

Preservation Commission shall review the nomination at a public hearing noticed and conducted in compliance with Chapter 17.76 (Public Hearings), except that notice shall be mailed only to property owners within the district boundaries proposed by the applicant.

**B. Application for formal review of landmark district designation.**

1. An application for formal review of the designation of a landmark district may be submitted to the Director by a neighborhood organization or owner(s) of property in the proposed district after completion of the eligibility review and informational meeting required in subsection A, above, and only if the Director or Historic Preservation Commission has determined the district to be eligible for designation.
2. Pursuant to Section 17.60.040.D, the Director shall establish submittal requirements for applications for landmark district formal review, except that subsection 4 shall not apply to these applications.
3. Within 60 days of the determination that the application is complete, the Director shall prepare a designation report, establishing in the record that the landmark district meets, or does not meet, the applicable criteria for designation in Section 17.62.040.G, and shall schedule a public hearing before the Historic Preservation Commission, noticed and conducted in compliance with Chapter 17.76 (Public Hearings), except that the notice shall apply only to property owners within the boundaries of the proposed district. The designation report from the Director shall include a defined period of significance for each district that meets the criteria for designation.
4. The hearing by the Historic Preservation Commission shall include a staff presentation providing information on the effects of landmark district designation for property owners and residents of the area.

**C. Review of landmark district designation formal review application.**

1. At a public hearing, the Historic Preservation Commission shall review the application and designation report and recommend approval of the designation to the Council or disapprove the application. A decision by the Historic Preservation Commission to disapprove the application is final unless appealed or called for review by the City Council.
2. The Historic Preservation Commission's recommendation for approval shall be based on the finding that the landmark district meets the criteria for designation as specified in Section 17.62.040(G) above.
3. Following the public hearing, the Director shall forward the application with the recommendation for designation from the Historic Preservation Commission to the Planning Commission.

**D. Planning Commission review of Zoning Map amendment.**

1. The Planning Commission shall hold a public hearing on the application for a Zoning Map amendment for a landmark district (LD) overlay zoning

district noticed and conducted in compliance with Chapter 17.76 (Public Hearings), except that the notice shall apply only to property owners within the boundaries of the proposed district.

2. The hearing shall be held no later than 12 months after the date the Director determines the application is complete in compliance with Section 17.60.060 (Initial Application Review).
3. The Planning Commission may consider the Zoning Map amendment application only if the application is accompanied by a final petition with the signatures from at least 51 percent of the property owners.
4. If the number of property owners in support of the application is below 51 percent at the time of the hearing or the end of the 12-month period, the application shall be considered withdrawn and ineligible for resubmittal for a minimum period of 12 months in compliance with Section 17.64.090 (Resubmittals).

**E. Planning Commission's review of LD overlay.**

1. The Planning Commission shall review the application at a public hearing and forward a recommendation to the Council.
2. The Planning Commission's recommendation shall be based on the application's consistency with the findings for approval of a Zoning Map amendment as specified in Section 17.74.070.B and certification of the final petition described in Section 17.62.070.D.3 above.

**F. Council review of application.**

1. Within 30 days of the decision by the Planning Commission, the Director shall request that the City Clerk schedule a public hearing by the Council and shall submit the following documentation to the City Clerk:
  - a. Recommendations from the Historic Preservation Commission and the Planning Commission;
  - b. A map with the boundaries of the proposed district; and
  - c. An inventory of contributing and non-contributing properties.
2. The Council shall review the application at a public hearing.
  - a. Within 30 days of the receipt of the documentation identified in Subparagraph 1., above, the City Clerk shall schedule a public hearing before the Council.
  - b. Notice of the public hearing shall be provided, and the hearing shall be conducted in compliance with Chapter 17.76 (Public Hearings) except that the notice shall apply only to property owners within the boundaries of the proposed district.
3. The Council may approve, modify, or disapprove the designation.
4. Approval by the Council shall be based on the finding that the landmark district meets the criteria for designation as specified in Subsection

17.62.040(GE) above and the findings for a Zoning Map amendment in Section 17.74.070.B.

