

METRO FINANCE OPTIONS

1. Special assessments

Statutory provision: *(1) Unless the proposed facility or service described in the ordinance required under ORS 268.460 (notice of intent to establish special assessment district) is halted pursuant to a vote of affected property owners under ORS 268.460(2)(c) (when response cards indicate a majority of owners in opposition), a district may levy special assessments against the property within the district in proportion to the benefits such property might have or receive on account of the construction or acquisition of that facility or the furnishing of that service or in proportion to the degree to which the property contributes or has contributed to the problem that the construction, acquisition or service is designed to correct. However, the governing body of the district shall, before proceeding to construct or acquire the facility or to furnish the service, adopt an ordinance providing for the method of assessment, for the recording of assessment liens on such property and for the making of supplemental assessments and rebates.*

(2) Assessments in the district shall, so far as practicable, be apportioned within the district in accordance with the special and peculiar benefit each lot or parcel of land receives from the construction or acquisition of a facility or the furnishing of the service or in proportion to the degree to which the property contributes or has contributed to the problem that the construction, acquisition or service is designed to correct.

-268.465

2. Ad valorem taxes

Statutory provision: *A district may levy annually an ad valorem tax on all taxable property within its boundaries not to exceed in any one year one-half percent (.005) of the real market value of all taxable property within the boundaries of such district, computed in accordance with ORS 308.207 (computation of real market value for taxing or bonding limitations). The district may also annually assess, levy and collect a special tax upon all such property in an amount sufficient to pay the yearly interest on bonds previously issued by the district and then outstanding, together with any portion of the principal of such bonds maturing within the year. The special tax shall be applied only in payment of the interest and principal of bonds issued by the corporation, but the corporation may apply any funds it may have towards the payment of principal and interest of any such bonds.*

-268.500(1)

3. Vehicle registration fees

Statutory provisions: *Subject to ORS 801.040 to 801.042 (authority of local government in relation to the Vehicle Code), 801.237 ("district" defined, to include metropolitan service district) and 803.445 (authority to impose registration fees and maximum amounts), for the purpose of providing any service that the district as defined in ORS 801.237 (computation of real market value for taxing or bonding limitations) has power to provide, the district may impose registration fees on vehicles under ORS 803.445. -268.503*

(1) Before the governing body of a district can impose a registration fee under this section, it must submit the proposal to the electors of the district for their approval and, if the proposal is approved, enter into an intergovernmental agreement under ORS 190.010 (local governments may enter into intergovernmental agreements for performance of all functions the parties have authority to do) with the governing bodies of all counties, other districts and cities with populations of over 300,000 that overlap the district. -801.042

4. Income tax

Statutory provisions: *(1) To carry out the purposes of this chapter, a district may by ordinance impose a tax:*

(a) Upon the entire taxable income of every resident of the district subject to tax under ORS chapter 316 (Personal Income Tax) and upon the taxable income of every nonresident that is derived from sources within the district which income is subject to tax under ORS chapter 316; and

(b) On or measured by the net income of a mercantile, manufacturing, business, financial, centrally assessed, investment, insurance or other corporation or entity taxable as a corporation doing business, located, or having a place of business or office within the district which income is subject to tax under ORS chapter 317 (Corporation Excise Tax) or 318 (Corporation Income Tax).

(2) The rate of tax imposed by ordinance adopted under authority of subsection (1) of this section shall not exceed one percent. The tax may be imposed and collected as a surtax upon the state income or excise tax.

(5) Any ordinance adopted by the district under subsection (1) of this section shall receive the approval of the electors of the district before taking effect.

-268.505

5. Excise taxes

Statutory provisions: (1) *To carry out the executive, legislative and administrative powers, functions and duties of the district described in this chapter and to study the potential exercise of all the powers and functions specified in ORS 268.312 (water supply and distribution, human services, open space, criminal and juvenile detention, and library activities), a district may by ordinance impose excise taxes on any person using the facilities, equipment, systems, functions, services or improvements owned, operated, franchised or provided by the district.*

(3) *The total revenue from all excise taxes imposed by a district under this section shall not exceed in any fiscal year six percent of the gross revenues collected or received by the district during the fiscal year. --268.507*

It is the intent of the Legislative Assembly that a substantial portion of the revenues derived by the metropolitan service district from the imposition of excise taxes shall be used to reduce overhead charges assessed to and transferred from the operating funds of the district for its center executive, legislative and administrative functions. --268.509

6. Service charges for district planning functions

Statutory provisions: (1) *The council shall consult with the advisory committee appointed under ORS 268.170 (comprised of local government officials) 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 (land use planning). 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.*

(5) *This section shall not apply to a fiscal year that begins on or after July 1, 1993. --268.513*

7. Service and user charges

Statutory provision: A district may impose and collect service or user charges in payment for its services or for the purposes of financing the planning, design, engineering, construction, operation, maintenance, repair and expansion of facilities, equipment, systems or improvements authorized by this chapter.

