

TRI-COUNTY LOCAL GOVERNMENT COMMISSION MEETING - March 16, 1976

Presentation by Commission member, Robert G. Simpson, Chairman, 1966-1971,  
Portland Metropolitan Study Commission

The Tri-County Local Government Commission was supplied with a manual to assist us in carrying out our responsibilities. It is entitled: "Guidelines and Strategies for Local Government Modernization" - Neighborhood Oriented Metropolitan Government Project, HUD Contract H-1785, National Academy of Public Administration, November 1975. In this manual there are the following statements:

1. "A local government study commission should be formed with four key criteria in mind; it must be broadly representative, bi-partisan, linked to local government, and have strong and active leadership".
2. "Hopefully, a metropolitan study commission should have as few constraints as possible placed upon it before it begins its work. Its charge should be to examine the present system of government in the entire metropolitan area and to recommend whatever change it feels necessary in the assignment of functional responsibilities, the structure of political units, the forms of representation, and the system of financing public services. The commission should be given a free rein to analyze the present system of local government as fully as possible and recommend whatever they feel desirable and feasible. The commission should, however, be charged with one major test or criterion in their final recommendations--that of feasibility. They should be asked to produce an actionable plan that can result in implementation."
3. "The first substantive task of a local government study commission is to engage itself in a process of self-education and problem determination. The study group must educate itself on four main topics: 1) the existing system of local government, 2) previous successful and unsuccessful efforts to reform the local government system, 3) national and foreign experience with metropolitan and local government reorganization, and 4) current community problems and strengths."
4. "Collecting and compiling past studies. Invaluable contributions to the commission's process of self-education and problem determination can be made by systematically collecting and compiling recent reports on local government and the metropolitan community. A thorough search will uncover numerous reports and studies on the metropolitan area, its governments and its services. Many of these documents will contain valuable data for the commission's deliberations and save the group time and money. Of particular importance are reports of previous charter commissions and study groups."

The experience of the Portland Metropolitan Study Commission (PMSC) is therefore relevant to our deliberation.

Ten years ago, we did not have metropolitan government.  
Ten years ago, we did not have neighborhood organizations.  
Ten years ago, we had cities, counties and special districts - we had too many of them - we had too much government.

In its December 1966 interim report, the PMSC set forth the Oregon Legislature's 1963 statement of public policy:

"It is hereby declared to be the public policy of the State of Oregon to provide for the people of the metropolitan areas the means of obtaining the essential services not adequately provided for by existing units of local government. The growth of urban population, and the movement of people into suburban areas have created problems relative to water supply, sewage disposal, transportation, parking, parks and parkways, police and fire protection, air pollution, and planning and zoning. These problems extend beyond the individual units of local government and cannot adequately be met by such individual units of local government.

It is the purpose of this act to provide a method whereby the people of the metropolitan areas may adopt local solutions to these common problems in order that proper growth and development of the metropolitan areas be assured and the health and welfare of the people residing therein secured."

The Commission reported to the Legislature in 1966:

"The Commission has concluded there is a definite need for providing at least the following services on a metropolitan basis: air pollution prevention, parks and recreation, regional planning, public transportation, sewage disposal, and water supply. It has also concluded that the governmental structure providing these services should be simplified in order to achieve greater efficiencies and economies in the production of the services, and greater equities in paying for them. Further, the Commission has determined that conflict and competition among units of government providing similar services should be reduced, unfavorable spillover effects from one jurisdiction to another eliminated, and stalemate and inaction on area-wide problems overcome. Conversely, the Commission recognizes the public's concern for maintaining local identity, its fear of big government becoming unresponsive, as well as the desirability of protecting the electorate's accessibility to its elected officials. The Commission feels it has found ways to achieve these seemingly contradictory goals."

As a part of its solution, the Commission recommended the formation of a greater municipality for the Portland Urban Area. This would create a government more responsive to both local and area-wide needs and more accountable to the electorate. It would provide adequate resources and assure that costs are borne equitably with relation to benefits received, as well as provide for governmental flexibility to adapt to future needs. The boundaries of the city, at its optimum, would include most of the territory expected to be urban by 1980.

The metropolitan city would be governed by an elective council, with one councilman elected from each council district, and a chief executive elected at-large. With all the major services provided by the municipality, the people could take advantage of operational economies of scale.

