

HISTORIC PRESERVATION

THE MILLS ACT PROGRAM

Community & Economic Development Department

Cultural Heritage Board

Agenda Item: 4

February 18, 2026

WHAT IS THE MILLS ACT PROGRAM?

- The Mills Act program is a local property tax incentive designed to encourage restoration, rehabilitation and preservation of privately owned properties
- 1972- State Senator James Mills authorized the “Mills Act” in response to the plight of the historic Hotel Del Coronado
- Implemented by City Council in 2004



HOW THE MILLS ACT WORKS



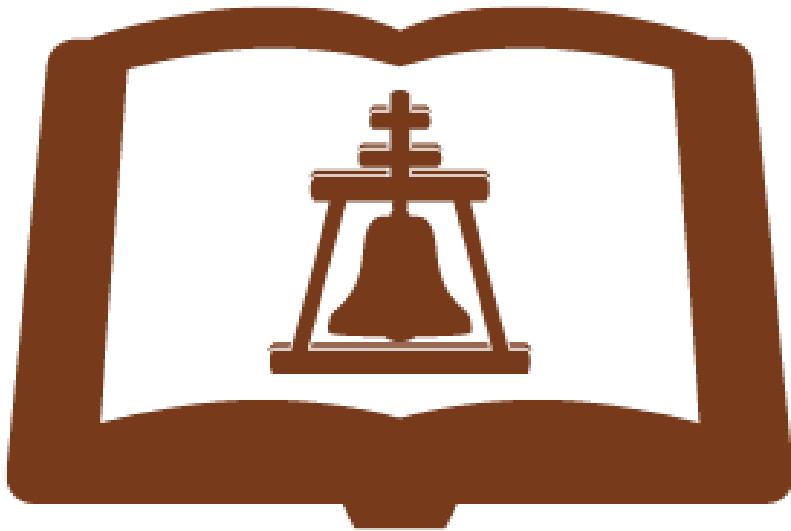
1. The City enters into a contract with the owner of a property to restore, rehabilitate, or maintain their property in exchange for property tax savings
2. Properties must be privately owned & subject to property tax
3. Contracts run with the title on the property
4. Contracts are for a minimum of 10 years & extend 1 year annually- unless either party chooses not to renew
5. The County Assessor calculates the Mills Act tax reassessment annually

MILLS ACT BENEFITS

1. Beneficial for recent buyers of historic properties and for current owners of historic buildings who have made major improvements to their properties.
1. Property tax savings of between 40% and 60% each year
2. Mills Act properties may realize slight increases in property taxes each year.



