

ANNOTATED MINUTES

Thursday, February 12, 1998 - 9:30 AM
Portland Building, Second Floor Hearing Room
1120 SW Fifth Avenue, Portland

REGULAR MEETING

Chair Beverly Stein convened the meeting at 9:34 a.m., with Vice-Chair Sharron Kelley and Commissioners Gary Hansen present, and Commission Districts 1 and 3 positions vacant.

CONSENT CALENDAR

UPON MOTION OF COMMISSIONER KELLEY, SECONDED BY COMMISSIONER HANSEN, THE CONSENT CALENDAR (ITEMS C-1 THROUGH C-5) WAS UNANIMOUSLY APPROVED.

SHERIFF'S OFFICE

- C-1 Bed and Breakfast Liquor License New Outlet Application for BRICKHAVEN BED & BREAKFAST, 38717 E. HISTORIC COLUMBIA RIVER HIGHWAY, CORBETT

DISTRICT ATTORNEY'S OFFICE

- C-2 Budget Modification DA 9 Adding 1 DA Investigator and Deleting 1 Legal Intern in the Support Enforcement Division; and Adding 1.5 OA2 and Deleting 1 Clerical Support Supervisor in the Circuit Court Trial Division

AGING AND DISABILITY SERVICES DEPARTMENT

- C-3 Renewal of Intergovernmental Revenue Agreement 400168 with the City of Portland for Operation of the Portland/Multnomah County Area Agency on Aging, Providing Funds for District Senior Centers, SE Multi-Cultural Center and Gatekeeper Programs through June 30, 1998

DEPARTMENT OF JUVENILE AND ADULT COMMUNITY JUSTICE

- C-4 Intergovernmental Revenue Agreement 700638 with Oregon Board of Parole and Post-Prison Supervision, Funding a Hearings Officer to Conduct Parole and Post-Prison Supervision Violation Hearings

DEPARTMENT OF ENVIRONMENTAL SERVICES

- C-5 ORDER Authorizing Execution of Deed D981540 Upon Complete Performance of a Contract with HICO EXCAVATION, INC.

ORDER 98-16.

REGULAR AGENDA

PUBLIC COMMENT

- R-1 Opportunity for Public Comment on Non-Agenda Matters. Testimony Limited to Three Minutes Per Person.

NO ONE WISHED TO COMMENT.

DISTRICT ATTORNEY'S OFFICE

- R-2 Multnomah County Community Court Status Report Presented by Michael D. Schrunk

MIKE SCHRUNK PRESENTATION AND RESPONSE TO BOARD QUESTIONS AND DISCUSSION.

DEPARTMENT OF LIBRARY SERVICES

- R-3 Budget Modification DLS 3 Appropriating \$63,692 Federal Grant from the Oregon State Library to Fund Library Juvenile Justice Outreach

COMMISSIONER KELLEY MOVED AND COMMISSIONER HANSEN SECONDED, APPROVAL OF R-3. ELLEN FADER AND NAOMI ANGER EXPLANATION. BOARD COMMENTS IN SUPPORT. BUDGET MODIFICATION UNANIMOUSLY APPROVED.

DEPARTMENT OF ENVIRONMENTAL SERVICES

R-4

RESOLUTION Authorizing Condemnation and Immediate Possession of Real Property Necessary to Complete Reconstruction at SE Orient Drive and SE 257th Avenue

COMMISSIONER KELLEY MOVED AND COMMISSIONER HANSEN SECONDED, APPROVAL OF R-4. BOB THOMAS EXPLANATION AND RESPONSE TO BOARD QUESTIONS. RESOLUTION 98-17 UNANIMOUSLY APPROVED.

R-5

First Reading of an ORDINANCE Amending MCC 11.15 by Establishing an Expiration Period for Certain Single Family Dwelling Approvals in the Exclusive Farm Use District

ORDINANCE READ BY TITLE ONLY. COPIES AVAILABLE. COMMISSIONER HANSEN MOVED AND COMMISSIONER KELLEY SECONDED, APPROVAL OF FIRST READING. KATHY BUSSE AND SUSAN MUIR EXPLANATION. JEFF BACHRACH SUBMITTED WRITTEN INFORMATION AND TESTIMONY REQUESTING CHANGES TO SECTION B OF THE PROPOSED ORDINANCE. CHRIS FOSTER TESTIMONY IN SUPPORT OF ORDINANCE. MS. MUIR RESPONSE TO MR. BACHRACH'S TESTIMONY. FOLLOWING BOARD DISCUSSION WITH COUNTY COUNSEL SANDRA DUFFY AND UPON MOTION OF COMMISSIONER KELLEY, SECONDED BY COMMISSIONER HANSEN, IT WAS UNANIMOUSLY APPROVED TO AMEND SECTION (B)(3) TO READ: "IF THE APPLICANT APPLIES FOR A DWELLING LOCATION OTHER THAN THAT APPROVED BY THE MANAGEMENT PLAN OR AN APPROVED AND ACTIVE LOT LINE ADJUSTMENT THE NEW LOCATION SHALL:" FOLLOWING BOARD DISCUSSION WITH MS. MUIR, MR. BACHRACH, MS. DUFFY AND MS. BUSSE REGARDING THE APPLICATION TIME LINE AND THE APPEAL TIME LINE, BOARD CONSENSUS THAT STAFF WORK ON COMPROMISE LANGUAGE TO PROPOSE AT SECOND READING. FIRST READING UNANIMOUSLY APPROVED, AS AMENDED.

SECOND READING THURSDAY, FEBRUARY 19, 1998.

R-6 Second Reading and Adoption of an ORDINANCE Amending the Multnomah County Comprehensive Framework Plan and the Multnomah County Zoning Ordinance Regarding the Provisions for Home Occupations

ORDINANCE READ BY TITLE ONLY. COPIES AVAILABLE. COMMISSIONER KELLEY MOVED AND COMMISSIONER HANSEN SECONDED, APPROVAL OF SECOND READING AND ADOPTION. CHRIS FOSTER AND SETH TANE TESTIMONY REQUESTING ADDITIONAL TIME TO LOOK AT MR. TANE'S PROPOSED AMENDMENTS. FOLLOWING BOARD DISCUSSION WITH COUNTY COUNSEL SANDRA DUFFY AND PLANNER SUSAN MUIR, BOARD CONSENSUS TO SEE HOW PROPOSED ORDINANCE WORKS AND HAVE STAFF COME BACK AFTER ONE YEAR WITH A STATUS REPORT. AT THE SUGGESTION OF MS. DUFFY AND UPON MOTION OF COMMISSIONER KELLEY, SECONDED BY COMMISSIONER HANSEN, AN AMENDMENT TO PAGE 5 CORRECTING TWO NONSUBSTANTIVE TYPOGRAPHICAL ERRORS WAS UNANIMOUSLY APPROVED. ORDINANCE 900 UNANIMOUSLY APPROVED, AS AMENDED.

