

**B-Engrossed**  
**House Bill 2776**

Ordered by the Senate June 29  
Including House Amendments dated May 9 and Senate Amendments dated  
June 29

Sponsored by Representative BUTLER; Representatives ANDERSON, BERGER, BOONE, BOQUIST, BROWN, DALTO, ESQUIVEL, GARRARD, GILMAN, HANNA, HUNT, JENSON, KITTS, KRIEGER, LIM, MORGAN, OLSON, G SMITH, WHISNANT, Senators BEYER, FERRIOLI, GEORGE, JOHNSON, KRUSE, MONNES ANDERSON, NELSON, SCHRADER, VERGER, WALKER, WESTLUND (at the request of Rebecca Purvine Sterup, James Sterup)

**SUMMARY**

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Expands types of property for which owner may reapply for second 15-year period of historic property special assessment. Establishes conditions for residential property to qualify for second term of classification and special assessment. Provides that new owner of historic property must expressly assent to preservation plan to qualify for special assessment.

**A BILL FOR AN ACT**

1  
2 Relating to historic property; creating new provisions; and amending ORS 358.515 and 358.540.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1.** ORS 358.540 is amended to read:

5 358.540. (1) Property classified as historic property under ORS 358.480 to 358.545 is entitled to  
6 any other exemption or special assessment provided by law.

7 (2) Property that has received special assessment under ORS 358.480 to 358.545 for 15 years, at  
8 the completion of the 15-year term, is disqualified from historic property special assessment [*and is*  
9 *not again eligible for special assessment under ORS 358.480 to 358.545*].

10 (3)(a) Notwithstanding subsection (2) of this section, following completion of the initial 15-year  
11 period of historic property classification and disqualification under subsection (2) of this section, the  
12 owner of [*commercial*] property classified as historic property may reapply under ORS 358.487 for  
13 one additional 15-year period of special assessment under ORS 358.480 to 358.545. Following com-  
14 pletion of the second 15-year term of special assessment, the historic [*commercial*] property shall be  
15 disqualified from historic property special assessment and is not again eligible for special assessment  
16 under ORS 358.480 to 358.545.

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

23 (c) **For commercial property**, a reapplication filed under this subsection that in other respects  
24 is in compliance with the application requirements of ORS 358.487 may be approved only upon a

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 finding by the State Historic Preservation Officer that the renovation plan submitted with the re-  
2 application will, if implemented, result in a significant investment in the historic property that pro-  
3 motes compliance with Americans with Disabilities Act requirements or that results in seismic  
4 improvements or energy conservation improvements to the property. If approved, the renovation  
5 plan shall be considered an amendment to and part of the preservation plan filed with the reappli-  
6 cation and in effect for the property.

7 **(d) For residential property, a reapplication filed under this subsection that in other re-**  
8 **spects is in compliance with the application requirements of ORS 358.487 may be approved**  
9 **only if a second term of historic property classification and special assessment for residential**  
10 **property is authorized under section 2 of this 2005 Act.**

11 [(d)] (e) The State Historic Preservation Officer may adopt rules under this subsection, including  
12 rules that provide:

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

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

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

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

22 **SECTION 2. (1) Residential property may not qualify for a second term of classification**  
23 **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**  
25 **resolution or ordinance authorizing a second term of historic property classification and**  
26 **special assessment for residential property; or**

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

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

33 **SECTION 3.** ORS 358.515 is amended to read:

34 358.515. (1) When property has once been classified and assessed as historic property pursuant  
35 to application filed under ORS 358.480 to 358.545, it shall remain so classified and be granted the  
36 special assessment provided by ORS 358.505 until the property becomes disqualified for such classi-  
37 fication and assessment by:

38 (a) Written notice by the taxpayer to the assessor to remove the special assessment.

39 (b) Sale or transfer to an ownership making it exempt from property taxation.

40 (c) Removal of the special assessment by the assessor upon discovery that the property no  
41 longer qualifies as historic property because it is not in compliance with the preservation plan ap-  
42 plicable to the property or for other reason.

43 **(d) In the case of residential property, any other sale or transfer of the property.**

44 (2)(a) **Notwithstanding subsection (1)(d) of this section,** the sale or transfer to a new owner  
45 or transfer by reason of death of a former owner to a new owner does not operate to disqualify the

1 property from the special assessment provided by ORS 358.505 so long as the property continues to  
2 qualify as historic property **and the new owner expressly assents to the preservation plan in**  
3 **effect for the property and continues to implement the preservation plan.**

4 (b) The new owner shall notify the State Historic Preservation Officer of the sale or transfer  
5 of ownership within 60 days after the date that the documents described in ORS 93.040 are recorded.

6 (3) When, for any reason, the property or any portion thereof ceases to qualify as historic  
7 property, the owner at the time of change shall notify the assessor and the State Historic Preser-  
8 vation Officer of the change prior to the next January 1 assessment date.

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