

**TOWN COUNCIL
MINUTES**

CALL TO ORDER

Mayor Fredericks called the regular meeting of the Tiburon Town Council to order at 7:30 p.m. on Wednesday, May 6, 2009, in Town Council Chambers, 1505 Tiburon Boulevard, Tiburon, California.

ROLL CALL

PRESENT: COUNCILMEMBERS: Berger, Collins, Fredericks, Gram, Slavitz

PRESENT: EX OFFICIO: Town Manager Curran, Director of Administrative Services Bigall, Director of Community Development Anderson, Director of Public Works/Town Engineer Nguyen, Police Captain Hutton, Town Clerk Crane Iacopi

ORAL COMMUNICATIONS

None.

The Council heard the following presentations:

PRESENTATION REGARDING “BLUE ZONES”

- Reed Union School student presentation regarding “Blue Zones”

PRESENTATION OF 13TH ANNUAL HERITAGE PRESERVATION AWARD

- Presentation by Peggy Bremer, Heritage & Arts Commission Chair to Recipient Hillary Don

PRESENTATION REGARDING UPCOMING MAY 19, 2009 SPECIAL ELECTION

- Discussion of Ballot Measures by Amy O’Gorman, League of California Cities

Mayor Fredericks presented a commendation to Ms. O’Gorman and congratulated her on her promotion to the Director of Regional Affairs for the League of California Cities.

CONSENT CALENDAR

- 1. **Town Council Minutes** – Adopt minutes of April 15, 2009 meeting (Town Clerk Crane Iacopi)
- 2. **Annexation Agreement** – Authorize Town Manager to execute an agreement regarding annexation of real property on behalf of the Town (Associate Planner Tyler)

Property Address: 4984 Ranch Road
 Property Owner: Kimberley R. and Mark Hutchinson
 Assessor Parcel No. 038-041-42

MOTION: To adopt Consent Calendar Items 1 and 2, as written.
 Moved: Berger, seconded by Collins
 Vote: AYES: Unanimous
 ABSTAIN: Slavitz (Item No. 1)

ACTION ITEMS

- 1. **Annual General Plan Implementation Status Report** – Consider Acceptance of Annual General Plan Implementation Status Report for Calendar Year 2008 (Associate Planner Tyler)

Director Anderson presented the report and recommended that three programs, OSC-a (Part 2), OSC-f, and DT-I, be abandoned. He said that the Planning Commission had concurred with staff’s recommendation in dropping these specific implementation programs.

Mayor Fredericks asked whether this was a good time to abandon OSC-f because it might be useful in protecting the woodland areas in development applications, such as Easton Point.

Anderson said that he did not know why OSC-f was identified and placed in the draft plan. He said that the Town already had a very strong tree ordinance. In addition, he said that CEQA already provided the mechanism to provide this kind of protection.

MOTION: To accept report, as written, and direct staff to file it with the State.
 Moved: Berger, seconded by Slavitz
 Vote: AYES: Unanimous

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2. **Mills Act Participation** – Consider Town Participation in the Mills Act Property Tax Abatement Program to provide for property tax reductions for certain historic buildings (Director of Community Development Anderson)

Director Anderson said the Mills Act, adopted in 1972, was the single most important incentive program in California for the restoration and preservation of historic buildings by private property owners. He said that the cities of Belvedere and Larkspur had participated in the program for many years.

Anderson said that participation by counties and municipalities in the Mills Act Program was strictly optional. However, he said that once a county or municipality begins participating in the Act (typically through adoption of a resolution), a private property owner can request a Mill Act Contract with the local agency. This contract must run for at least 10 years and requires the owners to pledge to rehabilitate and maintain the historical and architectural character of the property during the time the contract remains in effect. In addition, the contract runs with the land and is binding on future owners for the length of its term. In exchange, the property owner receives property tax relief from the city and county.

Anderson said that the benefits to the town would be to preserve its historic character. He noted that all the historic landmarks in town had been identified, along with 23 properties downtown that were already in a historic “inventory” adopted by the town.

