

Recording Requested by:
When Recorded Mail to:

CITY OF PALM DESERT
73-510 Fred Waring Drive
Palm Desert, CA 92260

Attention: Cultural Resources
Administrator

(Space above for Recorder's Office)

HISTORIC PROPERTY PRESERVATION AGREEMENT

("MILLS ACT CONTRACT")

between

THE CITY OF PALM DESERT
a California municipal corporation

and

Rosella Gallegos, Sheila Rice
Tai Sanchez and Heidi Sue Hardman

Owner of the property located at

72765 Mesquite Court, Suite F

APN 628-270-036-6



HISTORIC PROPERTY PRESERVATION AGREEMENT
(“MILLS ACT CONTRACT”)

This agreement (“Agreement”) is made this _____ day of _____ 20____, by and between the City of Palm Desert, a California municipal corporation (“City”), and Rosella Gallegos, Sheila Rice, Tai Sanchez, and Heidi Sue Hardman (“Owners”).

RECITALS

1. California Government Code section 50280, et. seq. allows cities the discretion to enter into contracts with the owners of qualified historic properties, as defined in Government Code section 50280.1, for the purpose of providing for the use, maintenance, protection, and restoration of such historic property, so as to retain its characteristics as property of historic significance; and

2. Owner holds fee title to that certain real property, together with associated structures and improvements thereon, generally located at 72785 El Paseo, Unit 716 within the City of Palm Desert, California (“Historic Property”). A legal description of the Historic Property is attached hereto as Exhibit “A,” and incorporated herein by this reference; and

3. On March 23, 2017, the City Council adopted Resolution No. 2017-30 designating the Historic Property as a historic resource, pursuant to the terms and provisions of Title 29 of the Palm Desert Municipal Code; and

4. On February 13, 2025, the City Council adopted Resolution No. _____ - _____ approving a Mills Act Agreement between the City and Owners; and

5. City and Owner desire to enter into this Agreement for the purpose of protecting and preserving the characteristics of historical significance of the Historic Property that help provide the community with its own unique civic identity and character; and

6. Owner, in consideration for abiding by the terms of this Agreement, shall be entitled to qualify for a reassessment of valuation of the Historic Property, pursuant to the provisions of Chapter 3, Part 2, of Division 1 of the California Revenue and Taxation Code, and any corresponding adjustment in property taxes resulting therefrom.



TERMS

NOW, THEREFORE, the City and Owner, in consideration of mutual covenants and conditions set forth herein, do hereby agree as follows:

1. Effective Date and Term of Agreement. This Agreement shall be effective and commence on _____, 20_____ (“Effective Date”), and shall remain in effect for a term of ten (10) years thereafter.

2. Yearly Renewal. Each year upon the anniversary of the Effective Date (“Renewal Date”), an additional one (1) year shall automatically be added to the remaining term of the Agreement, unless a notice of nonrenewal is delivered as provided in Section 3 of this Agreement.

3. Nonrenewal. If either the Owner or City desires at any point not to renew this Agreement, Owner or City shall serve a written notice of nonrenewal upon the party in advance of the Renewal Date (“Notice of Nonrenewal”). The Notice of Nonrenewal shall be effective, only if served by Owner upon City at least ninety (90) days prior to the Renewal Date, or if served by City upon Owner, the Notice of Nonrenewal shall be effective, only if served upon Owner at least sixty (60) days prior to the Renewal Date. If either City or Owner serves a Notice of Nonrenewal in any year, this Agreement shall remain in effect for the balance of the remaining Agreement term.

4. Owner Protest of City Nonrenewal. Within fifteen (15) days of Owner’s receipt of the Notice of Nonrenewal from the City, Owner may file with the City a written protest of the Notice of Nonrenewal. Upon receipt of the written protest, the City Council shall set a hearing prior to the expiration of the Renewal Date of this Agreement. Owner may furnish to the City Council any information that Owner deems relevant and shall furnish that which is requested or required by the City Council. The City Council may, at any time prior to the annual Renewal Date, withdraw its Notice of Nonrenewal.

