

EXPLANATORY STATEMENT FOR MEASURE NO. 3-407

Submitted by the Oregon City Commission

Urban renewal agencies in Oregon are established by Oregon statutes and are separate municipal entities from cities. Urban renewal agencies may issue bonded indebtedness to fund projects under an urban renewal plan upon the approval of the agency's governing body (an Urban Renewal Commission or "URC"). This measure would amend the Oregon City Charter by adding an additional step, beyond current state law, of voter approval for bonded indebtedness issued by the URC. Urban renewal plans must be approved by the City to be effective. While the City may not, in a charter amendment, directly restrict the Oregon City Urban Renewal Commission, this measure seeks to impose the voter approval requirement by adding that requirement to existing urban renewal plans, and to any future plans and plan amendments that are approved by the City Commission.

While the Question in the ballot title refers to "future" urban renewal plans, the measure seeks to affect all urban renewal plans, including those already approved and for which bonded indebtedness is authorized. The measure seeks to require voter approval for bonded indebtedness that finances existing urban renewal projects for which bonded indebtedness is currently permitted, unless the URC enters into a binding, written commitment for those projects, or issues bonded indebtedness for those projects, before the measure takes effect. This is because the measure seeks to amend existing urban renewal plans to require such a vote.

The measure allows bonded indebtedness to be issued without voter approval to refund borrowings that were executed before the measure takes effect, and to finance written commitments of the URC that were made before the effective date of the measure.

The measure defines "bonded indebtedness" to mean any formally executed written agreement representing a promise by a unit of government to another a specified sum of money, at a specified date or dates at least one year in the future. This means that the measure does not limit borrowings or other commitments of less than one year.