EXPLANATORY STATEMENT

This measure asks whether the City of Wilsonville should adopt Ordinance No. 905 creating the **Town Center Development District** (the "District"), an urban renewal district established under Oregon law. If approved, the Ordinance would adopt the **Town Center Development District Plan** (the "Plan") and authorize the use of tax increment financing to address blight and help fund eligible projects identified in the Plan.

Full Text & Documents

Additional information, including Ordinance No. 905, the Plan, and the accompanying Report, is available at **https://www.wilsonvilleoregon.gov/ord-905**.

What would the District do?

The Town Center Plan, adopted in 2019 following a multi-year public engagement process, establishes a long-term vision for the area. The proposed Plan would provide one financing tool—**tax increment financing (urban renewal)**—to help fund programs and public improvements supporting that vision.

The proposed District includes property within and adjacent to Town Center Loop and the Village at Main commercial area south of Wilsonville Road.

Private development projects (new buildings) would remain subject to applicable land use review, building permits, fees, and other City approvals.

What projects could be funded?

The Plan identifies eligible public projects and programs, including:

- Parks and public gathering spaces
- Parking facilities
- Economic development programs, incentives for a food cart pod and small businesses
- Transportation, sidewalk, bicycle, and pedestrian improvements
- Utility infrastructure

Together, these projects are intended to address blight and facilitate redevelopment.

How does tax increment financing work?

Tax increment financing uses growth in assessed property values within the District, occurring after its creation, to repay debt issued for eligible projects. The portion of tax revenues attributable to growth within the District is called ‘tax increment.’

The measure would not establish a new property tax or increase existing property tax rates.

The Plan authorizes up to **$152 million** in principal indebtedness, borrowed in portions over time, with tax increment collection anticipated for **28 years**, through fiscal year **2056**.

<u>What is the development forecast?</u>

The technical Report accompanying the Plan assumes gradual redevelopment, including **2,381 housing units** and **1.1 million square feet of new commercial development**.

The Report also assumes the District's taxable assessed value could increase from approximately **$206 million** in 2027 to approximately **$1.7 billion** if forecasted redevelopment occurs.

These assumptions are used for financial planning and analysis. They do not approve, require, or guarantee that redevelopment or future assessed values will occur as forecast.

After the District closes, tax increment collection stops and the full assessed value of the area would be available to all taxing districts. This new, larger tax base becomes a part of the fiscal foundation for future public services.

<u>What happens next?</u>

If this measure passes, the City will undertake the required statutory steps to consider adoption of Ordinance No. 905 – namely, conferring with overlapping taxing districts, a public hearing before the Planning Commission, public notice, and a public hearing before the City Council.

If the measure fails, the District will not be created at this time.