

Money Thinkers

At the direction of the City Council an ad hoc committee was convened to discuss methods of increasing revenues in order to meet a forecast deficit relative to long term Capital Improvement Project funding. The group dubbed itself the "Yachats Money Thinkers. The group met several times (5 or 6) and considered many options. Out of these discussions the following recommendations emerged:

- Increase Transient Room Tax to 9%
 - Yachats room tax has not been adjusted in many years. The majority of entities that charge such a tax appear to be charging significantly more than Yachats. The "floor" of this type of tax is around 9% while its ceiling is around 13%. 70% of these new funds will go to the Visitor Amenities fund and the remainder will be general fund
- Adjust Water Rates
 - The thought here is that the existing water charges are not providing enough money for needed water projects. Included in this item is the idea that larger users are not paying an appropriate share of the base rate. Also the concept of including two units of water in the base rate is recommended by the group. Further, all water and sewer rates should be indexed to the Consumer Price Index to help avert future shortfalls
- Borrow money for projects to be repaid by the Urban Renewal District
 - The price of many of these projects will rise in time. Additionally, compromises to the City's water supply make it critical to enhance water storage as soon as possible. The Money Thinkers believe the revenues from the URD will easily pay the installments on a loan.
- Encourage the Creation of a Non-profit Organization to Support City Needs
 - Yachats enjoys a great deal of admiration from citizens and loyal visitors. The Money Thinkers believe that this cache could turn into significant gifts and bequests if there were an entity to accept those funds. Although the City could theoretically collect those funds, there is always reluctance on the part of donors to give money to a government entity. The Non-profit could also create fund raising programs for specific project. Projects would include City infrastructure, but could (and probably should) include other community serving projects and organizations.

Ideas considered but not being recommended at this time include:

- Local option levy
- Creation of a streets special district (taxing entity)
- Creation of a parks district (taxing entity)
- Installation of parking meters
- A swimming pool

- A rebate on water fees for vegetable gardeners (This thought was moving in a negative revenue direction, but nothing was off the table in initial brainstorming.)
- General across the board water rate hikes.

Yachats Moneythinkers is a task force authorized by City Council and organized by the Mayor. Members include:

Patty Hodgins

Ellis Lampman

DJ Novgrod

Valeria Tutrinol

Tom Lauritzen

Ron Brean

The meetings have been open to the public and several members of the community have attended most of the meetings, including:

Don Niskanen

Dean Schrock