

RESOLUTION NO. 44-14

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RICHMOND
EXRESSING THE CITY OF RICHMOND'S SUPPORT FOR THE PASSAGE OF
STATE ASSEMBLY BILL 1999 (ATKINS), THE CALIFORNIA ECONOMIC
DEVELOPMENT AND HISTORIC TAX CREDIT ACT**

WHEREAS, the California Economic Development and Historic Preservation Tax Credit Act, Assembly Bill 1999 (Atkins), would establish an incentive for economic development through the rehabilitation of historic buildings; and

WHEREAS, currently, the 20% Federal Historic Preservation Tax Incentives program, available to California's income-producing historic properties, has generated nearly \$1.5 billion dollars in investment during the last 10 years; and

WHEREAS, Assembly Bill 1999 would provide a state income tax credit equal to 25% of approved expenses on rehabilitation of structures listed in the National Register of Historic Places or the California Register of Historical Resources, both income-producing and non-income producing buildings, which could be used together with the 20% federal credit or separately, depending on the project and specific regulations, along with a 5% additional credit that would apply for projects containing a majority of low-income housing units, involving surplus government properties, or located in economically distressed areas, Base Realignment and Closure Act zones or Transit-Oriented Development areas; and

WHEREAS, the projects that receive a credit under Assembly Bill 1999 will stimulate public and private investment, and rehabilitation expenditures must meet specific criteria, to be screened by the California Governor's Office of Business and Economic Development ("Go Biz") to demonstrate return on investment to the state pursuant to the Bill; and

WHEREAS, the Assembly Bill will incentivize economic development and create construction and building industry jobs, enhance state tax revenues through economic activity, increase local revenues through increased property values, sales tax, and heritage tourism, stimulate the economy and sustainable development, and preserve the rich heritage of California communities; and

WHEREAS, Assembly Bill 1999 could be combined with other tax credits and incentives to leverage additional funding, including federal tax incentives and housing credits, to bring historic buildings up to code, increase energy efficiency, and provide for adaptive reuse while preserving the building's historic features, to use affordable housing credits to help low-income tenants with housing costs, and incentivize existing property owners in historic districts to rehabilitate their properties; and

WHEREAS, similar incentives are used in more than 30 states to pay for initial rehabilitation costs; and

WHEREAS, the California program would be a powerful tool to assist economically depressed urban areas with continued economic development in light of diminishing redevelopment dollars, while stimulating public and private investment, and celebrating and preserving California's heritage; and

WHEREAS, Assembly Bill 1999 is supported by the California Preservation Foundation, California Chapter of the American Institute of Architects, leading preservation organizations, property owners, developers, affordable housing advocates and builders; and

WHEREAS, there are hundreds of historic properties in the City of Richmond, including individual historic resources and those within historic districts that could benefit greatly from these incentives; and

WHEREAS, the Richmond Historic Preservation Commission recommended adoption of this resolution on May 13, 2014;

NOW, THEREFORE, BE IT RESOLVED, that the City Council proclaims its support for the passage of Assembly Bill 1999 (Atkins), the California Economic Development and Historic Tax Credit Act, and directs City staff to send a copy of this resolution to State Senator Loni Hancock.

I hereby certify, that the foregoing resolution was adopted by the City Council of the City of Richmond, California at a regular meeting held on June 3, 2014, by the following vote:

AYES: Councilmembers Bates, Boozé, Butt, Myrick, Rogers, Vice Mayor Beckles, and Mayor McLaughlin.

NOES: None.

ABSENT: None.

ABSTENTION: None.

DIANE HOLMES
CLERK OF THE CITY OF RICHMOND

(SEAL)

Approved:

GAYLE MCLAUGHLIN
Mayor

Approved as to form:

BRUCE GOODMILLER
City Attorney

State of California }
County of Contra Costa : ss.
City of Richmond }

I certify that the foregoing is a true copy of **Resolution No. 44-14**, finally passed and adopted by the City Council of the City of Richmond at a regular meeting held on June 3, 2014.