

LANE TRANSIT DISTRICT REVEALS POTENTIAL SERVICE SCENARIOS

Last summer, many of you participated in Lane Transit District's (LTD) outreach for the project, Transit Tomorrow, a comprehensive look at LTD's service and operations. LTD was seeking input on what types of public transit service the community valued and where LTD should rank resources to provide service.

The LTD team reached out to riders, residents, business owners, non-profit organizations, city leaders and others through tabling events, forums, listening sessions and an online open house (a survey).

LTD used what was heard from the public last summer to create four distinct transit system alternatives that asked the following questions:

- Should LTD provide more frequent public transit along major corridors or should LTD provide service to a broader area of the community?
- Should LTD lower fares for everyone or provide more service on weekends and in the evenings?

The public's answers to these two questions helped create four possible scenarios that demonstrate how transit service could change in the near future. This work can be found in a report called the Scenarios Report, which can be found at www.LTD.org/Transit-Tomorrow in the document library.

Currently, LTD is seeking a second round of input from the community based on the information in the Scenarios Report. This second round started in mid-January and continues *(Continued on page 2)*

MEETING CALENDAR

February 7 -- Update on the Springfield Library Project. Springfield Library Director Emily David will discuss the plans for a potential new Springfield library, including why it is needed, what is the future of libraries and how any new project might be funded. The Library project was recently discussed at a City Council Work Session. The Council material may be found [here](#).

FEBRUARY 21 – A NEW COURTHOUSE: WHY AND HOW MUCH

The Board of County Commissioners recently received a report recommending the construction of a new Courthouse on the site of the former Eugene City Hall. The \$252 million project will be funded by a mix of resources. Presiding Judge Debra Vogt, County Administrator Steve Mokrohisky and Chief Deputy Cliff Harrold will discuss the proposal – why a new Courthouse is needed, and how much of the cost will be borne by local taxpayers. A copy of the report to the commissioners is available [here](#). (Warning, it is a 176 page report)

PUBLIC CALENDAR

All items are tentative and subject to change. Where agenda information is available, it is included. Many agencies publish their agendas after the newsletter is released. Click on the link following the agency to be taken to their agenda page for most current information.

SPRINGFIELD CITY COUNCIL

February 4, 2019

Work Session – 6:00 p.m.

Sign Code Amendments

Prop. Tax exemption for Housing

Diversity

Regular Session – 7:00 p.m.

February 11, 2019

Work session – 5:30 p.m.

Comprehensive Annual Financial Report

MEETINGS

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through February. This is your opportunity to help LTD further define what transit service should look like in the community.

To provide your feedback you can participate in an online open house, attend one of multiple tabling events at either the Springfield station or the Eugene station, or attend a public presentation about the Scenarios Report held at the University of Oregon. For detailed information on dates and times or to participate in the online open house, visit www.LTD.org/Transit-Tomorrow. With this additional feedback from the public, LTD can refine the transit service it provides in the most cost-effective way.

*Therese Lang
Director*

JANUARY 17, 2019

OREGON TAXES: THE ONE-LEGGED STOOL.

When people think about systems of taxes to raise revenue, the common analogy is the three-legged stool – property taxes, income taxes and consumption (most often retail sales) taxes. Oregon doesn't have a sales tax, and probably never will, so that makes for a two-legged stool. What Springfield City Club members learned at the January 17

program is that in our state, the voters cut off a good portion of the property tax leg, leaving us with a one-legged stool.

The lesson was provided by



retired legislators with a long history of deep involvement in the state system of taxation. Former Representative Vicki Berger, a long time Republican who served on the House Revenue Committee for many years, former Speaker of the House Dave Hunt, who represented parts of Clackamas County, and Phil Barnhart who represented areas of Lane County and served as the Chair of the House Revenue Committee for a dozen years, described the system used by Oregon at the January 17 program. This program, co-sponsored by the Eugene City Club, was one of a series of programs offered by City Clubs around the state on the vexing issue of how Oregon raises money to support the services the voters demand.



Rep. Walker was blunt in describing the effects of Measures 5 and 50, which she called the worst import from California. It's not, she said, that property taxes were limited, but that they were limited to a flat dollar amount, rather than being indexed.

The result, the legislators agreed, was that while Oregon is in the middle range of all the states for total taxation for capita, we have one of the highest personal income tax rates. Rep. Berger pointed to the heart of the problem that creates – the income tax is extremely volatile and unreliable as a stable revenue source. She added, the burst of the “dot.com” bubble didn't directly affect many Oregonians, but it did have a disastrous effect on income tax revenue; we were devastated by events far beyond our borders that we could neither influence nor control.

