



*City of Arts & Innovation*

# City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: JULY 16, 2019

FROM: COMMUNITY & ECONOMIC DEVELOPMENT DEPARTMENT WARDS: ALL

SUBJECT: HISTORIC PRESERVATION TRUST FUND STATUS REPORT AND RECOMMENDATIONS

## **ISSUE**

Receive and file a status report and provide direction to staff on the future of the Historic Preservation Trust Fund.

## **RECOMMENDATIONS**

Staff recommends that the City Council:

1. Receive and file a status report on the Historic Preservation Trust Fund; and
2. Provide staff with direction on the future of the Historic Preservation Trust Fund Program.

## **GOVERNMENTAL AFFAIRS COMMITTEE RECOMMENDATION:**

On May 2, 2018, the Governmental Affairs Committee met with Chair Melendrez, Vice-Chair Gardner and Member Conder present. Following discussion, the committee voted unanimously to 1) receive and order filed the Historic Preservation Fund update; and 2) forward the Historic Preservation Trust Fund update to the City Council on the Discussion Calendar.

## **BACKGROUND**

In April 2013, the City Council created the Historic Preservation Trust Fund Program (Program) and the Historic Preservation Fund Committee (HPFC) by amending Title 20 (Cultural Resources) of the Riverside Municipal Code. The HPFC includes five members selected by the Mayor's Nominating and Screening Committee and the Cultural Heritage Board. An outcome of the Program included the creation of the Historic Preservation Trust Fund (HPTF) seeded with \$500,000 from the General Fund and \$100,000 from the proceeds of the sale of the former Marcy Library property. In December 2014, City Council approved the application and criteria for HPTF disbursement (Attachments 1 and 2).

Since April 13, 2015, 45 projects have been approved in four bi-annual grant cycles. Thirty-three

projects were for rehabilitating residential structures, including 31 historic single-family residences and two historic multi-family apartment building. One project was for rehabilitating a historic commercial building. These types of projects generally included roof replacements, repainting of buildings, electrical systems repair or replacement, repairs related to exterior siding and stucco, historic windows, porches, foundation stabilization, rain gutter installation or repair, and plumbing.

Other recipients of HPTF grants include the Riverside Art Museum, the Riverside Metropolitan Museum, the City's Parks, Recreation and Community Services Department and the City's Public Works Department. Projects have included Wood Streets monument signs, concrete pergolas on Mission Inn Avenue, historic public street features, historic waterfall, historic windows, foundation stabilization, and production of 1,000 Landmark Legacy books.

In April 2018, the Historic Preservation Fund Committee (HPFC) began exploring ways to make the Program more sustainable. Following the update to the Governmental Affairs Committee in May 2018, the HPFC directed staff to identify potential sources of funding for the HPTF and ways to administer the Program. Steps included:

- July 2018: Staff and the HPFC discussed the research needed to help make the Program sustainable (sources of funding and administration of the Program). The HPFC directed staff to identify possible funding sources and Program alternatives to meet this goal.
- October 2018: Staff provided funding source opportunities to the HPFC and a list of those deemed as appropriate for the City were identified.
- January 2019: Staff provided the HPFC with details on each funding source and HPFC provided a priority ranking.
- April 2019: The HPFC confirmed the priority funding sources and also considered administrative solutions for the HPF.

## **DISCUSSION**

### **Fund Balance**

During the four grant cycles, \$600,000 was awarded from the HPTF to complete 45 projects. Nine applications were withdrawn with the awarded grant funds returned to the HPTF. Some projects were completed under budget and the excess awarded funds were also returned to the HPTF. As of May 15, 2019, the balance of the HPTF was approximately \$33,000. Upon close of escrow for the Farm House Motel, an additional \$60,000 is anticipated to be deposited into the HPTF. The reimbursement of a \$10,000 grant for the Riverside Metropolitan Museum to hire a grant writer is also anticipated, as the grant application to restore the Harada House was denied by California State Parks. The HPTF will total approximately \$103,000 once these funds are added and reimbursed back to the fund.

### **Impact of the Historic Preservation Trust Fund**

The HPTF has had both tangible and intangible impacts. Applicants have been encouraged to match the HPTF grants, which resulted in additional investment by the owners. Several grant recipients have had financial hardships and, with the grant, been able to complete the necessary repairs on their properties. Three HPTF grant recipients received recognition from the Old Riverside Foundation in 2018. The HPTF has also been recognized at the State and national level and staff continue to receive inquiries on the Program. The reinvestment impacts of the Program are estimated at \$1.5 million.

