



MULTNOMAH COUNTY AGENDA PLACEMENT REQUEST

(Revised: 09/23/13)

APPROVED: MULTNOMAH COUNTY
BOARD OF COMMISSIONERS

AGENDA # C-3 DATE 6/23/16
MARINA BAKER, ASST BOARD CLERK

Board Clerk Use Only

Meeting Date: 06/23/16
Agenda Item #: C.3
Est. Start Time: 9:30 a.m.
Date Submitted: 06/14/16

Agenda Title: Letter Requesting Presiding Judge Waller to Impose a Surcharge to Help Fund Courthouse Construction, as Authorized by House Bill 4093 (Or Laws 2016, ch 78)

Note: Title should not be more than 2 lines but sufficient to describe the action requested. Title on APR must match title on Ordinance, Resolution, Order or Proclamation.

Requested

Meeting Date: June 23, 2016 **Time Needed:** Consent Agenda
Facilities & Property
Department: County Assets **Division:** Management
Contact(s): JD Deschamps, Project Manager
Phone: 503-988-4615 **Ext.** 84615 **I/O Address:** 274/F&PM

Presenter Name(s) & Title(s):

None – Consent Agenda

General Information

1. What action are you requesting from the Board?

Approve a letter and authorize Chair Kafoury to sign and submit the letter, in substantially the form attached hereto, requesting that Multnomah County Presiding Judge Nan G. Waller order imposition of a five dollar surcharge on certain fines resulting from violations of parking ordinances and traffic offenses, the proceeds of which will help fund construction of the Multnomah County Courthouse, as provided in House Bill 4093 (Or Laws 2016, ch 78).

2. Please provide sufficient background information for the Board and the public to understand this issue. Please note which Program Offer this action affects and how it impacts the results.

House Bill 4093 (Or Laws 2016, ch 78), enacted during the 2016 legislative session, provides a courthouse construction funding mechanism for counties that have received funds, or have legislative authorization to receive funds, for a county courthouse from proceeds of bonds issued pursuant to Article XI-Q of the Oregon Constitution and that owe debt service on those and certain other bonds related to the county courthouse. Specifically, the presiding judge in those eligible counties, including Multnomah County, may impose a surcharge of five dollars on fines for violations of parking ordinances and traffic offenses, and the funds from the surcharge may be used to help fund courthouse construction.

HB 4093 requires the Board of County Commissioners to request that the presiding judge impose the surcharge and to identify the purpose for which the surcharge funds will be used.

The Chief Justice of the Supreme Court must then approve the surcharge order. If the presiding judge orders the imposition of the surcharge and submits a copy of the order to the State Court Administrator before July 1, 2016, the Circuit Court may begin imposing the surcharge on fines for offenses occurring on and after January 1, 2017.

3. Explain the fiscal impact (current year and ongoing).

The Legislative Fiscal Office estimated that the surcharge could generate \$1,292,678 in annual revenue to Multnomah County to be used for courthouse construction. Under HB 4093, that money must be deposited into a separate courthouse surcharge account maintained by the county treasurer and may be used only for (1) payment of capital costs of the courthouse project for which bonds are or will be issued under section 8, chapter 705, Oregon Laws 2013; (2) payment of debt service and related expenses and funding of debt service reserves, if any, for bonds issued under ORS 271.390 or ORS chapter 287A to finance capital costs of the courthouse project, for which bonds are or will be issued under section 8, chapter 705, Oregon Laws 2013; and (3) an administrative fee for the actual costs associated with maintaining the courthouse surcharge account, not to exceed five percent of each year's surcharge proceeds.

4. Explain any legal and/or policy issues involved.

Oregon Revised Statute § 1.185 requires each County to "provide suitable and sufficient courtrooms, office and jury rooms for the court, the judges, other officers and employees of the court and juries in attendance upon the court, and provide maintenance and utilities for those courtrooms, offices and jury rooms."

5. Explain any citizen and/or other government participation that has or will take place.

The County's Office of Government Relations was a chief proponent of HB 4093 and worked closely with the County's legislative delegation, the Presiding Court, the Office of Legislative Counsel and the Oregon Judicial Department in negotiating and drafting the bill and obtaining the required legislative support for its passage.

Required Signature

Elected

Official or

Department

Director:

/s/ Sherry Swackhamer, Director

Department of County Assets

Date:

June 15, 2016

Note: Please submit electronically. Insert names of your approvers followed by /s/ - we no longer use actual signatures. Please insert date approved.

Board of County Commissioners



June 23, 2016

The Honorable Nan G. Waller
Presiding Judge, Multnomah County Circuit Court
Multnomah County Courthouse
1021 SW Fourth Avenue
Portland, OR 97204-1123

Dear Presiding Judge Waller:

As you know, Multnomah County is in the process of replacing the Multnomah County Courthouse to provide a safer, more functional central courthouse. Recognizing the significant costs associated with that project, the 2016 Oregon Legislature passed House Bill 4093, which provides a mechanism to assist counties in funding courthouse construction.

HB 4093 creates a funding mechanism for counties that have received funds for a county courthouse from proceeds of bonds issued pursuant to Article XI-Q of the Oregon Constitution. Eligible counties must also owe debt service on those and certain other bonds related to the county courthouse. Specifically, in qualifying counties, the Board of County Commissioners may request the presiding judge of the judicial district in which the county is located to order the imposition of a surcharge of five dollars on each fine assessed. These fines are to be assessed for (1) a violation of a parking ordinance or (2) a traffic offense as defined in ORS 801.555(2). The presiding judge may order the imposition of the surcharge at the Board's request, and the Chief Justice of the Supreme Court must then approve the surcharge.

Multnomah County is eligible to use the funding mechanism in HB 4093 because the County has received funds for the new courthouse from Article XI-Q bond proceeds and expects the sale of additional bonds to provide funding for later phases of the courthouse project.

By signing this letter, approved by the Multnomah County Board of County Commissioners on June 23, 2016, the Board of County Commissioners requests an order imposing a surcharge of five dollars on each fine assessed in Multnomah County for a violation of a parking ordinance or a traffic offense as defined in ORS 801.555(2). Multnomah County will use the surcharge funds (1) for payment of capital costs of the courthouse project for which bonds are or will be issued under section 8, chapter 705, Oregon Laws 2013; (2) for payment of debt service and related expenses and funding of debt service reserves, if any, for bonds issued under ORS 271.390 or ORS chapter 287A to finance capital costs of the courthouse project for which bonds are or will be issued under section 8, chapter 705, Oregon Laws 2013; (3) for payment of the county treasurer's actual costs associated with maintaining a courthouse surcharge account, up to five percent per year of the moneys received from the surcharge for that year; and (4) for any other purpose authorized by the legislature.

Board of County Commissioners



The Board requests an order imposing the five dollar surcharge be submitted to the State Court Administrator before July 1, 2016, so that the Circuit Court may begin imposing the surcharge on fines for offenses occurring on and after January 1, 2017.

Respectfully,

Deborah Kafoury
County Chair