

BEFORE THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT

AN ORDINANCE FOR THE PURPOSE OF)
SUBMITTING A TAX BASE MEASURE)
TO THE PEOPLE OF THE DISTRICT)
ORDINANCE NO. 80-99
Introduced by the Council
Coordinating Committee

THE METRO COUNCIL FINDS THAT:

1. In the May, 1980, Primary election, voters approved two serial levies for the Zoo, totaling \$5 million. Conversion of the approved Zoo serial levies to a combined Zoo-Metro tax base of \$5,247,000 would increase the amount eligible for State tax relief by \$3.8 million in FY 1981-82.
2. This conversion would reduce homeowner property taxes by 19 percent during the first year as compared to the cost of the approved Zoo serial levies alone. For example, the owner of a \$50,000 home would pay approximately \$7.28 per year for the proposed tax base as compared to \$9.05 for the Zoo levies alone. (The savings is based on an estimate of the total assessed valuation for FY 1982.)
3. As part of the proposed replacement of the Zoo serial levies with a Zoo-Metro tax base, the Council will dedicate \$4,547,000 of the tax base per year plus an annual six percent increase to the Zoo which will meet all commitments to fund Zoo operations. All capital projects included in the Zoo serial levy (approved by voters in May, 1980) would be financed by the tax base. The remaining amount (\$700,000) would allow continuation of current Metro services in transportation, land use, housing, economic development, drainage and air quality.

4. A Zoo-Metro tax base would provide a permanent funding source for the Zoo and eliminate uncertainty in the delivery of Metro services.

5. Metro will set budget priorities within the limits of the proposed tax base. All existing Zoo programs and those committed to in approved levies will be funded. In addition, existing Metro functions will continue to be funded. New Metro programs would be funded only when such programs can be funded by sources other than local property taxes, meet Metro Council priorities, and/or are compatible with Metro's Five-Year Operational Plan.

6. Metro's current funding sources include State and federal grants, fees for services, the Zoo levies and dues assessed on cities and counties. Those local government dues, which comprise two percent of Metro's total FY 1981 budget, support the General fund and certain planning activities. Metro's authority to assess these dues expires in June, 1981. The proposed tax base would replace the local government dues and the two Zoo serial levies approved in May, 1980, providing continuing funding for all existing Zoo-Metro functions at a 19 percent reduction in homeowner property taxes.

7. To replace existing and approved funding, and to provide such replacement funding on a continuing basis, a tax base is found to be the best alternative.

THEREFORE,

THE COUNCIL OF THE METROPOLITAN SERVICE DISTRICT HEREBY ORDAINS:

Section 1. Based upon the above findings, the Metro Council directs that a tax base of \$5,247,000, to be effective July 1, 1981,

be submitted to the voters of the District at the General election on November 4, 1980.

Section 2. Beginning with FY 1981-82, the Council will dedicate funds from such tax base in the amount of \$4,547,000 per year plus an annual six percent increase, to the Zoo. While this is a reduction in the recently approved \$5,000,000 per year Zoo serial levies, the compounding of the six percent increase allowed for tax bases by State law will give the Zoo the same amount of operating funds as provided in the serial levies. All capital projects included in the Zoo serial levies would be financed by the tax base.

Section 3. The ballot title for the tax base measure shall be as follows:

Replaces Zoo-Metro levies with tax base; provides homeowner tax relief.

Question: Shall the Metropolitan Service District establish a tax base of \$5,247,000, partially State-financed, for the Zoo and Metro.

Purpose: This measure establishes a tax base of \$5,247,000 pursuant to Article XI, Oregon Constitution. A tax base of \$5,247,000 would replace approved Zoo serial levies and existing assessments levied by Metro upon cities and counties, and would provide continuing funding for Metro activities authorized by law beginning with FY 1981-82. The amount of property taxes eligible for State tax relief would be increased by \$3.8 million.