To the end that historic communities be preserved, and local initiative encouraged, localities within the greater city would be formed into corporate communities, governed by elected community councils. These communities would have a direct voice in determining the level and financing of certain services within their boundaries. The level of service would be funded by a tax proportionate to the actual service received. This recommendation -- ten years ago -- was, for a two-tier new city for this urban area, a radical reorganization of government. Ideal, but perhaps not practical or feasible.

Historically, Oregonians have sought and received from the Legislature help in solving specific service districts which today hinder rather than help in the delivery of local government services. To explain that phenomenon, the PMSC prepared a slide show demonstrating how that proliferation effected a fictitious character named Marvin Metro who lived in Oak Lodge, Clackamas County, Oregon. The slides may be summarized by saying that we started with a relatively simple structure of local government in Oregon: counties, and where enough people congregated, they formed cities.

In order to obtain services for the people who moved out of the cities into the unincorporated areas, we invented new units of local government. In Marvin's case, by legislative authorization between the early 1900's and the present, this is what occurred:

Clackamas County was originally his local government, the 11 elected officials of which in 1971 taxed him \$29 on his \$20,000 house.

The Concord Elementary School District's five officials taxed him \$227.80.

His Oak Lodge Water District's five elected officials taxed him \$15.60 and imposed a user charge.

The Milwaukie High School District's elected officials taxed him \$146.

The Oak Lodge Fire District's five elected officials taxed him \$47.60.

The Oak Park Lighting District's five appointed officials assessed him \$12.

The Clackamas County IED's seven elected officials taxed him \$74.20.

The Oak Lodge Sanitary District's five elected officials taxed him \$38.40 and imposed a monthly service charge.

The county wide Vector Control District's five appointed officials taxed him \$1.20.

The Clackamas Community College District's seven elected officials taxed him \$39.

So, in a neighborhood quite indistinguished from a city neighborhood, Marvin Metro elects 50 local officials and has 28 more appointed to govern his 13 units of local government which together taxed Marvin \$600.80.

In 1966, CRAG was formed as a voluntary council of governments for purposes of regional planning.

In 1967, the Columbia Willamette Air Pollution Authority was formed whose functions have now been taken over by the state.

In 1969, Tre-Met was added to Marvin's government structure and in 1970, MSD was created for regional sewage disposal, surface water control, solid waste disposal and public transportation.

In 1963, the Legislature extended the boundaries of the Port of Portland, into Clackamas and Washington Counties so Marvin got another government.

The Boundary Commission was created in an attempt to stop the proliferation of government and rationalize the boundaries of existing government.

This is what we have.

The question may now be asked:

Have we repeated history? Have we elevated the special service district to the regional level?

The National Academy sponsored two earlier studies in Tampa Bay, Florida, and Rochester, New York:

The Tampa Bay panel recommended a regional council - - an umbrella over existing units of local governments authorized to provide certain aspects of water resources, sewage treatment, solid waste and public transportation. They recommended a directly elected board and funding on a per capita basis split between the state and the local governments.

The Rochester panel recommended an urban county, since, like Seattle, the principal city is located within a single county. A large legislative body was recommended with a county manager. The towns within the county comprised the lower level. A formula was devised to spread the financial burden and is based upon the property tax.

I suggest to you that metropolitan government in Portland is developed beyond either of these efforts; that this commission should not start with those reforms; that this commission should not go ten years into the past when we did not have metropolitan government. We have metropolitan government today, and we should build upon it; we have MSD, CRAG, Port of Portland, and the Boundary Commission. We have neighborhood organizations; we have city and counties in between; we have a three-tier government.

Let this Local Government Commission begin therefore with what we have - - and develop it toward what we want.

Here is a plan for your consideration: (The views are mine and not an official statement of any committee or the commission.)

If we were to adopt the ideal solution to local government reorganization - - to wipe out what is here and to begin fresh - to look down on our region from the moon and design the best there is - - We have that concept available in the charter for the City of Metropolitan Portland, the two-tier metropolitan municipality that I referred to earlier, with an elected regional council and a strong executive; providing regional services and with local corporate committees with the power to and responsibility for the provision of local aspects of services.

