

Changes to ORS 457 in 2019 Oregon Legislative Session
HB 2174
Urban Renewal

- Changes to projects that include a public building: Requires concurrence by three of the four taxing districts estimated to forgo the most property tax revenue when a public building project is proposed in an urban renewal plan, added to an existing plan, or amended to significantly increase the scope of work to be paid for by the division of taxes for urban renewal. Public building project is defined:

(12)(a) "Public building" means:

(A) A fire station, police station, public library, public hospital, capitol building, school as defined in ORS 339.315, college, university, city hall or the residence of any state official elected by the state at large;

(B) The grounds owned by a public body adjacent to a building described in subparagraph (A) of this paragraph;

(C) The portion of any other building owned and prepared for occupation or occupied by an agency of the state or a municipal corporation as defined in ORS 297.405; or

(D) A public art statue, sculpture, clock tower or bell tower.

(b) "Public building" does not mean:

(A) Property acquired by an urban renewal agency with the intent to redevelop or sell the property;

(B) Property acquired by an urban renewal agency with the intent to lease the property for a taxable use;

(C) Transportation infrastructure, including train stations, bus stations and publicly owned parking facilities that support taxable property;

(D) Water or wastewater infrastructure facilities, including treatment facilities;

(E) Tourism-related facilities as defined in ORS 320.300; or

(F) Park and recreation facilities, including sports fields.

(13) "Public building project" means an urban renewal project that includes a public building.

- Clarifies 1% of land area amendments: An amendment adding land to the urban renewal area if the addition results in a cumulative addition of more than one percent of the urban renewal area is a substantial amendment. (No more multiple 1% amendments)
- Clarifies 20% of land area limitation: Limits the addition of area to the urban renewal plan by amendment to 20 percent of the total land area of original plan calculated without considering any subsequent reductions of area.
- Adds requirements to annual reports: Requires urban renewal agency's annual report (ORS457.460) to include maximum indebtedness for each urban renewal area included in urban renewal plan of agency, including amount of indebtedness incurred through end

of preceding fiscal year. Requires each annual report to be distributed to each taxing district affected by urban renewal plan of agency.

- Increases consult and confer requirements for new plans and substantial amendments: Requires delivery of urban renewal plan and accompanying report to the governing body of each taxing district affected by an urban renewal plan and allows governing body of taxing district 45 days following receipt to submit written recommendations to urban renewal agency prior to agency presenting plan for approval. Delivery of the plan and report must be through either certified mail or any form of delivery that requires a signature upon delivery.
- Eliminates taking division of taxes on general obligation bonds of other taxing districts (i.e. city, county, school district) when creating a new urban renewal area or substantially amending an urban renewal area: clarifies definitions of standard rate and reduced rate urban renewal plans and eliminates any taking of division of tax revenues for urban renewal districts from general obligations bonds issues by other taxing districts.

Takes effect on 91st day following adjournment sine die.