January 2020
4. LPC November 5, 2020 Staff Report

RESOLUTION NO. ##,###-N.S.

AUTHORIZING THE CITY MANAGER TO EXECUTE A MILLS ACT CONTRACT AND ANY NECESSARY AMENDMENTS WITH GREGORY LABLANC, FOR THE MAINTENANCE AND RESTORATION OF A HISTORIC PROPERTY LOCATED AT 1 ORCHARD LANE, IN RETURN FOR THE OWNER TO OBTAIN A PROPERTY TAX REDUCTION

WHEREAS, on February 24, 1998, the Berkeley City Council adopted Resolution No. 59,355-N.S. which authorized the use of Mills Act contracts; and

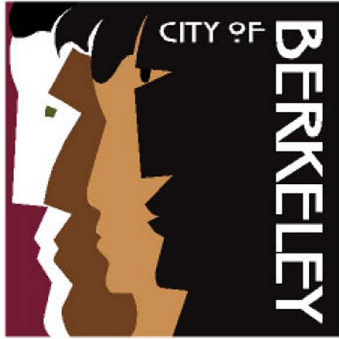
WHEREAS, on December 3, 2020, 1 Orchard Lane was designated as a City of Berkeley Landmark and became eligible to take advantage of the Mills Act; and

WHEREAS, on December 3, 2020, the Landmarks Preservation Commission reviewed the proposed projects listed in the Mills Act Contract Application for 1 Orchard Lane, and recommended that the City Council enter into a Mills Act contract with the property owner; and

WHEREAS, the City of Berkeley Mills Act program requires each contract to be approved by the City Council and signed by the City Manager; and

WHEREAS, the City Council, in light of all evidence, finds that the contract is consistent with the purposes of the Mills Act program.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Berkeley that the City Manager is authorized and directed to execute a Mills Act Contract and any necessary amendments with Gregory LaBlanc for the maintenance and restoration of the historic property located at 1 Orchard Lane and in return offer a property tax reduction for a period of at least ten years, with a recorded copy of such contract and amendments to be on file in the Office of the City Clerk and Alameda County Clerk- Recorder.



LANDMARKS
PRESERVATION
COMMISSION

NOTICE OF DECISION

DATE OF BOARD DECISION: December 3, 2020
DATE NOTICE MAILED: January 26, 2021
APPEAL PERIOD EXPIRATION: February 9, 2021
EFFECTIVE DATE OF PERMIT (Barring Appeal or Certification): February 10, 2021¹

1 Orchard Lane

The Steilberg House and Cottages

Landmark application (#LMIN2020-0006) for consideration of City Landmark or Structure of Merit designation status for a residential property [APN 055-1862-009-00] in the Panoramic Hill District, listed on the National Register of Historic Places.

The Landmarks Preservation Commission of the City of Berkeley, after conducting a public hearing, **APPROVED** the following permit:

- City Landmark or Structure of Merit designation status, pursuant to Berkeley Municipal Code Section 3.24.110.A-B

INITIATOR: Landmarks Preservation Commission

ZONING DISTRICT: E-SR, Environmental Safety-Residential District

ENVIRONMENTAL REVIEW STATUS: Categorical Exemption under Section 15061 of the Public Resources Code, Guidelines for implementation of the California Environmental Quality Act (CEQA) – Review for Exemption.

¹ Pursuant to BMC Section 23B.32.090, the City Council may “certify” any decision of the LPC for review, which has the same effect as an appeal. In most cases, the Council must certify the LPC decision during the 14-day appeal period. However, pursuant to BMC Section 1.04.070, if any portion of the appeal period falls within a Council recess, the deadline for Council certification is suspended until the first Council meeting after the recess, plus the number of days of the appeal period that occurred during the recess, minus one day. If there is no appeal or certification, the Use Permit becomes effective the day after the certification deadline has passed.