5. The landmark district designation shall be approved by adoption of a Zone Change Ordinance, which shall become effective as provided in Section 17.74.080.B.
6. Upon the effective date of a Zone Change Ordinance for an LD Landmark Overlay District, the provisions of Section 17.28.080 shall apply to the properties within the approved district boundaries.

**G. Procedure for rescission of or amendment to a landmark district or conservation plan.**

1. Rescission of a landmark district overlay or an existing conservation plan and amendments to the boundaries of a landmark district overlay or to an existing conservation plan for a district shall follow the procedures identified above for designation of a landmark district, except that a petition demonstrating majority support for the rescission of or amendment to a conservation plan shall not be required.
2. The following criteria shall apply to additions to boundaries of a landmark district overlay:
  - a. Within the boundaries of an area added to an existing landmark district, a minimum of 60 percent of the properties shall qualify as contributing, and
  - b. The petition in support of the application shall have signatures from a minimum of 51 percent of the owners of the legal lots within the area proposed for inclusion in the district, and-
  - c. The added properties represent the same historic context and period of significance as the existing district.
3. The following criteria shall apply to removal of properties from the boundaries of a landmark district overlay:
  - a. Within the boundaries of the remaining landmark district, a minimum of 60 percent of the properties shall qualify as contributing, and
  - b. The amended boundaries of the district comply with the National Register of Historic Places Bulletin #21: "Defining Boundaries for National Register Properties;" and
  - c. A simple majority (51%) of property owners within the existing district boundaries support the removal of the specified property(ies) at the time of review by the City Council.
4. The following criteria shall apply to rescission of a landmark district:
  - a. New information compromises the significance of the district; or

- b. Demolition, relocation or alteration of contributing properties or new information has resulted in the district having fewer than 60% contributing properties within its boundaries.
5. The following criteria shall apply to amendment of a conservation plan:
- a. The proposed amendments are consistent with the purposes of this Chapter; and
  - b. The proposed amendments are in conformance with the goals, policies, and objectives of the General Plan; and
  - c. The proposed amendments would not be detrimental to the public interest, health, safety, convenience, or general welfare of the City.
6. If an existing conservation plan for a landmark district is rescinded, regulatory reviews of projects shall follow the procedures of this chapter.

**H. Modification or determination of contributing or non-contributing status after landmark district designation**

1. **Decision by Director.** Following the designation of a landmark district by the City Council, a property owner within the boundaries of the landmark district, or a Neighborhood Association whose boundaries intersect with the landmark district, may apply to the Director to change the contributing or non-contributing status of a property within the district. Decisions by the Director may be appealed to or called for review by the Historic Preservation Commission or City Council following the provisions of Chapter 17.72.
2. **Findings.** The Director shall make the following findings to approve a request to modify contributing or non-contributing status of a property:
  - a. To change a contributing property to a non-contributing property:
    - (1). New information indicates that the property does not qualify as a contributing structure; or
    - (2). The property was not constructed during the period of significance of the district or does not represent the historic context(s) under which the district was designated.
  - b. To change a non-contributing proeprty to a contributing property:
    - (1). New information indicates that the property qualifies as a contributing structure; or
    - (2). The property has been restored to its original exterior appearance, as viewed from the street, based on documentary, pictorial or physical evidence or by studying a similar building designed by the same builder, architect or pattern book.

#### 17.62.080 - Historic Resource Evaluations

- A. **Applicability.** If an applicant proposes demolition or a major project affecting a building, site, object or structure that is 45 years of age or older, submittal of an application for Historic Resource Evaluation is required to determine if the property is a historic resource and, therefore, the requirements of Section 17.62.090 will apply to the project.
- B. **Exceptions.** A Historic Resource Evaluation is not required if the affected building, site, object or structure has been previously evaluated or surveyed in the last 5 years or if the proposed project is subject to CEQA and a Historic Resource Evaluation is prepared by the City in conjunction with the CEQA process.
- C. **Preparation.** The Director may prepare a Historic Resource Evaluation or may engage a qualified professional architectural historian to prepare it. The costs of professional services shall be borne by the applicant. The evaluation shall follow methodology established in the document "Instructions for Recording Historical Resources" published in March 1995 by the California Office of Historic Preservation, or subsequent updates, and shall determine whether the affected building, site, object or structure meets the criteria for listing in the National Register of Historic Places (individually or as a contributing resource to an eligible historic district) or for any of the designation types established in Section 17.62.040, including as a contributing resource to an eligible landmark district.
- D. **Determination of eligible landmark or historic district.** If, as a result of a Historic Resource Evaluation, a new eligible landmark or historic district is identified, the City shall conduct an informational meeting as outlined in Section 17.62.070.B.
- E. **Appeals and calls for review.** The results of a Historic Resource Evaluation may be appealed to or called for review by the Historic Preservation Commission or City Council following the procedures in Chapter 17.72. In the event that a new landmark or historic district is identified, all property owners within the district boundary shall be notified and may appeal the determination.

