

## HB 4054 -8 STAFF MEASURE SUMMARY

### House Committee On Revenue

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**Prepared By:** Jaime McGovern, Economist

**Meeting Dates:** 2/1, 2/17

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#### **WHAT THE MEASURE DOES:**

Makes changes to program for property tax special assessment of historic property. Restricts program to commercial property that complies with ADA requirements, includes structural modernization plan, aims to prevent displacement, aims to reverse displacement, engages in underrepresented histories. Requires property owner to commit 5% of property's real market value (RMV) to rehabilitation. Requires that property rehabilitation focus on exterior features and meet historic rehabilitation standards. Conditions property on pre-approval of historic status. Specifies application and grievance process. Specifies contractor minimum requirements relating to minority, women owned and emerging small businesses.

#### **ISSUES DISCUSSED:**

- Interim workgroup on historic property.
- Future work planned.
- Effect of program on property tax revenue to local governments.

#### **EFFECT OF AMENDMENT:**

-8 Replaces bill. Extends program application deadline to 2024. Grandfathers in existing participants. Sets initial taxable assessed value under program at application assessed value. Clarifies year base for calculating ratio.

#### **BACKGROUND:**

Current statute contains a special assessment program for property deemed historic, and satisfying of program conditions. The program includes commitment of property owner for expenditure of 10% of property value to a historic preservation plan, reduced valuation and delayed recognition of property investments for 10 year periods.