An ideal solution--but without crisis, history has shown that radical new reorganizations of local government do not occur in America--so, ideal, but perhaps not practical.

I suggest to you a way to accomplish that ideal by building upon what we have:

1. Give to MSD a charter with a full range of regional services. An elected board from districts with equal population, an established tax base, coupled with capabilities to finance its functions with a variety of tax resources. Development through MSD of an identifiable regional political community. Sub-districts would be permitted for local services not able to be supplied by any other unit.
2. CRAG's present functions will continue to be performed by it, at least in the near term. However, its board will be appointed by MSD, its budget will be subject to review and modification by MSD.
3. Tri-Met in the near term will continue to perform public transportation. Its board will be appointed by MSD, its budget and revenue sources subject to review and modification by MSD.
4. Port of Portland. Its board will be appointed by MSD, its budget and revenue sources subject to review and modification by MSD.
5. Boundary Commission. It will continue to perform its present functions and will have jurisdiction over MSD as well. Its independent broad overview of government boundaries will continue to be necessary.
6. At the City, County and Special District Level- continue to encourage simplification, reduce duplication, increase equity, through consolidations, cooperative agreements, and transfer of functions. The schools must be included since the dollars come out of the same taxpayers' pocket.
7. Neighborhood organizations to be strengthened
  - (1) use of each elementary school building in the three counties as the focal point for this level of organization - divide the area so that all areas are included in an elementary school district.
  - (2) assign delivery of appropriate government services - whether provided by county, city or a service district to the school building, so they are accessible to the people.
  - (3) regular town meetings with elected community councils within each district.
  - (4) establish a financial base for each district with grants from the city or county as appropriate.
  - (5) assign power to perform neighborhood services to community councils.

Let us begin with what we have in Phase II of our study - develop what we have in a practical and feasible way toward the ideal solution.

THE DILEMMA OF LOCAL GOVERNMENTAL ORGANIZATION  
IN THE PORTLAND METROPOLITAN AREA

① We started out with a relatively simple structure of local government in Oregon. The state was divided into administrative subdivisions called counties--which also served as the local government to those scattered residents who lived in unincorporated areas. Where people congregated together in numbers sufficient to require special services, they incorporated cities. Education was from the beginning considered to be in a class of its own and school districts were organized to care for that need.

④ As populations increased new cities were incorporated or the boundaries of older cities were expanded. Occasionally when cities adjoined one another, as was the case with Portland, East Portland, Albina, St. Johns, Sellwood, and Linnton they merged or consolidated--often through the initiative of the legislature. But eventually this practice broke down and our people spilled out in increasing numbers into unincorporated areas which became quite indistinguishable from the cities.

Instead of insisting that these people look to established governments for their services we began to invent new units of local government. Let me illustrate: In the early 1900's Marvin Metro

⑥ decided to move out of the city so he could enjoy a more rural style of living. He moved to the Oak Grove area in Clackamas County and built a house, valued at \$15,000 in 1966. The County was his local government with all elected officials and in 1966-67 they taxed him \$29. His younger children went to school in the Concord School

District. Five officials were elected to run the district and in 1966-67 they taxed him \$84.38.

By 1923 there were enough people in his neighborhood that they needed a public water system. To obtain this service the state legislature allowed them to create the Oak Lodge Water District--elect five officials to govern it and in 1966-67 they taxed Marv \$8.63 in addition to imposing a monthly service charge.

In 1925 the people wanted a high school of their own so they organized the Milwaukie High School District. Five elected officials govern the district and in 1966-67 they taxed Marv \$85.88.

As the population grew the people demanded a higher level of fire protection so in 1940 again following legislative authorization, they created the Oak Lodge Fire Protection District--elected five more officials who in 1966-67 collected \$18.75 from Marv.

By 1956 the people were convinced they needed street lights. Consequently they established the Oak Park Lighting District with five officials appointed by the County Commissioners. They collect a special assessment from Marv for his street lights.

The state created the Clackamas County Intermediate Education District in 1957. Marv helps elect the seven members of the governing board who taxed him \$66.75 in 1966-67.

omit -> As it became evident they no longer lived in a rural setting the people got worried about uses the surrounding land might be put to, so in 1958 they created the Theissen Road Zoning District. The five members of the governing board are appointed by the County

Commissioners. In 1966-67 they levied no tax, but they had authority to request tax support from the County.

