



Community & Economic Development Department  
3900 Main Street, Riverside, CA 92522 | Phone: (951) 826-5371 | RiversideCA.gov

Planning Division

**CULTURAL HERITAGE BOARD MEETING DATE: SEPTEMBER 21, 2022**  
**AGENDA ITEM NO.: 4**

## DISCUSSION ITEM

<b>Case Numbers</b>	PR-2022-001422 (Title 20 Text Amendment)
<b>Request</b>	Proposal by the City of Riverside to amend Chapter 20.30 (Preservation Incentives) of the Riverside Municipal Code to modify the Mills Act Application period
<b>Project Location</b>	Citywide
<b>Ward</b>	All
<b>Staff Planner</b>	Scott Watson, Historic Preservation Officer 951-826-5507 swatson@riversideca.gov

## RECOMMENDATION

That the Cultural Heritage Board:

1. **Recommend** that the City Council determine that Planning Case PR-2022-001422 is exempt from further California Environmental Quality Act (CEQA) review pursuant to Sections 15308 (Actions to Protect Environment), 15060(c)(2) (No Physical Change), 15060(c)(3) (Not A Project), and 15061(b)(3) (General Rule), as the proposed amendment will cause no direct or indirect change to the environment, does not meet the definition of a Project under CEQA, and it can be seen with certainty that the proposed amendment will not have an effect on the environment;
2. **Recommend Approval** of the Planning Case PR-2022-001422 (Title 20 Text Amendment) to amend the application period of the Mills Act as outlined in the staff report and summarized in the Findings section of this report.

## BACKGROUND

Section 20.30.020 Mills Act Program (Exhibit 1) of the Riverside Municipal Code (RMC) establishes the City's Mills Act program by Resolution No. 20825 (Exhibit 2). The RMC states: "Mills Act applications are accepted only during the month of June and must be actually received by the Planning Division no later than the last business day of the month."

Resolution No. 22139 (Exhibit 3) allows the City Council to enter into up to seven agreements per calendar year, but if the number in any one year falls below seven, up to ten may be awarded in any year to make up the deficiency, provided that the overall average does not exceed ten since implementation. No action is needed by the Cultural Heritage Board for changes to this Resolution.

On June 7, 2022, the City Council considered modifying the number of Mills Act applications that can be accepted each year and the application period. Following discussion, Council directed staff to prepare RMC Title 20 amendments and a resolution to modify Resolution No. 22139 (Exhibit 4) as follows:

1. Modify RMC Title 20 to allow applications to be accepted between January 1 and May 31 of each calendar year (5 months); and
2. Modify Resolution 22139 to allow City Council to enter into up to fifteen agreements per calendar year, but if the number in any one year falls below fifteen, up to twenty may be awarded in any year to make up the deficiency, provided that the overall average does not exceed fifteen since implementation.

## **PROPOSAL**

Per Section 20.45.202 of the RMC, any proposed amendment to Title 20 must first be sent to CHB for review and recommendation. The proposed amendment to Section 20.30.020 (Exhibit 5) will modify the Mills Act application period from the month of June of each calendar year to a wider time frame of January 1 and May 31 of each calendar year. As a cleanup item, the Community Development Director title found in Section 20.30.030 will be revised to Community & Economic Development Director.

Resolution No. 22139 amendments do not require Cultural Heritage Board (CHB) review and will go straight to Council, but this information is included as reference.

## **PUBLIC OUTREACH AND COMMENT**

A Public Hearing notice was published in the Press Enterprise, at least ten days prior to the meeting. As of the writing of this report, no responses have been received by Staff regarding this proposal.

## **ENVIRONMENTAL REVIEW**

The proposed amendments are exempt from additional California Environmental Quality Act (CEQA) review pursuant to Sections 15308 (Actions to Protect Environment), 15060(c)(2) (No Physical Change), 15060(c)(3) (Not A Project), and 15061(b)(3) (General Rule), as the proposed amendment will cause no direct or indirect change to the environment, does not meet the definition of a Project under CEQA, and it can be seen with certainty that the proposed amendment will not have an effect on the environment.

## **FINDINGS**

Cultural Resources Code Amendment Findings pursuant to Chapter 20.45.020:

- 1) The proposed Title 20 amendment is generally consistent with the goals, policies, and objectives of the General Plan;
- 2) The proposed Title 20 amendment will not adversely affect surrounding properties; and
- 3) The proposed Title 20 amendment complies with the purposes of this title as set forth in Chapter 20.05.

## STRATEGIC PLAN

This item contributes to the Envision Riverside 2025 City Council Strategic Priority 2 – Community Well Being (Goal 2.3 – Strengthen neighborhood identities and improve community health and the physical environment through amenities and programs that foster an increased sense of community and enhanced feelings of pride and belonging citywide).

This item aligns with the following Cross-Cutting Threads:

1. Community Trust: Expanding the Mills Act Program aligns with the Community Trust Cross-Cutting Thread as the annual contracts are reviewed at a public meeting by the City Council, allowing for public comment.
2. Equity: Expanding the Mills Act Program aligns with the Equity Cross-Cutting Thread as it is available to all historically designated properties throughout the City.
3. Fiscal Responsibility: Expanding the Mills Act Program aligns with the Fiscal Responsibility Cross-Cutting Thread as it provides an opportunity for property owners to reinvest back into the community through rehabilitation of the historic property.
4. Innovation: Expanding the Mills Act Program aligns with the Innovation Cross-Cutting Thread as it responds to the high financial demands of historic property maintenance and helps the property owners through reduced property taxes.
5. Sustainability and Resiliency: Expanding the Mills Act Program aligns with the Sustainability & Resiliency Cross-Cutting Thread as it assists with the rehabilitation and maintenance of historic properties so that they can continue to contribute to the character of the City for generations to come.

