

9c Attachment A Marked Copy UPDATED

Division 50

HISTORIC PRESERVATION OFFICER

736-050-0001 (Revised)

Procedural Rules: Authority, Purpose and Policy

(1) Authority: The authority for this division is granted to the State Historic Preservation Officer in accordance with ORS 358.545.

(2) Purpose: These rules clarify the statutory requirement for participation in the Special Assessment for Historic Property Program as provided in ORS 358.480 to 358.545.

(3) Policy: The goals of the State Historic Preservation Officer are to maintain, preserve and rehabilitate historic properties through incentive programs that foster public-private partnerships to preserve Oregon's shared cultural heritage for the benefit and education of the public, and to promote economic development and tourism, community revitalization, resource conservation, public infrastructure efficiency, and sustainability.

736-050-0100 (Revised)

Special Assessment of Historic Property

ORS 358.480 to 358.545 provides the process for applying for a special assessment of historic property.

736-050-0105 (Revised)

Definitions

As used in this division, unless the context requires otherwise:

(1) "Continuing Qualification Review" means a review of a historic property's special assessment by the SHPO on its own initiative or in response to a request by a county assessor, local landmark commission or governing body to determine if the historic property continues to qualify for a special assessment.

(2) "Commercial Property" has the meaning provided in ORS 358.480(1).(3)

(3) "National Register" means the National Register of Historic Places maintained by the United States Department of the Interior and administered by the National Park Service, which is the national list of historic properties significant in American history, architecture, archaeology, engineering, and culture.

(4) "National Register nomination form" has the meaning provided in 36 CFR § 60.3(i) (2020).

(5) "Owner" has the meaning provided in ORS 358.480(7).

(6) "Preservation Plan" has the meaning provided in in ORS 358.480(10).

(6) "Oregon State Historic Preservation Office" (Oregon SHPO) means an office of the Oregon Parks and Recreation Department (OPRD).

(7) "State Historic Preservation Officer" (SHPO) means the Director of the Oregon Parks and Recreation Department and the State Historic Preservation Officer defined in ORS 358.565.

736-050-0111 (New Section)

Application for the Special Assessment for Historic Property Program

(1) ORS 358.480 to 358.545 provides the process for applying for a special assessment of historic property.

(2) The Oregon SHPO must accept applications for the Special Assessment for Historic Property Program from November 1 of the year prior to the tax year in which the historic property will be specially assessed, through the last day of February of the effective tax year.

(3) An owner of property granted historic property special assessment may reapply for another term of special assessment. Subsequent terms are unlimited and may be consecutive.

(4) Following approval of a complete application for classification and assessment under ORS 358.480 to 358.545, the Oregon SHPO must process the application once it receives a nonrefundable fee equal to one-third of one percent of the property's real market value as of the assessment date for the application year during the application period defined in section (2).

(5) The Oregon SHPO must notify the applicant, governing body, and county assessor of its decision to approve or deny an application for the Special Assessment for Historic Property program under ORS 358.490 in writing and record its decision as described in ORS 358.495 subsection (1) through subsection (4).

736-050-0112 (Revised)

Requirement for Owner Expenditure

(1) Under ORS 358.487(2)(a)(A), the ten (10) percent expenditure requirement may include the market value of donated materials, services, and professional labor. Nonprofessional volunteer labor may also be included and must be valued at the state minimum wage.

(2) An owner of specially assessed historic property must submit documentation to the Oregon SHPO to demonstrate that the ten (10) percent expenditure requirement is met, including the date, description, and provider details (name, address, and contact information) for all materials, services, and labor. The documentation must demonstrate compliance with the Preservation Plan.

Owner and SHPO Responsibilities

- (1) An owner of specially assessed historic property must maintain the property in good condition, being structurally stable, weathertight, protected from deterioration, secured from unauthorized entry, and in compliance with state and local building codes and ordinances.
- (2) An owner of specially assessed historic property must provide the Oregon SHPO with the names of contact persons and the contact persons current mailing addresses and contact information, including email addresses and phone numbers.
- (3) An owner of specially assessed historic property must notify the SHPO within 30 days of recording any change in ownership with the county assessor.
- (4) An owner of specially assessed historic property must obtain and maintain property insurance as required under ORS 358.487 (2)(d).
- (5) The SHPO must monitor owner compliance with program requirements by requesting such information from owners as described in ORS 358.475 to 358.545 and in this division. If an owner does not respond to the request by providing the required information within the specified time, the SHPO may seek mandatory remedial action, initiate removal of the property's special assessment pursuant to OAR 736-050-0135, or both.
- (6) Participants who entered the program prior to May 28, 2025:
 - (a) Must submit Preservation Plan updates to the SHPO in the third , sixth and ninth year of the 10-year benefit period in lieu of the reporting schedule in ORS 358.500(1); and
 - (b) Are exempt from the requirement to submit a report by the end of the fifth year demonstrating compliance with the expenditure commitment under the Preservation Plan as described in ORS 358.487(2)(a).
- (7) The SHPO must provide the owner a plaque that the owner must install on the specially assessed historic property as described in ORS 358.495(2)(c)
 - (a) The plaque must be installed in a non-destructive manner based on the SHPO's advice
 - (b) The owner must maintain the plaque in good condition throughout the 10-year benefit period. The owner must replace the plaque at the owner's expense if it is lost, stolen, or vandalized. The SHPO must replace the plaque if it deteriorates due to poor quality or natural weathering.
 - (c) The owner must submit a photo demonstrating that the plaque is installed as described in ORS 358.495(2)(c) when submitting written progress reports as described in ORS 358.500(1)(a).

