

BEFORE THE COUNCIL OF THE  
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF PROVIDING ) RESOLUTION NO. 90-1213  
THE ASSESSMENT OF DUES TO LOCAL ) Introduced by Rena Cusma,  
GOVERNMENTS FOR FY 1990-91 ) Executive Officer

WHEREAS, ORS 268.513 authorizes the Council of the Metropolitan Service District (Metro) to "charge the cities and counties within the District for the services and activities carried out under ORS 268.380 and 268.390"; and

WHEREAS, Metro Ordinance 84-180 requires the Metro Council to seek the advice of the Local Government Advisory Committee regarding the assessment of dues as authorized by ORS 268.513; and

WHEREAS, The Joint Policy Advisory Committee on Transportation and the Urban Growth Management Policy Advisory Committee were appointed as the Local Government Advisory Committee by Resolution No. 90-1212 and this requirement has been fulfilled; now, therefore,


BE IT RESOLVED:

1. That the Metro Council hereby establishes local government dues assessment within the District in the amount of \$.51 per capita for FY 1990-91.

2. That notification of the assessment be sent to all cities and counties within the District, Tri-Met and the Port of

Portland prior to March 2, 1990.

ADOPTED by the Metro Council this 22nd day of February,  
1990.

  
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Tanya Collier, Presiding Officer

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STAFF REPORT

CONSIDERATION OF RESOLUTION NO. 90-1213 FOR THE PURPOSE  
OF PROVIDING THE ASSESSMENT OF DUES TO LOCAL GOVERN-  
MENTS FOR FY 1990-91.

Date: January 24, 1990

Presented by: Andrew Cotugno  
Rich Carson

FACTUAL BACKGROUND AND ANALYSIS

Assessment Authorization and Procedure

ORS 268.513 (Exhibit A) authorizes the Metro Council to:

"charge the cities and counties within the District for the services and activities carried out under ORS 268.380 and 268.390."

If the Council follows the recommendation of the Local Government Advisory Committee and determines that it is necessary to charge these local governments, it must establish the total amount to be charged and assess each city and county on the basis of population. The assessment cannot exceed \$.51 per capita per year.

In making the assessment, the Council is required to notify each city, county, Tri-Met and the Port of Portland of its intent to assess and the amount of the assessment at least 120 days before the beginning of the fiscal year for which the charge will be made. The notification for the FY 1990-91 assessment must be made prior to March 2, 1990. Assessments must be paid before October 1, 1990.

TPAC, JPACT and the Urban Growth Management PAC have reviewed the proposed dues assessment and recommend approval of Resolution No. 90-1213.

Proposed FY 1990-91 Assessment

The attached (Exhibit B) shows the population figures and proposed assessment schedule. The values are based upon the latest certified population figures from the Center for Population Research and Census at Portland State University. Each county's unincorporated population estimate is based upon data provided by the Center for Population Research and Census using a formula devised by Metro staff (Exhibit C).

The total assessment at 51¢ per capita for cities and counties and at 12.5 percent of that rate for Tri-Met and the Port of Portland is \$658,432. Consistent with the FY 89-90 budget, the proposed distribution to Metro's planning functions are as follows:

	<u>Actual</u> FY 89-90	<u>Proposed</u> FY 90-91
Transportation Department	\$397,000	\$405,410
Planning and Development Department	<u>247,773</u>	<u>253,022</u>
	\$644,773	\$658,432

Transportation Department

Use of the dues for Transportation Planning generally falls into the following major categories:

1. Grant Match - \$122,000 - The dues plus ODOT and Tri-Met local match are used to leverage federal funding toward Transportation Planning. The program areas, which will be fully described in the FY 91 Unified Work Program, include:

Model Refinement

Regional Transportation Plan

I-205, Milwaukie, Hillsboro Alternatives Analyses

Transportation Improvement Program

Bi-State Study

Southeast Corridor Study

Cornell/Burnside Traffic Study

Regional LRT System Plan

Management and Coordination

2. Data Resource Center - \$168,000 - The Data Resource Center publishes periodic updates of historical and forecasted population and employment growth throughout the Portland metropolitan area. In addition, the Regional Land Information System (RLIS) is under development to improve the quality and utility of land use-related data. Funding sources for the Data Resource Center include dues, transportation grants, solid waste fees and Metro's General Fund. Of the total budget, the dues share is approximately 25 percent. Revenues collected from data sales are used to reduce the dues share of this budget.
3. Direct Project Costs - \$115,000 - A variety of project costs that may not be grant eligible are funded with 100 percent dues funding. Included are various costs such as furniture, supplies, computers, training, travel, support from public affairs and legal counsel and support in participating in development of state land use requirements affecting transportation planning.

