

To: Historic Landmarks Board
From: James Reitz (AICP) Senior Planner
jreitz@forestgrove-or.gov (503) 992-3233
Re: March 26 Agenda
Date: March 19, 2019

Memorandum

NOTE: Both Jennifer and Mark are excused from this meeting. If anyone else can't make it, please advise as soon as possible.

ACTION ITEMS -

- A. **CEP Application** – This will be the sole opportunity for the entire Board to review the application before it is submitted. A draft of the application is attached.
- B. **Photo Contest** – Larissa will provide an update.
- C. **Stewart Award** – Please come with suggestions as to possible recipients. A decision will need to be made by the April 23 meeting.
- D. **Editorial Calendar** – Kelsey will provide an update.
- E. **Window/Door/Garage Door Replacement Policy** – A copy of all your adopted policies is attached. Also attached are the Preservation Grant instructions; they speak to projects already in progress or completed. These are up for discussion and possible revision due to the Board's recent decisions to approve projects after the fact, and to authorize a change in material because the building was set back some distance from the street and not readily visible.
- F. **Senate Bills** – A copy of both bills is attached, along with some background information from Restore Oregon. If the Board wishes to formally support these bills, a motion to do so will be required. In addition, someone would need to prepare the text of the endorsement letter(s).

INFORMATION ITEMS -

Preservation Grants: For FY 2018-19, the City Council awarded the Board **\$7,975**. Projects awarded to date are listed below. No new requests have been filed. There remains **\$181** available.

Funding Opportunities: Holly and Kelsey will report on their progress to date.

SHPO Grant Request: SHPO staff and I have been refining the application. There are no proposed revisions to the projects or amounts requested. The revisions are due to the grant application system, which is based on accounting software; it requires that the format be "just so" in order to be processed. Suffice it to say that this planner does not think like an accountant.

April Agenda: Photo contest, Stewart Award, editorial calendar, policy revisions.

2019-20 CALENDAR - UPCOMING AGENDA ITEMS

April 23, 2019 (fourth Tuesday)

- Select Stewart Award recipient
- Preservation Month / photo contest planning (continued)

May 28, 2019

- Historic Month Proclamation (May 13 CC meeting)
- Honor Stewart Award recipient (May 13 CC meeting)
- Honor photo contest winners (May 28 CC meeting)
- Review July-December 2019 Editorial Calendar
- Chamber Lunch Presentation (June 3rd) Preparation

June 25, 2019

- National Night Out planning (August 6)
- Adopt July-December 2019 Editorial Calendar

July 23, 2019 (fourth Tuesday)

- National Night Out planning (August 6)
- Chalk Art Festival planning (September 14)

August 21, 2019

- Chalk Art Festival planning (September 14)
- Public Safety Open House planning (October 12)

September 24, 2019

- Public Safety Open House planning (October 12)

October 22, 2019 (fourth Tuesday)

- No items scheduled

November 26, 2019

- No items scheduled

December 17, 2019 (third Tuesday)

- Prepare annual report and presentation for January boards and commissions reception (not to exceed 5 minutes)
- Discuss 2020 work plan
- Prepare January-June 2020 Editorial Calendar

January 28, 2020

- Review and adopt 2020 work plan
- Review and adopt January-June 2020 Editorial Calendar
- Photo contest planning
- Annual officer elections

February 25, 2020

- Begin CEP application preparation
- Mock Design Review Hearing
- Photo contest planning

March 24, 2020 (fourth Tuesday).

- Review and finalize CEP grant application
- Discuss Select Stewart Award recipient
- Preservation Month / photo contest planning

COMMUNITY ENHANCEMENT PROJECT APPLICATION

Sponsor: Historic Landmarks Board Tax ID # _____
 (N/A for City Board or Commission)

Contact Person: Holly Tsur (HLB Chair) Daytime Phone: XXXXXXXXXX

Address: XXXXXXXXXX Email Address: XXXXXXXXXX

City: Forest Grove State: Oregon Zip: 97116

Signature: _____

DRAFT

PROJECT INFORMATION

A. Project Title **Amount Requested:**
Historic Landmarks Board Preservation Grant Program \$10,000

B. Mark all of the goals below which your project meets and explain how:

✓	Goals	How project meets this goal (be clear & specific)
✓	Improve the appearance or environmental quality of the community	The proud character of well-maintained and accurately restored historic buildings anchors the community's identity and provides a strong historic image for the entire community.
✓	Reduce the amount or toxicity of waste	The greenest buildings are ones that have been restored rather than torn down, adding more waste to landfills.
✓	Increase reuse and recycling opportunities	Wherever possible, the HLB encourages preservation and restoration of existing structures and construction materials rather than replacement.
✓	Result in rehabilitation or upgrade of real or personal property owned or operated by a nonprofit organization having 501(c)(3) status under the Internal Revenue Service code	In the past, the HLB has funded Preservation Grants for the A.T. Smith House that were awarded to Friends of Historic Forest Grove. FHFG also have many renovation projects to be completed for the A.T. Smith House. It is likely we will be asked to fund additional projects for the FHFG in the future. Their 501(c)(3) number is EIN 93-1057974.
	Result in the preservation or enhancement of wildlife, riparian zones, wetlands, forest lands and marine areas, and/or improve the public awareness and the opportunities to enjoy them.	N/A
	Result in improvement to, or an increase in, recreational areas and programs	N/A
✓	Result in improvement in safety	Public safety – particularly fire risk from poorly maintained chimneys – is improved through Preservation Grant Program funding because well maintained buildings are generally safer and less fire prone. Preservation Grants also help fund seismic upgrades, which will reduce loss of life and property during Cascadia Subduction Zone quakes.
✓	Benefit youth, seniors, low income persons and/or underserved populations.	Preservation Grants benefit seniors and others on fixed incomes because they help offset the extra costs involved in maintaining historic properties. All citizens benefit, particularly youth, from greater cultural connection with the past.

C. Brief Project Description and Explanation of how the CEP funds will be used:

Proposed schedule: Project Start Date: July 1, 2019 Project Completion Date: Funds to be used within one year.

The Historic Landmarks Board (HLB) will use these funds to continue Forest Grove's Historic Preservation Grant Program. Those eligible to receive preservation grants include owners of properties listed on the Forest Grove Local Historic Register and owners of contributing properties in Forest Grove's three historic districts -- Clark, Painter's Woods, and Walker-Naylor. Because *Historic Design Standards and Guidelines* were codified in 2016, we expect Historic District property owners to continue to face additional requirements that will increase the cost of some projects over the years ahead.

The Preservation Grant Program helps eligible property owners retain historical and architectural integrity of their properties by funding a portion of the costs to maintain and improve the exterior and foundation of their buildings. The HLB requires that grant recipients' renovations remain consistent with the structure's architectural heritage. This helps property owners afford historic renovations where they might otherwise opt for less expensive and less historically correct alternatives.

Preservation Grant Program funds pay for themselves well beyond the amount apportioned to the program. (Please see the *Historical Financial Summary Addendum* on p. 5.) What's more, it is widely recognized that historic districts improve property values and attract new residents. The Preservation Grant Program also helps to economically support the local building community because we encourage property owners to hire local contractors. In addition, the program helps economically support other local businesses by increasing tourism encouraged by historic neighborhoods.

D. Estimate how many Forest Grove residents will benefit if this project is funded.

The entire Forest Grove community of over 24,000 residents benefits from historic preservation because of community beautification, increased tourism, increased property values, and greater cultural connection with the past.

Who will benefit if this project is funded?

Historic property owners, local contractors, local businesses, and all Forest Grove residents as described above.

Has the sponsor received a Community Enhancement grant for this project in the past? Yes
If so, amount received \$7,975

Has the sponsor received a Community Enhancement grant for the current year? Yes
If so, is the project completed? No

Please provide a brief summary of services for current year grant, i.e. what was the impact on the community, how many people benefited from the project, have the total funds been spent, etc.