## APPEAL INFORMATION

Actions by the Cultural Heritage Board, including any environmental finding, may be appealed to the City Council within ten calendar days after the decision. Appeal filing and processing information may be obtained from the Planning Department Public Information Section, 3rd Floor, City Hall.

## EXHIBITS

1. RMC Section 20.30.020
2. Resolution No. 20825
3. Resolution No. 22139
4. City Council Minutes – June 7, 2022
5. RMC Section 20.30.020 - Redline

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Prepared by: Scott Watson, Historic Preservation Officer  
Approved by: Mary Kopaskie-Brown, City Planner

# EXHIBIT 1

## CHAPTER 20.30 PRESERVATION INCENTIVES

### SECTIONS:

- 20.30.010      PRESERVATION INCENTIVES.**
- 20.30.020      MILLS ACT PROGRAM.**
- 20.30.030      HISTORIC PRESERVATION FUND.**

#### **Section 20.30.010      Preservation Incentives.**

The City Council may establish preservation incentives to encourage owners to designate, maintain, preserve, rehabilitate, and improve Cultural Resources. Only properties designated as Cultural Resources pursuant to the provisions of Riverside Municipal Code Title 20 shall be eligible to apply for preservation incentives.

(Ord. 7108 §1, 2010; Ord. 6778 § 1, 2004; Ord. 6566 §2, 2001; Ord. 6263 §1 (part), 1996)

#### **Section 20.30.020      Mills Act Program.**

Pursuant to Government Code section 50280 et seq. ("the Mills Act"), the City Council has established, by Resolution 20825 (as amended) a Mills Act Program providing for contractual agreement with an owner of a historic property as designated by the City Council or listed on any official federal, state, or county register for the purpose of preservation, rehabilitation, and maintenance of a designated historic resource. A Mills Act Agreement allows an owner to receive a reduction in property taxes in exchange for the property owner's commitment to specific repair, restoration and/or rehabilitation improvements and satisfactory maintenance of the Historic Property. A Mills Act Agreement is for a minimum period of ten (10) years, renewed annually, unless a notice of non-renewal or cancellation is filed. Mills Act applications are accepted only during the month of June and must be actually received by the Planning Division no later than the last business day of the month. A Mills Act application will be acted upon by the City Council before the end of the calendar year during which it was submitted.

(Ord. 7206 §19, 2013; Ord. 7108 §1, 2010; Ord. 6566 §2, 2001; Ord. 6263 §1 (part), 1996)

#### **Section 20.30.030      Historic Preservation Fund.**

- A. Historic Preservation Fund Program is hereby established to provide funding for the conservation, preservation, restoration, and rehabilitation of Cultural Resources consistent with the purposes of this Chapter.
- B. The Historic Preservation Fund is hereby established to provide funds for Historic Preservation projects within the City of Riverside.
  - 1. The funds shall be used solely for the conservation, preservation, restoration, and rehabilitation of historical resources as provided in this section.
  - 2. The Financial Administrator of the Historic Preservation Fund shall be the Community Development Director, or designee.
  - 3. All monies designated by the City of Riverside for this Program shall be deposited in the Fund, held and administered by the City's Finance Department. Separate accounts may be established within the Fund according to origin or intended purpose.
  - 4. In addition to any public moneys appropriated expressly for the Fund, the Program

Administrator may apply for grants, gifts, donations, or other financial support, from private sources, pursuant to City policies.

C. The Fund shall be administered by a Historic Preservation Fund Committee.

1. The Committee membership shall consist of five members, serving two-year terms. The Cultural Heritage Board shall designate two of its members to serve as representatives, and the City Council representative shall be appointed by the Mayor's Nominating and Screening Committee (Council Committee). The remaining two shall be City residents affiliated with separate Riverside-specific historic preservation organizations and appointed by the Council Committee. Interested persons must submit applications for appointment no later than 30 days before the meeting during which the Council Committee selects the representatives.
2. The Committee shall undertake all discretionary Program acts not in conflict with this Section and Title. The Committee, with City Council approval by resolution, may designate discretionary Program approval authority.
3. The Committee shall establish meeting rules, application deadlines, and the frequency of meetings; however, the Committee shall meet at least quarterly and shall consider any submitted grant applications at least semiannually.
4. The Committee shall develop criteria and a selection process for evaluating applications, including guidelines for matching funds, for City Council review and approval.
5. The Committee shall review and approve or deny applications for grants in accordance with the set criteria.
6. A simple majority is needed for Committee action. If the Committee cannot agree upon an action, the matter shall be forwarded to the Cultural Heritage Board for review and recommendation to the Land Use Committee. Land Use Committee recommendations will be considered by the City Council in making its decision.
7. Appeals shall follow the procedure in section 20.15.090 (C). City Council actions are final and non-appealable.
8. No funds shall be made available until the time to appeal has expired, or until any appeals are final.

D. *Grants.*

1. Money in the fund shall be available, for grants to public agencies, nonprofit organizations, and private entities to carry out the purposes of this section.
2. No grant shall be made except pursuant to an agreement with the City, and subject to terms and conditions in the grant that ensure that the grant carries out the purposes of this section. Grant agreements shall run with the land, and must be recorded with the County Recorder before any funds may be released.
3. Grants shall be awarded on a competitive basis, except that grants may occasionally be awarded on a noncompetitive basis for emergency purposes only. Provisions for emergency grants will be adopted by the City Council.
4. The Committee may consider and approve applications for grants up to \$25,000, but no more than \$25,000 for any one project, Cultural Resource, or program over any five consecutive years. Applications for grants exceeding those amounts must

be considered and approved by the City Council, upon the Committee's recommendation.

