TO: JAMES L. APP, CITY MANAGER

FROM: WARREN FRACE, COMMUNITY DEVELOPMENT DIRECTOR

SUBJECT: HISTORIC RESOURCE PRESERVATION - PLANNING COMMISSION RECOMMENDATIONS

DATE: DECEMBER 15, 2015

Needs: For the City Council to consider recommendations of the Planning Commission on Historic Resource Preservation.

Facts:

1. The City Council requested the Planning Commission address maintenance of historic structures at their meeting on March 5, 2015. In May 2015, the Planning Commission organized an ad hoc committee for this purpose.

2. The objective of ad hoc committee was to provide recommendations on how to address maintenance of historic structures, with a focus on public outreach, preservation incentives, and options regarding establishing a standing committee to review historic preservation issues.

3. The committee met several times, and forwarded their recommendations to the Planning Commission on November 10, 2015. As part of their efforts, the committee received a presentation from historic preservation staff from the City of San Luis Obispo to learn about the operations of their Cultural Resource Preservation Commission and administration of the Mills Act Program.

4. The Commission considered the ad hoc committee recommendations, made minor modifications and is forwarding their recommendations to the Council with this report.

Analysis and Conclusions: The following three recommendations are proposed to the City Council:

1. Establish a "standing" historic resources committee, with members that are knowledgeable on historic resources to review applications for modifications to historic structures, and make qualified recommendations to the City Council, Planning Commission, and Development Review Committee. The committee would also review Mills Act or other incentive program applications, and assist with public outreach and education. It is recognized that presently there is limited historic preservation activity, and therefore meetings of the committee would likely convene only a couple times a year, until such time as the historic preservation program matures.

2. Launch an outreach and education program geared toward all owners of historic structures, and the real estate industry:
   1) the historic status of their property;
   2) responsibilities of owning a historic property; and
   3) voluntary incentives available to assist historic property owners in maintaining their property (e.g. Mills Act).

3. Host an historic preservation workshop, and prepare a newsletter and other educational materials to distribute to owners of historic properties. The focus of the workshop and materials would be to help the community:
    1) understand the status of their property;
    2) how the Historic Preservation Ordinance applies to their property should they wish to modify it;
    3) benefits of owning an historic property; and 4) guidance on how to implement incentive tools, such as the Mills Act Program. If pursued, the City may want to consider use of specialized consultants for this purpose. Materials on the Mills Act Program are provided in Attachment 1.

Certified Local Government Program

When the staff from the City of San Luis Obispo met with the ad hoc committee, they discussed how their historic preservation program functions, and they also discussed their City's participation in the California Preservation Foundation organization, in the Certified Local Government (CLG) program. If a community is member of this organization it may be able to qualify for grant funds for activities such as historic preservation training, development of historic design guidelines, public education and outreach, and other activities. Information on this program is provided in Attachment 2.

Potential Program Costs and Staff Support:

Support for implementation of this program will include use of staff resources for start-up and on-going activities. The following time and costs are rough estimates only. The "costs" are a reflection of the amount of potential staff time it would take to perform various activities. Providing these services is not an expense per se, but would use staff for this purpose instead of other planning activities, which may affect other development priorities.

The Planning Commission recommended the start-up tasks be phased in to reduce the immediate impacts on staff resources. The number of applications that would be processed for alterations, landmark designations, and/or the Mills Act Program, is unknown and would depend on the effectiveness of the outreach program and community response. Presently, due to increasing planning entitlement applications, the current planning staff would not be able to allocate the time necessary to support a new committee. However, the Paso Robles Historic Society and Mainstreet have offered to assist in providing information to property owners on questions and information regarding their historic properties. In affiliation with the National Mainstreet Association, the Paso Robles Mainstreet may also be able help with coordinating a public workshop.

Activity	Potential Hours		Potential Staff Time Cost ($153/hr)	
	Start-Up	On-going per year	Start-Up	On-going per year
Phase I				
Historic program research	40	40	$6,120	$6,120
Prepare and distribute education and outreach materials	120	20	$18,360	$3,060
Hosting a public education workshop	40	10	$6,120	$1,530
On-going staff and Historic Preservation Committee training & support	40	40	$6,120	$6,120
Phase I - Total	**240**	**110**	**$36,720**	**$16,830**
Phase II				
Application to the California Preservation Foundation	40	20	$6,120	$3,060
Work with individual property owners on Mills Act and/or other incentive programs (i.e. proving information on application process, tax calculations, staff reports, etc.)	40 per application (not reimbursed)	Depends on the number of applications	$6,120	Unknown
Providing staff resources to establish a standing committee (e.g. notices, staff reports, meetings, etc.);	120	40	$18,360	$6,120
Process historic preservation applications for historic building modifications, major alterations, demolitions, or designating buildings on local, state, or national landmark lists (through the Historic Preservation Committee, Planning Commission and City Council)	N/A	40 per application (reimbursed)	N/A	(-$6,120 reimbursed)
Process applications on designating buildings on local, state, or national landmark lists (through the Historic Preservation Committee, Planning Commission and City Council)	N/A	40 per application (reimbursed)	N/A	(-$6,120 reimbursed
Phase 2 - Total	**200**	**60 (+ 40 hours per applications)**	**$30,600**	**$9,180**

Options: The City Council is requested to take one of the actions listed below:

a. Defer consideration of the Planning Commission's recommendations for 6 months; or

b. Adopt the attached Draft Resolution A to establish a "standing" Historic Preservation Advisory Committee and direct staff to prepare bylaws and advertise for committee member applications; or

c. Amend, modify, or reject the above-listed action.

Attachments:

1. Resolution to Establish an Historic Preservation Committee
2. Mills Act Incentive Program Materials
3. Certified Local Government Program Information

Attachment 1. Resolution to Establish an Historic Preservation Committee

DRAFT RESOLUTION A

A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF EL PASO DE ROBLES
ESTABLISHING AN HISTORIC PRESERVATION ADVISORY COMMITTEE

WHEREAS, the City of El Paso de Robles adopted an Historic Preservation Ordinance in February 2011, with the purpose of providing recognition, preservation, protection, and use of historic resources in the City by establishing procedures and regulations that are necessary to: (1) assist in identifying and protecting its historic resources; (2) ensure that new development maintains continuity with the City's historic character and scale; (3) maintain historic resources as community assets; and (4) fulfill the City's responsibilities regarding historic resources under applicable State and Federal laws; and

WHEREAS, in support of implementing the City's Historic Preservation Ordinance and its responsibility to maintain historic resources, the City Council may create a new advisory board for that purpose, and may appoint members to said advisory board; and

WHEREAS, the City Council intends to establish a Historic Preservation Advisory Committee with responsibilities to make recommendations to the Planning Commission and City Council on matters pertaining to historic preservation, including, but not limited to: (1) review discretionary applications for modifications to historic structures; (2) review Mills Act program applications (and other incentive programs as appropriate); (3) provide information on the City's historic resources to the public, (4) participate in public outreach and education; and (5) other duties as determined by the City Council; and

WHEREAS, the Historic Preservation Advisory Committee shall meet on an "as-needed" basis, at a frequency, (including the day and time of Committee meetings) as determined by the Committee based on historic preservation activity levels; and

WHEREAS, the Historic Preservation Advisory Committee shall be composed of community members with expertise in the field of historic resources, historic resource preservation, and/or knowledge of historic resources in Paso Robles. The number of committee member seats shall be as determined by the City Council.

NOW, THEREFORE, BE IT RESOLVED that the City Council for the City of El Paso de Robles does hereby resolve, determine and find as follows:

Section 1. The recitals set forth herein are true and correct.