Reseeding the Fund

Funding sources the HPFC and staff have considered to reseed the HPTF include the following:

**Table 1 - Potential Sources to Reseed the Historic Preservation Trust Fund**

NO.	POTENTIAL SOURCE	DESCRIPTION	IMPACT TO GENERAL FUND	STAFFING	RECOMMENDATION	ADMINISTRATION
1	General Fund Allocation	One-time or annual allocation from General Fund or Measure Z	Direct Impact  Approximately \$50,000 annual for 5 years or \$250,000 one-time	Current staffing adequate	Not Recommended  Budget constraints	No additional resources required
2	Historic Site Code Enforcement Fines	Allocate historic site code enforcement fines  Currently allocated directly to General Fund	Direct Impact  Approximately \$200 - \$1,000 annually	Current staffing adequate	Immediate Consideration  Minimal financial impact	Additional resources required for Program development, administration and monitoring
3	Percentage of Sales of Historic Properties	Allocate a percentage of historic property sales  Currently done on an ad-hoc basis	Direct Impact  Each sale - approximately \$50,000 - \$100,000	Current staffing adequate	Immediate Consideration  Requires formal policy	No additional resources required
4	Mitigation Banking	Fee applied for demolition of certain historic resources  Apply only to historic district contributors, Structures of Merit - not City Landmarks.	Direct Impact  Environmental Impact Report completed as part of the General Plan Update	Current staffing adequate	Immediate Consideration  Requires formal policy framed by the EIR	Additional resources for Program development, administration and monitoring
5	Donations/ Sponsorships Grants	Private donation and sponsorships, and public/private grants	Possible direct impact  Seek donations, sponsorships, and grants as available	Additional staffing required  Specially - trained for fund-raising	Future Consideration  New staff member	Additional resources required for Program development, administration and monitoring
6	Fundraising & Crowd Sourcing	Fundraising events at historic sites or crowd source funding (e.g. GoFundMe)	Possible direct impact  Additional staff time to organize events, and develop a crowd sourcing campaign	Additional staffing required	Future Consideration  New staff member	Additional resources required for Program development, administration and monitoring

As summarized in Table 1, a direct General Fund allocation to supplement the HPTF is not recommended for future consideration due to budget constraints and the perception of using public funds to provide assistance to private historic property owners.

The following sources are recommended for immediate consideration:

1. Historic Site Code Enforcement Fines – Fines assessed for Title 20 violations would be dedicated to the HPTF. This redirect of funds would result in a small impact to the General Fund and could be managed by existing staff.
2. Percentage of Sales of Historic Properties - This has been a successful ad-hoc practice for the sale of City-owned historic properties. Contributions to the HPTF would be determined by City Council at the time of the sales agreement and this re-direction of funds would have an impact on the General Fund. This could be managed by existing staff.
3. Mitigation Banking – This option establishes a fee structure that would be applied to specific projects proposing demolition of a historic structure (not including Landmarks). As part of the General Plan Update Environmental Impact Report (EIR), the City would evaluate the overall environmental impacts of demolishing these historic structures. A tier system would be created to determine the structures that could, if mitigation funds were paid, be demolished without having adverse environmental impacts. This option would impact the General Fund, as additional funding would be needed to expand the scope of the General Plan EIR. Mitigation fees received from these projects could be used to positively impact the HPTF; however, this option may also impact the stock of historic structures in the City. This could be managed by existing Staff.

The following opportunities require additional personnel and funding for implementation and are recommended for future consideration as additional resources become available:

1. Donations/Sponsorships/Grants – This would require additional staff time for development, administration and monitoring this effort. There would be direct impacts to the General Fund as an additional staff member and specific skills related to donations and grant writing would be required.
2. Fundraising & Crowd Sourcing (GoFundMe) – This would require additional staff time for development, administration and monitoring this effort. There would be direct impacts to the General Fund as an additional staff member, with specific skills related to fundraising and administration would be required.

#### Historic Preservation Trust Fund Program Administration

In addition to identifying potential sources to reseed the HPTF, the overall Program and its administration were reviewed by the HPFC and two potential directions were identified:

1. Option 1 - Maintain the Existing Program - Features of the existing Program include:
  - a. City staff administration;
  - b. Grant Program only; and
  - c. Bi-annual Awards.

If the Program is continued, the amount of each grant could be reduced to extend the life of the Program. The Program could continue until all funds are exhausted and then the



Program would end.

2. Option 2 - Modify the Program to extend its viability. Features of a modified Program could include:
  - a. Administration by:
    - i. Additional City staff with specific skills related to fund raising, grant writing and loan-administration to oversee the development, administration and monitoring of the Program; or
    - ii. A non-profit organization/foundation could be formed to seek public grants, and oversee the development, administration and monitoring of the Program;
  - b. Grant and/or Loan Program so that as funds are repaid and the HPTF is reimbursed; and
  - c. Annual awards.

## **FISCAL IMPACT**

The following summarizes the estimated fiscal impact to the General Fund for each of the six potential sources to fund the HPTF described in Table 1 of this staff report.

