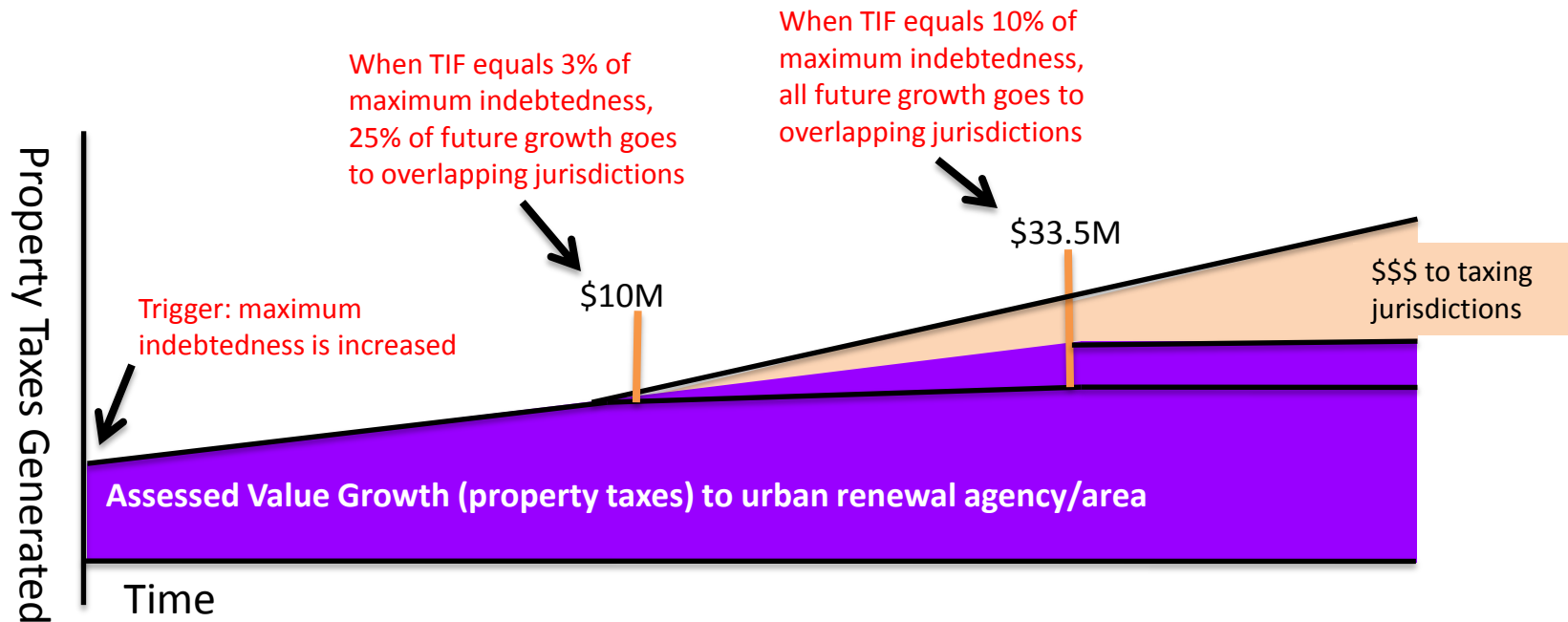


PROPOSED CHANGES TO ORS 457 FOR “LARGE METROPOLITAN PLANS”

When/if a district increases maximum indebtedness

Example: Assuming maximum indebtedness = \$335M



How Rules Apply to Existing Districts (blue text indicates Portland/Mult. Cty. /PPS/etc. deal only)

1. This legislative is not retroactive. It only applies to existing plans when they increase maximum indebtedness (Max. Ind.) According to the new law, Max. Ind. can be increased by 20% of what it had been prior to changes in legislation.
2. Assuming a Max. Ind. of **\$335M** prior to new legislation it could increase Max. Ind. by ~ **\$67M** ($\$335 \times .20$) to reach ~ **\$402M**
3. Any increase above the total Max. Ind. (**\$402M**) requires **concurrence*** by 75% of the overlapping jurisdictions.
4. Sharing occurs when URA receives tax increment revenues equivalent to 3% of **original indebtedness** ($\$335M \times .03 \approx \$10M$). A full release occurs when revenues are equivalent to 10% of Max. Ind. ($\$335M \times .10 \approx \$33.5M$.)

*Concurrence:

Concurrence from taxing jurisdictions who would otherwise collect 75% of the property taxes which flow to urban renewal areas is required for specific actions. Concurrence would come in the form of a resolution supporting the action. Concurrence is required for:

- a. Setting initial Max Ind. at a level above the prescribed formula
- b. Increasing Max. Ind. above 20% of original amount