



City of Arts & Innovation

# News Release

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## **June 29 Deadline Fast Approaching for Mills Act Applications**

*Program helps owners of historic properties with property tax relief for restoration and maintenance*

RIVERSIDE, Calif. – The City of Riverside is accepting applications through June 29 for the Mills Act program, 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 a perpetual ten-year contract with owners of residential or commercial buildings who actively participate in the restoration and maintenance of their historic properties while receiving property tax relief. 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 under a perpetual ten-year contract. Property owners agree to maintain, restore, and protect the property in accordance with specific historic preservation standards and conditions identified in the contract.

Periodic inspections by the city ensure proper maintenance of the property. The contract is binding to all owners during the contract period. In cases where there is a breach of contract or failure to protect the historic property, penalties may be imposed if the City and the owner cannot resolve the issues.

Mills Act participants may realize substantial property tax savings of between 20% and 60% each year. These savings can occur when the Income Approach to Value of a Mills Act property in any given year is lower than 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.

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 a sense of place and continuity with the community's past.

Application packages are available on the City's website at <http://www.riversideca.gov/historic/pdf/mills-act-application.pdf>

Application packages also can be obtained at the Community & Economic Development Department, Planning Division, 3900 Main Street, 3rd Floor, Riverside. General information about the Mills Act is available by calling 951-826-5371 or at <http://www.riversideca.gov/historic/incentives.asp>