

April 16, 2025

Chair Bowman
Vice-chair Drazen
Members of the House Committee on Rules

I am writing in support of HB 3499.

Financing for urban renewal districts is described as tax increment financing. To quote the Staff Measure Summary:

“Most urban renewal plans are funded through a tax increment financing mechanism. When the urban renewal plan is created, the assessed value of property within its boundaries is locked in time, or frozen, at the amount calculated from the last certified tax roll prior to the plan's approval. The agency then raises revenue in subsequent years from any value growth above the frozen amount; this value growth is referred to as the increment.”

If the process worked as described above, I would have no concern about urban renewal districts and plans. I do not own property within an urban renewal district. And, if I did, I would expect to benefit from the improvements made by the district.

However, tax increment financing does NOT appear to be how urban renewal districts are financed. Urban renewal districts appear to be financed by special property tax levies, levied on all property within the taxing district and not only on property within the urban renewal district.

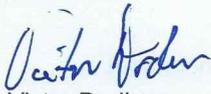
To use our own home as an example, we pay property tax for the City of Salem's urban renewal districts, although our property is not located within any of the City's districts. For 2025-26, we paid a special levy for Salem's urban renewal districts and another for Salem's urban renewal agency. In past years, our property tax bill listed individual levies for each of Salem's active urban renewal districts.

Voters must approve special property tax levies. Urban renewal districts should be no exception.

Please support HB 3499 and move it to the House floor.

In addition, I suggest that the concept of "tax increment financing" as it is applied under Article XI, section 11 (Ballot Measure 50) be better explained. When I hear "tax increment financing," I would not expect to see a special levy on by my property tax bill unless my property is within an urban renewal district.

Thank you.



Victor Dodier
Salem, Oregon