LANDMARKS PRESERVATION COMMISSION
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City Landmark designation status - #LMIN2020-0006
1 Orchard Lane – The Steilberg House and Cottages
January 26, 2021
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The application materials for this project are available online at:
<http://www.cityofberkeley.info/zoningapplications>

FINDINGS, CONDITIONS AND APPROVED PLANS ARE ATTACHED TO THIS NOTICE

COMMISSION VOTE: 8-0-0-1

YES: ABRANCHES DA SILVA, ADAMS, ALLEN, CRANDALL, ENCHILL, FINACOM,
JOHNSON, MONTGOMERY

NO: None

ABSTAIN: None

ABSENT: SCHWARTZ

Note New Methods for Submitting Appeals during Shelter-In-Place Order

TO APPEAL THIS DECISION (see Section 3.24.300 of the Berkeley Municipal Code):

To appeal a decision of the Landmarks Preservation Commission to the City Council during the 2020 City Council Shelter-In-Place Order, you must:

1. Mail a letter clearly and concisely setting forth the grounds for the appeal with a check or money order for required fees to the City Clerk, located at 2180 Milvia Street, 1st Floor, Berkeley, 94704. The City Clerk's telephone number is (510) 981-6900.

OR

Alternatively, you may email your complete appeal and all attachments to the Planning Department at planning@cityofberkeley.info and include a telephone number where you can be reached during the day. Planning Department staff will call you within three business days to obtain payment information for the required fees by credit card *only*.

- a. Pursuant to BMC Section 3.24.300.A, an appeal may be taken to the City Council by the application of the owners of the property or their authorized agents, or by the application of at least fifty residents of the City aggrieved or affected by any determination of the commission made under the provisions of Chapter 3.24.
2. Submit the required fee (checks and money orders must be payable to 'City of Berkeley'):
 - a. The basic fee for persons other than the applicant is \$500. This fee may be reduced to \$100 if the appeal is signed by persons who lease or own at least 50 percent of the parcels or dwelling units within 300 feet of the project site, or at least 25 such

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City Landmark designation status - #LMIN2020-0006

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persons (not including dependent children), whichever is less. Signatures collected per the filing requirement in BMC Section 3.24.300.A may be counted towards qualifying for the reduced fee, so long as the signers are qualified. The individual filing the appeal must clearly denote which signatures are to be counted towards qualifying for the reduced fee.

- b. The fee for appeals of affordable housing projects (defined as projects which provide 50 percent or more affordable units for households earning 80% or less of Area Median Income) is \$500, which may not be reduced.
 - c. The fee for all appeals by Applicants is \$2500.
3. The appeal must be received prior to 5:00 p.m. on the "APPEAL PERIOD EXPIRATION" date shown above (if the close of the appeal period falls on a weekend or holiday, then the appeal period expires the following business day).

If no appeal is received, the landmark designation will be final on the first business day following expiration of the appeal period.

NOTICE CONCERNING YOUR LEGAL RIGHTS:

If you object to this decision, the following requirements and restrictions apply:

1. If you challenge this decision in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the Landmarks Preservation Commission at, or prior to, the public hearing.
2. You must appeal to the City Council within fifteen (15) days after the Notice of Decision of the action of the Landmarks Preservation Commission is mailed. It is your obligation to notify the Land Use Planning Division in writing of your desire to receive a Notice of Decision when it is completed.
3. Pursuant to Code of Civil Procedure Section 1094.6(b) and Government Code Section 65009(c)(1), no lawsuit challenging a City Council decision, as defined by Code of Civil Procedure Section 1094.6(e), regarding a use permit, variance or other permit may be filed more than ninety (90) days after the date the decision becomes final, as defined in Code of Civil Procedure Section 1094.6(b). Any lawsuit not filed within that ninety (90) day period will be barred.
4. Pursuant to Government Code Section 66020(d)(1), notice is hereby given to the applicant that the 90-day protest period for any fees, dedications, reservations, or other exactions included in any permit approval begins upon final action by the City, and that any challenge must be filed within this 90-day period.
5. If you believe that this decision or any condition attached to it denies you any reasonable economic use of the subject property, was not sufficiently related to a legitimate public purpose, was not sufficiently proportional to any impact of the project, or for any other reason constitutes a "taking" of property for public use without just compensation under the California or United States Constitutions, your appeal of this decision must including the

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following information:

- A. That this belief is a basis of your appeal.
- B. Why you believe that the decision or condition constitutes a "taking" of property as set forth above.
- C. All evidence and argument in support of your belief that the decision or condition constitutes a "taking" as set forth above.

If you do not do so, you will waive any legal right to claim that your property has been taken, both before the City Council and in court.

PUBLIC COMMENT:

Communications to Berkeley boards, commissions or committees are public record and will become part of the City's electronic records, which are accessible through the City's website. **Please note: e-mail addresses, names, addresses, and other contact information are not required, but if included in any communication to a City board, commission or committee, will become part of the public record.** If you do not want your e-mail address or any other contact information to be made public, you may deliver communications via U.S. Postal Service or in person to the secretary of the relevant board, commission or committee. If you do not want your contact information included in the public record, please do not include that information in your communication. Please contact the secretary to the relevant board, commission or committee for further information.

