

2007 Regular Legislative Session
FISCAL ANALYSIS OF PROPOSED LEGISLATION
Prepared by the Oregon Legislative Fiscal Office

MEASURE NUMBER: SB 416

STATUS: A-Engrossed

SUBJECT: Historic special assessments provisions

GOVERNMENT UNIT AFFECTED: Parks and Recreation Department

PREPARED BY: Dawn Farr

REVIEWED BY: Susie Jordan

DATE: March 30, 2007

EXPENDITURES: See Comments.

REVENUES: See the Legislative Revenue Impact Statement for tax revenue impacts.

EFFECTIVE DATE: 91st day following sine die.

GOVERNOR'S BUDGET: This bill is not anticipated by the Governor's recommended budget.

LOCAL GOVERNMENT MANDATE: This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

COMMENTS: The bill would require applicants for historic special assessments to include in their preservation plans a schedule of substantial rehabilitation work on the exterior of the building within the first five years. Residential properties applying for a second term must include this information in reapplication materials. The bill gives governing bodies the ability to exclude certain districts or properties and adopt a resolution or ordinance authorizing a second term of historic property for both residential and commercial property; and, creates the Task Force on Historic Property to conduct a comprehensive review of the historic property assessments program and prepare a report to the Governor and Legislature.

The Oregon Parks and Recreation Department (OPRD) receives a fee to cover the costs of reviewing historic assessment applications, confirming compliance with historic preservation rules, and monitoring of projects for the 15-year term of the special assessment. If governing bodies choose to exclude initial applicants or reapplications, there will be a negative impact on OPRD Other Fund Revenues. The amount of this impact is indeterminate at this time as it is unclear how many governing bodies might develop exclusions, and the related impact of those exclusions on future numbers of applicants. The Department indicates that lost revenues may ultimately affect the program's ability to offer grants.

The bill requires OPRD to provide staffing to the Historic Property Task Force. The Department indicates that the additional staffing requirements and costs of the task force are expected to be minimal and can be covered by existing resources and reserves in the Oregon Property Management Account.