

May 18, 2019

Members, Revenue Committee
Oregon House of Representatives

Dear Representatives,

I understand that you will be hearing testimony on HB2174 this Wednesday.

I have significant concerns about this bill and I hope you will consider taking a harder look at it.

As you are aware, urban renewal has a disastrous 60-year history as a driver of displacement and gentrification.

The Legislature authorized cities to create urban renewal districts, funded through tax-increment financing, in 1957. Since that time, as billions of public dollars have been diverted from other vital programs, the State has exercised almost no oversight over urban renewal or TIF and has only rarely considered amendments to the law. The last amendments were a decade ago. The result of this abrogation of responsibility by the Legislature has been tragic for low-income and immigrant communities here in Portland.

As administered by the Portland Development Commission, urban renewal is responsible for decimating our City's historic low-income Italian, Jewish, Chinese and African-American communities. Those people and businesses were in the way of more lucrative development and wealthier newcomers, so they had to go.

It's not just history. The strategies that led to displacement of those historic neighborhoods are continuing today in places like Lents and Gateway.

The statutory amendments that you are considering are being presented as "technical" and "clarifications." But they're more than that.

As you're aware, when a City creates an urban renewal district, other tax jurisdictions such as counties and school districts see their revenues reduced. Current law requires that urban renewal agencies "confer and consult" with these jurisdictions before acting. HB2174 removes that requirement and would explicitly allow these agencies to act over the objections of other tax jurisdictions. That alone should give you pause about supporting it.

But, more broadly, isn't it long past time that meaningful reforms are considered on this subject? With all the work that Oregon is doing to stabilize housing for low-income Oregonians, shouldn't we demand changes to the program that has so consistently operated to drive low-income people from their homes and neighborhoods?

The Lents Urban Renewal Area is currently under audit, with the result due this summer. When complete, it will likely show that Prosper Portland, formerly the Portland

Development Commission, is again out of compliance with its own plans and has failed to meet legal requirements regarding notice, transparency and community engagement.

Shouldn't you see that report before rubber-stamping their "technical amendments"?

Please help to protect low-income communities in Oregon by stopping this bill until a meaningful and thorough review of needed reforms can be done.

Best Wishes,

John Mulvey