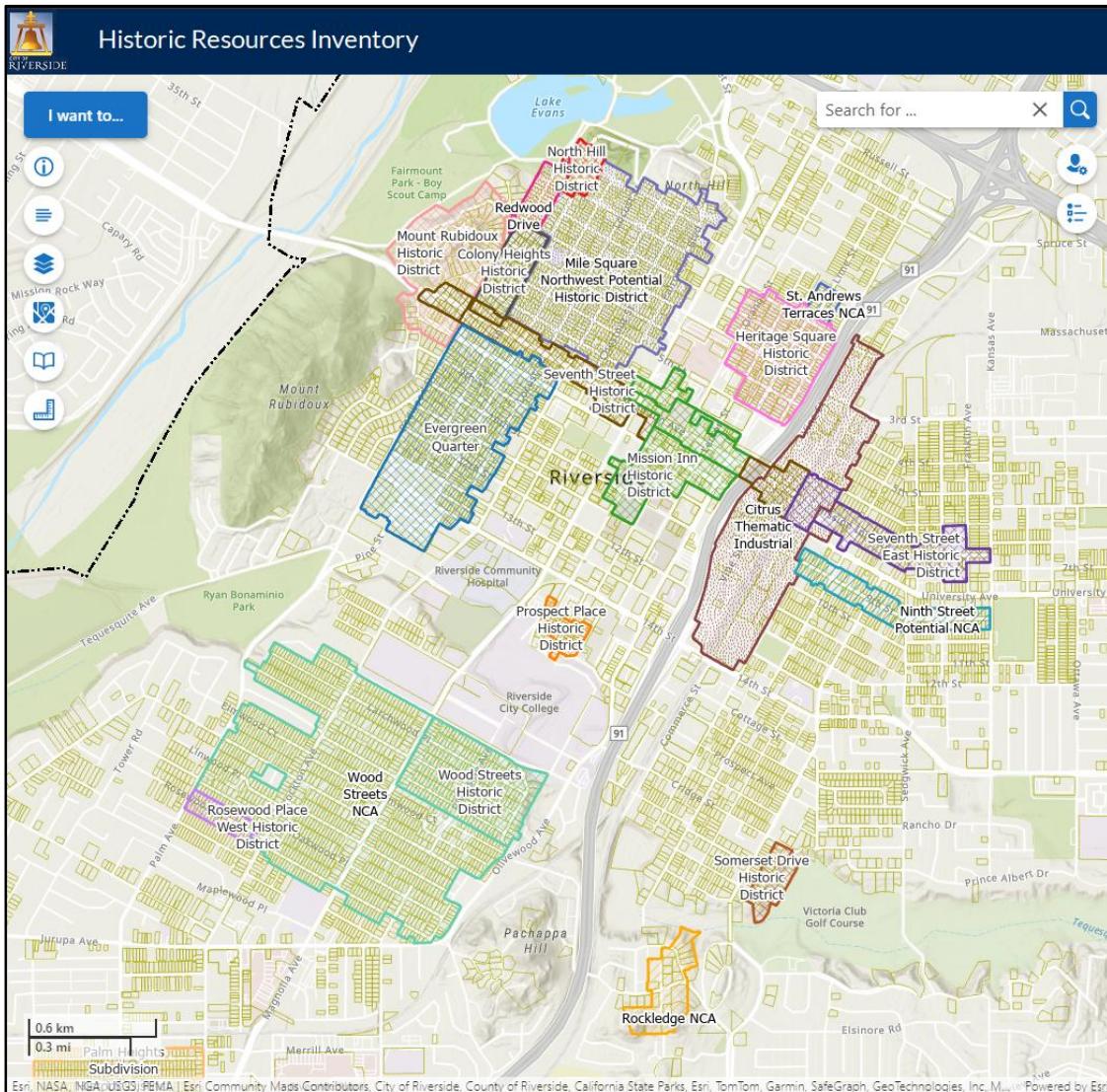
PROGRAM ELIGIBILITY



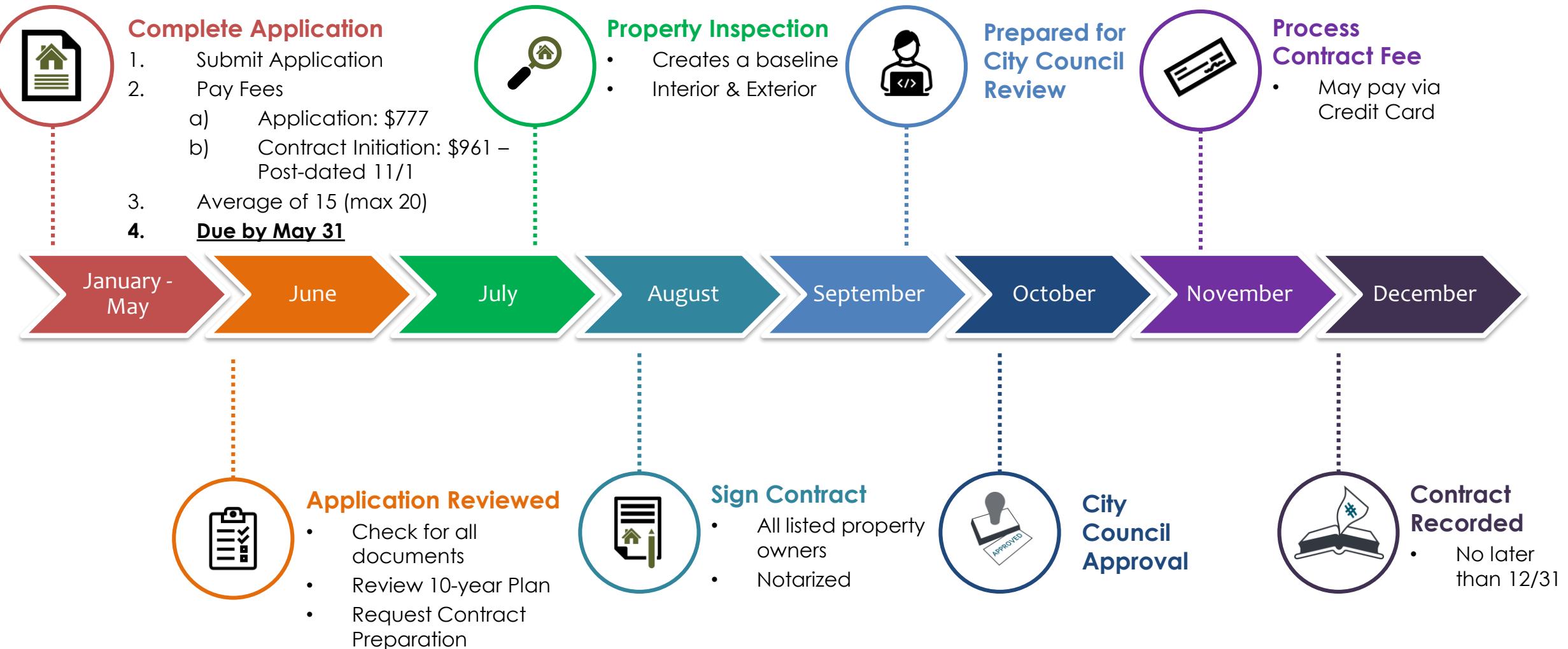
1. Property must be located in the City of Riverside
2. The property must be individually designated or a district contributor
3. Completed application received between January 1 and May 31 with the application fee