FURTHER INFORMATION:

Questions about the project should be directed to the project planner, Fatema Crane, at (510) 981-7410 or fcrane@cityofberkeley.info or lpc@cityofberkeley.info

ATTACHMENTS:

- 1. Findings for Approval
- 2. Landmark application



ATTEST: _____
Fatema Crane, Secretary
Landmarks Preservation Commission

Cc: City Clerk
Gregory LaBlanc, property owner

ATTACHMENT 1 , PART 2

FINDINGS

DECEMBER 3, 2020

1 Orchard Lane – The Steilberg House and Cottages

Landmark application #LMIN2020-0006 for the consideration of City Landmark or Structure of Merit designation status for a residential property [APN 055-1862-009-00] in the Panoramic Hill District, listed on the National Register of Historic Places.

PROJECT DESCRIPTION

Landmark Designation of the property at 1 Orchard Lane, the Steilberg House and Cottages.

CEQA FINDINGS

1. The project is found to be exempt from the provisions of the California Environmental Quality Act (CEQA, Public Resources Code §21000, et seq.) pursuant to Section 15061.b.3 of the CEQA Guidelines (activities that can be seen with certainty to have no significant effect on the environment).

LANDMARK PRESERVATION ORDINANCE FINDINGS

1. Pursuant to Berkeley Municipal Code/Landmarks Preservation Ordinance Section 3.24.110.A.5, the Landmarks Preservation Commission finds that the subject property meets the *National Register* criterion for City Landmark designation status; this property includes: the main building at 1 Orchard Lane, constructed in 1922, the cottage and garage combination and the pergola, playhouse and garage combination referred to as 1 Panoramic Way, constructed in 1921 (garage constructed in 1931), and the cottage referred to as 4 Mosswood Lane, constructed in 1930, all designed by architect Walter Steilberg. Owing to its 2005 listing on the National Register of Historic Places (Designation #05000424), as a contributor to the Panoramic Hill Historic District, this District is historically significant in the area of architecture as a neighborhood that represents the Bay Area Tradition, period of significance 1901-1950.

FEATURES TO BE PRESERVED, OR RESTORED WHERE POSSIBLE

1. This designation shall apply to the subject property and the following distinguishing features shall be preserved or, if irreparably damaged, replaced in a manner that provides for the same external appearance as the original.

Features of the Site:

1. Board-formed concrete retaining walls, curved with regular circular drain or pressure relief holes (at south entry walk to rear lower entrance of house)
2. Brick terrace and stairs with wrought iron railings (at front, west)
3. Built-in concrete paved patio w/ concrete benches (at rear, northeast)
4. Brick entry posts, steps and walk, herringbone field, entering property from Orchard Lane
5. Decorative railings
6. Decorative brick and tile patterned paving of lower west terrace between garage apartment and playhouse
7. Use of native Berkeley rhyolite stone in garden, staircases, and pathway walls, "grotto" under west porch, and planter beds and other features; some use of grey salvaged cobblestones in planter bed edging and walls. If built landscape features are deteriorated and must be repaired or altered, stones of these types should be salvaged and reused on site in landscape features
8. Use of concrete "beams" in two landscape retaining walls, which may represent a Steilberg experimentation in constructing concrete crib walls; if these walls must be altered, beams should be salvaged and reused on site
9. An overall informal and rustic landscape character of buildings in an informal compound, set in a landscape of pathways, staircases, outdoor terraces and planting areas, generally conforming to the natural hillside topography, with informally placed trees, shrubs, and plantings, including native California live oaks, and Lombardy poplars
10. Unpainted concrete retaining walls along lower (Panoramic Way) edge of site, with brick coping
11. Garden perimeter on east and south adjoining public staircases and paths edged with informal tree and shrubbery plantings that permit views of the house. If fencing is required at any point in the future it should be visually permeable and integrated with landscape, not a high wall
12. Original unpainted wooden fencing with vertical planks with decorative cutouts and wooden caps
13. Redwood pergola along terrace between garage cottage and playhouse* (pergola was removed by previous owners.)