Section 2. The purpose of the Committee shall be to make recommendations to the Planning Commission and City Council on matters pertaining to historic preservation, including, but not limited to: (1) review discretionary applications for modifications to historic structures; (2) review Mills Act program applications (and other incentive programs as appropriate); (3) provide information on the City's historic resources to the public; (4) participate in public outreach and education; and (5) other duties as determined by the City Council;

Section 3. The membership and operation of the Committee shall be established by the adoption of the bylaws by the City Council.

PASSED AND ADOPTED by the City Council of the City of El Paso de Robles this 15th day of December 2015 by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

_____
Steve Martin, Mayor

ATTEST:

_____
Kristy Buxkemper, Deputy City Clerk

Attachment 2:
Mills Act information

City of El Paso de Robles

Historic Preservation Mills Act Program

A Tax Incentive Program for Preserving and Restoring Historic Property

In February 2011, the City Council adopted an Historic Preservation Ordinance. The ordinance includes historic preservation incentives to encourage "qualified historic properties" to be well maintained. Owners of historic property tend to take pride in their property, and may benefit from financial assistance in the cost to maintain it. Maintaining the City's historic resources will help ensure the rich history of Paso Robles continues into the future.

What is the Mills Act?

The Mills Act is a State law that allows cities to enter into contracts with the owners of "qualified historic property" to preserve, rehabilitate and improve their property, in exchange for a reduction in property tax.

The goal of the Mills Act is to provide property owners with tax savings to encourage them to invest in maintaining and restoring their historic property.

How it Works

Property owners work with the County Assessor to determine their property tax rate if their property was under a Mills Act agreement. The City also has property tax worksheet and tax calculation information available to assist property owners in determining their tax rate.

Once a contract is approved by the City Council, the property owner records their Mills Act agreement with the County Assessor.

The contract runs for 10 years and is automatically renewed annually for an additional year unless a notice of non-renewal is filed by the owner or City. Once a contract is terminated, the property owner's taxes increase over a 10-year period, to the standard rate based on the current assessed value of the property. Tax savings stay with the property and are transferred to new owners when the property is sold.

Property Eligibility

A qualified historical property is privately-owned (residential or commercial) property that is not exempt from property taxation.

To be eligible for applying for a Mills Act agreement in the City of El Paso de Robles, your property must be a City designated local, State or on the National register of historic landmarks. (A concurrent application for local landmark designation may be processed at the same time of applying for a Mills Act contract.)

The City's List of History Resources Inventory is on the City website at: www.prcity.com. The Mills Act Program is managed by the Community Development Department, Planning Division. For program information, please contact the Planning Division at (805) 237-3970 or by email at planning@prcity.com.

City of El Paso de Robles

Historic Preservation Mills Act Program

Frequently Asked Questions

1. **If I own an historic property, am I obligated to participate in the program?**
   No. Participation is voluntary. The contracts are intended for property owners who have a strong commitment to historic preservation, and to assist property owners who plan to rehabilitate their property.

2. **What is the term of Mills Act Agreement?**
   The contract is written for an initial term of 10 years. However, the contract automatically renews each year on its anniversary date for a new 10-year term. The contract, in effect runs in perpetuity with the land. The initial 10-year term is the period of time in which major rehabilitation projects should be substantially completed. If an owner desires to be released from the contract, a letter of non-renewal is submitted to the City. The owner is released from the contract 10 years after the notice of non-renewal is submitted.

3. **How are my property taxes reduced?**
   Instead of basing your property tax on the purchase price of your property (Proposition 13, Base Year Value), the County Assessor reassess your property on its ability (or potential ability) to produce income (Income Approach). Using the Income Approach, the Assessor values the property according to the capitalization of income, whereby the property's potential income is divided by a pre-determined capitalization rate to establish a new assessed property value to be taxed. The Income Approach for an owner-occupied property is based on its potential rental value. Commercial, industrial, or multi-family properties would have an actual income that is used for the calculation. A Mills Act Valuation Notice is sent annually to the property owner and the City. The notice will analyze three current components of the property: a) the Base Year Value which is the purchase price under Prop 13 (trended upward at 2% per year), b) the Fair Market Value (what the property is worth at the time of assessment) and c) the Mills Act Value. The Assessor is obligated to base the property tax levy on the lowest of the three components.

4. **What type of property is likely to benefit?**
   Property purchased after 2000 is most likely to receive the highest reduction. Property purchased prior to 2000 will likely receive a minimal reduction. Property purchased prior to 1978 (Prop 13) is unlikely to receive a tax reduction. The Mills Act Agreement program does not guarantee a reduction amount for any property. Properties that have more recently sold (e.g. within the last 10 years) are likely to see greater tax reductions.

5. **How much reduction will I receive?**
   The application Tax Adjustment Worksheet is provided to assist you in calculating the potential reduction on your property. Calculated accurately, it will provide you with an idea of your

potential reduction. It is not a guarantee. Remember that a reduction is based only on the General Tax Levy portion of your bill and DOES NOT reduce other district assessments of your tax bill.

6. **What happens if I want to sell my property after I have a Mills Act Contract?**
The contract will always remain with the property, and the new owner is obligated to meet the contract requirements. This can enhance the marketability of the property because it is not reassessed at its new market value when it is sold. Rather, new owners will likely pay property taxes based on the existing or proximate Mills Act Valuation notice. The new owner would be required to complete an outstanding rehabilitation or restoration work within the time remaining under the first 10-year term of the contract. It is always important for sellers and realtors to fully disclose the contract to potential buyers – both as an incentive to the property's rehabilitation, restoration and maintenance and to apprise them of their responsibility to perform under the terms and conditions of the agreement.

7. **Are there potential penalties for property owners with a Mills Act Contract?**
Yes. If a property is not maintained under the terms of the contract, is improperly altered, or if rehabilitation work is not performed, the owner could be found in breach of contract. If the breach of contract cannot be resolved to satisfy the contract, the Contract is cancelled and the owner is assessed a 12.5% penalty based on the current Fair Market Value of the property.

8. **How long does it take to get a Contract?**
Contracts are approved and recorded by the end of the application calendar year. Reassessments start after January 1 of the year following the contract recordation.

9. **What portion of my property is obligated under a Contract?**
The entire property is covered under a Mills Act Contract. The structure(s) both interior and/or exterior and grounds are required to be rehabilitated and maintained. Any work performed to the property must conform to the Secretary of the Interior's Standards for Rehabilitation and the California Historic Building Code.

10. **How can I terminate a Contract?**
The owner may terminate the contract by notifying the City at least 90 day prior to the annual renewal date. (The City may terminate a contract (with cause) by notifying the owner at least 60 days prior to renewal date. The owner may make a written protest about termination by the City. The contract remains in effect for the balance of the 10-year term of the contract beyond the notice of non-renewal.

11. **What if I cannot afford to rehabilitate my property?**
The Mills Act is an incentive program for properties needing rehabilitation work. The purpose of the Mills Act Contract is to assist owners in the rehabilitation of property. In many cases the cost of rehabilitation may be significantly higher than the amount of property tax saved. Owners are nonetheless obligated to rehabilitate and maintain the property. Failure to do so can lead to breach of contract and cancellation by the City.

City of El Paso de Robles

Historic Preservation Mills Act Program

How to Apply and the Approval Process

How to Apply for a Mills Act Agreement

- Confirm that your property is an eligible, historic property on the City's Historic Inventory List.

- Calculate the potential Property Tax Adjustment that may apply to your property, to determine if it would be a beneficial incentive for your property. (see separate Property Tax Adjustment Calculation Worksheet handout)

- Prepare a list of improvements that would be completed over the 10 year period of the agreement to submit with application.