5. Standards for Historical Property. During the term of this Agreement, the Historic Property shall be subject to the following conditions, requirements, and restrictions:

- A. Owner shall preserve and maintain the characteristics of the cultural and historical significance of the Historic Property. Attached hereto as Exhibit “B”



and incorporated herein by this reference, is a list of the minimum standards and conditions for the maintenance, use, protection, and preservation of the Historic Property, which shall be complied with by Owner at all times throughout the term of this Agreement. In addition, Owner shall comply with the terms of the City's Cultural Resources Ordinance 1168 (Title 29 of the Palm Desert Municipal Code) and shall obtain any and all applicable permits necessary to protect, preserve, restore, and rehabilitate the Historic Property, so as to maintain its historical and cultural significance.

- B. Owner shall, where necessary, repair, maintain, restore, and rehabilitate the Historic Property according to the rules and regulations of both the Office of Historic Preservation of the State Department of Parks and Recreation, and the City of Palm Desert. The condition of the Historic Property's exterior on the Effective Date of this Agreement is documented in the photographs attached hereto as Exhibit "C" and incorporated herein by this reference. At a minimum, Owner shall continually maintain the exterior of the Historic Property in the same condition as documented and depicted in Exhibit "C."
- C. Owner shall carry out specific restoration, repair, maintenance, and/or rehabilitation projects on the Historic Property, as outlined in Exhibit "D," attached hereto and incorporated herein by this reference. All such projects shall be undertaken and completed in accordance with both the Secretary of Interior's Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings, in addition to the City of Palm Desert's design guidelines.
- D. Owner shall not be permitted to block the view corridor with any new structure such as walls, fences or shrubbery, so as to prevent the view of the Historic Property from the public right-of-way.

6. Periodic Examinations. Upon reasonable advance notice, Owner shall allow reasonable periodic examinations of the exterior of the Historic Property by representatives of the County Assessor, the State Department of Parks and Recreation, the State Board of Equalization and/or the City, as may be necessary to determine Owner's compliance with the terms and provisions of this Agreement.

7. Provision of Information of Compliance. Owner hereby agrees to furnish City with any and all information requested by the City, which the City deems necessary or advisable to determine eligibility of the Historic Property and compliance with the terms and provisions of this Agreement.



8. Breach of Agreement; Remedies.

- A. Notice of Breach; Opportunity to Cure. If Owner breaches any provision of this Agreement, City may give written notice to Owner by registered or certified mail, detailing Owner's violations. If such violation is not corrected to the reasonable satisfaction of City within thirty (30) days after the date of notice of violation, or within such a reasonable time as may be required to cure the violation (provided the acts to cure the violation are commenced within thirty (30) days and thereafter diligently pursued to completion), the City may, without further notice, declare Owner to be in breach of this Agreement. Upon City's declaration of Owner's breach of this Agreement, City may pursue any and all remedies available pursuant to local, state, or federal law, including those specifically provided for in this section.
- B. Remedy - Termination. City may terminate this Agreement, if the City determines, following a duly noticed public hearing in accordance with Government Code section 50286, that: 1.) Owner breached any of the conditions of this Agreement; 2.) Owner allowed the Historic Property to deteriorate to the point that it no longer meets the standards for a qualified historic property or; 3.) Owner failed to maintain and preserve the Historic Property in accordance with the terms of this Agreement. If this Agreement is terminated pursuant to this paragraph, Owner shall pay a cancellation fee to the Office of the Auditor for the County of Riverside, as required by Government Code section 50286.
- C. Alternative Remedies. As an alternative to termination of this Agreement for Owner's breach of any condition, City may bring an action in court necessary to enforce this Agreement including, but not limited to, an action to enforce this Agreement by specific performance, injunction, or receivership.

9. Destruction of Property; Eminent Domain; Termination. If the Historic Property is destroyed by earthquake, fire, flood, or other natural disaster such that in the opinion of the City Building Official more than sixty percent (60%) of the original fabric of the structure must be replaced, this Agreement shall be terminated, because the historic value of the structure will have been deemed destroyed. If the Historic Property is acquired in whole or in part by eminent domain or other acquisition by any entity authorized to exercise the power of eminent domain, and the acquisition is determined by the City Council to frustrate the purpose of this Agreement, this Agreement shall be terminated. No cancellation fee



pursuant to Government Code section 50286 shall be imposed if the Agreement is terminated, pursuant to this Section.

