CITY OF
West Linn

# Memorandum

**Date:** **October 19, 2012**

**To:** **John Kovash, Mayor**
**Members, West Linn City Council**

**From:** **Chris Jordan, City Manager**

**Subject:** **Miscellaneous Items**

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**Property Tax Bills Mailed**
Clackamas County will be mailing property tax bills today – the same day that ballots are mailed! Attached is a press release from the County Assessor's office describing changes to property taxes throughout the county.

**Council Schedule**
The tentative schedule for the Council for the rest of the 2012 is:

November 5: work session that includes a joint meeting with the Utility Advisory Board and the Water System Improvement Task Force

November 19: Special meeting (this is a special meeting because the regular meeting would take place on November 12 which is a holiday)

December 3: work session

December 10: regular meeting

December 15: Council goal setting for the 2013 City Council (very tentative date)

December 17: Council Executive Session – City Manager Evaluation

Attachment

Contact:
**Bob Vroman, Assessor**

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Fax 503-655-8313

Clackamas County
**Department of Assessment & Taxation**
150 Beavercreek Road
Oregon City, OR 97045

# Press Release

## Subject: 2012-2013 Property Tax Information

Clackamas County Assessor, October 17, 2012

2012 property taxes in Clackamas County are at their lowest growth rate of the past 16 years. This is the sixteenth tax year under Oregon's last constitutional property tax limitation that has driven Oregon's property tax system since May 1997. Oregon's slow to improve economy and struggling real estate market in 2011 coupled with Oregon's two constitutional property tax limitations and taxing districts paying off or reducing bonded debt levies all contributed to the lower than normal tax growth seen this year.

The total 2012-13 property tax to be collected for all districts in the county is $629,332,557, an increase of 0.83% over last year's total of $624,179,493.

The $5.2 million increase in property taxes is primarily due to taxes generated from new construction, annexations, new local option and bond levies approved by voters, and the required 3% increase to assessed value on most existing property. In contrast to the lower than normal property tax growth is the tax relief to property owners from Oregon's other constitutional limitation, Measure 5. Tax reduction under Measure 5's limitations grew from last year's $12.6 million to $18.2 million, reaching the highest amount of Measure 5 tax relief since the implementation of Measure 50 in 1997. This tax relief for property owners comes at a cost to taxing districts that will receive less revenue as a result of Measure 5 limitations.

Property tax statements will be mailed to 168,862 real and personal property owners on October 19th and 22nd.

Many property owners will still see their taxes increase close to the 3% expected with the typical 3% growth in assessed value. Some will see increases greater than 3% where districts levied more for existing bonded debt or passed new local option or bonded debt levies. Others will see increases less than 3% where taxing districts levied less for bonded debt, paid debt off, or they are seeing savings as a result of Measure 5 limitations. A growing number of property owners will see tax decreases where real market values have fallen below the maximum assessed value and their assessed value and taxes have decreased.

City of Canby voters approved a replacement local option that is 7 cents per thousand greater than the expired levy to fund swim center services and provide for future pool maintenance. City of West Linn voters approved new bonded debt with a rate of 14.5 cents per thousand for construction of a new police station. Shady Dell Water levied 32 cents per thousand after not having a levy in the prior year and the Metropolitan Service District's debt levy increased 9 cents per thousand.

The City of Damascus levied 20 cents less of its' permanent rate authority than last year. Monitor Fire District's local option levy expired ($1.08 per thousand). Oak Lodge Water did not levy for its' bonded debt ($0.14 per thousand) and Tri-Met paid off its bonded debt ($0.06 per thousand).

*more*

## Other Area Changes Impacting Taxes:

**Education Districts levying less for bonded debt** These reduced levies helped offset tax increases from new levies and increases that occur with the 3% increase in assessed value.

| District | 2011 rate | 2012 rate | 2012 Change |
|---|---|---|---|
| CANBY SCHOOL | 2.2577 | 2.1588 | -0.0989 |
| CENTENNIAL SCHOOL | 1.9357 | 1.2015 | -0.7342 |
| DAMASCUS ELEM SCHOOL-PAID OFF | 0.7190 | 0.0000 | -0.7190 |
| DICKEY PRAIRIE ELEM BONDS-PAID OFF | 0.7706 | 0.0000 | -0.7706 |
| ESTACADA SCHOOL | 1.6666 | 1.5583 | -0.1083 |
| GLADSTONE SCHOOL | 2.0521 | 2.0419 | -0.0102 |
| NORTH CLACKAMAS SCHOOL | 1.2847 | 0.8623 | -0.4586 |
| NEWBERG SCHOOL | 2.7937 | 2.7784 | -0.0153 |
| SILVER FALLS SCHOOL | 1.2180 | 1.0986 | -0.3498 |
| SHERWOOD SCHOOL | 4.0793 | 4.0071 | -0.0722 |
| TIGARD/TUAL SCHOOL | 1.4507 | 1.4202 | -0.0305 |