ELIGIBILITY STATISTICS

1. Over 3000 historically significant properties (individual or in a district)
2. 13 Historic Districts
3. 4 Neighborhood Conservation areas
4. 150 Landmarks
5. 1000+ Structures of Merit



APPLICATION PROCESS



COMPLETING THE APPLICATION

Don't have this information?
millsactprogram@riversideca.gov
or the online inventory

City of Riverside – Mill's Act Application

MILLS ACT APPLICATION

Mills Act applications are accepted January 1st through the last business day in May and must be submitted by 5:00 pm. Thank you for your investment in the City of Riverside.

Property Address: _____

Assessor's Parcel Number(s): _____

Property Use: _____

CONTACT INFORMATION

Property Owner: _____

Address: _____ City: _____ State: _____ Zip: _____

Mobile: _____ Email: _____

Email: _____

I authorize the City of Riverside to act as my agent for the purpose of recording the Mills Act contract.

Property Owner Signature _____ Date _____

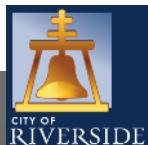
PROGRAM ELIGIBILITY

In order for your property to be considered for a contract you must have a designated historic resource from the list below:

Date of Designation: _____

City Landmark National Register
 City Structure of Merit National Historic Landmark
 County Landmark Contributor to a Designated Historic District or Designated Neighborhood Conservation Area (NCA)
 State Point of Historical Interest

Name of district or NCA: _____



HISTORIC SITES INVENTORY

riversideca.gov/cedd/planning

Build Riverside

Forms

City Plans ▾

Zoning Code And Regulations

Development Projects And CEQA Documents

Historic Preservation ▾

Modifying Historic Properties and Mills Act Program

Historic Sites Inventory & Studies

LGBTQ+ Historic Context

Agendas & Schedules

Boards & Commissions Archives

Planning

[SIGN UP FOR EMAIL UPDATES](#)

As the largest city in the Inland Empire, Riverside is a diverse and dynamic City experiencing tremendous growth and investment. The City offers a rich agricultural heritage, unique architecture, affordable housing stock and business friendly environment that is unique to Southern California.

Our Planning Division is committed to urban planning and data that creates a livable, high-quality of place – where people can live, work and play. By focusing on creative solutions for our customers, and in developing our long-range plans, Riverside is poised to become the location of choice for residents and businesses.



Historic Sites Inventory & Studies

The Historic Resources Inventory Viewer is a web-based map application that allows you to view Historic Properties and data related to that property!

[VIEW HISTORIC SITES](#)

Historic Resources Inventory Disclaimer:

All addresses shown are not historic. To identify historic properties, you'll want to check if the property is designated as a City Landmark or Structure of Merit or listed as a contributor to a Historic District or Neighborhood Conservation Area.



Historic Property Profile: 3435 LIME ST

Produced On March 11, 2024



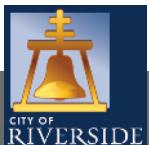
Address: 3435 LIME **Year Built:** 1905
APN: 213171016 **Builder:** unknown
Name: House for Mrs. L.N. Boardman **Contractor:**
Architect: unknown **Style:** Hipped Roof Cottage
Original Use: Single Family Residence **Original Owner:**

Legal Description:

Property Description:
This one-story Turn of the Century style building has a square groundplan and a gable-on-hip roof. The front façade features a 3/4 shed roof porch supported by four Doric columns. The porch contains an entrance flanked by two large windows. The gable face has decorative millwork resembling a rising sun. The exterior material is wood clapboard.