-268.515(1)

8. Grants

Statutory provision: A district may seek and accept grants of financial and other assistance from public and private sources.

-268.515(2)

9. Borrowing

Statutory provisions: (3) A district may, with the approval of a majority of members of its governing body, borrow money from any county or city with territory in the district.

(4) A district may, by entering into loan or grant contracts or by the issuance of bonds, notes or other obligations with the approval of a majority of members of its governing body, borrow money from the state or its agencies or departments, including without being limited to, money from the Pollution Control Fund.

(5) Notwithstanding ORS 294.305 to 294.420 (Local Budget Law), 294.555 (filing budget with county assessor and Department of Revenue) and 294.565 (failure to file), the authority to borrow granted under this section includes the authority to enter into agreements to repay such money subject to such terms and conditions as the parties may agree.

(6) A district may provide that its borrowing of money be secured by a lien and pledge of all or any part of the revenue derived by the district from the facilities constructed from the proceeds of the moneys borrowed. -268.515

10. General obligation bonds

Statutory provisions: For the purpose of performing any service that the district has power to perform, the district, when authorized at any properly called election held for such purpose, shall have the power to borrow money by the issuance and sale of general obligation bonds. Such bonds shall never exceed in the aggregate 10 percent of the real market cash value of all taxable property within the district computed in accordance with ORS 308.207 (computation of real market value for taxing or bonding limitations). The bonds shall be so conditioned that the district shall promise and agree therein to pay the bearer at a place named therein, the principal sum with interest at a rate named therein payable semiannually in accordance with the tenor and terms of the interest coupons attached. The bonds shall mature serially not to exceed 30 years from the date of issue. --268.520

Refunding bonds of the same character and tenor as those replaced thereby may be issued pursuant to a resolution adopted by the district governing body without submitting to the electors the question of authorizing the issuance of the bonds. --268.525

Elections for the purpose of voting on the question of borrowing funds by issuance and sale of general obligation bonds shall be called by the governing body. --268.530

11. Revenue bonds

Statutory provisions: *For the purpose of carrying into effect all or any of the powers granted to metropolitan service districts, a district may from time to time issue and sell revenue bonds without the necessity of the electors of a district authorizing the bonds. Proceeds from the sale of such bonds may be used to cover the costs incurred in issuing such bonds, and preliminary work incident to carrying out such purposes and powers including but not limited to planning, engineering, inspection, accounting, fiscal, legal and trustee expenses, the costs of issuance of bonds, engraving, printing, advertising and other similar expenses, and to pay interest on the outstanding bonds issued for any project during the period thereafter as a district may determine, and to establish, maintain or increase any reserves for debt service on the bonds. Such revenue bonds shall not in any manner or to any extent by a general obligation of a district nor a charge upon any other revenues or property of a district not specifically pledged thereto. A district may issue revenue bonds pursuant to ORS 268.600 to 268.660 (issuing revenue bonds) for the purpose of financing landfills, transfer facilities, resource recovery facilities and other improvements, facilities, resource recovery facilities and other improvements, facilities and equipment necessary or desirable for the solid and liquid waste disposal system of the district regardless of whether such improvements, facilities or equipment are to be owned by the district or any other public or private agency or person and regardless of whether such improvements, facilities are to be located within or without the district. In connection with the issuance or revenue bonds to finance any such improvements, facilities or equipment which are to be owned by any other public or private agency or person, the district shall enter into a lease-purchase, instalment sale or loan agreement with such public or private agency or person providing for lease-purchase, instalment sale or loan payments which, together with other revenues pledged for the payment of such revenue bonds as provided in ORS 268.610 (may pledge or mortgage any district property), shall be sufficient to pay when due the principal of, premium, if any, and interest on such revenue bonds. -268.600*

(1) Revenue bonds issued under ORS 268.600 to 268.660 shall be authorized at a meeting by ordinance of the governing body. The ordinance may provide for the creation of special trust funds and may authorize the appointment of a trustee to administer the funds, and may obligate a district to set aside and pay into a special trust fund for the purpose of securing revenue bonds, all or any portion of its revenues, regardless of the source from which derived, then existing or which thereafter come into existence. The governing body may, in addition thereto, pledge or mortgage for the payment of the principal of and interest on any premium, if any, of any issue of such bonds any property of a district. -268.610