**Education Districts levying more for bonded debt** These increased levies may contribute to higher tax increases than would typically occur with the 3% increase in assessed value.

| District | 2011 rate | 2012 rate | 2012 Change |
|---|---|---|---|
| CLACKAMAS COMMUNITY COLLEGE | 0.1391 | 0.1586 | 0.0195 |
| PORTLAND COMMUNITY COLLEGE | 0.3153 | 0.3823 | 0.0670 |
| GLADSTONE SCHOOL | 2.4880 | 2.5073 | 0.0193 |
| GRESHAM/BARLOW SCHOOL | 1.0458 | 1.0864 | 0.0406 |
| MOLALLA RIVER SCHOOL | 0.1935 | 0.2608 | 0.0673 |
| OREGON CITY SCHOOL | 1.4160 | 1.4549 | 0.0389 |
| OREGON TRAIL SCHOOL | 2.3024 | 2.3840 | 0.0816 |
| RIVERDALE SCHOOL | 3.0609 | 3.3727 | 0.3118 |
| WEST LINN/WILS SCHOOL | 2.9957 | 3.0162 | 0.0205 |

**Districts levying new voter approved money measures**

| District Name | Type of Levy | Purpose | Rate Increase |
|---|---|---|---|
| *City of Canby* | *Local Option* | *Replaced existing Local Option to fund swim center* | *7¢ per 1,000* |
| *City of West Linn* | *Bonded Debt* | *Construction of New Police Station* | *14.49¢ per 1,000* |

**TYPICAL PROPERTY TAX INCREASES FOR 2012-2013*:**

| | |
|---|---|
| Beavercreek | 3.0% |
| Boring | 4.0% |
| Canby (City) | 3.0% |
| Canby (Rural) | 2.5% |
| Carus | 2.5% |
| Charbonneau | 3.0% |
| Colton | 3.25% |
| Damascus (City) | |
| -Centennial School Dist. | -2.0% |
| -Gresham/Barlow School Dist. | -3.0% |
| -North Clackamas School Dist. | -1.0% |
| -Oregon Trail School Dist. | 2.5% |
| -Estacada School Dist | 1.0% |
| Estacada (City) | 2.0% |
| Estacada (Rural) | 2.0% |
| Gladstone (City) | |
| -Gladstone School Dist. | 3.5% |
| -North Clackamas School Dist. | 0.75% |
| -Oregon City School Dist. | 3.5% |
| Happy Valley | 0.5% |
| Lake Oswego | 3.5% |
| Molalla (City) | 3.5% |
| Molalla (Rural) | 4.0% |
| -Silver Falls School Dist. | 0.75% |
| Mulino | 4.0% |
| Milwaukie (City) | 1.0% |
| Milwaukie (Unincorporated North Clackamas Area) | 0.5% |
| Newberg | 3.0% |
| Oregon City (City) | 3.5% |
| Oregon City (Rural) | 3.5% |
| Portland (City) | |
| - Portland Sch. District | 4.0% |
| - North Clackamas School Dist. | 1.75% |
| Redland | 3.5% |
| Riverdale | 5.75% |
| Sandy (City) | 3.5% |
| Sandy (Rural) | 3.75% |
| Sherwood | 2.75% |
| Sunnyside | 0.5% |
| Tualatin | 3.0% |
| Welches/Gov't Camp | 3.75% |
| West Linn (City) | 4.0% |
| West Linn/Wilsonville (Rural) | 3.5% |
| Wilsonville (City) | |
| - West Linn/Wilsonville School | 3.5% |
| - Canby School | 3.0% |

* The typical tax increases above reflect property taxes prior to any limitation that may result from Measure 5. Savings that result from the Measure 5 limits reduce the amount of tax actually imposed and are calculated on a property by property basis. The savings that occur from the Measure 5 limitation is dependent on the ratio of assessed value to real market value and the tax rates of the districts that provide service to a specific area.

Clackamas County will have approximately 91,000 accounts that will receive some savings as a result of the Measure 5 limits. 57,000 accounts will see a decrease in taxes from the prior year. The real market value is the assessed value for 47,000 accounts and 37,000 of those accounts are residential, commercial, industrial, or manufactured structure accounts.

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## UNDERSTANDING OREGON'S PROPERTY TAX SYSTEM

This is Oregon's 16th tax year under a constitutional property tax limitation passed by voters in May of 1997 and still referred to as Measure 50. The constitutional amendment reduced property taxes and fundamentally changed Oregon's property tax system in several ways. It replaced most tax levies with permanent tax rates; it lowered the assessed value of every property to 90% of its 1995-96 assessed value; and it limited assessed value growth to 3% a year. The system also allows voters to approve additional money measures that may increase their taxes in excess of 3%.