10. Waiver. City does not waive any claim of default by Owner, if City does not enforce or terminate this Agreement. All other remedies at law or in equity which are not otherwise provided for in this Agreement or in City's regulations governing historic properties are available to the City to pursue in the event that there is a breach of this Agreement. No waiver by City of any breach or default under this Agreement shall be deemed to be a waiver of any other subsequent breach thereof or default hereunder.

11. Binding Effect of Agreement. Owner hereby subjects the Historic Property to the covenants, conditions, and restrictions set forth in this Agreement. City and Owner hereby declare their specific intent that the covenants, conditions, and restrictions set forth herein shall be deemed covenants running with the land and shall inure to and be binding upon Owner's successors and assigns in title or interest to the Historic Property. Each and every contract, deed or other instrument herein after executed, covering or conveying the Historic Property, or any portion thereof, shall conclusively be held to have been executed, delivered and accepted subject to the covenants, reservations and restrictions set forth in this Agreement, deed, or other instrument.

12. Covenants Run with the Land. City and Owner hereby declare their understanding and intent that the burden of the covenants, reservations and restrictions set forth herein touch and concern the land in that it restricts development of the Historic Property. City and Owner hereby further declare their understanding and intent that the benefit of such covenants, reservations and restrictions touch and concern the land by enhancing and maintaining the cultural and historical characteristics and significance of the Historic Property for the benefit of the public and the Owner.

13. Notice. Any notice required to be given by the terms of this Agreement shall be provided at the address of the respective parties as specified below or at any other address as may be later specified by the parties hereto:

City: City of Palm Desert
73-510 Fred Waring Drive
Palm Desert, CA 92260
Attn: Cultural Resources Administrator



Owners: Rosella Gallegos
Sheila Rice
Tai Sanchez
Heidi Sue Hardman

14. Effect of Agreement. None of the terms, provisions or conditions of this Agreement shall be deemed to create a partnership between the parties hereto or any of their heirs, successors or assigns, nor shall such terms, provisions or conditions cause the parties to be considered joint venturers or members of any joint enterprise.

15. Indemnity of City. Owner shall defend, indemnify, and hold harmless City and its elected officials, officers, agents and employees from any actual or alleged claims, demands, causes of action, liability, loss, damage, or injury to property or persons, including wrongful death, whether imposed by a court of law or by administrative action of any federal, state or local governmental agency, arising out of or incident to (i) the direct or indirect use operation, or maintenance of the Historic Property by Owner or any contractor, subcontractor, employee, agent, lessee, licensee, invitee, or any other person; (ii) Owner's activities in connection with the Historic Property; and (iii) any restrictions on the use or development of the Historic Property, from application or enforcement of Title 29 of the City's Municipal Code, or from the enforcement of this Agreement. This indemnification includes, without limitation, the payment of all penalties, fines, judgments, awards, decrees, attorneys' fees, and related costs or expenses, and the reimbursement of City, its elected officials, employees, and/or agents for all legal expenses and costs incurred by each of them. Owner's obligation to indemnify shall survive the termination, cancellation, or expiration of this Agreement and shall not be restricted to insurance proceeds, if any, received by City, its elected officials, employees, or agents.

16. Binding Upon Successors. 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 Historic Property, whether by operation of law or in any manner whatsoever.

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



18. Severability. 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 effected thereby.

19. Recordation. No later than twenty (20) days after the Effective Date, City shall cause this Agreement to be recorded in the office of the County Recorder of the County of Riverside. Owner shall provide written notice of the contract to the State Office of Historic Preservation within six (6) months of entering into the contract.

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

21. Governing Law and Venue. This Agreement shall be construed and governed in accordance with the laws of the State of California. Any action at law or in equity brought by either of the parties hereto for the purpose of enforcing a right or rights provided for by this Agreement shall be tried in a court of competent jurisdiction in the County of Riverside, State of California, and the parties hereby waive all provisions of law providing for a change of venue in such proceedings to any other county.



EXHIBIT A
PROPERTY DESCRIPTION

Parcel 1:

An undivided 1/36 interest in and to Lot 1 of Tract No. 4380-1, in the City of Palm Desert, County of Riverside, State of California, as per Map recorded in Book 81, Pages 10 and 11 Maps, Records of Riverside County, California;

Excepting therefrom Units 1 to 36, inclusive, as shown upon the Condominium Plan recorded August 22, 1974 as Instrument No. 108559 of Official Records of Riverside County, California.

