

**MEETING ITEM COMMENTARY**

**AGENDA ITEM:** Resolution Opposing An Act to Limit Property Taxes to 1% of Full Cash Value

**STAFF RESOURCE:** Richard Michaud, City Administrator

**COUNCIL RESOURCE:** Councilor Jesse McDougal

**BACKGROUND:** The Property Tax Initiative runs contrary to the vision for our City that states: "Our vision is a high quality of life for Saco citizens. Central to this vision is a sustainable economy that offers an opportunity for everyone to have rewarding employment and for business to prosper, now and in the future. The people of Saco bring this vision into reality by working together and building on our tradition of hard work, dedication and ingenuity".

This Resolution was discussed at Council Workshop on March 29, 2004

**EXHIBITS:**

- An Act to Impose Limits on Real and Personal Property Taxes
- The Palesky Proposal: Technical and Legal Problems
- Letter from the Attorney General, dated 03/23/04
- Frequently Asked Questions
- AG's Written Opinion Says Palesky Proposal Deeply Unconstitutional
- AG Confirms Palesky's Unconstitutionality
- Palesky Tax Cap Gets Public Hearing
- Palesky's Initiative Public Hearing This Monday
- Calculating Palesky Impact: Paying County Bill
- Calculating the Palesky Impact a Workbook
- Estimated 2002 Impact of 1% Tax Cap – Best Case Scenario Worksheet
- Estimated 2002 Impact of 1% Tax Cap- Worst Case Scenario
- Supreme Judicial Court – Procedural Order

**RECOMMENDATION:** The staff recommends adopting the resolution.

**SUGGESTED MOTION:** *"Be it resolved this 5<sup>th</sup> day of April, 2004, that the City Council is opposed to the Property Tax Initiative titled 'An Act to Limit Property Taxes to 1% of Full Cash Value, and adopts the Resolution titled, 'Opposition to An Act to Limit Property Taxes to 1% of Full Cash Value'".*

*"I move to approve the Resolution".*

**Resolution: Opposition to An Act to Limit Property Taxes to 1% of Full  
Cash Value**

**City Council of the City of Saco, Maine**

**Whereas:** The Constitution of the State of Maine requires that all taxes upon real and personal property be apportioned and assessed equally according to their just value.

**Whereas:** The City of Saco is committed to providing quality and responsible services to the residents of Saco through education, public safety, public works, administrative services, and recreational services.

**Whereas:** The City of Saco believes in responsible budget management in providing these services to the best of its abilities to the Citizens of the City of Saco with the least impact to the municipal tax rate.

**Therefore:** Be it resolved this 5<sup>th</sup> day of April in the year 2004 that:

The City Council for the City of Saco is opposed to the Property Tax Initiative titled “An Act to Limit Property Taxes to 1% of Full Cash Value”, as it would result in direct inequities in property taxes, eliminate essential public services, and result in loss of local control of such issues as fiscal management, education, public works, and public safety.

Signed this 5<sup>th</sup> day of April, 2004

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Mark D. Johnston, Mayor

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Councilor Leslie Smith, Jr., Ward 2

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Councilor Roland L. Michaud, Ward 4

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Councilor Eric B. Cote, Ward 6

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David Tripp, Ward 1

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Councilor Edward McDonough, Jr., Ward 3

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Councilor Arthur Tardif, Ward 5

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Councilor Jesse McDougal, Ward 7