Features of 1 Orchard Lane - Main Building:

14. All extant, exterior building features characteristic of the First Bay Tradition
15. Overall building form and massing
16. Large three-story octagonal tower/cupola which dominates the western façade, with windows oriented to view towards San Francisco Bay and Berkeley campus to the west and northwest

*Feature to be restored where possible

17. Third story balustrade of tower formed by Steilberg's trademark glazed green Oriental perforated tiles
18. Stucco-faced chimneys (2)
19. Unpainted redwood shingles (if irreparably deteriorated, may be replaced with other wood and finish to match original)
20. Rose colored, dash-finished stucco
21. Green painted window trim to match the original surrounding almond trees
22. Underside of the eaves painted sky blue*
23. Mullions of amber glass and obscure glass with textured surface and a faint purple / gray tint. (if glass is broken and exacting matching glass is not available, match in most closely similar style available)
24. Elaborate and Expansive Fenestration
25. Custom-designed lighting fixtures and door handles
26. Wood entry door, true-divided (3/4)
27. Wood French doors: plain; true-divided (2/4); with transoms, true-divided (4/1)
28. Leaded glass (at tower)
29. Wood doors: True-divided (2/4), w/ transoms, true-divided (2/1), leaded glass (2, at front)
30. Wood picture windows with ornamental grille (2 at first floor tower)
31. Wood picture window w/ ornamental upper lites, 5-lite transom with leaded glass (at front)
32. Wood window, arched, leaded glass (at entry)
33. Wood casement windows: plain; true-divided (2/3) with transoms (1/2) or with decorative upper lites, amber glass or leaded glass transoms
34. Wood windows, pair, with single upper lite, fixed wood panel between (1 at front and 1 at rear)
35. Redwood trim boards: belt course; window/door casings, sills; roof eaves
36. Redwood gutters (have been previously replaced. If replaced, gutters should visually match original appearance, but need not be wood)
37. Wrought iron balcony rail
38. Wood crawl space door, arched (at front, west), with ornamental metal grill
39. Glazed ceramic vent tiles
40. Arched, open, "grotto" with interior of rough Berkeley rhyolite in west facing stucco wall below west terrace / porch (may have contained a water feature)

Features of 1 Panoramic Way – Cottage & Garage combination:

41. All extant, exterior building features characteristic of the First Bay Tradition architectural design
42. Overall building form and massing
43. Small-scale, one story, unpainted wood cottage atop two-car garage
44. Redwood garage doors with three sets of four-paned wood windows and decorative cut-outs that are hinged and roll along a metal track inside the garage
45. Separate single vehicle roofed concrete walled parking bay inserted into hillside below terrace, immediately south of cottage
46. Wood Bay window with green-painted sashes and decorative mullions on the western façade of the cottage

*Feature to be restored where possible

47. Steilberg's trademark glazed green Oriental perforated tiles
48. Set of wood Dutch doors painted green, with two nine-paned windows set within, at the south elevation of the cottage
49. One six-paned wood window with green-painted sash on south façade
50. One double-paned wood window with green-painted sash on south façade
51. Four, four-paned wood windows with amber glass and green-painted sashes on east façade
52. Four double-hung wood windows with green-painted sashes on east façade
One double-paned wood dormer window with green-painted sash on east facade
53. One six-paned wood window with green-painted sash on north façade
54. One wood entry door painted green, with one nine-paned window set within, on north façade
55. Two, six-paned wood windows with green-painted sashes on north façade
56. Glazed ceramic vent tiles

Features of 1 Panoramic Way – Pergola, Playhouse & Garage combination:

57. All extant, exterior building features characteristic of the First Bay Tradition architectural design
58. Overall building form and massing
59. Low-pitch gable roof
60. Redwood eaves
61. Redwood shingle siding
62. Unpainted redwood doors on north façade
63. 18 lite picture window with amber glass and green-painted sash, with a centered decorative medallion on west façade
64. 15 lite window with amber glass and green painted sash on south façade
65. Amber glass in windows
66. Wide brick walkway/terrace that extends from north edge of the cottage and runs parallel along Panoramic Way and included decorative tile inserts
67. Pergola to resemble original Steilberg plans and any extant photographs*

Features of 4 Mosswood Lane - Cottage:

68. All extant, exterior building features characteristic of the Mediterranean style
69. One and one half story massing
70. Shallow gable roof of terracotta tiles, colored black or grey on top surface
71. Ornamental unglazed terra cotta end piece to tile ridge line coping of roof
72. Open air rooftop terrace accessed by curving, cast concrete staircase
73. Fabricrete building material on exterior, integral color, unpainted
74. Open air entry staircase from Panoramic Way adjoining building on north side
75. One nine-paned fixed window with green-painted sash on east façade
76. One two-paned casement window with amber glass, green-painted sash and tile sill, on east façade
77. One ten-paned fixed window with green-painted sash on north façade
78. One three-paned fixed window with green-painted sash and tile sill on north façade
79. Two fixed windows with leaded designs in colored glass and tile sills on north façade