Explanation: Metro funding is primarily from federal grants, user fees, assessments upon cities and counties and voter approved Zoo serial levies. Local government assessments expire at the end of FY 1980-81. This tax base would replace those assessments and the Zoo levies, with no decrease in Zoo operations funding, and would provide for continuing services of the Zoo and other authorized Metro functions. The approved Zoo serial levies total \$5,000,000 per year,

beginning FY 1981-82, \$1,456,923 of which is eligible for tax relief. This tax base would provide \$5,247,000 per year for all Zoo-Metro functions, all eligible for State tax relief, increasing the amount eligible for State tax relief by \$3.8 million. The tax base could be increased up to six percent per year without voter approval, which amount would also be eligible for tax relief. A tax base is partially financed by the State of Oregon.

Section 4. The above ballot title shall be filed with the Director of Records and Elections of Multnomah County not later than August 8, 1980.

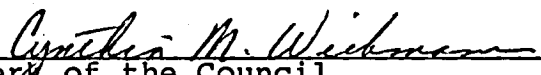
Section 5. If the tax base proposed by this ordinance is adopted by the voters of the District, those two serial levies for Zoo operations and capital proposed by Metro Ordinance No. 80-86 and approved by the voters of the District on May 20, 1980, are rescinded, and Ordinance No. 80-86 is repealed.

ADOPTED by the Council of the Metropolitan Service District
this 7th day of August, 1980.



Presiding Officer

ATTEST:



Clerk of the Council

MK:bk
9322/33

A G E N D A M A N A G E M E N T S U M M A R Y

TO: Metro Council
FROM: Executive Officer
SUBJECT: Submitting Metropolitan Service District Tax Base

I. RECOMMENDATIONS:

- A. ACTION REQUESTED: Hold first reading and public hearing on Ordinance No. 80-99 submitting Metro tax base.
- B. POLICY IMPACT: The level of the tax base will have a major impact on program priorities for Metro. The tax base would contribute the major portion of local revenues used to provide grant match and to carry out non-grant-funded programs.
- C. BUDGET IMPACT: The tax base will determine the major portion of local revenues available to Metro.

II. ANALYSIS:

- A. BACKGROUND: The tax base proposal is the result of extensive work with the Finance Task Force and the development of a five year work program involving citizens and local officials.
- B. ALTERNATIVES CONSIDERED: The proposal is based on the alternative selected by the Council on July 10, 1980 from options presented to them on that date.
- C. CONCLUSION: Hold first reading and public hearing on Ordinance No. 80-99.

Copies of the Ordinance will be distributed when available.



METROPOLITAN SERVICE DISTRICT
527 S.W. HALL ST., PORTLAND, OR. 97201, 503/221-1646

Rick Gustafson
EXECUTIVE OFFICER

September 29, 1980

Metro Council
Marge Kafoury
PRESIDING OFFICER
DISTRICT 11

Jack Deines
DEPUTY PRESIDING
OFFICER
DISTRICT 5

Donna Stuhr
DISTRICT 1

Charles Williamson
DISTRICT 2

Craig Berkman
DISTRICT 3

Corky Kirkpatrick
DISTRICT 4

Jane Rhodes
DISTRICT 6

Betty Schedeen
DISTRICT 7

Ernie Bonner
DISTRICT 8

Cindy Banzer
DISTRICT 9

Gene Peterson
DISTRICT 10

Mike Burton
DISTRICT 12

Mr. Daniel O. Potter
County Administrator
Administration Building
150 North 1st
Hillsboro, Oregon 97123

Dear Mr. Potter:

Enclosed is a true copy of Ordinance No. 80-99 adopted by the Council of the Metropolitan Service District on August 7, 1980.

Also enclosed is a true copy of a Judgment and Order handed down by Clifford B. Olsen, Circuit Judge, on August 25, 1980, which revised portions of this Ordinance.

Please file these copies in the Metro ordinance files.

