

Submitter: Traci Hensley
On Behalf Of: the electorate
Committee: House Committee On Rules
Measure, Appointment or Topic: HB3499

Chair Bowman, Vice-Chair Drazan and committee members,

I am writing in support of a very important bill, HB3499.

While I am the City Council President in the city of Canby, I am not writing today on behalf of our council or city administration. I write as a tax paying citizen who has observed

the effects of Urban Renewal Districts for 15 years and have heard the grumblings and complaints of community members.

Urban Renewal (UR) uses Tax Increment Financing (TIF) to complete projects within the designated area, the Urban Renewal District (URD). The claim that TIF is basically

"free money" and that TIF makes development "pay for itself" is a bit dishonest.

While UR does not DIRECTLY tax the voters, it does divert tax revenue from vital public services like fire, police, schools, etc. This has created shortages in the budgets of those agencies and therefore, created the need for local tax levies to fill those holes. This is UR indirectly taxing the people.

In some areas, TIF is used to build housing within the URD. This creates a burden on public services because those new residential units require the service of police, fire, and schools, yet the diverted increases in tax revenue does not allow their required services to be funded. (Testimony by Steve Schopp includes a graph that illustrates this point)

An Urban Renewal plan, or substantial amendment to one, should go before the voters for approval. They need to be given the opportunity to weigh in on whether the proposed

plan is worth the diversion of funding to public services.

The argument that the "nuances of Urban Renewal are very complicated" and it would be difficult for voters to understand them is an insult to the electorate and disenfranchises voters. The impact of Urban Renewal and TIF is not all that difficult to understand when one is being honest in how it works.

Government bodies need to be transparent, and the voters should have the chance to approve plans.

I urge you to support this bill with a YES vote.

Thank you.