- Submit a General and a Supplemental Applications with all application materials listed, including:

  - Property information
  - Description of the condition of the property
  - Description of alterations (if any) made to original property
  - Photographs of property & structure
  - Description of architectural theme
  - Description of architectural importance
  - Location Map
  - Plot Plan of Site
  - Processing fee

- Submit all materials to the Community Development Department, Planning Division.
- For questions call, (805) 237-3970.

Approval Process

- Once an application is submitted, the City will review the materials and determine if all the information required is complete and accurate. This will include a site visit. If the City needs to enter the site an appointment will be set up in advance with the applicant.

- When the application is determined to be complete, it will be scheduled for consideration by the Planning Commission.

- The Planning Commission will review the information on the existing condition of the property and the proposed list of improvements and make a recommendation to the City Council on whether to approve a Mills Act Agreement.

- The City Council will either approve or deny a proposal to enter into a Mills Act Agreement for the property.

- If the City Council approves a property owner to enter into a Mills Act Agreement, the City will prepare a Mills Act Agreement for approval by City and San Luis Obispo County.

- The Mills Act Agreement shall be recorded with the San Luis Obispo County Clerk Recorder's Office.

- The approval process should be complete within 8 to 10 weeks.

CITY OF EL PASO DE ROBLES

HISTORIC PRESERVATION MILLS ACT PROGRAM

SUPPLEMENTAL APPLICATION

1000 Spring Street
Paso Robles, CA. 93446
Phone: (805) 237-3970
Fax: (805) 237-3904
planning@prcity.com

Please submit the following information and a completed Community Development Department - Development Application Form to process a request for a Mills Act Historic Preservation Program Agreement. After the application for a Mills Act Agreement is received and reviewed by Planning Division staff, a public hearing will be held by the Planning Commission and referred to the City Council for approval. Once approved the Agreement will be forwarded to the SLO County Assessor Office to determine the new assessed property tax and recordation of the Agreement. Please contact the Planning Division if you have any questions at (805) 237-3970.

General Requirements for All Applications

☐ **1. COMPLETED DEVELOPMENT APPLICATION FORM:** Must include property owner's signature on form.

☐ **2. DEPOSIT:** As required by the City's Fee Resolution.

☐ **3. PROPERTY INFORMATION:**

Common Name:_____

Historic Name and Date of Construction: _____

Property Address and APN:_____

Name of Property Owner:_____

Property Owner Address:_____

Present Use of Building or Site:_____

Original Use of Building or Site:_____

Listed in City of Paso Robles Historic Inventory? ☐ yes ☐ no

☐ **4.** Description of the Existing Condition and Physical Appearance of the Site and Structure(s): (A separate sheet may be attached.)

☐ **5.** Description of Alterations to Original Structure(s): (A separate sheet may be attached.)

☐ **9.** Photographs of Property and Structure(s)from each direction and elevation: (attached)

☐ **10.** Architectural Style/Theme:

☐ **11.** Historic or Architectural Importance, Architect or Builder (include source of information): (A separate sheet may be attached.)

☐ **12.** Location Map and Plot Plan (attach)

City of El Paso de Robles

Historic Preservation Mills Act Program

Property Tax Adjustment Worksheet Guide

The following is an example showing the possible tax benefits to the historical property owner of an owner occupied single family dwelling. *This form is a Guideline only.* Your reduced property tax under a Mills Act Historic Preservation Agreement is not guaranteed to match this calculation.

EXAMPLE: Single Family Dwelling
Current Assessed Value (General Levy Taxes Only*) = $100,000
Estimated Monthly Rent **= (See Property Tax Calculation Worksheet)

A. DETERMINE ANNUAL INCOME AND ANNUAL OPERATING EXPENSES

[$800 per month income minus approximately $100 per month expenses for maintenance, repairs, insurance, utilities, and gardener equals a net income of $700 per month. Multiply by 12 months for an annual net income of $8,400. (*Mortgage payments and property taxes are not considered expenses.*)

B. DETERMINE CAPITALIZATION RATE

Add the following together to determine the Capitalization Rate:

The Interest Component is determined by the Federal Housing Finance Board and is based on conventional mortgages. While this component will vary from year to year, the State Board of Equalization has set this at 5.0% for 2011.

The Historical Property Risk Component of 4% (as prescribed in Sec. 439.2 of the State Revenue and Tax Code) applies to owner-occupied single family dwellings. A 2% risk component applies to all other properties.

The Property Tax Component (Post-Prop 13) of .01 times the assessment ratio of 100% (1%).

The Amortization Component is a percentage equal to the reciprocal of the remaining life of the structure and is set at the discretion of the County Assessor for each individual property. In this example the remaining life of a wood frame building is typically 20 years. The amortization component is calculated thus: 100% x 1/20=5%. Use 5% for your calculation.

Now add the following: 5.00%+4.0% +1.0% = 15% Capitalization Rate (Singe family dwelling)

C. **CALCULATED NEW ASSESSED VALUE AND ESTIMATED TAX REDUCTION**

The new assessed value is determined by dividing the annual net income ($8,400) by the capitalization rate .1500 (15.00%) to arrive at the new assessed value of $56,000.

Lastly, determine the amount of taxes to be paid by taking .01 (1%) of the assessed value $56,000. Compare with the current property tax rate for land and improvements only (be sure not to include voter indebtedness, direct assessments, tax rate areas and special district items on your tax bill):

- **Current general levy property tax: 1% of original assessed valuation of $100,000 ($100,000 x .01 = $1,000)**
- **Mills Act property tax: 1% of new assessed value of $56,000 is $650**

Annual property taxes have been reduced by $440 ($1,000 minus $560), and approximately 44% property tax reduction.

*The Mills Act applies ONLY to general levy property taxes. Be sure to DECUCT the portions of your tax bill that include sewer assessment, bond issues, etc. when calculating what portion of your property tax will be reduced by the Mills Act.

**Single family applicants may find that a realtor can assist in determining a monthly rental figure.

***SEE PROPERTY TAX ADJUSTMENT CALCULATION WORKSHEET GUIDE TO HELP CALCULATE INDIVIDUAL PROPERTY TAX REDUCTION.**

City of El Paso de Robles

Historic Preservation Mills Act Program

Property Tax Adjustment Calculation Worksheet Guide

Property Address:_____

STEP 1: DETERMINE ANNUAL INCOME OF PROPERTY

ANNUAL PROPERTY INCOME	AMOUNT	EXPLANATION
1. Monthly Rental Income		Even if property is owner-occupied, an estimated monthly rental income is needed as a basis for this formula.
2. Annual Rental Income	**0.00**	**Multiply line 1 by 12**

STEP 2: CALCULATE ANNUAL OPERATING EXPENSES

ANNUAL OPERATING EXPENSES	AMOUNT	EXPLANATION
3. Insurance		Fire, liability, etc.
4. Utilities		Water, Gas, Electric
5. Maintenance*		Maintenance includes: paining, plumbing, electrical, gardening, cleaning, mechanical, heating repairs, and structural repairs.
6. Management*		
7. Other Operating Expenses		Security services, etc. Provide a breakdown on separate sheet as necessary.
8. Total Expenses**	**0.00**	**Add lines 3 through 7**

STEP 3: DETERMINE ANNUAL NET INCOME

NET OPERATING INCOME	AMOUNT	EXPLANATION
9. NET TOTAL	**0**	**Line 2 minus line 8**

*If you are calculating for commercial property, remember to provide the following documentation where applicable:

- Rent Roll (include rent for on-site manager's unit as income, if applicable
- Maintenance Records (provide detailed break-down – all costs should be recurring annually
- Management Expenses (include expense of on-site manager's unit and 5% off-site management fee; and describe other management costs – provide breakdown on separate sheet).