*Feature to be restored where possible

80. One large nine-paned fixed picture window with green-painted sashes and tile sills, flanked by two, three-paned casement windows with green-painted sashes and tile sills on the western façade
81. One multi-lite window with green-painted sash on west façade
82. Set of three-paned casement windows, with green-painted sashes and tile sill on west façade
83. One three-paned fixed window with green-painted sash and tile sill on west façade
84. One four-paned casement window with green-painted sash on west façade
85. One three-paned fixed window with green-painted sash and tile sill on south façade
86. Set of three-paned casement windows, with green-painted sashes and tile sill on south façade
87. One multi-lite window with green-painted sash on south façade
88. Roof top terrace
89. Curving stairway that breaks the roofline on the front facing, eastern elevation
90. Steilberg's trademark glazed green Oriental perforated tiles, and one brown tile in same pattern
91. Custom-designed lighting fixtures*
92. Front doorway with leaded designs in colored glass (damaged portions of glass replaced in kind in recent years to match original)
93. Two small wooden doors on either side of entrance alcove, concealing utility connections
94. Street address hand painted vertically on wall by door in almond green
95. Wood trellis with fabricrete cylindrical support column on the western façade

*Feature to be restored where possible

MILLS ACT MAINTENANCE
REHABILITATION SCHEDULE

Feature	Location	Character Defining?	Condition	Recommended Treatment	Schedule	Budgets (from quotes- see notes)	Notes
Stucco and wood shingle cladding and wood work	All	Yes	Fair	Repair and repaint existing painted stucco and wood work (including doors, windows and trim work); repair and clean existing unpainted wood shingles and trims	2021-2025	\$40,000	1
Exterior wood doors and windows	All	Yes	Fair	Repair and selectively replace in-kind	Repair 2022; replace 2026	\$15,000	2
Roofs, roof drainage and flashing	All	Yes	Good	Repair and replace roofing and drainage assemblies	Repair 2021 - 2025; reroof 2028	\$50,000	3
Structural repair and strengthening	All	Yes	Poor-fair	Make identified seismic improvements to historic structure	2021-2025	\$189,500	4
Brick-paved front steps, walk and porch	Front	Yes	Fair	Repair	2022	\$20,000	5
						Total Estimated 10yr. Budget	\$314,500

NOTES:**1. Exterior Repairs and Repainting:**

- Remove all loose and failed material
- Sand and clean all surfaces scheduled for painting work
- Epoxy any small areas of rotted out wood and perform small scale repairs as needed
- Full prime to all surfaces scheduled for finish paint
- Patch and repair cracks where necessary and closely match existing texture and patterns when possible
- Spot prime where patched
- Caulk wood joints
- Finalize selection and apply finish coats

2. Windows:

- Replacement of 3 exterior doors - at first floor dining room (french doors) and third floor deck, to match original/existing
- Replacement of 2 windows - at first floor living room (picture window) and second floor bath (casement), to match original/existing

3. Reroofing:

- Remove existing roofing and drainage assemblies and replace with new roofing and drainage assemblies sim. to existing

4. Structural:

- Add straps and plywood shear panels at front and rear basement areas
- Remove and replace approx. 150 ft. of footings at low crawl spaces
- Underpin portions of existing foundations w/ approx. 8 piers
- Remove and replace front porch retaining wall and steps (see below for finish brick and railing work)

5. Site work at Front:

- Remove and reset brickwork and railings, including in-kind replacement

ATTACHMENT 4



L A N D M A R K S
P R E S E R V A T I O N
C O M M I S S I O N
S T A F F R E P O R T

FOR COMMISSION ACTION
NOVEMBER 5, 2020

1 Orchard Lane – The Steilberg House & Cottages

Mills Act Contract Application #LMMA2020-0001 for a single-family residence, The Steilberg House, located in the National Register of Historic Places Panoramic Hill District.

I. Application Basics

Parties Involved:

- Applicant/Property Owner: Gregory LaBlanc
1 Orchard Lane
Berkeley, CA
- Historic Resource Consultant: Mark Hulbert, Historic Architect
446 17th Street, #302
Oakland, CA

II. Recommendation

Staff recommends that the Commission recommend to City Council that they approve the Mills Act Contract request for the subject property, contingent upon local designation.