5. Matching funds shall make applications more competitive.
  6. Excess funds. After completion of a historic preservation project, the grant recipient shall return to the Fund any amount of the grant that exceeds the eligible project costs.
- E. *Authorized projects.* Grants are available for the following types of projects:
1. Development projects. These are projects that involve the preservation, restoration, or exterior rehabilitation of a historic property.
  2. Acquisition of transferrable development rights (TDRs), conservation easements, and façade easements for the purposes of historic preservation.
  3. Planning projects. These are projects that identify, document and record historic resources according to applicable local, state and federal standards, and/or contribute to the development of the City's historic context, and/or contribute to the development of a conservation or preservation plan.
  4. Interpretive projects. These are projects that create interpretive media to educate the public on Riverside's history and/or cultural resources. For example, landmark plaques and/or historic district signage and other appropriate means of sharing interpretive information.
  5. Designation applications. These are projects that prepare designation applications for state and/or national register designation.
  6. All funds must be spent as represented in the application. Spending funds except as authorized shall be considered fraud or theft, and may be criminally prosecuted.
- F. Cultural Heritage Board staff shall assist the Committee in executing this Program. If the Cultural Heritage Board staff is unavailable or unable to do so, then the Program staff shall be provided by the City department then administering the City's Historic Preservation Program.
- G. The City Council shall have the power to review, modify, approve, disapprove, or otherwise consider all Program and Committee actions or decisions, by appeal or on its own motion.

(Ord. 7206 §20, 2013)

# EXHIBIT 2

## RESOLUTION NO. 20825

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RIVERSIDE, CALIFORNIA, ESTABLISHING THE APPLICATION PROCESS, REVIEW PROCEDURES, AND REQUIRED CONTRACT PROVISIONS FOR THE IMPLEMENTATION OF THE RIVERSIDE MILLS ACT PURSUANT TO RIVERSIDE MUNICIPAL CODE CHAPTER 20.35.

WHEREAS, California Government Code, Article 12, Section 50280, more commonly known as the Mills Act, established legislation providing property tax relief for owners of qualified historic properties who contract with a city to abide by reasonable preservation requirements; and

WHEREAS, the City of Riverside is dedicated to preserving historic resources within the City; and

WHEREAS, pursuant to Riverside Municipal Code Title 20, the City has established procedures to identify and designate historic resources within the City; and

WHEREAS, Riverside Municipal Code Chapter 20.35 allows for the adoption of economic and other incentives for historic properties designated by the City Council or listed on any official federal, state, or county register for the purpose of preservation, rehabilitation, and maintenance of those designated historic resources; and

WHEREAS, preservation agreements will have beneficial effects on residential neighborhoods, businesses, community pride, and regional image; and

WHEREAS, Riverside Municipal Code section 20.35.020 states that the application process, review procedures, and required contract provisions for preservation agreements shall be established by separate resolution of the City Council;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Riverside, California, as follows:

Section 1: The program implementing California Government Code, Article 12, Section 50280 et seq. (known as the Mills Act) and Section 2.35.020 of the Riverside Municipal Code, for the purpose of preserving, rehabilitating, and maintaining designed historic resources, shall be known as the Mills Act.

Section 2: Pursuant to Riverside Municipal Code section 20.35.020, the City Council hereby

1 delegates to the Planning Director or his/her designee the authority and responsibility to develop and  
2 maintain an application for properties seeking qualification and participation in the Mills Act.

3 Section 3: Pursuant to Riverside Municipal Code section 20.35.020, the City Council hereby  
4 delegates to the Planning Director or his/her designee the authority and responsibility to review and  
5 make a recommendation to the City Council on any application submitted pursuant to the Mills Act.  
6 The City Council is the final authority on the authorization and approval of the Mills Act.

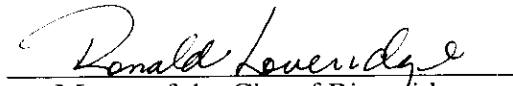
7 Section 4: The Preservation Agreement to be used in the Mills Act is attached as Exhibit "A."  
8 Pursuant to Riverside Municipal Code section 20.35.020, the City Council hereby delegates to the  
9 Planning Director or his/her designee the authority and responsibility to amend and modify the  
10 Preservation Agreement as deemed necessary and appropriate, in consultation with the City Attorney.  
11 The terms of the Preservation Agreement shall always comply with California Government Code,  
12 Article 12, Section 50280 et seq. (known as the Mills Act) and Riverside Municipal Code section  
13 20.35.020. The maintenance, repair, rehabilitation, and/or restoration standards applicable to the  
14 subject property shall be set forth in the Preservation Agreement. In consideration for abiding with  
15 the terms of the Preservation Agreement, the owner of the subject property shall be entitled to qualify  
16 for a reassessment of the historic property, pursuant to Chapter 3, Page 2, of Division 1 of the  
17 California Revenue and Taxation Code.

18 Section 5: To limit the fiscal impact of the Mills Act to the City of Riverside, the City of  
19 Riverside shall not enter into or execute more than seven (7) Preservation Agreements per calendar  
20 year. Applications will be accepted during the month of June only, during normal business hours.  
21 The seven (7) applicants will be randomly selected from all eligible applications submitted.