All Forest Grove residents benefit from historic preservation. Forest Grove's historical heritage is important to our city. The Preservation Grant Program preserves the character, integrity, and cohesion of historic Forest Grove through improved appearance, cleanliness, and safety of its communities; and through the longevity of its buildings.

Promoting historical preservation will have a greater long-term impact on the city and its residents than will the financial impact of any particular project. Please see table below.

As of the HLB's December meeting, we had awarded \$7,774 in Historic Preservation Grants to property owners of the \$7,975 awarded to us in FY2018-2019 CEP grant funding, leaving only \$181 uncommitted. So, we are very close to running out of CEP funding much earlier than in most years. In addition, we have already awarded **eight** Historic Preservation Grants in FY2018-19 -- more than in most years. ***This faster exhaustion of funding and large number of grants awarded occurred following a mailer we sent to all historic property owners early in the grant cycle, and without any further promotional efforts.*** We believe this increased interest in the Historic Preservation Grant program is due to several factors including 1) increased grant maximums for roofing and painting projects in 2017 from \$500 to \$1,000 continue to spark interest in grant funding for these popular projects, 2) continued positive economic conditions providing applicants continued high consumer confidence, 3) our streamlined Historic Preservation Grant Application form continues to make it easier for applicants to fill out and navigate the grant application process, 4) HLB participation in Fire Department Open House and National Night Out events continue to inform the public about earthquake risk and availability of Historic Preservation Grants to help fund Seismic Upgrade and all other historic preservation projects, 5) growing citizen awareness of the new Historic Design Standards and Guidelines adopted by the City of Forest Grove in 2016, 5) growing citizen awareness of the Historic Preservation Grant program, and 6) because we exhausted funding so early in FY2018-2019, we believe we could have given away a lot more. We expect demand for Preservation Grants to continue to increase in FY2019-20 as a result these factors.

SUMMARY OF SERVICES FOR FY2018-2019:

House Name, Address	Project	Cost	Grant	Multiplier
Templeton House, 1619 Maple Street	Painting	\$11,526	\$1,000	11.5
Olovson House, 2318 15th Avenue	Painting	3,600	1,000	3.6
Ludwig House, 1419 Cedar Street	Porch Repair	1,588	794	2
King-Stanley House, 2303 15th Avenue	Porch Repair	2,419	1,000	2.4
American Legion Hall, 2003 21st Avenue	Re-Roofing	10,337	1,000	10.3
Thornburg House, 2038 17th Avenue	Painting	15,300	1,000	15.3
Skidmore House, 1824 23rd Avenue	Seismic Upgrade	6,900	1,000	6.9
Fredericks House, 2324 15th Avenue	Painting	4,419	1,000	4.1
Summary:		\$56,089	\$7,794	7.01

E. PROJECT BUDGET

Total Estimated Costs: \$55,800 How were these costs estimated (quotes, catalog, previous projects, etc.)? We request **\$10,000** for the grant. Historically, property owners contribute an average of **5.58** times the amount they receive from the grant. Please see *Historical Financial Summary Addendum* on p. 5.

Breakdown estimated costs by source:

	CEP	Sponsor	Other #1	Other #2
Personnel Services	0	0	N/A	N/A
Supplies		0	N/A	N/A
Capital	\$10,000	0	\$55,800	0
Materials	0	0	N/A	N/A
Other (please explain):	0	0		N/A
			N/A	
Total	\$10,000	0	\$55,800	0

% of Total Budget provided by Sponsor: 0%

% of Total Budget provided by Other #1 (property owners): Minimum of 50% per Preservation Grant project

F. Is there secure funding for Sponsor's share of the total costs including funding from other public or private agencies and what are the sources of funding?

Yes; property owners only apply for grants when they have the financial means to cover the remaining 50 percent of total project cost or greater.

G. Will the project be completed with the proposed funding or will future funding be necessary?

Project will be completed within one year. The Preservation Grant Program is separately funded each year.

H. Explain how the project would enhance sustainability in Forest Grove, either economically, environmentally, or socially while achieving the values described in the Forest Grove Vision Statement and City Council Goals? Sustainability is intended to have a broad definition under this program.

Historic preservation provided by the Historic Preservation Grant program greatly encourages sustainability because emphasis is always placed on using or repairing existing materials and structures. The well-known adage, "The greenest building is one that is already built," applies well here. But Forest Grove's historic buildings are especially "green" because, due to their age, many of these buildings might have been torn down and replaced with new structures numerous times if they had not been repeatedly restored throughout the decades. As a result of these restorations, not only has consumption of new construction materials been minimized, fewer demolished materials have been sent off to landfills.

The Historic Preservation Grant Program helps sustain the cultural heritage of our entire community. The Historic Landmarks Board encourages historic property owners to investigate the original architectural characteristics of their historic homes/businesses, the period in which those buildings were built, and the materials and techniques used to construct those buildings. The result is historically accurate properties from which we can all benefit.

Through tourism and the projects themselves, the Historic Preservation Grant Program also helps sustain the economic viability of local businesses in the Forest Grove community. The HLB encourages property owners to select local contractors and materials suppliers when making historic restorations. The economic viability of other commercial interests, such as restaurants and stores, is also sustained through increased tourism associated with Forest Grove's historic neighborhoods.

PROJECT MANAGEMENT

A. Provide a brief narrative outlining the major tasks and projected time schedule for completing of each task.

Early in each grant cycle, we send mailers to hundreds of historic property owners informing them about Historic Preservation Grant funding available for historic renovations. While Preservation Grant projects are being completed, property owners are required to post signage in their front yards advertising the Historic Preservation Grant Program. Residents also often learn about the Historic Preservation Grant Program through word-of-mouth. Later in the grant cycle, in cases where we have not awarded all funds, we again send mailers to property owners letting them know that funds are still available. Also in such cases, Friends of Historic Forest Grove send eBlasts about available Preservation Grant funding to their 100+ members and post this information on their Facebook page for us.

Before a renovation project begins, the property owner submits a Historic Preservation Grant application form along with multiple bids to the HLB. The HLB reviews grant requests on a first-come, first-served basis. For each grant request, the HLB determines its applicability and grant amount. The HLB also evaluates if the grant request meets Historic Preservation Grant Program requirements, and if so, approves the request.

As part of the Historic Preservation Grant process, the HLB requests that the property owner completes their project within the timeframe specified on their application. The HLB can work with the property owner if an extension is needed. Once the project is completed, an HLB member inspects the work performed before funds are disbursed.

The grant cycle runs from July 1 through the following June 30. As long as funds are still available, applicants can apply. They can also apply for a second grant after April 1 of the same fiscal year if funds are still available and their first project is complete.

B. Describe prior experience managing similar projects. Include prior Community Enhancement Projects.

Since 1997, the HLB has managed this program with increasing success. Over the past 22 years, the program has not only helped to improve the historic nature of our city, but through HLB project input and financial assistance, numerous historic preservation projects have been enhanced by property owners to improve the historical accuracy of the work. We receive many appreciative comments from the beneficiaries of these grants.

During the Historic Landmarks Board's presentation before the Forest Grove City Council on April 18, 2019, we will present photos showing actual examples of projects that have benefited from Historic Preservation Grant funds in the past.

C. Does this project require coordination with other public and private organizations? Has the necessary coordination been completed? If yes, please describe.

No; the Historic Preservation Grant program does not require coordination with other public or private organizations.

D. If the project is located on private land, discuss the public benefit of the project and provide landowner permission for the project with this application.

Projects are all located on private property. Public permission is not needed from property owners in connection with Historic Preservation Grants. In most cases, the effects of Historic Preservation Grants are visible to the public from public properties such as sidewalks and streets.

Applications must be submitted by 5:00 pm, April 5, 2019, at Forest Grove City Hall, 1924 Council Street. Please limit question responses to the spaces provided.