### **1. General Fund Allocation**

If City Council allocates General Funds to the HPTF, the General Fund will be directly impacted by \$50,000 annually for 5 years or a one-time lump sum of \$250,000 to maintain a viable Program. The HPTF would be increased by the allocation determined by City Council. These funds would need to come from General Fund reserves.

### **2. Historic Sites Code Enforcement Fines**

If City Council allocates Code Enforcement fines related to historic sites, it would directly impact the General Fund and increase the HPTF by approximately \$200 - \$1,000 annually.

### **3. Percentage of Sales of Historic Properties**

If City Council allocates a percentage of sales of historic properties, the direct impact to the General Fund would be determined at the time of City Council's approval of the sales agreement. The estimated impact is approximately \$50,000 - \$100,000 for each sale which would increase the HPTF by that amount.

### **4. Mitigation Banking**

If City Council recommends Mitigation Banking, there will be a direct impact to the General Fund. An Environmental Impact Report (EIR) would be required and could be completed as part of the General Plan update for an additional cost of approximately \$50,000. The HPTF could potentially increase based on the amount of mitigation fees received following the EIR findings.

### **5. Donations/Sponsorships/Grants**

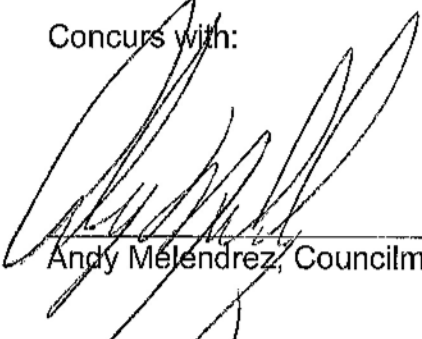
If City Council recommends the HPFC seeks donations, there could be a direct impact to the General Fund if a non-profit did not administer the Program. An additional senior level staff person would be necessary to administer the Program, which is estimated at \$147,780 annually and requires a supplemental appropriation from General Fund reserves. The HPTF would be increased based on the amount of donations/sponsorships and/or grants received. Per industry standard, this is estimated to reach one to two times the annual salary of the additional staff person each year within three years of the position being added.

6. Fundraising & Crowd Sourcing – GoFundMe

If City Council recommends the HPFC move forward, there could be a direct impact to the General Fund if a non-profit did not administer the Program. An additional senior level staff person would be necessary to administer the Program, which is estimated at \$147,780 annually and requires a supplemental appropriation from General Fund reserves. The HPTF would be increased by an estimated \$2,000 per fundraising event and the amount through crowd sourcing would be determined based on donations. Per industry standard, this is estimated to reach one to two times the annual salary of the additional staff person each year within three years of the position being added.

Prepared by: David Welch, Community & Economic Development Director  
Certified as to  
availability of funds: Edward Enriquez, Chief Financial Officer/City Treasurer  
Approved by: Rafael Guzman, Assistant City Manager  
Approved as to form: Gary G. Geuss, City Attorney

Concurs with:

  
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Andy Melendrez, Councilmember

Attachments:

1. HPTF application and criteria
2. Historic Preservation Fund Committee Minutes – 04/08/2019
3. Presentation



City of Arts & Innovation

## COMMUNITY & ECONOMIC DEVELOPMENT DEPARTMENT NEIGHBORHOOD ENGAGEMENT DIVISION

### HISTORIC PRESERVATION FUND GRANT APPLICATION FORM

#### SECTION I – TO BE COMPLETED FOR ALL REQUESTS

##### Property Owner Information (A current title report will be required before award of funds\*)

First Name:		Last Name:		Middle Initial:	
Address:			City & Zip Code:		
Phone (best):			Email:		

##### Applicant Information (If different from property owner)

First Name:		Last Name:		Middle Initial:	
Firm Name:		Title:		Professional License:	
Firm Address:			City & Zip Code:		
Phone (day):			Email:		

##### Property Information

Street Address:		City Council Ward and Neighborhood:	
Cultural Resource Name:		Designation Date:	
Designation Level (Local, California, or National Register):		Is the property owned or leased?	
Date of Construction:		Lease Expiration Date: (attach lease)	
Construction materials:			

##### Property Existing Conditions (Submit photographic documentation of the project in its current state)

Use of building:			
Floor area (square feet):			
Area affected by project (main house/building, garage, accessory structure, landscape, etc.):			

##### If project has received City approvals, complete the following:

Certificate of Appropriateness Case #		Plan Check/Building Permit #	
Planning Case #		Other	

