



MILLS ACT PROGRAM

Thank you for your interest in the City of Riverside’s Mills Act Program. In order for your property to be considered for a contract, it must be a designated historic resource listed on a city, county, state or federal register. City designations are: Landmark, Structure of Merit, and Contributor to a designated Historic District or Neighborhood Conservation Area. If you are unsure whether your property is included within any of these designations, or wish to seek designation of your property, contact us.

After the contract is recorded, you will be required to submit annual reports on completed project(s), along with photo documentation of the completed work, copies of receipts, and building permits where applicable. City shall inspect the interior and exterior of the premises prior to the approval of new contracts and every year thereafter to determine the owner’s compliance with the contract. Significant penalties may be imposed for breach of contract or failure to maintain the historic property.

This packet is designed to assist you in completing the Mills Act Application. The application packet is also available online at www.riversideca.gov. If you have any questions, please contact the Planning Division at 951-826-5800.

PROCEDURES

Application packages are accepted January 1st through the last business day in May and must be submitted by 5:00 pm. Incomplete applications will not be considered. The City of Riverside allocates an average of seven but no more than ten Mills Act contracts per year – five for residential properties and two for commercial properties. All contracts may be for residential properties if no commercial applications are filed. If the City receives more applications than the allocated contracts, the properties will be randomly selected for the program.

All applications are reviewed by Cultural Heritage Board staff. During which time, staff may request modifications to the submitted ten-year rehabilitation plan to show compliance with the Secretary of the Interior’s Standards for Rehabilitation of Historic Properties. Additionally, staff will contact you during the month of August to set up an appointed for the initial inspection. Following the review of the application and the initial inspection, staff will submit a request to the City Attorney’s Office to prepare the Mills Act Contract. You will be asked to sign the contract once it has been prepared, general the end of September. Staff will then prepare to refer to the City Council for approval during the month of November. Once approved, the contract will be recorded on your property title with the county by the end of the calendar year.

FILING FEE

There are two fees associated with your Mills Act application a non-refundable application fee (currently \$404; may be adjusted) and a contract initiation fee (currently \$3,274; may be adjusted). The contract initiation fee must be included with the application via a post-dated check, dated December 1 of the current year.

SUBMITTAL REQUIREMENTS

- _____ Completed Application Form
- _____ Property Tax Adjustment Worksheet
- _____ Ten-Year Plan for Property Improvements
- _____ Grant Deed or Title Report, with Legal Description of Property, indicating that I am the property owner.
IMPORTANT NOTICE: All parties listed on the grant deed and spouses will need to appear in the Community & Economic Development Department during October to sign the contract. If any of the deed holders will be unavailable at any time during this month, please contact our office ahead of time so alternate arrangements can be made.
- _____ Non-Refundable Application Fee and post-dated check for Contract Initiation Fee (Refer to current fee schedule, post-date check to December 1 of the current year)
IMPORTANT NOTICE: Include a check for the current Contract Initiation (currently \$3,274; may be adjusted), post-dated for December 1 of the current year. Following City Council Approval, staff will deposit the check provided. Should you wish to pay this fee via credit card, please contact staff prior to December 1 to make arrangements. Failure to pay the fee shall cause the City to void and cancel the contract—it will not be recorded and will not be of any force or effect.
- _____ Copy of the Current Property Tax Statement or Coupons

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:

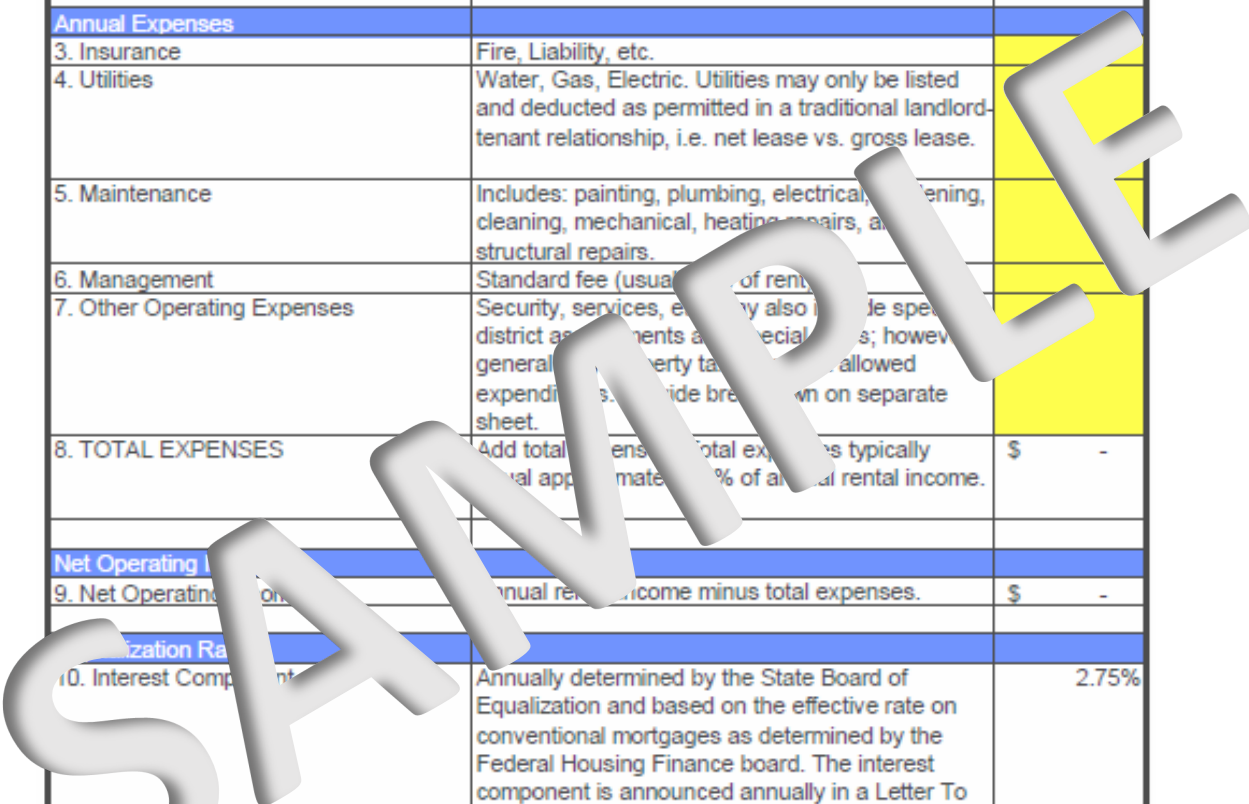
Date of Designation: _____

- | | |
|---|---|
| <input type="checkbox"/> City Landmark | <input type="checkbox"/> National Register |
| <input type="checkbox"/> City Structure of Merit | <input type="checkbox"/> National Historic Landmark |
| <input type="checkbox"/> County Landmark | <input type="checkbox"/> Contributor to a Designated Historic District of Designated Neighborhood Conservation Area (NCA) |
| <input type="checkbox"/> State Point of Historical Interest | Name of district or NCA: _____ |

PROPERTY TAX ADJUSTMENT WORKSHEET

A fillable excel spreadsheet is available under the “Historic Preservation Forms” section at www.riversideca.gov/cedd/planning/forms

Mills Act Financial Analysis Form		
Please fill out the yellow boxes with numerical digits only.		
Income		
1. Monthly Rental Income	Even if property is owner-occupied, an estimated monthly rental income is needed as a basis for this formula. Remember to include all potential sources of income (i.e. filming, advertising, photo-shoots, etc.).	
2. Annual Rental Income	Multiply Monthly Rental Income by 12	\$ -
Annual Expenses		
3. Insurance	Fire, Liability, etc.	
4. Utilities	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.	
5. Maintenance	Includes: painting, plumbing, electrical, cleaning, mechanical, heating repairs, and structural repairs.	
6. Management	Standard fee (usually % of rental income)	
7. Other Operating Expenses	Security, services, etc. may also include special district assessments and special taxes; however, general property taxes are not allowed expenditures. Provide breakdown on separate sheet.	
8. TOTAL EXPENSES	Add total expenses. Total expenses typically equal approximately 20% of annual rental income.	\$ -
Net Operating Income		
9. Net Operating Income	Annual rental income minus total expenses.	\$ -
Capitalization Rate		
10. 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, by October 1 of the preceding assessment year. (2.75% for 2022)	2.75%
11. Economic Property Risk Component	Determined by property type. Single-family home = 4% All other property = 2%	
12. Property Tax Component	Fixed Component	1.00%
13. 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; Enter 50 if the building is masonry/concrete	
	Total: STRUCTURE/FULL VALUE * 1/(20 or 50)	
14. TOTAL = CAPITALIZATION RATE		#DIV/0!



TEN YEAR 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.