Figure 1: Vicinity Map

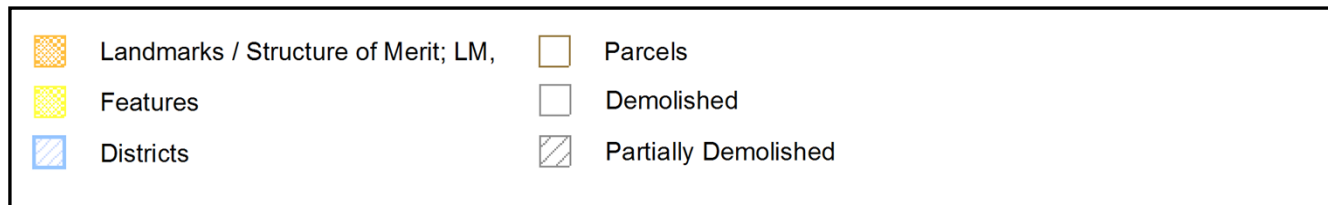
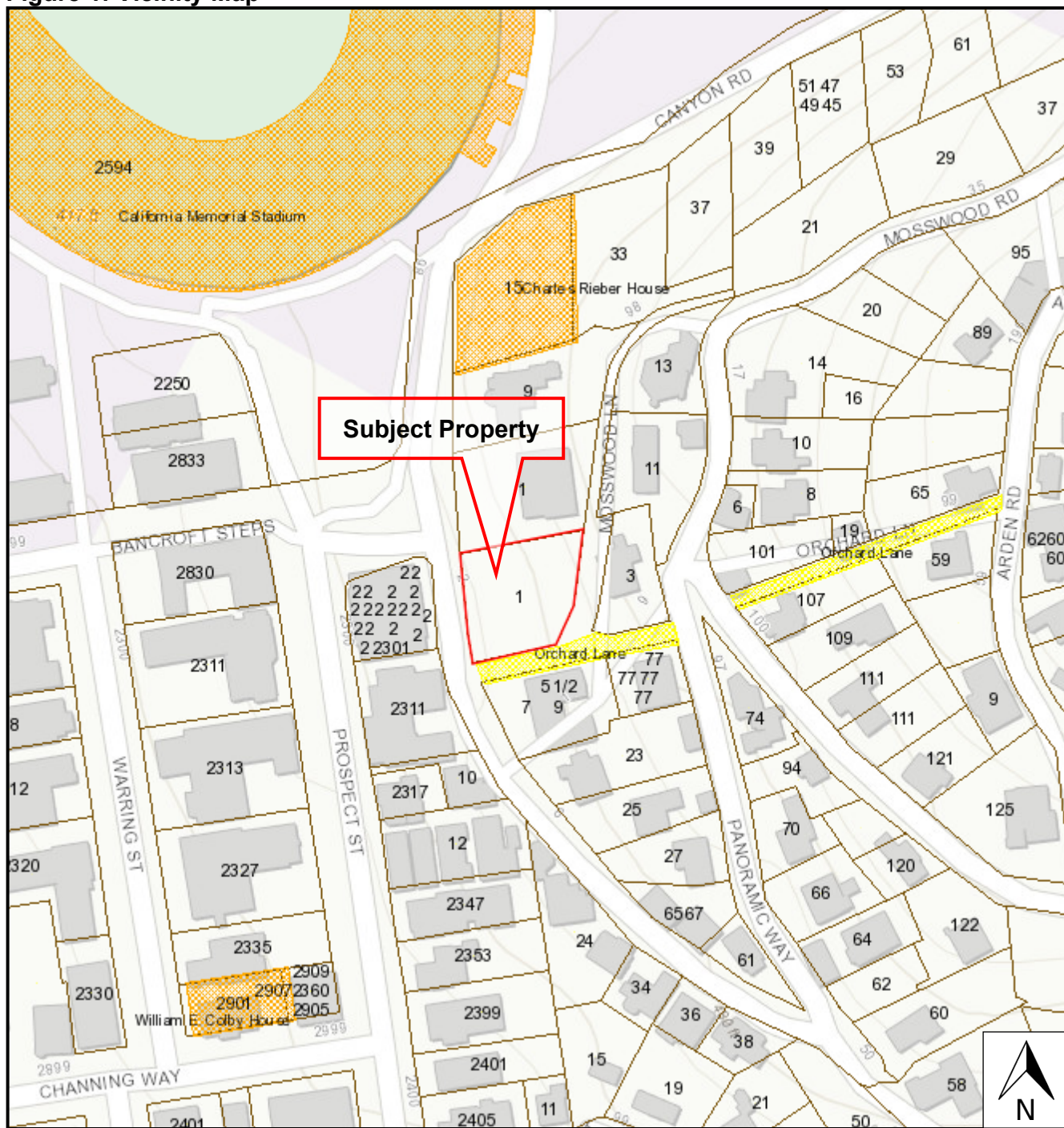
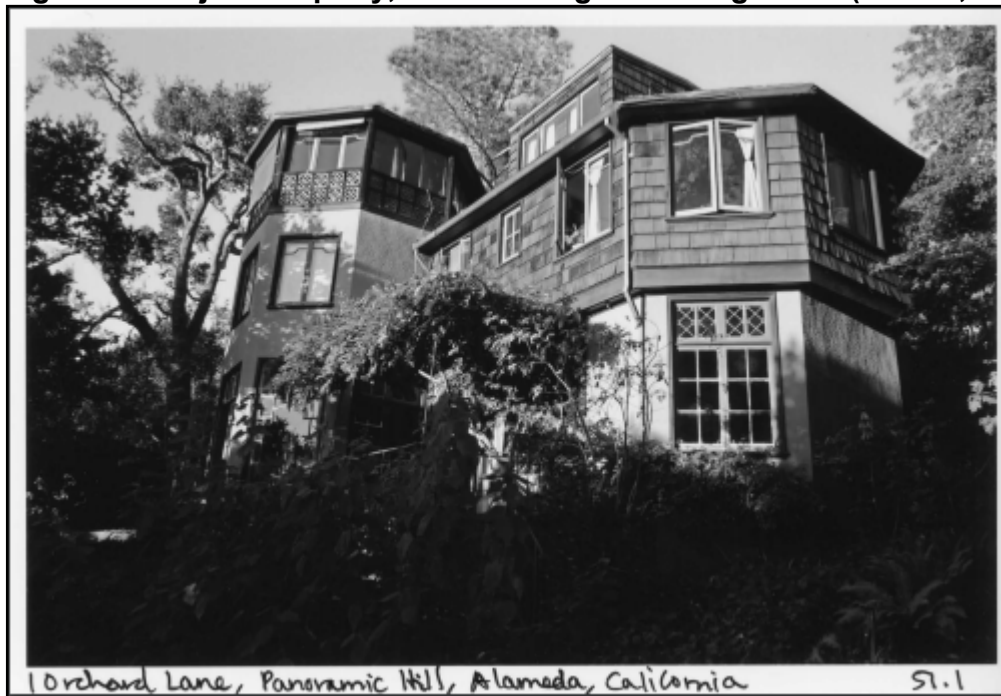


