



Department: Community Development
Cost Center: 4003
For Agenda of: 4/21/2025
Placement: Consent
Estimated Time: N/A

FROM: Timmi Tway, Community Development Director
Prepared By: Eva Wynn, Assistant Planner

SUBJECT: APPROVE A MILLS ACT CONTRACT FOR LANDMARK PROPERTY AT 1421 GARDEN STREET

RECOMMENDATION

Adopt a draft resolution entitled “Resolution of the City Council of the City of San Luis Obispo, California, approving a Historic Property Preservation Agreement between the City and the Owners of the Meredith House at 1421 Garden Street (Application No. HIST-0681-2025),” as recommended by the Cultural Heritage Committee.

POLICY CONTEXT

The recommended action on this item is supported by historical preservation policies set out in Section 3 of the [Conservation and Open Space Element](#) of the City’s General Plan, particularly Program 3.6.2, regarding participation in financial incentive programs to encourage maintenance and restoration of historic properties, and also with the purpose of encouraging private stewardship of historic buildings through incentives, as provided by Section 14.01.010 (B)(3) of the City’s [Historic Preservation Ordinance](#).

DISCUSSION

The owners of the Meredith House at 1421 Garden Street submitted an application on September 15, 2025, to enter into a Mills Act historic property preservation contract with the City (see Draft Agreement, Attachment A).

The property is located on the southwest side of Garden Street, about 100 feet south of Pismo Street, in the Old Town Historic District, one of the



Figure 1: Meredith House (1421 Garden St)

City's oldest residential neighborhoods, built up historically around the turn of the twentieth century, with older structures dating back to the 1880s.

The subject house, built in 1883, embodies the Swiss Revival/Heimatstil style and was included in the City's Inventory of Historic Resources as a Master List¹ property (Landmark) by [Resolution No. 11365 \(2022\)](#). It was found to satisfy historic significance evaluation criteria for Architecture and Persons, and was found to retain a high degree of integrity to communicate its significance. The residence was designated a Landmark for its association with David Milton Meredith, an early San Luis Obispo leader who influenced the city's development in education, finance, and religion; and for its embodiment of the Swiss Revival/Heimatstil style, as concluded by the application and historic evaluation prepared by James Papp, PhD. It is the earliest documented of the city's Swiss Revival resources. More information regarding the historic significance of the Meredith House can be found in the staff report prepared for the [Master List \(Landmark\) designation application from 2022](#).

The Mills Act Program

It is the City's policy that significant historic resources be rehabilitated and preserved (COSE § 3.3.1). The Mills Act Program is a property tax reduction program for protection of cultural resources that encourages their maintenance and restoration (COSE § 3.6.2 of the General Plan Conservation and Open Space Element). Participation in the program is limited to Landmark resources; resources that are of the greatest importance at the local, regional, state, or national level in terms of age, architectural or historical significance, rarity, or association with important persons or events in the City's past, that meet one or more of the criteria outlined in Section 14.01.060 and that retain a high degree of integrity (HPO § 14.01.050 (A)(1)). Currently, there are 67 properties participating in the program, with the last request (for the Vollmer House at 1116 Pismo St) approved by the Council on June 3, 2025. The City and owners of a Landmark enter into a historical property contract under which the owners agree to restore, maintain, and protect the property in accordance with historical preservation standards. Owners may qualify for property tax relief, potentially realizing tax savings of between 40% and 60% per year. A Mills Act Contract has a minimum term of ten years, and is extended annually for an additional year, unless, after the initial term, either the City or the owner, by written notice, decides not to renew the contract.

As described in the applicant's request letter (Attachment C), several renovations and maintenance items are planned to be completed within the life of the contract:

- spot maintenance of the recent exterior painting
- repair of porch and other areas of rotting wood
- window upgrades to historic standards

¹ Master List and Contributing List Resources – The Historic Preservation Ordinance (§14.01) was updated by Council [Ordinance No. 1753](#) (2025 Series) which included changes to naming conventions for Historic Resources. The updated ordinance was introduced [December 2, 2025](#) and adopted [January 13, 2026](#) (effective February 13, 2026).

- repair of incorrectly installed drains
- new roof shingles toward the end of their lifespan in the next ten years

Previous Council or Advisory Body Action

On February 23, 2026, the Cultural Heritage Committee reviewed this application for participation in the Mills Act Historic Preservation Program, along with the terms of the draft preservation contract, and, by a vote of 6-0 (one seat is vacant), recommended that the City Council approve the historic property preservation contract.

Public Engagement

Public notice of this hearing has been provided to owners and occupants of property near the subject site, and published in a widely circulated local newspaper, and hearing agendas for this meeting have been posted at City Hall, consistent with adopted notification procedures. Public notice was also previously provided for the Cultural Heritage Committee meeting of February 23, 2026.

ENVIRONMENTAL REVIEW

Entering into a “Mills Act Contract” with the owners of historical property is not subject to the provisions of the California Environmental Quality Act (CEQA) because it is not a project as defined in CEQA Guidelines § 15378 (Definitions – Project). Implementation of the Mills Act is a government fiscal activity which does not involve commitment to any specific project which may result in a potentially significant physical impact on the environment (CEQA Guidelines § 15378 (b)(4)).

FISCAL IMPACT

Budgeted: No

Budget Year: 2025-26

Funding Identified: No

Fiscal Analysis:

Funding Sources	Total Budget Available	Current Funding Request	Remaining Balance	Annual Ongoing Cost
General Fund	\$0	\$	\$	\$
State				
Federal				
Fees				
Other:				
Total	\$	\$0	\$	\$0

After the Mills Act contract is recorded, the County Assessor values the property by an income capitalization method, following guidelines provided by the State Board of Equalization. Because of the timing and the method of valuing the restricted property, it

is difficult to accurately estimate the tax savings and resulting fiscal impacts to the City under a particular historical property contract. However, a recent summary provided by the County Assessor indicated that the total reduction in annual tax revenue to the City amounted to approximately \$67,000 for a total of 65 properties on Mills Act contracts at the time, or about \$1,000 per property.

ALTERNATIVES

1. ***Decline to enter into a Mills Act Historical Property Contract with the property owner.*** Denying the request to enter into a Mills Act contract would make unavailable an effective incentive for the historic property's long-term preservation. The Mills Act Program is a financial assistance program identified in the General Plan for encouraging maintenance and restoration of historic properties.
2. ***Continue consideration of the request to a future date for additional information or discussion.*** If the Council wishes to continue consideration of this item to a future date, staff requests that the Council identify the information that should be provided for discussion at the future meeting.

ATTACHMENTS

- A - Draft Resolution approving a Mills Act Contract for 1421 Garden St
- B - Draft Historic Property Preservation Agreement (HIST-0681-2025)
- C - Applicant Request Letter