

Tapes 19-20 (A/B)  
Work Session: HB 2609  
HOUSE COMMITTEE ON REVENUE AND SCHOOL FINANCE  
SUBCOMMITTEE ON PROPERTY TAXATION

April 3, 1991 8:00 AM Hearing Room A State Capitol Building

Members Present: Representative Fred Parkinson, Chair

Representative Kelly Clark

Representative Carl Hosticka

Representative Delna Jones

Representative Jim Whitty

Other Members

Present: Representative Mike Burton

Representative Bev Clarno

Representative Mike Nelson

Representative John Schoon

Staff Present: Jim Scherzinger, Legislative Revenue Officer

Linda Leach, Committee Assistant

Witnesses Present: Representative Cedric Hayden,  
District 38

Oliver Norville, Attorney, Portland

BJ Smith, League of Oregon Cities

Glenn Klein, Attorney, Eugene

TAPE 19 SIDE A

005 CHAIR PARKINSON called the meeting to order at 8:17.

WORK SESSION - HB

260 9

016 JIM SCHERZINGER reviewed Urban Renewal Issues listing subcommittee decisions made and remaining to be made. He reviewed two issues which have driven the discussion on urban renewal: -The effect on urban renewal from Measure 5. -The bonded debt restriction is not as strict for urban renewal bonded debt as it is for other local districts. Bonded debt issued by urban renewal districts is authorized by the Constitution and therefore is outside Measure 5 caps. Exhibit 1

Questions and discussion interspersed.

077 JIM SCHERZINGER reviewed Decisions Made (Urban renewal levy on tax statement). He referred to Proposed Amendments to HB 2609-2, page 2 which reflect the urban renewal levy on the tax statement. Exhibits 1, 2

096 Questions and discussion regarding tax statement.

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House Committee on

Revenue and School Finance

Subcommittee on

Property Taxation

April 3, 1991 Page 2

128 JIM SCHERZINGER continued his review of Decisions Made (Plan contain date or debt limit). He referred to pages 2 and 12 of HB 2609-2 Proposed Amendments. Exhibits 1, 2

147 CHAIR PARKINSON commented on grandfathering of current urban renewal districts.

174 JIM SCHERZINGER reviewed Decisions Made (Define significant plan, amendment to include changes in boundary, date limit, or debt limit) and referred to page 7 of Proposed Amendments of HB 2609-2. He reviewed language relating to a process for a new plan adoption and substantial amendment.

198 Questions and discussion.

213 REP. HAYDEN explained that urban renewal is a major tool for cities and a major consideration for taxpayers. He predicted a large amount of urban renewal districts in the next 2-3 decades which will be outside the \$10 cap of Measure 5. He pointed out the Legislative intent established by the Subcommittee on Property Taxation. He supported a required vote for an urban renewal district.

320 CHAIR PARKINSON commented on strict notification to taxpayers.

325 Questions and discussion regarding petition process by the people of Oregon.

358 Questions and discussion regarding a vote of the people on urban renewal districts.

380 JIM SCHERZINGER reviewed Decisions Made (Allow creating authority to limit levy inside Measure 5 cap) and referred to Proposed Amendments HB 2609-2, page 16. Exhibits 1, 2

400 JIM SCHERZINGER reviewed Decisions Made (Require one elected official on board) and referred to Proposed Amendments HB 2609-2, page 5. Exhibits 1, 2

414 Questions and discussion.

TAPE 20 SIDE A

020 Questions and discussion regarding current urban renewal board members.

044 JIM SCHERZINGER reviewed Decisions Made (Require consultation with affected taxing districts) and referred to Proposed Amendments HB 26092, page 9. Exhibits 1, 2

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House Committee on

Revenue and School Finance

Subcommittee on

Property Taxation

April 3, 1991 Page 3

056 Questions and discussion regarding affirmative language in place of "considered". Exhibit 2, page 9

073 CHAIR PARKINSON commented on a notification issue and explained the urban renewal agencies do not support a vote on an urban renewal plan. Chair Parkinson would support deleting election requirements only if stronger notification rules are adopted.

