



PORTLAND <i>City Club</i> BULLETIN	Mayfair Room • Benson Hotel Friday . . . 12:15 p.m.
	Portland, Oregon • March 23, 1973 • Vol. 53, No. 43

THIS WEEK'S PROGRAM:

Discussion of two City Club interim reports which are concerned with vital legislation at the state and county levels now before the 1973 Oregon Legislative Assembly:

(1) Interim Report on

COLUMBIA REGION ASSOCIATION OF GOVERNMENTS (CRAG)

(including discussion of SB 100, the Land-Use bill)

The Committee: Clarke H. Brooke, Ronald C. Cease, George D. Dysart, Don A. Ellis, Baird M. French, Lloyd G. Hammel, Marc D. Kelley, Rodney I. Page, James Pizza, Kenneth Rystrom and Chairman John Huisman.

(The above report was printed and distributed to the membership, March 16, 1973)

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(2) Interim Report on

CITY-COUNTY CONSOLIDATION

(A critique of the Enabling Act, the Charter Commission's draft charter and proposed legislative amendments)

The Committee: Royald V. Caldwell, David M. Crow, Donald V. Etzel, William R. Lesh, James V. Mitchell, James V. Norlen, William A. Palmer, Harvey L. Rice, Thomas S. Stimmel, Joseph E. Worth and Chairman James A. Nelson.

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(Members are advised to bring their mailed copies of the reports with them to the meeting Friday for reference during discussion.)

(Note: Guests are welcome to the meeting but only members may participate in the discussion, unless the chair calls upon an expert witness.)

"To inform its members and the community in public matters and to arouse in them a realization of the obligations of citizenship."

ELECTED TO MEMBERSHIP

John A. Rau, Mechanical Engineer, Research Associate, Reed College. Sponsored by Lloyd B. Williams.

Mike K. J. Rumpakis, Principal, Lincoln High School, School District No. 1. Sponsored by E. John Rumpakis.

PROPOSED FOR MEMBERSHIP AND APPROVED BY THE BOARD OF GOVERNORS

If no objections are received by the Executive Secretary prior to April 6, 1973, the following applicant will be accepted for membership:

C. Howard Burnett, Vice President, Executive Department, Union Pacific Railroad Company. Proposed by Randall Kester.

RIVERFRONT STUDY "RECYCLED": ROSENFELD TO CHAIR COMMITTEE

Lloyd B. Rosenfeld, treasurer and plant manager of Sealy Mattress Company, has accepted appointment as chairman of a City Club study on Portland's Willamette River waterfront area, Robert W. McMenamin, first vice president and Research Board chairman, announces. Rosenfeld has previously served on study committees in 1964 and again in 1970.

Chairman Rosenfeld will announce his committee selections shortly. Dr. Burton Onstine serves as research advisor from the Research Board.

The committee project, an outgrowth of a previous committee which had been charged with determining what use should be put to the Harbor Drive area following the razing of the Journal Building site, is asked to survey the riverfront within the City of Portland to determine the following:

- (1) present and historical use of the Willamette riverfront, from the southern limits of the City of Portland to the mouth of the river;
- (2) the most likely future use of the area, if existing conditions are not altered;
- (3) the prospective developmental changes, if any, that would be most beneficial in the public interest, including
 - (a) Portland's Downtown Plan and Willamette Greenway proposals;
 - (b) possibilities of grants from the American Bi-Centennial Commission;
 - (c) CRAG's land use plan for the metropolitan area;
 - (d) plans of the city's Park Bureau, and Public Works department, as well as those of the Oregon State Highway Department;
 - (e) difficulties surrounding relocation of existing structures and businesses, if necessary, and
 - (f) the most reasonable and potentially successful method of effecting any changes recommended.

The earlier "Harbor Drive" committee produced an interim report in August, 1969, when there was general concern that the waterfront area might be heading for an all-highway treatment, a threat which was soon thereafter silenced.

