

RESOLUTION NO. 19-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEMECULA ESTABLISHING A MILLS ACT PROGRAM INCLUDING DEVELOPMENT OF AN APPLICATION PROCESS, AND REQUIRED CONTRACT PROVISIONS FOR IMPLEMENTATION OF THE ACT AND MAKING THE DETERMINATION THAT THE PROPOSED PROJECT IS EXEMPT FROM FURTHER ENVIRONMENTAL REVIEW UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (LONG RANGE PLANNING PROJECT NO. LR16-1483)

THE CITY COUNCIL OF THE CITY OF TEMECULA HEREBY FINDS AND RESOLVES AS FOLLOWS:

Section 1. Pursuant to Government Code Section 50280 et seq. (“the Mills Act”), the City Council may establish a program and enter into historical property preservation agreements (“Preservation Agreement”) with owners of a historic properties for the purposes of preservation, rehabilitation, and maintenance of a designated historic resource in accordance with the United States Secretary of the Interior’s Standards for Rehabilitation, the State Historical Building Code, and applicable City codes (“Mills Act Program”). The Preservation Agreement allows the owner to receive a reduction in property taxes in exchange for the property owner’s commitment to repair, restore, rehabilitate, and/or maintain the historic property.

Section 2. The Mills Act Program would provide property tax reductions to property owners who agree to invest in the preservation and rehabilitation of qualifying historic properties.

Section 3. The preservation and rehabilitation of historic properties would enhance the character of Temecula by retaining the City’s sense of place and continuity with the community’s past. As a matter of public policy, the identification, designation, preservation, enhancement, perpetuation and use of improvements, buildings and structures within the City that reflect special elements of the City’s cultural, historical, agricultural, architectural, artistic, educational, or economic heritage is in the interest of the health, economic prosperity, cultural enrichment and general welfare of the people. Preservation of historic resources is an important aspect of tourism. By encouraging property owners to maintain and restore historic buildings and landscapes, the City is preserving its history and supporting the local economy. Preservation Agreements would benefit residential neighborhoods, businesses, community pride, and regional image.

Section 4. The Mills Act Program is consistent with the General Plan because the City’s General Plan Land Use Element includes policies related to preserving resources that represent the City’s history and culture or contribute to the City’s special character and unique identity. Specifically, General Plan Land Use Policies 3.4 and 7.2, focus on protecting and preserving the City’s significant historic structures and landmarks.

Section 5. Through the Old Town Specific Plan, the Temecula Municipal Code has established the Temecula Local Historic Preservation District, which is intended to identify buildings, structures, and sites that are of particular historic or cultural significance and define the City's heritage and historic development. The Old Town Local Review Board is designated to serve in an advisory capacity to the City Council on the preservation of historic and cultural landmarks. Working in consultation with the Old Town Local Review Board, the Community Development Department is positioned to administer City programs for rehabilitating, restoring, maintaining and preserving historic structures, including a Mills Act Program.

Section 6. Pursuant to the requirements of the California Environmental Quality Act (CEQA), the City environmentally evaluated the establishment of a Mills Act Program. The Mills Act Program establishes a property tax reduction for property owners that rehabilitate, restore, maintain, and preserve properties that are determined to be of historic significance. The establishment of a Mills Act Program does not authorize any new development or construction of buildings, nor does it authorize any new land uses. The program encourages the continued use of existing structures and the continuance of existing land uses. For these reasons, it can be seen with certainty that the Mills Act Program will not result in any significant adverse impact on the environment. Thus, the establishment of the Program is exempt from the CEQA environmental review requirements pursuant to Section 15061(b)(3) of Title 14 of the California Code of Regulations ("CEQA Guidelines"). Further, the Mills Act Program is categorically exempt from environmental review pursuant to section 15331 of the CEQA Guidelines, which exempts projects limited to maintenance, repair, stabilization, rehabilitation, restoration, preservation, conservation or reconstruction of historical resources in a manner consistent with the Secretary of the Interior's Standards for the Treatment of Historic Properties with Guidelines for Preserving, Rehabilitating, Restoring, and Reconstructing Historic Buildings in that it is a program that encourage the preservation and maintenance of historic resources in exchange for property tax reductions. In addition, the Program is categorically exempt from CEQA, pursuant to CEQA Guidelines Section 15308 because it is an action by a regulatory agency (the City) to maintain, restore and protect the environment through protection of historical resources in the community and does not authorize construction or relaxed standards that would degrade the environment.

Section 7. A "qualified historic property" for the purposes of the Mills Act Program shall be defined as:

- a. Located entirely within the City of Temecula;
- b. Privately owned;
- c. Not exempt from property taxation; and
- d. Individually listed on the Temecula Local Historic Register.

Section 8. The City Council hereby delegates to the Director of Community Development, or his or her designee, with review by the City Attorney, the authority and responsibility to develop, maintain, and amend, as necessary, an application, administrative guidelines, and forms of Preservation Agreements for properties seeking qualification and participation in the Mills Act Program. The Director of Community Development, or his or her designee, shall, as necessary, establish priority consideration criteria whereby such criteria shall be used to rank applications in terms of the preservation and rehabilitation needs of each property and prioritize selection of applications. The Director of Community Development or

his or her designee shall also report on an annual basis to the City Council the number of Preservation Agreements executed and the effectiveness of the Mills Act Program. The terms of the Preservation Agreement shall comply with Government Code Section 50280 et seq. The maintenance, repair, rehabilitation, and/or restoration standards applicable to the subject property shall be set forth in the Preservation Agreement. In consideration of 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 State Revenue and Taxation Code Section 439 et seq.

Section 9. Preservation Agreements will have a minimum contract term of 10 years, with automatic one-year renewals, to be recorded against title to the property and running with the land. Owners shall maintain the regulated characteristics of historical significance of the historic property in accordance with the rules and regulations of the State Office of Historic Preservation of the Department of Parks and Recreation, the United States Secretary of the Interior's Standards for Rehabilitation, the State Historical Building Code, and any applicable local codes and policies. Owners must allow reasonable periodic examination of the interior and exterior of the premises if a request is made by representatives of the County Assessor, State Office of Historic Preservation Department of Parks and Recreation, the State Board of Equalization, and/or the City's Community Development Director or his or her designee to determine the owner's compliance with the Preservation Agreement. No Preservation Agreement may be cancelled without compliance with Government Code Section 50280 et seq.

Section 10. The City Council shall establish fees for the processing of applications for Preservation Agreements and other matters required by the Mills Act Program, as legally permissible by State and local law.

Section 11. The record of proceedings for establishment of the City's Mills Act Program is maintained by the City as part of the official records of the City of Temecula at 41000 Main Street, Temecula, CA 92590.

Section 12. A Mills Act Program is hereby established based on the parameters included in this resolution to implement the State of California Mills Act in the City of Temecula.

Section 13. The City Clerk shall certify to the adoption of the Resolution 19- .

PASSED, APPROVED, AND ADOPTED by the City Council of the City of Temecula
this 27th day of August, 2019.

Michael S. Naggar, Mayor

ATTEST:

Randi Johl, City Clerk

[SEAL]

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss
CITY OF TEMECULA)

I, Randi Johl, City Clerk of the City of Temecula, do hereby certify that the foregoing
Resolution No. 19- was duly and regularly adopted by the City Council of the City of
Temecula at a meeting thereof held on the 27th day of August, 2019, by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

Randi Johl, City Clerk