DEPARTMENT OF SUPPORT SERVICES

R-7 First Reading of an ORDINANCE Amending Multnomah County Business Income Tax MCC 5.60 to Incorporate Changes in the Owners Compensation Deduction and Gross Receipts Exemption

ORDINANCE READ BY TITLE ONLY. COPIES AVAILABLE. COMMISSIONER KELLEY MOVED AND COMMISSIONER HANSEN SECONDED, APPROVAL OF FIRST READING. DAVE BOYER EXPLANATION. BOARD COMMENTS IN SUPPORT. NO ONE WISHED TO TESTIFY. FIRST READING UNANIMOUSLY APPROVED. SECOND READING THURSDAY, FEBRUARY 19, 1998.

R-8 Briefing on the Urban Renewal Options the City of Portland Must Exercise to Finance Debt in Existing Urban Renewal Districts. Presented by Ken Rust and Drew Barden.

Commissioner Kelley was excused at 11:24 a.m.

***DAVE WARREN, DREW BARDEN AND KEN RUST
PRESENTATION AND RESPONSE TO BOARD
QUESTIONS AND DISCUSSION.***

There being no further business, the meeting was adjourned at 11:45 a.m.

OFFICE OF THE BOARD CLERK
FOR MULTNOMAH COUNTY, OREGON

Deborah L. Bogstad

Deborah L. Bogstad



MULTNOMAH COUNTY OREGON

DEBORAH BOGSTAD, BOARD CLERK
OFFICE OF BEVERLY STEIN, COUNTY CHAIR
1120 SW FIFTH AVENUE, SUITE 1515
PORTLAND, OREGON 97204-1914
TELEPHONE • (503) 248-3277
FAX • (503) 248-3013

BOARD OF COUNTY COMMISSIONERS		
BEVERLY STEIN•	CHAIR	•248-3308
VACANT•	DISTRICT 1	•248-5220
GARY HANSEN•	DISTRICT 2	•248-5219
VACANT•	DISTRICT 3	•248-5217
SHARRON KELLEY•	DISTRICT 4	•248-5213

MEETINGS OF THE MULTNOMAH COUNTY BOARD OF COMMISSIONERS

AGENDA

FOR THE WEEK OF
FEBRUARY 9, 1998 - FEBRUARY 13, 1998

Thursday, February 12, 1998 - 9:30 AM - Regular Meeting Page 2

Thursday meetings of the Multnomah County Board of Commissioners are *cable-cast* live and taped and can be seen by Cable subscribers in Multnomah County at the following times:

Thursday, 9:30 AM, (LIVE) Channel 30

Friday, 10:00 PM, Channel 30

Sunday, 1:00 PM, Channel 30

Produced through Multnomah Community Television

Agenda via Internet at

<http://www.multnomah.lib.or.us/cc/bev/agenda.html>

INDIVIDUALS WITH DISABILITIES MAY CALL THE BOARD CLERK AT (503) 248-3277, OR MULTNOMAH COUNTY TDD PHONE (503) 248-5040, FOR INFORMATION ON AVAILABLE SERVICES AND ACCESSIBILITY.

AN EQUAL OPPORTUNITY EMPLOYER

Thursday, February 12, 1998 - 9:30 AM
Portland Building, Second Floor Hearing Room
1120 SW Fifth Avenue, Portland

REGULAR MEETING

CONSENT CALENDAR

SHERIFF'S OFFICE

- C-1 Bed and Breakfast Liquor License New Outlet Application for BRICKHAVEN BED & BREAKFAST, 38717 E. HISTORIC COLUMBIA RIVER HIGHWAY, CORBETT

DISTRICT ATTORNEY'S OFFICE

- C-2 Budget Modification DA 9 Adding 1 DA Investigator and Deleting 1 Legal Intern in the Support Enforcement Division; and Adding 1.5 OA2 and Deleting 1 Clerical Support Supervisor in the Circuit Court Trial Division

AGING AND DISABILITY SERVICES DEPARTMENT

- C-3 Renewal of Intergovernmental Revenue Agreement 400168 with the City of Portland for Operation of the Portland/Multnomah County Area Agency on Aging, Providing Funds for District Senior Centers, SE Multi-Cultural Center and Gatekeeper Programs through June 30, 1998

DEPARTMENT OF JUVENILE AND ADULT COMMUNITY JUSTICE

- C-4 Intergovernmental Revenue Agreement 700638 with Oregon Board of Parole and Post-Prison Supervision, Funding a Hearings Officer to Conduct Parole and Post-Prison Supervision Violation Hearings

DEPARTMENT OF ENVIRONMENTAL SERVICES

- C-5 ORDER Authorizing Execution of Deed D981540 Upon Complete Performance of a Contract with HICO EXCAVATION, INC.

REGULAR AGENDA

PUBLIC COMMENT

- R-1 Opportunity for Public Comment on Non-Agenda Matters. Testimony Limited to Three Minutes Per Person.

DISTRICT ATTORNEY'S OFFICE

- R-2 Multnomah County Community Court Status Report Presented by Michael D. Schrunk

DEPARTMENT OF LIBRARY SERVICES

- R-3 Budget Modification DLS 3 Appropriating \$63,692 Federal Grant from the Oregon State Library to Fund Library Juvenile Justice Outreach

DEPARTMENT OF ENVIRONMENTAL SERVICES

- R-4 RESOLUTION Authorizing Condemnation and Immediate Possession of Real Property Necessary to Complete Reconstruction at SE Orient Drive and SE 257th Avenue
- R-5 First Reading of an ORDINANCE Amending MCC 11.15 by Establishing an Expiration Period for Certain Single Family Dwelling Approvals in the Exclusive Farm Use District
- R-6 Second Reading and Adoption of an ORDINANCE Amending the Multnomah County Comprehensive Framework Plan and the Multnomah County Zoning Ordinance Regarding the Provisions for Home Occupations

DEPARTMENT OF SUPPORT SERVICES

- R-7 First Reading of an ORDINANCE Amending Multnomah County Business Income Tax MCC 5.60 to Incorporate Changes in the Owners Compensation Deduction and Gross Receipts Exemption
- R-8 Briefing on the Urban Renewal Options the City of Portland Must Exercise to Finance Debt in Existing Urban Renewal Districts. Presented by Ken Rust and Drew Barden.

MEETING DATE: FEB 12 1998

AGENDA #: C-1

ESTIMATED START TIME: 9:30am

(Above space for Board Clerk's Use Only)

AGENDA PLACEMENT FORM

SUBJECT: OLCC New Outlet License

BOARD BRIEFING: DATE REQUESTED: _____

REQUESTED BY: _____

AMOUNT OF TIME NEEDED: _____

REGULAR MEETING: DATE REQUESTED: _____

AMOUNT OF TIME NEEDED: _____

DEPARTMENT: Sheriff's Office DIVISION: _____

CONTACT: Rick Barnett TELEPHONE: 251-2441

BLDG/ROOM #: 313/120

PERSON(S) MAKING PRESENTATION: Sergeant Jim Dusevoir

ACTION REQUESTED:

INFORMATIONAL ONLY POLICY DIRECTION APPROVAL OTHER

SUGGESTED AGENDA TITLE:

This is an OLCC New Outlet Application for:

Brickhaven Bed & Breakfast
38717 E. Historic Columbia River Hwy
Corbett, Oregon 97019

2/13/98 original to Phyllis Thiemann, copy to Rick Barnett

The backgrounds have been checked on applicants: Phyllis L. Thiemann and Edward D. Thiemann and no criminal history can be found on the above.

