

House Bill 2647

Sponsored by Representative BUCKLEY; Representatives ESQUIVEL, GILMAN, MAURER, RICHARDSON, Senator BATES

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 **as introduced**.

Permits establishment of historic districts.

A BILL FOR AN ACT

1
2 Relating to historic districts; creating new provisions; and amending ORS 174.116, 198.010, 198.180,
3 198.520, 198.710, 199.420 and 255.012.

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

5 **SECTION 1.** ORS 174.116 is amended to read:

6 174.116. (1)(a) Subject to ORS 174.108, as used in the statutes of this state "local government"
7 means all cities, counties and local service districts located in this state, and all administrative
8 subdivisions of those cities, counties and local service districts.

9 (b) Subject to ORS 174.108, as used in the statutes of this state "local government" includes:

10 (A) An entity created by statute, ordinance or resolution for the purpose of giving advice only
11 to a local government;

12 (B) An entity created by local government for the purpose of giving advice to local government
13 and that is not created by ordinance or resolution, if the document creating the entity indicates that
14 the entity is a public body; and

15 (C) Any entity created by local government other than an entity described in subparagraph (B)
16 of this paragraph, unless the ordinance, resolution or other document creating the entity indicates
17 that the entity is not a governmental entity or the entity is not subject to any substantial control
18 by local government.

19 (2) Subject to ORS 174.108, as used in the statutes of this state "local service district" means:

20 (a) An economic improvement district created under ORS 223.112 to 223.132 or 223.141 to
21 223.161.

22 (b) A people's utility district organized under ORS chapter 261.

23 (c) A domestic water supply district organized under ORS chapter 264.

24 (d) A cemetery maintenance district organized under ORS chapter 265.

25 (e) A park and recreation district organized under ORS chapter 266.

26 (f) A mass transit district organized under ORS 267.010 to 267.390.

27 (g) A transportation district organized under ORS 267.510 to 267.650.

28 (h) A metropolitan service district organized under ORS chapter 268.

29 (i) A translator district organized under ORS 354.605 to 354.715.

30 (j) A library district organized under ORS 357.216 to 357.286.

31 (k) A county road district organized under ORS 371.055 to 371.110.

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 (L) A special road district organized under ORS 371.305 to 371.360.
- 2 (m) A road assessment district organized under ORS 371.405 to 371.535.
- 3 (n) A highway lighting district organized under ORS chapter 372.
- 4 (o) A 9-1-1 communications district organized under ORS 401.818 to 401.857.
- 5 (p) A health district organized under ORS 440.305 to 440.410.
- 6 (q) A sanitary district organized under ORS 450.005 to 450.245.
- 7 (r) A sanitary authority, water authority or joint water and sanitary authority organized under
- 8 ORS 450.600 to 450.989.
- 9 (s) A county service district organized under ORS chapter 451.
- 10 (t) A vector control district organized under ORS 452.020 to 452.170.
- 11 (u) A rural fire protection district organized under ORS chapter 478.
- 12 (v) A geothermal heating district organized under ORS chapter 523.
- 13 (w) An irrigation district organized under ORS chapter 545.
- 14 (x) A drainage district organized under ORS chapter 547.
- 15 (y) A diking district organized under ORS chapter 551.
- 16 (z) A water improvement district organized under ORS chapter 552.
- 17 (aa) A water control district organized under ORS chapter 553.
- 18 (bb) A district improvement company or a district improvement corporation organized under
- 19 ORS chapter 554.
- 20 (cc) A weather modification district organized under ORS 558.200 to 558.440.
- 21 (dd) A fair district formed under ORS chapter 565.
- 22 (ee) A soil and water conservation district organized under ORS 568.210 to 568.808 and 568.900
- 23 to 568.933.
- 24 (ff) A weed control district organized under ORS 570.505 to 570.575.
- 25 (gg) A port organized under ORS 777.005 to 777.725 and 777.915 to 777.953.
- 26 (hh) The Port of Portland created under ORS 778.010.
- 27 (ii) An airport district established under ORS chapter 838.
- 28 **(jj) A historic district organized under sections 8 to 25 of this 2007 Act.**
- 29 **SECTION 2.** ORS 198.010 is amended to read:
- 30 198.010. As used in this chapter, except as otherwise specifically provided, “district” means any
- 31 one of the following:
- 32 (1) A people’s utility district organized under ORS chapter 261.
- 33 (2) A domestic water supply district organized under ORS chapter 264.
- 34 (3) A cemetery maintenance district organized under ORS chapter 265.
- 35 (4) A park and recreation district organized under ORS chapter 266.
- 36 (5) A mass transit district organized under ORS 267.010 to 267.390.
- 37 (6) A metropolitan service district organized under ORS chapter 268.
- 38 (7) A special road district organized under ORS 371.305 to 371.360.
- 39 (8) A road assessment district organized under ORS 371.405 to 371.535.
- 40 (9) A highway lighting district organized under ORS chapter 372.
- 41 (10) A health district organized under ORS 440.305 to 440.410.
- 42 (11) A sanitary district organized under ORS 450.005 to 450.245.
- 43 (12) A sanitary authority, water authority or joint water and sanitary authority organized under
- 44 ORS 450.600 to 450.989.
- 45 (13) A vector control district organized under ORS 452.020 to 452.170.

