

SENATE AMENDMENTS TO SENATE BILL 416

By COMMITTEE ON FINANCE AND REVENUE

April 5

1 On page 1 of the printed bill, line 2, after “ORS” delete the rest of the line and insert “358.487,
2 358.540 and 358.541”.

3 In line 3, delete “repealing ORS 358.541”.

4 Delete lines 5 through 31 and delete pages 2 through 4 and insert:

5 “**SECTION 1.** ORS 358.487 is amended to read:

6 “358.487. (1)(a) An owner of historic property desiring classification and special assessment un-
7 der ORS 358.480 to 358.545 for the property may make application for the classification and special
8 assessment to the State Historic Preservation Officer on forms approved by the State Historic
9 Preservation Officer. The forms shall include or be accompanied by the written consent of the owner
10 to the viewing of the property by the State Historic Preservation Officer. Any application made
11 under this subsection shall include a preservation plan and be sent by the State Historic Preserva-
12 tion Officer to the appropriate county assessor, local landmark commission and governing body. **The**
13 **preservation plan must include a schedule for completion of substantial rehabilitation work**
14 **on the exterior of the building within the first five years of the special assessment period.**
15 An application must be made during the calendar year preceding the first property tax year for
16 which classification and special assessment as historic property is desired.

17 “(b) Classification and special assessment pursuant to an application made under this subsection
18 shall be granted only for 15 consecutive property tax years, commencing in the tax year beginning
19 on the July 1 following the calendar year in which the application was made.

20 “(2)(a) An owner may make preliminary application for classification of property as historic
21 upon approval by the State Advisory Committee on Historic Preservation of the nomination of the
22 property for listing on the National Register of Historic Places or, if the National Register of His-
23 toric Places ceases accepting nominations, the nomination of the property for listing on an Oregon
24 register of historic places.

25 “(b) The preliminary application shall be considered an application made or received for pur-
26 poses of subsection (1) of this section if, by September 15 of the year for which classification and
27 special assessment are first sought, the property is:

28 “(A) Listed in the National Register of Historic Places; or

29 “(B) If the National Register of Historic Places ceases accepting nominations, approved for
30 listing on an Oregon register of historic places.

31 “(c) If the requirements of paragraph (b) of this subsection are not satisfied, the preliminary
32 application may not be considered an application made for purposes of subsection (1) of this section
33 until the calendar year in which, as of September 15, the property is listed as described in paragraph
34 (b) of this subsection.

35 “(3) Immediately upon receipt of a copy of the application under subsection (1) of this section,

1 the county assessor shall review the application for accuracy and completeness of description and
2 other matters within the expertise of the county assessor and shall make recommendations regarding
3 the classification to the State Historic Preservation Officer.

4 “(4)(a) Immediately upon receipt of a copy of the application under subsection (1) of this section,
5 the governing body shall review the application for matters relating to public benefit and shall make
6 recommendations regarding the classification to the State Historic Preservation Officer.

7 “(b) **A governing body may exclude certain districts or properties from participation in
8 the special assessment program under criteria established by the governing body. In adopting
9 criteria, the governing body shall consider whether a district is in economic distress and the
10 value of the property in the district.**

11 “(5) By making application for classification and assessment under this section, the owner con-
12 sents that the State Historic Preservation Officer has access to the property for inspection at rea-
13 sonable times to ensure that the terms of the national register or other federal or state laws or
14 requirements are being met.

15 “(6) The application for classification and assessment under ORS 358.480 to 358.545 may not be
16 processed unless accompanied by a nonrefundable fee of one-third of one percent of the real market
17 value of the property, as of the assessment date, for the year in which application is made. The fee
18 shall be deposited in the State Parks and Recreation Department Fund for use by the State Parks
19 and Recreation Director or for transfer to the Oregon Property Management Account established
20 under ORS 358.680 to 358.690, upon the advice of the State Advisory Committee on Historic Pres-
21 ervation.

22 “**SECTION 2.** ORS 358.540 is amended to read:

23 “358.540. (1) Property classified as historic property under ORS 358.480 to 358.545 is entitled to
24 any other exemption or special assessment provided by law.

