



CITY OF CARMEL-BY-THE-SEA

MRS. CLINTON WALKER HOUSE “Cabin on the Rocks” Mills Act Contract (MA 23-116)

City Council Meeting

March 5, 2024



Mrs. Clinton Walker House (“Cabin on the Rocks”)

- 26336 Scenic Road
- Designed by Frank Lloyd Wright in 1948-50
- Constructed in 1951-52 by Miles Bain & Walter Olds
- Original owner, Mrs. Della Clinton Walker
- Organic architecture (or Usonian, or “Wrightian”)
- Landscape design by Thomas Church





Mills Act Historical Property Contracts

- Mills Act Historical Property Contract is an incentive program for historic properties added to the Carmel Register
- “Cabin on the Rocks” was added to the Carmel Register in 2016 and is also listed on the California and National Registers
- Reduction in property tax in exchange for rehabilitation, maintenance, and preservation



2020 Mills Act Contract Approved

Then-property owner (Henderson) applied for a Mills Act Contract which the City Council approved in 2020. However, the applicant ultimately withdrew the application and the contract was never recorded with the County.





Mills Act Contract

April 20, 2023, new application for a Mills Act contract submitted.

August 21, 2023, the Historic Resources Board adopted Resolution 2023-011-HRB, recommending the City Council enter into a Mills Act contract with Esperanza Carmel, LLC.





Mills Act Contract

October 3, 2023, application reviewed and continued. Request for additional information on property tax reduction.

December 5, 2023, application reviewed and continued. Concerns expressed regarding an equitable balance of public and private interests (Finding #5).

February 6, 2024, meeting cancelled due to winter storms.





Five Mills Act Contract Findings

1. The building is designated as a historic resource by the City and is listed on the Carmel Register.
2. The proposed rehabilitation and maintenance plan is appropriate in scope and sufficient in detail to guide long-term rehabilitation/restoration and maintenance.
3. Alterations to the historic resource have been in the past and will continue to be in the future, limited to interior work and to exterior rehabilitation and alterations that a) comply with the secretary's standards, b) do not significantly alter, damage, or diminish any primary elevation or character-defining feature, c) do not increase floor area by more than 15 percent, and d) does not result in a second-story addition to a single-story resource.
4. The Mills Act contract will aid in offsetting the costs of rehabilitating and maintaining the historic resource.
5. **Approval of the Mills Act contract will represent an equitable balance of public and private interests and will not result in substantial adverse financial impact on the City.**



Finding #5

Approval of the Mills Act contract will represent an equitable balance of public and private interests and will not result in a substantial adverse financial impact on the City.

- Public tours not made available in 2023.
- Reduction in property tax revenue to the school district resulting in a direct impact to children in Carmel.
- Potential tax savings greater than the amount estimated on the rehabilitation and maintenance plan (e.g. \$1.5 million in tax savings versus \$1.34 million in rehabilitation).



Finding #5

The applicant has expressed concerns regarding the additional requirements being requested.

- Not interested in hosting public tours at this time.
- Not open to making voluntary payments to the Carmel Unified School District.
- Estimated rehabilitation and maintenance is \$1.34 million. Does not include future sea wall repairs.



Recommendation

Staff recommends that the City Council accept the recommendation of the Historic Resources Board and enter into a Mills Act Contract with **Esperanza Carmel, LLC** for the property located at 26336 Scenic Road (APN 009-423-001) also known as the Mrs. Clinton Walker House.

