

MINUTES OF THE TRI-COUNTY LOCAL GOVERNMENT COMMISSION MEETING

Held: March 17, 1977 - 7:30 p.m.

MEMBERS PRESENT: Cease, Chairperson; Halvorson, Vice-Chairperson; Bonyhadi; Buchanan, Jaeger, Jordan, Mattersdorff, Montgomery, Nelson, Shepherd, Stuhr, Thorgerson
Bill Farr representing Commissioner Schwab

EXCUSED: Ballin, Bayless, Clarno, Gisvold, Gregory, Herrell, Johnson, Kirkpatrick, Lang, Lindquist, Maier, Marsh, Mays, Moshofsky, Nees, Nightingale, Opray, Roberts, Rieke, Rosenbaum, Russell, Schedeen, Schumacher, Simpson, Schwab, Seidel, Stahl, Stevenson, Tippens, Webber

STAFF: Rich, Garbutt, Cross

GUEST SPEAKER: Bruce Harder, Director Budget & Management
Analysis Division - Multnomah County

Chairperson Cease called the meeting to order at 7:40 p.m. and asked for approval of the minutes of January 20.

Shepherd moved to approve the minutes, Buchanan seconded the motion, and it passed.

GUEST SPEAKER, Bruce Harder distributed two reports (including tax tables);

Multnomah County Financial Planning Report Eight (fpr 8) and An Analysis of Financial Planning Report No. 8 with Findings and Recommendations. (A few copies are available in the Commission office.)

This report, authorized by Multnomah County, indicates the County is ready to join the discussions on financing local government. The County believes it has things in hand and the policy to keep them that way.

Fpr 8 is a neutral report of who pays for services and who gets them. Over the past ten years, Multnomah County has become more and more a Justice Services agency while experiencing a decline in Human Services. In attempting to deliver general as well as municipal services, the County faces the prospect of inadequate delivery in both areas.

Services are divided into two groups: Municipal Services (21% of taxes) (parks, land use planning, road maintenance, permits, etc.) and General Services (71% of taxes) (courts, public health, food stamps, assessment and taxation, etc.) Unincorporated areas receive \$81 per person subsidy for municipal services. The unincorporated areas are taxing themselves just as heavily as the incorporated areas, but these 136,000 people are not getting the level of municipal services they need because they are not eligible for certain types of revenue sharing, such as cigarette tax, liquor tax and grant opportunities.

The report recommends ceasing the subsidy of unincorporated areas with two possible courses of action: 1) Promote the incorporation of the urban but unincorporated portions of the County; 2) Establish functional consolidation of Multnomah County and City municipal services.

QUESTION AND ANSWER SESSION

Halvorson stated tax equity would be very difficult, if not impossible, to achieve. On a state basis, taxes are not equitable - why is it an issue here?

Harder replied it is being raised by the smaller county towns each year.

Stuhr asked if delivery of services was more expensive when you have a special service district.

Harder said the study was not done to determine economy of scale but to find out where the money comes from and where it goes.

Mattersdorff said the areas had to make a choice: live in the city and receive only city services or live outside the city and receive only county services.

Ed Capen, Director of Intergovernmental Relations - Multnomah County (in the audience) said they do make the choice of not living in the city, but the unincorporated area cannot be annexed with no choice at all. Three-fourths of the taxes come from incorporated areas.

Mattersdorff suggested the possibility of the City of Portland being a separate county. Rich said the minimum legal size for a county is 400 square miles.

Harder: The land use plan for East Multnomah County will greatly affect what the city does.

Jordan asked what a regional tax base would cost. Cease replied the Commission has not made a formal study on that subject except for an income tax.

Harder said there should be an analysis of the questions raised as a result of the report. The most important thing is a joint discussion on the possible long term solutions.

COMMITTEE REPORTS

In the absence of the Chairperson and Vice-Chairperson of the City-County-Special Districts Committee, Kay Rich reviewed the final draft of the report (CS-32) which had been mailed to all Commission members last week.

The committee studied the difficult problem of annexation. Their policy recommendations included prohibition of the formation of special service districts, consolidation of present special service districts, and preventing establishment of new cities. Also, that city residents be excused from paying taxes for county services provided only to the unincorporated areas.

Nelson moved to adopt the report (CS-32).

Bonyhadi raised the question of a quorum.

Cease said we have only two, possibly one, more Commission meeting to resolve these items. Every Commission member received an Agenda of this meeting along with a memo urging attendance, as well as a phone call from the staff explaining the importance of tonight's meeting.

Montgomery suggested the absent members could mail in their vote.

Shepherd was against adopting the report without a quorum - twelve people do not represent the Commission.

It was generally agreed the business of the three Committee Reports would be on the Agenda for the next Commission meeting.

Montgomery, member of the Community & Neighborhood Organization Committee, commented on the final draft of their report (CN-41) which was also mailed to Commission members last week.

We designed a guidebook for citizen organizations with flexibility as the key. We recommended interaction with local government units and proposed an advisory board for land use planning, zoning, environmental studies, etc.

The Committee endorses general-purpose rather than single-purpose neighborhood organizations.

Shepherd felt the Citizens League would have more value as a coordinator rather than in an advisory role.

Rich also reported on the progress of the ad hoc Citizens League Committee which has had two meetings. This committee will meet with the Board of Governors of the City Club of Portland to explore the possibility of that body carrying out the major obstacles to establishing a new group. The Citizens League would be the entity to continue the type work the Commission has been doing after the Commission terminates in May.

LEGISLATIVE REPORT - HB2070

The Commission proposes that the Tri-County boundaries be used in the Tri-County recommendations. There is a provision in the bill for something similar to county service districts. A special sub-committee headed by Mike Ragsdale is studying the boundary question and will probably propose a reduced Tri-County area.

The Executive Committee felt the Commission should remain on record as favoring the three county boundaries, although the House Committee can reduce them anyway. Halvorson would rather compromise on the boundary issue than on the veto power.

A second House Committee work session will be held in Salem, Monday, March 21, at 1:30 p.m.

Meeting adjourned at 9:55 p.m.

els