25 “(2) Property that has received special assessment under ORS 358.480 to 358.545 for 15 years,
26 at the completion of the 15-year term, is disqualified from historic property special assessment.

27 “(3)(a) Notwithstanding subsection (2) of this section, following completion of the initial 15-year
28 period of historic property classification and disqualification under subsection (2) of this section, the
29 owner of property classified as historic property may reapply under ORS 358.487 for one additional
30 15-year period of special assessment under ORS 358.480 to 358.545. Following completion of the
31 second 15-year term of special assessment, the historic property shall be disqualified from historic
32 property special assessment and is not again eligible for special assessment under ORS 358.480 to
33 358.545.

34 “(b) For commercial property, a reapplication filed under this subsection, in addition to con-
35 taining all of the information required of an application filed under ORS 358.487, shall be accompa-
36 nied by a renovation plan detailing measures to be taken for purposes of Americans with Disabilities
37 Act compliance, seismic improvement measures or energy conservation measures, the costs associ-
38 ated with the measures and a schedule of the dates on which work on the measures will be begun
39 and completed.

40 “(c) For commercial property, a reapplication filed under this subsection that in other respects
41 is in compliance with the application requirements of ORS 358.487 may be approved only upon a
42 finding by the State Historic Preservation Officer that the renovation plan submitted with the re-
43 application will, if implemented, result in a significant investment in the historic property that pro-
44 motes compliance with Americans with Disabilities Act requirements or that results in seismic
45 improvements or energy conservation improvements to the property. If approved, the renovation

1 plan shall be considered an amendment to and part of the preservation plan filed with the reappli-
2 cation and in effect for the property.

3 “(d) For residential **or commercial** property, a reapplication filed under this subsection that in
4 other respects is in compliance with the application requirements of ORS 358.487 may be approved
5 only if a second term of historic property classification and special assessment for residential **or**
6 **commercial** property is authorized under ORS 358.541.

7 “(e) **For residential property, a reapplication filed under this subsection must include a**
8 **preservation plan that includes a schedule for completion of substantial rehabilitation work**
9 **on the exterior of the building within the first five years of the special assessment period.**

10 “[e] (f) The State Historic Preservation Officer may adopt rules under this subsection, includ-
11 ing rules that provide:

12 “(A) The minimum amount of investment that must be made in order for the investment to be
13 considered a significant investment.

14 “(B) The minimum amount of seismic improvement to the property that must be contemplated
15 in the renovation plan in order for the plan to be approved.

16 “(C) The minimum level of energy conservation improvements that must be contemplated in the
17 renovation plan in order for the plan to be approved.

18 “(D) The maximum amount of time between the date of filing of the reapplication and the date
19 of completion of the measures described in the renovation plan in order for the renovation plan to
20 be approved.

21 “**SECTION 3.** ORS 358.541 is amended to read:

22 “358.541. (1) Residential **or commercial** property may not qualify for a second term of classi-
23 fication and special assessment as historic property under this section unless:

24 “(a) If the property is located within a city, the governing body of the city has adopted a re-
25 solution or ordinance authorizing a second term of historic property classification and special as-
26 sessment for residential **or commercial** property; or

27 “(b) If the property is located within unincorporated territory of a county, the governing body
28 of the county has adopted a resolution or ordinance authorizing a second term of historic property
29 classification and special assessment for residential **or commercial** property.

30 “(2) The city or county authorizing a second term of historic property classification and special
31 assessment for residential **or commercial** property shall send a copy of the authorizing resolution
32 or ordinance to the State Historic Preservation Officer.

33 “**SECTION 4.** (1) **The amendments to ORS 358.487, 358.540 and 358.541 by sections 1 to 3**
34 **of this 2007 Act apply only to applications for historic property special assessment that are**
35 **filed or approved on or after the effective date of this 2007 Act.**

36 “(2) **Nothing in the amendments to ORS 358.487, 358.540 and 358.541 by sections 1 to 3 of**
37 **this 2007 Act affects the status of property that is classified as historic property on the ef-**
38 **fective date of this 2007 Act. Such property may continue to receive special assessment un-**
39 **der ORS 358.480 to 358.545 until the completion of the 15-year term that is in effect on the**
40 **effective date of this 2007 Act.**

41 “**SECTION 5.** (1) **There is created the Task Force on Historic Property, consisting of 12**
42 **members appointed as follows:**

43 “(a) **The President of the Senate shall appoint one member from among members of the**
44 **Senate.**

45 “(b) **The Speaker of the House of Representatives shall appoint one member from among**

1 members of the House of Representatives.