Designations

Date: 9/21/1988	Name:
Level: City of Riverside	Description: District Contributor
Plaque Date:	Landmark No:
Plaque Text:	Merit No:
Remarks:	
Date: 9/21/1988	Name:
Level: City of Riverside	Description: City Structure of Merit
Plaque Date:	Landmark No: 0
Plaque Text:	Merit No: 479



PROPERTY TAX ADJUSTMENT WORKSHEET

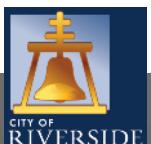
1. Estimate of tax savings, not actual
2. Based on Rental Value
1. Used to prepare your ten-year plan

DON'T PANIC!

PROPERTY TAX ADJUSTMENT WORKSHEET	
City of Riverside – Mill's Act Application	
This form is a fillable PDF. Please fill in the highlight boxes and the form will complete calculations.	
Income¹	
Monthly Rental Income	Even if property is owner-occupied, an estimated monthly rental income is needed as a basis for this formula. <i>Estimates can be found on websites like Zillow or Redfin.</i>
Annual Rental Income	Multiply Monthly Rental Income by 12
Annual Expenses²	
Insurance	Fire, Liability, etc.
Utilities	Water, Gas, Electricity, etc. May only be listed and calculated as personal in a traditional landlord-tenant relationship, not as part of a lease vs. general use.
Maintenance	Only include utilities used as a landlord would as part of lease. Utilities are generally not included in <i>Multi-Family Residential</i> uses.
Management ³	Standard fee (usually 8% of rent)
Other Operating Expenses	Security, services, etc. May also include special district assessments and special taxes; however, general levy property taxes are not allowed expenditures. Provide breakdown on separate sheet.
TOTAL ANNUAL ALLOWED EXPENSES⁴	Add total expenses. <i>Total expenses typically equal approximately 25% of annual rental income.</i>
Net Operating Income	Annual rental income minus total expenses.
	\$ 0.00

Last Revised 12/19/2023

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PROPERTY TAX ADJUSTMENT WORKSHEET

But I live in my house and don't rent it?

PROPERTY TAX ADJUSTMENT WORKSHEET

This form is a fillable PDF. Please fill in the highlight boxes and the form will complete calculations.

Income ¹		
<input checked="" type="radio"/> Monthly Rental Income	Even if property is owner-occupied, an estimated monthly rental income is needed as a basis for this formula.	
<input type="radio"/>	<i>Estimates can be found on websites like Zillow or Redfin.</i>	
Annual Expenses ¹		
Annual Rental Income	Multiply Monthly Rental Income by 12	\$ 0.00

Rental Estimate for

Edit Home Facts to improve accuracy.

\$1,556 - \$1,872 / mo

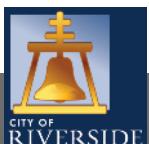
Rental estimate based on recent rentals. ⓘ

How do I find this number?



2 bd | 2 ba | 1,176 sqft

Off market | Zestimate®: \$304,300 | Rent Zestimate®: \$1,900



PROPERTY TAX ADJUSTMENT WORKSHEET

How do I find
this
information?

Annual Expenses ¹		
Insurance	Fire, Liability, etc.	
Utilities	<p>Water, Gas, Electric. Utilities may only be listed and deducted as permitted in a traditional landlord-tenant relationship, i.e. net lease vs. gross lease.</p> <p>Only include utilities if you as a landlord would pay as part of a lease agreement.</p> <p><i>Utilities are generally not included in Single-Family Residential leases.</i></p>	
Maintenance²	Includes: painting, plumbing, electrical, gardening, cleaning, mechanical, heating repairs, and structural repairs.	
Management³	Standard fee (usually 8% of rent)	
Other Operating Expenses	Security, services, etc. May also include special district assessments and special taxes; however, general levy property taxes are not allowed expenditures. Provide breakdown on separate sheet.	
TOTAL ANNUAL ALLOWED EXPENSES⁴	Add total expenses. <i>Total expenses typically equal approximately 25% of annual rental income.</i>	\$ 0.00