#### 17.62.090 - Alteration, Demolition, or Relocation of a Historic Resource

- A. **Compliance with Section.** Unless exempt pursuant to subsection D below, no person, owner, or other entity shall undertake a major or minor project to a designated historic resource or historic resource eligible for designation or new construction in a landmark or historic district as defined below without first obtaining approval of an application for Certificate of Appropriateness in compliance with this Section. Proposed projects within the Bungalow Heaven, Garfield Heights and Banbury Oaks Landmark Districts shall be processed in accordance with the review thresholds in the respective Conservation Plan for those districts, unless rescinded in the future.
- B. **General procedures for review of applications for Certificate of Appropriateness.**

1. The Certificate of Appropriateness requirement is limited to areas outside of the Central District.
2. All applications for which the Historic Preservation Commission is the review authority shall be processed in compliance with the standard review procedures identified in Chapter 17.76 (Public Hearings).
3. The provisions of Chapter 17.60 (Application Filing and Processing) and Chapter 17.64 (Permit Implementation, Time Limits, and Extensions), apply to all Historic Preservation reviews. All decisions by the Planning Director may be appealed to or called for review by the Historic Preservation Commission or City Council following procedures in Chapter 17.72, except as otherwise specified in this chapter.
4. Exterior work subject to regulatory review of an application for Certificate of Appropriateness in designated or eligible landmark districts and designated or eligible historic districts is limited to public view from public and private streets; views from alleys are excluded from review.
5. For individually designated landmarks and historic monuments and properties individually listed in the National Register, the review authority shall concentrate reviews on features open to view from public or private streets and sidewalks. The review authority may also review work out of public view if the alterations affect significant character-defining features of the historic resource or if the work may have an adverse effect on the overall historic integrity of the resource.
6. In landmark and historic districts outside the Central District, the following items shall be exempt from review: Paint colors and stains, routine maintenance and minor repairs, landscaping (except for trees protected under Chapter 8.52 - Tree Protection), all interior alterations, screens and awnings, flat concrete work (including driveways and walkways), rear yard walls and fences, reroofing (except for a change of material) exterior lighting fixtures, and window/door grilles. Design review may be required for these types of projects in the Central District per the design review thresholds in Section 17.61.030.
7. In the event of a conflict between an adopted conservation plan and the procedures of this chapter, the conservation plan shall prevail, except that the Appeal and Call for Review procedures in Chapter 17.72 shall supersede the Appeal and Call for Review provisions of the conservation plans.
8. For projects requiring both a Certificate of Appropriateness and design review, the Director or Design Commission, according to the design review thresholds in Table 6-2 or Table 6-3, shall be the review authority. The Historic Preservation Commission shall make a recommendation to the design review authority, based on compliance of the project with the Secretary's Standards.

C. **Review of demolitions and alterations to historic resources in the Central District.** The Design Commission shall review applications for additions,

alterations, demolitions, relocations, and new construction and relief from the replacement Building Permit requirement in the Central District as specified in Table 6-2 in Section 17.61.030 and Table 6-5 of Section 17.62.020.

