

# House Bill 3381

Sponsored by COMMITTEE ON BUSINESS AND LABOR

## 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**.

Requires approval of urban renewal plan by each taxing district with tax revenues that will be reduced upon adoption of urban renewal plan.

Applies to urban renewal plans adopted or substantially amended on or after effective date of Act.

## A BILL FOR AN ACT

1  
2 Relating to urban renewal; creating new provisions; and amending ORS 457.085 and 457.105.

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

4 **SECTION 1.** ORS 457.085 is amended to read:

5 457.085. (1) An urban renewal agency shall provide for public involvement in all stages in the  
6 development of an urban renewal plan.

7 (2) An urban renewal plan proposed by an urban renewal agency shall include all of the fol-  
8 lowing:

9 (a) A description of each urban renewal project to be undertaken.

10 (b) An outline for the development, redevelopment, improvements, land acquisition, demolition  
11 and removal of structures, clearance, rehabilitation or conservation of the urban renewal areas of  
12 the plan.

13 (c) A map and legal description of the urban renewal areas of the plan.

14 (d) An explanation of its relationship to definite local objectives regarding appropriate land uses  
15 and improved traffic, public transportation, public utilities, telecommunications utilities, recreational  
16 and community facilities and other public improvements.

17 (e) An indication of proposed land uses, maximum densities and building requirements for each  
18 urban renewal area.

19 (f) A description of the methods to be used for the temporary or permanent relocation of persons  
20 living in, and businesses situated in, the urban renewal area of the plan.

21 (g) An indication of which real property may be acquired and the anticipated disposition of said  
22 real property, whether by retention, resale, lease or other legal use, together with an estimated time  
23 schedule for such acquisition and disposition.

24 (h) If the plan provides for a division of ad valorem taxes under ORS 457.420 to 457.460, the  
25 maximum amount of indebtedness that can be issued or incurred under the plan.

26 (i) A description of what types of possible future amendments to the plan are substantial  
27 amendments and require the same notice, hearing and approval procedure required of the original  
28 plan under ORS 457.095 as provided in ORS 457.220, including but not limited to amendments:

29 (A) Adding land to the urban renewal area, except for an addition of land that totals not more  
30 than one percent of the existing area of the urban renewal area.

**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) Increasing the maximum amount of indebtedness that can be issued or incurred under the  
 2 plan.

3 (j) For a project which includes a public building, an explanation of how the building serves or  
 4 benefits the urban renewal area.

5 (3) An urban renewal plan shall be accompanied by a report which shall contain:

6 (a) A description of physical, social and economic conditions in the urban renewal areas of the  
 7 plan and the expected impact, including the fiscal impact, of the plan in light of added services or  
 8 increased population;

9 (b) Reasons for selection of each urban renewal area in the plan;

10 (c) The relationship between each project to be undertaken under the plan and the existing  
 11 conditions in the urban renewal area;

12 (d) The estimated total cost of each project and the sources of moneys to pay such costs;

13 (e) The anticipated completion date for each project;

14 (f) The estimated amount of money required in each urban renewal area under ORS 457.420 to  
 15 457.460 and the anticipated year in which indebtedness will be retired or otherwise provided for  
 16 under ORS 457.420 to 457.460;

17 (g) A financial analysis of the plan with sufficient information to determine feasibility;

18 (h) A fiscal impact statement that estimates the impact of the tax increment financing, both until  
 19 and after the indebtedness is repaid, upon all entities levying taxes upon property in the urban re-  
 20 newal area; and

21 (i) A relocation report which shall include:

22 (A) An analysis of existing residents or businesses required to relocate permanently or tempo-  
 23 rarily as a result of agency actions under ORS 457.170;

24 (B) A description of the methods to be used for the temporary or permanent relocation of per-  
 25 sons living in, and businesses situated in, the urban renewal area in accordance with ORS 35.500  
 26 to 35.530; and

27 (C) An enumeration, by cost range, of the existing housing units in the urban renewal areas of  
 28 the plan to be destroyed or altered and new units to be added.

29 (4) An urban renewal plan and accompanying report shall be forwarded to the planning com-  
 30 mission of the municipality for recommendations, prior to presenting the plan to the governing body  
 31 of the municipality for approval under ORS 457.095.

32 (5)(a) An urban renewal plan and accompanying report shall be forwarded to the governing body  
 33 of each taxing district affected by the urban renewal plan and the agency shall consult and confer  
 34 with the taxing districts prior to presenting the plan to the governing body of the municipality for  
 35 approval under ORS 457.095.

36 (b)(A) Any written recommendations of the governing body of each taxing district [*shall*], **the**  
 37 **property tax revenue of which will be unaffected by adoption of the plan, but which is oth-**  
 38 **erwise affected by adoption of the plan, may** be accepted, rejected or modified by the governing  
 39 body of the municipality in adopting the plan.

40 (B) **Any written recommendations of the governing body of a taxing district, the property**  
 41 **tax revenue of which will be reduced by adoption of the plan, shall be accepted, or, if the**  
 42 **governing body of the taxing district consents, may be modified or rejected by the governing**  
 43 **body of the municipality in adopting the plan.**

44 (6) No urban renewal plan shall be carried out until the plan has been approved by the gov-  
 45 erning body of each municipality pursuant to ORS 457.095 and 457.105 **and the governing body of**

1 **each taxing district affected by the urban renewal plan pursuant to ORS 457.095 and 457.105.**

2 **SECTION 2.** ORS 457.105 is amended to read:

3 457.105. **(1)** In addition to the approval of a plan by the governing body of the municipality un-  
4 der ORS 457.095, when any portion of the area of a proposed urban renewal plan extends beyond the  
5 boundaries of the municipality into any other municipality and, in the case of a proposed plan by  
6 a county agency, when any portion of such area is within the boundaries of a city, the governing  
7 body of the other municipality may approve the plan [*and may do so by resolution, rather than by*  
8 *ordinance*]. **Except as provided in subsection (2) of this section,** a proposed plan for an urban  
9 renewal area which is wholly within the boundaries of a city, or which is wholly within the bound-  
10 aries of a county and does not include any area within the boundaries of a city, must be approved  
11 only by the governing body of the municipality in accordance with ORS 457.095.

12 **(2) In addition to the approval of a plan by the governing body of the municipality under**  
13 **ORS 457.095, the governing body of the following local governments must approve a proposed**  
14 **urban renewal plan that provides for the division of taxes under ORS 457.420 to 457.460:**

15 **(a) Each municipality, the property tax revenue of which will be reduced by adoption of**  
16 **the plan; and**

17 **(b) Each local taxing district, the property tax revenue of which will be reduced by**  
18 **adoption of the plan.**

19 **(3) Approval of a plan by the governing body of a local government other than the**  
20 **municipality described in ORS 457.095 may be by resolution.**

21 **(4) If a local government required to approve a proposed plan or proposed amendments**  
22 **to an existing plan under subsection (2) of this section does not approve the plan, the plan**  
23 **may not be adopted by the municipality.**

24 **SECTION 3.** The amendments to ORS 457.085 and 457.105 by sections 1 and 2 of this 2007  
25 **Act apply to urban renewal plans adopted or substantially amended on or after the effective**  
26 **date of this 2007 Act.**

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