PROPERTY TAX ADJUSTMENT WORKSHEET

Capitalization Rate		
Interest Component	Annually determined by the State Board of Equalization and based on the effective rate on conventional mortgages as determined by the Federal Housing Finance board. The interest component is announced annually in a Letter to Assessors. (7.25% for 2024)	7.25%
Historic Property Risk Component	Determined by property type. Single-family home = 4% All other property = 2%	2.00%
Property Tax Component	Fixed Component	
Amortization Component	From your most recent property tax statement enter value of STRUCTURE	
	From your most recent property tax statement enter FULL VALUE	
	Enter 20 if the building is wood-framed (most likely construction type) Enter 50 if the building is masonry/concrete	20.00
	Total: STUTURE/FULL VALUE * 1/(20 or 50)	0.00%
TOTAL CAPITALIZATION RATE		10.25%

Land	\$202,671
Structures	\$574,249
Full Taxable Value	\$776,920
Exemptions - Homeowner	\$7,000
Exemptions - Other	\$0
Net Taxable Value	\$769,920
Tax Rate Per \$100 Value	1.11824
Taxes	\$8,609.56
Special Assessments & Fixed Charges	\$84.64
Total Base Tax Amount	\$8,694.20

(Structure/Full Value)/20

How do I find this information?

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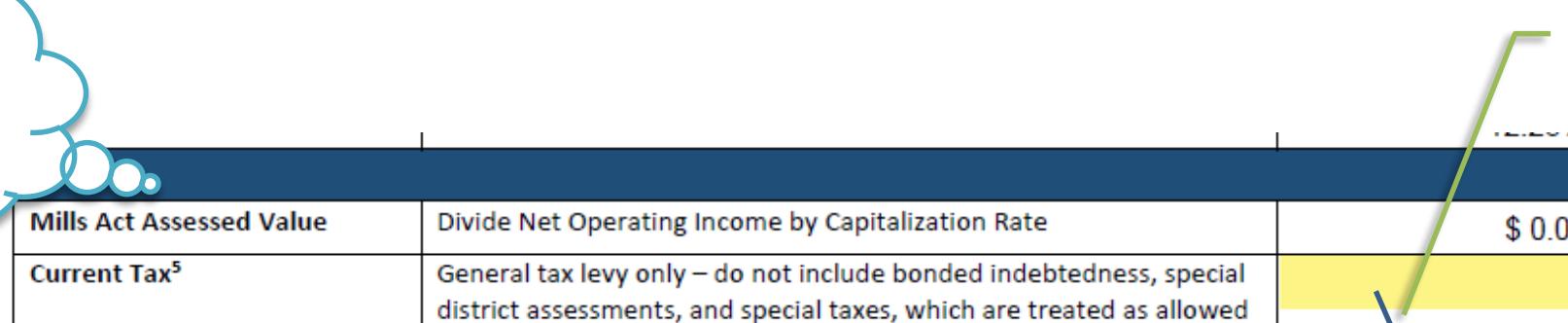
RiversideCA.gov

PROPERTY TAX ADJUSTMENT WORKSHEET

How do I find
this
information?

Mills Act Assessed Value	Divide Net Operating Income by Capitalization Rate	\$ 0.00
Current Tax ⁵	General tax levy only – do not include bonded indebtedness, special district assessments, and special taxes, which are treated as allowed expenses. <i>This amount is found on a current property tax invoice.</i>	
Tax under Mills Act	1% of Mills Act Assessment Value. (Multiply Mills Act Assessment Value by 0.01)	\$ 0.00
ESTIMATED TAX REDUCTION	Subtract Tax under Mills Act from Current Taxes	

