

Date of Hearing: April 18, 2023

ASSEMBLY COMMITTEE ON WATER, PARKS, AND WILDLIFE  
Rebecca Bauer-Kahan, Chair  
AB 613 (Haney) – As Introduced February 9, 2023

**SUBJECT:** Historical resources: legacy businesses: registry

**SUMMARY:** Requires the State Historical Resources Commission (SHRC) to establish and maintain a registry of legacy businesses, as specified. Specifically, **this bill:**

- 1) Requires SHRC to establish and maintain a registry of legacy businesses, and states the purpose of the registry is to recognize that longstanding, community-serving businesses can be valuable, nontangible historic assets of the State of California, and serve as a tool for providing state resources, as well as educational and promotional assistance to legacy businesses to encourage their viability and success.
- 2) Requires a business to be listed in the registry if nominated by a county board of supervisors or city mayor, and SHRC determines the business meets all of the following criteria:
  - a) The business has operated in California for not less than 50 years;
  - b) The business has strongly contributed the state’s history, culture, or identity and could be considered a nontangible historic asset to the state;
  - c) The business has identified to the commission the businesses’ interior tangible historic assets, exterior tangible assets, such as historic signs, as well as nontangible assets, such as traditions, craft, or culinary art forms that define the business; and
  - d) The business has committed to preserving and protecting the identified tangible and nontangible historic assets.

**EXISTING LAW:**

- 1) Establishes SHRC within the Department of Parks and Recreation and prescribes its duties and functions [Public Resources Code (PRC) § 5020 et seq.]
- 2) Establishes the California Register of Historical Resources, overseen by SHRC, which is an authoritative guide to be used by state and local agencies, private groups, and citizens to identify the state’s historical resources and to indicate what properties are to be protected, to the extent prudent and feasible, from substantial adverse change and authorizes a resource to be nominated for listing as a historical resource in the California Register of Historical Resources in accordance with specified nominating procedures (PRC § 5024.1).

**FISCAL EFFECT:** Unknown. This bill is keyed fiscal.

**COMMENTS:**

- 1) **Purpose of this bill.** This bill requires the California Office of Historic Preservation to create a state level California Legacy Business Registry. According to the author, “the pandemic has had a devastating effect on California’s small businesses community. Historic mom-and-

pop businesses that served our communities through wars, the Great Depression, and natural disasters are closing for good. [This bill] will increase visibility to our struggling historic businesses by creating a sought after designation that brings national recognition and prestige. Like a Michelin Star or a James Beard award, a California Legacy Business designation will drive spending and pedestrian traffic into struggling local commercial districts by highlighting these historic anchor businesses as the California treasures that they are. Legacy Business registries are a carrot only, proactive solution to the loss of Californian's historic small businesses.”

- 2) **Background.** The SHRC is a nine-member state review board, appointed by the Governor, with responsibilities for the identification, registration, and preservation of California's cultural heritage. The primary responsibility of SHRC is to review applications for listing historic and archaeological resources on the National Register of Historic Places, the California Register of Historical Resources, and the California Historical Landmarks and California Points of Historical Interest registration programs. Five members of SHRC are required to be recognized professionals in the disciplines of history, pre-historic archaeology, historical archaeology, architectural history, and restoration architecture. One member is required to be knowledgeable in ethnic history; one member is required to be knowledgeable in Folklife; and two members represent the public or possess expertise in fields that the Governor deems necessary or desirable to enable SHRC to carry out its responsibilities. The State Historic Preservation Officer (SHPO) serves as Executive Secretary to SHRC. The SHRC meets four times per year.

The SHRC maintains the California Register of Historical Resources, which is the authoritative guide to the state's significant historical and archeological resources. The California Register includes buildings, sites, structures, objects, and districts significant in the architectural, engineering, scientific, economic, agricultural, educational, social, political, military, or cultural annals of California. The California Register program encourages public recognition and protection of these resources, identifies historical resources for state and local planning purposes, determines eligibility for state historic preservation grant funding, and affords certain protections under the California Environmental Quality Act.

*Legacy business programs.* Some, but not all, businesses might be able to qualify under the criteria for inclusion on the California Register. This bill proposes a separate designation under the California Legacy Business Registry for businesses that meet specified criteria. Legacy business programs are designed to preserve longtime businesses that contribute to a neighborhood's history, identity, and character. Programs are often established by local jurisdictions, business associations, or community-based organizations. They can provide small businesses with grants, technical assistance, and marketing and branding services, and some programs offer commercial property landlords financial incentives, including grants, to retain legacy businesses.

*San Francisco Legacy Business Program.* San Francisco originated the nation's first legacy business program in 2015 and it has since been emulated in dozens of cities across the country such as Boston, San Antonio, and Washington DC. The San Francisco program is open to long-standing small businesses that have operated in San Francisco for 30 years or more, had no break in San Francisco operations for more than two years, and contributed to San Francisco's history or identity. In addition to an application, the business needs to have a nomination from a member of the Board of Supervisors or the mayor. The application is then

reviewed by the San Francisco Historic Preservation Commission and the Small Business Commission. There are about 350 businesses on the legacy business registry. Businesses on the registry receive recognition and marketing and business help, and are eligible for grants.

*Los Angeles-area legacy business programs.* The City of Los Angeles Legacy Business program was created in 2022 and is under development. A “legacy business” is defined as a business that has been in operation for 20 years or more within the same community, and meets three of the following four criteria: contributes significantly to its community’s history or identity; sustains and cultivates distinctive cultural traditions or practices; not franchised or affiliated with a national corporate chain; and provides vital goods and services in a language and manner that is culturally accessible to the community.

The Los Angeles Conservancy launched an unrelated grant program in November 2022 that is available to longtime small businesses within Los Angeles County. The Legacy Business Grant will award ten \$5,000 grants to eligible small businesses that have operated and contributed to their community’s history and/or identity for at least 20 years.

The City of Pasadena legacy business program recognizes independently owned businesses that have operated in the city for over 50 years and contribute to the culture of the city.

- 3) **Suggested committee amendments.** The Committee may wish to add a subdivision (c) to this bill that authorizes SHRC to create nomination procedures for the registry as follows:

*(c) The commission shall develop and adopt nomination procedures in order for a county board of supervisors or city mayor to nominate a business for listing as a California Legacy Business in the registry.*

- 4) **Arguments in support.** Those in support include several historic preservation organizations. The Los Angeles Conservancy states that a “statewide registry program will raise awareness for these cultural touchstones and community anchors, provide marketing support and likely greater tourism, and ultimately uplift small, locally-owned and operated businesses throughout California.”
- 5) **Related legislation.** SB 1060 (Hill) of 2020 would have required State Parks to register trails that are deemed important historical resources within the California Register of Historical Resources. SB 1060 died in the Senate Natural Resources and Water Committee.

## **REGISTERED SUPPORT / OPPOSITION:**

### **Support**

California Preservation Foundation  
Los Angeles Conservancy  
San Francisco Heritage

### **Opposition**

None on file

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