<b>Property conditions which warrant the use of Historic Preservation Funds and reasons the conditions exist, if known (attach additional sheets as necessary):</b>		
<b>Project Description (Submit an estimate of the cost and scope on the contractor's letterhead):</b>		
Specific issues to be addressed with Historic Preservation Funds, and why the funds are needed (attach additional sheets as necessary):		
Funds will generally be awarded on a reimbursement basis. If the project will be phased or will have specific construction milestones, please provide an explanation (attach supporting documentation):		
HP Fund amount requested:	\$	
Are matching funds being provided?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
If so, indicate sources and amounts:	\$	
	\$	
	\$	
<b>Total Project Cost (including HP funds requested and matching funds):</b>	<b>\$</b>	
<b>COMPLETE ADDITIONAL SECTIONS AS INDICATED.</b> <b>FOR OWNER-OCCUPIED SINGLE FAMILY RESIDENCES, SKIP TO SECTION V</b>		
<b>SECTION II – TO BE COMPLETED FOR EMERGENCY PROJECTS</b>		
Describe what sudden, unexpected project is needed and how it impacts the cultural resource:		

### SECTION III – TO BE COMPLETED FOR NONPROFIT OWNED PROPERTIES

Name of Entity:		IRS Recognition Date:	
Provide the exemption application and either Form 990, 990EZ or 990PF returns for the past three years or Form 8734.			
Is this property exempt from property taxation (Cal. Rev. & Tax Code, § 214 et seq.)?			
Website:			

### SECTION IV – TO BE COMPLETED FOR COMMERCIAL AND INCOME PRODUCING PROPERTIES

Type of Business:		Business License Number:	
Describe funding gap that Historic Preservation Funds would meet (attach pro forma):			
Website:			

### SECTION V – TO BE COMPLETED FOR ALL PROPERTIES

*I have reviewed the Historic Preservation Fund Grant General Provisions and do hereby agree to comply with them to be eligible for program participation. All information provided herein is correct and complete to the best of my knowledge.*

*I understand that a grant proposal application or grant award does not constitute approval of the proposed project. A Certificate of Appropriateness, a Building Permit, and other entitlements may be required prior to commencement of work.*

*If a grant is awarded, execution of a separate performance covenant and agreement must be executed and recorded prior to commencement of work. A sample document, which will be tailored to fit the individual project, is available for review at this time. The property owner is encouraged to consult with their attorney prior to execution of the document. Failure to complete the entire project according to executed performance covenant and agreement requirements, including but not limited to industry standards for procedures, materials and workmanship, or failure to secure entitlements, or to comply with all approved plans, scopes of work, permits, and conditions of approval may result in enforcement of the covenant and agreement provisions, at the discretion of the City.*

Property Owner Signature: <i>Required for all applications</i>		Date:	
Printed Name:			
Applicant Signature:		Date:	
Printed Name		Title:	

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\* If a grant is approved by the HPFC, then within 90 days after the grant approval meeting, the grantee will be required to furnish to the City a current title report confirming ownership and that there are no conflicts with the ownership. The title report must be dated within 180 days of the date it is submitted to the City. Failure to furnish said title report by the deadline will result in reconsideration of the grant award at a subsequent HPFC meeting and may result in forfeiture of the grant award.



City of Arts & Innovation

## COMMUNITY DEVELOPMENT DEPARTMENT HISTORIC PRESERVATION, NEIGHBORHOODS, & URBAN DESIGN DIVISION

### HISTORIC PRESERVATION FUND GRANT GENERAL PROVISIONS

#### ELIGIBLE APPLICANTS AND ACTIVITIES

- Historic Preservation Fund (HPF) grants are awarded by the HPF Committee (HPFC). Grant proposers eligible to receive funds include public agencies, nonprofit organizations, private entities, and individuals. Property owner authorization and consent are required for projects affecting private property.
- Preservation Priorities: Projects must promote and accomplish the preservation and acknowledgment of historic buildings, neighborhoods, and landmarks according to Riverside Municipal Code (RMC) Title 20, section 20.05.010, Purpose; maintain the historic authenticity of the structure and address any necessary structural integrity issues involved; contribute to the overall character of the neighborhood; comply with the RMC; and be approved as set forth in RMC Title 20. Active Code Enforcement will be taken into consideration by the HPFC and could make projects ineligible for funding.
- Eligible projects include the following, listed in order of priority for funding:
  - Historic Preservation construction projects. These include projects that involve the preservation, restoration, or exterior rehabilitation of a historic property.
  - Acquisition of Transferrable Development Rights (TDRs), conservation easements, and façade easements for the purposes of historic preservation.
  - 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.
  - 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.
  - Designation applications. These are projects that prepare designation applications for state and/or national register designation.
- Priority and emergency projects include building envelope repairs that are publicly visible and those related to structural integrity, weather tightness, fire hazards, and other damage.
- Only one application per entity may be funded per grant cycle at the discretion of the HPFC. Grants may be awarded at an amount lower than proposed by the applicant, at the discretion of the HPFC.
  - No more than \$25,000 may be awarded by the HPFC 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 HPFC's recommendation.<sup>1</sup>

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<sup>1</sup> Per RMC Title 20 section 20.30.030(D)(4)

- All grant-awarded projects must obtain any and all necessary approvals and permits required for the type of project, which may include but is not limited to Certificate of Appropriateness, other Planning entitlements, building permits, grading permits, encroachment permits and approvals from other departments and agencies, etc., when required.
- Applications may be submitted during scheduled semi-annual grant cycles (except that applications for bona fide emergency situations as determined by the Historic Preservation Officer may be submitted at any time).

