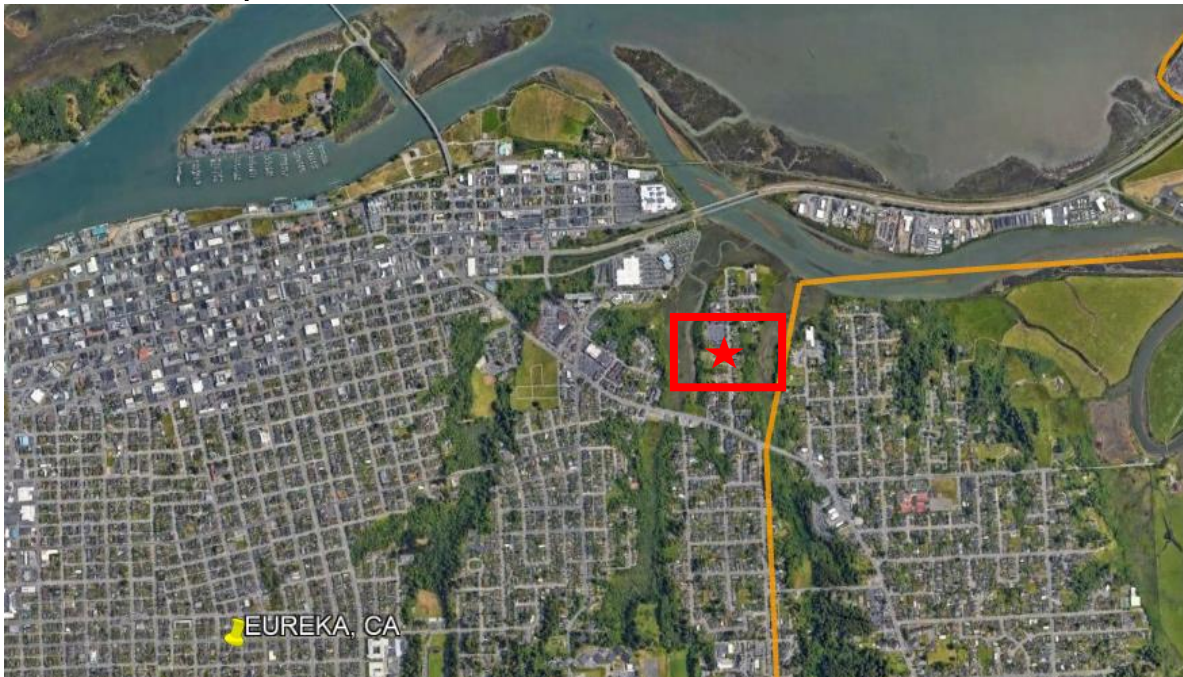


<b>Subject:</b>	Backman and Shobe Mills Act Contract and Façade Alterations
<b>Project No.</b>	Mills Act MA-23-0001 and Historic Preservation HP-24-0003
<b>Location:</b>	1214 Bay Street
<b>APN:</b>	002-182-002
<b>Applicants:</b>	Christine Backman and Justin Shobe
<b>Property Owners:</b>	Christine Backman and Justin Shobe
<b>Purpose/Use:</b>	Enter into a Mills Act contract, and replacement or rehabilitation of façade elements, including windows and a door.
<b>Application Date:</b>	October 23, 2023
<b>General Plan:</b>	LDR – Low Density Residential
<b>Zoning:</b>	R-1 – Residential Low
<b>CEQA:</b>	Exempt under §15331, Class 3I (Historical Resource Restoration/Rehabilitation)
<b>Staff Contact:</b>	Alexandra Gonzalez, Assistant Planner
<b>Recommendation:</b>	Hold a public hearing; and Adopt a resolution finding the project exempt from CEQA, recommending the City Manager enter into the Mills Act contract, and conditionally approving the façade alterations.
<b>Motion:</b>	<i>“I move the Historic Preservation Commission adopt a resolution finding the project is exempt from CEQA, recommending the City Manager enter into a Mills Act contract for the property at 1214 Bay Street, and conditionally approving the façade alterations.”</i>

