

The Hidden Tax

hidden tax. Since the cost of tax increment financing is buried in the property tax rate, the portion of cost for these projects is unknown to the individual taxpayer.

2. The length of time the property in urban renewal districts is off the tax rolls, between 20 to 30 years, is too long to wait for tax relief.
3. Tax increment financing circumvents the public's right to vote on public debt.
4. Tax increment financing can result in taxation without representation: The city creates a debt, but through the tax rate, the cost is spread, not only to its residents but also to residents of the county living outside the city. Those outside the city limits are barred from voting for or against the elected officials who create this tax burden.

The Journey Back

Here we are, back in Multnomah County. It's been an interesting journey, but now we wonder what all the fuss was about. Tax increment financing may be a problem for a galaxy long ago and far away, but do WE need to worry? The best thing we can do is look at our tax statements to see how much we really pay. Unfortunately, when we look, we discover the information isn't there. If we ask why, we learn that forces have been at work in the Salem legislature to make sure it's a well kept secret. Who the "Darth Vader's" are among us, we ought to find out, but for the moment, we'll ask our friendly Multnomah County Assessment and Taxation Division.

They turn out to be pretty nice people and oblige by sending us a sample of what a typical homeowner's statement would look like IF THE URBAN RENEWAL COSTS WERE BROKEN OUT. This is a REAL, not mythical, tax statement billed to someone in the county. Here's what it would look like if urban renewal costs were shown, compared to what it **does** look like when urban renewal costs are "hidden."

(see chart 4A)

We discover that 3.3% of this tax bill goes for urban renewal. The sum

Impact of Urban Renewal on Individual Tax Return

Taxing Body	True \$ Amount	As Seen on Tax Bill
Port of Portland	13.94	14.54
City of Portland	269.93	278.43
E.S.D.	50.51	52.55
Portland S.D. #1	550.07	570.28
PCC	32.42	33.55
MDS	9.04	8.95
(Multnomah) County	153.81	158.77
Port Bonds	1.50	1.12
Total, w/o Urban Renewal:	\$1,081.22	
Urban Renewal adds:	36.97	*****
Total (WITH Urban Renewal):	\$1,118.19	\$1,118.19

*****Urban Renewal costs are hidden by being spread throughout the taxing bodies.

Chart No. 4A

Urban Renewal 1987-88 Statistics

South Auditorium Urban Renewal

Created:	1965-1966
Frozen Base:	\$11,005,789
Excess:	\$59,939,967
Returned to Roll:	\$59,939,967

Downtown Waterfront Urban Renewal

Created:	1974-75
Frozen Base:	\$97,406,603
Excess:	\$317,016,733
Returned to Roll:	\$134,662,237

N.W. Front Avenue Urban Renewal

Created:	1979-80
Frozen Base:	\$30,045,830
Excess:	\$58,148,260
Returned to Roll:	-0-

St. Johns Urban Renewal

Created:	1981-82
Frozen Base:	\$3,685,122
Excess:	-0-
Returned to Roll:	-0-

South Park Blocks Urban Renewal

Created:	1986-87
Frozen Base:	\$402,291,511
Excess:	\$88,659,839
Returned to Roll:	-0-

Central East Side Urban Renewal

Created:	1987-88
Frozen Base:	\$297,333,210
Excess:	\$7,627,920
Returned to Roll:	-0-

Columbia South Shore Urban Renewal

Created:	1987-88
Frozen Base:	\$146,986,010
Excess:	\$4,572,404
Returned to Roll:	-0-

Chart No. 4B