**D. Exceptions to Certificate of Appropriateness requirement.**

1. **Demolition.** A Certificate of Appropriateness is not required for properties already entitled for demolition through an adopted Master Development Plan, Planned Development, Development Agreement, Adjustment Permit, Use Permit, Variance or similar land use approval, or for demolitions analyzed and cleared through an adopted negative declaration, mitigated negative declaration, or certified EIR.
2. **Alterations.** A Certificate of Appropriateness for a major or minor project is not required for properties already entitled for alteration through an adopted Master Development Plan, Planned Development, Development Agreement, Adjustment Permit, Use Permit, Variance or similar land use approval, and if a finding of consistency with the Secretary of the Interior's Standards is made, in conjunction with such approval. For proposed major projects, advisory review by the Historic Preservation Commission shall be conducted prior to action being taken on the land use approval; for proposed minor projects, staff of the Design & Historic Preservation Section shall conduct this advisory review. The Commission or staff, as applicable, shall provide comments to the land use approval review authority on compliance of the project with the Secretary of the Interior's Standards, including any recommended conditions of approval that would be necessary to ensure compliance with the Standards.

**E. Review procedures for historic resources.**

1. **Category 1 review procedures.** Category 1 review procedures shall apply to all designated historic resources.
  - a. **Major project.** The Historic Preservation Commission may approve, approve with conditions, or disapprove an application for a Certificate of Appropriateness for a proposed major project.
  - b. **Minor project.** The Director may approve, approve with conditions, or disapprove an application for a Certificate of Appropriateness for a proposed minor project.
2. **Category 2 review procedures.** Category 2 review procedures shall apply to an eligible or potentially eligible historic resource.
  - a. **Demolition.** The Historic Preservation Commission may approve or disapprove an application for Certificate of Appropriateness for the demolition of an eligible historic resource.
  - b. **Major project.** The Director may approve, approve with conditions, or disapprove an application for Certificate of Appropriateness for a proposed major project, except demolition and new construction

on non-contributing properties in eligible landmark or historic districts.

3. **Historic Resource Economic Hardship Waiver.** At the time of application for a Certificate of Appropriateness, an applicant may apply to the Director for an Economic Hardship Waiver.
  - a. **Proof of economic hardship.** The application shall include proof by the owner of the property of economic hardship.
  - b. **Documentation required by Director.** The Director may require the documents and/or testimony necessary to substantiate a claim of economic hardship.
  - c. **Findings.** The approval of an Economic Hardship Waiver shall be based on the findings that:
    1. The owner of the property is qualified as very-low or low income as defined in the Zoning Code; and
    2. If the Certificate of Appropriateness is for an income-producing property, the property is not in a state caused by demolition by neglect.
4. **Required findings for approval of a Certificate of Appropriateness.** Approval of a Certificate of Appropriateness shall be based on the following findings, unless a Historic Resource Economic Hardship Waiver is approved pursuant to Section 17.62.090.E.3:
  - a. If a project is a demolition or relocation, including demolition in a historic or landmark district, the project will not cause a significant adverse effect as defined in the State CEQA guidelines; or
  - b. If a project is an alteration or new construction, the project complies with the Secretary's Standards and any adopted guidelines based on the Secretary's Standards.
5. **Additional findings for demolition of historic resources (excluding non-contributing structures).** In addition to the findings required in Section 17.62.090.E.4, the Commission must make one of the following findings to approve demolition of a designated or eligible historic resource, unless a Historic Resource Economic Hardship Waiver is approved pursuant to Section 17.62.090.E.3:
  - a. The building has experienced severe structural damage that is unable to be repaired and there is substantial evidence to support this conclusion from at least two qualified professionals managed by the City and paid for by the applicant (e.g., structural engineer, historic architect); or
  - b. No economically reasonable, practical, or viable measures could be taken to adaptively use, rehabilitate, or restore the building or structure on its existing site—and there is substantial evidence to support this conclusion from at least two qualified professionals

managed by the City and paid for by the applicant (e.g., structural engineer, historic architect); or

c. A compelling public interest justifies demolition.

6. **Additional finding to exceed the Neighborhood Compatibility Requirement on a Non-Contributing Property in a designated landmark or historic district.** In addition to the findings required in Section 17.62.090.E.4, the Commission shall make the following finding for projects defined in Section 17.62.030.U.6:

a. The design, location, and size of proposed new structures and/or additions to existing structures will be compatible with existing and anticipated future development within the landmark or historic district in terms of height, massing, and scale.