22 Section 6: The provisions of this resolution shall become effective concurrent with the  
23 effective date of the amendment to Riverside Municipal Code section 20.35, allowing for preservation  
24 incentives, which has been introduced concurrently with this resolution.



1 ADOPTED by the City Council and signed by the Mayor and attested by the City  
2 Clerk this 23rd day of November, 2004.

3  
4   
5 Mayor of the City of Riverside

6 Attest:

7   
8 City Clerk of the City of Riverside  
9

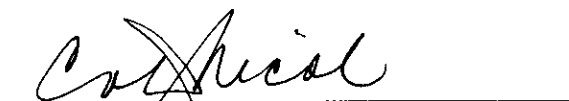
10 I, Colleen J. Nicol, City Clerk of the City of Riverside, California, hereby certify that the  
11 foregoing resolution was duly and regularly introduced and adopted at a meeting of the City Council  
12 of said City at its meeting held on the 23rd day of November, 2004, by the following vote, to wit:

13 Ayes: Councilmembers Betro, Moore, Gage, Schiavone, Adkison, Hart and Adams

14 Noes: None

15 Absent: None  
16

17 IN WITNESS WHEREOF I have hereunto set my hand and affixed the official seal of the City  
18 of Riverside, California, this 23rd day of November, 2004.

19  
20   
21 City Clerk of the City of Riverside

22 CA: 03-2171  
23 G:\CLK\COUNCIL\Resolutions\Nov\_23\20825.wpd  
24 11/05/04  
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Recording Requested by: )  
When Recorded Mail to: )

CITY OF RIVERSIDE )  
3900 Main Street )  
Riverside, CA 92522 )

Attn: Planning Director )  
)  
)  
)

(Space Above for Recorder's Office)

**HISTORIC PROPERTY PRESERVATION AGREEMENT**  
**("MILLS ACT CONTRACT")**

**between**

**THE CITY OF RIVERSIDE**  
**a municipal corporation**

**and**

\_\_\_\_\_  
\_\_\_\_\_  
**Owner(s) of the property located at**

\_\_\_\_\_  
**APN** \_\_\_\_\_

## HISTORIC PROPERTY PRESERVATION AGREEMENT

### ("MILLS ACT CONTRACT")

THIS AGREEMENT is made this \_\_\_\_\_, by and between the City of Riverside, a municipal corporation ("City") and \_\_\_\_\_ ("Owner").

#### RECITALS

1. California Government Code section 50280, et. seq. allow cities the discretion to enter into contracts with the owners of qualified historic properties, as that term is defined in Government Code section 50280.1, for the purpose of providing for the use, maintenance, protection, and restoration of such historic property so as to retain its characteristics as property of historic significance.

2. Owner holds fee title in and to that certain real property, together with associated structures and improvements thereon, generally located at the street address \_\_\_\_\_ Riverside, California ("Historic Property"). A legal description of the Historic Property is attached hereto as Exhibit "A," and incorporated herein by this reference.

3. On \_\_\_\_\_, \_\_\_\_\_, the Cultural Heritage Board and/or the City Council designated the Historic Property as an historic resource pursuant to the terms and provisions of Title 20 of the Riverside Municipal Code.

4. City and Owner desire to enter into this Agreement for the purpose of protecting and preserving the characteristics of historical significance of the Historic Property that help provide the community with its own unique civic identity and character.

5. Owner, in consideration for abiding by the terms of this Agreement, shall be entitled to qualify for a reassessment of valuation of the Historic Property, pursuant to the provisions of Chapter 3, Part 2, of Division 1 of the California Revenue and Taxation Code, and any corresponding adjustment in property taxes resulting therefrom.

#### TERMS

NOW, THEREFORE, the City and Owner in consideration of mutual covenants and conditions set forth herein, do hereby agree as follows:

1. Effective Date and Term of Agreement. This Agreement shall be effective and commence on \_\_\_\_\_, 200\_\_ ("Effective Date") and shall remain in effect for a term of ten (10) years thereafter.

2. Yearly Renewal. Each year upon the anniversary of the Effective Date ("Renewal Date"), an additional one (1) year shall automatically be added to the remaining term of the Agreement unless a notice of nonrenewal is delivered as provided in Section 3 of this Agreement.

3. Nonrenewal. If either the Owner or City desires in any year not to renew this Agreement, Owner or City shall serve a written notice of nonrenewal upon the party in advance of the Renewal Date ("Notice of Nonrenewal"). The Notice of Nonrenewal shall be effective only if served by Owner upon City at least ninety (90) days prior to the Renewal Date, or if served by City upon Owner, the Notice of Nonrenewal shall be effective only if served upon Owner at least sixty (60) days prior to the Renewal Date. If either City or Owner serves a Notice of Nonrenewal in any year, this Agreement shall remain in effect for the balance of the term then remaining.

4. Owner Protest of City Nonrenewal. Within fifteen (15) days of Owner's receipt of the Notice of Nonrenewal from City, Owner may file with City a written protest of the Notice of Nonrenewal. Upon receipt of the written protect, the City Council shall set a hearing prior to the expiration of the Renewal Date of this Agreement. Owner may furnish the City Council with any information which Owner deems relevant and shall furnish the City Council with any information it may require. The City Council may, at any time prior to the annual Renewal Date, withdraw its Notice of Nonrenewal.