Planning and Development Department

Dues are used to support the Department's regional planning programs on a proportionate basis. Dues are proposed to be expended as follows:

Land Use Administration . . . . .	\$ 77,071
Urban Growth Management . . . . .	32,943
Parks and Natural Areas . . . . .	53,666
Water Resources Policy. . . . .	53,033
Housing Policy. . . . .	23,430
Local Government Coordination . . . . .	<u>12,879</u>
	\$253,022

Metro Excise Tax

The Metro Council is currently contemplating an excise tax on its enterprise functions to provide a source of funding for the general government functions of Metro. The effect of this action on Metro's planning functions is significant.

1. Overhead Rate - Each of Metro's department cost for support services (such as utilities, accounting, etc.) will be reduced when the general government function begins paying a share of the support service costs. This results in a reduced overhead charge on all Transportation Department planning projects and therefore all dues and grant-funded activities.
2. Reduction of Dues - The Metro Council will consider as part of the FY 90-91 budget process a reduction of the dues with some of the dues-funded functions of the Planning and Development Department funded through the excise tax instead. This potentially represents a reduction to a dues assessment of 30-35¢ per capita.
3. RLIS Implementation Schedule - The Metro Council will be considering whether to accelerate the implementation schedule for RLIS from 28 months to 16 months through contracting out a portion of the development work. Up to \$150,000 of consultant support is feasible of which a portion could be dues-funded if the excise tax results in a reduction of the dues. Metro staff is recommending a one-third share from dues funding or \$50,000. If this recommendation is adopted, the total dues assessment would be 35-40¢ per capita.

The final decision on whether an excise tax is implemented, at what level and for what purposes will be finalized by July 1, 1990. In addition, the tax is not final until after the referral period is concluded. As such, the notification to local governments on the dues assessment required by March 2, 1990 will be for 51¢ per capita. If an excise tax results in a reduction in the dues, the billings to be sent out after July 1, 1990 will be for the reduced level that is finally adopted through the budget process.

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends adoption of Resolution No. 90-1213.

**268.513 Service charge for planning functions of district.** (1) The council shall consult with the advisory committee appointed under ORS 268.170 before determining whether it is necessary to charge the cities and counties within the district for the services and activities carried out under ORS 268.380 and 268.390. If the council determines that it is necessary to charge cities and counties within the district for any fiscal year, it shall determine the total amount to be charged and shall assess each city and county with the portion of the total amount as the population of the portion of the city or county within the district bears to the total population of the district provided, however, that the service charge shall not exceed the rate of 51 cents per capita per year. For the purposes of this subsection the population of a county does not include the population of any city situated within the boundaries of that county. The population of each city and county shall be determined in the manner prescribed by the council.

(2) The council shall notify each city and county of its intent to assess and the amount it proposes to assess each city and county at least 120 days before the beginning of the fiscal year for which the charge will be made.

(3) The decision of the council to charge the cities and counties within the district, and the amount of the charge upon each, shall be binding upon those cities and counties. Cities and counties shall pay their charge on or before October 1 of the fiscal year for which the charge has been made.

(4) When the council determines that it is necessary to impose the service charges authorized under subsection (1) of this section for any fiscal year, each mass transit district organized under ORS chapter 267 and port located wholly or partly within the district shall also pay a service charge to the district for that fiscal year for the services and activities carried out under ORS 268.380 and 268.390. The charge for a mass transit district or port shall be the amount obtained by applying, for the population of the mass transit district or port within the boundaries of the district, a per capita charge that is 12-1/2 percent of the per capita rate established for cities and counties for the same fiscal year. Subsections (2) and (3) of this section apply to charges assessed under this subsection.