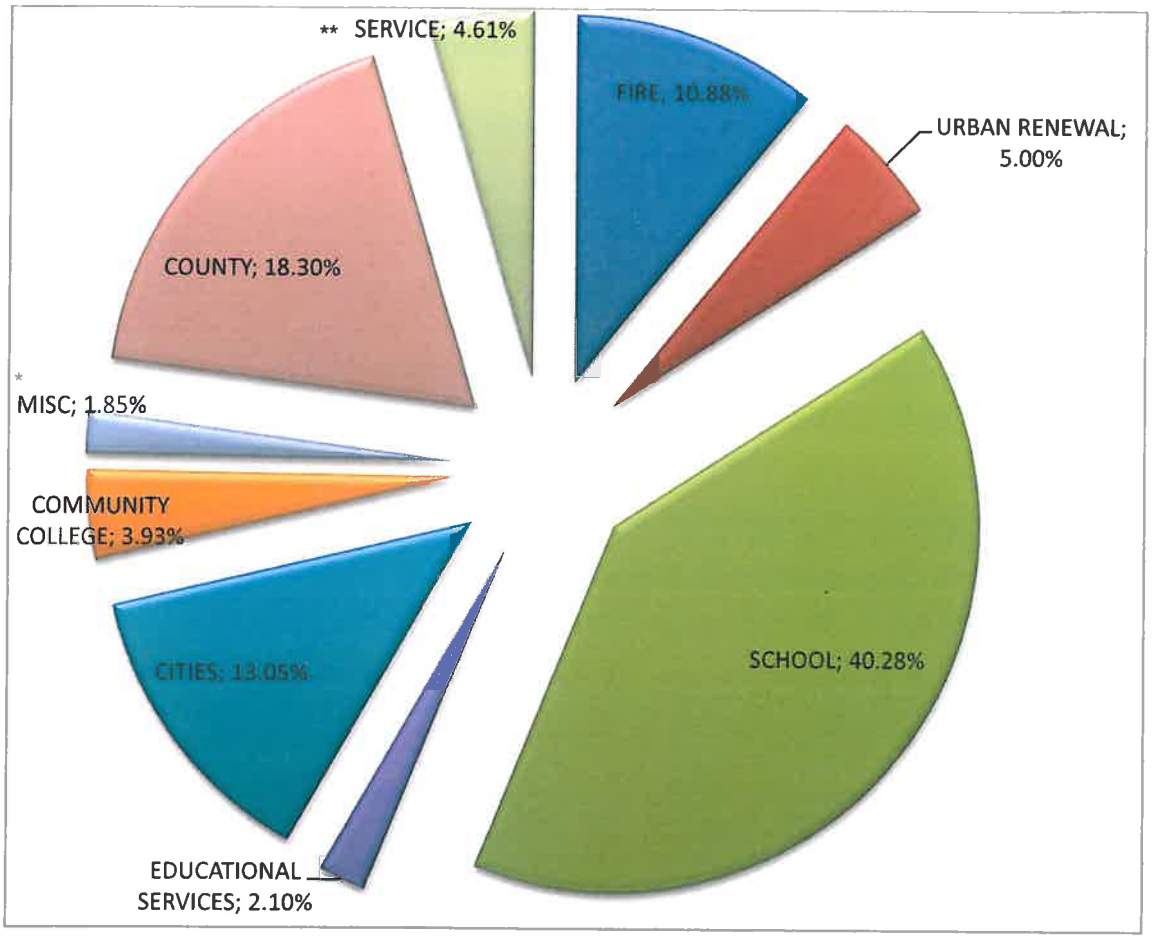
For January 1, 2012, the total real market value of property in Clackamas County including new construction is $44 billion. This is a 3.8% decline from $45.7 billion in 2011. The assessed value for tax purposes grew from $38 billion to $38.8 billion, an increase of 2.2%. This becomes Clackamas County's lowest assessed value growth in the Measure 50 era. While the gap between real market value and maximum assessed value continued to close, most property taxes are still calculated on an assessed value that is less than real market value.

The average real market value of a single family home in Clackamas County is $268,262 and the median value is $224,135. The average taxable value is $236,545. The assessed value of an average home is equal to about 90% of its real market value. The Assessor's values represent the property values as of the assessment date which is January 1, 2012 and reflect the change in value from January 1, 2011 to January 1, 2012. The value on your tax statement does not reflect changes in the real estate market that have occurred after the assessment date.

