

TAX INCREMENT FINANCING (URBAN RENEWAL) DISTRICTS

Relative Information: The Jackson County Fire District 3 Board of Directors establishes the following general policy relating to urban renewal districts and tax increment financing. The proposed creation of each urban renewal district, or proposed amendments to existing urban renewal plans that increase the maximum indebtedness shall be individually reviewed and scrutinized by staff for economic and operational impact. Results of these findings will be reported to the Board of Directors.

ORS 457.085 requires that urban renewal agencies “shall consult and confer” with each affected taxing district prior to presenting an urban renewal plan for approval, but does not require consultation with such districts during a plan’s development. Therefore, Fire District 3 shall monitor municipalities within its jurisdiction for activity relating to both urban renewal districts and plan amendments and will notify such municipalities of the District’s desire for early consultation and involvement.

ORS 457.085 (5) provides that any written recommendations of the governing body of a taxing district affected by a proposed urban renewal plan shall be accepted, rejected or modified by the governing body of the municipality in adopting the plan. Accordingly, it shall be the policy of this Board to specify to the governing body of the municipality approving the plan, in writing, any of its recommendations that are not included in the proposed plan.

Staff shall evaluate each proposed urban renewal plan and plan amendment that increases maximum indebtedness, for its short-term and long-term economic costs and benefits, and for its operational impact on JCFD3. Such evaluation shall compare the costs and benefits with and without the urban renewal plan or amendment, as appropriate. Upon completion of this evaluation, staff will present a report to the Board.

In supporting our municipal partners’ efforts to create jobs and promote economic development, the Board believes that properly-constructed urban renewal plans that attract private investment, alleviate blighted areas and increase assessed value can ultimately benefit all public service providers. The Staff and Board will continue to dialogue with the sponsoring agency prior to deciding whether to support, oppose, recommend changes, or remain neutral regarding the proposed urban renewal plan.

Believing that upon reaching a plan’s maximum indebtedness urban renewal plans should be retired, the Board will generally oppose plan amendments that seek to increase maximum indebtedness.

Upon review of Staff’s evaluation and report on a proposed urban renewal plan or plan amendment, the Board may:

- a. Support the proposed urban renewal plan and plan amendment when the use of tax increment finance (TIF) is limited, generally, to the types of projects which have been shown to be effective in encouraging private investment, thereby increasing assessed value.
- b. Support the proposed urban renewal plan or plan amendment when the urban renewal plan does not rely exclusively on TIF but, rather, includes other funding sources such as general fund revenues, general obligation bonds and grants.
- c. Oppose approval of the proposed urban renewal plan or plan amendment when TIF is used to fund public amenities that are not shown to be effective in encouraging private investment.

- d. Oppose approval of the urban renewal plan or plan amendment when the use of TIF is proposed to fund improvement which are either outside of the urban renewal area or, to the extent that such improvements serve identified needs which are outside of the urban renewal area, is disproportionate to the relationship (assessed value or territory) of the urban renewal area to the balance of the jurisdiction.
- e. Oppose approval of the urban renewal plan or plan amendment when existing or anticipated District resources are insufficient to meet the anticipated demand caused by proposed plan-supported development.
- f. Recommend or request changes that improve the urban renewal plan or plan amendment; and support, oppose or remain neutral pending the city or county addressing those changes.

Policy Statement: It is the policy of the Board of Directors to review proposed urban renewal plans and determine the level of support the District will provide.