- 1 (14) A rural fire protection district organized under ORS chapter 478.
- 2 (15) An irrigation district organized under ORS chapter 545.
- 3 (16) A drainage district organized under ORS chapter 547.
- 4 (17) A water improvement district organized under ORS chapter 552.
- 5 (18) A water control district organized under ORS chapter 553.
- 6 (19) A weather modification district organized under ORS 558.200 to 558.440.
- 7 (20) A port organized under ORS 777.005 to 777.725 and 777.915 to 777.953.
- 8 (21) A geothermal heating district organized under ORS chapter 523.
- 9 (22) A transportation district organized under ORS 267.510 to 267.650.
- 10 (23) A library district organized under ORS 357.216 to 357.286.
- 11 (24) A 9-1-1 communications district organized under ORS 401.818 to 401.857.
- 12 **(25) A historic district organized under sections 8 to 25 of this 2007 Act.**

13 **SECTION 3.** ORS 198.180 is amended to read:

14 198.180. As used in ORS 198.190, unless the context requires otherwise, “district” has the
15 meaning given that term by ORS 198.010 (2) to (5), [and] (7) to (23) **and (25)**. In addition, “district”
16 means any one of the following:

- 17 (1) A county service district organized under ORS chapter 451.
- 18 (2) A diking district organized under ORS chapter 551.
- 19 (3) A corporation for irrigation, drainage, water supply or flood control organized under ORS
20 chapter 554.
- 21 (4) A soil and water conservation district organized under ORS 568.210 to 568.808 and 568.900
22 to 568.933.
- 23 (5) The Port of Portland created by ORS 778.010.

24 **SECTION 4.** ORS 198.520 is amended to read:

25 198.520. As used in ORS 198.510 to 198.600, unless the context requires otherwise, district has
26 the meaning given that term by ORS 198.010 (2), (4), (5), (6), (11), (12), (14), (17), (19), [and] (20) to
27 (23) **and (25)**. In addition, “district” means any one of the following:

- 28 (1) A county service district organized under ORS chapter 451.
- 29 (2) The Port of Portland established by ORS 778.010.

30 **SECTION 5.** ORS 198.710 is amended to read:

31 198.710. As used in ORS 198.705 to 198.955, unless the context requires otherwise, “district” has
32 the meaning given that term by ORS 198.010 (2) to (4), (6) to (14), [and] (17) to (23) **and (25)**. In ad-
33 dition, the term also means any one of the following:

- 34 (1) A county road district organized under ORS 371.055 to 371.110.
- 35 (2) A county service district organized under ORS chapter 451.
- 36 (3) The Port of Portland created by ORS 778.010.
- 37 (4) A translator district organized under ORS 354.605 to 354.715.