Figure 1: Location Map



## **PROJECT SUMMARY**

Christine Backman and Justin Shobe (Applicants), are proposing to enter into a Mills Act contract/agreement with the City of Eureka for the maintenance, rehabilitation, and preservation of their historic property at 1214 Bay Street, and, simultaneously, seek approval from the Historic Preservation Commission (HPC) to replace the existing redwood front door with a mahogany or alder door, repair the only existing wooden window, and replace 6 single-hung vinyl windows with double-hung, fiberglass-exterior and wooden-interior windows. Per Eureka Municipal Code (EMC) §157.003(B)(2), the HPC negotiates Mills Act agreements with Mills Act applicants and recommends approval to the City Manager; and, under EMC §157.003(A)(1) any alterations visible from the streetscape must undergo review by the HPC.

**Figure 2: Site Map**



## **Background**

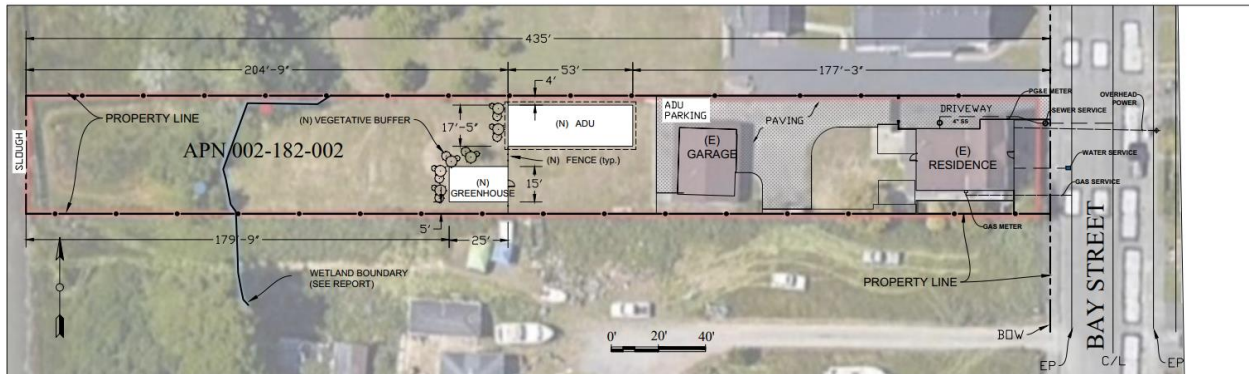
1214 Bay Street (the property) has been listed on the Local Register of Historic Places (LRHP) since 1997. The property is an elongated interior lot, approximately 21,750 square feet (sf) (0.5-acre) in size and is located in the Coastal Zone portion of the City, between Second Slough and Bay Street. The property contains a historic 1,445-sf residence, a non-historic 720-sf detached garage, with a recently permitted detached 950-sf accessory dwelling unit (ADU) and 375-sf greenhouse currently under construction.

According to the “Green Book,” the primary residence facing Bay Street was constructed in 1880, and is described as a “one-and-a-half-story frame house with gabled roof, small center cross gable, and gabled entry.” Prior to the property being added to the LRHP, a single-story garage located behind the residence (west) was constructed in 1994, a replacement of the historic residence’s porch was approved in 1994, and a change from wood roofing material to asphalt was also approved in 1987.

In June 2021, the property was acquired by the Applicants, and since then they have completed many renovations (See Table 2 for work completed in the last 2 years). In January 2023, under Building Permit B-23-0017, the site was approved - without HPC review due to the Solar Rights Act - to add 16 solar panels to the southern- and eastern-facing roof planes, and, as part of this

approval, the Applicants also replaced electrical outlets, light fixtures, and installed a new mini heat pump for the HVAC system. In January 2023, the site was approved for an ADU and greenhouse behind, and west of, the garage with the following permits: Historic Preservation HP-22-0003, Coastal Development Permit CDP-22-0002, and Building Permit B-23-774 (Figure 3).