7. **Conditions of approval.** As a condition of approval of an application for Certificate of Appropriateness, the review authority may require historic materials to be salvaged from a property, and it may require archival-quality photo-documentation of the building and/or architectural drawings similar to those required for the Historic American Buildings Survey (HABS), in addition to any other specific conditions that it may deem appropriate to ensure that the findings for approval of the application can be made.

#### 17.62.100 - Replacement Building Permit Requirements

A. **Building Permit required before issuance of a demolition permit.** No permit for the demolition of a structure that is a primary structure on a property may be issued unless a Building Permit has been issued for construction of a replacement project or structure. This requirement applies solely to any primary structure(s) on a property, as determined by the Director.

B. **Relief from the requirements of this Section.**

1. An applicant for a demolition may apply for relief from the requirements of this Section. The Director shall be the review authority for all applications and may approve the application if the following findings can be made:

a. The structure to be demolished is not a designated historic resource or a resource eligible for designation (excluding noncontributing structures in landmark districts and historic districts);

b. The demolition does not result in the loss of habitable dwelling units on a property zoned for residential use; and

c. The proposed demolition would not result in the disruption of a continuous grouping of architecturally significant structures or create an inappropriate void in the existing architectural or visual character of the area.

2. In lieu of the findings identified in Subparagraph 1., above, the Director may also approve the application if it finds that granting relief from the

requirements of this Section serves an overriding public benefit and will not be detrimental or injurious to property or improvements in the vicinity of the project site, or to the public health, safety, or general welfare.

#### 17.62.110 Minimum Maintenance Requirements

A. The owner, lessee or other person legally in possession of a historic resource shall comply with all applicable codes, laws and regulations governing the maintenance of property. Additionally, it is the intent of this section to preserve from deliberate or inadvertent neglect the exterior features of historic resources and the interior portions thereof when such maintenance is necessary to prevent deterioration and decay of the exterior. Historic resources shall be preserved against such decay and deterioration and shall remain free from structural defects through prompt corrections of any of the following defects:

- Façades which may fall and injure members of the public or property;
- Deteriorated or inadequate foundation, defective or deteriorated flooring or floor supports, deteriorated walls or other vertical structural supports;
- Members of ceilings, roofs, ceiling and roof supports or other horizontal members which sag, split or buckle due to defective material or deterioration;
- Deteriorated or ineffective waterproofing of exterior walls, roofs, foundations or floors, including broken windows or doors;
- Defective or insufficient weather protection for exterior wall covering, including lack of paint or other protective covering;
- Any fault or defect in the building that renders it not properly watertight or structurally unsafe.

#### 17.62.120 – Demolition, Deterioration or Alteration of a Historic Resource without a Certificate of Appropriateness

##### A. **Failure to comply with this Chapter.**

1. Any person who violates a requirement of this Chapter shall be guilty of a misdemeanor and subject to the provisions of Chapter 17.78 and any other applicable PMC sections or laws.
2. Demolition, including demolition by neglect, failure to comply with Minimum Maintenance Requirements in Section 17.62.110 or alteration of any historic resource, including those within the Central District, without compliance with this Chapter or Section 17.61.030, is expressly declared to be a nuisance, and shall be abated by issuance of a stop-work order requiring submittal of an application for Certificate of Appropriateness or design review if in the Central District based on the procedures established in Section 17.62.090 and 17.61.030, respectively. As a result of this process, reconstructing or restoring the property to its condition

before the performance of work in violation of this Chapter based on evidence and documentation of the prior or original condition of the property may be required, or in the case of demolition by neglect, by completing work determined through the Certificate of Appropriateness or Design Review process to be required to stabilize and arrest further deterioration of the property.

3. The property owner shall apply for a building permit for the corrective work required as a result of the Certificate of Appropriateness or Design Review process within 30 days of the effective date of the Certificate of Appropriateness or Design Review decision.
4. The owner of the property shall begin the corrective work required as a result of the Certificate of Appropriateness or Design Review process within 30 days of the issuance of a building permit. The corrective work shall be diligently pursued and completed within 12 months of the date of the stop-work order issuance.
3. The property owner may apply to the Director to extend the 12-month deadline.
4. The Director may extend the time period if it finds that the corrective work cannot reasonably be performed within 12 months.