ADDENDUM

Historical Financial Summary:

Fiscal Year	CEP Grant	Preservation Grants	Total Cost of Renovations	Impact Multiplier
1997-98	\$5,110	\$3,965	\$16,000 (est.)	4.04
1998-99	\$7,000	\$10,171	\$41,345	4.06
1999-00	\$7,000	\$6,782	\$38,954	5.74
2000-01	\$12,000	\$8,610	\$48,592	5.64
2001-02	\$12,000	\$16,475	\$48,791	2.96
2002-03	\$10,000	\$15,484	\$79,842	5.16
2003-04	\$10,000	\$9,002	\$52,201	5.80
2004-05	\$11,500	\$11,269	\$37,233	3.30
2005-06	\$13,500	\$13,428	\$56,223	4.19
2006-07	\$10,000	\$4,790	\$11,820	2.47
2007-08	\$8,000	\$5,636	\$21,435	3.80
2008-09	\$5,600	\$5,600	\$37,430	6.68
2009-10	\$7,000	\$7,000	\$21,578	3.08
2010-11	\$7,500	\$7,485	\$33,485	4.47
2011-12	\$7,790	\$3,164	\$24,533	7.75
2012-13	\$4,050	\$4,050	\$27,821	6.87
2013-24	\$4,696	\$3,000	\$26,270	8.76
2014-15	\$4,585	\$2,795	\$18,392	6.58
2015-16	\$7,524	\$6,308	\$58,223	9.23
2016-17	\$5,950	\$5,000	\$38,587	7.71
2017-18	\$7,675	\$7,225	\$54,411	7.53
2018-19	\$7,975	\$7,774	\$56,089	7.01
Totals	\$176,455	\$165,013	\$849,255	5.58

FY19-20 CEP Grant Application Summary – Historic Landmarks Board

Each year, the Historic Landmarks Board (HLB) reviews and approves Historic Preservation Grant requests from numerous historic property owners to help offset the higher costs of historically responsible renovations. So far for the FY18-19 grant cycle, the HLB has approved Historic Preservation Grants for **eight** projects, including four painting projects, two porch repair projects, one re-roofing project, and one seismic upgrade project. This number of grants is more than in most other years since the program's inception. As of the HLB's December meeting, we had already awarded **\$7,774** in Historic Preservation Grants to property owners of the **\$7,975** awarded to us in CEP grant funding, leaving only **\$181** uncommitted. So, we are very close to running out of CEP funding much earlier than in most years. This faster exhaustion of funding and greater number of grants awarded occurred following a mailer we sent to all historic property owners early in the grant cycle, and without any further promotional efforts.

We believe this increased interest in the Historic Preservation Grant program is due to several factors listed below. We expect demand for Preservation Grants to continue to increase in FY2019-20 as a result these factors.

- Increased grant maximums for roofing and painting projects in 2017 from \$500 to \$1,000 continue to spark interest in grant funding for these popular projects
- Continued positive economic conditions providing applicants with continued high consumer confidence
- Our streamlined Historic Preservation Grant Application form continues to make it easier for applicants to fill out and navigate the grant application process
- HLB participation in Fire Department Open House and National Night Out events continue to inform the public about earthquake risk and availability of Historic Preservation Grants to help fund Seismic Upgrade and all other historic preservation projects
- Growing citizen awareness of the new Historic Design Standards and Guidelines adopted by the City of Forest Grove in 2016
- Growing citizen awareness of the Historic Preservation Grant program continues to increase its appeal
- Because we exhausted grant funding so early in the grant cycle with so little advertising, we believe we could have given away a lot more

In addition, Section B on p. 1 of our CEP Grant application indicates that projects funded by the Historic Preservation Grant Program meet six out of eight of the CEP Grant Committee's project goals.

The table below Section D on p. 2 of the HLB's CEP Grant application shows total property owner costs for the above eight projects was **\$56,089**. To date, total amount approved by the HLB for Historic Preservation Grants for these projects was **\$7,774**. The table also shows that, on average, property owners contributed **7.01 times** the amounts the HLB awarded during the current grant cycle, which is a 701 percent return on investment. This reflects the Historic Preservation Grant Program's sixth highest return on investment since the program began in 1997. See Addendum on p. 5.

The HLB appreciates your consideration for the **\$10,000** CEP Grant funding that we have requested for FY19-20, and we hope for your continued support.

HISTORIC LANDMARKS BOARD DONATION ACCEPTANCE POLICY AND PROCEDURES

Adopted April 26, 2011

The policy on donations to the Historic Landmarks Board is:

1. Donations received by the Forest Grove Historic Landmarks Board shall be used in accordance with all State and Federal regulations for governing nonprofit entities, and consistent with the City of Forest Grove's policies and procedures. All donations are dependent on the Board's approval.
2. The Board shall use the donation as stipulated by the donor.
3. If no use is stipulated by the donor, the donation shall be considered by the Board on a case-by-case basis.
4. Upon receipt of a donation, the Board shall issue a donor thank you letter in a timely manner. The thank you letter should include the following:
 - Amount of donation
 - Nonprofit Identification Tax Number
 - A statement of intent: "The City of Forest Grove Historic Landmarks Board is a nonprofit organization. Please retain this letter as receipt of your gift. Your gift is tax deductible under the law."



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HISTORIC LANDMARKS BOARD
RENOVATION GRANT DISTRIBUTION PROCEDURE
Adopted February 25, 2014

POLICY

1. Grants are awarded for exterior and structural projects only.
2. Incomplete applications will not be accepted.
3. Applicants may have only one active grant-funded project at a time.
4. Applicants must submit a minimum of two bids from licensed contractors.
5. If insufficient funding remains to cover the total grant amounts requested, funding will be awarded proportionate to the remaining funds.
6. Applicants may request grants over multiple years.

PROCEDURE

1. INTRODUCTION

HLB Chair introduces the project by providing a statement of what the project is and a brief summary of applicant's request.

2. DESCRIPTION

Applicant (or their non-contractor representative) briefly describes their project request to the Historic Landmarks Board, the bids submitted, the total dollar amount required for the project, and the dollar amount requested for the grant.

3. FINANCIALS

HLB Chair presents the following amounts for all to see on the white board or handout:

- Total project cost based on applicant's chosen estimate
- Total grant amount requested by applicant
- Total remaining grant funding currently available for distribution

4. DISCUSSION

Historic Landmarks Board has public question/answer session with applicant.

5. DELIBERATION

Historic Landmarks Board deliberates regarding distribution of funding for *all* projects presented during the meeting. All applicants are invited to attend this deliberation.

6. DECISION

Historic Landmarks Board members vote and present their decisions to all applicants. All applicants can be present.

7. NOTICE

Staff mails a written letter to the applicants within five (5) business days of the decision, whether approved or not.

NOTES:

1. Applicants must provide at least two bids from Oregon licensed / bonded contractors – even if the applicant plans to do the work themselves.
2. Renovation Grants are awarded for structural or external construction projects only.
3. Building permits must be obtained, if required.
4. Applicant (or their representative) must present their application and be available for questions from the Historic Landmarks Board at the Renovation Grant application meeting.
5. Applicant may invite a contractor to serve as their representative or bring the contractor with them to assist during discussions, but inviting multiple specialty contractors is discouraged.
6. Applicant can apply for one grant at a time, and they cannot request one grant to fund multiple projects. Applicants are limited to two Renovation Grants during the same funding cycle (July 1 to June 30). The second application cannot be submitted prior to April 1 of the following calendar year. Within the same grant funding cycle, the first project must be completed before a second application can be submitted.
7. Historic Landmarks Board members may apply for Renovation Grants. However, they must announce their membership on the Historic Landmarks Board, and that they have a Renovation Grant being considered at that meeting -- before *any* Renovation Grants are considered by the board. They can participate as a Historic Landmarks Board member during items 1 - 4 of the grant application process for that meeting. They may remain present for items 5 - 7 of the grant applications process during that meeting, but they may not participate in any way.
8. Applicants are not required to select the lowest bidder.
9. In cases where multiple applicants request grants at the same meeting, assuming their applications qualify, all applicants will be awarded grant funding based on Historic Landmarks Board discretion.
10. If insufficient grant funding remains to cover total grant amounts requested at the same meeting, qualifying applicants will be granted funding based on remaining available funds and based on Historic Landmarks Board discretion.
11. At their discretion, the Historic Landmarks Board reserves the right to give preference to projects that are historically correct in terms of architecture, materials, and construction techniques.
12. In cases where the Historic Landmarks Board deems an application does not qualify for funding because all application requirements have not been met, Historic Landmarks Board members will advise the applicant regarding why their application did not qualify, and that the applicant may re-apply for funding at the next Historic Landmarks Board meeting, provided funds are available.
13. Any requirements that the applicant cannot meet may be appealed to the Historic Landmarks Board for consideration.