Property taxes in Oregon typically increase about 3% each year unless there are significant improvements to the property (new construction) or new voter-approved money measures. **The 3% value increase times the permanent tax rate of each taxing district would limit taxes to a 3% increase.**

Many property owners continue to ask the question, "Why did my assessed value and property tax go up when my real market value went down"? Since Measure 50 passed in 1997, market values generally grew much faster than the 3% increase in assessed value required by law. Even with market declines, as long as market value is greater than assessed value, the 3% annual increase in assessed value will continue and taxes will typically increase about 3%. Properties with new construction, other measure 50 exception value, or in areas with new money measures passed by the voters, can see taxes increase more than the typical 3%.

Property taxes in Clackamas County support 132 local government taxing districts, including 17 cities and 18 school districts. Other taxing districts providing services include the county, fire districts, public safety districts, water districts, the Port of Portland, and Metro.




* Miscellaneous includes Port, Vector, Cemetery, Water, Parks, and Lighting

** Service includes Library, Metro, Extension Office, and Sewer

## DUE DATES AND APPEALS

The value change notice is part of the tax statement. Taxpayers can file value appeals with the Board of Property Tax Appeals (BOPTA) through December 31, 2012. BOPTA's phone number is 503-655-8662. Full payment of taxes is due by November 15, 2012 to receive the 3% discount. A two percent discount is given if 2/3 payment is received by November 15th. No discount is allowed on a 1/3 payment and additional 1/3 payments are due on February 15th and May 15, 2013.

## PAYING YOUR TAXES

Our staff is committed to providing high quality public service. We encourage people to pay their taxes early and take advantage of the payment methods most convenient for them. Mail payments early to ensure they are received timely. You can also choose the on-line payment process where e-checks and debit card payments are very affordable (see our website for more information at www.clackamas.us/at/pay.html). There is a tax payment drop box located to the left of the main entrance at the Development Services Building. Also, look for signs directing you to our drive thru tax payment drop box located off Library Court beginning November 1st.

## LOCATION, OFFICE HOURS and PUBLIC SERVICE:

The Assessor's office is open from 7:00 am to 6:00 pm Monday through Thursday **(closed Fridays)**. **The office will also be closed Monday, November 12th in observance of Veterans Day.**

Citizens may call 503-655-8671 after hours and leave messages on the recorder or email the office at: PropertyTaxInfo@clackamas.us. The Assessor and his staff will conduct 13 town hall meetings between October 23rd and November 14th to provide information and communicate directly with the citizens. A list of dates and locations is included with the tax statements.

Our office is located in the Development Services Building on the Red Soils Campus at 150 Beavercreek Road in Oregon City. Clackamas County has brought together departments providing related services like planning and building permits that were previously in various locations. Our goal is customer convenience with one stop shopping in mind. Our office is located on the first floor just inside the main entrance.

## CLACKAMAS COUNTY ASSESSOR TOWN HALL SCHEDULE - 2012:

The Assessor and his staff will conduct 13 town hall meetings between October 23rd and November 14th. Information provided includes current property values and how established, requirements for veteran's exemptions and senior citizen tax deferral, Measure 50 and its effect on future taxes and the value appeal process.

**CANBY**
Canby Adult Center
1250 S Ivy Street
October 24, 2012 7:00 – 8:30 pm

**COLTON**
Colton High School Media Center
30205 S Wall Street
November 14, 2012 7:00 – 8:30 pm

**DAMASCUS**
Damascus Community Church
14251 SE Rust Way
October 30, 2012 7:00 – 8:30 pm

**ESTACADA**
Estacada Community Center
200 SW Club House Drive
November 6, 2012 7:00 – 8:30 pm

**GLADSTONE**
Gladstone Senior Center
1050 Portland Avenue
October 30, 2012 9:00 – 10:30 am

**LAKE OSWEGO**
Lake Oswego Adult Community Center
505 G Avenue
November 6, 2012 2:00 – 3:30 pm

**MILWAUKIE**
Milwaukie Center
5440 SE Kellogg Creek Drive
October 31, 2012 9:00 – 10:30 am
November 7, 2012 7:00 – 8:30 pm

**MOLALLA**
Molalla Adult Community Center
315 Kennel Avenue
October 29, 2012 7:00 – 8:30 pm

**OREGON CITY**
Pioneer Community Center
615 5th Street
October 23, 2012 7:00-8:30 pm

**SANDY**
Sandy Community & Senior Center
38348 Pioneer Boulevard
November 8, 2012 12:30 – 2:00 pm

**WEST LINN**
West Linn Adult Community Center
1180 Rosemont Road
November 7, 2012 1:00 – 2:30 pm

**WILSONVILLE**
Clackamas County Visitor's Center
29600 SW Park Place
October 25, 2012 7:00 – 8:30 pm