**B. Violations.**

1. **Penalties are cumulative and not exclusive.** The criminal penalties are cumulative and not exclusive to any legal or equitable remedies for the violations.
2. Any person who violates a requirement of this Chapter shall not be eligible to receive any of the incentives listed in Section 17.62.130 for a period of five years.

**C. Public safety exceptions.**

1. **Preservation of the health and safety of the public.** Notwithstanding any other provision of this Chapter, the Director may authorize permits to demolish, relocate, remove, or significantly alter a designated or eligible historic resource if a permit is necessary for the preservation of the health and safety of the public.
2. **Limited to work necessary to protect the public.** Approval in compliance with this Subsection shall be limited to the work necessary to protect the public.

**17.62.130 - Incentives for Preserving Historic Resources**

- A. Council shall adopt a program of incentives.** In order to carry out more effectively and equitably the purposes of this Chapter, the Council shall by resolution adopt a program of economic and other incentives to support the preservation, maintenance, and appropriate rehabilitation of the City's significant historic resources.

- B. **Preservation incentives.** Preservation incentives shall be made available to owners of properties that are individually designated historic monuments or landmarks, or individually listed in the National Register of Historic Places, or properties that are contributing to designated landmark districts, or districts listed in the National Register through:
1. **Reduction of Building Permit fees and construction tax.** A reduction of Building Permit fees and construction tax for the following projects found to be in compliance with the Secretary's standards:
    - a. Exterior work that includes the repair, replacement, or restoration in kind of significant architectural features.
    - b. Re-roofing with similar material or repair and replacement of roofing where the roof is a significant architectural feature.
    - c. Relocation to another site inside the City.
    - d. Restoration of significant fixtures designed by Greene and Greene or other designated interior spaces.
    - e. Seismic reinforcement and other structural stabilization and repair.
  2. **Waiver of covered parking requirements.** For designated historic resources, the Director may waive the requirement for two covered parking spaces — when adding floor area to a residential dwelling — if an existing one-car garage contributes to the significance of the property and/or district and it is in good condition or, if deteriorated, it will be returned to good condition as part of the work to add new living space to the dwelling. Decisions of the Director may be appealed to or called for review by the Historic Preservation Commission or City Council as provided in Chapter 17.72.
  3. **Variances for Historic Resources.** Variances for historic resources may be granted in compliance with Section 17.61.080.H.
  4. **Compliance with California State Historical Building Code.**
    - a. Any designated historic resource may, upon request of the applicant for a permit, be subject to the provisions of the California State Historical Building Code if the work is required to comply with the Secretary's Standards.
    - b. The California State Historical Building Code may also apply to an un-designated property if the Director determines that the property qualifies for a historic designation.
  5. **Preservation of Historic Resources in projects subject to RM District Development Standards.** Waivers of development standards and alternative solutions may be approved through the design review process in compliance with Section 17.22.080.C.
  6. **OC Office Conversion Overlay District.** Designated or eligible historic resources within the OC Overlay District may be converted to office uses in compliance with Section 17.28.100.

7. **Lodging - Bed and Breakfast Inns.** A Lodging - Bed and Breakfast Inns land use may be established in historic resources in certain zoning districts in compliance with Section 17.50.140.
8. **Residential Accessory Structure Height Modification.** The Director may approve an increase in the allowable accessory structure height for designated historic resources in compliance with Section 17.50.250.E.1.f.
9. **Determination of Front Lot Line on Corner Lots.** For historic resources on a corner lots, the Director may determine an alternative front lot line location than would otherwise be determined by the definition of "Front Lot Line" in the glossary. Such a determination shall be based on the orientation of the historic resource's primary elevation, shall be issued to the property owner in writing and shall be subject to the appeal and call-for-review provisions of Chapter 17.72.
10. **Parking Incentives for Historic Resources.** Pursuant to California Health & Safety Code Section 18962, the following parking incentives shall apply to development projects affecting historic resources:
  - a. For a project converting or adapting a historic resource to a residential use that is located within one-half mile of a major transit stop, as defined in subdivision (b) of Section 21155 of the Public Resources Code, the project shall not be required to include parking spaces greater than the number of parking spaces that existed on the project site at the time the project application was submitted.
  - b. For a project converting or adapting a historic resource to a nonresidential use, the project may include up to a 25-percent reduction in the amount of parking spaces that would otherwise be required.
  - c. A development project in which a historic resource is being converted or adapted that is eligible for reductions in required parking pursuant to this section shall comply with all other requirements of this Chapter.
11. **Historic Property Contracts.**
  - a. **Purpose.**
    - (1) The purpose of this Subparagraph is to implement State law (Government Code Sections 50280-50290), allowing the approval of Historic Property Contracts by establishing a uniform procedure for the owners of qualified historic properties within the City to enter into contracts with the City.
    - (2) The Council finds and determines that entering into Historic Property Contracts, as hereinafter provided, is an

