

2023 Market St

Sherman Heights - San Diego, CA, a Home With History.

A guide to historic ownership, preservation, and property tax benefits through the Mills Act.

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A Piece of San Diego **History**

The Mills Act

Historic preservation with a financial benefit.

Owning a historic home is different. You aren't simply purchasing a place to live - you are becoming the next steward of a piece of San Diego's architectural history.

California's Mills Act creates an incentive to preserve qualified historic properties. Through an agreement between the property owner and local government, participating properties receive a special property tax valuation in exchange for maintaining and preserving the property's historic character.

The Benefit

The potential property-tax savings can be significant.

The city of San Diego reports that reductions have historically ranged from approximately 20%-70%, depending on factors including location, size, and comparable rents. There is no guaranteed percentage; each property is valued individually by the County Assessor under the applicable Mills Act method.

What The Next Owner **Should Know**

The Benefit Comes With Responsibility

A Mills Act agreement isn't simply a tax discount.

In San Diego, owners are generally responsible for maintaining and preserving the historic property consistent with the Secretary of the Interior's Standards and the terms of the property's agreement. The City's program also uses a 10-year maintenance/restoration work plan to connect anticipated tax savings with continued investment in the historic resource.

The Agreement Follows The Home.

Mills Act agreements begin with a 10-year term and automatically renew annually unless the renewal process is stopped. When a contracted property is sold, the new owner inherits both the benefits and the responsibilities of the agreement.

Before Purchasing a **Historic Home**

Review:

- Historic designation documentation
- Recorded Mills Act agreement
- Current property tax bill
- Existing preservation/work plan
- Permit and alteration history
- Seller disclosures and inspections
- Planned improvements with the appropriate City/historic-preservation professionals

A historic home isn't valuable because it's old. Its architecture, story and character are things worth preserving.

The Mills Act creates a financial incentive for owners willing to take on that stewardship.

Click [here](#) more information on the City of San Diego Mills Act Program.