CITY OF FOREST GROVE
HISTORIC LANDMARKS BOARD
POLICY RE: STORM WINDOWS AND RENOVATION GRANT ELIGIBILITY

ISSUE: Use of Renovation Grants for storm windows.

BACKGROUND: The HLB is supportive of projects that will preserve and maintain the original fabric of a building. One method of doing so is through the use of storm windows. Storm windows provide an additional level of weather protection for original wood windows, as well as offer energy savings.

The least expensive total window replacement (vinyl windows) costs approximately 60% more than the addition of wood-frame storm windows. However, replacements offer greater utility, ease and energy savings, so the homeowner may justify the extra cost.

POLICY: The goal of the Renovation Grant program is to use a financial incentive to encourage a building owner to keep and maintain the original fabric of a building instead of replacing it with contemporary materials.

The HLB will assist in the addition of wood-frame storm windows on buildings listed on the local *Register* or that are EC Eligible Contributing structures to a District. Since storm windows are not part of a building's renovation but rather are energy and comfort upgrades, the grant will be less than the standard renovation grant of 50% of the project's cost.

For glass wood-frame storm window grant requests, the HLB shall grant no more than 25% of the post-rebate costs. The rebate amount shall be deducted whether or not the homeowner applies or qualifies for a rebate through an energy savings program such as those available through Forest Grove Light and Power or the Energy Trust.

Electrically-heated homes qualify for a \$4 per square foot (window area) rebate through Forest Grove Light and Power, and gas-heated homes qualify for a \$1 per square foot rebate through the Energy Trust. To determine the applicable rebate, multiply the total window square footage by the applicable dollar-per-square-foot (square footage per window is determined by multiplying length by width (in inches) of each window and dividing by 144).

Because window upgrades offer less energy savings per dollar spent than insulation, both Forest Grove Light and Power and the Energy Trust only provide rebates after all other energy upgrades have been completed. For the Forest Grove Light and Power program, homeowners need only to submit the final bill from the window manufacturer for the rebate. For the Energy Trust's rebate, the homeowner (or contractor) must indicate how the final window meets energy efficiency U-value of 0.32 or greater. Older windows, even with storms, are highly unlikely to meet this condition so it's unlikely that any existing window upgrades will qualify for the Energy Trust rebate.

Because of the limited energy savings, Plexiglas™ or similar materials instead of glass do not qualify under this or other programs.

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CITY OF FOREST GROVE
HISTORIC LANDMARKS BOARD
POLICY RE: "CIRCA" DATE AND RENOVATION GRANT ELIGIBILITY
ADOPTED 12/15/15

ISSUE: Should buildings that are "potentially eligible as a contributing resource to a district" be eligible for Renovation Grants if they were not constructed within the district's period of significance?

BACKGROUND: Districts contain buildings with a variety of designations: EC Eligible Contributing, NC Non-Contributing, NHNC Non-Historic Non-Contributing, and NP Not in Period.

For some NP buildings, their date of construction has not been specifically identified. The construction date of these buildings is often estimated based on the known construction date of nearby buildings and other factors. The estimated date is identified as "circa" as in "c. 1950".

According to the SHPO State Historian, "circa" has a date range. "Circa should be a period of 5 years, give or take, per our Reconnaissance Level Survey (RLS) standards. If looking to include properties as contributing to the district within a few years of the period of significance I'd take the time to nail down the date of construction using standard research practices." (Email from Ian Johnson to James Reitz, October 27, 2015).

CONCLUSION: Buildings whose construction date has not been definitively established could in fact have been constructed during a district's period of significance, if the estimated construction date is within five years of the period of significance.

POLICY: The HLB will accept for review Renovation Grant applications for buildings whose "circa" date is within five (5) years of the district's period of significance, provided the building has been identified as "Potentially Eligible as a contributing resource in a district."

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CITY OF FOREST GROVE
HISTORIC LANDMARKS BOARD
POLICY RE: WOOD SASH WINDOW REPLACEMENTS
ADOPTED 01/26/16

ISSUE: Use of alternative material window replacements for wood sash windows.

BACKGROUND: Wood windows sometimes deteriorate to the point where they can no longer be restored or repaired. Several replacement options then need to be considered. These replacement options include installing sashes of the same style and dimensions as the original (including muntin profiles) constructed of the following materials:

1. A wood window sash recycled from another building of the same era.
2. A new all-wood window sash.
3. A new fiberglass window sash.
4. A new aluminum-clad wood sash (i.e. wood interior with an aluminum exterior).
5. A new all-aluminum sash window.
6. A new vinyl sash window.

POLICY: When an original wood window has deteriorated to the point to where it must be replaced, the HLB will allow replacements, in the following order of preference:

1. A wood window sash recycled from another building. This is the preferred option because it would most closely replicate the original, deteriorated window; and the sash can be painted.
2. An all-wood new window sash. This is the second choice because, while the sash could be fabricated to duplicate the original design and could be painted, contemporary construction materials (e.g. second-growth finger-jointed Douglas fir) are not of the same quality as old growth materials.
3. A fiberglass window sash would be the third choice. Fiberglass has the advantage of being a stable material (meaning it does not flex with heat or cold); the grain and appearance of fiberglass sashes can closely match wood sashes; and fiberglass sashes can be painted to match the building's trim.

New aluminum-clad wood sash or new all-aluminum sash windows are not acceptable because their exteriors cannot be painted to match the building's trim. Their color is fixed at the factory and cannot be changed.

New vinyl sash windows are not acceptable because the material is unstable (i.e., it flexes with heat and cold); they cannot be painted (vinyl windows are designed with weep holes to allow water drainage from the sill, and filling these holes with paint can make the system fail, causing leaks and voiding the warranty); 30% of vinyl replacement windows will fail within 10 years of installation, and would need to be replaced again (Rypkema, 2006); and vinyl window sashes are toxic to produce and create toxic by-products (Sedovic, 2005).

A place where businesses and families thrive.

HISTORIC PRESERVATION GRANT APPLICATION

Detailed Instructions

The Forest Grove Historic Landmarks Board's Preservation Grant Program makes funds available to property owners of *registered* historic buildings who plan to make:

- Exterior preservation, rehabilitation, restoration, or reconstruction improvements
- Improvements preserving the building's structural integrity such as adding foundations and earthquake retrofits

Owners of *Historic Contributing* structures in the Clark, Painter's Woods, and Walker-Naylor National Historic Districts are also eligible to apply for these grants for the above project types. To qualify for a grant, all improvements and projects should be in keeping with the architectural integrity of the structure. Wherever possible, projects should also reflect original construction techniques and materials used when the structure was built. Projects should also be in keeping with the *Historic District Design Guidelines as per Section V of the City of Forest Grove Design Review Handbook*. Design assistance is available free of charge from the Historic Landmarks Board and from the Community Development Department. Contact the City Planner at (503) 992-3233 for information.