**Annual operating expenses do not include mortgage payments, property taxes, depletion charges, corporate income taxes or interest on funds invested in the property.

STEP 4: DETERMINE CAPITALIZATION RATE

CAPITALIZATION RATE	AMOUNT	EXPLANATION
10. Interest Component	5.00%	As determined by the State Board of Equalization for 2011
11. Historic Property Risk Component	0.00%	Single family home = 4% (SFD)
12. Property Tax Component	1%	.01 times the assessment ratio of 100%
13. Amortization Component (Reciprocal of life of property)	0.00%	If the life of the improvements is 20 years use 100% x 1/20 = 5%
14. TOTAL = CAPITALIZATION RATE	**6.00%**	**Add lines 10 through 13**

STEP 5: CALCULATE NEW ASSESED VALUE

NEW ASSESS VALUE	AMOUNT	EXPLANATION
15. Mills Act Assessed Value	0.00	Line 9 divided by line 14 Example: Line 9 ÷ 0.1500 (15.00) SFD
16. Current Assessed Value	0.00	

STEP 6: DETERMINE ESTIMATED TAX REDUCTION

NEW TAX ASSESSMENT	AMOUNT	EXPLANATION
17. Current Tax (1% of line 16)	0.00	General tax levy only
18. Tax under Mills Act	0.00	Line 15 x .01
19. ESTIMATED TAX REDUCTION	**0.00**	**Line 17 minus line 18**

City of El Paso de Robles

Historic Preservation Mills Act Program

Sample Improvement Projects

The following are sample historic preservation improvement ideas that property owners may want to consider. This list is illustrative, and not inclusive of all potential improvements that property owners may be interested in completing under their Mills Act Agreement. All improvements shall be completed with the intention of maintaining the structural and site historic character.

Balcony – repair upgrade, repaint, install	Patio – repair, replace, rebuild in-kind, repaint
Barn – repair, upgrade, repaint, convert	Porch – repair, replace, rebuild in-kind
Basement - repair, upgrade, repaint, convert	Porch railings – repair, replace, rebuild, repaint
Cabinets – repair, replace, install (kitchen, bathroom, etc.)	Plumbing – repair, upgrade, replace
Carpet – replace, install	Remove existing un-historic features
Ceilings – restore	Roof – repair, re-roof, repaint, replace (house, garage, barn, shed, etc.)
Deterioration – remove, repair, restore	Seismic retrofit
Driveway – replace, repave, upgrade	Siding – repair, restore, repaint
Dry rot – remove, repair	Skylight – install, replace
Doors – repair, replace, upgrade, rescreen	Stairs – repair, replace, repaint
Eaves – repair, repaint	Stairway – repair, replace, repaint
Electrical – install, rewire, new outlets	Stucco – repair, replace
Exterior trim – repair, repaint	Tenant Improvements – commercial
Fencing – repair, install, repaint, upgrade	Termites – remove, treat damage
Fireplace – repair, restore	Tile – repair, replace
Fixtures – repair, replace in kind, restore	Trellis – install, repair, repaint
Flooring – remove & restore, refinish repair, carpet	Ventilation – repair, replace (interior / exterior)
Foundation – repair, install	Walkways – install, repair
Garage door – repair, replace, upgrade, install	Walls – restore, repaint, wallpaper
Insulation – install	Water seal
Irrigation – install, repair	Windows – repair, replace with conforming, re-screen
Landscape – plant, re-plant, remove overgrowth (front, back, side yards)	Window frame – repair, replace with conforming
Lighting – install, upgrade	Window transoms – repair, restore
Paint – interior, exterior, eaves	

SAMPLE
RESOLUTION

APPROVING AN HISTORIC PROPERTY PRESERVATION AGREEMENT BETWEEN THE CITY COUNCIL OF THE CITY OF EL PASO DE ROBLES IN THE COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA AND (property owners' name), OWNERS OF A DESIGNATED HISTORIC RESOURCE AT (property address & APN)
"

WHEREAS, the City Council of the City of El Paso de Robles is authorized by California Government Code Section 50280 et seq. (known as the "Mills Act") to enter into contracts with the owners of qualified historical properties to provide for appropriate use, maintenance, and rehabilitation such that these historic properties retain their historic characteristics; and

WHEREAS, the City Council has adopted Resolution No. ____ establishing the Mills Act Historic Property Tax Incentive Program as an on-going historic preservation program to promote the preservation, maintenance and rehabilitation of historic resources through financial incentives; and

WHEREAS, the owners possess fee title in and to that certain qualified real property, together with associated structures and improvements thereon, located on Assessor's Parcel Number ____ at ____ Paso Robles, California, 93446, hereinafter referred to as the "historic property"; and

WHEREAS, the City Council of the City of El Paso de Robles has designated this property as an historic resource of the City of El Paso de Robles pursuant to the City's Historic Resources Survey and Inventory, and the Historic Preservation Ordinance; and

WHEREAS, The City and owners, for their mutual benefit, now desire to enter into this agreement to limit the use of the property to prevent inappropriate alterations and to ensure that character-defining features are preserved and maintained in an exemplary manner, and repairs and/or improvements are completed as necessary to carry out the purposes of California Government Code, Chapter 1, Part 5 of Division 1 of Title 5, Article 12, Sec. 50280 et seq., and to quality for an assessment of valuation pursuant to Article 1.9, Sec. 439 et. seq. of the Revenue and Taxation Code.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of El Paso de Robles as follows:

Section 1. Historic Preservation Agreement is approved. The City Council hereby approves the attached historic preservation agreement between the City of El Paso de Robles and the owners.

Section 2. The Mayor is authorized to sign this agreement for the City of El Paso de Robles. The City Council hereby authorizes the Mayor to execute said agreement on behalf of the City of El Paso de Robles.

Section 3. Environmental Determination. The City Council has determined that this historic preservation agreement is not a project, as defined by Section 15378 of the California Environmental Quality Act, and is exempt from environmental review.

Section 4. Recordation of this Agreement. No later than thirty (30) days after the parties execute and enter into said agreement, the City Clerk shall cause this agreement to be recorded in the Office of the County Recorder of the County of San Luis Obispo.

PASSED AND ADOPTED THIS ___day of _____ by the following Roll Call Vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

_____
Duane Picanco, Mayor

ATTEST:

_____
Caryn Jackson, Deputy City Clerk

EXHIBIT A

WHEN RECORDED, RETURN TO:

City of El Paso de Robles
1000 Spring Street
Paso Robles, CA 93446

Attn: Community Development Director

MILLS ACT AGREEMENT

THIS AGREEMENT ("Agreement') is made an entered into this ___ day of _____, 20__, (the "Effective Date") by and between the City of El Paso de Robles, a municipal corporation (hereinafter referred to as the "City"), and _____, (hereinafter referred to as "Owner"), and collectively referred to as the "parties".

Recitals

A. The City enacted Ordinance No. 972 N.S. thereby adding Chapter 21.50 to the Paso Robles Municipal Code to encourage the preservation of historic properties within the City. One of the historic preservation incentives included in Chapter 21.50 is the authority for the City to enter into contracts under the Mills Act (Gov't. Code §50280 *et seq.*) (the "Mills Act').

B. Owner is the owner of property at _____[insert address]_____ (the "Property") that has been designated by the [City, State, federal government] as an _____ _____[Historic Landmark; historic Resource, etc.]_____.

Agreements

Section 1. Incorporation of Recitals. All of the above recitals are true and correct and are hereby incorporated in this Agreement.