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**INTERIM REPORT
ON
CITY-COUNTY CONSOLIDATION**

To the Board of Governors,
The City Club of Portland:

I. INTRODUCTION

The voters of Portland, as one entity, and the voters of Multnomah County, as the second entity, will be asked, probably in the May, 1974 Primary election, to decide the issue of consolidating their respective governments.

The exact election date is not certain at this time. Neither is it known whether the law may be changed to permit voters in the county's unincorporated area to have a third vote. But, barring a reversal of position by the 1973 Legislature, there will be an election on the issue of City-County consolidation.

A draft charter to accomplish that purpose and to create a consolidated government and define its responsibilities, was presented to the Portland City Council and the Multnomah County Board of Commissioners on November 1, 1972.

That charter is subject to public hearings, and subsequent revision, prior to the presentation of a final draft on November 1, 1973.

This first interim report of your Committee responds to a charge which requires:

(a) A description and explanation of the work of the City-County Charter Commission up to this time, and comment on the strengths and deficiencies of the Enabling Act¹ under which the Charter Commission was established, and

(b) The research committee's recommendations for legislative amendments to the Enabling Act, if any, and

(c) Recommended approaches to be taken by various public agencies, including the Portland Metropolitan Area Local Government Boundary Commission, in responding to proposed boundary changes in the county, if any.

Your Committee is further charged to prepare a second interim report prior to the final drafting of the charter, as well as a final report at the time a final charter is drafted, which third report would include recommendations for or against its approval.

II. SCOPE OF INQUIRY

The Committee interviewed the following persons:

Donald E. Carlson, Executive Officer, Portland Metropolitan Area Local Government Boundary Commission

Kenneth Hampton, Staff Director, City-County Charter Commission

Marc Maden, former Research Assistant, Charter Commission

Kenneth S. Martin, Administrative Analyst, Portland Metropolitan Area Local Government Boundary Commission

A. McKay Rich, Assistant Director, Columbia Region Association of Governments

Jerry Tippens, Chairman, Portland Metropolitan Area Local Government Boundary Commission

Anthony White, Research Associate, Charter Commission

The Committee reviewed the following materials:

Various newspaper articles from *The Oregonian*, *Oregon Journal*, and *The Press*

¹City-County Act of 1971, Oregon Revised Statute (ORS) Chapter 199.

- Reshaping Government in Metropolitan Areas*, Committee for Economic Development, February, 1970
- Report on Portland City Government*, The City Club of Portland, Vol. 41, No. 51, May 19, 1961
- Report on Multnomah County Home Rule Charter*, The City Club of Portland, Vol. 46, No. 51, May 20, 1966.
- Report on Government Consolidation City-County Over 300,000*, The City Club of Portland, Vol. 49, No. 20, October 18, 1968.
- Report on Consolidation Amendment*, The City Club of Portland, Vol. 7, No. 27, April 1, 1927.
- City-County Act of 1971, (ORS Chapter 199).
- Portland Metropolitan Study Commission, Memoranda
- "Nashville, Jacksonville and Indianapolis Examined for Possible Lessons for Future," *Nation's Cities*, November, 1969
- Information Packet*, City-County Charter Commission, November, 1972, Portland, Oregon.

Since the inception of the Charter Commission, with rare exception, one or more members of your Committee has attended the Commission's meetings and public hearings. A one-day conference on City-County Consolidation, sponsored by the business and community leaders, was attended by the majority of your Committee.

III. HISTORY

Attempts by city and county governments to consolidate occurred with some frequency in the United States after World War II. Voter acceptance, initially negative, increased with time. In the 1950s, there were seven attempts, two successes; in the 1960s, sixteen attempts and seven successes; so far in this decade, three attempts have been successful.

Objectives of these consolidations were to eliminate duplicated services, reduce the costs of government—and therefore the increases in taxes—and improve the responsiveness of local government to citizen needs and demands.