To apply for a Historic Preservation grant:

1. Complete the *Historic Preservation Grant Application* on Pages 2 and 3 and submit it to the Community Development Department at 1924 Council Street, Forest Grove, Oregon 97116. Applicants may request only one project at a time. If their first application within a fiscal year is completed and approved, they may submit a second application after April 1 of the same fiscal year. Applications must also include:
 - At least two bids from Oregon-licensed and bonded contractors. Applications for DIY projects must also include an invoice showing cost of materials in addition to at least two bids from licensed contractors.
Note: No application will be reviewed that does not have at least two bids attached.

If available, applications should also include:

- Photos (including close-ups of any architectural details involved in the preservation project)
- Samples of replacement and new construction materials
- Manufacturer's specifications and details of product installation
- Scaled plans, elevations, and/or section drawings that include major architectural features, as well as the design and location of the project as proposed

The Board reviews applications on the fourth Tuesday of each month. Applications received by the third Monday of each month will be processed during that same month. *Applicants or their representative (e.g., contractor) must attend the Board meeting to respond to any questions.*

2. The Board reviews and approves projects that are keeping with the historic integrity of the structure subject to the following conditions and criteria:
 - i. The Board reserves the right to approve a project depending on conditions that property owners must meet for the project before funding is provided.
 - ii. Any property that is on the National Historic Register that receives a grant must remain on the Register for at least five full years following project completion. If the property is removed from the Register, the grant must be repaid in full to City of Forest Grove.
 - iii. In the Clark, Painter's Woods, and Walker-Naylor National Historic Districts, all *Historic Contributing* structures are eligible.
 - iv. All projects are eligible to receive up to a maximum \$1,000 grant or 50% of the project cost, whichever is less.
 - v. During the duration of the project, grant recipients are required to display a sign (available from the City Planner at (503) 992-3233) identifying the project as being awarded grant funding.
 - vi. Projects must be started within 90 days and completed within 180 days of the date when the grant is awarded. Funds are distributed to the owner (not the contractor) upon completion, inspection, and final approval of the project. If a project cannot be started within 90 days or completed within 180 days, property owners must

- contact the City Planner at (503) 992-3233 to discuss a possible extension.
- vii. Owners must contact the City Planner at (503) 992-3233 upon project completion. Funds are granted after work is complete and inspected by a Historic Landmarks Board member.
 - viii. Grants are considered taxable income and must be reported on your income tax return.
3. The grant cycle is based on the fiscal year (July 1 – June 30). Applications for each new fiscal year may be submitted by June 15 and anytime thereafter if funding remains available. *Funds are available no sooner than July 1 or when released by the City. Grants are not awarded for materials already purchased or for work already in progress or completed.* First-time applicants in the current fiscal year receive priority in cases where two or more applicants apply for funding that is insufficient to cover all grant requests. Previous grant recipients in the current fiscal year may apply for any funds remaining in the fourth quarter (April–June) as long as their previous projects are completed. If insufficient funds remain for award to two or more grant applicants, the Board will use their discretion in how to award the remaining funds.
4. Questions about the program or the application should be directed to the City Planner at (503) 992-3233 during regular business hours, or e-mail at jreitz@forestgrove-or.gov

SB927 will fix Oregon's broken preservation policy.

The Public Participation in Preservation Act would bring Oregon in line with the rest of the U.S. It will make preservation in Oregon more equitable, flexible, relevant, and community-centered.

While retaining pre-existing historic protections, the bill would uncouple Oregon's dependence on the National Register as the basis for protections – which can be costly and confusing – and would base protection on local historic designation.

Nominations could come from the property owner or community stakeholders. It would be based on objective criteria and reflect community values and land use goals.

The result?

- Less demolition/landfill/contamination = greater environmental sustainability.
- More retention & restoration = less displacement; retained cultural history; greater affordability.
- Greater equity and engagement = better balance of public benefits, private property rights, economic development, and community goals.

Learn more

- Read the entire text of SB927 (<https://olis.leg.state.or.us/liz/2019R1/Measures/Overview/SB927>)
- For detailed information, download the SB927 data sheet (https://restoreoregon.org/wp-content/uploads/2019/02/SB927_Public-Participation-in-HP-Datasheet_2019-02-26.pdf)

SB929 will provide a "rehab rebate" to offset restoration and seismic costs.

The Preservation, Housing, and Seismic Safety Act would provide a 25% rebate on qualified rehabilitation costs for historic buildings, and 35% for seismic upgrades.

It prioritizes projects that retain or create housing. It also ensures that at least 30% of the funds go to small and rural projects.

The Rehab Rebates would come from a preservation fund created by the auctioning of state income tax credits. The fund would be capped at a set amount each biennium.

The result?

- Less demolition – more of Oregon's cultural heritage is saved for future generations.
- More housing – to help fill the deficit of supply across the state.
- Improved seismic safety – lives, livelihoods, and our cultural heritage is protected.
- Needed economic development – jobs, new businesses, and tourism will be attracted to vibrant, historic places.

Learn more

- Read the entire text of SB929 (<https://olis.leg.state.or.us/liz/2019R1/Measures/Overview/SB929>)
- For detailed information, download the SB929 data sheet (https://restoreoregon.org/wp-content/uploads/2019/02/SB929_Preserv-Housing-Seismic_DataSheet_2019-02-26.pdf)

You can help....take action today! (<https://restoreoregon.org/advocacy-alert/>)

Honoring the former City of Vanport: Vanport Placemarking Project
(<https://restoreoregon.org/2019/02/placemarking-project/>)

 FEB 14, 2019
([HTTPS://RESTOREOREGON.ORG/2019/03/](https://RESTOREOREGON.ORG/2019/03/))

Upcoming Events

Mid-Century Modern Design Series Online Raffle 2019
(<https://restoreoregon.org/century-modern-design-series-online-affle-2019/>)

Design Week Open House with Craftsman Design & Renovation:
(<https://restoreoregon.org/week-open-house-with-craftsman-design-renovation/>)

Mid-Century Modern Design Series – Pre-Sale Tickets Now on Sale!
(<https://restoreoregon.org/century-modern-design-series/>)

View All Events

(<https://restoreoregon.org/events/>)

Latest Tweets

 **Restore Oregon**
@RestoreOregon

This morning we unveiled inspirational concepts to inspire the re-TURN of the Jantzen Beach Carousel to the Portland/Vancouver area. See them: ow.ly/Ne3L30o0qTd#returnthecarousel#eoregon

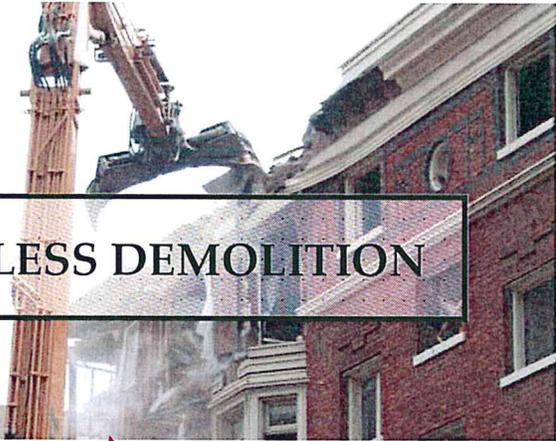


Restore Oregon urges your support of SB 927: Fix Oregon's Broken System of Historic Preservation

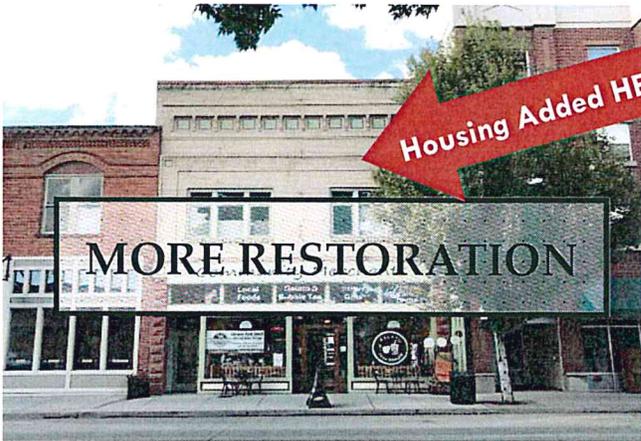
Oregon's current system of protecting and revitalizing its historic buildings and districts is considered "worst practice" in the U.S.

