

Local officials troubled by Metro's power

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□ The panel that's writing a charter for the regional government hears some frank talk about taxation and accountability from "out there"

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"Some of you may not know where we are," Clackamas County Commissioner Judie Hammerstad said, sweeping her eyes over the Metro Charter Committee members assembled before her.

"We are sort of . . . out there," Hammerstad said, gesturing vaguely southward of Portland State University's Smith Memorial Center, where the committee was holding a public hearing last week.

The commissioner's barbed geography lesson made the point: The Portland-area cities and counties have been around a long time, a lot longer than Metro, and the committee that's writing a home-rule charter for the regional government had better not forget it.

For Hammerstad and some other local officials, the 13-year-old Metro is like a teenager behind the wheel of a fast car: irrespon-

sible and dangerous.

The solution they see: Lock up the keys. That is, strictly limit Metro's access to money.

"Has Metro grown up, and is it responsible enough to take on new taxing authority and new functions?" Hammerstad asked. "The record would indicate not so."

She cited Metro's rapid growth in recent years, increases in garbage fees and an excise tax on people who use the agency's services — all accomplished with little public attention.

But what really upsets Hammerstad is Metro's \$23 million purchase and renovation of the former Sears Building for a headquarters.

The project, financed through revenue bonds, did not require voter approval, in painful contrast with the losing battle Clackamas County officials have fought to persuade voters to pay for a new justice center.

"The Metro Council acts in a vacuum — it's unaccountable and unresponsive," Hammerstad said.

Metro officials acknowledge that buying the Sears building turned up the political heat on Metro, but they argue that owning it will save money over the 30-year life of the mortgage.

The debate over Metro's taxing powers mirrors the more general struggle that has

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characterized the charter committee's efforts so far: a tug of war between those who say Metro is a grown-up government now and should be treated like one, and those who prefer a warning label saying, "Parental discretion advised."

Local governments, banded together in a coalition called the Regional Governance Committee, have persuaded the charter committee to give them a formal role in deciding whether Metro takes on new functions.

And now, local officials want the same leverage over Metro taxes.

A charter subcommittee has recommended keeping Metro's current taxing powers, including those authorized by state law but not now used.

Metro levies property taxes to support the Washington Park Zoo and to repay the Convention Center bonds. It collects an excise tax on use of Metro services and charges local governments a "head tax" to pay for general government functions and planning. It issues revenue bonds to build things, such as the new office building.

But most of its \$120 million in revenues comes from fees for services, especially from

garbage-tipping fees.

Under the subcommittee's plan, voter approval would be required for any income tax, payroll tax other than that imposed by Tri-Met, property tax or sales tax.

But any other tax could be imposed by council ordinance, with a 90-day delay to allow for a referendum. These taxes include: system development charges, hotel/motel taxes, restaurant taxes, admissions taxes, real estate transfer taxes, business license fees, franchise fees and a construction tax.

That goes too far, Hammerstad said.

The Regional Governance Committee has not made a formal recommendation, but Hammerstad said the committee wanted to require a charter amendment for any new property taxes for operations, a limit on the growth of the excise tax, a citizen budget committee, and a process for seeking local government approval for specific taxes, such as the hotel-motel tax.

"How much does Metro need?" she asked. "I think there's strong grounds for saying Metro has more than it needs."

Jim Gardner, presiding officer of the Metro Council, disagreed. He told the charter committee that during the next few years, Metro would have to find more mon-

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ey for the zoo, for expanded planning activities and for the arts.

"We will have these needs whether we have a charter or not," he said.

The full charter committee has not discussed financing in detail, but it has found little agreement on the general question of whether Metro should have more or less power than it does now.

One member, Matt Hennessey, a

Nike executive and former a city manager in the Midwest, said the charter should be as broad as possible and should not hamstring the government's ability to respond to changing realities in the future.

Local politicians' fears about a runaway Metro are not justified, Hennessey said. Having power and using it are very different things.

"I don't think any political body worth its salt is going to go out and raise taxes to the hilt," he said. "We all know that."