Rep. Hunt delved deeper into the issue of corporate taxes, which he described as very low in Oregon. While personal income tax rates are high, corporate tax revenues are less than tax revenues from the Oregon Lottery. Because almost every state has higher corporate taxes, Oregonians end up subsidizing taxes imposed by other states. Multi-state and multi-national corporations make pricing decisions based on national levels of taxation and are indifferent to levels in individual states.



Prices reflect spreading the tax burden which, since it is so low in Oregon, means more of the prices we pay goes to support the tax burdens the companies face in other states. Rep. Barnhart agreed, and both he and Rep. Hunt suggested that one solution might be a tax somewhat like the business and occupations tax imposed by our neighbor to the north. While it is a consumption-based tax, it is not imposed at the retail level and thus may be less offensive to Oregonians. (In our December 20 legislative preview, Senator Lee Beyer suggested that such a tax might emerge from the 2019 session which has just begun). Rep. Berger cautioned



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that any such tax would have to be carefully crafted to avoid compounding on products that move through the supply chain. The representatives acknowledged that the recently defeated Measure 97 was a variety of such a tax but, as Representative Berger pointed out, it impacted high-volume, low-margin businesses like grocery stores, which led to its defeat. Any new effort would need to be much more carefully drafted.

Adding to all these woes, the three agreed, was the existence of the “kicker.” While most states use excess revenue built up during good years to fund rainy day funds to help stabilize lean years, in Oregon we send it back. While recently the State did create two rainy day funds – one for education and one for general funds purposes, those funds, which now are at about \$1 billion, are truly inadequate for the purpose.

During the question and answer session, Representative Barnhart pointed to another problem – the proliferation and high level of fees. Governments resorted to user fees when Measure 5 cut off the property tax leg of the stool. As an example, before Measure 5, the

University of Oregon got 50 percent of its revenue from state taxes; now it gets ten percent. The impact – fees (in this case tuition) have exploded. He urged the audience to recognize that almost every user fee, a building permit, a license, even a park charge, there is some part of the benefit that is enjoyed by the overall population of the state. That portion should be funded out of general taxes. If the tax base can fund the appropriate portion, fees can be reduced.

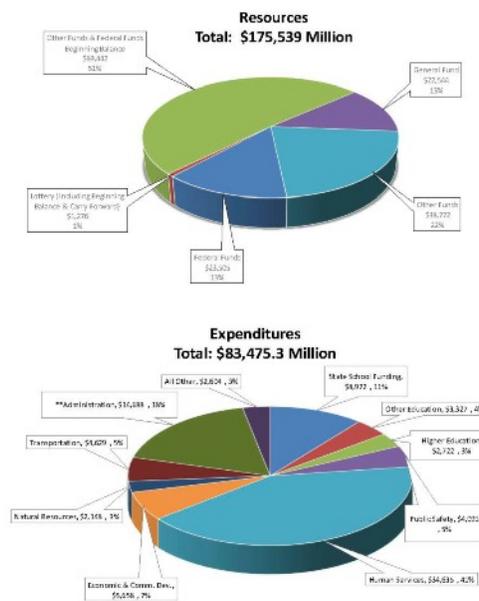
For those who find the discussion stimulates their interest in learning more about Oregon’s system for raising revenue, the panelists point to two sources: the [Basic Facts](#) book published by the Legislative Revenue Office, which has an almost mind numbing amount of detail on Oregon’s system of revenues and how it compares with others; and 2) the chart in the Governor’s Proposed 2019-2021 Budget,

which summarizes where the money comes from and where it goes.



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2019-21 All Funds Budget



* Totals may not foot due to rounding.
 ** Other Funds include \$12.5 billion from the PERB investment fund for paying out to retirees under the Administration section in Expenditures.

Minutes
Board of Directors
Springfield City Club
January 8, 2019 – LRAPA offices

Present:

Merlyn Hough	Kristin Denmark	Joe Leahy	Bob Fondren
Len Goodwin	Terry Beyer	Mackenzie Karp	There Lang
Carolyn Miller	Nick Nelson		

Absent: Callie Elliott

Guests:

The meeting was called to order at 11:35 a.m.

On a motion by Len, seconded by Bob, the minutes as presented were approved unanimously.