Section 2. Description of Preservation Measures. Owner hereby agrees to undertake and complete, at its sole cost and expense, the preservation, maintenance and improvement measures on the Property as described in "Exhibit A", attached hereto and incorporated herein by reference.

Section 3. Effective Date and Term of Agreement. This Agreement shall be effective and commence upon the Effective Date set forth above, and shall remain in effect for an initial term of ten (10) years.

Section 4. **Agreement Renewal and Non-Renewal.**

A. Beginning on the anniversary date of the Effective Date, and on each anniversary date thereafter (hereafter referred to as the "Annual Renewal Date"), the term of this Agreement shall be extended automatically by one (1) year unless written notice of non-renewal is served as provided herein.

B. If the Owner or the City desires in any year not to renew the Agreement, the Owner or the City shall serve written notice of non-renewal of the Agreement on the other party. Unless such notice is served by the Owner on the City at least ninety (90) days prior to the Annual Renewal Date, or served by the City Council on the Owner at least (60) days prior to the Annual Renewal Date, one (1) year shall automatically be added to the term of the Agreement as provided herein.

C. Owner may make a written protest of a notice of non-renewal. The City Council may, at any time prior to the Annual Renewal Date, withdraw its notice to the Owner of non-renewal.

D. If either City or Owner serves notice to the other party of non-renewal in any year, the Agreement shall remain in effect for the balance of the remaining term.

Section 5. **Standards and Conditions.** During the term of this Agreement, the Property shall be subject to all of the following conditions:

A. Owner agrees to preserve, maintain, and where necessary, restore or rehabilitate the Property and its character-defining features, including the building's general architectural form, style, materials, design, scale, proportions, organization of windows, doors, and other opening; interior architectural elements that are integral to the building's historic character or significance; exterior materials, coating, textures, details, mass, roof line, porch and other aspects of the appearance of the building's exterior, as described in Exhibit A, to the satisfaction of the Community Development Director or his designee.

B. If the building's interior contributes to the Property's eligibility as a qualified historic property, the Owner agrees to allow pre-arranged tours on a limited basis, as approved by the Community Development Director or his designee.

C. All building changes shall comply with applicable City specific plans, City regulations and guidelines, and conform to the rules and regulations of the Office of Historic Preservation of the California Department of Parks and Recreation, namely the U.S. Secretary of the Interior's Standards for Rehabilitation and Standards and Guidelines for Historic Preservation Projects. Interior remodeling shall retain original, character-defining architectural features such as oak or mahogany details, pillars and arches, special tilework or architectural ornamentation, to the greatest extent possible.

D. Owner shall notify the Community Development Director of any proposed changes to character-defining features of the Property prior to their execution, such as major landscaping projects and tree removals, exterior door or window replacement, repairing, remodeling, or any other exterior alterations requiring a building permit. The Owner agrees to secure all necessary City approvals and/or permits prior to changing the building's use or commencing construction work.

E. Owner agrees that property tax savings resulting from this Agreement shall be used for property maintenance and improvements as described in Exhibit A.

F. The following are expressly prohibited: demolition or partial demolition of the historic Property or accessory buildings; exterior alterations or additions not in keeping with the standards listed above; dilapidated, deteriorating or unrepaired structures such as fences, roofs, doors, walls, windows; outdoor storage of junk, trash, debris, appliances, or furniture visible from a public way; or any device, decoration, structure or vegetation which is unsightly due to lack of maintenance or because such feature adversely affects, or is visually incompatible with, the Property's recognized historic character, significance and design, as determined by the Community Development Director.

G. Owner shall allow reasonable periodic examination, by prior appointment, of the interior or exterior of the Property by representatives of the County Assessor, the State Department of Parks and Recreation, the State Board of Equalization, and the City, as may be necessary to determine Owner's compliance with the terms and provisions of this Agreement.

Section 6. **Furnishing of Information.** The Owner hereby agrees to promptly furnish any and all information requested by the City which City reasonably deems necessary or advisable to determine Onwer's compliance with the terms and provisions of this Agreement.

Section 7. **Cancellation of Agreement for Owner Breach.**

A. The City, following a duly noticed public hearing by the City Council, as required by Government Code Section 50285, may cancel this Agreement if it determines that Owner has breached any of the conditions of this Agreement or has allowed the property to deteriorate to the point that it no longer meets the standards for a qualified historic property; or if the City determines that the Owner has failed to preserve, maintain or rehabilitate the Property in the manner specified in Section 5 of this agreement. If the Agreement is cancelled because of failure of the Owner to preserve, maintain, and rehabilitate the Property as specified above, Owner shall pay a cancellation fee in the amount and manner set forth in Government Code Section 50286, as it may be amended from time to time.

B. If the Property is acquired by eminent domain and the City Council determines that the acquisition frustrates the purpose of the Agreement, this Agreement shall be canceled and no fee imposed, as specified in Government Code Section 50288.

Section 8. **Enforcement of Agreement**.

A. In lieu of and/or in addition to any provisions to cancel the Agreement as referenced herein, the City may specifically enforce, or enjoin the breach of, the terms of the Agreement. In the event of a default, under the provision to cancel the Agreement by the Owner, the City shall give written notice of violation to the Owner by registered or certified mail to the address set forth in Section 10 below. If such a violation is not corrected to the reasonable satisfaction of the Community Development Director or designee within thirty (30) days thereafter; or if not corrected within such a reasonable time as may be required to cure the breach or default of said breach; or if the default cannot be cured within thirty (30) days thereafter (provided that acts to cure the breach or default may be commenced within thirty (30) days and shall thereafter be diligently pursued to completion by the Owner); then the City may, without further notice,

declare a default under the terms of this agreement and may bring any action necessary to specifically enforce the obligations of the Owner growing out of the terms of this Agreement, apply to any court, state or federal, for injunctive relief against any violation by Owner, or apply for such relief as may be appropriate.

B. The City does not waive any claim of default by Owner if the 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 of in the City's regulations governing historic properties are available to the City to pursue in the event that there is a breach or default under this Agreement. No waiver by the City of any breach or default under this Agreement shall be deemed to be a waiver of any other subsequent breach thereof or default herein under.

Section 9. **Binding Effect of Agreement.** The Owner hereby agrees that the Property shall be subject to the covenants, reservations, and restrictions as set forth in this Agreement. The City and Owner hereby declare their specific intent that the covenants, reservations, and restrictions as set forth herein shall be deemed covenants running with the land and shall pass to and be binding upon Owner's successors and assigns in title or interest to the Property. Every contract, deed, or other instrument hereinafter executed, covering or conveying the Property or any portion thereof, shall conclusively be held to have been executed, delivered, and accepted subject to the covenants, reservations, and restrictions expressed in this Agreement regardless of whether such covenants, restrictions, and reservations are set forth in such contract, deed, or other instrument.

Section 10. **Notice.** Any notice required by the terms of this Agreement shall be sent registered or certified mail, return receipt requested, to the address of the respective parties as specified below or at other addresses that may be later specified by the parties hereto.

To City: Community Development Director
City of El Paso de Robles
1000 Spring Street
Paso Robles, CA 93446

To Owner:

Section 11. **General Provisions.**

A. 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 them to be considered joint venturers or members of any joint enterprise.

B. The Owner agrees to hold the City and its elected and appointed officials, officers, agents, and employees harmless from liability for damage, or from claims for damage for personal injuries, including death, and claims for property damage which may arise from the direct or indirect use or activities of the Owner, or from those of the contractor, subcontractor, agent, employee or other person acting on the Owner's behalf which relates to the use, operation, maintenance, or improvement of the Property. The Owner hereby agrees to and shall defend the City and its

elected and appointed officials, officers, agents, and employees with respect to any and all claims or actions for damages caused by, or alleged to have caused by, reason of the Owner's activities in connection with the Property, excepting however any such claims or actions which are the result of the sole negligence or willful misconduct of the City, or its officers, agents or employees.