087 JIM SCHERZINGER reviewed To Be Decided (Notification of plan adoption). He explained current notification rules and plan adoption procedures (non-emergency ordinance). He referred to a handout from the League of Oregon Cities showing Existing Requirements for Public Notification. Exhibits 1, 3

119 OLIVER NORVILLE reviewed Existing Requirements for Public Notification. Exhibit 3

168 Questions and discussion.

250 BJ SMITH reviewed amendments from the League of Oregon Cities relating to improving the notification of plan adoption. Exhibit 4

304 GLENN KLEIN reviewed current law and public meetings act.

326 Questions and discussion regarding which newspaper a plan notification would appear.

385 Questions and discussion.

TAPE 19 SIDE B

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012 Discussion continued regarding newspaper requirements and public meeting notices.

025 CHAIR PARKINSON believed the notification process was critical and discussed the impact from Measure 5 on tax increment financing.

034 Questions and discussion regarding examples of plan notification.

209 ACTING CHAIR WHITTY recessed the meeting at 9:30.  
212 CHAIR PARKINSON reconvened the meeting at 9:58.  
217 JIM SCHERZINGER summarized that the League of Oregon Cities will explore the issue of notification.  
225 JIM SCHERZINGER reviewed subcommittee discussions relating to limiting construction of public buildings under an urban renewal plan and problems with interpretation of current language.

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House Committee on  
Revenue and School Finance  
Subcommittee on  
Property Taxation  
April 3, 1991 Page 4

312 Questions and discussion regarding history of urban renewal (liberal v. strict interpretation).

358 REP. WHITTY referred to League of Oregon Cities amendments to ORS 457 .170 pertaining to financing of public buildings with urban renewal funds. The intent of the proposed amendments is to limit the urban renewal authority to build public buildings which normally would be constructed by a municipality or local government. Exhibit 6

386 JIM SCHERZINGER reviewed issues of:

-Redefining power of agencies.

-Maintain definition of power, but specifically limit power relating to public buildings.

414 Questions and discussion regarding narrowing language presented by the League of Oregon Cities (public buildings). Exhibit 6

TAPE 20 SIDE B

021 REP. CLARK explained the proposed amendments (public buildings) presented by the League of Oregon Cities is based on direction from the subcommittee.

032 Questions and discussion regarding subcommittee concerns relating to abuse of tax increment financing and original purpose of urban renewal districts.

054 Discussion clarifying proposed amendments from the League of Oregon Cities.

080 MOTION REP. WHITTY moved adoption of Amendments from League of Oregon Cities relating to public buildings. Exhibit 6

090 CHAIR PARKINSON supported Rep. Whitty's motion subject to strict notification requirements.

100 ORDER There being no objection, CHAIR PARKINSON so ordered.

100 Questions and discussion regarding subcommittee procedure and urban renewal plan notification concerns.

144 CHAIR PARKINSON conducted administrative business and adjourned the meeting at 10:23.

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House Committee on  
Revenue and School Finance  
Subcommittee on  
Property Taxation  
April 3, 1991 Page 5

Linda Leach Committee Assistant

Kimberly Taylor, Officer Manager

EXHIBIT SUMMARY

1. Urban Renewal Issues, LRO, 4/2/91 - HB 2609
2. Proposed Amendments to HB 2609-2, LRO (See Exhibit 3 from April 2, 1991 Subcommittee on Property Taxation meeting) - HB 2609
3. Existing Requirements for Public Notification, League of Oregon Cities, 4/3/91 - HB 2609
4. Proposed Amendments to HB 2609 (ORS 457.115), League of Oregon Cities, 4/3/91 - HB 2609
5. Benefit Urban Renewal Area Requirements, 4/3/91 - HB 2609
6. Proposed Amendments to HB 2609 relating to public buildings, League of Oregon Cities, 4/3/91 - HB 2609

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