38 **SECTION 6.** ORS 199.420 is amended to read:

39 199.420. As used in ORS 199.410 to 199.534, unless the context requires otherwise, “district”
40 means one of the following:

- 41 (1) Domestic water supply district organized under ORS chapter 264.
- 42 (2) Park and recreation district organized under ORS chapter 266.
- 43 (3) Metropolitan service district organized under ORS chapter 268.
- 44 (4) Highway lighting district organized under ORS chapter 372.
- 45 (5) Sanitary district organized under ORS 450.005 to 450.245.

1 (6) Sanitary authority, water authority or joint water and sanitary authority organized under
2 ORS 450.600 to 450.989.

3 (7) County service district organized under ORS chapter 451.

4 (8) Vector control district organized under ORS 452.020 to 452.170.

5 (9) Rural fire protection district organized under ORS chapter 478.

6 (10) Geothermal heating district organized under ORS chapter 523.

7 (11) Corporations organized under ORS chapter 554 for the purpose of supplying water for do-
8 mestic use or any other district supplying or seeking to supply domestic water.

9 (12) Library district organized under ORS 357.216 to 357.286.

10 (13) Special road district organized under ORS 371.305 to 371.360.

11 **(14) Historic district organized under sections 8 to 25 of this 2007 Act.**

12 **SECTION 7.** ORS 255.012 is amended to read:

13 255.012. As used in this chapter, “district” means:

14 (1) A domestic water supply district organized under ORS chapter 264.

15 (2) A cemetery maintenance district organized under ORS chapter 265.

16 (3) A park and recreation district organized under ORS chapter 266.

17 (4) A mass transit district organized under ORS 267.010 to 267.390.

18 (5) A transportation district organized under ORS 267.510 to 267.650.

19 (6) A metropolitan service district organized under ORS chapter 268.

20 (7) A translator district organized under ORS 354.605 to 354.715.

21 (8) A library district organized under ORS 357.216 to 357.286.

22 (9) A county road district organized under ORS 371.055 to 371.110.

23 (10) A special road district organized under ORS 371.305 to 371.360.

24 (11) A road assessment district organized under ORS 371.405 to 371.535.

25 (12) A highway lighting district organized under ORS chapter 372.

26 (13) A health district organized under ORS 440.305 to 440.410.

27 (14) A sanitary district organized under ORS 450.005 to 450.245.

28 (15) A sanitary authority, water authority or joint water and sanitary authority organized under
29 ORS 450.600 to 450.989.

30 (16) A county service district organized under ORS chapter 451.

31 (17) A vector control district organized under ORS 452.020 to 452.170.

32 (18) A rural fire protection district organized under ORS chapter 478.

33 (19) An airport district organized under ORS chapter 838.

34 (20) A geothermal heating district organized under ORS chapter 523.

35 (21) A water improvement district organized under ORS chapter 552.

36 (22) A water control district organized under ORS chapter 553.

37 (23) A weather modification district organized under ORS 558.200 to 558.440.

38 (24) A livestock district organized under ORS 607.005 to 607.051.

39 (25) A port organized under ORS 777.005 to 777.725 and 777.915 to 777.953.

40 (26) The Port of Portland established by ORS 778.010.

41 (27) A school district.

42 (28) Territory, other than territory within a city, proposed to be created, formed or incorporated
43 into a district or to be annexed or otherwise added to a district.

44 (29) A soil and water conservation district organized under ORS 568.210 to 568.810 and 568.900
45 to 568.933.

1 (30) A historic district organized under sections 8 to 25 of this 2007 Act.

2 **SECTION 8.** As used in sections 8 to 25 of this 2007 Act, unless the context requires
3 otherwise:

4 (1) "County" means the county in which the administrative office of the district is lo-
5 cated.

6 (2) "County governing body" means the county court or board of county commissioners
7 of the county.

8 (3) "District" means a historic district formed under ORS 198.705 to 198.955 and sections
9 8 to 25 of this 2007 Act.

10 (4) "District board" or "board" means the governing body of a district.