C. This hold harmless provision applies to all damages and claims for damages suffered, or alleged to have been suffered, and costs of defense incurred, by reason of the operations referred to in this Agreement regardless of whether or not the City prepared, supplied, or approved the plans, specifications, or other documents for the property.

D. 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 Property, whether by operation of law or in any manner whatsoever.

E. In the event legal proceedings are brought by any party or parties to enforce or restrain a violation of any of the covenants, reservations or restrictions contained herein, or to determine the rights and duties of any party hereunder, the prevailing party in such proceeding may recover reasonable attorney's fees to be fixed by the court, in addition to court costs and other relief ordered by the court.

F. 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 affected thereby.

G. This Agreement shall be construed and governed in accordance with the laws of the State of California.

H. Owner agrees it shall pay City, as a condition to entering into this Agrement, all necessary and reasonable fees to recover City's costs of executing, recording and administerinig this Agreement.

Section 12. **Amendments.** This Agreement may be amended, in whole or in part, only by a written recorded instrument executed by the parties hereto.

Section 13. **Recordation of Agreement**. No later than twenty (20) days after the Effective Date, the City shall cause this Agreement to be recorded in the office of the County Recorder of the County of San Luis Obispo.

[Signatures on following page]

IN WITNESS WHEREOF, the City and Owner have executed this agreement on the day and year written above.

CITY OF EL PASO DE ROBLES

_____ _____

Duane Picanco, Mayor Date

ATTEST:

_____

City Clerk

OWNER

_____ _____

Date

_____ _____

Date

82473.02008\7040832.1

Mills Act Agreement

STATE OF CALIFORNIA)

) ss

COUNTY OF SAN LUIS OBISPO)

On _____, 2011, before me, _____ (here insert name and title of the officer), personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under penalty of perjury under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

Exhibit A

MAINTENANCE AND IMPROVEMENT MEASURES FOR PROPERTY LOCATED AT _____, PASO ROBLES, CALIFORNIA.

1. Owner shall preserve, maintain, and repair the historic building, including its character-defining architectural features in good condition, to the satisfaction of the Community Development Director or designee, pursuant to a Mills Act Preservation Contract with the City of El Paso de Robles for property located at _____. Character defining features shall include but not be limited to: roof, eaves, dormers, trim, porches, walls and siding, architectural detailing, doors and windows, window screens and shutters, balustrades and railings, foundations and surface treatments.
2. Owner agrees to make the following improvements and/or repairs during the term of this contract, but in no case later than _____. All changes or repairs shall be consistent with the City's Historic Preservation Ordinance and the Secretary of the Interior's Standards for Historic Preservation Projects:

   (Improvements to be inserted)

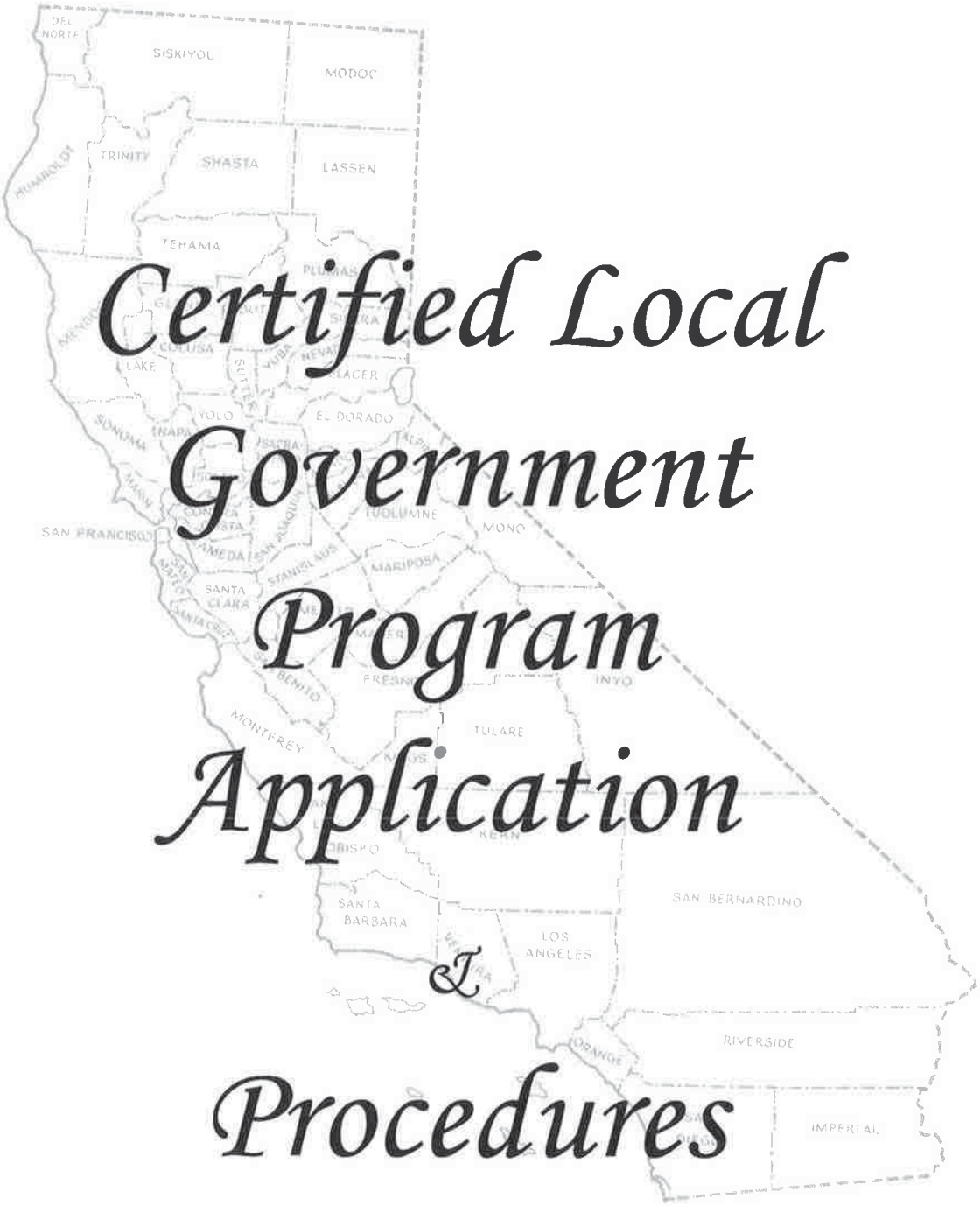
Attachment 3:
Certified Local Government Program

2010

California Office of Historic Preservation
Department of Parks & Recreation

Local Government Assistance

Certified Local Government Program Application & Procedures



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website:
www.ohp.parks.ca.gov

TABLE OF CONTENTS

INTRODUCTION 4
WHAT IS THE CERTIFIED LOCAL GOVERNMENT PROGRAM? 4
WHO CAN APPLY FOR CERTIFIED LOCAL GOVERNMENT STATUS? 5
WHEN ARE CLG APPLICATIONS ACCEPTED? 5
WHAT ARE THE PROCEDURES FOR CERTIFICATION? 5
WHY BECOME A CERTIFIED LOCAL GOVERNMENT? 6
WHAT ARE THE REQUIREMENTS FOR CERTIFICATION? 8
WHAT ABOUT THE CLG GRANTS PROGRAM? 13
WHERE CAN I GET MORE INFORMATION? 14
APPENDIX A: APPLICATION MATERIALS 15
APPENDIX A: APPLICATION MATERIALS 16
CERTIFICATION APPLICATION CHECKLIST 16
APPLICATION FOR CERTIFIED LOCAL GOVERNMENT CERTIFICATION 17
CLG CERTIFICATION APPLICATION ATTACHMENTS 19
STATEMENT OF COMMISSIONER QUALIFICATIONS 20
APPENDIX B: SAMPLE RESOLUTION 21
APPENDIX C: SUGGESTED PRESERVATION PLAN/HISTORIC PRESERVATION ELEMENT OF THE GENERAL PLAN COMPONENTS 22
APPENDIX D: SAMPLE CERTIFICATION AGREEMENT 23

which is responsible for the National Historic Preservation Program. Becoming a CLG can provide local staff and commissions the tools, technical training, and more meaningful leadership roles in the preservation of the community's cultural heritage. Local interests and concerns are integrated into the official planning and decision-making processes at the earliest possible opportunity.