SIGNATURES REQUIRED:

ELECTED OFFICIAL: _____

(OR) DEPARTMENT MANAGER: *Jim Dusevoir*

ALL ACCOMPANYING DOCUMENTS MUST HAVE REQUIRED SIGNATURES

BOARD OF COUNTY COMMISSIONERS
MULTNOMAH COUNTY
OREGON
98 FEB -5 AM 8:51

APPLICATION

STATE OF OREGON
OREGON LIQUOR CONTROL COMMISSION

Return To:

GENERAL INFORMATION

A non-refundable processing fee is assessed when you submit this completed form to the Commission (except for Druggist and Health Care Facility Licenses). The filing of this application does not commit the Commission to the granting of the license for which you are applying nor does it permit you to operate the business named below.

(THIS SPACE IS FOR OLCC OFFICE USE)

Application is being made for:

- DISPENSER, CLASS A
DISPENSER, CLASS B
DISPENSER, CLASS C
PACKAGE STORE
RESTAURANT
RETAIL MALT BEVERAGE
SEASONAL DISPENSER
WHOLESALE MALT BEVERAGE & WINE
WINERY
Add Partner
Additional Privilege
Change Location
Change Ownership
Change of Privilege
Greater Privilege
Lesser Privilege
New Outlet
Other

OTHER: Bed & Breakfast
CATERER

Application received 1-30-98, no 90-day temp issued, fee collected upon license issuance.

(THIS SPACE IS FOR CITY OR COUNTY USE)

NOTICE TO CITIES AND COUNTIES: Do not consider this application unless it has been stamped and signed at the left by an OLCC representative.

THE CITY COUNCIL, COUNTY COMMISSION, OR COUNTY

COURT OF Multnomah County Commissioners
(Name of City or County)

RECOMMENDS THAT THIS LICENSE BE: GRANTED X

DATE February 12, 1998 DENIED

BY Beverly Stein
(Signature)

TITLE Beverly Stein, County Chair

CAUTION: If your operation of this business depends on your receiving a liquor license, OLCC cautions you not to purchase, remodel, or start construction until your license is granted.

1. Name of Corporation, Partnership, or Individual Applicants:

- 1) Brickhaven LLC
2)
3)
4)
5)
6)

(EACH PERSON LISTED ABOVE MUST FILE AN INDIVIDUAL HISTORY AND A FINANCIAL STATEMENT)

2. Present Trade Name Brickhaven Bed & Breakfast

3. New Trade Name Year filed with Corporation Commissioner

4. Premises address 38717 E. Historic Columbia Riv. Hwy. Corbett Multnomah OR 97019
(Number, Street, Rural Route) (City) (County) (State) (Zip)

5. Business mailing address P.O. Box 324 Corbett OR 97019-032
(P.O. Box, Number, Street, Rural Route) (City) (State) (Zip)

6. Was premises previously licensed by OLCC? Yes No X Year

7. If yes, to whom: N/A Type of license:

8. Will you have a manager: Yes X No Name Phyllis L. Thiemann
(Manager must fill out Individual History)

9. Will anyone else not signing this application share in the ownership or receive a percentage of profits or bonus from the business? Yes X No

10. What is the local governing body where your premises is located? Corbett, Multnomah County
(Name of City or County)

11. OLCC representative making investigation may contact: Phyllis Thiemann

38717 E. Hist. Col. Riv. Hwy. Corbett, OR (603) 645-5126 wk. (603) 645-5135 hm
(Address) (Type, No. - home, business, message)
380-7676 - mobile #

CAUTION: The Administrator of the Oregon Liquor Control Commission must be notified if you are contacted by anybody offering to influence the Commission on your behalf.

DATE 1-25-98

Applicant(s) Signature
(In case of corporation, duly authorized officer thereof)

- 1) Phyllis L. Thiemann 9/23/54
2) Edward D. Thiemann 7/29/44
3)
4)
5)
6)

BUDGET MODIFICATION NO:

DA #9

(For Clerk's Use) Meeting Date:

FEB 12 1998

Agenda No:

C-2

1. REQUEST FOR PLACEMENT ON THE AGENDA FOR February 12, 1998

DEPARTMENT	<u>District Attorney</u>	DIVISION	<u>SED/Circuit Court</u>
CONTACT	<u>Thomas Simpson</u>	TELEPHONE	<u>248-3863</u>
NAME(S) OF PERSON MAKING PRESENTATION TO THE BOARD		<u>Mike Schrunk</u>	

SUGGESTED AGENDA TITLE

Budget Modification DA#9 requesting the addition of 1.00 DA Investigator and the deletion of 1.00 Legal Intern in SED; the addition of 1.50 OA2's and the deletion of 1.0 Clerical Support Supervisor in Circuit Court Trial Division.

(Estimated Time Needed on the Agenda)

2. DESCRIPTION OF MODIFICATION

PERSONNEL CHANGES ARE SHOWN IN DETAIL ON THE ATTACHED SHEET.

- Add 1.00 DA Investigator to Support Enforcement Division
- Delete 1.00 Legal Intern from Support Enforcement Division
- Add 1.50 Office Assistant 2's to Circuit Court Trial Division
- Delete 1.00 Clerical Support Supervisor from Circuit Court Trial Division

3. REVENUE IMPACT

4. CONTINGENCY STATUS

Originated By:	Date	Department Director	Date
Fred M. Davis Jr	January 27, 1998	Thomas Simpson	January 27, 1998
Plan/Budget Analyst	Date	Employee Services	Date
<i>[Signature]</i>	2-4-98	<i>[Signature]</i>	2/4/98
Board Approval	Date		
<i>[Signature]</i>	2/12/98		

98 FEB - 5 PM 1:44
 MULTNOMAH COUNTY
 OREGON
 BOARD OF
 COUNTY COMMISSIONERS

PERSONNEL DETAIL FOR BUDGET MODIFICATION

ANNUALIZED PERSONNEL CHANGES

FTE Increase (Decrease)	POSITION TITLE	ANNUALIZED			TOTAL Increase (Decrease)
		BASE PAY Increase (Decrease)	Fringe	Insur.	
-1.0	Legal Intern	(18,871)	(1,560)	(410)	(20,842)
1.0	DA Investigator	30,358	5,452	4,895	40,706
-1.0	Clerical Support Supervisor	(24,028)	(4,316)	(6,725)	(35,069)
1.5	Office Assistant 2	24,028	4,315	6,725	35,069
					-
					-
					-
					-
					-
					-
					-
					-
0.50	Total Annualized Change	11,486	3,892	4,485	19,864