The Public Participation in Preservation Act brings Oregon policy in line with the rest of the U.S. It will make preservation in Oregon more equitable, flexible, relevant, and community-centered.

- Less demolition/landfill/contamination = greater environmental sustainability.
- More retention & restoration = less displacement; retained cultural history; greater affordability.
- Using a public process = a balance of public benefits, economic development, private property rights, and local land use goals.



LESS DEMOLITION



MORE RESTORATION

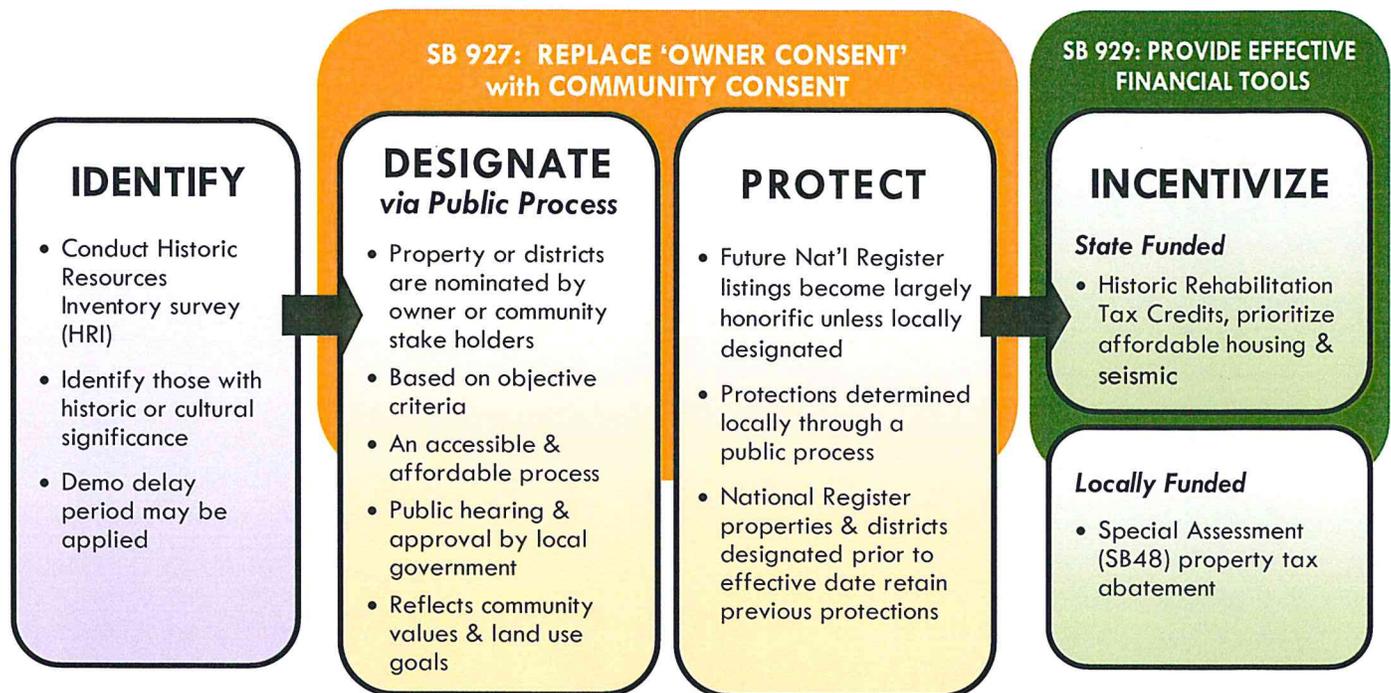


Housing Added HERE!

ACCESSIBLE PUBLIC PROCESS



SB 927 Would Align Management of Historic Resources with the Rest of Our Land Use Laws



Frequently Asked Questions:

What are the benefits of historic preservation? Retention of community history, cultural heritage, and an authentic sense of place; increased sustainability through building reuse; economic development from restoration jobs, new businesses setting up in old buildings, heritage tourism; and more affordable housing.

Why do we need this change? The system Oregon has now is broken, unpredictable, opaque, inefficient, and completely one-sided. The demolition of important historic resources impacts the entire community, as does their designation and protection, but the community currently has no say at all. Times have changed – we now understand that community voices, including tenants, deserve to be heard, in these important decisions.

What do other states do? Oregon is the only state in the nation that has a state-wide owner consent law and the only state that uses the National Register for automatic regulatory purposes. A public process for local landmark designation similar to the model illustrated above is typical across the U.S.

How would this change fit with the rest of Oregon's land use laws? SB 927 would align our treatment of historic resources with the other types of resources managed through our land use programs: farmland, forestland, wetlands, etc.

What will protect property owner's from an unwanted historic designation? Mailed notice to property owners of a nomination; a public hearing where all interested parties may be heard; a decision by the local elected government based on clear standards and public policies; a right to appeal; and Measure 49, which provides relief should a local government adopt a regulation that restricts a residential use. Nothing prevents a local government from giving weight to, or requiring owner consent, as part of its local standards for designation.



Contact your legislators by phone, in person, or by email and urge their support.

Senate Bill 927

Sponsored by COMMITTEE ON ENVIRONMENT AND NATURAL RESOURCES

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**.

Allows local governments to develop historic resource program to designate resources for protection. Removes requirement for owner consent to designate resources. Establishes minimum components for program. Requires additional action by local government to designate resources designated on National Register of Historic Places on or after effective date of Act. Requires that existing protections be maintained.

Appropriates moneys from General Fund to Land Conservation and Development Commission to provide grants or technical assistance to local governments in developing and implementing program.

A BILL FOR AN ACT

1
2 Relating to historic preservation; creating new provisions; and repealing ORS 197.772.

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

4 **SECTION 1. ORS 197.772 is repealed.**

5 **SECTION 2. Section 3 of this 2019 Act is added to and made a part of ORS chapter 197.**

6 **SECTION 3. (1) As used in this section, "National Register" means the National Register**
7 **of Historic Places under the National Historic Preservation Act (P.L. 89-665, 54 U.S.C. 300101**
8 **et seq.).**

9 **(2) As part of its comprehensive plan, a local government may adopt a historic resource**
10 **program that fosters and encourages the identification, designation and protection of historic**
11 **resources within the local government's jurisdiction consistent with statewide land use**
12 **planning goals and rules.**

13 **(3) A historic resource program must include:**

14 **(a) An inventory of historic resources within the local government's jurisdiction;**

15 **(b) A process and criteria for determining whether a resource on the inventory is sig-**
16 **nificant to local, regional, state or national history or prehistory as provided by rule;**

17 **(c) A process for designating significant historic resources on a resource list as the re-**
18 **sult of a land use decision; and**

19 **(d) Land use regulations for the modification, demolition and relocation of designated**
20 **historic resources.**

21 **(4) With respect to a resource that is first listed in the National Register on or after the**
22 **effective date of this 2019 Act, a historic resource program:**

23 **(a) May require that the resource be included in the inventory under subsection (3)(a)**
24 **of this section;**

25 **(b) May not automatically designate the resource under subsection (3)(c) of this section**
26 **or subject the resource to the regulations adopted under subsection (3)(d) of this section; and**

27 **(c) May consider the listing as evidence sufficient to determine that the resource is sig-**
28 **nificant under subsection (3)(b) of this section or, if found to be persuasive within the land**

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 use process described under subsection (3)(c) of this section, to designate the resource as
2 significant.

