

MINUTES OF THE LONG RANGE OPTIONS COMMITTEE MEETING

Held: January 6, 1977

MEMBERS PRESENT: Brickley, Chairperson; Schedeen, Vice-Chairperson; Herrell, Jaeger, Kirkpatrick, McGilvra, Snedecor, Stuhr, Yost

GUESTS: Omar Barbarossa, DEQ
Jerry Vrla, Wilsonville Neighborhood

GUEST SPEAKER: Gus Mattersdorff, Commission member
and Professor of Economics,
Lewis and Clark College

STAFF: Macpherson, Rich, Cross, Mitchell, Stamm

Chairman Brickley opened the meeting with good wishes for the New Year.

Professor Gus Mattersdorff was introduced and spoke on the two-tier government reorganization in England:

England is divided into counties. County governments before 1965 were given extensive powers over governments in the city. There were 30 service divisions in London, but they had little authority. The government was run by the London County Council. As the city grew, decisions were needed beyond the boundaries of London. (One advantage of the British system is that they don't have any state government, only national and county.) The national government also sits in London, which is a tiny enclave like our Wall Street. Some metropolitan government business is transacted in the National Parliament.

The Royal Commission decided that London government needed reorganization, and in 1965-66 it was passed by Parliament. (Mattersdorff's study was done in 1971-72.) A conflict had developed between the county of London and surrounding counties. Counties of London and Middlesex were abolished. Other counties were taken over to make a larger unit called Greater London. Thirty-three boroughs were formed; thirteen in Inner London and twenty in Outer London. The City of London is a borough of 4,800 people. The equal size concept was given up. The total population of Greater London is seven million.

Independent boroughs were given a lot of individual power to set up their governments, directly-elected by the people. (Boroughs would be likened to our Neighborhoods if they had independent, recognized, directly-elected councils with powers of planning, financing, etc.)

In the Greater London Council (GLC) there are 99 directly-elected members; three from every borough, but there is no visibility of the representatives. The people do not know them.

Police and Courts: The police force is operated nationally; courts are national -- there are no metro courts.

Fire: Fire departments are based in boroughs with coordination.

Education: London County was split up in all respects except for the education authority because the Inter-London Education Authority (ILEA) is so progressive and outstanding. It serves all thirteen boroughs. (The ILEA does not include universities.)

Transportation: London transportation is run by an independent board which coordinates with the council; government has a voice in it.

Taxes and Financing: Each borough has its own taxing policy and sets its own property taxes. (This would be as if Alameda district could charge a different tax from the Burnside area.) Poor boroughs have a strong social tradition (housing projects, health services, better welfare services) with extremely high property taxes. Chelsey, an upper income borough, has neglected the social services; therefore, taxes are small. The local tax is all property tax. Government gives grants to poor areas.

Mattersdorff had wanted to know if tax rates became more dispersed or closer together. What were the forces that made for centralization and decentralization? Conclusion was that there was greater diversification; authority was decentralizing and growing away.

Some boroughs decided to concentrate on particular services, and a sort of free enterprise system emerged. (Example: one borough concentrated on the arts which brought the artists into this particular borough. Other boroughs ignored the arts.) Some took up Social Services. Mattersdorff can imagine this kind of specialization happening here -- with the finest educational system in one city, the center for retirement in another. This might bring about more efficient services and be a case for decentralization.

The unit of government that had the fastest increase in costs was the London Educational Authority, and, because of inflation, etc., ILEA costs increased much faster than other authorities. Mattersdorff believes that it was inefficient because of its largeness.

Inner London had better education, Outer London had better services. It was paid for from their property taxes and some national government help. Loss of population was in Inner London.

Land Use Planning: They have a continued land use planning. Building has to be approved by the local planning committee. They have joint planning beyond borough boundaries. The Greater London Planning Committee looks at all these plans. In 1971-72, they were "hopelessly bogged down". It might have been too cumbersome to plan for such a large area. Greater London Council's responsibilities include traffic, planning, water system, etc.

Utilities: Utilities are provided by a metro entity. Electric power is provided by an electricity board.

Human Services: The borough level deals with Human Services. He feels the one-to-one service provided is more efficient and better.

Jaeger expressed doubt that Oregon could be compared to the London area because of the difference in population and single-family dwellings.

Mattersdorff asked that the committee imagine a Portland metro area divided into different parts, of which one is Vancouver, Camas, Gresham, Oregon City, West Linn, Lake Oswego, Tigard and several units in what we now know as Portland. Each one could act as a borough, undertake tax problems, human services (one division for North Portland, one for South Portland), fire districts, school districts, etc. You may want to reserve school district No. 1. You would not be in two jurisdictions at once. He wishes we could separate Multnomah County from the City of Portland. The Greater London Council is supported by an assessment. Property tax goes to the borough and income tax to the national government. The tax would be apportioned to each borough by the Greater London Council.

(Stuhr questioned the constitutionality of a re-distribution scheme involving assessments, services and resources.)

Mattersdorff reported that in reorganization, cost of the government rose because:

1. They merged various parts of the town. In every case where they merged a wealthy section with a poorer section, standards of services in the poorer section rose and the services in the wealthy section remained the same, so the costs rose. Services improved, but it was more expensive.
2. Civil Service employees were promised that no one would get fired but would be released only by attrition, so the government payrolls were bloated. Some had to be paid off when there was a duplication. Many new people came streaming in for jobs, and many were hired.

The committee thanked Mr. Mattersdorff for his informative presentation.

Other business:

In discussion of their studies, there was general consensus that human services are most effective and desirable decentralized; other things, such as water, etc. had to be centralized.

Toronto: Jaeger asked about the Toronto plan. Rich said that their report would not be out until March. Toronto system has six boroughs. Taxes are set by the metro government and the boroughs serve as collectors. Money is transferred to the metro unit. Health services started out at the borough level, but it was taken up to the metro area. Toronto centralized these services.

There is controversy as to whether the upper-tier government should be directly-elected or as now -- representative of the boroughs. Should there be greater decentralization of some services?

We will receive a copy of the Toronto Report upon completion.

Schedule of Meetings and Agenda: The chairman reported that since the committee must make a report at the end of this month, there will only be two or three more meetings.

Some of the committee would like to further explore decentralization as it relates to our situation, but there are not many examples.

The Outline of Potential Recommendations of the Committee (LR-16) which were handed out at this meeting will be discussed at the next meeting on January 20. The outline will be mailed to absent members.

The following meeting will be held one week later, January 27th.

The meeting was adjourned at 1:30 p.m.