5. Standards for Historical Property. During the term of this Agreement, the Historic Property shall be subject to the following conditions, requirements, and restrictions:

- A. Owner shall preserve and maintain the characteristics of the cultural and historical significance of the Historic Property. Attached hereto as Exhibit "B," and incorporated herein by this reference, is a list of the minimum standards and conditions for maintenance, use, protection, and preservation of the Historic Property, which shall apply to the Historic Property and be complied with by Owner throughout the term of this Agreement. In addition, Owner shall comply with the terms of the City's Cultural Resources Ordinance (Title 20 of the Riverside Municipal Code), and shall obtain any applicable permits necessary to protect, preserve, and restore, and rehabilitate the Historic Property so as to maintain its historical and cultural significance.
- B. Owner shall, where necessary, repair, maintain, restore, and rehabilitate the Historic Property according to the rules and regulations of the Office of Historic Preservation of the State Department of Parks and Recreation and the City of Riverside. The

condition of the exterior of the Historic Property on the effective date of this Agreement is documented in photographs attached as Exhibit "C" and incorporated herein by this reference. At a minimum, Owner shall continually maintain the exterior of the Historic Property in the same condition as documented in Exhibit "C."

C. Owner shall carry out specific restoration, repair, maintenance, and/or rehabilitation projects on the Historic Property, ~~if any~~, as outlined in the attached Exhibit "D," which is incorporated herein by this reference. All such ~~restoration~~ projects shall be undertaken and completed in accordance with the Secretary of Interior Standards for Rehabilitation and the City of Riverside design guidelines.

D. Owner shall not be permitted to block the view corridor with any new structure, such as walls, fences or shrubbery, so as to prevent the viewing of the Historic Property from the public right-of-way.

6. Periodic Examinations. Upon reasonable advance notice, Owner shall allow reasonable periodic examinations of the exterior of the Historic Property by representatives of the County Assessor, the State Department of Parks and Recreation, the State Board of Equalization and/or City, as may be necessary to determine Owner's compliance with the terms and provisions of this Agreement.

7. Provision of Information of Compliance. Owner hereby agrees to furnish City with any and all information requested by City, which City deems necessary or advisable to determine eligibility of the Historic Property and compliance with the terms and provisions of this Agreement.

8. Breach of Agreement; Remedies.

A. Notice of Breach; Opportunity to Cure. If Owner breaches any provision of this Agreement, City may give written notice to Owner by registered or certified mail detailing Owner's violations. If such violation is not corrected to the reasonable satisfaction of City within thirty (30) days after the date of notice of violation, or within such a reasonable time as may be required to cure the violation (provided the acts to cure the violation are commenced within thirty (30) days and thereafter diligently pursued to completion), the City may, without further notice, declare Owner to be in breach of this Agreement. Upon City's declaration of Owner's breach, City may pursue any remedy available under local, state, or federal law, including those specifically provided for in this section.

B. Remedy - Cancellation. City may cancel this Agreement if City determines, following a duly noticed public hearing in accordance with Government Code section 50286, that Owner breached any of the conditions of the Agreement, Owner allowed the Historic Property to deteriorate to the point that it no longer meets the standards for a qualified historic property, or Owner failed to maintain and preserve the Historic Property in accordance with the terms of this Agreement. If this Agreement is cancelled, under this paragraph, Owner shall pay a cancellation fee to the Office of the Auditor for the County of Riverside as required by Government Code section 50286.

C. Alternative Remedies. As an alternative to cancellation of this Agreement for Owner's breach of any condition, City may bring an action in court necessary to

enforce this Agreement including, but not limited to, an action to enforce this Agreement by specific performance, injunction, or receivership.

9. Destruction of Property; Eminent Domain; Cancellation. If the Historic Property is destroyed by earthquake, fire, flood, or other natural disaster such that in the opinion of the City Building Official more than sixty percent (60%) of the original fabric of the structure must be replaced, this Agreement shall be cancelled because the historic value of the structure will have been destroyed. If the Historic Property is acquired in whole or in part by eminent domain or other acquisition by any entity authorized to exercise the power of eminent domain, and the acquisition is determined by the City Council to frustrate the purpose of this Agreement, this Agreement shall be cancelled. No cancellation fee pursuant to Government Code section 50286 shall be imposed if the Agreement is cancelled pursuant to this Section.

10. Waiver. City does not waive any claim of default by Owner if City does not enforce or cancel this Agreement. All other remedies at law or in equity which are not otherwise provided for in this Agreement or in City's regulations governing historic properties are available to the City to pursue in the event that there is a breach of this Agreement. No waiver by City of any breach or default under this Agreement shall be deemed to be a waiver of any other subsequent breach thereof or default hereunder.

11. Binding Effect of Agreement. Owner hereby subjects the Historic Property to the covenants, conditions, and restrictions set forth in this Agreement. City and Owner hereby declare their specific intent that the covenants, conditions, and restrictions set forth herein shall be deemed covenants running with the land and shall inure to and be binding upon Owner's successors and assigns in title or interest to the Historic Property. Each and every contract, deed or other instrument



herein after executed, covering or conveying the Historic Property, or any portion thereof, shall conclusively be held to have been executed, delivered and accepted subject to the covenants, reservations and restrictions are set forth in such contract, deed or other instrument.

12. Covenants Run with the Land. City and Owner hereby declare their understanding and intent that the burden of the covenants, reservations and restrictions set forth herein touch and concern the land in that it restricts development of the Historic Property. City and Owner hereby further declare their understanding and intent that the benefit of such covenants, reservations and restrictions touch and concern the land by enhancing and maintaining the cultural and historical characteristics and significance of the Historic Property for the benefit of the public and the Owner.