**Figure 3: Approved ADU/Greenhouse site plan as of January 2023**



In October 2022 (during the ADU and greenhouse permitting process), the Applicants contacted City staff about the requirements for siding repairs as the siding on the southern-facing façade had significant rot and they thought it was pine and not redwood like the siding on the east side of the residence facing Bay Street. They were told that any modification to the residence or property that can be seen from the street (i.e. streetscape) can be replaced like-for-like without HPC approval. Then, in September 2023, an over-the-counter Building Permit was issued (B-23-1060 ) to replace the deteriorating pine siding with cedar siding on the southern-facing facade using “in kind, no alteration to shape or size of siding” (per the permit application) and to replace 3 single-hung vinyl windows with double-hung fiberglass-exterior and wooden-interior windows in the same size and location also on the southern-facing façade (Figure 4 and 5). Although the siding and windows were not replaced exactly like-for-like in terms of materials (siding material was pine and replaced with cedar, per the Applicants), they do look and function the same as the old materials. Since a building permit was issued, the siding and windows are legal, and no after-the-fact HPC approval is required.

**Figure 4: View of southern-facing façade prior to replacing pine siding and single-hung vinyl windows, photo taken September 2023**



**Figure 5: View of the renovated southern-facing façade using cedar for the siding, trim, skirting, and roof eave and new double-hung fiberglass exterior and wooden interior windows, photo taken January 2024**



## **ANALYSIS**

As part of Mills Act contract, the owners are proposing a mix of rehabilitation, functional improvements, and interior renovations, spread over a ten-year period. As listed in Table I below, work includes restoring and painting the siding on the northern, eastern and western-facing façades, replacing the existing redwood front door with a mahogany or alder door with a decorative glass door lite insert (Figure 6 and 7), repairing the only existing wooden window (street-facing) (Figure 7), securing the home to its foundation, replacing 6 failing single-hung vinyl windows with double-hung fiberglass-exterior and wooden-interior windows (Figure 8 and 9), replacing the galvanized plumbing with PEX plumbing, and replacing the indoor water tank heater with an outside tankless water heater on the rear/western-facing façade not visible from the street. As for the interior renovations, the Applicants propose to remodel the kitchen with new built-in cabinets, counter tops, and upgrade electrical and plumbing systems as needed. The owners have already completed some of the work included in their “Mills Act Rehabilitation Plan Cost Estimate” (See attachment 2 and Table 2 below). The estimated cost for the improvements that have not been completed is \$55,000 (also shown in Table I below).

**Table 1: Schedule and Plan for Maintenance and Treatment of the Historic Property**

Features	Work Tasks	Type of Work	Estimated Completion Date	Cost
<b>North, East, and West façades</b>	<ul style="list-style-type: none"> <li>Pressure wash, clean and sand</li> <li>Vault all gaps</li> <li>Install new flashings where needed</li> <li>Paint all surfaces</li> </ul>	Exterior Rehabilitation	Summer 2025	\$10,000
<b>Seismic Upgrades</b>	<ul style="list-style-type: none"> <li>Install gussets to secure main home floor to footings</li> <li>Repair, replace and install new footings as needed</li> </ul>	Exterior Rehabilitation <sup>1</sup>	Summer 2024	\$5,000
<b>Water Heater and Plumbing</b>	<ul style="list-style-type: none"> <li>Replace indoor tank water heater to outside tankless on the western-facing facade</li> <li>Remove galvanized plumbing and replace with PEX</li> </ul>	Exterior Rehabilitation <sup>1</sup>	Spring 2024	\$5,000
<b>Front Door, Wood window and vinyl windows</b>	<ul style="list-style-type: none"> <li>Replace front door, weather strip and seal</li> <li>Replace compromised vinyl/metal windows with new energy efficient windows</li> <li>Repair 1 original existing window and replace its missing glass,</li> <li>Weather strip and seal</li> </ul>	Exterior Rehabilitation <sup>1, 2</sup>	2027	\$15,000
<b>Kitchen</b>	<ul style="list-style-type: none"> <li>New built in kitchen cabinets</li> <li>New Counter tops</li> <li>Upgrade electrical and plumbing as needed</li> </ul>	Interior work <sup>1</sup>	2027	\$20,000
<p>1. May require a Building Permit  2. Requires review by HPC</p>				