incentive for owners of designated historic resources to rehabilitate and preserve their properties.

- (3) The Council further finds that the preservation will assist in maintaining the City's existing stock of affordable housing and support the goals and objectives in the Land Use Element of the General Plan about preserving historically and architecturally significant structures.

**b. Limitations on eligibility.**

- (1) It is the intent of the Council that unrealized revenue to the City from property taxes not collected due to executed Historic Property Contracts shall not exceed a total of \$75,000.00 annually, or \$25,000.00 for any one individual property, unless approved by the Council.
- (2) In furtherance of this policy, Historic Property Contracts shall be limited to a maximum of 20 single-family residential properties each year and six multi-family residential, commercial, or industrial properties each year, unless the Council approves additional contracts beyond these limits.
- (3) For the purpose of this Subparagraph, "assessed valuation" does not include any portion of the value of a mixed-use structure which is already exempt from payment of property taxes by a determination of the County Assessor in compliance with Sections 4(b) and 5 of Article XIII of the California Constitution and Sections 214, 254.5, and 259.5 of the Revenue and Taxation Code.

**c. Required provisions of Historic Property Contracts.**

- (1) The required provisions of a Historic Property Contract shall be those required by State law (Government Code Sections 50281 and 50282) including the following specifications:
  - (a) The contract term shall be 10 years minimum, with automatic renewal yearly on the anniversary of the contract date.
  - (b) The contract agreement is to assist the preservation of the historic resource; therefore, restoration and rehabilitation of the property shall conform to the rules and regulations of the State of California Office of Historic Preservation (Department of Parks and Recreation), the Secretary's Standards, and the State Historical Building Code.
  - (c) The owner agrees to permit periodic examination of the interior and exterior of the premises by the County Assessor, the Department of Parks and Recreation, the State Board of Equalization, and the

City, as may be necessary to verify the owner's compliance with the contract agreement, and to provide any information requested to ensure compliance with the contract agreement.

- (d) The contract shall be binding on all successors-in-interest of the owner to the benefits and burdens of the contract.
  - (e) The City shall provide written notice of the contract to the State of California Office of Historic Preservation within 180 days of entering into the contract.
  - (f) The procedure for notice of non-renewal by the owner or the City, shall be as identified in State law (Government Code Section 50282 (a), (b), and (c) and Section 50285).
- (2) Additionally, the contract shall state that the City may cancel the contract if it determines that the owner has breached any of the conditions of the contract or has allowed the property to deteriorate to the point that it no longer meets the significance criteria under which it was designated.
  - (3) Additionally, the contract shall state that if the City cancels the contract for any of these reasons the owner shall pay the State of California a cancellation fee of twelve and one-half percent of the full value of the property at the time of cancellation, as determined by the County Assessor without regard to any restriction on the property imposed by the Historic Property Contract.
  - (4) The contract shall also provide that in the event preservation, rehabilitation, or restoration becomes infeasible due to damage caused by natural disaster (e.g., earthquake, fire, flood, etc.), the City may cancel the contract without requiring the owner to pay the State of California the above-referenced cancellation fee as a penalty. However, in this event, a contract shall not be cancelled by the City unless the City determines, after consultation with the State of California Office of Historic Preservation, in compliance with Public Resources Code Section 5028, that preservation, rehabilitation, or restoration is infeasible.
  - (5) The City shall maintain a sample "Historic Property Contract" with all required provisions specified by this Subparagraph.

- d. **Administrative Guidelines.** The City Manager, or designee, shall issue administrative guidelines for implementation of the Historic Property Contract process.