Net Operating Income / Capitalization Rate

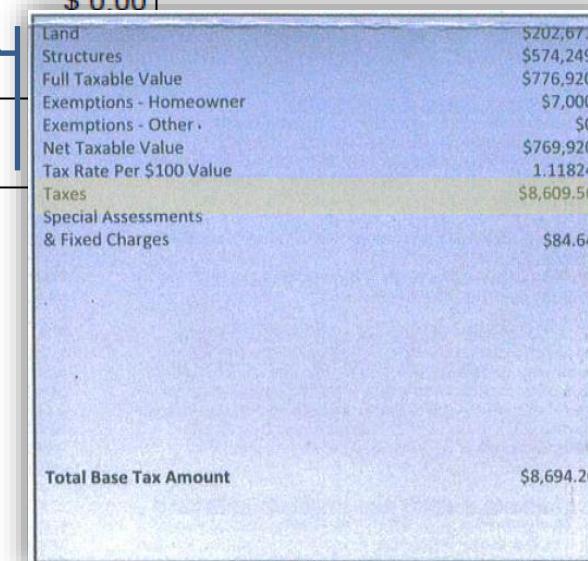


\$ 0.00

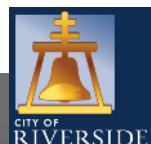
\$ 0.00

\$ 0.00

\$ 0.00



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MILLS ACT TEN YEAR PLAN

- Attached to the Historic Property Preservation Agreement (Mills Act Contract)
- Must utilize all of your tax savings.
- Exterior of the residence are subject to review.
- Retain copies of all receipts and/or take before and after photos

City of Riverside – Mill's Act Application

TEN YEAR REHABILITATION PLAN

YEAR	PROPOSED PROJECT*	ESTIMATED COST
1		\$
2		\$
3		\$
4		\$
5		\$
6		\$
7		\$
8		\$
9		\$
10		\$

*See attached for list of potential projects. Use additional sheets if necessary.

To be attached to the Historic Property Preservation Agreement (Mills Act Contract) – Exhibit D.
NOTE: Projects may be interior or exterior but must utilize all of your tax savings. All projects that affect the exterior of the residence are subject to Cultural Heritage Board/Staff review and approval before work begins. Work must meet all City requirements and the *Secretary of the Interior's Standards for the Treatment of Historic Properties* (see attached). Retain copies of all receipts and permits for submittal with the required annual reports. Photograph the before and after condition of each project for submittal with the annual reports.

Last Revised 12/19/2023

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WHAT PROPERTY IMPROVEMENTS ARE ELIGIBLE?



1. Most improvements are eligible for the Mills Act.
2. The improvements need to be a permanent part of the property.
3. For example:
 - i. A new outdoor seasonal gazebo would not qualify, but a permanent gazebo that is attached to a foundation would qualify.
 - ii. New furniture would not qualify, but new built-in cabinetry or shelving would qualify.

EXAMPLE PROJECTS

1. Annual maintenance & repairs
2. Accessory structure – repair or replace
3. Door – replacement
4. Architectural – remove non-historic feature and restore to original
5. Kitchen – new counters
6. HVAC – complete new system
7. Dry rot – remove, repair and/or replace
8. Painting – exterior and interior
9. Windows – repair



HOW CAN I APPLY FOR THE MILLS ACT?

Applications are available by:

- Picking up a copy at the Planning Counter, City Hall 3rd floor
- Contacting the Planning Staff at 951-826-5371 or email at millsactprogram@riversideca.gov and requesting a copy via email
- Downloading a Mills Act Application found at the Planning website at the following address:
<https://riversideca.gov/cedd/planning/forms>



Complete applications can be submitted with the required application fee via US mail or in person

Forms

Depending on the specific proposal, several entitlements may be needed for your project.

Our experienced and professional staff is here to help our customers navigate the development application process and can guide you to the forms to be submitted for your project.

Contact our staff.



General Forms

- General Application
- Fee Schedule 2023
- Conditional Use Permit
- Condominium Conversion Permit
- Design Review
 - Design Review Information Sheet
- Grading
 - Grading Exceptions Justification Form
- General Plan Amendment
- Minor Conditional Use Permit
- Planned Residential Developments
- Public Convenience/Necessity

Historic Preservation Forms

- Certificate of Appropriateness Application
- Consultant Requirements for Cultural Resources Survey, Studies and Reports
- Designation Application
- Mills Act
 - Mills Act Application
 - Mills Act Information
 - Mills Act Historical Property Interest Component
 - Mills Act Sample Contract
 - Mills Act Annual Report