**Table 2: Work previously completed in the last two years**

Features	Work Tasks	Type of Work	Completion Date	Cost
<b>South facing façade restoration</b>	<ul style="list-style-type: none"> <li>Removed and dispose of existing siding.</li> <li>Repaired framing members as needed</li> <li>Installed new insulation</li> <li>Installed new 1/2"cdx sheathing</li> <li>Installed new weather barrier and flashings</li> <li>Installed new siding and trim</li> <li>Installed new skirting and water table</li> <li>Paint</li> </ul>	Exterior Rehabilitation	Completed December 2023	\$23,421
<b>Solar/home improvement</b>	<ul style="list-style-type: none"> <li>Installed a 16-paneled solar system</li> <li>Installed new mini split heat pump for HVAC</li> <li>Replaced service connection with new 200 Amp service</li> <li>Replaced electrical outlets and lighting fixtures</li> </ul>	Exterior alteration	Completed April 2023	\$125,495
<b>Window Replacement</b>	<ul style="list-style-type: none"> <li>Replaced 3 vinyl windows on the southern-facing façade with fiberglass-exterior and wooden-interior windows</li> </ul>	Exterior rehabilitation	Completed Winter 2023	N/I

Because EMC §157.003(A)(1) requires any alterations visible from the streetscape undergo review by HPC, the owners are seeking approval for the following alterations now:

1. Replacing the redwood front door with a mahogany or alder door featuring a decorative glass door lite insert and paneling (Figure 6 and 7);
2. Repairing the last-existing wooden window and replacing its e plexiglass window pane with a glass pane (installed by previous owner) (Figures 8 and 9); and
3. Replacing 6 single-hung vinyl windows with double-hung fiberglass-exterior and wooden-interior windows in the same location and of the same size as the existing windows on the northern- and eastern facing façades (Figure 8, 10 and 11).

**Figure 6: Front Door to be replaced, photo taken on April 25, 2024**



**Figure 7: Proposed replacement door, can be either mahogany or alder.**



**Figure 8 Street-view of 6 vinyl windows to be replaced and original wooden window to be repaired (vinyl windows labled V-W, wood window labled W-W)**



**Figure 9: Only existing original wooden window to be repaired, photo taken on May 14, 2024**



**Figure 10: Close up view of visible water damage on the bottom right corner of 1 of 6 single-hung vinyl window to be replaced, photo taken on April 24, 2024**



**Figure 11: Photo of proposed double-hung fiberglass-exterior window, Photo taken on March 26, 2024**



## **REQUIRED FINDINGS**

### **Mills Act**

The Mills Act Property Tax Incentive Program (California Government Code §50280) grants the City of Eureka the ability to enter into agreements with private property owners or agents for the continued preservation of “qualified historical property.” The agreement is a legally binding contract between the City of Eureka and property owners ensuring the continued maintenance and improvement of the property, in return for a tax-based incentive. The owners of a Mills Act contract property must develop and adhere to a “Schedule and Plan for Maintenance and Treatment of the Historic Property” that is unique to the property, and provides a timeline for improvements to be conducted over a 10-year span. In return, the County Assessor recalculates the property taxes by assessing the property’s potential income to determine the property tax, rather than the market value of the property.

To be considered a “qualified historic property” under the Mills Act, the property must meet the following criteria:

- I. The property is located entirely within the City of Eureka.

2. The property is privately owned.
3. The property is not exempt from property taxation.
4. The property is individually listed on the City of Eureka's Local Register of Historic Places.

### **Analysis**

The property at 1214 Bay Street meets the definition of a “qualified historic property” by being entirely located within the Eureka city limits; privately owned by Christine Backman and Justin Shobe (the applicants/property owners); not exempt from property taxation; and individually listed on the LRHP. In accordance with the Mills Act requirements, the owners have provided a “Schedule and Plan for Maintenance and Treatment of the Historic Property,” which can be referenced in Table I above and is included in Attachment 2. The owners are requesting approval from the HPC for the proposed alterations in Table I simultaneously with the Mills Act application. As currently proposed, the type, style, and methods of rehabilitation prescribed in the “Schedule and Plan for Maintenance and Treatment of the Historic Property,” complies with the Secretary of the Interior Standard for Rehabilitation of Historic Properties. However, the owners must contact Development Services - Planning prior to the start of any work not contemplated in this report to determine whether the proposed work requires review by the HPC and/or building permits.