FY 90-91 METRO DUES

JURISDICTION	POP EST 1989	ASSESS. @ \$.51/	IN METRO	TOTAL COUNTY	NOT IN METRO
CLACKAMAS CO. (Unincorp.)	91790	\$46,812.95			
Gladstone	9685	\$4,939.35			
Happy Valley	1530	\$780.30			
Johnson City	480	\$244.80			
Lake Oswego	29428	\$15,008.28			
Milwaukie	18830	\$9,603.30			
Oregon City	14975	\$7,637.25			
Rivergrove	335	\$170.85			
West Linn	14270	\$7,277.70			
Wilsonville	5800	\$2,958.00	187123	265500	78377
MULTNOMAH CO. (Unincorp.)	67735	\$34,544.94			
Fairview	1975	\$1,007.25			
Gresham	65470	\$33,389.70			
Maywood Park	830	\$423.30			
Portland	432175	\$220,409.25			
Troutdale	7375	\$3,761.25			
Wood Village	2610	\$1,331.10	578170	581000	2830
WASHINGTON CO. (Unincorp.)	126036	\$64,278.49			
Beaverton	44265	\$22,575.15			
Cornelius	5105	\$2,603.55			
Durham	800	\$408.00			
Forest Grove	12180	\$6,211.80			
Hillsboro	33810	\$17,243.10			
King City	1955	\$997.05			
Sherwood	3000	\$1,530.00			
Tigard	27050	\$13,795.50			
Tualatin	13340	\$6,803.40	267541	295000	27459
Local Assessment	1032835	\$526,745.60	1032835	1141500	108665
Port of Portland		\$65,843.20			
Tri-Met		\$65,843.20			
TOTAL PROPOSED ASSESSMENT		\$658,432.00			

Population estimates are based on the July 1, 1989 certified estimates of population for Oregon prepared by the Center for Population Research and Census, Portland State University. The unincorporated county population estimate inside Metro is based upon data from the 1980 U.S. Census and from the 1980 Center for Population Research and Census estimates.

CLACKAMAS COUNTY

1989 Unincorporated population estimate	=	152317
1980 Census unincorporated population	=	146265
Difference	=	6052
6052	/	146265 = 0.0414
0.0414	*	88143 (1980 inside Metro) = 3647
3647	+	88143 (1980 inside Metro) = 91790

MULTNOMAH COUNTY

1989 Unincorporated population estimate	=	70565
1980 Census unincorporated population	=	150839
Difference	=	-80274
-80274	/	150839 = -0.5322
-0.5322	*	144790 (1980 inside Metro) = -77055
-77055	+	144790 (1980 inside Metro) = 67735

WASHINGTON COUNTY

1989 Unincorporated population estimate	=	151845
1980 Census unincorporated population	=	141368
Difference	=	10477
10477	/	141368 = 0.0741
0.0741	*	117340 (1980 inside Metro) = 8696
8696	+	117340 (1980 inside Metro) = 126036



INTERGOVERNMENTAL RELATIONS  
COMMITTEE REPORT

RESOLUTION NO. 90-1213, PROVIDING FOR THE ASSESSMENT OF DUES  
TO LOCAL GOVERNMENTS FOR 1990-1991

Date: February 14, 1990

Presented By: Councilor Jim Gardner

COMMITTEE RECOMMENDATION: At the February 13, 1990, Intergovernmental Relations Committee meeting, Councilors Devlin, McFarland, Ragsdale and myself were present and voted unanimously to recommend Council adopt Resolution No. 90-1213. Councilor Bauer was excused.

COMMITTEE DISCUSSION/ISSUES: Transportation Department Director Andy Cotugno and Planning and Development Department Director Rich Carson presented the resolution which provides for a 51 cents per capita local government dues assessment for FY90-91. As noted in the staff report, the dues assessment is authorized under ORS 268.513; the assessment cannot exceed \$.51 per capita per year; and in making the assessment, the Council by March 1 must notify each local government of the intended assessment. The Council is also required to consult with local governments through a "Local Government Advisory Committee". This year, the Council approved Resolution No. 90-1212 appointing the Joint Policy Advisory Committee on Transportation (JPACT) and the Urban Growth Management Policy Advisory Committee (UGM PAC) jointly to serve as the advisory committee.

The Committee reviewed the staff report which describes broadly the intended use of dues revenues. Mr. Cotugno reported JPACT had no objections to the resolution and several members offered clear points of support. It was noted Metro Councilors attending JPACT and the UGM PAC stressed any potential dues reductions from a Metro excise tax would not be known until after Metro's FY90-91 budget process. Mr. Carson said the UGM PAC also did not raise any objections to the resolution, although there were some negative comments about the local government advisory process.

A public hearing was opened but nobody appeared to testify. There were no additional issues or questions raised by the committee.

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