



WHAT IS URBAN RENEWAL?

Urban renewal is a financing program that allows for the concentrated use of property tax revenues to facilitate economic growth in certain designated areas of a city or county where “blight” is found.

Blight can generally be described as areas that are underdeveloped, underperforming, dangerous, deteriorated, or underserved. Examples of “blight” include buildings that are unsafe or unfit for occupancy, inadequate infrastructure, or population loss. The theory of urban renewal is that if public investments are made in the “blighted” area, its properties will contribute more substantially to the local economy and to the property taxes which support all of the taxing jurisdictions.

How is an Urban Renewal Plan financed?

Urban renewal is funded by tax increment revenue. The private investment attracted by public urban renewal investments results in increased property values within the district. These increased property values bring in greater property taxes within the district, which are then used to pay off bonds sold to finance the revitalization efforts. This unique funding mechanism is called tax increment financing (TIF).

When does it make sense to use urban renewal?

Generally, urban renewal makes sense in areas that are physically deteriorating and/or economically depressed. An urban renewal agency may determine that TIF is required to:

- Support catalytic projects to spur new investment in an area,
- Focus necessary public investments in a specific target area,
- Accelerate the timing of necessary infrastructure and transportation projects,
- Incentivize development, redevelopment, or major improvements to a property that might not otherwise occur without TIF, and
- Fund infrastructure projects that might not otherwise occur without TIF.

What is this project?

The Oregon City Urban Renewal Study will take a “second look” at urban renewal as a tool for development/redevelopment in the community. The project will engage stakeholders and the public in a transparent and thoughtful conversation regarding the use of Oregon City’s Urban Renewal District and its impacts on the community.

What can urban renewal pay for and what can it not pay for?

Activities eligible for urban renewal funding generally include:

- Rehabilitation or conversation work,
- Real property acquisition,
- Demolition, removal, or rehabilitation of buildings and improvements,
- Installation, construction, or reconstruction of streets, utilities, and site improvements,
- Assisting in the relocation of persons,
- Disposition of property acquired in the urban renewal area,
- Undertaking and carrying out neighborhood development programs.

Activities that are typically ineligible for urban renewal funding include non-capital improvements, temporary improvements, and grants or loans for operating expenses.

HOW HAS URBAN RENEWAL BEEN USED IN OREGON CITY?

Urban renewal has changed the face of downtown Oregon City.

Since its inception, urban renewal in Oregon City has:

- Provided grants for façade improvements and adaptive reuse/rehabilitation projects.
- Funded streetscape improvements, beautification, and pedestrian and bicycle infrastructure improvements, including projects on Main Street (5th to 10th), McLoughlin Boulevard, 7th Street, and Washington Street.
- Funded community amenities, such as the Clackamas River Trail, the Amtrak Station, and McLoughlin Promenade.
- Relocated City Hall to a more accessible location at the historic, cultural and commercial center of the city and renovated building according to LEED green building standards.
- Provided technical assistance to developers that commit to building on physically and economically challenging sites with high development potential.

What types of projects are typically completed?

Urban renewal can fund a range of activities, including capital projects and development assistance programs, and typically include:

- Utility or infrastructure projects to support new development
- Infrastructure such as streets and utilities
- Streetscape improvements and transportation enhancements, including lighting, trees, sidewalks, pedestrian and bicycle amenities
- Catalyst redevelopment projects, such as mixed-use or infill housing developments
- Storefront improvement grants
- Development assistance grants or incentives for specific desired development types.
- Parks and plazas
- Clean up of brownfield sites
- Property acquisition to aggregate land for desired development
- Public buildings
- Historic preservation projects

History of the Oregon City Urban Renewal District

In 1983, the City adopted its first urban renewal plan, the *Oregon City Downtown Renewal Plan*.

In 1990, the Commission removed the downtown area from the Plan, added project activities and renamed it the *Hilltop Urban Renewal Plan*. The *Hilltop Urban Renewal District* was closed in 2005.

In 1990, a second urban renewal plan was approved for downtown Oregon City, including additional areas adjacent to the downtown: the *Downtown Oregon City/North End Urban Renewal Plan*.

In 2007, the *Downtown Oregon City/North End Urban Renewal Plan* was amended following Oregon City's designation as a Regional Center in Metro's Region 2040 Growth Concept and the *2004 Oregon City Futures Report*.

Who manages the Urban Renewal Program?

The Oregon City Urban Renewal Commission oversees the Urban Renewal program. The Economic Development Department administers the program on behalf of the City Manager and the Urban Renewal Commission.

The purpose of Oregon City Urban Renewal Study is to discuss the future of the City's Urban Renewal District and its impacts on the community. To learn more, visit us online:
www.orcity.org/economicdevelopment/urban-renewal

Have questions?

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