



METRO

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Memorandum

Date: March 30, 1992

To: Presiding Officer Jim Gardner

From: Betsy Bergstein, Ken Gervais, Jennifer Sims

Regarding: Remarks before Charter Committee on Finance
Subcommittee Report - Tuesday, March 31, 1992, Room
338, Smith Memorial Center (Vanport Room), 6:00 - 6:45

Overview. Our recommendation is that Metro's remarks tomorrow night be short and concise and focused on responding to the four recommendations in the Finance Subcommittee Report dated March 5, 1992.

Secondly, you will want to be prepared to answer questions the Committee might pose.. We have 45 minutes on the agenda because the RGC asked for one hour (Janet Whitfield has said). We do not have to use all that time.

Remarks.

On January 9, 1992, the Council adopted Resolution No. 92-1543A which stated Council views on certain aspects of the Charter. On finance,

the policy of the Council is that:

In order to carry out the purposes of the district, the governing body should have the authority to levy taxes, fees and service charges subject to constitutional limitations including powers of initiative and referendum.

I believe the subcommittee proposal is generally compatible with Council views.

My one question concerns what appears to be inconsistent treatment of the payroll tax under point #3. Since this is an existing tax, under existing state legislation, it seems to us that it would more appropriately be treated under one or two in the report.

Questions.

Role of local governments.

- o State may want to impose tax coordination similar to what the last legislature required regarding new property tax measures.
- o If local governments want Metro to play an information sharing/coordination role we can do that.
- o On use of a RPAC like organization, going to it for advise and input, decision to reside with elected Council.

What will Metro do to get revenues if the Charter does not pass?

- o Go to the Legislature.

- o One idea is to ask for an "admissions tax" on all events (eg. movies, Oaks Parks, theaters, etc.) to fund PCPA.
- o Another idea is a "vehicle rental tax" to pay for operations of Greenspaces, shared with local governments.
- o An increase in the property tax could be used to supplement the shortfall at the Zoo. Would potentially hurt local governments more than taxpayer.

How do you feel about franchising parking lots?

- o Hard to understand how we could franchise something we don't have.
- o Metro doesn't have position on.

Should Metro broaden local government dues to pay for transferred functions?

- o If a function is transferred from local government to Metro, the revenue source should also be transferred.

What is your response to prohibiting certain tax measures without a Charter amendment?

- o Limitation on the voter.
- o Tax measures are a laundry list of tools to plan; would like to avoid the hurdle of charter amendment process.
- o Charter is "enabling legislation." Hope it won't create unnecessary roadblocks.

Construction excise tax?

- o Tax applied to square footage, collected at the time of permit to encourage certain types of development.
- o Cost of permit based on footage.
- o Hmmm, interesting.

Reorganization of Planning Department/budget cuts?