Councilmember Gram asked whether these property owners paid property taxes. Anderson said that the historic landmarks (owned by the Landmark’s Society) did not.

Anderson said that there would be a fiscal impact to the town to participate in the program. He said that the City of Belvedere addressed this issue by establishing a \$25,000 per year cap on Mills Act property tax exemptions. He said that he recommended the same sort of cap if the Council moved forward.

Vice Mayor Berger expressed a concern about who or what body would define the effectiveness of the methods used in restoration and preservation; he urged that there be some sort of local control over this process.

Berger said that he was in favor of the idea of preservation and restoration, however, he said that he did not want compliance with the Act to be burdensome to the local landlords.

Director Anderson said that the town and property owner were the only parties to the agreement, but he noted that it was common for the contracts to reference standards for rehabilitation, such as those set forth by the Secretary of the Interior.

Councilmember Slavitz asked how the program was working in Belvedere. Anderson said that it had been in place since the 1970’s and appeared to be working well.

Councilmember Collins asked if the \$25,000 cap would be the town's portion and/or what share of the \$25,000 would be the county's share of the property tax reduction. Anderson said that the county's share would certainly be greater but that the Assessor would determine how this was calculated.

Mayor Fredericks asked for more details on how the \$25,000 be spread among property owners. Also, she asked how dropping values in real estate would affect the cap.

Anderson said that when the [\$25,000] cap was reached, the town would simply not approve any additional agreements. However, he acknowledged that the town would certainly lose property tax revenues under the program.

Councilmember Slavitz asked if the tax relief was based on improvements alone; Anderson said that it was based on the entire property tax bill, and that the county would exempt only as far as its cap.

Mayor Fredericks opened the public hearing.

Laleh Zelinsky asked if the cap would be applied by parcel or by building. She said that she paid \$130,000 in property taxes per year on Ark Row, and another \$260,000 per year on buildings she owned on Main Street. She said that she was not inclined to put herself under contract for only \$25,000 in property tax savings.

Mayor Fredericks closed the public hearing.

Councilmember Gram suggested that more information was needed on how the property tax exemption formulas were calculated.

Mayor Fredericks agreed that this information would be helpful to Council to aid in their decision-making on the issue. She said that the questions were: how the formula was assessed, and what happens if property values increased; whether the cap moved, along with property values.

Councilmember Slavitz also asked staff to find out if there was a COLA component in the formula.

Slavitz also expressed concern as to what impact this loss of [property tax] revenue would have on the town, especially during the state's current fiscal crisis.

Vice Mayor Berger said that a historic district already existed in downtown and that it was an important asset. He said that it did not make sense to leave the preservation of the district solely up to the landlords but he added that further study was needed to see what kind of numbers (exemption) made sense.

Item continued.

TOWN COUNCIL REPORTS

Vice Mayor Berger reported on the Bay Area Air Quality conference he attended. He said he gained useful information on energy grants and projects, wood smoke issues, and learned from attending the housing workshop that 20% of the energy use in this area is from residential sources.

Mayor Fredericks said that the Marin mayors had met to discuss the process of formulating and implementing Green Building Ordinances. She said that they wanted to continue the discussion and had asked for a representative from each city and town to join an ad hoc committee (called Marin Green BERST—Green Building, Energy Retrofit and Solar Transformation Collaborative). The Mayor noted that Planning Commissioner Kunzweiler and Vice Mayor Berger had expressed interest in serving as the town's representative and alternate.

TOWN MANAGER'S REPORT

WEEKLY DIGESTS

- Town Council Weekly Digest – April 17, 2009
- Town Council Weekly Digest – April 24, 2009
- Town Council Weekly Digest – May 1, 2009

ADJOURNMENT

There being no further business before the Town Council of the Town of Tiburon, Mayor Fredericks adjourned the meeting at 9:20 p.m.

ALICE FREDERICKS, MAYOR

ATTEST:

DIANE CRANE IACOPI, TOWN CLERK