CURRENT YEAR PERSONNEL CHANGES

FTE Increase (Decrease)	Explanation of Change	CURRENT FY			TOTAL Increase (Decrease)
		BASE PAY Increase (Decrease)	Fringe	Insur.	
-0.42	Legal Intern	(12,649)	(2,272)	(2,040)	(16,961)
0.42	DA Investigator	12,649	2,272	2,040	16,961
0.84	Office Assistant 2	10,012	1,798	2,802	14,612
-0.42	Clerical Unit Supervisor	(10,012)	(1,798)	(2,802)	(14,612)
					-
					-
					-
					-
					-
					-
					-
0.42	Total Current Year Changes	(0)	(0)	(0)	(0)

MICHAEL D. SCHRUNK

Office Memorandum

District Attorney

TO: Board of County Commissioners

FROM: Michael D. Schrunk

DATE: January 27, 1998

REQUESTED PLACEMENT DATE: February 12, 1998

RE: Budget Modification DA#9 adding 1.00 DA Investigator and deleting 1.0 Legal Intern in Support Enforcement Division; adding 1.50 Office Assistant 2 and deleting 1.00 Clerical Support Supervisor in Circuit Court Trial Division

I. Recommendation/Action Requested: Approval of the Budget Modification

II. Background/Analysis: This budget modification makes two position changes in the District Attorney's Office. Child Support Enforcement requires the use of a professional investigator to assist in locating persons and with case preparation. The unit plans to pay for this position by cutting an under utilized Legal Intern position and using salary savings due to recent retirements.

The second personnel change is the result of shifting clerical positions to new assignments based on the success of expedited case handling at Intake. The moves have reduced the need for a Clerical Supervisor and increased the need for clerical staff.

I. Financial Impact: None

II. Legal Issues: N/A

III. Controversial Issues: N/A

IV. Link to Current County Policies:

V. Other Government Participation:

Meeting Date: FEB 12 1998
Agenda No: C-3

(Above space for Board Clerk's Office Use ONLY)

AGENDA PLACEMENT FORM

Subject: FY97/98 Intergovernmental Revenue Agreement #400178 with City of Portland for services to elders.

BOARD BRIEFING Date Requested:
Amount of time:

REGULAR MEETING Date Requested: February ¹² 1998
Amount of time: Consent Calendar

DEPARTMENT: Aging and Disability Services DIVISION: NA

CONTACT: Caroline Sullivan/Don Carlson TELEPHONE: 248-3620

BLDG/RM #: 161/3rd floor

PERSON(S) MAKING PRESENTATION: Jim McConnell/Don Carlson

ACTION REQUESTED:

INFORMATIONAL ONLY POLICY DIRECTION APPROVAL OTHER

SUGGESTED AGENDA TITLE

Approval of Intergovernmental Revenue Agreement #400168 with City of Portland for Operation of the Portland/Multnomah County Area Agency on Aging for the period July 1, 1997 through June 30, 1998, transmitting City of Portland funds to support District Senior Centers.

2/13/98 ORIGINALS to CAROLINE SULLIVAN

SIGNATURES REQUIRED:

ELECTED OFFICIAL: _____

OR
DEPARTMENT MANAGER: James H. Connell

ALL ACCOMPANYING DOCUMENTS MUST HAVE REQUIRED SIGNATURES

Any Questions: Call the _____ Board Clerk 248-3277 _____

BOARD OF
COUNTY COMMISSIONERS
98 FEB -2 PM 2 44
MULTNOMAH COUNTY
OREGON

[]

[]



MULTNOMAH COUNTY OREGON

AGING SERVICES DEPARTMENT
AREA AGENCY ON AGING
421 S.W. 5TH, 3RD FLOOR
PORTLAND, OREGON 97204
SENIOR HELPLINE: (503) 248-3646 ADMINISTRATION: 248-3620
TDD: 248-3683 FAX: 248-3656

BOARD OF COUNTY COMMISSIONERS
BEVERLY STEIN • CHAIR OF THE BOARD
DAN SALTZMAN • DISTRICT 1 COMMISSIONER
GARY HANSEN • DISTRICT 2 COMMISSIONER
TANYA COLLIER • DISTRICT 3 COMMISSIONER
SHARRON KELLEY • DISTRICT 4 COMMISSIONER

MEMORANDUM

TO: Beverly Stein, Board Chair
FROM: Jim McConnell, Director *Jmcc*
DATE:
SUBJECT: FY 1997-98 Intergovernmental Revenue Agreement # 400168 with City of Portland/Bureau of Parks and Recreation for Aging Services

I. Recommendation: The Aging Services Department recommends Board of County Commissioner approval of the attached Intergovernmental Revenue Agreement with the City of Portland, for the period July 1, 1997 through June 30, 1998.

II. Analysis/Background: The City and County are jointly designated by the State as the local Area Agency on Aging. The attached intergovernmental agreement between Multnomah County and City of Portland establishes responsibility for administering the Area Agency on Aging with the County Aging Services Department and provides for City funds to come to the County to support the District Senior Centers and the Gatekeeper Program.

This intergovernmental agreement is renewed annually. Provisions of this agreement are the same as the FY97 agreement.

III. Fiscal Impact: The agreement provides for \$376,633 of City funds to come in quarterly payments to the County to support operations of the Aging Services Department. This amount is a 14.5% cut from FY97 because of the impact of Measures 47 and 50. Funds are designated to provide support for services offered by or through eight Senior District Service Centers.

IV. Legal Issues: NA

V. Controversial Issues: NA

VI. Link to Current County Policies: Included in Area Plan for Aging Services

VII. Citizen Participation: Elders in Action, formerly The Portland Multnomah Commission on Aging (PMCoA), continues to be involved in providing advocacy to City and County in their respective budget processes.

VIII. Other Government Participation: Implements the designation by the State Senior Disabled Services Division of the City and County jointly as the Area Agency on Aging for Portland/Multnomah County. The federal Older Americans Act requires that the State designate such an agency as recipient of federal funds to provide planning, advocacy and services for all residents age 60 and older. Designates City Park and Recreation Department as City agency responsible for management of City share of funding for services to elderly residents of Portland/Multnomah County.



CONTRACT APPROVAL FORM

(See Administrative Procedure #2106)

Contract# 400168

Amendment# _____

Multnomah County Oregon

<p>CLASS I</p> <input type="checkbox"/> Professional Services Under \$25,000	<p>CLASS II</p> <input type="checkbox"/> Professional Services over \$25,000 (RFP Exemption) <input type="checkbox"/> PCRB Contract <input type="checkbox"/> Maintenance Agreement <input type="checkbox"/> Licensing Agreement <input type="checkbox"/> Construction <input type="checkbox"/> Grant <input type="checkbox"/> Revenue	<p>CLASS III</p> <input checked="" type="checkbox"/> Intergovernmental Agreement (Revenue)
--	--	--

APPROVED MULTNOMAH COUNTY BOARD OF COMMISSIONERS

AGENDA # C-3 DATE 2/12/98

DEB BOGSTAD

BOARD CLERK

Department Aging and Disability Services Division _____ Date 1/15/98
 Contract Originator Caroline Sullivan/Kathy Gillette Phone 248-3620 Bldg/Rm 161/3rd
 Administrative Contact Caroline Sullivan/Kathy Gillette Phone 248-3620 Bldg/Rm 161/3rd
 Description of Contract: Renews City/County Agreement regarding Area Agency on Aging; City provides funds for District Senior Centers, SE Multi-cultural Center and Gatekeeper Programs.
 RFP/BID# _____ Date of RFP/BID _____ Exemption Exp. Date _____
 ORS/AR# _____ Contractor is MBE WBE QRF NOT APPLICABLE