## **GRANT CONDITIONS**

- Although matching funds are not required, they may make applications more competitive in the grant award process at the discretion of the HPFC. Owner-occupied single family residential projects may be eligible for a waiver of matching fund rating with verified proof of a demonstrated financial need. Matching funds may include HERO or other rebates offered by the Public Utilities Department.
- HP Funds should not be used in lieu of other available programs.
- All projects must conform to the Secretary of the Interior's Standards, and be approved as set forth in RMC Title 20.
- 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. Expenses incurred prior to the award of funds are not eligible.
- Contractors must be licensed for the type of work proposed and have demonstrated applicable experience. Consultants must meet applicable Secretary of the Interior's Professional Qualification Standards.
- Funds are awarded based upon the execution of a grant agreement for performance on non-construction projects or performance and maintenance for construction projects (which will be recorded on the property) between the City and the property owner.
- Grantees must sign a publicity release and allow the City to use the subject structure, project and/or organization in promotional materials.
- For construction projects, a Community Development Department Historic Preservation Fund sign, which will be provided at no cost to the grantee, must be displayed for the duration of the project construction in a location approved by CHB staff in order for any grant monies to be released.
- Within one year from the fund award date, a final report and financial accounting of the expenditure of the grant must be submitted, including the finalized building permit, if required, and a letter confirming that grant funded work is complete. If the project is not completed in accordance with the grant agreement, the grant may be reduced or revoked with corresponding reductions in reimbursement and/or requirement for repayment of any disbursed funds. Grants will typically be awarded on a reimbursement basis, but may be awarded by the HPFC in advance or some combination of advance and reimbursement, on a case by case basis.
- Construction projects must be documented with a photographic record before, during and after. For unique features and/or work processes, a written description of the process and tools used to complete the project shall be required. Final completion shall be documented by photographs with captions.



## SELECTION CRITERIA

Grant recipients will be selected by considering, among other points, the following criteria:

- The significance of the project or resource. Cultural Resources with higher designation status and/or desperate need may be accorded higher priority consideration over those with lesser status and/or need.
- The degree to which the project furthers one of the preservation priorities mentioned above, and may act as a model for future applicants to follow or catalyst to spur further preservation activities.
- The need for funding and the urgency of the project.
- The project's budget feasibility, and whether any matching funds or improvements are proposed by the applicant.
- The project's timeline.
- The long-term objectives or positive impact to be derived from the project.
- The qualifications of the key personnel, including consultants and/or contractors.

## HOW TO APPLY

You will need the following items as part of your HP Fund application:

- Completed application, which includes a budget section that outlines proposed expenses and revenue (grant funds and any other sources) for the project.
- Up to four digital images of high quality (300 dpi), with caption and credit information.
- A list of the applicant's current board of directors (nonprofit organizations and corporations/LLCs).
- If applicable, applicant's Internal Revenue Service determination letter of tax-exempt status. If tax-exempt status has not been fully approved by the IRS, please provide evidence of filing for certification and letter of opinion from an attorney concerning the applicant's tax status (nonprofit organizations).
- Resume/qualifications of consultant/contractor for construction project (if already chosen).
- Resume/experience of consultant and/or other personnel administering project.
- Up to three letters of endorsement.
- Complete applications must be received by the deadline for the applicable grant award cycle. Grant awards will typically be announced at the HPFC meeting approximately 45 days after the deadline (refer to schedule). However, emergency project applications will be considered at the next available HPFC meeting after a complete submittal.

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## **HISTORIC PRESERVATION FUND COMMITTEE**

### **Minutes**

### **April 8, 2019**

*City of Arts & Innovation*

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**April 8, 2019, 2:00 p.m.**  
**3<sup>rd</sup> Floor, Large Conference Room**  
**City Hall, 3900 Main Street**

COMMITTEE MEMBERS PRESENT: Councilman Mike Gardner, Philip Falcone, Jennifer Gamble  
Steve Lech, Charles Tobin

STAFF PRESENT: Mary Kopaskie-Brown, City Planner  
Anthony Beaumon, Deputy City Attorney  
Scott Watson, Associate Planner  
Frances Andrade, Project Assistant

Chairman Gardner called the meeting to order at 2:30 p.m.