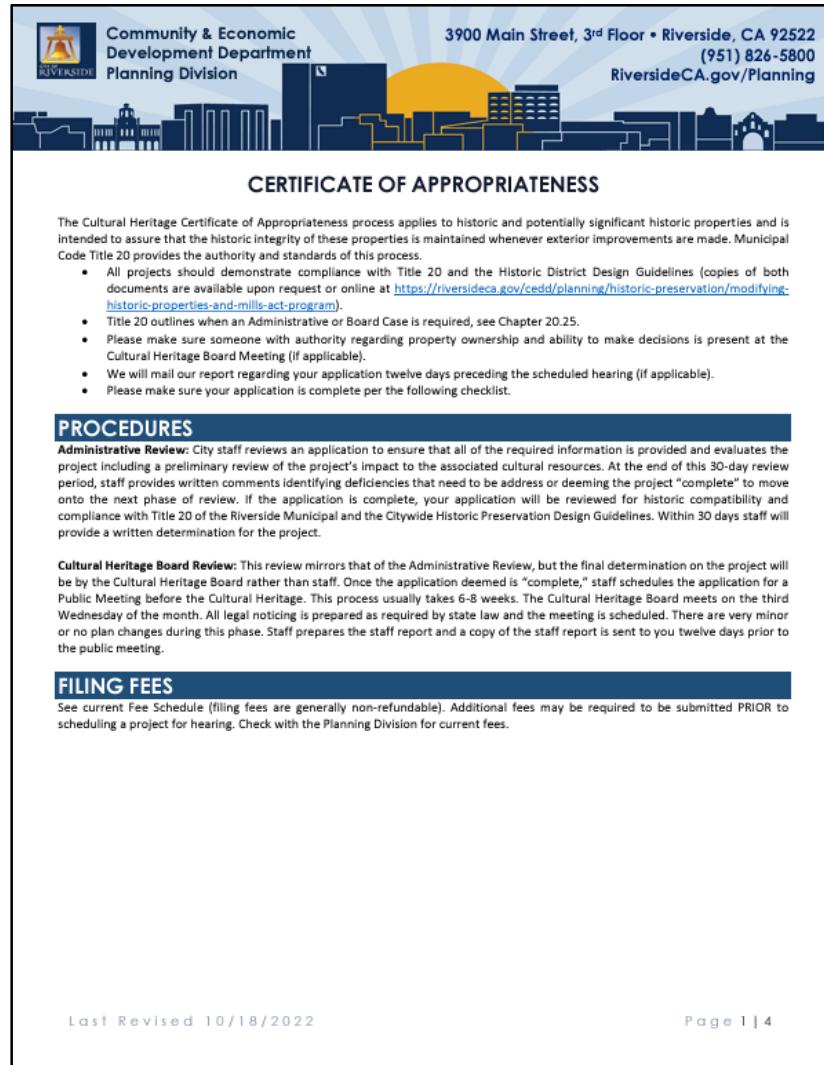
CERTIFICATE OF APPROPRIATENESS

Required for ALL exterior projects

Types of COAs

1. Over-the-counter
2. Administrative
3. Board

Submit to the Planning Division
on Third Floor of City Hall



The image shows a sample 'CERTIFICATE OF APPROPRIATENESS' application form from the City of Riverside. The header includes the City of Riverside logo, 'Community & Economic Development Department Planning Division', the address '3900 Main Street, 3rd Floor • Riverside, CA 92522', the phone number '(951) 826-5800', and the website 'RiversideCA.gov/Planning'. The form is titled 'CERTIFICATE OF APPROPRIATENESS' and contains a detailed description of the process, including requirements for projects, procedures for administrative and board reviews, and filing fees. At the bottom, it notes the document was last revised on 10/18/2022 and is page 1 of 4.

CERTIFICATE OF APPROPRIATENESS

The Cultural Heritage Certificate of Appropriateness process applies to historic and potentially significant historic properties and is intended to assure that the historic integrity of these properties is maintained whenever exterior improvements are made. Municipal Code Title 20 provides the authority and standards of this process.

- All projects should demonstrate compliance with Title 20 and the Historic District Design Guidelines (copies of both documents are available upon request or online at <https://riversideca.gov/ced/planning/historic-preservation/modifying-historic-properties-and-mills-act-program>).
- Title 20 outlines when an Administrative or Board Case is required, see Chapter 20.25.
- Please make sure someone with authority regarding property ownership and ability to make decisions is present at the Cultural Heritage Board Meeting (if applicable).
- We will mail our report regarding your application twelve days preceding the scheduled hearing (if applicable).
- Please make sure your application is complete per the following checklist.

PROCEDURES

Administrative Review: City staff reviews an application to ensure that all of the required information is provided and evaluates the project including a preliminary review of the project's impact to the associated cultural resources. At the end of this 30-day review period, staff provides written comments identifying deficiencies that need to be address or deeming the project "complete" to move onto the next phase of review. If the application is complete, your application will be reviewed for historic compatibility and compliance with Title 20 of the Riverside Municipal and the Citywide Historic Preservation Design Guidelines. Within 30 days staff will provide a written determination for the project.

