

AMENDED IN ASSEMBLY APRIL 25, 2011

AMENDED IN ASSEMBLY APRIL 4, 2011

AMENDED IN ASSEMBLY MARCH 29, 2011

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 654

Introduced by Assembly Member Hueso

February 16, 2011

An act to amend Sections 50281, 50281.1, 50282, 50284, and 50287 of the Government Code, relating to local government.

LEGISLATIVE COUNSEL'S DIGEST

AB 654, as amended, Hueso. Local government: historical property.

(1) Existing law authorizes an owner of any qualified historical property, as defined, to contract with the legislative body of a city, county, or city and county, to restrict the use of the property in exchange for lowered assessment values. Existing law requires contracts under these provisions to include, among other things, where applicable, a provision for the periodic examination of the interior and exterior of the premises by the assessor, the Department of Parks and Recreation, and the State Board of Equalization whenever necessary.

This bill would instead require these contracts, where applicable, to include an inspection of the interior and exterior of the premises by ~~the assessor~~ *a party appointed by the legislative body of the local agency entering into the contract* prior to a new agreement, and every 5 years thereafter, and that periodic examinations may also be conducted by the Department of Parks and Recreation and the State Board of Equalization whenever necessary.

(2) Existing law authorizes the legislative body to, upon entering into a contract, require that the property owner, as a condition to entering into the contract, pay a fee not to exceed the reasonable cost of administering this program.

This bill would require the legislative body to require the property owner, as a condition of entering into the contract, to pay a fee sufficient to cover, but not to exceed the reasonable cost of administering the contract program, and would specify that those costs include, but are not limited to, processing of designation requests, contracts, monitoring, inspections, and enforcement, as needed.

(3) Existing law specifies that the initial contract term is 10 years and provides that on the anniversary date of the contract, a year is automatically added to the initial term of the contract unless notice of nonrenewal is given, as specified.

This bill would also require each contract to provide that after 5 years, and every 5 years thereafter, ~~the assessor shall conduct an inspection~~ *legislative body of the local agency shall require an inspection to be conducted, by a party appointed by the legislative body, to determine the owner’s continued compliance with the contract.*

(4) Existing law authorizes the legislative body to cancel a contract if the legislative body 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 standards for a qualified historical property, and authorizes the legislative body to, as an alternative to canceling the contract, bring any action in court necessary to enforce a contract, including, but not limited to, an action to enforce the contract by specific performance or injunction.

This bill would require the legislative body to either cancel the contract or bring an action in court to enforce the contract, if the legislative body 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 standards for a qualified historical property.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 50281 of the Government Code is
2 amended to read:

1 50281. Any contract entered into under this article shall contain
2 the following provisions:

3 (a) The term of the contract shall be for a minimum period of
4 10 years.

5 (b) Where applicable, the contract shall provide the following:

6 (1) For the preservation of the qualified historical property and,
7 when necessary, to restore and rehabilitate the property to conform
8 to the rules and regulations of the Office of Historic Preservation
9 of the Department of Parks and Recreation, the United States
10 Secretary of the Interior's Standards for Rehabilitation, and the
11 State Historical Building Code.

12 (2) For an inspection of the interior and exterior of the premises
13 ~~by the assessor~~ prior to a new agreement, and every five years
14 thereafter, to determine the owner's compliance with the contract,
15 and that periodic examinations may also be conducted by the
16 Department of Parks and Recreation and the State Board of
17 Equalization as may be necessary. *The legislative body of the local*
18 *agency entering into the contract shall determine the party to*
19 *conduct the inspection.*

20 (3) For it to be binding upon, and inure to the benefit of, all
21 successors in interest of the owner. A successor in interest shall
22 have the same rights and obligations under the contract as the
23 original owner who entered into the contract.

24 (c) The owner or agent of an owner shall provide written notice
25 of the contract to the Office of Historic Preservation and record
26 the contract with the county in which the property is located within
27 six months of entering into the contract.

28 SEC. 2. Section 50281.1 of the Government Code is amended
29 to read:

30 50281.1. The legislative body entering into a contract described
31 in this article shall require that the property owner, as a condition
32 to entering into the contract, pay a fee sufficient to cover but not
33 to exceed the reasonable cost of administering this program,
34 including, but not limited to, the processing of designation requests,
35 contracts, monitoring, inspections, and enforcement, as needed.

36 SEC. 3. Section 50282 of the Government Code is amended
37 to read:

38 50282. (a) Each contract shall provide that on the anniversary
39 date of the contract or such other annual date as is specified in the
40 contract, a year shall be added automatically to the initial term of

1 the contract unless notice of nonrenewal is given as provided in
 2 this section. Each contract shall also provide that after five years,
 3 and every five years thereafter, ~~the assessor shall conduct an~~
 4 ~~inspection~~ *legislative body of the local agency shall require an*
 5 *inspection to be conducted, by a party appointed by the legislative*
 6 *body, to determine the owner's continued compliance with the*
 7 contract. If the property owner or the legislative body desires in
 8 any year not to renew the contract, that party shall serve written
 9 notice of nonrenewal of the contract on the other party in advance
 10 of the annual renewal date of the contract. Unless the notice is
 11 served by the owner at least 90 days prior to the renewal date or
 12 by the legislative body at least 60 days prior to the renewal date,
 13 one year shall automatically be added to the term of the contract.

14 (b) Upon receipt by the owner of a notice from the legislative
 15 body of nonrenewal, the owner may make a written protest of the
 16 notice of nonrenewal. The legislative body may, at any time prior
 17 to the renewal date, withdraw the notice of nonrenewal.

18 (c) If the legislative body or the owner serves notice of intent
 19 in any year not to renew the contract, the existing contract shall
 20 remain in effect for the balance of the period remaining since the
 21 original execution or the last renewal of the contract, as the case
 22 may be.

23 (d) The owner shall furnish the legislative body with any
 24 information the legislative body shall require in order to enable it
 25 to determine the eligibility of the property involved.

26 (e) No later than 20 days after a city or county enters into a
 27 contract with an owner pursuant to this article, the clerk of the
 28 legislative body shall record with the county recorder a copy of
 29 the contract, which shall describe the property subject thereto.
 30 From and after the time of the recordation, this contract shall impart
 31 a notice thereof to all persons as is afforded by the recording laws
 32 of this state.

33 SEC. 4. Section 50284 of the Government Code is amended
 34 to read:

35 50284. ~~(a)~~ If the legislative body determines that the owner
 36 has breached any of the conditions of the contract provided for in
 37 this article or has allowed the property to deteriorate to the point
 38 that it no longer meets the standards for a qualified historical
 39 property, the legislative body shall do one of the following:

40 (1)

1 (a) Cancel the contract by following the procedures specified
2 in Sections 50285 and 50286.

3 ~~(2)~~

4 (b) Bring any action in court necessary to enforce a contract,
5 including, but not limited to, an action to enforce the contract by
6 specific performance or injunction.

7 ~~(b) The legislative body may also cancel a contract if it~~
8 ~~determines that the owner has failed to restore or rehabilitate the~~
9 ~~property in the manner specified in the contract.~~

10 SEC. 5. Section 50287 of the Government Code is amended
11 to read:

12 50287. As an alternative to cancellation of the contract for
13 breach of any condition, a landowner ~~that is party to the contract~~
14 may bring any action in court necessary to enforce a contract
15 including, but not limited to, an action to enforce the contract by
16 specific performance or injunction.