

BEFORE THE BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

**RESOLUTION NO. 07-161**

Authorizing Continuation of an Intergovernmental Agreement to Share Business Income Tax Revenue with the Cities of Gresham, Troutdale, Fairview, and Wood Village

**The Multnomah County Board of Commissioners Finds:**

- a. On June 22, 2006 the Board of County Commissioners passed Resolution 06-102 which approved termination of an intergovernmental agreement (IGA) to share Business Income Tax (BIT) revenue with the cities of Gresham, Troutdale, Fairview, and Wood Village (Cities) and directed the County attorney to give timely written notice to each of the cities.
- b. The IGA had been in place, with minor modifications, since 1976.
- c. The County Attorney issued timely notice to the Cities that the County will terminate the IGA effective July 1, 2008.
- d. Each of the cities of Troutdale, Fairview and Wood Village had previously imposed a business income tax within its boundaries before they entered into the IGA with Multnomah County. Those cities agreed to forego collection of their own business income tax under terms of the intergovernmental agreement.
- e. The City of Gresham agreed not to impose a local business income tax under the terms of the IGA with Multnomah County.
- f. The shared BIT revenue represents a significant portion of the General Fund revenues of each of the Cities.
- g. The passage of Property Tax limitations in 1990 and 1996 has had the effect of limiting the ability of local governments to expand their revenue base.
- h. The BIT funds that are shared with the Cities support essential public services. A reduction of these funds would greatly impact the ability of the Cities to provide these services.
- i. The interests of the business community are best served by a system of taxation that does not require duplicate administrative and technical reporting requirements.
- j. It is in the best interests of the County to continue the BIT revenue sharing IGA and engage the jurisdictions in a broader discussion of regional taxation issues.

**The Multnomah County Board of Commissioners Resolves:**

1. To rescind the Resolution 06-102 and continue the BIT revenue sharing IGA.
2. The County Attorney is directed to give written notice to each of the Cities withdrawing the County's termination notice.
3. For the Multnomah County Chair to form a work group or use an independent review committee which will analyze and review BIT collection data, methods of collection and revenue sharing agreements in collaboration with the four cities as was recommended by the Multnomah County Budget Office report.

ADOPTED this 4th day of October 2007.



BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

*TED WHEELER*

Ted Wheeler, Chair

REVIEWED:

AGNES SOWLE, COUNTY ATTORNEY  
FOR MULTNOMAH COUNTY, OREGON

By   
John S. Thomas, Deputy County Attorney

SUBMITTED BY:  
Multnomah County Commissioner Lonnie Roberts