Figure 2: Subject Property, current site conditions (City Staff, September 2020)



Figure 3: Subject Property, National Register Designation (Drotos, 2004)



III. Background

Site Information:

The subject property is an 11,147 square foot through lot situated on the east side of Canyon Road and Panoramic Way, bounded by Orchard Lane to the south and Mosswood Lane to the east. The property contains one three-story main building, referred to as 1 Orchard Lane that is setback into the steeply sloped lot, which can be accessed by the Orchard Lane Beaux-Arts staircase, beginning at Panoramic Way. In addition, the property includes a small single-family cottage atop a two-car concrete garage, sited at the northwest corner of the property, referred to as 1 Panoramic Way. A wide brick walkway and pergola runs parallel to Panoramic Way until it meets a brown shingle playhouse with amber glass in windows at the end. At the rear, northeast corner of the property, is a one and one half story single-family cottage, referred to as 4 Mosswood Lane that is only accessible by foot from Mosswood Lane; see Figure 1.

The property is within the Environmental Safety-Residential (ES-R) zoning district and within the Panoramic Hill Historic District, listed on the National Register of Historic Places (Designation #05000424) under criterion C (Design/Construction) at the local level of significance. All buildings and structures on the parcel are listed on the NR (Designation #05000424) as contributing buildings and structures, under criterion C at the local level of significance. See Attachment 4 for a link to the complete NR Designation #05000424 for the Panoramic Hill District.

