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

City Attorney's Office
3900 Main Street
Riverside, CA 92522
(951) 826-5567

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

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

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

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 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.

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

City Attorney's Office
3900 Main Street
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(951) 826-5567

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

Ronald Loveridge
Mayor of the City of Riverside

Attest:

Colleen Nicol
City Clerk of the City of Riverside

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

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

Noes: None

Absent: None

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

Colleen Nicol
City Clerk of the City of Riverside

CA: 03-2171
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11/05/04

City Attorney's Office
3900 Main Street
Riverside, CA 92522
(951) 826-5567

Exhibit A

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 reach 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

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