The first post-war consolidation (requiring the approval of voters, rather than of a legislature) was achieved with the consolidation of Baton Rouge and East Baton Rouge Parish, Louisiana, in 1947. There followed consolidations involving Nashville, Tennessee; several cities and counties in Virginia; Jacksonville, Florida; Carson City, Nevada, and others.

Most consolidations followed initial failures. Portland has such a history of failures.

An attempt was made in 1913 to create a City-County of Portland within the city's boundaries. This was rejected in a state-wide vote. A constitutional amendment to authorize consolidation of Portland and Multnomah County likewise was rejected, by state-wide vote, in 1927. A similar amendment finally was referred by the legislature in 1967, 40 years later. In 1968 the amendment won a state-wide majority of 58.6 percent, and, in Multnomah County, a majority of 66.3 percent.

The course of the subsequent enabling legislation in the legislative assembly was far from smooth. A bill introduced in the 1969 Legislature failed because of unresolved objections over boundaries. In the 1971 Legislature, a bill prepared by the Interim Committee on Urban Affairs was introduced January 20, 1971, as House Bill 1054. It provided that consolidation would be subject to three votes, i.e., approval by the affirmative vote of the voters in (1) Portland, (2) Multnomah County (including Portland) and (3) the unincorporated area of the county.

A substituted bill under the same title eliminated the so-called third veto and provided, among other changes, that the five smaller cities in the county could "opt out." This meant that if the voters of any of the smaller cities voted against consolidation for themselves, those cities would not become a part of the consolidated city-county. During the course of four public hearings, many modifications were proposed. Ultimately, the legislation (see Appendix A) was adopted in the final, frantic closing session on June 7, 1971.

Pursuant to this legislation, an 11-member City-County Charter Commission was appointed to draft a charter. Three members were appointed by state senators from Multnomah County; three by state representatives from the county; two by the Multnomah County Commission; two by the Portland City Council, and one by the mayors of each of the five smaller cities: Gresham, Maywood Park, Wood Village, Fairview and Troutdale.

The present membership of the commission includes:

Members	Residence	Occupation	Appointing Authority
George M. Joseph, Chairman	Portland (city)	Attorney, Bemis Breathouwer & Joseph	Multnomah County State Senators
Lee Irwin Vice Chairman	Troutdale (unincorporated area)	Owner & Publisher <i>Gresham Outlook</i>	Multnomah County State Senators
Ruth Hagenstein, Secretary	Portland (city)	Civic leader	Portland City Council
William E. Bradley	Portland (unincorporated area)	Personnel Representative, Reynolds Aluminum Co.	Multnomah County State Representatives
Polly Casterline	Troutdale (unincorporated area)	Civic leader	Multnomah County Commissioners
Frank L. Roberts	Portland (unincorporated area)	Professor of Speech, Portland State University	Multnomah County Commissioners
Joseph M. Edgar	Portland (city)	President, Joint Council #37, Teamsters Union	Multnomah County State Senators
Joseph A. Labadie	Portland (city)	Vice President, U.S. National Bank	Portland City Council
Loyal Lang	Portland (city)	Supervising Architect, Bureau of Architectural Planning, City of Portland	Multnomah County State Representatives
Glen Otto	Troutdale (city)	Electrician, State Repre- sentative, Dist. 23	Mayors of Suburban Cities
Morton A. Winkel	Portland (city)	Attorney, self	Multnomah County State Representatives
Former Members	Residence	Occupation	Appointing Authority
Richard Bogle, resigned, May 1972	Portland (city)	Television News, KATU	Multnomah County Commissioners
Sylvia Davidson, resigned, Sept. 1972	Portland (city)	Civic leader	Multnomah County Commissioners
R. W. deWeese resigned, Jan. 1972	Portland (city)	Business Executive	Portland City Council
Earl Klapstein resigned, Jan. 1972	Gresham (city)	President, Mt. Hood Community College	Multnomah County Commissioners

The Commission, whose members are unpaid, has employed a small professional staff. The staff members are Kenneth W. Hampton, director; Ann H. Grand, assistant director; Anthony G. White and Dennis Link, research associates; Joan M. Niemi, secretary and Charlotte Brown, work-study assistant.

