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CALIFORNIA



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Febrary 13, 2022

Cultural Heritage Commission,
Los Angeles Department of City Planning

Ken Bernstein
Director,
Office of Historic Resources,
Los Angeles Department of City Planning

Lambert Giessinger
Historic Preservation Architect,
Office of Historic Resources,
Los Angeles Department of City Planning

VIA EMAIL

Re: Proposed Mills Act Amendment

To Whom It May Concern:

At a special public meeting on February 13, 2022, the Board of Directors of the Downtown Los Angeles Neighborhood Council ("DLANC") voted to provide the following comments on the City's assessment of the Mills Act Historic Contract Program, now underway:

Since the creation of the Adaptive Reuse Ordinance (ARO) in 1999, Downtown Los Angeles has transformed into a 24-hour community with many historic and architecturally significant structures saved, restored, and converted to housing and other mixed-uses. The ARO, coupled with the Mills Act, can be credited to this significant transformation in our community and equally for the creation of Affordable Housing, and an increase in first-time property ownership for many in our community.

While DLANC and its constituents recognize the need for reforms to the Program, particularly with regard to costs associated with its administration and enforcement, DTLA constituents have concerns about the adoption of several recommendations proposed by Chattel, including the unconditional revision of all existing contracts.

In a time of increasing housing unaffordability and economic uncertainty, we encourage the City to consider the broader economic and social benefits of the Program, namely how it shields renters from the costs associated with historic preservation, and how it helps to diversify our neighborhoods. Many are concerned about the impact of a decision to “sunset” all contracts after 20 years. Such a decision may have the unintended consequence of displacing some of Downtown’s low and middle-income residents as a result of higher rents or property taxes.

A 20-year term limit on all contracts would also threaten future historic preservation efforts, which in turn would harm the City’s effort to protect character-defining and culturally significant buildings and places in our community.

Therefore, DLANC recommends OHR and the CHC consider the following recommendations:

- Audit the performance of consultants hired to perform, on the City’s behalf, tasks associated with the Mills Act Program, including annual compliance inspections and program administration
- Include Qualified Census Tracts as a Priority Consideration Criteria as defined in LAAC Sec. 19.142.
- Work with the Department of Building & Safety and the City Attorney to develop a cohesive enforcement strategy through the creation of an Ordinance to create a cohesive contract termination and citation structure for properties not in compliance.
- Create provisions in the Mills Act program to factor inflation and rising costs for historic preservation - this can include an audit of the program by OHR every 5 years to assess the health of the program.
- Create robust tenant anti-displacement measures to protect multi-family and affordable housing units that participate in the Mills Act program, particularly with properties that are either seeking entry into the program.
- Investigate less burdensome eligibility requirements to reduce the barrier of entry for under-represented and other at-risk communities.
- Create an Open Data system to show the distribution of participating properties, inspections, and non-compliance/enforcement efforts by the department.
- Seek alternatives to the contract-renewal process to develop framework/timeline for proposed improvements to historic properties due to the cost, time, and technical challenges related to historic preservation.

*** SUBJECT TO APPROVAL BY DLANC BOARD OF DIRECTORS ON FEBRUARY 13, 2022 ***

Sincerely,

Claudia Oliveira
President,
DLANC

Ryan Afari
Chair,
DLANC Planning & Landuse Committee

Cc: Office of Historic Resources, Department of City Planning (via email)
External Affairs Unit, Department of City Planning (via email)
Council District 14 (via email)
Council District 1 (via email)