If the HPC approves the Mills Act application, the Commission's action and recommendation will be forwarded to the City Manager. The City Manager is authorized by the City Council to enter into a Mills Act contract with the property owner. Once the Mills Act contract is executed by all parties, the City will record it with the Humboldt County Recorder. The property owner will be responsible for payment of applicable recording fees.

Once the City of Eureka and a property owner enter into a Mills Act contract, the calculation of the annual property taxes lies solely with the County Assessor. The procedure for recalculating property taxes is not arbitrary; it is clearly specified in the California Taxation and Revenue Code. The City will have no control or influence in determining the property tax for the contracted property.

The Mills Act Historic Property Tax Incentive Program affects only the property taxes of the contracted historic property. It does not abrogate any obligation of the property owner to comply with all other programs, ordinances, regulations, fees, etc., affecting the property or the work proposed on the property. For example, the property owner is still subject to the regulations of the Historic Preservation Ordinance, other land use regulations, and the California Building Code. Entering into a Mills Act contract does not, in itself, waive or reduce fees for any required permits.

### **HPC Approval of Exterior Façade Alterations**

EMC §157.006(C), specifies that for properties listed on the LRHP, a proposed replacement/alteration must be considered in light of its effect on the existing historical character of the affected structure as it relates to the streetscape. Further under EMC Chapter 157, the HPC has adopted the Secretary of the Interior's Standards for the Treatment of Historic Properties (Secretary Standards) as the guidelines for alterations to historic properties and in carrying out their historic preservation responsibilities.

In the Secretary's Standards, there are four ways that a historic property may be treated; they include Preservation, Rehabilitation, Restoration, and Reconstruction. The most appropriate standard for the proposed façade alterations is *Rehabilitation*. Rehabilitation acknowledges the need to alter or add to a historic property to meet continuing or changing uses while retaining the property's historic character as it has evolved over time. This treatment standard is chosen by staff because the proposal will alter the front door and 6 vinyl windows, and repair one historic window, to complement its continuing use as a home while retaining the structure's historic character.

Rehabilitation is defined as the act or process of making possible a compatible use for a property through repair, alterations, and additions while preserving those portions or features that convey its historical, cultural, or architectural significance when possible. There are ten standards to consider when determining if Rehabilitation is the appropriate method of preserving a historic resource:

1. *A property will be used as it was historically or be given a new use that requires minimal change to its distinctive materials, features, spaces, and spatial relationships.*
2. *The historic character of a property will be retained and preserved. The removal of distinctive materials or alteration of features, spaces, and spatial relationships that characterize a property will be avoided.*
3. *Each property will be recognized as a physical record of its time, place, and use. Changes that create a false sense of historical development, such as adding conjectural features or elements from other historic properties, will not be undertaken.*
4. *Changes to a property that have acquired historic significance in their own right will be retained and preserved.*
5. *Distinctive materials, features, finishes, and construction techniques or examples of craftsmanship that characterize a property will be preserved.*
6. *Deteriorated historic features will be repaired rather than replaced. Where the severity of deterioration requires replacement of a distinctive feature, the new feature will match the old in design, color, texture, and, where possible, materials. Replacement of missing features shall be substantiated by documentary, physical, or pictorial evidence.*
7. *Chemical or physical treatments, if appropriate, will be undertaken using the gentlest means possible. Treatments that cause damage to historic materials will not be used.*
8. *Archeological resources will be protected and preserved in place. If such resources must be disturbed, mitigation measures will be undertaken.*
9. *New additions, exterior alterations, or related new construction will not destroy historic materials, features, and spatial relationships that characterize the property. The new work shall be differentiated from the old and will be compatible with the historic materials, features, size, scale and proportion, and massing to protect the integrity of the property and its environment.*

*10. New additions and adjacent or related new construction will be undertaken in such a manner that, if removed in the future, the essential form and integrity of the historic property and its environment would be unimpaired.*

### **Analysis**

The intent of the exterior alterations is to rehabilitate and preserve the historic character of the home. The property was historically used as a residence and continues to be used as a residence; therefore, the property is used as it was historically and the use does not change as a result of the proposed project (Standard 1)

