

Public Hearing; HB 2124
Tapes 10-11 A/B
12 A

HOUSE COMMITTEE ON
HOUSE REVENUE AND SCHOOL FINANCE
PROPERTY TAX SUBCOMMITTEE
FEBRUARY 3, 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: Bill Hawkins, Architect, Portland
Bill Naito, Developer, Portland; State
Advisory Commission on Historic
Preservation
George Champlin, Hillsboro
John Tess, President, Heritage Investment
Corporation, Historic Planning Consultant
Brian Scott, President and Executive Director of the Oregon Downtown
Development Assoc.
Jane Morrison, Executive Director, Heritage Trust in Clark County,
Washington and Member of Bosco Milligan Foundation Board of Directors and
Vice Pres. of Education
Corburn Grabenshorst, Secretary of State's
Historic Property Commission
Mike Scott, City Manager, Silverton
Jeb Bladine, Member of Board of Directors of the Oregon Downtown
Development Association
Stephanie Grey, Association for Portland
Process,
Mike Byrnes, Member of the Task Force on
Special Assessment; President, Historic
Preservation League of Oregon
Staff: James Scherzinger, Legislative Revenue Officer
Steve Meyer, Legislative Revenue Office
Paula McBride, Committee Assistant

These minutes paraphrase and/or summarize statements made during this
meeting. Text enclosed in quotation marks reports the speaker's exact
words. For complete context of proceedings, please refer to the tape
recording.

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TAPE 10 SIDE A

006 CHAIR BRIAN called the meeting to order at 8:06.
010 CHAIR BRIAN opened the Public Hearing on HB 2124.
019 BILL HAWKINS spoke about his own investment in an historical property
in Portland. He believed the tax exemption program for historical
properties was economically essential in his renovation efforts. He

supported the continuation of the program under HB 2124.

Questions and discussion interspersed

145 BILL HAWKINS supported the recommendations in the report from the "Task Force on the Special Assessment of Historical Property." (see Exhibit 2, 2-2-93)

Questions and discussion

257 BILL NAITO has restored historical property for many years. He described the National Trust, made up of people interested in preservation. He believed Oregon had done a better job of restoring historical property and preserving historical neighborhoods than any other state, mainly because of the tax exemption law, which HB 2124 would continue. He argued that preservation increases the value of property in cities, therefore bringing more money into these areas and keeping them economically viable. He stressed that the special assessment program was absolutely essential for the economic well-being of Oregon.

TAPE 11 SIDE A

002 BILL NAITO continued testifying in support of HB 2124. He said "trending" or "indexing" the tax exemption on historical property would be unworkable. He also believed the proposed advisory committee was unnecessary.

Questions and discussion

250 BILL NAITO discussed his renovation project in Montgomery Park in Portland.

Questions and discussion interspersed

242 GEORGE CHAMPLIN described the house he restored in Hillsboro,

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which is on the National Registry of Historical Property because of its architectural style. This property qualified for the tax exemption program. He supported the continuation of the program.

Questions and discussion

TAPE 10 SIDE B

002 Questions and discussion continued with GEORGE CHAMPLIN.

017 JOHN TESS reviewed his own history of involvement in restoration projects. He believed Oregon had done an excellent job, through the tax incentive program, to preserve its historical buildings, and he stressed that historical preservation increases the economic health of any area in which it is done (e.g., tourism increases). He read into the record a letter from Brian Cole, the Director of Baker City/County Economic Development Department, concerning the economic gains in Baker City as a result of property restoration. He opposed indexing. Exhibit 1

Questions and discussion

198 BRIAN SCOTT explained the purpose, activities, and successes of his organization. His testimony was based on a handout. He asked the members to accept the recommendations of the Task Force and to support HB 2124. He did not want to limit the special assessment to 10 years. He challenged the members to continue one of Oregon's most inventive and important programs. Exhibit 2

Questions and discussion
interspersed

TAPE 11 SIDE B

012 JANE MORRISON explained her experience as an cultural resource specialist throughout Oregon. She believed that much of the state had not yet taken advantage of the special assessment program. She described the flaws of the Washington State tax incentive program for historical properties. Her organization's Board of Directors unanimously supported the recommendations of the Task Force.

078 CORBIN GRABENHORST testified in support of the special assessment program for historical property. Restoring history, he believed, is important for both individuals and the state because it entices investment. He discussed the uniqueness of Oregon, and how tourism is effected by historical preservation. He described

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his own renovation experiences in Salem and the ways the special assessment helped him. He believed the program was really important for small cities because they have less economic activity present than in larger cities.

261 BILL HAWKINS, in response to a question from REP. CARTER, said he would prefer special assessment program eligibility to remain at 15 years rather than lessening it to 10 years.

Questions and
discussion

325 MIKE SCOTT supported HB 2124, which would extend the special assessment program, and he talked about the impact of the program on Silverton. He was against indexing in the program. He stressed that the rural communities were behind in historical preservation and, thus, would be hurt by if the program were terminated. Exhibit 3

TAPE 12 SIDE

A

015 JEB BLADINE owned property in downtown McMinnville, and he supported the special assessment program for historical properties. He believed the special assessment encourages development that otherwise wouldn't occur in downtown areas. He was against indexing and did not want the program to change.

Questions and
discussion

108 STEPANIE GREY described the purpose of her group, part of which is support of historic preservation in downtown Portland. She reviewed the economic results for Portland of the rehabilitation of historic buildings, and she gave examples and statistics related to economic growth there. She testified in support of HB 2124 and of the recommendations of the Task Force. Her group does not support indexing, and they do not believe that the program should be shortened to ten years.

256 MIKE BYRNES supported the recommendations of the Task Force, of which he was a member. He felt indexing would be a disincentive for historical renovation, but he believed the Task Force had not gotten enough information on this subject.

354 CHAIR BRIAN conducted administrative business.

397 CHAIR BRIAN adjourned the meeting at 10:26.

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

EXHIBIT SUMMARY

1. Letter to Committee from Brian D. core, Director, Baker City/ County Economic Development Department, 2/1/93.
2. Liveable City Centers: A Vision for Oregon's Communities, and Testimony from Brian Scott, President and Executive Director Oregon Downtown Development Association, 2/2/93.
3. Testimony before the House Revenue and School Finance Subcommittee on Property Taxation: HB 2124, Historic Properties and Tax Assessment Law, presented by Michael J. Scott, City Manager, City of Silverton, 2/3/93.
4. State Historic Preservation Office Budget and Funding Information, 198 9-91 through 1993-95, Kay Hutchison, Legislative Fiscal Office, 2/2/93.

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