Contractor Name City of Portland/Bureau of Parks & Recreation
 Mailing Address 1120 SW 5th #502
Portland, OR 97204
 Phone (503) 823-6972
 Employer ID# or SS# 93-6002236
 Effective Date July 1, 1997
 Termination Date June 30, 1998
 Original Contract Amount \$ 376,633
 Total Amount of Previous Amendments \$ _____
 Amount of Amendment \$ _____
 Total Amount of Agreement \$ 376,633

Remittance Address _____
 (If different) _____

Payment Schedule _____ Terms _____

Lump Sum \$ _____ Due on receipt
 Monthly \$ _____ Net 30
 Other(Qtrly)\$ 94,158 Other _____
 Requirements Contract - Requisition Required.
 Purchase Order No. _____
 Requirements not to exceed \$ _____
 Encumber Yes No

REQUIRED SIGNATURES:

Department Manager James W. Bonnell
 Purchasing Director _____
 (Class II contracts Only)
 County Counsel Thomas S. Spaulding
 County Chair/Sheriff William C. Stein
 Contract Administration _____

Date January 30, 1998
 Date _____
 Date February 2, 1998
 Date February 12, 1998
 Date _____

VENDOR CODE			VENDOR NAME			TOTAL AMOUNT		\$		
Line No.	Fund	Agency	Organization	Sub Org	Activity	Object/Rev Src	Sub Obj	LGFS Description	Amount	INC/DEC IND
	156	011	1750			2773		City GF/Dist. Cntrs.	376,633	
* if additional space is needed, attach separate page. Write contract # on top of page.										

INSTRUCTIONS ON REVERSE

ORIGINAL

#400168

INTERGOVERNMENTAL AGREEMENT FOR OPERATION
OF THE PORTLAND/MULTNOMAH COUNTY AREA AGENCY ON AGING
Fiscal Year 1997-1998

SECTION I. INTRODUCTION

This agreement is between the City of Portland, hereinafter called CITY, and Multnomah County, hereinafter called COUNTY. This agreement, subject to execution by all parties, will renew, amend and extend the agreement originally executed on January 1, 1984 from July 1, 1997 through June 30, 1998.

SECTION II. RECITALS

A. WHEREAS, there are over 102,243 persons over the age of 60 in the CITY and the COUNTY; and

B. WHEREAS, CITY and COUNTY recognize the problems of those elderly persons with fixed incomes and frail health, and have demonstrated their support for services to this population; and

C. WHEREAS, pursuant to Section 305 of the Older Americans Act of 1965, as amended, the Senior and Disabled Services Division (hereinafter called STATE) has designated the geographic boundaries of Multnomah County including the incorporated areas of the City of Portland, as one planning and service area; and

D. WHEREAS, the parties by concurrent action in 1974, and in keeping with the Intergovernmental Cooperation provisions of ORS Chapter 190, agreed to serve as the Area Agency on Aging (hereinafter called the AAA) to plan, coordinate and conduct a comprehensive social service delivery system for elderly residents within the boundaries of Multnomah County (the STATE-designated service area) for the period beginning July 1, 1974 and continuing until this agreement is terminated or replaced; and

E. WHEREAS, the designation of an administrative unit to assume the responsibilities of the AAA is necessary to receive Federal funds under the Older Americans Act, State funds through Oregon Project Independence, and Federal/State funds under Title XIX of the Social Security Act; and

F. WHEREAS, the parties agreed in 1984 that the COUNTY would serve as the administrative agency for the AAA; and

G. WHEREAS, it is the intention of the CITY and COUNTY to jointly fund the Multnomah County Aging and Disability Services Department; and

H. WHEREAS, the CITY and COUNTY are both committed through Aging Policy for Portland and Multnomah County of 1982 to support specialized urban and human services to the elderly;

THEREFORE, CITY and COUNTY agree as follows.

SECTION III: AGREED/CITY AND COUNTY

A. CITY and COUNTY will continue to jointly fund the AAA for the period

of this agreement. Funding for the AAA will not be reduced as a result of CITY and COUNTY service negotiations.

B. COUNTY will continue to have administrative responsibility for the AAA until this agreement is terminated or replaced.

C. The AAA shall operate as a separate unit, called the Aging and Disability Services Department.

D. CITY and COUNTY have entered into a separate agreement for development and utilization of the East Portland Community Center, including an outstation for Aging Services System social service and outreach staff at that location.

E. COUNTY shall provide to the CITY reports on services to the elderly provided through this Agreement.

SECTION IV: AGREED/COUNTY

A. Pursuant to ORS 190.030(1) COUNTY shall perform within the boundaries of COUNTY, all services to the elderly prescribed by the Annual Plan and approved by the State, including services available through the Older Americans Act of 1965, as amended, Oregon Project Independence, and Title XIX (Medicaid) Program. In the event CITY fails to provide its share of local funding based on the mutually approved Annual Plan, COUNTY at its discretion may review and revise its obligation under this Section.

B. COUNTY shall maintain sub-planning and service area districts within COUNTY boundaries and shall maintain advisory committees for each of these designated sub-planning and service area districts. The advisory committees shall have review and comment authority on all funds and services allocated to the respective sub-districts.

C. COUNTY shall provide to the CITY's Parks Bureau all billing invoices and any other program reports as requested by the Parks Bureau designee prior to payment by the CITY.

D. COUNTY will hold intact the AAA policy of contracting for services and developing and implementing a single entry system.

SECTION V: AGREED/CITY

A. Pursuant to ORS 190.030(1) CITY hereby assigns to COUNTY the responsibility and authority to perform for CITY, services to the elderly within the city boundaries, as prescribed in the Annual Plan and approved by State, under the Older Americans Act, Oregon Project Independence, and Title XIX program.

B. CITY's Parks Bureau designee shall serve as the CITY's liaison to receive billing invoices from the COUNTY.

C. CITY and COUNTY agree to implement a Memo of Understanding for the purposes of mutual cooperation and collaborative efforts aimed at four policy areas; approved by the City Ordinance No. 035507 on April 10, 1996.

D. The CITY budget allocation for the AAA shall be administered by the Bureau of Parks and Recreation and shall support operations of the District Senior Service Centers and the Gatekeeper Program.

SECTION VI: COMPENSATION - METHOD OF PAYMENT

A. It is the policy of CITY and COUNTY together to provide the required local funding for the AAA. The provision of funding by CITY and COUNTY shall be determined through approval of respective CITY and COUNTY annual budgets.

