

Why is Urban Renewal on my Property Tax Bill?

The City of Scappoose formed an urban renewal area in 2019. The City is working to improve the area to promote the emergence of a vibrant town center as a civic and cultural hub for Scappoose that is connected to surrounding neighborhoods and employment areas. One of the main goals of the Plan is to support the growth and retention of local businesses. The projects will improve transportation, water, wastewater and stormwater infrastructure to support job growth and encourage redevelopment and infill in the town center.

Urban renewal is not a new tax and does not increase individual property tax bills. Urban renewal allows for the use of tax increment financing to fund its projects. The financial impact of urban renewal is born by the taxing jurisdictions. While the urban renewal area is active, the taxing jurisdictions' revenue from the area (including the City) remains largely fixed, and the tax revenue from the increases in assessed value goes to the urban renewal area to pay for projects that help to spur new investment. When the urban renewal district expires, taxing jurisdictions can expect to receive more tax revenue than they would have without an urban renewal area due to the increased assessed values stemming from the increased investment in the area.

Every property owner in Scappoose will see a new line item on their 2020 property tax bill that represents the amount of funds allocated to the Scappoose Urban Renewal Agency. Even though your property may not be in the urban renewal area, you will contribute to the funds allocated to the urban renewal agency. The process the assessor must go through to allocate urban renewal funds is complicated and is explained in a video on our website titled: Why is Urban Renewal on my Property Tax Bill? <https://www.ci.scappoose.or.us/ed/page/urban-renewal>. Again, this does not mean your property taxes have increased as a result of urban renewal. If there were not an urban renewal area, you would still pay the same amount of property taxes, it would just be allocated differently.