#### **COMMENTS FROM THE AUDIENCE:**

There were no comments at this time.

#### **DISCUSSION CALENDAR:**

Discussion and Recommendation on Reseeding the Historic Preservation Trust Fund and Potential Modification to the Historic Preservation Grant Program. This item has already gone to Governmental Affairs Committee and would now go directly to Council.

Scott Watson, Associate Planner, gave an update to Council on the Historic Preservation Fund Committee.

Committee Member Tobin asked if the recommendations had been vetted by the City Manager's office.

Mary Kopaskie-Brown, City Planner, replied that they have not but it is something staff can do if the Committee requests it.

David Welch, Community & Economic Development Director, inquired about the "reseeding" recommendations. What will be forwarded to City Council? How much is expected to be generated from these "reseeding" ideas.

Ms. Kopaskie-Brown noted that the draft report before everyone today is what would be forwarded to Council. The next step will be determined once direction from the City Council has been received.

Committee Member Tobin suggested separating the grant and loan programs into two separate paths forward. Keep the recommendations for restructuring the grant program and make a separate loan program. He noted that the establishment of the foundation to enable donations and the loan program may require some changes to Title 20. He noted that the foundation and loan programs are being added as two separate programs and separating them from the grant program may be easier to understand.

Chair Gardner noted that the mitigation banking could be a source for either a loan or grant program.

Ms. Kopaskie-Brown added that building code violations from historic properties could also be diverted into this fund.

Mr. Welch noted that this would need to be sorted out, this shouldn't go to Council without knowing the impacts.

Ms. Kopaskie-Brown indicated that they can work with Code Enforcement to find out how many violations exist on historic properties.

Chair Gardner stated City Council guidance would need to weigh in because the way it reads now, any building over 50 years old, but not everything over 50 years old is historic. He suggested that another issue to quantify was the number of city owned (General Fund) properties existed. If staff can provide a rough number and take a stab at the value of these properties, this could be educational to City Council. Maybe City Council would be amenable to at least discuss taking a portion of the sale of historic city properties and allocating an amount to the Historic Preservation Fund.

Mr. Welch noted that there weren't a lot of those properties out there.

Ms. Kopaskie-Brown stated that her staff will work with Real Property Services to quantify these structures. Staff will also work with Code Enforcement with regard to code violations on historic properties. The Committee also mentioned Mitigation banking, she wasn't sure how to quantify this but perhaps staff can research how many historic properties have been redeveloped and apply a percentage of development costs and see what this looks like.

Chair Gardner suggested a surcharge on development fees, an additional development fee to fund this.

Ms. Kopaskie-Brown noted that this was on the list but was removed at a previous meeting.

Chair Gardner stated he would be willing to talk about this and put it back on the list but he did not believe it would go very far.

Committee Member Lech thought this was a good idea, why was it taken off.

Ms. Kopaskie-Brown recalled that the surcharge would have to go to Council and requires review/approval of the fee schedule. The Committee had thought it would not meet with agreement from the development community or that City Council would support it. She stated this can be added to the list again and asked that the Committee provide that direction.

Chair Gardner asked for clarification from legal counsel about this suggestion.

Anthony Beaumon, Sr. Deputy City Attorney, stated that development impact fees have to be reasonably related to an impact directly from a development. As long as we stay within that zone of reasonability, you might not have to go to a vote under 218 but the farther away you get from that core cause the more likely you are to require 218 compliance.

Committee Member Falcone arrived at this time.

Committee Member Tobin suggested this discussion do another cycle internally within city management before proceeding City Council for concurrence with the City Manager's Office. This should be continued another for another quarter.

Chair Gardner pointed out this will not be placed on the City Council agenda without concurrence from the City Manager's office.

Ms. Kopaskie-Brown stated that this can be postponed another 3 months to discuss the fees with the City Manager's Office if the Committee requests it and provides this.

Committee Member Lech and Falcone stated they did not want to push it off further.

Ms. Kopaskie-Brown stated that staff needs the Committee provide direction on how staff should proceed. Staff can discuss the potential in change to the fee schedule with the City Manager's Office and see if it should be added. We can also see what we can quantify with regard to these recommendations to the greatest extent possible without just grabbing a number out of thin air.

Committee Member Tobin addressed the loan program and a possible connection to the Housing Authority. The Housing Authority has similar programs and inquired if they work with a private lender for those programs that the Historic Preservation Fund could possibly work with as well to process the loans. The Historic Preservation fund could go through the process of selecting a lender rather than the city bearing the workload.

Mr. Welch noted that the Housing Authority handles this internally.

Chair Gardner stated the Committee would be well served moving forward to City Council with what they have. Under the current process, the City Manager's Office will review this and if it is dramatically different, this Committee may want to call special meeting. If it is just massaging what will be presented to City Council, then then it should proceed under the normal process. He did not think that the City Manager's Office would make any major changes to it.