B. The FY97-98 CITY budget includes funding for the AAA as follows:
District Center related services: \$ 376,633

C. Upon receipt of an invoice, CITY shall make four equal payments to COUNTY for FY97-98 funding in accordance with the following schedule:

August 1, 1997	\$ 94,158
November 1, 1997	94,158
February 1, 1998	94,158
May 1, 1998	94,159

TOTAL \$ 376,633

D. COUNTY will waive indirect costs for the Older Americans Act and Oregon Project Independence funds now and in the future. COUNTY will not divert these funds from services to pay indirect costs. COUNTY will charge indirect costs on Title XIX Administrative dollars and new Federal and State dollars as allowed.

E. COUNTY shall support the AAA policy of allocating funds and services, for non-restricted funding sources, to the designated sub-planning and service area districts through an allocation formula based on the in-need elderly population within COUNTY boundaries. A copy of this funding allocation shall be provided by COUNTY to the CITY Parks Bureau designee and all District Senior Service Center site managers.

SECTION VII. SEPARABILITY

Should any Section, or portion thereof, of this Agreement be held unlawful and unenforceable by any court of competent jurisdiction, or any administrative agency having jurisdiction over the subject matter, such decision shall apply only to specific Section of portion thereof directly specified in the decision. All other portions of the Agreement as a whole shall continue without interruption for the term hereof.

SECTION VIII. TERM OF AGREEMENT

This continuation Agreement shall commence July 1, 1997 and continue until June 30, 1998 or until terminated or replaced. The agreement may be amended by written consent of the parties.

SECTION IX. TERMINATION

All or part of this contract may be terminated by mutual consent by both parties, or upon 60 days written notice by either party, delivered to the designated contact person.

IN WITNESS, the parties have caused this instrument to be executed by their duly authorized officers.

CITY OF PORTLAND

By: _____
Vera Katz, Mayor Date
City of Portland

By: _____
Barbara Clark Date
City of Portland Auditor

REVIEWED:

By: _____
Date
City of Portland Attorney

COUNTY OF MULTNOMAH

By: Beverly Stein 2/12/98
Beverly Stein Date
Multnomah County Chair

By: James McConnell 1/30/98
James McConnell, Director Date
Aging Services Department

REVIEWED:

THOMAS SPONSLER, County
Counsel for Multnomah County

By: Katie Gaetjens 2/2/98
Katie Gaetjens Date
Assistant County Counsel

**APPROVED MULTNOMAH COUNTY
BOARD OF COMMISSIONERS
AGENDA # C-3 DATE 2/12/98
DEB BOGSTAD
BOARD CLERK**

MEETING DATE: FEB 12 1998

AGENDA NO: C-4

(Above Space for Board Clerk's Use Only)

AGENDA PLACEMENT FORM

SUBJECT: IGA between Multnomah County and the Oregon Board of Parole and Post-Prison Supervision

BOARD BRIEFING

DATE REQUESTED: _____

REQUESTED BY: _____

AMOUNT OF TIME NEEDED: _____

REGULAR MEETING:

DATE REQUESTED: 02//5/98

AMOUNT OF TIME REQUESTED: 3 minutes

DEPARTMENT: Juvenile and Adult Community Justice DIVISION: Adult Community Justice

CONTACT: Debbie Persen

TELEPHONE #: 248-3202

BLDG/ROOM#: 311

PERSON(S) MAKING PRESENTATION: Elyse Clawson/Bob Grindstaff

ACTION REQUESTED:

INFORMATIONAL ONLY POLICY DIRECTION APPROVAL OTHER

SUGGESTED AGENDA TITLE:

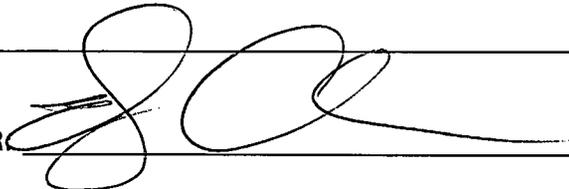
Intergovernmental Revenue Agreement #700638 between the Department of Juvenile and Adult Community Justice and Oregon Board of Parole and Post-Prison Supervision to provide funding to support a Hearings Officer who will conduct parole and post-prison supervision hearings.

2/13/98 ORIGINALS TO DEBBIE PERSEN

SIGNATURES REQUIRED:

ELECTED OFFICIAL: _____

OR

DEPARTMENT MANAGER:  _____

ALL ACCOMPANYING DOCUMENTS MUST HAVE REQUIRED SIGNATURES

Any Questions: Call the Board Clerk 248-3277

BOARD OF
COUNTY COMMISSIONERS
MULTNOMAH COUNTY
OREGON
98 JAN 29 PM 3:20



MULTNOMAH COUNTY OREGON

DEPARTMENT OF JUVENILE AND ADULT COMMUNITY JUSTICE
JUVENILE COMMUNITY JUSTICE
1401 N.E. 68TH
PORTLAND, OREGON 97213
(503) 248-3460
TDD 248-3561

BOARD OF COUNTY COMMISSIONERS
BEVERLY STEIN • CHAIR OF THE BOARD
DAN SALTZMAN • DISTRICT 1 COMMISSIONER
GARY HANSEN • DISTRICT 2 COMMISSIONER
TANYA COLLIER • DISTRICT 3 COMMISSIONER
SHARRON KELLEY • DISTRICT 4 COMMISSIONER

MEMORANDUM

TO: Board of County Commissioners

FROM: Elyse Clawson, Director 
Department of Juvenile and Adult Community Justice

DATE: January 23, 1998

SUBJECT: Approval of an Intergovernmental Revenue Agreement between Multnomah County Department of Juvenile and Adult Community Justice and the Oregon Board of Parole and Post-Prison Supervision

I. RECOMMENDATION/ACTION REQUESTED:

The Department of Juvenile and Adult Community Justice recommends the Board's approval of an Intergovernmental Revenue Agreement between the Department and the Oregon Board of Parole and Post-Prison Supervision to provide funding to support a Hearings Officer who will conduct parole and post-supervision violation hearings.

II. BACKGROUND/ANALYSIS:

As a result of Senate Bills 1145 and 156, local control of certain offender populations was assumed by Multnomah County. The premise being that a community can do a better job of dealing more successfully with short-term (i.e., less than one year) offenders than can a distant institution where the offender is removed from local ties and resources. It also allows for a more seamless approach to offender management, maintains an acceptable level of public safety and improves the likelihood of positive behavioral changes in offenders.

The shift from state to local control has caused an increase in the number of revocation/sanction hearings, thereby creating a need for an additional Hearings Officer. The Board of Parole and Post-Prison Supervision has agreed to provide funding for a minimum of one Hearings Officer who will be responsible for conducting parole and post-prison supervision violation hearings in accordance with OAR 255-075 and OAR 291-058, and ORS 144.106, ORS 144.108, ORS 144.343 and 144.346. Services will commence upon execution of the agreement and continue up through June 30, 1999.

III. FINANCIAL IMPACT:

The Oregon Board of Parole and Post-Prison Supervision will contribute a biennial amount of \$146,316 to support a minimum of one Hearings Officer covering fiscal years 1997/98 and 1998/99. The Department had anticipated receiving a total of \$100,000 covering the two fiscal periods and had budgeted \$50,000 for fiscal year 1997/98. Therefore, due to the increased amount, a budget

modification for \$23,158 (i.e., one half of \$46,316) reflecting additional revenue for fiscal year 1997/98 will be forthcoming.

