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ONE DOLLAR

SEASIDE SWEEPS CLATSOP CLASH • SPORTS 10A

LANDOWNERS FUME OVER FIRE FEE



Danny Miller/The Daily Astorian

Tim Mancill says he was notified in January that he will have to pay an extra fee to the state on his Seaside property for fire protection. Mancill has lived on his Seaside property for 13 years.

Astoria may turn to tax for housing

Construction tax could spur options

By ERICK BENGEL
The Daily Astorian

Astoria may set up a construction excise tax program that raises money to increase the city's housing stock.

Community Development Director Kevin Cronin advanced the idea, originally floated last year, at Wednesday's City Council work session.

In 2015, the City Council embraced the goal of promoting housing that Astorians can afford.



The housing scarcity affects communities throughout Clatsop County, burdening residents at all income levels. A construction excise tax is one of several tools the council has discussed to confront the issue.

"That's the one tool that I think has the most potential impact to moving the needle here in Astoria," Cronin told the council.

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Hundreds face new assessments

By JACK HEFFERNAN
The Daily Astorian

Landowners in Clatsop County are challenging a fee assessed by the state for fire protection, citing improper classification and a lack of advance notice.

In early January, roughly 2,300 landowners in the Astoria Forest Protection District were notified that their properties, designated as forestlands in July, would be assessed an annual fee for fire protection as part of their property taxes. But some argue either that their properties should not qualify as forestland or they had not received proper notice.

The Oregon Department of Forestry provides fire protection to forest and grazing lands through money from both the state general fund and fees it collects from forestland property owners.

Overall, roughly 4,750 lots were added as forestlands, while 1,200 lots — including 600 owners — were removed from the list.



Danny Miller/The Daily Astorian

Tim Mancill walks on his property on Wednesday in Seaside. Mancill is appealing the added fire protection fee on his property.

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Key data is lacking in housing debate

By PARIS ACHEN
Capital Bureau

SALEM — The state housing agency won't finish a statewide affordable housing inventory before the end of the legislative session during which lawmakers could consider millions of dollars in funding for affordable housing.

The inventory is intended to give agencies, lawmakers and nonprofit housing investors an accurate picture of what affordable housing exists and what federally backed projects are at risk of losing affordability because of expiring contracts with property owners.

Oregon Housing and Community Services was called out in an audit by the Secretary of State's Office in early December for failing to provide a statewide affordable housing inventory and statewide housing plan. Both are critical to adequately and strategically addressing the state's affordable housing shortage, the audit found.

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Alissa Keny-Guyer

Cities push reforms to increase property tax cash

By CLAIRE WITHYCOMBE
Capital Bureau

SALEM — As legislators set to work on balancing the state's budget, some lawmakers and lobbyists are considering property tax reform to benefit local government budgets.

In particular, supporters want to change how property taxes are calculated, and remove limits on tax rates.

Two ballot measures approved by voters in the 1990s, Measure 5 and Measure 50, limited the amount of property taxes Oregonians pay, and annual tax increases.

Measure 5, passed in 1990, limited the total tax rates levied by all local taxing bodies to

no more than \$15 per \$1,000 of assessed property value — up to \$5 for education, and \$10 for other local taxing bodies.

Measure 50, passed in 1997, decoupled a property's assessed valuation, the amount on which it is taxed, from real market value, according to the Oregon Department of Revenue, and put limits on how much a property's assessed value could increase from year to year.

The state's cities advocate a "transition" back to real market value-based calculations and for permitting local voters to approve rates exceeding the



limits established by Measure 5.

Without a reduction in tax rates, the proposal would lead to higher property taxes. According to the League of Oregon Cities, there is

a state average of a 25 percent difference between the real market value of property and its assessed value.

Homestead exemption
The Legislature is also looking at a homestead exemption, which could cushion homeowners from sudden tax leaps on their primary residences.

Cities contend Measures 5

and 50 have meant that owners of similarly priced properties can pay significantly disparate amounts in taxes, and that cities have to compete with other local jurisdictions, such as counties and fire protection districts, for key funding.

Even if funding of a city support measures to pay for local libraries or to build a new police station, for example, the total tax rate per \$1,000 of assessed valuation can't exceed the state limits.

The proposal could also lead to greater increases in assessments. Assessed valuations — due to the requirements of Measure 50 — typically grow at a slower rate than real market value. On the other hand, when the real estate

market dips, so do real market values.

A senate resolution, Senate Joint Resolution 3, proposes repealing Measure 50 and replacing it with a real market value-based system. That resolution is scheduled for a public hearing before the Senate Finance and Revenue Committee Tuesday.

"We would support that in theory," said Wendy Johnson, an intergovernmental relations associate for the League of Oregon Cities, noting that the details have not been ironed out.

That resolution is the first placeholder bill in what cities expect to be a broader property tax reform package, Johnson said.



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