11 **SECTION 9.** (1) A historic district may be created as provided in ORS 198.705 to 198.955
12 and sections 8 to 25 of this 2007 Act.

13 (2) In addition to other required matters, a petition for formation of a district shall state
14 the method of election of the board of the proposed district from among the methods de-
15 scribed in section 15 of this 2007 Act.

16 **SECTION 10.** (1) In addition to other methods for formation of a historic district au-
17 thorized under ORS 198.705 to 198.955 and sections 8 to 25 of this 2007 Act, the governing
18 body in each of two or more counties may initiate the formation of a multicounty district,
19 to be located entirely within those counties, by an order setting forth:

20 (a) The intention of the county governing body to initiate the formation of a district and
21 citing the principal Act.

22 (b) The name and boundaries of the proposed district.

23 (c) The date, time and place of a public hearing on the proposal.

24 (2) The orders issued under subsection (1) of this section must be substantially similar,
25 set forth the same name and boundaries for the proposed district and be issued within a
26 90-day period.

27 (3) Each county governing body issuing an order under this section shall hold a public
28 hearing on the proposal.

29 (4) After the public hearings held by each county governing body, further hearings and
30 the election on the proposal, and election of board members, shall be conducted as provided
31 by ORS 198.800 to 198.825 except that:

32 (a) Hearings shall be conducted by the governing body of the principal county involved
33 in the proposed formation; and

34 (b) Notwithstanding ORS 198.810 (3), the governing body of the principal county shall
35 provide by order for the holding of an election to submit to the electors registered within the
36 proposed district the question of forming the district.

37 (5) As used in this section:

38 (a) "Principal county" has the meaning given that term in ORS 198.705.

39 (b) "Principal Act" has the meaning given that term in ORS 198.705.

40 **SECTION 11.** (1) The officers of a historic district shall be a board of five members, to
41 be elected by the electors of the district. The district board shall appoint a representative
42 of the museums in the district to serve as secretary of the district.

43 (2) Any elector residing within the district shall be qualified to serve as a district board
44 member.

45 **SECTION 12.** (1) Five district board members shall be elected at the election for historic

1 district formation. Nominating petitions or declarations of candidacy described in ORS
 2 249.031 shall be filed with the county governing body. The fee for a declaration of candidacy
 3 shall be as prescribed in ORS 255.235.

4 (2) If the effective date of the formation of the district occurs in an odd-numbered year,
 5 two district board members shall be elected for four-year terms and the other three district
 6 board members shall be elected for two-year terms. If the effective date of the formation
 7 occurs in an even-numbered year, two district board members shall be elected for three-year
 8 terms and the other three district board members shall be elected for one-year terms.

9 (3) Each district board member shall hold office until election and qualification of a suc-
 10 cessor.

11 **SECTION 13.** (1) ORS chapter 255 governs the following:

12 (a) The nomination and election of historic district board members.

13 (b) The conduct of district elections.

14 (2) The electors of a district may exercise the powers of the initiative and referendum
 15 regarding a district measure, in accordance with ORS 255.135 to 255.205.

16 **SECTION 14.** (1) If two or three board members of a historic district are to be elected
 17 at a regular district election at large, the candidates receiving the highest number of votes
 18 shall be elected. If one or more board members are to be elected by zone, the candidate re-
 19 ceiving the highest number of votes in each zone shall be elected.

20 (2) Each district board member elected shall take an oath of office and shall hold office
 21 from July 1, next following election.

22 (3) The district board shall fill any vacancy on the board as provided in ORS 198.320.

23 (4) The term of a district board member is four years.

24 **SECTION 15.** (1) Historic district board members may be elected in one of the following
 25 methods or a combination thereof:

26 (a) By the electors of zones as nearly equal in population as possible according to the
 27 latest federal census.

28 (b) At large by position number by the electors of the district.

29 (2) Candidates for election from zones shall be nominated by electors of the zones.

30 **SECTION 16.** (1) A historic district may not change the method for nominating and
 31 electing board members, unless the change is approved by the electors of the district in an
 32 election held prior to the change in method. The district board:

33 (a) May order the election on its own resolution; or

34 (b) Shall order the election when a petition is filed as provided in this section.