13. Notice. Any notice required to be given by the terms of this Agreement shall be provided at the address of the respective parties as specified below or at any other address as may be later specified by the parties hereto:

City: City of Riverside  
Planning Department  
3900 Main Street  
Riverside, CA 92522

Owner: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

14. Effect of Agreement. None of the terms, provisions or conditions of this Agreement shall be deemed to create a partnership between the parties hereto and any of their heirs, successors or assigns, nor shall such terms, provisions or conditions cause the parties to be considered joint venturers or members of any joint enterprise.

15. Indemnity of City. Owner shall defend, indemnify, and hold harmless City and its elected officials, officers, agents and employees from any actual or alleged claims, demands, causes of action, liability, loss, damage, or injury to property or persons, including wrongful death, whether imposed by a court of law or by administrative action of any federal, state or local governmental agency, arising out of or incident to (i) the direct or indirect use operation, or maintenance of the Historic Property by Owner or any contractor, subcontractor, employee, agent, lessee, licensee, invitee, or any other person; (ii) Owner's activities in connection with the Historic Property; and (iii) any restrictions on the use or development of the Historic Property, from application or enforcement of Title 20 of the City's Municipal Code, or from the enforcement of this Agreement. This indemnification includes, without limitation, the payment of all penalties, fines, judgments, awards, decrees, attorneys' fees, and related costs or expenses, and the reimbursement of City, its elected officials, employees, and/or agents for all legal expenses and costs incurred by each of them. Owner's obligation to indemnify shall survive the termination, cancellation, or expiration of this Agreement and shall not be restricted to insurance proceeds, if any, received by City, its elected officials, employees, or agents.

16. Binding Upon Successors. All of the agreements, rights, covenants, reservations and restrictions contained in this Agreement shall be binding upon and shall inure to the benefit of the parties herein, their heirs, successors, legal representatives, assigns and all persons acquiring any part or portion of the Historic Property, whether by operation of law or in any manner whatsoever.

17. Legal Costs. In the event legal proceedings are brought by any party or parties to enforce or restrain a violation of any of the covenants, conditions or restrictions contained herein, or to determine the rights and duties of any party hereunder, the prevailing party in such proceeding may

recover all reasonable attorneys' fees to be fixed by the court, in addition to court costs and other relief ordered by the court.

18. Severability. In the event that any of the provisions of this Agreement are held to be unenforceable or invalid by any court of competent jurisdiction, or by subsequent preemptive legislation, the validity and enforceability of the remaining provisions, or portions thereof, shall not be effected thereby.

19. Recordation. No later than twenty (20) days after the Effective Date, City shall cause this Agreement to be recorded in the office of the County Recorder of the County of Riverside. Owner shall provide written notice of the contract to the State Office of Historic Preservation within six (6) months of entering into the contract.

20. Amendments. This Agreement may be amended, in whole or in part, only by written recorded instrument executed by the parties hereto.

21. Governing Law and Venue. This Agreement shall be construed and governed in accordance with the laws of the State of California. Any action at law or in equity brought by either of the parties hereto for the purpose of enforcing a right or rights provided for by this Agreement shall be tried in a court of competent jurisdiction in the County of Riverside, State of California, and the parties hereby waive all provisions of law providing for a change of venue in such proceedings to any other county.

IN WITNESS WHEREOF, City and Owner have executed this Agreement on the day and  
year first above written.

Dated: \_\_\_\_\_

CITY OF RIVERSIDE

By \_\_\_\_\_

ATTESTED TO:

By \_\_\_\_\_

Dated: \_\_\_\_\_

\_\_\_\_\_  
Owner

\_\_\_\_\_  
Owner

APPROVED AS TO FORM

\_\_\_\_\_  
Deputy City Attorney

C:\Documents and Settings\jhansen\Local Settings\Temp\00030670.WPD  
CA: 03-2217  
08/31/04

# EXHIBIT 3

## RESOLUTION NO. 22139

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RIVERSIDE, CALIFORNIA, AMENDING SECTION 5 OF RESOLUTION NO. 20825 TO CHANGE THE NUMBER OF MILLS ACT HISTORIC PRESERVATION CONTRACT APPLICATIONS THAT WILL BE ACCEPTED AND PROCESSED FOR EACH YEAR.

WHEREAS, California Government Code, Article 12, Section 50280 more commonly known as the Mills Act, established legislation providing property tax relief for owners of qualified historic properties who contract with a city to abide by reasonable preservation requirements; and

WHEREAS, the City of Riverside established an application process, review procedures, and contract provision requirements for the City of Riverside Mills Act Program ("Program") by Resolution No. 20825; and

WHEREAS, Section 5 of Resolution No. 20825 currently allows for no more than seven (7) Program agreements to be awarded each year; and

WHEREAS, since its implementation, only thirty (30) Program agreements have been recorded where a total of thirty-five (35) would be allowed; and

WHEREAS, to allow for flexibility for those times when the contracts awarded in a given year are less than seven (7), the Council desires to amend Section 5 of Resolution No. 20825 to allow for more than seven (7) agreements to be awarded to make up for the short fall, but never more than ten (10) in any one year.