Cultural Heritage Board Review: This review mirrors that of the Administrative Review, but the final determination on the project will be by the Cultural Heritage Board rather than staff. Once the application deemed is "complete," staff schedules the application for a Public Meeting before the Cultural Heritage. This process usually takes 6-8 weeks. The Cultural Heritage Board meets on the third Wednesday of the month. All legal noticing is prepared as required by state law and the meeting is scheduled. There are very minor or no plan changes during this phase. Staff prepares the staff report and a copy of the staff report is sent to you twelve days prior to the public meeting.

FILING FEES

See current Fee Schedule (filing fees are generally non-refundable). Additional fees may be required to be submitted PRIOR to scheduling a project for hearing. Check with the Planning Division for current fees.

Last Revised 10/18/2022

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ANNUAL REPORT



Community & Economic Development Department Planning Division
3900 Main Street, 3rd Floor • Riverside, CA 92522
(951) 826-5800
RiversideCA.gov/Planning

MILLS ACT ANNUAL REPORT

CONTACT INFORMATION

Property Owner: _____
Mill's Act Property Address: _____
Mailing Address (if different): _____
Address: _____ City: _____ State: _____ Zip: _____
Mobile: _____ Email: _____

REPORTING INFORMATION

Annual Report for the Year of: _____ What were your tax savings this year?: \$ _____
(Please attach copies of your tax statement for the applicable year.)

What was the total cost of the project(s)? \$ _____
What was (were) your project(s)? Please describe each project contributing to your required expenditure, include the cost of each project (add additional sheets as necessary):

Would you like to revise your Ten-Year Plan? YES (if yes, attach a revised Ten-Year Plan) NO

PROPERTY OWNER CERTIFICATION

I certify that the above information is true and accurate to the best of my ability. I acknowledge that I understand that the entirety of the annual Mills Act savings shall be reinvested into the property on an annual basis. I further acknowledge that an annual inspection, to be completed by City Staff, shall be completed to certify compliance.

Property Owner Signature _____ Date _____

SUBMITTAL REQUIREMENTS

Your Mills Act Annual Report shall be submitted in either in hard copy, on 8.5" x 11" paper, or via email in one PDF file containing all documents. In addition to the signed Annual Report form please submit at least one of the following supporting documents:

Before and After photographs for all Mills Act work performed during the last year; or
 Copies of paid invoices or itemized receipts; or
 Copies of any required building permits

Return Form and Attachments by the Last Business Day in July to millsactprogram@riversideca.gov or via mail:
City of Riverside
Community & Economic Development Department, Planning Division
3900 Main Street - 3rd Floor
Riverside, CA 92522

Please note: Some work performed may require a Certificate of Appropriateness and/or Building Permit. It is the responsibility of the property owner to obtain the proper permits. This annual report is not a substitute for any required permits and is only used to verify Mills Act compliance.

Last Revised 02/12/2024 Page 8 | 8

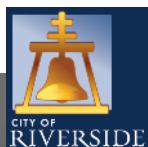
Required Documentation of Work

1. Receipts
2. Photographs
3. Written narrative

Required proof of savings

4. Copy of tax coupons (before and after)

Due the Last Business Day in July



10-YEAR PLAN MODIFICATION

1. A ten-year rehabilitation plan is required as part of the application
 1. Re-evaluated every five (5) years or as needed
 2. Applicant can change in writing at any time

City of Riverside – Mill's Act Application

TEN YEAR REHABILITATION PLAN

YEAR	PROPOSED PROJECT*	ESTIMATED COST
1		\$
2		\$
3		\$
4		\$
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Last Revised 12/19/2023

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INSPECTIONS

1. Initial Inspection at Application Time
2. Rotational bases happening every Five years (typically during February & March)
 1. Interior and exterior inspections
 2. Community and Economic Development Staff will coordinate with you



FREQUENTLY ASKED QUESTIONS



When will I start to receive my savings on my tax bill?

The first property tax year following execution.



How much will I save on my property taxes?

**It will vary per property, year to year.
On average 20 – 70%**



When do I start completing qualified property improvements?

July 1 of the year following contract execution



Can I spend all of my ten-year savings in one fiscal year for one big improvement project?

No. Annual spending is required, but we will look at the average spending.



Is the Mills Act transferable if I sell my property?

Yes! It will automatically transfer, no need to complete a new application.



QUESTIONS