By 1959 the septic tanks and cesspools were discharging their sewage onto the surface of the land and the people knew they had to have a public sewage system. Again by legislative authorization they created the Oak Lodge Sanitary District--elected five members to govern the district who in 1966-67 taxed Marv \$39.75 in addition to setting the monthly service charge.

People like to enjoy their yards and two of the most irritating impediments to such enjoyment are the fly and mosquito. In 1964 the people organized a county-wide vector control district. The County Commissioners appoint the five people who govern the district. In 1966-67 they levied no tax but this is not the case in 1967-68, when they levied a tax of 28¢ per 1000 valuation, or \$4.20 for Marv to pay.

Two years ago the people decided it was to their advantage to have a Community College so they formed the Clackamas Community College District--elected seven officials to govern its affairs and in 1966-67 they taxed Marv \$5.25.

So Marvin Metro and his fellow citizens, residing in a neighborhood quite indistinguishable from many city neighborhoods elect 50 local officials and have the County Commissioners appoint 15 more to govern their eleven units of local government. Together, these governments taxed Marv \$319.51.

What problems does this present? Oregon is among the nine states that account for over 60% of the special districts in the United States.



More than one-third of these districts in Oregon are located within the Tri-County area and contribute to the more than 370 units of local government found here.

As noted in the slides, the concentration of different districts in the urban area results in an overlapping or piling up of governments which contributes to the lack of coordination of services within the area. Further, it makes it difficult for the citizen to understand or identify with his local government.] A 1961 Legislative Interim Committee Report said, "It is not reasonable to expect a citizen to keep himself informed concerning national, state, and a whole series of local governments." Governor Hatfield told the Legislature "We have so many local governments that we really have very little local government." [The composite map shows that we did not select some isolated bad example. When you consider that we have not included school districts, lighting districts, and certain other districts which would add another 180 plus sets of boundaries you get a better idea of what a governmental hodge-podge we have in this area.

Districts and many cities, for that matter, usually encompass only a portion of a logical service area. They are sometimes so small that economies of scale are not possible. Let me illustrate with the problem of sewage disposal.

In 1956 the three counties joined together in a study to determine the best method for disposing of sewage within certain parts of the urban area excluding the City of Portland. The map outlines the general features of the plan which were to cost about \$27,000,000. Unfortunately these governments could not agree on a way to implement

the plan and subsequent development took place outside of it except in a few instances. Even in these cases facilities were often undersized.

The treatment plants and interceptors that have been built at a cost of over \$10,000,000 simply are not adequate and much of the present system will have to be abandoned as we are forced to provide new facilities at costs far in excess of those necessary to install the 1956 plan. This is readily apparent in the Fanno Creek area today where building permits are no longer being issued.

Or consider the problem of air pollution control. Physically, the Portland area lies in a basin of air. What good does it do for one jurisdiction to control air pollution if its neighbors do nothing or possibly even encourage industries to move into them to avoid regulation. We can have a community that looks like this. Or one that more closely resembles this. It depends on whether we are willing to organize ourselves so that we can adequately cope with the problem.

From the map, it is apparent that some degree of fire protection is available in most of the urban area. Those governments furnishing this protection have achieved substantial coordination of fire services through mutual aid and response agreements. However, their agreements are generally intra-county and even within a single county some jurisdictions do not participate.

Although mutual aid has lessened some of the problems of fragmented government other problems remain. The quality of service available in different areas varies tremendously. Fire stations may be located illogically in terms of areawide protection. People remain confused over which department provides them fire service. The

splintering of responsibility for vital parts of fire protection such as water supply and fire fighting equipment can contribute to higher insurance rates. In some instances the public has been forced to install fire hydrants through private subscription because their water district and fire district officials could not agree over who had the responsibility.

Within the urban area there is no shortage of water in terms of ultimate supply. This map shows the major water sources for <sup>the</sup> ~~different~~ <sup>urban</sup> parts of the area. The blue is that area served by the City of Portland's Bull Run system. The red is that area using water from the Clackamas River. The yellow is the area using wells and springs, and the orange is that area utilizing water from the Coast Range. The problem is in the way we have organized to develop and distribute the supply. Presently there are 25 cities, 50 water districts, and over 24 private agencies providing water from over 33 sources to the people in the Tri-County area. Specific problems reported to the Commission include:

1. Dissatisfaction with procedures which control the relationships between those who wholesale water and those who retail it.
2. The lack of coordination between such closely related services as water supply, fire protection, and sewage disposal.
3. The inadequacies of present systems to provide for present needs let alone future needs.
4. An increase in competing suppliers which may encourage uneconomical and unsound practices in terms of future development.