Sincerely,

Cynthia M. Wichmann
Clerk of the Council

CMW



METRO

METROPOLITAN SERVICE DISTRICT
527 S.W. HALL ST., PORTLAND, OR. 97201, 503/221-1646

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Mike Burton
DISTRICT 12

Mr. George Poppen
County Clerk
Clackamas County Courthouse
Oregon City, Oregon 97045

Dear Mr. Poppen:

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September 29, 1980

Clerk of the Board
Room 606
Multnomah County Courthouse
Portland, Oregon 97204

Gentlemen:

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Clerk of the Council

: cmw

IN THE CIRCUIT COURT OF THE STATE OF OREGON
FOR THE COUNTY OF MULTNOMAH

THOMAS P. DENNEHY

Petitioner,

vs.

MAJORIE MURLIN KAFOURY, Presiding
Officer of the Metropolitan
Service District Council,

and

WILLIAM J. RADA KOVICH, Director of
Elections for Multnomah County,

Respondents.

NO. A-8008-04657

JUDGMENT AND ORDER

This matter having come before the Court pursuant to ORS 255.155 for review of a ballot title; and arguments having been heard from the parties hereto; and the Court having been fully advised in the premises, now therefore,

IT IS ORDERED, That the ballot title for the tax base measure adopted by Metro Ordinance No. 80-99 and submitted by the Metropolitan Service District to the Multnomah County Director of Elections on August 8, 1980, for referral to the voters of the district at the November, 1980 General Election shall read as follows:

REPLACES ZOO/METRO LEVIES WITH TAX BASE

Question:

Shall Metro establish a new partially State-financed tax base of \$5,247,000 to replace current Zoo/Metro levies and local

METROPOLITAN SERVICE DISTRICT
527 S. W. Hall Street
Portland, Oregon 97201
Telephone (503) 221-1646

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assessments?

Purpose:

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Explanation:

Metro funding is primarily from federal grants, user fees, assessments upon cities and counties and voter-approved Zoo serial levies. Local government assessments expire at the end of FY 1980-81. This tax base would replace those assessments and the Zoo levies, with no decrease in Zoo operations funding, and would provide for continuing services of the Zoo and other authorized Metro functions. The approved Zoo serial levies total \$5,000,000 per year, beginning FY 1981-82, \$1,456,923 of which is eligible for tax relief. This tax base would provide \$5,247,000 per year for all Zoo/Metro functions, all eligible for State tax relief, increasing the amount eligible for tax relief by \$3.8 million. The tax base could be increased up to six percent per year without voter approval, which amount would also be eligible for tax relief. A tax base is partially financed by the State of Oregon.

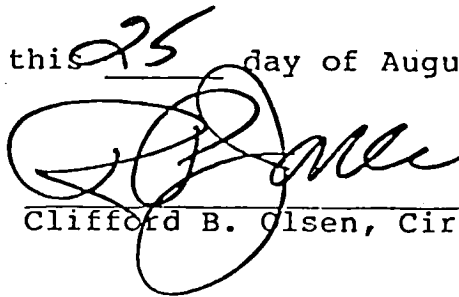
METROPOLITAN SERVICE DISTRICT
527 S. W. Hall Street
Portland, Oregon 97201
Telephone (503) 221-1646

IT IS FURTHER ORDERED, That the above ballot title, approved by the Court, is hereby certified to the Multnomah County

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1 Director of Elections in substitution of the ballot title originally
2 filed by Metro.

3 SO ORDERED AND ADJUDGED this 25 day of August, 1980..

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5
6 Clifford B. Olsen, Circuit Judge

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8 AJ/gl
9 91B/150

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METROPOLITAN SERVICE DISTRICT
527 S. W. Hall Street
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ORDINANCE NO. 80-99

TITLE AN ORDINANCE FOR THE PURPOSE OF
SUBMITTING A TAX BASE MEASURE TO THE
PEOPLE OF THE DISTRICT

DATE INTRODUCED July 24, 1980
FIRST READING July 24, 1980
SECOND READING August 7, 1980
DATE ADOPTED August 7, 1980
DATE EFFECTIVE August 7, 1980

ROLLCALL

	Yes	No	Abst.
Burton	X		
Stuhr	X		
Williams	X		
Berkman	X		
Kirkpatrick	X		
Deines	X		
Rhodes	X		
Schedeen	X		
Miller Bonner	X		
Banzer	X		
Peterson	X		
Kafoury	X		