

April 17, 2025

House Committee on Rules
900 Court Street
Salem, Oregon 97301

Chair Bowman and Members of the Committee:

Right now, there are 138 urban renewal areas (URAs) in Oregon, across the state from [Wilsonville](#) to [Bend](#) to [John Day](#) to [Medford](#). Many cities have multiple areas. Urban renewal or tax increment financing (TIF) is an attractive revenue option to cities because of its unique ability to generate revenue without increasing or adding new taxes and its ability to facilitate place-based economic development and redevelopment projects, especially at scale. For most cities, urban renewal areas can be created by ordinance with consent of 3 out of 4 of the largest taxing districts. However, some voters have already amended city charters to require of the vote of the people. HB 3499 would require all URAs and URA amendments to be adopted by the voters could be redundant, expensive, burdensome and hamper positive economic growth in cities. HB 3499 is not needed for the following reasons:

- **In 2019, the Oregon Economic Development Association (OEDA) led a robust stakeholder process to reform how urban renewal was done in Oregon.** The group created what ended up being [HB 2174](#)(2019). Special districts, cities and counties were all at that table. If changes need to be made there should be a similar stakeholder process.
- **Public engagement is already part of the process.** State law requires that an urban renewal agency provides for public involvement in all stages of the development of an urban renewal plan.
- **Public recourse is already available.** Urban renewal plans are already subject to public referendum.
- **Statewide mandates undermine local control.** Cities that wish to require a public vote for urban renewal can already do so through local ordinances or charters. HB 3499 imposes a one-size-fits-all rule that conflicts with Oregon's strong tradition of home rule.
- **Many local projects that utilize urban renewal secure funding from a variety of sources – including State and Federal sources.** If urban renewal is unable to be deployed in a community, projects may be eliminated, or State/Federal Agencies may have to reallocate funding to priority communities. This will further damage state-wide regional collaboration through unnecessary funding competitions among communities.

We urge the committee's opposition to HB 3499.

Respectfully,

Metro Mayors' Consortium
League of Oregon Cities