Much of that area projected to have the highest population growth between now and 1980 as shown on this slide--particularly that area to the west--has no public water system. It remains to be seen which governments will have the responsibility for developing it--many water

districts, a city, the county, or some metropolitan agency.

I could go on to relate problems encountered in other services such as parks and recreation, planning, law enforcement, and public transportation. But in the interest of time let's consider some possible means for resolving some of these problems.

The Study Commission helped to organize the Columbia Region Association of Governments because it was apparent that better communications among governmental officials is a must in a metropolitan community and will remain so even with the advent of a metropolitan government. CRAG is serving as the regional planning agency. Because of its voluntary nature, it is able to include an area much larger than the immediate urban area, including Clark County, Washington. And it can do this without going through the steps to form an interstate compact. The Commission views CRAG as a necessary adjunct to some form of metropolitan government but not as a substitute for it. *delete?*

We can consolidate particular functions by contract. In 1966 the Study Commission recommended that Columbia, Clackamas, Multnomah, and Washington Counties contract with the City of Portland for an areawide air quality control program. The contract was signed October 18 that same year. In December 1967, Columbia, Clackamas, and Multnomah Counties and the City of Portland, *acting under an Act passed by the 1967 Legislature* organized the Columbia-Willamette Air Pollution Authority. Washington County decided to go it alone. The Commission recently got the City of Portland and Multnomah County to merge their health departments.

*Currently working towards consolidation of the two planning departments which could result in more uniform planning and zoning codes, subdivision regulations, and building codes.*

We can consolidate some of our existing districts. In 1965 the Study Commission concluded that two unincorporated areas were sufficiently urbanized that they could profit from fire district consolidations. In East Multnomah County conditions and sentiment warranted placing the matter on the ballot, which the Commission proposed doing in 1966. Meanwhile districts 9 and 10 decided to place their own consolidation measure on the ballot in December 1965. It passed and within a few months the consolidated district annexed District 7. Our reports indicate the consolidation has been a success. Districts 5 and 13 have recently consolidated. While such consolidations represent an improvement in a certain service for some people and are useful as interim measures they are not enough.

After consideration of reports by its various committees, the Commission, on March 7, 1968 adopted a plan which attempts to utilize existing general purpose governments (counties and cities) except for those few services which must be provided on some regional basis. Even in these instances the governing body of a regional agency could be composed of elected officials of constituent general purpose governments and possibly tied directly to the governing board of the Columbia Region Association of Governments.

The Commission therefore recommends:

(1) The establishment of a metropolitan service district with authority to provide such obviously areawide services as public transportation, ~~air quality control~~, metropolitan parks and recreation, and sewage and solid waste disposal. This will necessitate the passing of legislation which will enable the formation of such a district and approval by the voters in the area concerned. The Commission submitted

such legislation to the legislature in 1967 but was unable to get the ~~legislation~~ <sup>it</sup> approved.

(2) The establishment of urban counties within our metropolitan area empowered to provide those services best provided on a county level, leaving more localized services for cities and more areawide services to a metropolitan district.

During the past ten years the legislature has continued to increase the powers of counties to provide urban services. In 1967 it gave them the power to wholesale water and made it possible to include cities within county service districts. Such expansion of county powers has probably increased the tensions between cities and counties and may well require a more definitive allocation of functions between these two units of government in the future. In the meantime, there seems to be little likelihood that the powers of counties will not continue to expand.

(3) The consolidation of the City of Portland and Multnomah County. Since both the City and Multnomah County are strong urban governments and since both include so many of the same people, the Commission favors the consolidation of these two governments. It also recommends that other cities within the county be allowed to enter the consolidation if they choose to do so. Consolidation would eliminate jurisdictional quarrels between the two governments. Savings would be realized more in terms of additional and better services from the same available funds rather than any reduction in taxes. (Recommend a two-level government).