IV. LEGAL ISSUES:

N/A

V. CONTROVERSIAL ISSUES:

N/A

VI. LINK TO CURRENT COUNTY POLICIES:

Support of a Hearing's Officer addresses current County policies in the following manner:

- Reduces cost to government - The hearings process provides a more expedient and timely method of adjudicating sanctions to offenders and offers alternatives to revocations and/or incarceration, thus reducing the need for expensive and limited jail beds.
- Reduces Recidivism - swift and sure consequences and sanctions impacts behavior and creates a better chance of moderating criminogenic tendencies, behaviors and attitudes thereby contributing to and encouraging pro-social behaviors.

VII. CITIZEN PARTICIPATION:

N/A

VIII. OTHER GOVERNMENTAL PARTICIPATION:

The Department works jointly with the Oregon Parole and Post-Supervision Board as well as the Oregon Department of Corrections.

MULTNOMAH COUNTY CONTRACT APPROVAL FORM

(See Administrative Procedures CON-1)

Renewal

Contract # 700638

Prior-Approved Contract Boilerplate: Attached: Not Attached

Amendment # _____

<p style="text-align: center;">CLASS I</p> <p><input type="checkbox"/> Professional Services under \$50,000</p> <p><input type="checkbox"/> Intergovernmental Agreement under \$50,000</p>	<p style="text-align: center;">CLASS II</p> <p><input type="checkbox"/> Professional Services over \$50,000 (RFP, Exemption)</p> <p><input type="checkbox"/> PCRB Contract</p> <p><input type="checkbox"/> Maintenance Agreement</p> <p><input type="checkbox"/> Licensing Agreement</p> <p><input type="checkbox"/> Construction</p> <p><input type="checkbox"/> Grant</p> <p><input type="checkbox"/> Revenue</p>	<p style="text-align: center;">CLASS III</p> <p><input checked="" type="checkbox"/> Intergovernmental Revenue</p> <p style="text-align: center;">APPROVED MULTNOMAH COUNTY BOARD OF COMMISSIONERS</p> <p style="text-align: center;">AGENDA # <u>C-4</u> DATE <u>2/12/98</u></p> <p style="text-align: center;"><u>DEB BOGSTAD</u></p> <p style="text-align: center;">BOARD CLERK</p>
---	--	--

Department: Juvenile and Adult Community Justice

Date: January 23, 1998

Contract Originator: Bob Grindstaff

Phone: 248-5038

Bldg/Room: 311/DJACJ

Administrative Contact: Debbie Persen

Phone: 248-3202

Bldg/Room: 311/DJACJ

Description of Contract: **This Intergovernmental Revenue Agreement between the Department and the Oregon Board of Parole and Post-Prison Supervision will provide two-year funding to support a minimum of one Hearings Officer who will be responsible for conducting parole and post-prison violation, revocation/sanction hearings in accordance with established OAR's and ORS's covering this type of judicial process.**

RFP/BID #: _____ Date of RFP/BID: _____ Exemption Expiration Date: _____

ORS/AR #: _____ (Check all boxes that apply) Contractor is MBE WBE QRF N/A None

Original Contract No. _____ (ONLY FOR ORIGINAL RENEWALS)

<p>Contractor Name: <u>Oregon Board of Parole and Post-Prison Supervision</u></p> <p>Mailing Address: <u>2572 Center Street NE</u> <u>Salem, OR 97310-0470</u></p> <p>Employer ID: <u>93-0838913</u></p> <p>Effective Date: <u>Upon Execution</u></p> <p>Termination Date: <u>June 30, 1999</u></p> <p>Original Contract Amount: <u>\$ 146,316</u></p> <p>Total Amount of Previous Amendments: _____</p> <p>Amount of Amendment: <u>\$</u> _____</p> <p>Total Amount of Agreement: <u>\$ 146,316</u></p>	<p>Remittance Address (if different): _____</p> <p>Payment Schedule <u>Terms</u></p> <p><input type="checkbox"/> Lump Sum <input type="checkbox"/> Due on Receipt</p> <p><input type="checkbox"/> Monthly <input type="checkbox"/> Net 30</p> <p><input type="checkbox"/> Other _____</p> <p><input type="checkbox"/> Requirements contract - Requisition Required</p> <p>Purchase Order No. _____</p> <p><input type="checkbox"/> Requirements Not to Exceed \$ _____</p> <p>Encumber: Yes <input type="checkbox"/> No <input type="checkbox"/></p>
--	--

REQUIRED SIGNATURES

Department Manager: _____

Date: 1-23-98

Purchasing Manager: _____

Date: _____

(Class II Contracts Only)

County Counsel: _____

Date: 1/29/98

County Chair/Sheriff: _____

Date: February 12, 1998

Contract Administration: _____

Date: _____

(Class I, Class II Contracts Only)

VENDOR CODE				VENDOR NAME				TOTAL AMOUNT: \$			
LINE NO.	FUND	AGENCY	ORGANIZATION	SUB ORG	ACTIVITY	OBJECT/REV SRC	SUB OBJ	REPT CATEG	LGFS DESCRIP	AMOUNT	INC DEC
01	156	022	2228			2334				\$146,316	
02											

If additional space is needed, attach separate page. Write contract # on top of page.

DISTRIBUTION: Original Signatures - Contract Administration, Initiator, Finance

INTERGOVERNMENTAL AGREEMENT
between
OREGON BOARD OF PAROLE AND
POST-PRISON SUPERVISION
AND

MULTNOMAH COUNTY

Agreement NO. 255-01-97

THIS AGREEMENT, is made and entered into by and between THE STATE OF OREGON, acting by and through its Board of Parole and Post-Prison Supervision, hereinafter referred to as "BOARD"; and Multnomah County, hereinafter referred to as "COUNTY".

RECITALS

1. By the authority granted in ORS 190.110, state agencies may enter into agreements with units of local government or other state agencies for the performance of any or all functions and activities that a party to the agreement, its officers, agents have the authority to perform.
2. Under such authority, BOARD wishes to retain the services of COUNTY to conduct parole and post-prison supervision violation hearings as cited below. Payment for said services shall not exceed a maximum amount of \$146,316 in state funds.

NOW THEREFORE, the premises being in general as stated in the forgoing recitals, it is agreed by and between the parties as follows:

STATEMENT OF WORK

1. COUNTY shall perform the work described in A.1 ("Services") below. COUNTY agrees to begin the services upon execution of the agreement and to provide the services up through June 30, 1999.

A.1 Description of Services

COUNTY agrees to provide a least one Hearings Officer, acceptable to, and trained and certified by, the BOARD; and COUNTY will be responsible for conducting parole and post-prison supervision violation hearings in accordance with OAR 255-075 and OAR291-058, and ORS 144.106, ORS 144.108, ORS 144.343 and 144.346.

COUNTY agrees to submit electronic reports and records of hearings and sanctions in accordance with the Parole Board Management Information System, and submit written reports upon request from the BOARD.