Bob presented the Financial Report. He noted that the year ended with a positive balance compared to last year, which ended with a small deficit. On a motion by Len, seconded by Terry, the Financial Report was accepted, unanimously.

The Board discussed membership and individual members agreed to make further contacts to remind members to pay dues, and to solicit new members. The board agreed to focus on adding business sponsors particularly. Mackenzie reported that she is almost complete with a sponsorship form.

The Board reviewed the proposed new web site and generally supported the changes. Suggestions additions included a more complete explanation of the membership process and a fillable form to allow for joining online.

Len presented a bill for \$37.38 for purchase of an additional theme to work with Word Press. On motion by Bob, seconded by Nick, the Board approved reimbursing Len for this expense.

The Board discussed a proposal forwarded to the Board from Mary Leighton, of the Eugene City Club, for a grant to help City Clubs in the state identify tools to increase membership and expand diversity of membership. The grant proposal is a project of the statewide consortium of City Clubs. Len reported that supporting the grant would not involve expenditure of club funds but might require some additional work on the part of Board members to participate in the process with a consultant to be hired with the grant. On a motion by Kristin, seconded by Carolyn, the Board unanimously indicated willingness to support exploring the grant.

The Board discussed attempts to ensure that there is clarity in who is responsible for taking leadership in planning and presenting individual programs, following some confusion which resulted in the need to cancel the January 3 program. Joe will provide a copy of a former Program Plan Sheet that might resolve those issues.

Carolyn pointed out that there is a consistent conflict between City club meeting dates and meetings dates for the League of Women Voters of Lane County (each group meets on the first and third Thursday of the month). Carolyn offered to discuss finding alternatives to avoid the conflict in future years with League officials.

Upcoming programs were reviewed:

1. Len is in charge of the January 17 program which includes three former representatives discussing state taxation issues. He expressed some concern that the program (which is jointly cosponsored with Eugene City Club) might see attendance suffer because the Eugene City club has three separate programs in the week following the January 17th program. He was directed to clarify the issue in any future joint programs with Eugene.

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2. The February 3 program is now scheduled as a briefing on the Springfield proposal for a new library. Carolyn will help coordinate the program with Callie.

3. The February 21 program will be a briefing on the proposal for a new Lane County Courthouse. Len will take charge of that program and has secured the attendance of Presiding Judge Debra Vogt, County Administrator Steve Mohrihisky and others.

Kristin will reach out to those involved in the “climate kids” lawsuit to see if they can present on March 7 (the preferred date) or March 21.

Joe and Bob will talk to the SUB Board about holding an open public meeting of the SUB Board at the City Club meeting of March 21.

Joe and Kristin will investigate developing a program discussing the treatment of homeless criminal defendants and the use of cash bail, which have been impacted by recent court decisions.

Carolyn will explore developing a program addressing the lack of both middle-class and affordable housing. She will coordinate with Terry who is looking into potential legislative solutions, and Mackenzie will explore Emil Reiman’s availability to participate in such a program.

Therese will provide an update on the Transit Tomorrow project for the February newsletter.

There being no further business, the meeting was adjourned at 12:45 p.m.

Respectfully submitted,

Len Goodwin,
Secretary

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TSP Implementation
February 19, 2019
Work Session – 6:00 p.m.
Solid Waste Code Change
Regular Session – 7:00 p.m.
PH Supplemental Budget
PH City Manager Recruitment Process
February 25, 2019
Work Session – 5:30 p.m.

AGENDA

LANE COUNTY COMMISSIONERS

February 5, 2019– 9:00 a.m.
Audit of Local Option Tax Levy Fund
Territorial Highway Jurisdictional Transfer
February 12, 2019 – 9:00 a.m.
Courthouse Ballot Measure
February 19, 2019 – **NO MEETING**
February 26, 2019 – 9:00 a.m.

AGENDA

LANE TRANSIT DISTRICT

February 20, 2019 – Board meeting 5:30 p.m.

AGENDA

SPRINGFIELD SCHOOL BOARD

February 11, 2019 – Board Meeting 7:00 p.m.
February 25, 2019 – Work Session 4:00 p.m.

AGENDA

WILLAMALANE PARK AND RECREATION DISTRICT

February 13, 2019 – Board meeting 6:30 p.m.

AGENDA

SPRINGFIELD UTILITY BOARD

February 13, 2018 – Board meeting 6:00 p.m.

AGENDA

Lane Regional Air Protection Authority

February 14, 2019 – Board Meeting 12:15 p.m.

AGENDA

City Club Board of Directors

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