

Public Hearing: HB 2124
Tapes 7-8 A/B
9 A

HOUSE COMMITTEE ON
HOUSE REVENUE AND SCHOOL FINANCE
PROPERTY TAX SUBCOMMITTEE
FEBRUARY 2, 1993 8:00 AM HEARING ROOM A STATE CAPITOL
BUILDING

Members Present: Representative Tom Brian, Chair
Representative Mike Burton
Representative Margaret Carter
Representative Fred Girod
Representative Delna Jones
Representative Jim Whitty

Witnesses Present: Robert L. Meinen,
Director, Oregon State Parks

and Recreation Department
James Hamrick, Program Manager, Historic
Preservation Program, and Deputy State
Historic Preservation Officer
William Willingham, Chair, Task Force on the
Special Assessment of Historic Property
- Pam Silbernagel, City Council of Albany, Task
Force on the Special Assessment of
Historic Property
Philip Lowthian, Task Force on the Special
Assessment of Historic Property
Judy Gerard, Dayton Historic Landmarks
Commission
Leslie Miller, Dayton Historic Landmarks
Commission

Staff: James Scherzinger, Legislative Revenue Officer
Steve Meyer, Legislative Revenue Office
Paula McBride, Committee Assistant

TAPE 7 SIDE A

019 CHAIR BRIAN called the meeting to order at 8:15:

023 CHAIR BRIAN opened the Public Hearing on HB 2124.

013 BOB MEINEN introduced members of his group. He supported HB 2124, a
reauthorization of the historic preservation property tax exemption
program, but he wanted significant amendments made to the

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meeting. Text enclosed in quotation marks reports the speakers' exact
words. For complete context of proceedings, please refer to the tape
recording.

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bill. His testimony was based on a written document. He referred to a
report entitled "Report to the Governor and 66th Legislative Assembly by
The Task Force on The Special Assessment of Historic Property." He also
described a matrix given to the members that shows the major elements of HB
212 4, and differences between what the Task Force recommended and what the
Parks and Recreation Department believes is feasible. Exhibits 1, 2 and 3
110 BOB MEINEN gave the members a handout that delineated the Parks and

Recreation Department's proposed amendments to HB 2124. Exhibit 4
Questions and discussion interspersed

176 JAMES HAMRICK described that the current program freezes and improvement value at the time of application to the program. Any valued added to it occurs after the 15 year exemption period. The Parks and Recreation Department felt it was appropriate to ensure that rehabilitation would take place on the property. In order to accomplish this, they recommended a program that called for "indexing" or "trending," which means that the application value would no longer be frozen but could trend either upward or downward. As a result, the only exemption contained in HB 2124 is the value added to the property as a result of the approved preservation plan.

Questions and discussion

280 JAMES HAMMER described the activities and duties of the State Historic Advisory Committee, and how property qualifies for the historic exemption.

Questions and discussion

TAPE 8 SIDE a

002 Questions and discussion continued with JAMES HAMMER and BOB MEINEN concerning historic property in Oregon and HB 2124.

220 BOB MEINEN described the relationship of the historic preservation program in Oregon to the Parks and Recreation Department.

Questions and discussion

255 JAMES HAMMER explained the National Register criteria for

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classifying a property as historical.

Questions and discussion

interspersed

325 JAMES HAMMER addressed the issue of alterations on historic property.

Questions and

discussion

TAPE 7 SIDE B

009 WILLIAM WILLINGHAM described the purpose and accomplishments of the Task Force on the Special Assessment of Historic Property, of which he was Chair. He emphasized the relationship between the property tax exemption and rehabilitation of property. He discussed instances of alleged abuses of the program, and he said many small communities in Oregon appreciate the major benefits of the program (e.g., revitalization of downtown areas). He stressed that the long-term benefit of restoring property more than offsets the short-term monetary loss to the State of Oregon. He addressed some issues of difference between the Task Force's and the Parks and Recreation Department. (see Exhibit 2)

197 WILLIAM WILLINGHAM read a letter from another member of the Task Force, Mr. George Sheldon, which supported the findings of the Task Force. (NOTE: The Committee did not receive a copy of this letter; thus, it will not be listed in the Exhibit Summary below.)

225 PAM SILBERNAGEL asked the members to consider the recommendations of the Task Force on the Special Assessment of Historic Property. She provided specific examples of how the property tax exemption program for historic

properties has worked in Albany, and she believed much of the economic development in her city was due to the program. Exhibit 5

319 PHILIP LOWTHIAN, as a member of the Task Force, testified in support of one of "minority reports" of the Task Force on the Special Assessment of Historic Property, which he authored. He believed the historic preservation property tax exemption program needed drastic changes. Exhibit 6

Questions and discussion

TAPE 8 SIDE

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002 Questions and discussion continued concerning the property tax exemption program for historic property with WILLIAM WILLINGHAM, PAM SILBERNAGEL and PHILIP LOWTHIAN.

047 PHILIP LOWTHIAN expressed the belief that the exemption program should be eliminated as it currently exists, and that restoration of historic property could be done much more efficiently on the local level where communities could use the tax money collected on that property. He was against exemption programs in general. Exhibit 6

Questions and discussion interspersed

150 WILLIAM WILLINGHAM reiterated the reasons why he believed the historic property tax exemption program is a necessary one.

Questions and discussion

220 WILLIAM WILLINGHAM and PAM SILBERNAGEL addressed issues related to the matrix presented to the members. Exhibit 3

Questions and discussion interspersed

TAPE 9 SIDE A

003 JUDY GERARD believed the historic property tax exemption program should continue, primarily because of the importance of revitalizing neighborhoods in small communities. She did not like the idea of forcing people to open up restored property to public tours. She supported the recommendations of the Task Force, rather than HB 2124 as drafted by the Parks and Recreation Department.

048 LESLIE MILLER testified in support of the property tax exemption program for historic property. He believed small communities would not be able to fund historic preservation or restoration.

Questions and discussion

099 CHAIR BRIAN closed the Public Hearing on HB 2124.

100 CHAIR BRIAN adjourned the meeting at 10:17.

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Paula K.McBride, Committee Assistant
Kimberly Taylor, Office Manager

EXHIBIT SUMMARY

1. Testimony by Parks and Recreation Department Regarding HB 2124, Bob Meinen, Director.
2. Report to the Governor and 66th Legislative Assembly by the Task Force on the Special Assessment of Historic Property, Bob Meinen, Director, Parks & Recreation Department.
3. Comparison Between the Existing Special Assessment Program, The Recommendations of the Special Assessment Task Force, and the Parks and Recreation Department's Position on the Re-Authorization of ORS 358.475, Bob Meinen, Director, Parks and Recreation Department.
4. Memorandum to Chair Brian, Amendments to HB 2124, from Bob Meinen, Director, Parks and Recreation Department.
5. Report of a Minority of the Task Force on the Special Assessment of Historic Properties, signed by Steve Skinner, Pamela Silbernagel, John Russell, Daniel Robertson, and Philip Lowthian, sent to Nancy L. Rockwell, Acting State Historic Preservation Officer, 9/19/92.
6. Report of a Minority of the Task Force on the Special Assessment of Properties of Oregon Historical Significance, Philip Lowthian, Portland.
7. Staff Measure Summary, House Committee on General Government, Janet Adkins, Committee Administrator.

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