City of Coburg Urban Renewal Agency

Introduction

August 2012

The Coburg City Council activated the Coburg Urban Renewal Agency on January 2, 2001. The Coburg Urban Renewal Agency has prepared the Report ("the Report") to accompany the Coburg Industrial Park Urban Renewal Plan in accordance with Oregon Revised Statutes (ORS), Chapter 457.

The Oregon Constitution allows the Legislature to set up a system to finance urban renewal. Oregon Revised Statute Chapter 457 describes how the system works. This law gives each city and county the ability to activate an urban renewal agency with power to propose and act on plans and projects to remove "blight." Examples of blight include buildings that are unsafe or unfit for occupancy or the existence of inadequate streets. The area where the work is to be done is known as a "plan area."

An urban renewal agency is activated when the city or county governing body declares by ordinance that a blighted area exists in the city or county and there is a need for an urban renewal agency to function in the area. The urban renewal agency proposes a plan for improving the area. Following public notice and hearing, and after considering public testimony and planning commission recommendations, the city or county may approve the urban renewal plan by ordinance. Unless required by local law, no public vote is necessary.

Most urban renewal plans are funded substantially from portions taken out of local government property tax levies (division of tax revenue). Many urban renewal plans adopted before December 6, 1996 may also raise revenue from an urban renewal levy (special levy revenue). These resources may only be used to pay principal and interest on indebtedness the agency has incurred for the urban renewal plan. When these resources have accumulated sufficiently to pay off all outstanding principal and interest on indebtedness, the urban renewal agency is required to notify the assessor to stop division of tax. Coburg Urban Renewal Agency is funded by division of property tax.