In response to the federal government's 1995 initiative for simplifying the National Park Service's oversight of the national historic preservation program, the NPS revised 36 CFR 61 to provide each state with greater discretion in carrying out the responsibilities mandated in the National Historic Preservation Act. Decisions on membership requirements for local preservation commissions are left entirely to the states. The requirement that local preservation commissions consult outside professionals in certain instances is eliminated.

Who Can Apply for Certified Local Government Status?

Any local government is eligible to apply to the State Historic Preservation Officer (SHPO) for certification. A local government is any general purpose political subdivision of California such as a city, county, or city/county; or any other general purpose political division of the state with the exception of regional commissions, councils of governments, and special districts. It is important to be aware that certification pertains to the entire local government and its agencies, not simply to the preservation commission that serves the local government.

When Are CLG Applications Accepted?

Local governments may apply for CLG status at any time. However, in order to apply for grants through the CLG program, a local government must be certified prior to the grant application deadline which is usually the last week of April. Note that the CLG grant application process is separate from the certification application and requires completion of a grant application form.

What are the Procedures for Certification?

Prior to submitting an application or obtaining the elected officials' authorization, OHP encourages the local government representative to consult with the Local Government Unit of the California State Office of Historic Preservation and submit a draft application for a preliminary review to ensure that the local government's preservation program meets the state requirements and National Park Service CLG program criteria.

Once the draft application has been approved, the chief elected official of the local government applying for CLG status shall request certification from the California State

CLG. It is a communication and networking tool that offers the Office of Historic Preservation and CLGs the opportunity to submit suggestions or questions to other members of the listserv. SHPO staff also uses the listserv to forward information about training opportunities, publications, grants, and a variety of technical assistance to CLGs.

Streamlining: The use of the National Register/California Register criteria and the Secretary of the Interior Standards integrates local, state, and federal levels of review. It brings clarity to the question of what resources are significant when it comes to CEQA and Section 106 of the National Historic Preservation Act. Adopting the Secretary of the Interior's Standards will allow the use of categorical exemptions under CEQA, and likely result of findings of no adverse effect under Section 106. The use of these criteria and standards make environmental review faster, more efficient, and reduces costs and delays.

Involvement: The CLG program brings local preservation boards and commissions into broader local land use planning and project approval processes. CLGs have the responsibility to involve their boards/commissions in the CEQA and Section 106 review process, as well.

Funding: Each state is required to pass through 10% of its annual Historic Preservation Fund grant from the National Park Service to CLGs to fund their preservation activities. California has chosen to make this money available to CLGs for a wide variety of preservation planning activities through a competitive grant program. This funding is not a large amount – grants range between $5000 and $25,000 – but it can support important activities including completion of a preservation element or plan, developing a historic context, conducting a survey, preparation of a National Register district application, or the update of an ordinance. Work funded by a CLG grant is expected to conform to state and federal standards.

Autonomy: When your local government decides to become a CLG, it agrees to carry out the intent of the NHPA and the Secretary of the Interior's Standards. Recognizing that individual local governments and individuals employed by those local governments often do not have all the background, training, and skills to achieve a good balance between development and preservation, SHPO reviews the structure and processes of the local preservation program, and may comment on or make suggestions about strategies a local government can use to accomplish its goals and objectives. Beyond that, neither the NPS nor SHPO have any regulatory authority over local governments.

Neither the NPS nor SHPO dictate the content of historic preservation plans or ordinances; neither the NPS nor SHPO review nor is their approval needed prior to the selection and appointment of individual local preservation commissioners by local government officials. In no way is the autonomy of a local government decreased by becoming a CLG. However, a CLG may be decertified if it establishes policies or adopts practices that violate the intent of the National Historic Preservation Act.

Enforce appropriate state and local legislation for the designation and protection of historic properties.

CLGs must enact and enforce a local historic preservation ordinance. State enabling legislation, found at California Government Code Sections 65850, 25373, and 37361, provides for local jurisdictions to enact appropriate historic preservation legislation. Additionally, the local legislation shall be consistent with the intent and purpose of the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470).

Along with other local governments, CLGs must enforce the California Environmental Quality Act (CEQA) regulations in relation to historical resources, and participate, as appropriate, in the environmental review of federally-sponsored projects under Section 106 of the National Historic Preservation Act of 1966, as amended.

Designation refers to the identification and registration of both historic and prehistoric properties for purposes of protection using criteria established by the local government. Designation requirements and procedures must be consistent with the Secretary of the Interior's Standards for Identification and Registration. Adoption of criteria that closely follows the National Register of Historic Places and the California Register of Historical Resources is encouraged.

Protection refers to the local review process under local law for proposed demolition of, changes to, or other action that may affect properties that have been designated pursuant to the local ordinance. This would not include properties listed on or determined eligible for the national Register of Historic Places or California Register of Historical Resources unless those properties were also designated under the local designation process.

The CLG will prepare a comprehensive local historic preservation plan or preferably, a historic preservation element in the community's general plan. The plan or element will identify preservation missions, goals, and priorities and will establish preservation strategies, programs, and time schedules. It will also be used to support and justify CLG grant applications.

The CLG is encouraged to adopt and implement the *Secretary of the Interior's Standards and Guidelines for Archeology and Historic Preservation* relevant to CLG need and activities (www.nps.gov/history/local-law/arch_stnds_0.htm).

Establish a qualified historic preservation review commission by local law.

A qualified historic preservation review commission means a board, council, committee, commission or other similar body established by local legislation whose primary purpose is historic preservation and whose membership includes a minimum of five (5) individuals, all of who have a demonstrated interest in, competence or knowledge in historic preservation.

Evaluative criteria must be consistent with the National Register of Historic Places and the California Register of Historical Resources, and conform to the Secretary of the Interior's Standards for Identification and Evaluation. (This policy does not apply to survey data produced before the effective date of CLG certification.).

Communities which have conducted surveys in the past must periodically update their survey data as new resources become eligible for consideration, or when older surveys warrant re-examination over time. CLGs are required to submit survey updates and new surveys to OHP for inclusion in the statewide database.

The CLG commission shall establish internal procedures to facilitate the use of survey results in the planning process by the CLG officials and departments. The commission shall submit survey results to the local government for adoption, then forward to OHP. Copies of the survey results must be made available to the public, with the exception of certain sensitive historic and prehistoric sites and should be on deposit at the local planning department, building and safety office, public works department, and redevelopment agency. Local libraries, colleges, and historical societies should also receive copies. SHPO will make copies available for the appropriate CHRIS regional center.

Provide for adequate public participation in the local historic preservation program

Public participation is an integral feature of any preservation program and the CLG shall provide opportunities for public participation in all CLG programs and activities.

