

VOTE YES on House Bill 4084

Authorizes local governments to offer property tax incentives to stimulate brownfield cleanup and redevelopment

Many of the more than 13,500 brownfields in Oregon have sat idle for years without the landowners investing in cleanup and redevelopment. These properties pose potential threats to human health and the environment and represent "dead zones" that undermine economic development, degrade community livability, and depress the value of neighboring properties. Cleanup of these sites can eliminate blight and health hazards, return the sites to productive use, create jobs and increase local and state tax revenues.

HB 4084 authorizes a city, county or port to adopt a property tax incentive program to spur the remediation of brownfield sites. By offering property tax reductions linked to cleanup costs, local governments can offset some or all of the high costs of remediation that often constitute a barrier to redevelopment, thereby helping to end the cycle of disinvestment in brownfields. Additionally, HB 4084 enables local jurisdictions to shape their programs in a way that matches local values and community needs, which is critical to their long-term use and success. (See reverse for summary of provisions.)

Although a suite of tools will be needed to address the ongoing brownfield issue in Oregon, this bill represents a very important step in expanding the range of solutions available to local communities. Of course, adoption of a property tax incentive program under this legislation is completely optional for a local government.

The entities below urge you to support HB 4084.



From the desks of
Representative Caddy McKeown
and
Representative John Daris

HB 4084: Property Tax Incentives for Brownfield Cleanup Summary

- Authorizes a local government (city, county or port), by resolution or ordinance, to adopt a program providing property tax incentives to landowners for cleanup and redevelopment of contaminated sites
- Incentives include special assessment for land value and exemption for value of improvements and personal property
- Program may offer incentives for up to 10 years, with the option to extend for 5 years according to locally determined criteria contained in the ordinance or resolution
- Total tax benefit may not exceed cost of cleanup
- Cleanup must be conducted according to an agreement with, an order of, or a process or program authorized by DEQ
- Adoption of a property tax incentive program is completely optional for the local government, which can shape its program to meet local needs – or choose not to create a program at all
- Eligibility is limited to property owners who did not cause, contribute to or exacerbate contamination at the brownfield
- Excludes properties under central assessment, federal Superfund sites, and state-appraised industrial property (generally industrial properties valued at \$1 million or more)
- Bill lays out application requirements, eligible costs, clawback requirements in case of violations
- Local program doesn't go into effect unless taxing districts representing 75% of total combined rate agree
- 10-year sunset