35 (2) Except as otherwise provided in this section, the requirements for preparing, circu-
 36 lating and filing a petition under this section shall be as provided for an initiative petition in
 37 ORS 255.135 to 255.205.

38 (3) If the question proposes creation of zones or a change in the number of existing
 39 zones, the following requirements apply:

40 (a) The petition shall contain a map indicating the proposed zone boundaries. The map
 41 shall be attached to the cover sheet of the petition and shall not exceed 14 inches by 17
 42 inches in size.

43 (b) Notwithstanding ORS 250.035, the statement summarizing the measure and its major
 44 effect in the ballot title shall not exceed 150 words. The statement:

45 (A) Shall specify the method of election of board members from among the methods de-

1 scribed in section 15 of this 2007 Act. The statement also shall specify whether, in filling
 2 each position on the board, an elector of the district may sign a petition of nomination or
 3 vote for a candidate from any zone or only for a candidate from the zone in which the elector
 4 resides.

5 (B) Shall include a general description of the proposed boundaries of the zones, using
 6 streets and other generally recognized features.

7 (c) The order calling the election shall contain a map of the proposed zone boundaries
 8 and a metes and bounds or legal description of the proposed zone boundaries. The map and
 9 description shall be prepared by the county surveyor or county assessor and shall reflect any
 10 adjustment made in the boundaries under subsection (6) of this section.

11 (4) The map to be contained in the petition under subsection (3) of this section shall be
 12 prepared by the county surveyor or county assessor. The chief petitioners shall pay the
 13 county for the cost of preparing the map, as determined by the county surveyor or county
 14 assessor. The county clerk may not accept the prospective petition for filing until the chief
 15 petitioners have paid the amount due.

16 (5) Subsection (3) of this section does not apply if the question proposes abolition of all
 17 zones.

18 (6) Before submitting to election a question to which subsection (3) of this section ap-
 19 plies, the district board shall adjust the proposed boundaries of the zones to make them as
 20 nearly equal in population as feasible according to the latest federal census. The district
 21 board shall amend the ballot title as necessary to reflect its adjustment of the boundaries.

22 (7) If the electors of the district approve the establishment of zones or a change in the
 23 number of existing zones, board members shall continue to serve until their terms of office
 24 expire. As vacancies occur, positions to be filled by nomination or election by zone shall be
 25 filled by electors who reside within zones that are not represented on the board. If more than
 26 one zone is not represented on the board when a vacancy occurs, the zone entitled to elect
 27 a board member shall be decided by lot.

28 SECTION 17. The board of a historic district shall adjust the boundaries of zones estab-
 29 lished within a district as necessary to make them as nearly equal in population as is feasible
 30 according to the latest federal census. The district board also shall adjust boundaries of
 31 zones as necessary to reflect boundary changes of the district.

32 SECTION 18. For purposes of ad valorem taxation, a boundary change of a zone estab-
 33 lished within a historic district must be filed in final approved form with the county assessor
 34 and the Department of Revenue as provided in ORS 308.225.

35 SECTION 19. (1) The board of a historic district shall be the governing body of the dis-
 36 trict and shall exercise all powers thereof.

37 (2) At its first meeting or as soon thereafter as may be practicable, the board shall
 38 choose one of its members as president.

39 SECTION 20. The board of a historic district has the power:

40 (1) To have and use a common seal.

41 (2) To sue and be sued in its name.

42 (3) To make and accept any and all contracts, deeds, leases, releases and documents of
 43 any kind that, in the judgment of the board, are necessary or proper to the exercise of any
 44 power of the district, and to direct the payment of all lawful claims or demands.

45 (4) To assess, levy and collect taxes to pay the costs of:

1 (a) Acquiring, constructing, reconstructing, altering, operating and maintaining historic
2 sites and structures;

3 (b) Establishing and maintaining programs for historic societies within the district;

4 (c) Handling any lawful claims against the district; and

5 (d) Funding the operating expenses of the district.