(4) The creation of a boundary commission. Because local governmental boundaries are increasingly intergovernmental in importance, and because the state has a continuing interest in and responsibility for orderly determination and adjustment of local governmental boundaries, the Study Commission favors the creation of a boundary commission for our metropolitan area. Such a commission should assist to simplify local government in the metropolitan area: (1) by preventing needless increase in the number of local governmental units; (2) by adjusting local governmental boundaries in a manner conducive to the provision of adequate, efficient, economical public services; and (3) by increasing citizen interest and participation in local government.

The State Must Act Now

It is long past the time when the legislature <sup>and the people</sup> must determine what pattern of local government our state shall have. To let matters drift as they have in the past will contribute to the collapse of local government, and to the shift of responsibilities and powers long exercised at that level, to higher levels of government. We must act now.

toward the implementation of this recommendation was taken with the adoption of Senate Bill 494 by the 1969 legislature. S. B. 494 enables the creation of such a district within the three county area upon voter approval. The district initially is empowered to provide the "metropolitan aspect" of those services mentioned above. Additional functions may be added later by the voters. The governing body of such a district would be made up of presently elected city councilmen and county commissioners. However, the voters of the district can change the method of selecting the district governing body, should they want to. Financial powers of the district include the ability to levy service charges and assessments and with voter approval levy property taxes and issue G. O. and revenue bonds.

In order to better understand the ramifications of this recommendation, let's expand on two important concepts included in the proposal. First, is the multi-purpose nature of the district. Rather than proliferate government at the metropolitan level with single purpose districts, much the same way as shown in the Marvin Metro governmental build up, there should be a single government that can do a number of things. (give example of San Francisco's 21 metro districts). Second, is the limitation on the district's power. The metropolitan service district is limited to providing only the "metropolitan aspect" of functions, and cities, counties, and special districts retain the responsibility for the local "aspects" of functions. By dividing functions, we retain the need for more local governmental units to deal directly with the individual customer and at the same time have a governmental unit capable of building major facilities as requested by the region.

2) A second recommendation of the Study Commission is the establishment of urban counties within our metropolitan area. During the past ten years, the



legislature has continued to expand the powers of counties to provide urban services. Counties are now authorized to organize county service districts to perform one or more of the following functions: sewerage, drainage, street lighting, parks and recreation, flood control, and "wholesale" water. Regulatory functions counties perform are: adoption of zoning, building and housing codes, air pollution control ordinances, public nuisance abatement, and franchising of private garbage collectors. Such expansion of county powers has probably increased the tensions between cities and counties and may well require a more definitive allocation of functions between these two units of government in the future. In the meantime, there seems little likelihood that the powers of counties will not continue to expand.

Study Commission efforts toward strengthening the county's ability to respond to urban service needs include: 1) legislation introduced at the 1969 Legislative Session authorizing counties to provide domestic water and fire protection (did not pass), and 2) continuing encouragement for Clackamas and Columbia County Commissioners to appoint home rule charter committees as a first step toward the adoption of home rule charters by the voters in each of those counties.

3) A final recommendation of the Study Commission is the consolidation of the City of Portland and Multnomah County. The Study Commission feels that since both the City and Multnomah County are strong urban governments and since both include so many of the same people, it would be appropriate that these two governments consolidate. It also recommends that other cities within the county be allowed to enter the consolidation if they choose to do so. Consolidation would eliminate jurisdictional quarrels between the two governments.

Savings would be realized more in terms of additional and better services from the same available funds rather than any reduction in taxes. (Recommend a two-level government).

Efforts to implement this recommendation received a set back when the necessary enabling legislation (H.B. 1307) was not passed by the Legislature in 1969, but the Commission will quite probably submit new legislation in 1971.

It is quite apparent that the Study Commission has undertaken a "market basket" approach to solving governmental problems. One observer has described it as the "double barreled-cover your losses approach" to metropolitan reorganization. But, however one describes the Study Commission's approach it has been able to channel the energies and efforts of "hard nosed pragmatist", "dreamer-type", and moderates to work for the betterment of local government. One common thread that has tied these individuals together in this effort is the realization that to let matters drift as they have in the past will contribute to the shift of responsibilities and powers long exercised at the local level, to higher levels of government--and to the eventual collapse of local control.