The CLG will encourage public participation at commission meetings. All local preservation commission meetings must be open to the public and meet the requirements of the Ralph M. Brown Act for open meetings (California Government Code Section 54950 et seq.). Meeting agendas and minutes of commission meetings must be publicly available.

Public participation shall be encouraged in the CLG's survey program at all levels of responsibility to identify and inventory significant cultural resources. Survey results shall be a public record and on file at a public institution, with the exception of archeological and other sensitive sites.

The local government must provide for public participation in the CLG's process for evaluating properties for nomination to the National Register of Historic Places.

The CLG shall encourage the public to participate in the review of projects and undertakings subject to the California Environmental Quality Act and Section 106 of the National Historic Preservation Act.

- The SHPO specifies to the CLG in writing ways to improve performance with a period of time by which deficiencies must be corrected or improvements must be achieved; and
- After the period of time stipulated by the SHPO, the SHPO determines that there has not been sufficient improvement.

Failure to perform acceptably under a Historic Preservation Fund grant is not in itself sufficient grounds for decertification. The SHPO must notify the CLG in writing prior to or at the time of its recommendation to NPS for decertification. The notification must state the specific reasons for the proposed decertification, describe the SHPO's technical assistance efforts, and affirm that the SHPO will notify the CLG of the NPS concurrence with the decertification.

The SHPO may also recommend decertification if a CLG requests in writing to be decertified. The SHPO must forward a copy of the CLG's letter as an enclosure to the SHPO's request to decertify the CLG.

If the CLG had been delegated Section 106 responsibilities in its jurisdiction by the State, and a Programmatic Agreement had been executed by the Advisory Council on Historic Preservation (ACHP), then the SHPO must notify the ACHP that the CLG has been decertified.

The effective date of decertification is when the National Park Service concurs in writing with the SHPO's recommendation to decertify the CLG. If the local government wishes to become recertified it must reapply for certification.

What about the CLG Grants Program?

OHP is required by federal law to pass through at least 10% of its annual Federal Historic Preservation Fund (HPF) allocation to Certified Local Governments for historic preservation planning projects and programs which promote the identification, evaluation, nomination, and preservation of their communities' significant cultural resources and are consistent with the Statewide Historic Preservation Plan. Bricks and mortar projects are not eligible.

The annual grant cycle begins with the notification to all CLGs of the funding availability in January of each year. Grant applications are due at the end of April and the recipients are announced by June. Grant funded projects are to begin October 1 and must be completed by the following September. CLG grants are awarded on a competitive basis in amounts from $2,500 - $25,000. Cash or in-kind match is required: 60% Federal/40% applicant.

The CLG grants program manual and grant application is available on OHP's website at www.ohp.parks.ca.gov/?page_id=24493. The grants manual is updated annually to reflect statewide preservation priorities, Consult the manual for detailed information

APPENDICES

Appendix A: Application Materials*

- **Certification Application Checklist**
- **CLG Certification Application Form**
- **CLG Certification Application Attachments**
- **Statement of Commissioner Qualifications Form**

Appendix B: Sample Resolution

Appendix C: Sample Certification Agreement

Appendix D: Suggested Preservation Plan Model

* Available online in WORD format at
www.ohp.parks.ca.gov/?page_id=24493

Application for Certified Local Government Certification

Applicant (attach general organization chart)

Local Government	
Address	

Chief Elected Local Official

Name	
Title	

Legislative Representatives (list names and district numbers)

California Assembly	
California Senate	
U.S. Congress	

Local Government Contact Person (enclose résumé, professional qualifications, and departmental organization chart)

Name			
Title			
Department			
Address			
Telephone Number		Fax Number	
Email Address			

Resolution of Local Government (attach)

Date Approved	
Authorized Signature	

CLG Certification Application Attachments

- Provide a narrative summary describing historic contexts developed and past and current historic resource survey activities, including type of survey (reconnaissance or intensive) and percentage of coverage of local jurisdiction. Additionally, provide information regarding future survey plans and how they will conform to the state and federal standards for surveys.

- Provide a narrative summary of current historic preservation program activities performed by the local government. For example, local designation programs, educational/outreach programs, design review, etc.

- Provide a narrative summary explaining any new or additional historic preservation program activities that will be carried out as a result of becoming a CLG.

- Provide a narrative summary which explains the current functions, responsibilities, and authority of the local review commission/board.

- Provide a narrative summary describing economic incentive or other benefits offered by the local government to owners of historic properties.

- Provide a narrative summary describing how review of projects affecting historical resources in the local government jurisdiction is carried out under the California Environmental Quality Act and Section 106 of the National Historic Preservation Act.

Appendix B: Sample Resolution

A resolution passed by the city council or board of supervisors must accompany the application. Below is a sample resolution which can be adapted to meet local needs.

RESOLUTION NO. _____

RESOLUTION OF THE CITY COUNCIL/BOARD OF SUPERVISORS

CITY/COUNTY OF _____

APPROVING THE APPLICATION AND CERTIFICATION AGREEMENT FOR THE CERTIFIED LOCAL GOVERNMENT HISTORIC PRESERVATION PROGRAM

WHEREAS, the United States Congress under the National Historic Preservation Act of 1966, amended (16 U.S.C. 470), has authorized the establishment of a Certified Local Government program; and

WHEREAS, the State of California, represented by the State Historic Preservation Officer, is responsible for the administration of the program within the state and the establishment of necessary rules and procedures governing the application by local agencies under the program; and

WHEREAS, said adopted procedures established by the State of California require the applicant to certify by resolution of the local government's elected officials the approval of an application prior to submission of said application. to the state;

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL/BOARD OF SUPERVISORS hereby:

1. Approves the filing of an application for certification under the Certified Local Government Program; and

2. Appoints the ____(position/title)_____ or authorized deputy as agent of the city to coordinate, process, and execute all contracts, agreements, amendments, and ancillary documents within the scope of the attached application for certification.

_____

Mayor/ Board of Supervisors Chair

Attest: Other signatures as appropriate

Appendix D: Sample Certification Agreement

The local government and State of California must execute a Certification Agreement that identifies the specific responsibilities of the local government. This document will be prepared by the OHP and presented to the local government for concurrent signatures

Sample Certification Agreement

Pursuant to the provisions of the National Historic Preservation Act, as amended, to applicable federal regulations (36 CFR Part 61), and to the State of California's Certified Local Government Program Application and Procedures (Application and Procedures), the City [or County] of _____agrees to:

1. Enforce appropriate legislation for the designation and protection of historic properties; maintain an adequate and qualified historic preservation review commission composed of professional and lay members; maintain a system for the survey and inventory of historic properties; and provide for adequate public participation in the historic preservation program including the process of recommending properties to the National Register of Historic Places, pursuant to the Application and Procedures.

2. Enforce its historic preservation ordinance and CEQA procedures as it relates to the consideration of historical resources. The Participant shall consult with the SHPO for any amendments or revisions to said ordinance prior to making such changes.

3. Submit to the SHPO an annual report, pursuant to 36 CFR 61.5(e)(5), consistent with the report guidelines published by the SHPO.

4. Adhere to requirements outlined in the State of California Certified Local Government Application and Procedures.

The State Historic Preservation Officer (SHPO) shall:

1. Inform the Participant of the annual availability of National Historic Preservation Fund grants, for which the Participant is eligible as a Certified Local Government, to compete.

2. Provide information, technical assistance, and opportunities for training to the CLG.

3. Review and provide comments on proposed ordinance changes.

Upon its designation as a CLG, [enter local government name] shall be eligible for all rights and privileges of a Certified Local Government specified in the National Historic Preservation Act and procedures of the State of California, including eligibility to apply for available CLG grant funds in competition with other CLGs.