Committee Member Tobin asked if the Committee couldn't make a recommendation more than just receive and file.

Mr. Watson stated that the recommendation was, receive and file, and provide direction.

Chair Gardner stated this was standard language. The direction can be pursue this, draft an ordinance, change rules, all of this can be addressed by the recommendation.

MOTION: Committee Member Lech motioned to move forward with this presentation to the City Council.

SECOND: Committee Member Falcone

MOTION CARRIED: unanimously.

AYES: Falcone, Gamble, Gardner, Lech, Tobin  
NOES: None  
ABSTENTION: None

### **MINUTES**

The Minutes of January 4, 2019 and February 20, 2019 were approved as presented.

MOTION: Committee Member Lech to approve the minutes of January 4 and February 20, 2019 as presented.

SECOND: Committee Member Gamble

MOTION CARRIED: unanimously.

AYES: Falcone, Gamble, Gardner, Lech, Tobin  
NOES: None  
ABSTENTION: None

### **COMMUNICATIONS**

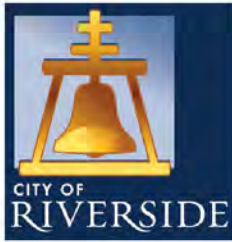
Mr. Watson announced that Ms. Stegman's request was approved by the City Council.

Committee member Lech announced he would be out July 2 through 17, 2019. Due to the Fourth of July holiday, the Committee agreed to reschedule the July 8<sup>th</sup> meeting until after the 17<sup>th</sup>.

### **ADJOURNMENT:**

The meeting was adjourned at 2:47 p.m.





# HISTORIC PRESERVATION TRUST FUND STATUS REPORT AND RECOMMENDATIONS

Community & Economic  
Development Department

City Council  
July 16, 2019

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## WHAT IS THE HISTORIC PRESERVATION TRUST FUND?



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## AWARDED PROJECTS



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## BENEFITS OF THE PROGRAM

1. Approximately \$1.5M reinvested into the community (including owner and city investment);
2. Provides needed assistance; and
3. Recognitions:
  - a) Presentation at California Preservation Foundation; and
  - b) Old Riverside Foundations recognition.



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## CURRENT STATUS

1. Awarded Approximately \$600,000; and
2. Projected Balance = \$100,000:
  - a) Currently approximately \$33,000;
  - b) Farm House Motel Sale approximately \$60,000; and
  - c) Reimbursed unused grant (Riverside Museum) approximately \$10,000.



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## POTENTIAL SOURCES

### 1. General Fund Allocation

- One time or annual
- Direct Impact on General Fund (approx. \$250,000)
- Current staffing adequate
- Not recommended

### 2. Historic Site Code Enforcement Fines

- Allocate historic site code enforcement fines
- Direct Impact on General Fund
- Current staffing adequate
- Recommended for immediate consideration

### 3. Percentage of Sales of Historic Properties

- Allocate a percentage of historic property sales
- Currently used
- Direct Impact on General Fund (approx. \$50,000 - \$100,000 with each sale)
- Current staffing adequate
- Recommended for immediate consideration



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## POTENTIAL SOURCES (CONT.)

### 6. Mitigation Banking

- Fee applied for demolition of certain historic resources
- Direct Impact on General Fund
- Current staffing adequate
- Recommended for immediate consideration

### 4. Donations/ Sponsorships/Grants

- Private donation and sponsorships, and public/private grants
- Indirect Impact on General Fund (Staff time)
- Additional staff required
- Recommended for future consideration

### 5. Fundraising & Crowd Sourcing (GoFundMe)

- Fundraising events at historic sites or crowd source funding
- Indirect Impact on General Fund (Staff time)
- Additional staff required
- Recommended for future consideration



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## FUND PROGRAM ADMINISTRATION

### 1. Maintain existing Program:

- a) Current City staff administration
- b) Grant only Program
- c) Bi-annual awards

### 2. Modify the Program:

- a) Administration
  - i. Additional City staff
  - ii. Non-profit organization or foundation
- b) Grant and/or Loan Program
- c) Annual awards



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## RECOMMENDATION

Staff recommends that the City Council:

1. Receive and file a status report on the Historic Preservation Trust Fund; and
2. Provide staff with direction on the future of the Historic Preservation Trust Fund Program.