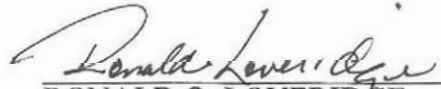
NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Riverside, California, as follows:

Section 1: Section 5 of Resolution No. 20825 is hereby amended as follows:


"Section 5: To limit the fiscal impact of the Mills Act to the City of Riverside, the City of Riverside shall not enter into or execute more than seven (7) Preservation Agreements ("Agreements") per calendar year. Applications will be accepted during the month of June only, during normal business hours. The seven (7) applicants will be randomly selected from all eligible applications submitted. Notwithstanding the above, should the number of Agreements in any one year fall below seven (7), in the subsequent years more than seven (7) Agreements may be awarded

1 to make up for the deficiency, but never more than ten (10) in any one year, and never more than  
2 would be the overall average of seven (7) per year since implementation.”  
3

4 ADOPTED by the City Council this 14th day of December, 2010.

5   
6 RONALD O. LOVERIDGE  
7 Mayor of the City of Riverside

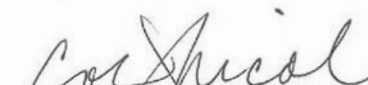
8 Attest:

9   
10 COLLEEN J. NICOL  
11 City Clerk of the City of Riverside  
12

13 I, Colleen J. Nicol, City Clerk of the City of Riverside, California, hereby certify that the  
14 foregoing resolution was duly and regularly adopted at a meeting of the City Council of said City at  
15 its meeting held on the 14th day of December, 2010, by the following vote, to wit:  
16

17 Ayes: Councilmembers Gardner, Melendrez, Davis, Mac Arthur, Hart, and Adams  
18 Noes: None  
19 Absent: None  
20 Disqualified: Councilmember Bailey

21 IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the  
22 City of Riverside, California, this 16th day of December, 2010.  
23

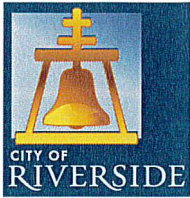
24   
25 COLLEEN J. NICOL  
26 City Clerk of the City of Riverside

27 O:\Cycom\Wpdocs\D002\P011\00053859.DOC  
28 CA" 03-2171.1  
12/07/10

# EXHIBIT 4

## CITY COUNCIL

### MINUTES



*City of Arts & Innovation*

TUESDAY, JUNE 7, 2022, 1 P.M.  
PUBLIC COMMENT IN PERSON/TELEPHONE  
ART PICK COUNCIL CHAMBER  
3900 MAIN STREET

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and 15 percent change order authority in the amount of \$31,982.75 for a total contract amount of \$245,201.06; and (2) authorize the City Manager, or his designee, to execute all necessary documents to implement the Services Agreement. The motion carried unanimously.

#### TEMPORARY CHANGE TO MILLS ACT PROGRAM - ACCEPTANCE OF ALL APPLICATIONS SUBMITTED THROUGH JULY 2022 - REQUEST RESOLUTION TO MODIFY PROGRAM

Following discussion, it was moved by Councilmember Cervantes and seconded by Councilwoman Plascencia to (1) via minute order, for 2022 only, allow a maximum of twenty applications submitted through July 2022 be reviewed; and (2) request staff prepare a resolution modifying Resolution No. 22139 to: (a) allow applications to be accepted between January 1 and May 31 of each calendar year (5 months); and (b) allow City Council to enter into up to fifteen agreements per calendar year, but if the number in any one year falls below fifteen, up to twenty may be awarded in any year to make up the deficiency, provided that the overall average does not exceed fifteen since implementation. The motion carried unanimously.

#### CLOSED SESSIONS

The Mayor and City Council adjourned to closed sessions at 2:43 p.m. pursuant to Government Code (1) §54956.9(d)(1) to confer with and/or receive advice from legal counsel concerning Shawn Casteel v. City of Riverside, et al., RCSC Case No. RIC 1906046; (2) §54956.9(d)(1) to confer with and/or receive advice from legal counsel concerning Chenita Johnson v City of Riverside, et al., RCSC Case No. RIC 1905290; (3) §54956.9(d)(1) to confer with and/or receive advice from legal counsel concerning Service Employees International Union, Local 721 v. City of Riverside, Case No. LA-CE-1577-M; (4) §54956.9(d)(1) to confer with and/or receive advice from legal counsel concerning Riversiders Against Increased Taxes v. City of Riverside, et al., Riverside Superior Court Case No. CVRI 2104120; (5) §54957(a) for consultation with Chief of Police Larry Gonzalez and Chief Information Officer George Khalil regarding threat to public services or facilities; (6) §54956.9(d)(2) to confer with and/or receive advice from legal counsel concerning significant exposure to litigation regarding one case; (7) §54956.9(d)(4) to confer with and/or receive advice from legal counsel concerning the City Council deciding whether to initiate litigation regarding one case; (8) §54957.6 to review the City Council's position and instruct designated representatives regarding salaries, salary schedules, or compensation paid in the form of fringe benefits of all Executive Management employees except the City Manager, City Attorney, and City Clerk, all

# EXHIBIT 5

## CHAPTER 20.30

### PRESERVATION INCENTIVES

#### SECTIONS:

- 20.30.010     PRESERVATION INCENTIVES.**
- 20.30.020     MILLS ACT PROGRAM.**
- 20.30.030     HISTORIC PRESERVATION FUND.**

#### **Section 20.30.010     Preservation Incentives.**

The City Council may establish preservation incentives to encourage owners to designate, maintain, preserve, rehabilitate, and improve Cultural Resources. Only properties designated as Cultural Resources pursuant to the provisions of Riverside Municipal Code Title 20 shall be eligible to apply for preservation incentives.