6 (5) To employ all necessary agents and assistants.

7 (6) To call elections after the formation of the district.

8 (7) To enlarge the boundaries of the district as provided by ORS 198.705 to 198.955.

9 (8) Generally to do and perform any and all acts necessary and proper to the complete
10 exercise and effect of any of the board's powers or the purposes for which the district was
11 formed.

12 (9) Whenever authorized by the electors, to issue general obligation bonds of the district.
13 However, the aggregate amount of general obligation bonds issued and outstanding at any
14 one time may not exceed two and one-half percent of the real market value of all taxable
15 property of the district, computed in accordance with ORS 308.207.

16 **SECTION 21.** Each year, the board of a historic district shall determine and fix the
17 amount of money to be levied and raised by taxation, for the purposes of the district. The
18 total amount in dollars and cents may not exceed one-fourth of one percent (0.0025) of the
19 real market value of all taxable property within the district computed in accordance with
20 ORS 308.207.

21 **SECTION 22.** The board of a historic district, by resolution duly adopted, may establish
22 sinking funds for the purpose of defraying the costs of acquiring historic real property and
23 for restoration of historic buildings or facilities. A sinking fund may be created through the
24 inclusion annually within the tax budget of the district of items representing the yearly in-
25 stallments to be credited to the fund. The amount of these items shall be collected and
26 credited to the proper fund in the same manner in which taxes levied or revenues derived
27 for other purposes for the district are collected and credited. The balances to the credit of
28 the funds need not be taken into consideration or deducted from budget estimates by the
29 levying authority in preparing the annual budget of the district. None of the moneys in
30 sinking funds shall be diverted or transferred to other funds, but if unexpended balances
31 remain after disbursement of the funds for the purpose for which they were created, such
32 balances, upon approval by resolution of the board, shall be transferred to the operation and
33 maintenance fund of the district.

34 **SECTION 23.** (1) The moneys of a historic district shall be deposited, in the discretion
35 of the district board, either with the county treasurer of the county, in accordance with
36 subsections (3) to (5) of this section, or in one or more banks or savings and loan associ-
37 ations to be designated by the board, in accordance with subsection (2) of this section.

38 (2) If district funds are deposited in a bank or savings and loan association, the funds
39 may not be withdrawn or paid out except upon proper order and warrant or check signed by
40 the secretary and countersigned by the president of the district board. The board may by
41 resolution designate a secretary pro tempore or a president pro tempore. The secretary pro
42 tempore may sign warrants or checks on behalf of the secretary. The president pro tempore
43 may sign warrants or checks on behalf of the president.

44 (3) If district funds are deposited with the county treasurer, when the tax collector pays
45 over to the county treasurer moneys collected for a district, the county treasurer shall keep

1 **the moneys in the county treasury as follows:**

2 (a) **The county treasurer shall place and keep in a fund called the operation and mainte-**
3 **nance fund of the district (naming it) the moneys levied by the district board for that fund.**

4 (b) **The county treasurer shall place and keep in a fund called the construction fund of**
5 **the district (naming it) the moneys levied by the board for construction, reconstruction and**
6 **alteration.**

7 (4) **The county treasurer shall pay out moneys from the funds only upon the written or-**
8 **der of the board, signed by the president and countersigned by the secretary. The order shall**
9 **specify the name of the person to whom the money is to be paid and the fund from which**
10 **the money is to be paid, and shall state generally the purpose for which the payment is made.**
11 **The order shall be entered in the minutes of the board.**

12 (5) **The county treasurer shall keep the order as a voucher, and shall keep a specific ac-**
13 **count of the county treasurer's receipts and disbursements of money for the district.**

14 **SECTION 24. The board of a historic district may call upon the attorney for the historic**
15 **district for advice as to any district business. The attorney for the historic district shall give**
16 **advice when called on for advice by the board. The board may at any time employ special**
17 **counsel for any purpose.**

18 **SECTION 25. A historic district may establish an employees' retirement system as pro-**
19 **vided for rural fire protection districts under ORS 478.355 to 478.370.**

20