3 (5) With respect to a resource listed in the National Register before the effective date
4 of this 2019 Act, a local government may not approve an application for the demolition or
5 relocation of the resource except through a land use decision that considers factors set forth
6 by rule. This subsection does not apply to accessory structures or noncontributing resources
7 of a National Register listing.

8 (6) A historic resource determined significant under subsection (3)(b) of this section may
9 not be demolished for 120 days following the date of application to demolish the resource or
10 to remove the resource from the inventory under subsection (3)(a) of this section.

11 SECTION 4. Section 3 of this 2019 Act and the repeal of ORS 197.772 by section 1 of this
12 2019 Act may not be interpreted to remove any protections of historic resources that were
13 in effect before the effective date of this 2019 Act based on a local government's compre-
14 hensive plan or land use regulations or rule of the Land Conservation and Development
15 Commission.

16 SECTION 5. In addition to and not in lieu of any other appropriation, there is appropri-
17 ated to the Land Conservation and Development Commission, for the biennium beginning
18 July 1, 2019, out of the General Fund, the amount of \$_____, for the purpose of providing
19 grants or technical assistance to local governments in developing or implementing a historic
20 resource program as described in section 3 of this 2019 Act.

21

Senate Bill 929

Sponsored by COMMITTEE ON ENVIRONMENT AND NATURAL RESOURCES

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.

Creates tax credit for certified historic property project contributions. Directs Department of Revenue, in cooperation with State Historic Preservation Officer, to conduct auction of tax credits.

Establishes State Historic Property Project Fund and requires that auction proceeds be deposited in fund for purpose of making rebates to property owners for eligible expenses for rehabilitation and seismic retrofitting of historic properties. Provides for payment of rebates from fund and for administration of rebate program by State Historic Preservation Officer. Limits amount of credits and corresponding rebates to \$_____ million for any biennium.

Applies to applications for rebates submitted after July 1, 2019, for tax years beginning on or after January 1, 2020, and before January 1, 2026.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to a tax credit for funding historic property project expense rebates; and prescribing an
3 effective date.

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

5 **SECTION 1. Sections 4, 5 and 7 to 10 of this 2019 Act shall be known and may be cited**
6 **as the Preservation, Housing and Seismic Safety Act.**

7 **SECTION 2. The Legislative Assembly finds and declares that it is the legislative intent**
8 **of sections 4, 5 and 7 to 10 of this 2019 Act to promote the retention, rehabilitation and**
9 **adaptive reuse of Oregon's historic properties, especially for the purposes of providing**
10 **housing and other public benefits and seismic retrofitting of properties to improve public**
11 **safety.**

12 **SECTION 3. Sections 4 and 5 of this 2019 Act are added to and made a part of ORS**
13 **chapter 315.**

14 **SECTION 4. (1) A credit against the taxes otherwise due under ORS chapter 316 or, if the**
15 **taxpayer is a corporation, under ORS chapter 317 or 318, is allowed to a taxpayer for certified**
16 **historic property project contributions made by the taxpayer during the tax year to the State**
17 **Historic Property Project Fund established under section 9 of this 2019 Act.**

18 **(2)(a) The Department of Revenue shall, in cooperation with the State Historic Preser-**
19 **vation Officer, conduct an auction of tax credits under this section. The department may**
20 **conduct the auction in the manner that the department determines is best suited to maxi-**
21 **mize the return to the state on the sale of tax credit certifications and shall announce a**
22 **reserve bid prior to conducting the auction. The reserve amount shall be at least 95 percent**
23 **of the total amount of the tax credit. Moneys necessary to reimburse the department for the**
24 **actual costs incurred by the department in administering an auction, not to exceed 0.25**
25 **percent of auction proceeds, are continuously appropriated to the department. The depart-**
26 **ment shall deposit net receipts from the auction required under this section in the State**
27 **Historic Property Project Fund.**

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 (b) The State Historic Preservation Officer shall adopt rules to achieve the following
2 goals:

3 (A) Subject to paragraph (a) of this subsection, to generate contributions for which tax
4 credits of \$_____ million are certified for each fiscal year;

5 (B) To maximize income and excise tax revenues that are retained by the State of Oregon
6 for state operations; and

7 (C) To provide the necessary financial incentives for taxpayers to make contributions,
8 taking into consideration the impact of granting a credit upon a taxpayer's federal income
9 tax liability.

10 (3) Contributions made under this section shall be deposited in the State Historic Prop-
11 erty Project Fund.

12 (4)(a) Upon receipt of a contribution, the State Historic Preservation Officer shall issue
13 to the taxpayer written certification of the amount certified for tax credit under this section
14 to the extent the amount certified for tax credit, when added to all amounts previously cer-
15 tified for tax credit under this section, does not exceed \$_____ million for the fiscal year
16 in which certification is made.

17 (b) The State Historic Preservation Officer and the department are not liable, and a re-
18 fund of a contributed amount need not be made, if a taxpayer who has received tax credit
19 certification is unable to use all or a portion of the tax credit to offset the tax liability of the
20 taxpayer.

21 (5) To the extent the State Historic Preservation Officer does not certify contributed
22 amounts as eligible for a tax credit under this section, the taxpayer may request a refund
23 of the amount the taxpayer contributed, and the officer shall refund that amount.

24 (6)(a) Except as provided in paragraph (b) of this subsection, a tax credit claimed under
25 this section may not exceed the tax liability of the taxpayer and may not be carried over to
26 another tax year.

27 (b) Any tax credit otherwise allowable under this section that is not used by the taxpayer
28 in a particular tax year may be carried forward and offset against the taxpayer's tax liability
29 for the next succeeding tax year. Any credit remaining unused in the next succeeding tax
30 year may be carried forward and used in the second succeeding tax year, and likewise, any
31 credit not used in that second succeeding tax year may be carried forward and used in the
32 third succeeding tax year, and likewise, any credit not used in that third succeeding tax year
33 may be carried forward and used in the fourth succeeding tax year, and likewise, any credit
34 not used in that fourth succeeding tax year may be carried forward and used in the fifth
35 succeeding tax year, but may not be carried forward for any tax year thereafter.

36 (c) A taxpayer is not eligible for a tax credit under this section if the first tax year for
37 which the credit would otherwise be allowed begins on or after January 1, 2026.

38 (7) If a tax credit is claimed under this section by a nonresident or part-year resident
39 taxpayer, the amount shall be allowed without proration under ORS 316.117.

40 (8) If the amount of contribution for which a tax credit certification is made is allowed
41 as a deduction for federal tax purposes, the amount of the contribution shall be added to
42 federal taxable income for Oregon tax purposes.

43 SECTION 5. The State Historic Preservation Officer may hire or contract with a
44 marketer to market the tax credits allowed under section 4 of this 2019 Act to taxpayers.

45 SECTION 6. Sections 7 to 10 of this 2019 Act are added to and made a part of ORS

1 chapter 358.

2 **SECTION 7.** As used in sections 7 to 10 of this 2019 Act:

3 (1)(a) "Eligible expenses" includes but is not limited to:

4 (A) Capital expenses incurred in the material rehabilitation of historic property;

5 (B) Expenses directly related to structural seismic retrofitting, including the necessary
6 expenses of demolition and restoration of similar architectural finishes, electrical systems,
7 plumbing and mechanical systems necessary for access; and

8 (C) Architectural and engineering fees, and fees for testing, insurance and project man-
9 agement, related to the seismic retrofitting.

10 (b) "Eligible expenses" does not include:

11 (A) Expenses associated with refurbishing or remodeling that are primarily intended to
12 enhance the aesthetics, functionality or marketability of the improvements but do not extend
13 the seismic life safety of the improvements; or

14 (B) Expenses for abatement of hazardous materials, including but not limited to asbestos,
15 or for relocation or loss of rent during the seismic retrofitting.