City of Riverside – Mill’s Act Application

Potential Projects may include but are not limited to:

- Access Modifications – Exterior
- Access Modifications – Interior
- Accessory Structure Repair or Replace
- Annual Maintenance & Repairs
- Appliance Vent
- Architectural – Remove Non-historic Feature & Restore to Original
- Architectural Trim – Repair
- Architectural Trim – Replace
- Architectural Trim – Install New
- Balcony/ Decks – New Railings
- Balcony/ Decks – Repair or Replace
- Basement – Access – Repair or Replace to Code
- Basement – New or Rebuild
- Cabinets – New Built-in Bathroom
- Cabinets – New Built-in Kitchen
- Cabinets – New Built-in Other
- Carpentry – Remove window & reframe shower including Siding/Caulking
- Chimney – Inspect and Clean
- Chimney – New
- Chimney – Rebuild or Repair
- Code Repair Item
- Column – Replace or Rebuild
- Corbels/ Structural Brackets Replace or Repair
- Door – Repair or Replace Screen Door
- Door – Hardware
- Door – New Basement Hatch Cover and Base
- Door – Repair
- Door – Replacement
- Drain for Deck – Install & or Repair
- Drainage Protection or Correction
- Dry-Rot Remove, Repair and or Replace
- Electrical – Rewire or Install New Outlets
- Electrical – Complete Rewire and Service Upgrade
- Electrical – Ground & Service Entry
- Electrical – Install New Circuits
- Electrical – Lighting Fixtures
- Electrical – New Service Lines to Garage
- Electrical – Security Lighting and Alarm
- Electrical – New Outlets
- Fence – Repair or New
- Flashing
- Floor Furnace – Remove or Restore floor
- Flooring – Carpet
- Flooring – Repair
- Flooring – Repair Wood Floors
- Flooring – Replacement
- Foundation – Bolting and Seismic Work
- Foundation – New
- Foundation – Repair
- Gable or Attic – Re-screening
- Garage Door
- Gutters & Downspouts
- House Relocation
- HVAC – Complete New System
- HVAC – Maintenance & Replacement/Plumbing Service & Painting
- Insulation – Walls – Blown-in
- Insulation – Attic
- Interior Trim – Refinish
- Kitchen – New Counters
- Masonry – New
- Masonry – Repair or Replace Tile Hearth
- Masonry – Repair or Repoint
- Masonry – Repoint Brick
- Mechanical – Air Conditioning
- Mechanical – Heating Unit
- Mechanical – Ventilation – New Kitchen/Bath Fan & Duct Work
- Mechanical – Venting & Duct
- Mechanical – Venting & Duct Work
- Minor Painting and Exterior Repairs
- Painting – Exterior
- Painting – Interior
- Painting – Removal of Lead Based Paint
- Painting – Exterior Trim
- Patio – Repair
- Plastering – Remove, Replace, or Refinish
- Plumbing – DWV, Drain, Waste & Vent
- Plumbing – Fixtures
- Plumbing – Install new supply lines
- Plumbing – Install Sump Pump & Discharge Drain
- Plumbing – Minor Repairs
- Plumbing – New Supply
- Plumbing – Service Lines
- Plumbing – Sewer
- Plumbing Repairs
- Porch - Ceiling replacement
- Porch – Rebuild or Replace
- Porch – Repair
- Porch – Repoint Brick
- Porch Railing – Repair or Replace to Code
- Porches – Resurface
- Remove Substandard Construction (Tin Shed)
- Repair Eaves and/or Overhangs
- Repair Exterior Stucco
- Repair Garage
- Replace Garage
- Replace Non-Historic Feature
- Roof- Minor Repair
- Roof- Reroof
- Roof- Strip and Install New
- Security Lighting and Alarm System
- Seismic Retrofitting – Other than Foundation
- Siding – Remove Asbestos Siding & Restore
- Siding – Repair
- Skylights – Replace
- Stair – Repair
- Stair – Replacement
- Stonework
- Stoop – Repair
- Stoop – Replacement
- Structural – New Framing or Repairs
- Structural Bracing
- Structural Modifications
- Structural Repairs – Roof and/or Ceiling Joists
- Termite Treatment
- Termite Treatment and Repair
- Tile – Replace, Repair or Repoint
- Utility Enclosure – New
- Ventilation – Attic Fan
- Waterproofing
- Weatherproofing
- Window – Screens or Hardware
- Windows – Repair
- Windows – Replacement in kind