

## The Hidden Tax

dollars to the tax rolls, it has taken millions more off again. This process of improving and even re-improving an area may be the nearest thing to a perpetual motion machine man has yet to create, and new urban renewal districts can be designated.

Let's look at that same array now in terms of actual taxes levied. What we will discover this time, is income generated for the Portland Development Commission for 1987-88 will be over \$14 million dollars, and that more than \$95 million dollars has been added to the local tax bills since increment financing began.

### Who's Responsible?

The people in charge are the members of the Portland Development Commission. They have an executive director and they operate with public dollars as a quasi-private entity. They are appointed by the city council. Are they directly answerable to the voters (those who live within the city)? No.

### Is Tax Increment Financing a Good Strategy for Today?

Maybe. The purpose of this presentation is to present the issues so that an informed public can become a partner in an open discussion with their elected representatives at both the local and state level. Taxpayers ought to question whether or not the cost of tax increment financing should remain a hidden cost or should be recorded as part of the tax statement. To get the cost recorded, there needs to be a change in the law and the first order of business is to contact state representatives. A call to the Multnomah County Elections Division (248-3720) will provide information on how to contact elected state representatives.

Once the public knows the cost of these urban renewal projects, it is able to assess how much, if any, of these dollars should be diverted from

public education, police, fire, health care, jails and other basic services to create urban renewal projects. And there is some built-in accountability too, because people can decide whether or not they are getting what they are paying for. They can hardly do that if they don't realize that money for schools or these other basic services are being reduced in order to build office complexes in downtown Portland, for example. So, let the public be informed and let the debate begin! ■

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