



June 1, 2021

House Committee on Revenue
Oregon State Capital
Salem, OR

RE: HB2447 – In SUPPORT of extending Special Assessment for Historic Properties

Dear Committee Members,

Restore Oregon is a statewide non-profit comprised of thousands of Oregonians working together to preserve, reuse, and pass forward the places that embody our diverse heritage. We promote the restoration and reuse of older homes, buildings, and public spaces as a means to help solve problems like affordable housing, rural economic development, and climate change. We urge your support of HB2447 and the renewal of Oregon's Special Assessment program.

Historic places are irreplaceable assets – no one is making more of them. Preservation drives the rebirth of rural Main Streets, employs highly skilled artisans and craftspeople, shelters low and no income individuals in affordable housing projects, and measurably responds to the climate crises through adaptive reuse. In addition to offering a direct and meaningful response to the most critical challenges facing Oregon today, historic preservation resonates. Every person from every socio-economic station, ethnicity, or community knows of a community center, a barn, or park that speaks to them because of their association with it. These resources require active stewardship or they will be lost to future generations. Oregon's Land Use Goal 5 mandates this stewardship, but the state provides very little to enable it.

While most states offer a Historic Rehabilitation Tax Credit, the only state incentive offered by Oregon is Special Assessment, a ten-year freeze on the assessed property value to ease the property tax burden while owners invest significantly in roof replacements, new foundations, utility systems, seismic retrofitting, code upgrades, and restoration of historic masonry, windows, woodwork and other architectural features.

Not a give-away, enrolling in Special Assessment requires a verifiable, long-term commitment on the part of participants. It requires designating a structure on the National Register and following through with a robust conservation plan. As such, it is not lightly pursued. Although Special Assessment offsets a mere fragment of the total investment, it can make or break a project's viability and must be continued until such time as a more impactful incentive can be developed.

We are aware of and support amendments which may be forthcoming that clean up certain technical aspects of the bill. Restore Oregon also concurs that Special Assessment is not the ideal tool for single family residential properties, especially as we strive to channel resources to underserved communities battling displacement who would be better served by a grant or other means. But we believe residential properties should remain eligible for Special Assessment until a better incentive is developed and passed.

We urge the legislature to prioritize and mandate an analysis of the needs of historic residential and commercial (small business) property owners in Oregon, based on robust outreach and collaboration by various community interest-holders, with the goal of recommending a new slate of rehabilitation incentives that will effectively leverage the potential for restoration and reuse to achieve our shared goals of equity and accessibility, economic development, retention of cultural heritage, and reduction of CO2 emissions. This consultation with stake-holders has not yet occurred.

Restore Oregon would be honored to partner with the state in that endeavor.

Sincerely,

A handwritten signature in blue ink that reads "Peggy Moretti". The signature is fluid and cursive, with a large initial "P" and a long, sweeping underline.

Peggy Moretti
Executive Director, Emeritus