Parcel 2:

Unit 36 consisting of Elements 36, 36GC and 36G, as shown upon the Condominium Plan referred to in Parcel 1 above.



EXHIBIT B
MINIMUM STANDARDS AND CONDITIONS FOR
MAINTENANCE, USE, PROTECTION, AND PRESERVATION
OF HISTORIC PROPERTY

1. The Historic District Property shall comply with all regulations of Title 8 and Title 9 of the Palm Desert Municipal Code, including the definition of “Good Repair” as outlined in Section 29.20 and 29.60.160.
2. The Historic Property shall continue to be maintained in a manner consistent with the level of maintenance that has customarily been employed at the property and consistent with the typical condominium development in the Palm Desert Area.
3. The Historic Property shall not have non-operational vehicles or portions of them in public view.
4. The Historic Property Shall not have stagnant or standing water.
5. The Historic Property Shall not have overgrown or decaying landscaping. All landscape features should be maintained including, but not limited to, grass, trees, and any plantings.
6. The Historic Property shall prominently display and properly maintain its City Landmark plaque.



EXHIBIT C
EXTERIOR PHOTOGRAPHS OF HISTORIC PROPERTY



72765 MWSQUITE COURT #F





72765
Mesquite Court #F
Palm Desert CA



Above—Front elevation Below Left —Bedroom patio Below middle— Living room patio Below right—Left elevation Above—Right elevation facing Mequite Ct