16 (2) "Historic property" has the meaning given that term in ORS 358.480.

17 (3) "Historic rehabilitation standards" means the United States Secretary of the
18 Interior's Standards for Rehabilitation as in effect on the effective date of this 2019 Act.

19 (4) "Material rehabilitation" means improvements or reconstruction consistent with the
20 United States Secretary of the Interior's Standards for Rehabilitation as in effect on the ef-
21 fective date of this 2019 Act.

22 (5) "Multifamily" means being designed to contain more than one living unit.

23 (6) "Placed in service" means, with respect to historic property, placed in a condition or
24 state of readiness and availability for a specifically assigned function in a trade or business,
25 in the production of income, including from multifamily residential rentals, or in a tax-
26 exempt activity.

27 (7) "Project" means material rehabilitation or seismic retrofitting of a historic property.

28 (8)(a) "Property owner" means an owner of a historic property.

29 (b) "Property owner" includes a lessee of a historic property that has received authori-
30 zation for material rehabilitation or seismic retrofitting of the historic property from the
31 owner.

32 (9) "Rural area" means an area located entirely outside the acknowledged Portland Met-
33 ropolitan Area Regional Urban Growth Boundary and the acknowledged urban growth
34 boundaries of all cities with populations of 30,000 or more.

35 (10) "Small project" means a project with eligible expenses of less than \$1 million.

36 (11) "Workforce housing" means housing that is sold or rented at a price that is afford-
37 able to a household with an annual income between 80 and 120 percent of the area median
38 income in the county in which the housing is located.

39 **SECTION 8.** (1) To qualify under this section for a rebate for eligible expenses incurred
40 with respect to a project:

41 (a) The historic property must be located in Oregon;

42 (b) The historic property must be:

43 (A) Listed on the National Register of Historic Places on or before January 1, 2020; or

44 (B) Designated as historic by a local government with jurisdiction over the property;

45 (c) The eligible expenses must exceed \$10,000;

1 (d) The historic property may not be used exclusively for residential purposes if it in-
2 cludes fewer than three residential units;

3 (e) The historic property must be an income-generating property; and

4 (f) The property owner shall apply for and receive a certificate of approval of the project
5 from the State Historic Preservation Officer.

6 (2) The State Historic Preservation Officer may issue to a property owner a certificate
7 of eligibility indicating that the property owner shall receive a rebate under this section on
8 the condition that:

9 (a) The property owner completes material rehabilitation or seismic retrofitting of the
10 historic property according to plans approved by the State Historic Preservation Officer; and

11 (b) The project adheres to the historic rehabilitation standards for the exterior facade
12 of the historic property and for significant public interior spaces, allowing for changes of use
13 and interior conversions to multifamily residential use.

14 (3)(a) Eligible expenses supporting a claim for a rebate under this section must be veri-
15 fied by the State Historic Preservation Officer. The property owner must submit to the State
16 Historic Preservation Officer proof of expenses, including any documentation requested by
17 the State Historic Preservation Officer to verify the expenses.

18 (b) The State Historic Preservation Officer may adopt rules that establish a procedure
19 for the submission and verification of actual expenses and may establish a fee for the ad-
20 ministration of the rebate program under this section.

21 (4)(a) After material rehabilitation or seismic retrofitting is complete and a historic
22 property is placed in service, the State Historic Preservation Officer may issue a rebate to
23 the property owner for a portion of the eligible expenses incurred by the property owner, in
24 an amount determined under subsection (6) of this section, subject to paragraph (b) of this
25 subsection.

26 (b)(A) In issuing rebates, the State Historic Preservation Officer shall give priority to:

27 (i) Creating or preserving workforce housing; and

28 (ii) Seismic retrofitting of unreinforced masonry buildings.

29 (B) The State Historic Preservation Officer may consult with the Director of the Housing
30 and Community Services Department, or a designee of the director, regarding any issues
31 related to workforce housing.

32 (5)(a) Before a rebate may be issued for eligible expenses incurred with respect to a
33 workforce housing project, the property owner shall execute a covenant creating a property
34 right in the State Historic Preservation Officer to require the historic property to be used
35 as workforce housing.

36 (b) A covenant executed under this subsection shall be recorded in the deed and mortgage
37 records of the county in which the historic property subject to the covenant is located.

38 (c) A covenant executed under this subsection shall be for a period of 60 years and run
39 with the land.

40 (d) Notwithstanding paragraph (c) of this subsection, after 20 years following a date on
41 which a covenant issued under this subsection was originally executed, the covenant may be
42 modified or terminated by a written instrument executed by the State Historic Property Of-
43 ficer and the property owner of the workforce housing at the time of the modification or
44 termination.

45 (e) The State Historic Preservation Officer may bring suit to enforce a covenant executed

1 under this subsection in the circuit court for the county in which the historic property is
2 located.

3 (6) The maximum rebate for a single historic property:

4 (a) Shall be 25 percent of eligible expenses for material rehabilitation or 35 percent of
5 eligible expenses for seismic retrofitting; and

6 (b) May not exceed the lesser of 10 percent of the maximum rebate amount issuable for
7 all historic properties for the biennium in which the rebate is issued, as set forth in section
8 10 of this 2019 Act, or \$2 million.

9 (7) Rebates under this section shall be made from moneys credited to or deposited in the
10 State Historic Property Project Fund established in section 9 of this 2019 Act. A rebate may
11 not be made to the extent sufficient funds are not available in the fund to make the rebate.

12 SECTION 9. (1) The State Historic Property Project Fund is established in the State
13 Treasury, separate and distinct from the General Fund.

14 (2) Moneys in the State Historic Property Project Fund shall consist of:

15 (a) Amounts donated to the fund;

16 (b) Amounts appropriated or otherwise transferred to the fund by the Legislative As-
17 sembly;

18 (c) Other amounts deposited in the fund from any source; and

19 (d) Interest earned by the fund.

20 (3) Moneys in the fund are continuously appropriated to the State Historic Preservation
21 Officer. After the payment of refunds to taxpayers as described in section 4 of this 2019 Act
22 and payments to a tax credit marketer for marketing services provided by the marketer as
23 described in section 5 of this 2019 Act:

24 (a) Seventy percent of the balance remaining in the fund shall be used to provide rebates
25 to property owners as provided in section 8 of this 2019 Act; and

26 (b) Thirty percent of the balance remaining in the fund shall be used to provide rebates
27 to property owners, as provided in section 8 of this 2019 Act, for eligible expenses of small
28 projects. In making rebates under this paragraph, the State Historic Preservation Officer
29 shall give priority to historic properties located in rural areas.

30 (4) On July 1 of each fiscal year, any moneys that remain unexpended or unallocated
31 from the previous fiscal year may be used by the State Historic Preservation Officer for the
32 purpose of making rebates to property owners under section 8 of this 2019 Act.

33 (5) Expenditures from the fund are not subject to ORS 291.232 to 291.260.

34 SECTION 10. (1) The total amount of potential tax credits for certified historic property
35 project contributions in this state may not, at the time of certification under section 4 of this
36 2019 Act, exceed \$_____ million for any biennium.

37 (2) In the event that the State Historic Preservation Officer receives applications for
38 rebates under section 8 of this 2019 Act in excess of the contributions received pursuant to
39 section 4 of this 2019 Act, the State Historic Preservation Officer shall allocate the issuance
40 of rebates according to standards and criteria established by rule by the State Historic
41 Preservation Officer.

42 SECTION 11. Sections 4, 5 and 7 to 10 of this 2019 Act apply to applications for rebates
43 submitted after July 1, 2019, for tax years beginning on or after January 1, 2020, and before
44 January 1, 2026.

45 SECTION 12. This 2019 Act takes effect on the 91st day after the date on which the 2019

1 **regular session of the Eightieth Legislative Assembly adjourns sine die.**
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