



SALEM AREA MASS TRANSIT DISTRICT
BOARD WORK SESSION MINUTES

Thursday, October 15, 2025 at 5:30 p.m.

ATTENDEES: President Maria Hinojos Pressey | Directors Joaquín Lara Midkiff (Virtual) | Ramiro Navarro Jr. | Sadie Carney | Ian Davidson | Sara Duncan | Bill Holmstrom
STAFF: GM Allan Pollock | DGM David Trimble | CFO Denise LaRue | COO Tom Dietz | Executive Assistant Kirra Pressey
GUEST: Coalition Representative & Salem Chamber CEO Tom Hoffert

1. CALL TO ORDER

A. Note of Attendance for a Quorum

President Hinojos Pressey called the meeting to order at 5:33 p.m.
Attendance was noted.

2. PRESENTATIONS - None

3. DISCUSSIONS

A. Creating Community Connections

President Hinojos Pressey invited GM Pollock to provide follow-up information from the previous work session.

GM Pollock addressed several questions that had been raised at the last meeting:

1. Regarding different tax rates for employers versus self-employed individuals, he confirmed the board could implement two different rates if they chose to do so, which had been verified with the Department of Revenue.
2. If the body wanted to refer ordinances, it could be either one or two ballot measures, depending on how the ordinance was structured. Two separate ordinances would result in two ballot measures, while combining them would result in one.
3. The draft ordinances had been modified to exempt local jurisdictions from the tax, based on the board's previous guidance.
4. Regarding data on local government and self-employed workers, CFO LaRue reported that they had reached out to the Oregon Employment Department for information.

CFO LaRue also explained that the Employment Department does not track self-employment data since their numbers are calculated based on the unemployment insurance program, which doesn't apply to self-employed workers. For planning purposes, they had used conservative estimates based on Lane Transit District's experience, which ranged from \$2.2-2.4 million for the last few years. For their own estimates, they had projected a lower amount of \$1.7-1.8 million.

Tom Hoffert, CEO of the Salem Chamber of Commerce, representing a coalition of six business organizations, then made a presentation to the board. The coalition included the Salem Chamber, Keizer Chamber, Realtors of Marion Polk County, Home Builders



Association of Marion Polk County, West Salem Business Association, and Mid-Valley Association of Realtors.

Mr. Hoffert stated the coalition's desire was to "reset the table and add place settings for employers to sit and meaningfully participate" in the process. He acknowledged the importance of strong, reliable public transportation and recognized the Districts efforts in building and maintaining a system that serves the community.

He expressed the coalition's concerns about the proposed employer payroll tax, noting that businesses are currently struggling with high unemployment, inflation, and economic uncertainty. While the tax is described as an employer tax, he argued that costs ultimately get passed down through stalled wages, reduced hours, and increased prices.

Mr. Hoffert questioned the need for the tax, noting that only 4% of residents currently use the transit system, buses are not at or near capacity, and the analysis on projected ridership growth remains unclear. He requested a cost-benefit analysis to determine the appropriate employer wage tax rate.

The coalition proposed three key actions:

1. Form a joint committee between the District and the Business Coalition to find efficiencies and explore solutions together.
2. Establish a shared responsibility model where transit users contribute more through increased fares (noting that the District has not raised fares in over a decade while TriMet and LTD have higher fares).
3. Provide a clear cost-benefit analysis that ties every new dollar to measurable outcomes.

Mr. Hoffert noted that the District will soon receive approximately \$11.5 million per year in new state funds and suggested demonstrating the results of these investments before adding a local payroll tax.

A lengthy discussion followed Mr. Hoffert's presentation. Board members raised several concerns:

Director Davidson noted that the state funding was only temporary (lasting 2 years) and could not be relied upon for long-term service expansion. He questioned Mr. Hoffert's assertion that the District has delivered strong, reliable public transit, suggesting the current service level is inadequate. He also expressed skepticism about finding significant efficiencies in what he described as a fiscally well-run organization.

Director Duncan expressed frustration that the coalition had waited until the "eleventh hour" to engage, noting that the board had reached out to the chamber in June and held a special meeting with them. She was disappointed that the presentation seemed to



request additional delays rather than offering concrete negotiation points. She also strongly objected to the suggestion to end the free pass program for students.

Director Carney asked whether the chamber would consider using a lottery system to select business representatives for the proposed committee to ensure diverse perspectives within the business community.

Director Lara Midkiff emphasized that the transportation system's improvements would benefit the local economy by enabling people to travel, recreate, and spend money locally.

After extensive discussion, the Board considered delaying the ordinance process to allow for the formation of a joint committee. President Hinojos Pressey proposed a committee structure that might include three Board members, six coalition members, and two to four members of the public (including transit users).

The Board tentatively agreed to:

1. Table the ordinance readings that were scheduled to begin the following week
2. Work with the coalition to establish committee structure and goals by early November
3. If agreement on goals could not be reached, potentially hold a special board meeting on November 10th for the first ordinance reading
4. Have the committee work from approximately January to June 2026 if formed

The delay would push potential tax implementation to January 2028 rather than January 2027 as originally planned.

4. **ADJOURN**

President Hinojos Pressey adjourned the meeting at 7:32p.m.

Respectfully Submitted

A handwritten signature in black ink, appearing to read 'Maria Hinojos Pressey', written over a horizontal line.

Maria Hinojos Pressey, Board President