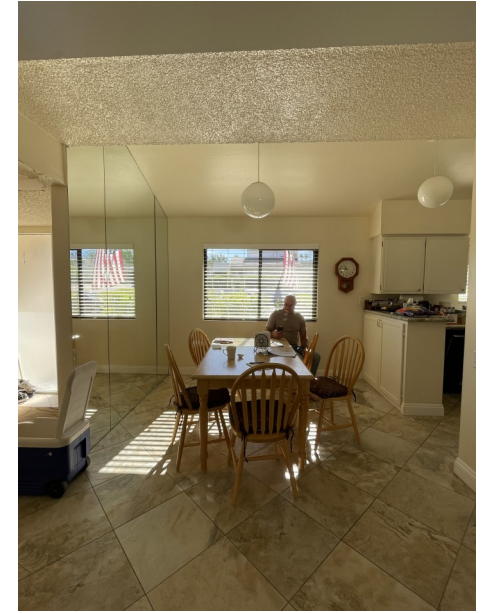
Above: Hallway bathroom



Second bedroom



Living Room



Dinette

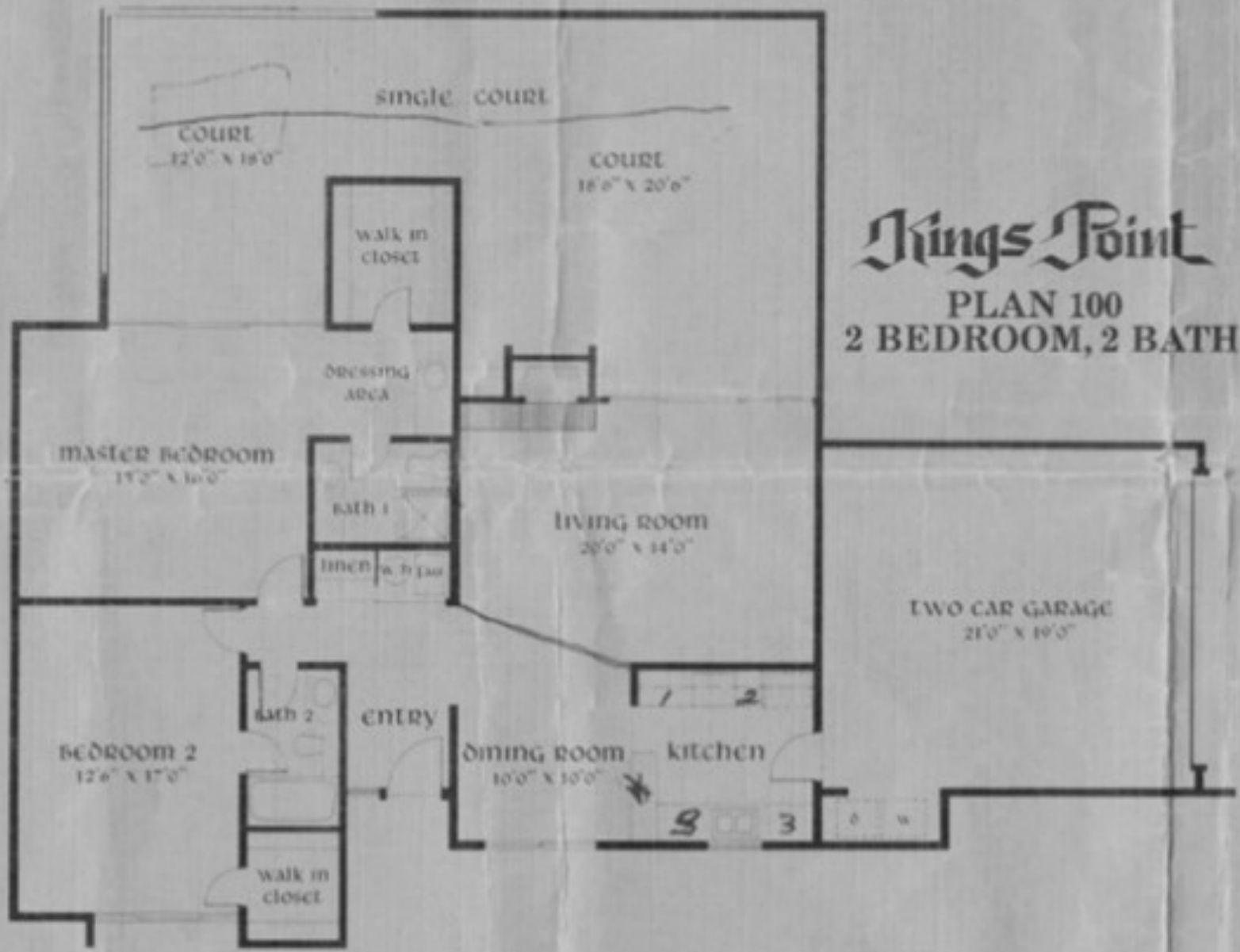
Below: Interior entry

Ensuite bathroom

Main bedroom

Garage Interior





Kings Point

PLAN 100
2 BEDROOM, 2 BATH

EXHIBIT D
PENDING AND REQUIRED PROJECTS FOR HISTORIC PROPERTY

Year	Proposed Project	Estimated Cost
1	HOA Tile roof replacement Homeowners Replace Clerestory Windows with exact replacements	\$2,062 \$5,000
2	HOA Replace lights in entry area with vintage lighting fixtures and enhance landscaping in common areas on Mesquite Drive HOA Replaster and tile Mesquite pool	\$ 444 \$ 450
3	HOA Replace lights along driveways in public view with vintage lighting fixtures and enhance landscaping in entry area Homeowners Replace flooring in unit	\$ 277 \$ 5,000
4	HOA Replace failing sewer lines as determined by camera scans of clay pipes Homeowners Replace kitchen cabinets	\$ 722 \$3,000
5	HOA Replace failing sewer lines as determined by camera scans of clay pipes HOA Landscape/irrigation improvements in areas where irrigation is failing and landscaping has out-lived useful life	\$ 750 \$ 300
6	HOA Replace failing sewer lines as determined by camera scans of clay pipes HOA Exterior painting in vintage colors	\$ 750 \$ 560
7	HOA Replace failing sewer lines as determined by camera scans of clay pipes Homeowners – Paint interior of unit	\$ 780 \$10,000
8	HOA Replace mailboxes serving Mesquite Court HOA Replace failing sewer lines as determined by camera scans of clay pipes	\$ 550 \$ 800
9	HOA Seal coat Mesquite Pool deck HOA Replace failing sewer lines as determined by camera scans of clay pipes	\$ 400 \$ 850
10	HOA Asphalt repairs in driveway HOA Replace failing sewer lines as determined by camera scans of clay pipes	\$ 111 \$ 833