2 “(c) The Governor shall appoint one representative of each of the following:

3 “(A) The National Trust for Historic Preservation;

4 “(B) The State Historic Preservation Officer;

5 “(C) The Oregon Preservation Alliance;

6 “(D) The Oregon Historic Property Owners Association;

7 “(E) The development community within an urban population;

8 “(F) The development community within a rural population;

9 “(G) The Oregon State Association of County Assessors;

10 “(H) The Department of Revenue;

11 “(I) The League of Oregon Cities; and

12 “(J) Homeowners who participate in the special assessment for historic properties pro-
13 gram under ORS 358.480 to 358.545.

14 “(2) The task force shall conduct a comprehensive review of the special assessment for
15 historic properties program under ORS 358.480 to 358.545. The purpose of the review is to
16 determine whether the program should be extended beyond July 1, 2010. The task force shall
17 assess the merits and shortcomings of the program and make recommendations for im-
18 proving or eliminating the program. The task force shall study:

19 “(a) The effectiveness of the program in stimulating historic preservation activities and
20 reinvestment in historic buildings and districts;

21 “(b) The application fee structure of the program;

22 “(c) The program’s administrative costs for the State Historic Preservation Officer and
23 costs for the participants in the program;

24 “(d) The accountability of program participants for projects that meet program goals and
25 for completion of work plan tasks;

26 “(e) The administrative rules implementing the program;

27 “(f) The role of local governments in the program and the fiscal impact of the program
28 on local governments;

29 “(g) The economic impact of the program on local communities that rehabilitate and
30 preserve their historic built environments;

31 “(h) The role of the program in relation to other historic preservation incentive pro-
32 grams, including the Historic Preservation Revolving Loan Fund program, grant programs
33 and the rehabilitation tax credit program;

34 “(i) The complexities of including multiple owners of residential condominium projects
35 within historic buildings in the special assessment for historic properties program; and

36 “(j) The negative impact on program participants when the term of the special assess-
37 ment expires and property taxes have increased beyond the capped three percent per year
38 increase allowed if the property had not been in the program.

39 “(3) A majority of the members of the task force constitutes a quorum for the trans-
40 action of business.

41 “(4) Official action by the task force requires the approval of a majority of the members
42 of the task force.

43 “(5) The task force shall elect one of its members to serve as chairperson.

44 “(6) If there is a vacancy for any cause, the appointing authority shall make an appoint-
45 ment to become immediately effective.

1 “(7) The task force shall meet at times and places specified by the call of the chairperson
2 or of a majority of the members of the task force.

3 “(8) The task force may adopt rules necessary for the operation of the task force.

4 “(9) Prior to October 1, 2008, the task force shall submit a report to the Governor and
5 the interim legislative committees on revenue. The report may include program recommen-
6 dations and a request for legislation.

7 “(10) The State Parks and Recreation Department shall provide staff support to the task
8 force.

9 “(11) Members of the task force who are not members of the Legislative Assembly are
10 not entitled to compensation, but may be reimbursed for actual and necessary travel and
11 other expenses incurred by them in the performance of their official duties in the manner
12 and amounts provided for in ORS 292.495. Claims for expenses shall be paid out of funds ap-
13 propriated to the department for that purpose.

14 “(12) All agencies of state government, as defined in ORS 174.111, and local government,
15 as defined in ORS 174.116, are directed to assist the task force in the performance of its
16 duties and, to the extent permitted by laws relating to confidentiality, to furnish such in-
17 formation and advice as the members of the task force consider necessary to perform their
18 duties.

19 “SECTION 6. Section 5 of this 2007 Act is repealed on the date of the adjournment of the
20 next regular biennial legislative session.

21 “SECTION 7. This 2007 Act takes effect on the 91st day after the date on which the
22 regular session of the Seventy-fourth Legislative Assembly adjourns sine die.”.

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