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## HISTORIC PRESERVATION FUND STATUS REPORT AND RECOMMENDATIONS

Community & Economic  
Development Department

City Council  
June 18, 2018

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## GENERAL FUND ALLOCATION

(FOR REFERENCE)



### 1. EXAMPLE

- a) No examples specific to Historic Preservation
- b) City of Napa, CA; capital improvement

### 2. STEPS

- a) Include in the 2020 Budget Request
- b) For Measure Z Funding: Request the Budget Engagement Commission for an allocation of funds
- c) City Council Approval

### 3. OPPORTUNITIES

- a) Demonstrates the City's commitment to historic preservation
- b) Consistent funding

### 4. Challenges

- a) Previous Measure Z request was denied
- b) Due to the CalPERS Challenge, this may be a challenge



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## HISTORIC SITES CODE ENFORCEMENT FINES

(FOR REFERENCE)

### 1. EXAMPLE

- a) No Historic Preservation Specific examples

### 2. STEPS

- a) Amend Title 20 to allocate code violation fines to the Historic Preservation fund

### 3. OPPORTUNITIES

- a) Turning a negative situation into a positive.
- b) Direct fines for buildings 50 years or older to the Historic Preservation fund

### 4. CHALLENGES

- a) Requires City Council to impose fines
- b) Additional Code Violation Tracking - Limited staffing

### 5. POTENTIAL FUND

- a) \$200 collected in 2018



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## PERCENTAGE OF SALES OF HISTORIC PROPERTIES

(FOR REFERENCE)



Marcy Library



Hamilton County Land Bank



### 1. EXAMPLE

- a) Sale of Marcy Library; Riverside, CA
- b) Hamilton County Land Bank; Ohio

### 2. STEPS

- a) Include in sell allocation
- b) City Council Approval

### 3. OPPORTUNITIES

- a) Potential for significant financial contribution

### 4. CHALLENGES

- a) Requirement of request with each sale of a property
- b) Funds will return to department investment was sourced from
- c) Few city owned historic properties remaining

### 5. POTENTIAL FUNDS

- a) \$50,000 - \$100,000 per sale
- b) Currently being utilized

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## DONATIONS/SPONSORSHIPS/GRANTS

(FOR REFERENCE)



The Issue



Donate Today



### 1. EXAMPLE

- a) Restoration of City Hall Dome; Savannah, GA
- b) Potential rezoning and development; Annapolis, MD

### 2. STEPS

- a) Identify areas of concern
- b) Solicit potential donors
- c) Create marketing and Social Media platform

### 3. OPPORTUNITIES

- a) Opportunity to build civic pride
- b) Donations accepted from areas outside Riverside
- c) Social Media platform to garnish interest - donations and tourism

### 4. CHALLENGES

- a) Donations may be small increments (\$20 - \$500 per donation)
- b) Identifying what programs or causes would capture interests
- c) Administration/Staffing

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## FUNDRAISING & CROWD SOURCING

(FOR REFERENCE)



### 1. EXAMPLE

- a) Farm-to-Table
- b) Hidden City Scavenger Hunt
- c) Crow Source Funding; National Trust

### 2. STEPS

- a) Create/continue events
- b) Develop a Crowd Source Funding Campaign

### 3. OPPORTUNITIES

- a) Showcase historic location
- b) Utilize small donations to make a bigger impact
- c) Civic Pride

### 4. CHALLENGES

- a) Administration/Staffing
- b) Uncertainty of profitability (potentially \$1,000-3,000 per event)

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## MITIGATION BANKING

(FOR REFERENCE)



### 1. EXAMPLE

- a) City of Ontario, CA
- b) New York & Washington State

### 2. STEPS

- a) Amendments to Title 20 via CHB, LUC, & CC, Fees, documentation
- b) Environmental Impacts Reports

### 3. OPPORTUNITIES

- a) Set program guidelines

### 4. CHALLENGES

- a) Loss of potentially important cultural resources
- b) Low community support

### 5. POTENTIAL FUNDS

- a) Would depend on formula, potentially \$50,000 - \$100,000 per case

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CITY OF RIVERSIDE  
SPEAKER CARD

AGENDA ITEM NO.: 7

WELCOME TO THE RIVERSIDE CITY COUNCIL MEETING.

IF YOU WISH TO ADDRESS THE CITY COUNCIL, PLEASE COMPLETE AND SUBMIT THIS CARD TO THE CITY CLERK. SPEAKER CARDS WILL BE ACCEPTED UNTIL CONCLUSION OF PUBLIC COMMENT ON THE AGENDA ITEM.

NAME: Chuck Tobin DATE: 7/16/19

CITY/NEIGHBORHOOD: \_\_\_\_\_ PHONE # (Optional): \_\_\_\_\_

ADDRESS (Optional): \_\_\_\_\_ Address \_\_\_\_\_ City/State/Zip \_\_\_\_\_

SUBJECT: HP Fund

☐ SUPPORT ☐ OPPOSE ☐ NEUTRAL

*In accordance with the Public Records Act, any information you provide on this form is available to the public.*

Pursuant to the City Council Meeting Rules adopted by Resolution No. 23437, the Members of the City Council and the public are reminded that they must preserve order and decorum throughout the Meeting.



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