



*City of Arts & Innovation*

## News Release

---

**FOR IMMEDIATE RELEASE:**

June 13, 2013

**Contact:**

Erin Gettis  
Historic Preservation Officer  
(951) 826-5463

### **City program provides tax breaks for qualified historic building restoration/preservation-Application deadline is June 28**

**RIVERSIDE, CA** - The City of Riverside is accepting applications for the Mills Act program through June 28, 2013. The Mills Act is the single most important economic incentive program in California for the restoration and preservation of qualified historic buildings by private property owners. The Mills Act allows the City to enter into ten-year contracts with owners residential or commercial buildings who actively participate in the restoration and maintenance of their historic properties while receiving property tax relief.

The City of Riverside adopted the Mills Act because it recognizes the economic benefits of conserving resources and reinvestment as well as the economic and physical revitalization of older areas, creating cultural tourism, building civic pride, and retaining the sense of place and continuity with the community's past. The City can enter into an average of seven contracts each year; however, no more than ten contracts can be executed in one year. A formal agreement, generally known as a Mills Act Contract, is executed between the City and the property owner for a minimum ten-year term. Contracts are automatically renewed each year and are transferred to new owners when the property is sold. Property owners agree to restore, maintain, and protect the property in accordance with specific historic preservation standards and conditions identified in the contract. Periodic inspections by city or county officials ensure property maintenance of the property. Local authorities may impose penalties for breach of contract or failure to protect the historic property. The contract is binding to all owners during the contract period.

Mills Act participants may realize substantial property tax savings of between 40% and 60% each year for newly improved or purchased older properties because valuations of Mills Act properties are determined by the Income Approach to Value rather than by the standard Market Approach to Value. The County Assessor is required to assess all properties annually, so Mills Act properties may realize slight increases in property taxes each year.

# # #