Application Chronology:

Earlier this year, the applicant and owner submitted a Mills Act Contract Application for the main residence, the Steilberg House, located at 1 Orchard Lane. In order for a property to be eligible to enter into a Mills Act Contract with the City, it must be listed on the City's local register. The property is currently listed on the National Register, and is pending designation as a City of Berkeley landmark.

On August 6, 2020, the Commission initiated landmark or structure of merit designation consideration of this property pursuant to Berkeley Municipal Code (BMC) Section 3.24.120. On October 1, 2020, staff presented the Commission with a report, supplemental memorandum and recommended findings in support of landmark designation. The Commission asked for additional information and materials, and continued the hearing to the November 5, 2020 meeting. Per the Commission's request, staff will present the information at tonight's hearing. If the Commission designates the property as a City Landmark or Structure of Merit, then the Commission may also consider the Mills Act Contract application request.

IV. Issues and Analysis

The historic resource consultant's *Historic Architectural Report for the Mills Act Application* is provided as Attachment 1. This document includes the consultant's summary of *Character Defining Features* on pages 4-5, *the Mills Act Work Program* for maintenance and repairs on pages 5-6, and photographs of existing conditions on pages 7-12. The proposed *Rehabilitation & Maintenance Schedule* outlines proposed building exterior and site improvements for the main residence over a projected 10-year period and includes the

City's financial analysis spreadsheet for estimating potential Mills Act tax savings for this request; see Attachment 2. Improvements to the exterior of the Steilberg House include, but are not limited to: replacing the existing roof and drainage assemblies and flashing, seismic improvements to the building, repairing and repainting exterior stucco and wood work, and repairing and selectively replacing exterior windows and doors. Improvements to the site include replacing brick-paved front steps, walkway, porch, and railings in-kind.

The work proposed under this Mills Act Contract is considered ordinary maintenance and repairs and is not subject to a Structural Alteration Permit (SAP), pursuant to BMC Section 3.24.220.A.1. However, any future work proposed on the exterior of the building that would not be considered ordinary maintenance and repairs, would require a SAP application for review and approval by the Landmarks Preservation Commission.

All improvements included in the proposed Rehabilitation & Maintenance Schedule would affect historic, character defining features of the building and site. Please see Attachment 2, for the complete Rehabilitation & Maintenance Schedule.

The work plan items appear to be justifiable in that they constitute restoration, repair, rehabilitation and continued maintenance of the subject property. Further, they would provide for the property's "use, maintenance and restoration as to retain its characteristics as property of historical significance," as provided for in the Mills Act, Government Code Sections 50280 et. Seq., as authorized by the Berkeley City Council per Resolution No. 59,355 – N.S. For these reasons, staff concludes that the proposed tasks represent improvements that are consistent with the requirements of the Mills Act.

V. Mills Act Contract Proposal

The intent of the Mills Act is to provide property tax relief so that the property owners entering into Mills Act Contracts with the City will spend the property-tax money that is saved through the Contract on preserving and/or restoring their property. The applicant's proposed 10-year plan of improvements is.

Feature	Treatment (as recommended by historic resource consultant)	Estimated Year of completion
Exterior stucco cladding and woodwork	Repair and repaint existing painted stucco and wood work (including doors, windows, and trim work); repair and clean existing unpainted wood shingles and trims	2021-2025
Exterior wood doors and windows	Repair	2022
	Selective replacement in-kind	2026
Roof, drainage & flashing	Repair	2021-2025
	Re-roof, including drainage assembly	2028
Structural repair and strengthening	Make identified seismic improvements to the historic structure	2021-2025
Brick-paved front steps, walk and porch	Repair	2022

The working financial analysis spreadsheet, provided as Attachment 3, estimates that the cost of the owner's proposed improvements over a 10-year period would be approximately \$314,500 and the estimated total tax savings over the 10-year period would be approximately \$178,153, starting at an annual savings of \$17,786 and then decreasing to approximately \$17,766 by the tenth year of the program.

VI. Recommendation

Because staff has determined that all work proposed in the Mills Act Contract work plan provides for the properties "use, maintenance and restoration as to retain its characteristics as property of historical significance", staff is recommending that the Commission:

- Recommend that City Council approve the Mills Act Contract request for the subject property, contingent upon local designation.

Attachments:

1. Historic Architectural Report for the Mills Act Application, received January 2020
2. Rehabilitation & Maintenance Schedule, received January 2020
3. Updated Working Financial Analysis Spreadsheet, received October 2020

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