(Ord. 7108 §1, 2010; Ord. 6778 § 1, 2004; Ord. 6566 §2, 2001; Ord. 6263 §1 (part), 1996)

#### **Section 20.30.020     Mills Act Program.**

Pursuant to Government Code section 50280 et seq. ("the Mills Act"), the City Council has established, by Resolution 20825 (as amended) a Mills Act Program providing for contractual agreement with an owner of a historic property as designated by the City Council or listed on any official federal, state, or county register for the purpose of preservation, rehabilitation, and maintenance of a designated historic resource. A Mills Act Agreement allows an owner to receive a reduction in property taxes in exchange for the property owner's commitment to specific repair, restoration and/or rehabilitation improvements and satisfactory maintenance of the Historic Property. A Mills Act Agreement is for a minimum period of ten (10) years, renewed annually, unless a notice of non-renewal or cancellation is filed. Mills Act applications ~~are accepted only during the month of June, and must be actually received by the Planning Division no later than the last business day of the month~~ will be accepted between January 1 and May 31 of the calendar year. A Mills Act application will be acted upon by the City Council before the end of the calendar year during which it was submitted.

(Ord. 7206 §19, 2013; Ord. 7108 §1, 2010; Ord. 6566 §2, 2001; Ord. 6263 §1 (part), 1996)

#### **Section 20.30.030     Historic Preservation Fund.**

- A. Historic Preservation Fund Program is hereby established to provide funding for the conservation, preservation, restoration, and rehabilitation of Cultural Resources consistent with the purposes of this Chapter.
- B. The Historic Preservation Fund is hereby established to provide funds for Historic Preservation projects within the City of Riverside.
  - 1. The funds shall be used solely for the conservation, preservation, restoration, and rehabilitation of historical resources as provided in this section.
  - 2. The Financial Administrator of the Historic Preservation Fund shall be the Community & Economic Development Director, or designee.
  - 3. All monies designated by the City of Riverside for this Program shall be deposited in the Fund, held and administered by the City's Finance Department. Separate accounts may be established within the Fund according to origin or intended purpose.



4. In addition to any public moneys appropriated expressly for the Fund, the Program Administrator may apply for grants, gifts, donations, or other financial support, from private sources, pursuant to City policies.
- C. The Fund shall be administered by a Historic Preservation Fund Committee.
1. The Committee membership shall consist of five members, serving two-year terms. The Cultural Heritage Board shall designate two of its members to serve as representatives, and the City Council representative shall be appointed by the Mayor's Nominating and Screening Committee (Council Committee). The remaining two shall be City residents affiliated with separate Riverside-specific historic preservation organizations and appointed by the Council Committee. Interested persons must submit applications for appointment no later than 30 days before the meeting during which the Council Committee selects the representatives.
  2. The Committee shall undertake all discretionary Program acts not in conflict with this Section and Title. The Committee, with City Council approval by resolution, may designate discretionary Program approval authority.
  3. The Committee shall establish meeting rules, application deadlines, and the frequency of meetings; however, the Committee shall meet at least quarterly and shall consider any submitted grant applications at least semiannually.
  4. The Committee shall develop criteria and a selection process for evaluating applications, including guidelines for matching funds, for City Council review and approval.
  5. The Committee shall review and approve or deny applications for grants in accordance with the set criteria.
  6. A simple majority is needed for Committee action. If the Committee cannot agree upon an action, the matter shall be forwarded to the Cultural Heritage Board for review and recommendation to the Land Use Committee. Land Use Committee recommendations will be considered by the City Council in making its decision.
  7. Appeals shall follow the procedure in section 20.15.090 (C). City Council actions are final and non-appealable.
  8. No funds shall be made available until the time to appeal has expired, or until any appeals are final.
- D. *Grants.*
1. Money in the fund shall be available, for grants to public agencies, nonprofit organizations, and private entities to carry out the purposes of this section.
  2. No grant shall be made except pursuant to an agreement with the City, and subject to terms and conditions in the grant that ensure that the grant carries out the purposes of this section. Grant agreements shall run with the ~~land, and land and~~ land, and land and must be recorded with the County Recorder before any funds may be released.
  3. Grants shall be awarded on a competitive basis, except that grants may occasionally be awarded on a noncompetitive basis for emergency purposes only. Provisions for emergency grants will be adopted by the City Council.
  4. The Committee may consider and approve applications for grants up to \$25,000, but no more than \$25,000 for any one project, Cultural Resource, or program over

any five consecutive years. Applications for grants exceeding those amounts must be considered and approved by the City Council, upon the Committee's recommendation.

5. Matching funds shall make applications more competitive.
  6. Excess funds. After completion of a historic preservation project, the grant recipient shall return to the Fund any amount of the grant that exceeds the eligible project costs.
- E. *Authorized projects.* Grants are available for the following types of projects:
1. Development projects. These are projects that involve the preservation, restoration, or exterior rehabilitation of a historic property.
  2. Acquisition of transferrable development rights (TDRs), conservation easements, and façade easements for the purposes of historic preservation.
  3. Planning projects. These are projects that identify, document and record historic resources according to applicable local, state and federal standards, and/or contribute to the development of the City's historic context, and/or contribute to the development of a conservation or preservation plan.
  4. Interpretive projects. These are projects that create interpretive media to educate the public on Riverside's history and/or cultural resources. For example, landmark plaques and/or historic district signage and other appropriate means of sharing interpretive information.
  5. Designation applications. These are projects that prepare designation applications for state and/or national register designation.
  6. All funds must be spent as represented in the application. Spending funds except as authorized shall be considered fraud or ~~theft, and~~theft and may be criminally prosecuted.
- F. Cultural Heritage Board staff shall assist the Committee in executing this Program. If the Cultural Heritage Board staff is unavailable or unable to do so, then the Program staff shall be provided by the City department then administrating the City's Historic Preservation Program.
- G. The City Council shall have the power to review, modify, approve, disapprove, or otherwise consider all Program and Committee actions or decisions, by appeal or on its own motion.

(Ord. 7206 §20, 2013)