The removal of historic materials is limited to the front door which can be described as a redwood-door with deteriorated panels, a missing “door lite” (i.e. a glass door window pane) which was replaced with plexiglass by the previous owner, and extensive swelling which prevents the door from properly closing and being weather sealed. The property adjoins Eureka’s Second Slough, which exposes it to constant high levels of humidity, and this long-term exposure has caused a level of deterioration (swelling) beyond repair. Per the Secretary’s Standards, when using the same kind of material is not technically or economically feasible, then a compatible substitute material may be considered. The Applicants propose to replace the existing door with a paneled mahogany or alder door with a decorative glass insert (Figure 7). The proposed replacement does not match the material of the existing redwood door because a redwood door of this style would be economically infeasible and difficult to find, per the Applicants, however, the proposed door preserves the historic character of the home because it uses the existing door as a model and will retain its distinctive historical features (i.e. paneled wood door with a glass door lite) (Standard 4 and 6).

The property’s windows make up a large portion of the proposed renovations. The property has 1 existing wooden window that is double-hung, painted shut and currently has a plexiglass window pane installed by the previous owner. Instead of replacing the wooden window, the Applicants propose to repair it and install a new glass window pane. With the double-hung feature of the original wooden window in mind, the Applicants also propose to replace 6 single-hung vinyl windows with 6 Marvin Elevate double-hung fiberglass-exterior and wooden-interior windows on the northern- and eastern-facing facades (Figure 8/11 and seen in Attachment 2). The existing windows feature a vinyl sash and stile with an exterior wood trim, sill, framing, and casing (Figure 10). The proposed windows feature an exterior fiberglass sash and stile, an interior wood sash, and stile, and a similar exterior wood trim, sill, framing, and casing (Figure 11). Because the Applicants are repairing instead of replacing the wooden window and preserving the visual appearance of the other existing non-historic windows, the distinctive features, finishes, and construction techniques that characterize a property will be preserved (Standard 5). The new windows and door are the same size and in the same location as the existing ones and therefore if removed in the future would not damage the essential form and integrity of the historic residence or its environment (Standard 10). The scope of work for the alterations does not propose chemical or physical treatments to the historic property and since the new materials for the replacement windows and mahogany/alder door are not significantly different from the existing vinyl windows and redwood door on the property, there is not a false sense of historic development, and the historic home continues to maintain its identity as a physical record of its time (Standards 2,

3 and 7). Minor ground disturbance may be required for the foundation repairs and plumbing upgrades. A condition of approval has been added for the applicant to follow the City's standard protocol for inadvertent archeological discovery, and therefore archeological resources will be protected and preserved if inadvertently found during construction (Standard 8). Also, since the new work is guided by and be compatible with the residence's historic features (one-and-a-half-story frame house with gabled roof, small center cross gable, and gabled entry), the integrity of the property and its environment are protected (Standards 9).

### **Summary of Findings**

Based on the discussion above, staff believe the alterations can be found to comply with the Secretary's Standards and recommends the Commission adopt a resolution finding the is project exempt from CEQA, recommending the City Manager enter into a Mills Act contract with the property owners, and conditionally approving the façade alterations as submitted.

The HPC should review the proposed project to determine whether a Mills Act contract and façade alterations are appropriate for the parcel. If the Commission concurs with staff's analysis above, and concludes the proposed project does comply with the Secretary of the Interior's Standards for Rehabilitation, the Commission could approve the application.

If the Commission chooses to impose conditions of their own, the Commission must adopt findings supporting their action, and conditions of approval to specify any action that must be taken, including identifying the design, architectural style, and exterior appearance that should be used for the proposed project.

### **ENVIRONMENTAL**

This project is subject to environmental review in accordance with the California Environmental Quality Act (CEQA). A project that complies with the Secretary of the Interior's Standards for the Treatment of Historic Properties qualifies for a Class 31 exemption (§15331) in the CEQA Guidelines from the preparation of environmental documents. Because the alteration will not cause a substantial adverse change in the significance of the historical resource, this project is consistent with the Secretary of the Interior's Standards and qualifies for a Class 31 exemption from CEQA.

### **DOCUMENTS ATTACHED**

Attachment 1: Historic Preservation Commission Resolution 2024-xx

Attachment 2: Mills Act Rehabilitation Plan and Cost Estimate

Attachment 3: Marvin Elevate window specifications

Attachment 4: Email correspondence about window and door specifications