



Community & Economic Development Department

3900 Main Street, Riverside, CA 92522 | Phone: (951) 826-5371 | RiversideCA.gov

Planning Division

CULTURAL HERITAGE BOARD MEETING DATE: JANUARY 20, 2021

AGENDA ITEM NO.: 8

WORKSHOP ITEM

<i>Case Numbers</i>	Not Applicable
<i>Request</i>	To Receive and File an update on the Mills Act Program
<i>Project Location</i>	Citywide
<i>Ward</i>	All
<i>Staff Planner</i>	Scott Watson, Historic Preservation Officer 951-826-5507 swatson@riversideca.gov

RECOMMENDATIONS

Staff recommends that the Cultural Heritage Board receive and file an update on the Mills Act Program.

BACKGROUND

The Mills Act, enacted by the State of California in 1976, grants local governments the ability to provide property tax abatements to the owners of qualified historical properties. To receive the property tax abatement, property owners must enter into an agreement that commits them to making capital improvements to rehabilitate, restore, preserve, or maintain their qualified historical property.

In 2004, City Council adopted Resolution No. 20825 (Resolution - Exhibit 1) to implement the Mills Act Program (Program) in Riverside. The Program encourages preservation of designated historic districts and individual properties throughout the City. This, in turn, preserves property values and ensures preservation of the City's tangible links to the past for future generations. The Resolution limited the number of agreements in Riverside to seven per calendar year, to limit the fiscal impact of the Program. In 2007, a lottery was held as more than seven applications were received.

In December 2010, Resolution No. 22139 (2010 Resolution - Exhibit 2) revised the Program to allow flexibility in the number of agreements that the City could enter into each year. The 2010 Resolution sets an average of seven agreements per year, from inception of the Program, but limits the agreements to no more than ten in any given year.

On the current Program application form, staff requests information on the type of application – residential or commercial. The Resolutions do not put a limit on the specific number of residential or commercial agreements provided the total does not exceed ten. Staff has discretion to balance the number of residential and commercial agreements to be processed and has approached the Program so that the average seven agreements generally include five residential properties and two commercial properties.

Since 2004, the City Council has approved 75 Mills Act Agreements (Agreements) for an average of five per year. Two property owners have chosen not renewed their agreement and will phase out of the Program in 2022. In 2019, three properties were not compliant with the requirements of

the Program and the City will phase them out of the Program, meaning their property taxes will increase to full taxation by 2028. The Agreements not being phased-out total 70, including 68 residential properties and two commercial properties.

DISCUSSION

In 2020, nine Mills Act applications were received, deemed complete and met all requirements. This includes seven residential properties and two commercial properties. The nine applications include ten-year plans that total approximately \$8,486,000 in property maintenance improvements.

On November 10, 2020, the City Council approved the nine 2020 application (Exhibit 3), bringing the total number of Agreements received to date at 84.

A summary of the properties added to the Program in 2020 and the estimated annual reinvestment included in the 10-year plans, are listed below:

No.	Case #	Applicant	Property Address	Ward	Average Annual Reinvestment
1	P20-0313	James P. Gleason and Leigh Engel Gleason	2926 Lime Street	1	\$9,800
2	P20-0315	Ronald W. Lehman and Larke Urban-Vivas	3680 Beechwood Place	1	\$13,150
3	P20-0332	Jayne Ellen Joy	3650 & 3658 Larchwood Place	1	\$3,770
4	P20-0383	Shanmei Club, LLC	3354 Orange Street	1	\$6,880
5	P20-0384	Riverside Packing House, LLC	3230 Vine Street	1	\$37,100
6	P20-0392	Historic Mission Inn Corporation	3649 Mission Inn Avenue	1	\$555,000
7	P20-0393	Andrew Villalobos and Sofia Villalobos	3625 Bandini Avenue	1	\$11,800
8	P20-0398	Kathleen M. Falco Banda, Trustee of the Family Trust of Kathleen M. Falco Banda Dated November 8, 2017	5065 Rockledge Drive	3	\$5,400
9	P20-0414	Peter Surowski and Rhiannon Little	3858 Redwood Drive	1	\$5,700

EXHIBITS LIST

1. Resolution No. 20825
2. Resolution No. 22139
3. 2020 Mills Act Contacts

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Reviewed by: David Murray, Principal Planner
Approved by: Mary Kopaskie-Brown, City Planner