IV. WORK OF THE COMMISSION

When Portland Mayor Terry D. Schrunk convened the first meeting of the City-County Charter Commission on November 2, 1971, George M. Joseph was elected chairman and the Commission initiated basic policy on determinations.

The Commission determined that its job was to get out a charter and not to get involved in arguments about the merits of consolidation. It decided that it wanted a government in which the administrative and legislative functions were clearly separated, it wanted a strong mayor, and it wanted a council free to make its own rules of operation.

By way of organization it created three study committees: (1) Government Structure, (2) Civil Service and Personnel, (3) Finance and Taxation.

Within the framework of these committees, the Commission then blocked out a general outline of the charter, determined specific policies through resolutions, and finally converted resolutions into charter language.

The Commission has solicited the experience of other charter commissions from recent city-county consolidation efforts, and it has employed the use of out-

side attorneys and professional consultants in specific areas of expertise. Some major unresolved problems are now in the hands of consultants. Among these are a limited actuarial study of pension programs, a study of personnel integration, and a general government transition study.

The Commission also has prepared amendments to the Enabling Act, to be submitted to the 1973 Legislature, which amendments it feels would strengthen the charter. (See Appendix B)² (As submitted)

Throughout its existence, the Commission's business — heard on a scheduled basis twice a month — has been open to the public. (Appendix C) The public seldom appears, however, and most often deliberations are attended by only one or two persons from a potential constituency of half a million.

V. THE ENABLING ACT

The history of this legislation was controversial, complex, and subjected to many compromises in final drafting. As such, the Act is not ideally drawn to carry out its purposes, contains clauses apparently inserted for purely political purposes, is inaccurate in its definitions, and in some cases appears remote from reality.

Consequently, the task of pointing up its deficiencies is much simpler than pointing out its strengths, with the result that criticism tends to become negative, although not necessarily so intended.

A. Strengths

The obvious strength of the Enabling Act is its existence; there is, in fact, a statute upon which a charter for city-county consolidation can be built.

There is strength in its simplicity and in the freedom it gives the Charter Commission to develop a form of government it feels is best suited to the needs of its community.

A strength, too, is the diversity of commission membership, directed through the appointing authorities established in the Act. This allows the broadest base of input possible for selecting a body the size of the Charter Commission.

Two significant provisions of the Enabling Act may, in the Committee's judgment, be both strengths and deficiencies, because strengths and deficiencies are inherent in each. These are the protection of jobs and job rights, and the provision for differential taxation districts.

The guarantee of employment and of employment rights and benefits "to at least the same extent as they exist at the time of the consolidation" should allay fears among incumbent city and county employes. The experience of other consolidations reveals that skeptical government employes, resistant to change, have become major negative forces. However this guarantee brings with it massive technical problems and a suspicion among many that it will preclude any hope of personnel economies.

The 1971 Legislature's decision to allow the Charter Commission to "establish taxing districts on the basis of services" at different rates is unique in the state. It provides a useful device to solve an obvious problem: How can a government, particularly one which seeks to eliminate numerous service districts, find a tax rate equitable for residents of both Portland and Corbett? The solution adopted, on the Legislature's suggestion, was differential taxation, which the Commission fixed at rates of 100 per cent; 80 per cent and 50 per cent. The deficiencies here involve the question of constitutionality — can this be considered "uniform on the same class of subjects"?³ — and the inevitable problems that come from having, somewhere, to draw tax district lines.

B. Deficiencies

The weakness of the enabling legislation can best be described by reviewing the Act section by section. In commenting on problem areas, the Committee feels

²As of this writing, the Commission reports that the proposed bill has not been numbered or introduced. However, Section 5 amending ORS 199.765 has been separated from the remainder of the bill and will be introduced as House Bill 3089. (Section 5 deals with those districts having differing tax rates, "differential taxation".)

³Oregon Constitution, Sec. 32, Art. 1.

