

**Staff Report****File #:** 23-331**Version:** 1**Date:** 8/28/2023**Item #:** 5.a.**TO:** Mayor and City Council**FROM:** Councilor Julie Hoy, Ward 6**SUBJECT:**

Motion from Councilor Julie Hoy to repeal of the Safe Salem Payroll Tax ordinance

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

**MOTION:**

I move the following motions:

1. That City Council conduct first reading of an ordinance to repeal the Safe Salem Payroll Tax, Ordinance No. 12-23 at the August 28, 2023 City Council meeting.
2. That City Council schedule a special meeting of City Council prior to September 7, 2023 on a date to be determined by the City Manager to conduct second reading of the ordinance.

**DISCUSSION:**

Dear Mayor and Fellow City Councilors:

In light of the City's budget crisis and the citizen response to the passing of Ordinance No.12-23 I am bringing forth a motion to repeal the ordinance.

Repealing this ordinance will allow us to reset and take the time we need to bring the community together on what solutions to our budget crisis they support.

Repealing the payroll tax ordinance will, I believe, be a first major step toward healing. While the looming budget deficit is bad enough... a trust deficit is an even bigger problem.

Since I came on board last fall, those of you in executive leadership have been saying, "We will not bring this to the voters... because if we do... it will not pass."

I believe your prediction is correct and the right thing to do is to stop spending on the tax. It is estimated that \$220,000.00 of the city taxpayers' money will be spent for the Special Election; only

to watch its likely failure?

We can work together to build trust. I hope you will join me in support.

I am here to serve... with you.

Procedural facts:

- Marion County has certified the referendum petition as a ballot measure for the November 7, 2023 special election ballot.
- The deadline to withdraw the measure from the special election ballot is September 7, 2023.
- To withdraw the measure from the ballot, the City Council must repeal is payroll tax ordinance (ordinance no. 12-23).
- Ordinances may only be repealed by another ordinance.
- Ordinances must have two readings that occur at separate readings to be passed.
- To repeal the ordinance before the September 7, 2023 deadline, it is necessary for City Council to schedule a special meeting prior to that date.

To facilitate these motions, the City Attorney has prepared a draft ordinance to repeal the payroll tax, included here as Attachment 1.

Attachments:

1. Draft ordinance.