Changes and Alterations to Historic Property Approved for Special Assessment

- (1) The SHPO must rely on the expertise of qualified staff in making program decisions.
- (2) The governing body or landmark commission approved by the SHPO for conducting historic resource review must:
 - (a) Have a historic preservation ordinance or adopted historic design guidelines based on the historic rehabilitation standards, as defined in ORS 358.480(5); and
 - (b) Demonstrate expertise interpreting and implementing the historic rehabilitation standards for preservation, restoration, rehabilitation, and reconstruction, maintained by the United States Secretary of the Interior, National Park Service.
- (3) An owner must apply in writing on forms provided by the Oregon SHPO and the governing body for review and receive from the SHPO and governing body written approval before undertaking any work on specially assessed historic property.
- (4) The owner must provide additional material as required by the Oregon SHPO and the governing body and local landmark commission, including photos, drawings, product and work descriptions, and any other necessary materials for the administration of the Special Assessment for Historic Property Program.
- (5) The SHPO, governing body, and local landmark commission evaluate each proposed change on a case-by-case basis, considering the historic property's character-defining features as they relate to its historic significance described in the National Register of Historic Places nomination form. If a nomination form is unavailable or lacks sufficient detail the SHPO must define the property's character-defining features.
- (6) The governing body or local landmark commission must provide the SHPO with a 14-day comment period and document in writing their decision, including response to the SHPO's recommendations, with justification for accepting or rejecting them. The SHPO's comments must be included in the public record.
- (7) A governing body and local landmark commission's approval under section (6) is invalid if it fails to comply with local ordinances or state land-use laws, or the governing body and local landmark commission do not provide the SHPO an opportunity to comment or do not consider and respond to the SHPO's comments in the public record as required in subsection (6).
- (8) An owner may apply to the SHPO to amend the Preservation Plan at any time. An amendment to the Preservation Plan allowed in one instance is not justification for similar amendments for the same or similar specially assessed historic property. The SHPO must notify the applicant, governing body, local landmark commission and county assessor in writing of the decision to approve or deny a change to the Preservation Plan within 30 days of receiving the owner's request to amend the Preservation Plan.

736-050-0135 (Revised)

Removal of Historic Property from the Special Assessment for Historic Property Program

(1) The SHPO may conduct a continuing qualification review for a specially assessed historic property by its own initiative or at the request of other parties as described in ORS 358.509.

(2) The SHPO will contact the owner to determine the merits of the concerns.

(3) If the local governing body or local landmark commission approved changes to the historic property in accordance with ORS 358.500(4) and those changes are part of the approved Preservation Plan, then the SHPO will neither disqualify the property, nor investigate further. The SHPO may remove a historic property when the governing body does not meet the provisions of OAR 736-050-0125 (6), (7) and (8).

(4) If, the SHPO believes that further investigation is warranted, the SHPO will contact the owner by certified letter and request a report as authorized by ORS 358.500(3), and, if deemed appropriate, a site inspection. The letter must include:

(a) Property identification; and

(b) Reason for request of information; and

(c) Request for a detailed response; and

(d) Information on appeal process.

(5) The owner must submit a written response to the SHPO within 30 days of receiving the letter that addresses all identified issues. Failure to respond or fully address the issues may result in disqualification from the Special Assessment for Historic Property Program.

(6) The SHPO must respond to the owner's report in writing within 60 calendar days from the initiation of a continuing qualification review as described in ORS 358.509 with one of the following determinations:

(a) The historic property continues to qualify for participation in the Special Assessment for Historic Property Program; or

(b) The historic property continues to qualify for participation in the Special Assessment for Historic Property Program with conditions; or

(c) The historic property no longer qualifies for participation in the Special Assessment for Historic Property Program.

(7) When applying conditions for continued participation in the Special Assessment for Historic Property program, the SHPO will define the conditions and how the owner must demonstrate how they are met and specify a date not less than 90 days from the date of the SHPO's written response to the owner's report that the conditions must be met. The SHPO may remove the historic property from the Special Assessment for Historic Property program without further notice if the conditions are not met by the specified date.

(8) The SHPO must make and send a written determination to the owner, the county assessor, and the governing body and local landmarks commission.

(9) The SHPO may remove a historic property from the Special Assessment for Historic Property Program when:

(a) The historic property becomes disqualified for special assessment as described in ORS 358.515(1)(a) to (k); or

(b) Alterations to the historic property result in the property losing the characteristics that made it eligible for listing in the National Register of Historic Places and the property is removed from the National Register.

(c) Noticeable deterioration of a historic property or failure to maintain the property in good condition as described in Owner and SHPO Responsibilities, OAR 736-050-0120(1); or

(d) Failure to complete rehabilitation or other work required in the Preservation Plan during the time period designated, unless otherwise amended; or

(d) An owner does not respond to requests from the SHPO for additional information related to the administration of the Special Assessment for Historic Property Program by providing the required information within the specified time.

736-050-0140

Appeal Process (Revised)

(1) An owner of historic property enrolled in the Special Assessment for Historic Property Program prior to July 1, 2024, may appeal all decisions made by the SHPO to the Historic Assessment Review Committee (HARC). The HARC must establish and may amend procedures for an appeal at a noticed public hearing, effective at the body's next public hearing.

(2) An owner of property applying for or historic property enrolled in the Special Assessment for Historic Property Program after July 1, 2025, may appeal all decisions made by the SHPO as a contested case under the provisions of ORS 358.495(5).