2. BOARD's designated representative for this Agreement is Jim Eckland, Executive Director.

CONSIDERATION AND COMPENSATION

- 1 BOARD shall compensate the COUNTY for the services, as defined above, as follows:
 - B.1 In consideration for the services performed, BOARD agrees to pay COUNTY a maximum amount of \$146,316. The maximum not-to-exceed amount of \$146,316.00 for the services includes all reimbursable expenses. Therefore, reimbursement for additional expenses is not allowed, unless incurred after the date on which a written amendment authorizing such reimbursement is executed by all parties and approved as required by applicable statutes and rules.
 - B.2 Payments for Services, cited above, shall be made in two (2) equal payments of \$73,158 each during January, 1998 and January, 1999.

GENERAL PROVISIONS

1. COUNTY, its subcontractors, if any, and all employers working under this agreement are subject employers under the Oregon Workers Compensation Law and shall comply with ORS 656.017, which requires them to provide worker's compensation coverage for all their subject workers.
COUNTY shall not enter into any subcontracts for any of the work schedule under this agreement without obtaining prior written consent from BOARD.
2. COUNTY agrees to comply with all federal, state, and local laws and ordinances applicable to the work under this agreement. COUNTY agrees that the provision of ORS 279.312, 279.314, 279.320, and 279.555 shall apply to and govern the performance of this agreement.
3. **Governing Law & Venue:** This Agreement shall be governed by and construed in accordance with the laws of the State of Oregon, without resort to any jurisdiction's conflict of laws, rules or doctrines. Any litigation between the BOARD and COUNTY, arising out of or related to this agreement shall be brought and maintained only in the Circuit Court of Marion County in Salem, Oregon; provided however, if a claim must be brought in a federal forum, then it shall be brought and conducted solely and exclusively within the United States District Court for the District of Oregon. COUNTY, BY SIGNATURE, HEREBY CONSENTS TO THE IN PERSONAM JURISDICTION OF SUCH COURTS.
4. COUNTY agrees to comply with all applicable requirements of federal and state civil rights and rehabilitation statutes, rules, and regulations. COUNTY also shall comply with the Americans with Disabilities Act of 1990 (Pub L. No. 101-336) including Title II of the Act, ORS 659.425, and all applicable regulations and administrative rules established pursuant to those laws.
5. COUNTY shall be responsible for all cost and expenses related to its employment of individuals to perform the work under this agreement, including but not limited to PERS contributions, workers compensation, unemployment taxes, and state and federal income tax withholdings.

6. **Access to Records:** For not less than three (3) years after agreement expiration, the BOARD, the Secretary of State's Office of the State of Oregon, the federal government, and their duly authorized representatives shall have access to the books, documents, papers, and records of the COUNTY which are directly pertinent to this specific agreement for the purpose of making audit, examination, excerpts, and transcripts. COUNTY shall retain all pertinent records until the later of (i) the date that is not less than three years following the agreement expiration date or (ii) the date on which all litigation regarding this agreement is resolved. The COUNTY agrees to provide full access to BOARD in preparation for and during litigation. Copies of applicable records shall be made available upon request.

7. **Funds Available and Authorized:** BOARD reasonably believes at the time of entering into this agreement that sufficient funds are available and authorized for expenditure to finance costs of this agreement within the BOARD's appropriation or limitation.

COUNTY understands and agrees that BOARD's payment of amounts under this Agreement attributable to work performed after the last day of the current biennium is contingent on BOARD receiving from the Oregon Legislative Assembly appropriations, limitations, or other expenditure authority sufficient to allow BOARD, in the exercise of its reasonable administrative discretion, to continue to make payments under this Agreement. In the event the Oregon Legislative Assembly fails to approve sufficient appropriations, limitations, or other expenditure authority, BOARD may terminate this Agreement without penalty or liability to BOARD, effective upon the delivery of written notice to COUNTY, with no further liability to BOARD.

8. **Indemnity and Insurance:** *With the exception of professional (hearings officer errors or omissions) services provided pursuant to this agreement, COUNTY shall defend, save, and hold harmless the State of Oregon and the BOARD, their officers, agents, and employees, from all claims, suits, or actions of whatsoever nature, including intentional acts, resulting from or arising out of the activities of COUNTY or its subconsultants, agents, or employees under this agreement.*

With the exception of professional (hearings officer errors or omissions) services provided pursuant to this agreement, the COUNTY'S Hearings Officer(s) is not an officer, employee or agency of the State or BOARD as those terms are used in ORS 30.265.

During and within the scope of the performance of professional services provided pursuant to this agreement, the State will provide COUNTY'S Hearings Officer, as if he/she were an agent of the State of Oregon, Professional (hearings officer errors or omissions) Liability Coverage within the terms of the Oregon Tort Claims Act, ORS 30.260 to 30.300, and the Department of Administrative Services Risk Management Division Liability Self-Insurance Policy Manual #125-7-202.

The COUNTY shall promptly report, in writing, any claim and any occurrence that reasonably may give rise to a claim, to the Risk Management Division, 155 Cottage Street, NE, Salem, OR 97310. Failure to do so may negate State coverage.

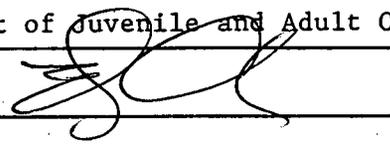
9. **Termination:** a. This agreement may be terminated by written mutual consent of the parties. In addition, this agreement may be terminated by the BOARD by written notice to the COUNTY specifying the termination date of the agreement. The right to terminate shall be exercised in good faith, for any reasonable cause, including but not limited to: (i) BOARD fails to receive funding, or appropriations, limitations or other expenditure authority at levels sufficient to pay for COUNTY's Work; (ii) Federal or state laws, regulations or guidelines are modified or interpreted in such a way that either the Work under this Agreement is prohibited or BOARD is prohibited from paying for such Work from the planned funding source; (iii) COUNTY no longer holds any license or certificate that is required to perform the Work as set forth above.
- b. COUNTY's timely and accurate performance is of the essence of this agreement. BOARD, by delivering written notice of default, may terminate this agreement, in whole or in part:
- (1) immediately, if the COUNTY fails to provide the services called for in the Statement of Work within the times specified or allowed under this agreement; or
- (2) at any time following a 30-day notice if the COUNTY fails to perform any of the other provisions of this agreement, or so fails to pursue the work as to endanger performance of this agreement in accordance with its terms, and after delivery of written notice from BOARD, does not correct such failures within 30 calendar days, or such longer period as BOARD may authorize.
- c. Upon receiving a notice of termination, and except as otherwise directed in writing by the BOARD, COUNTY shall immediately cease all activities related to the work.
- d. As directed by the BOARD, COUNTY shall upon termination, deliver copies to the BOARD all project documents, information, and other property that, if the Agreement had been completed, would be required to be furnished to the BOARD. By COUNTY's signature on this Agreement, COUNTY allows BOARD to use said documents for their intended use.
- e. The rights and remedies of the BOARD provided in the above clauses related to defaults by the COUNTY shall not be exclusive and are in addition to any other rights and remedies provided by law or under this agreement.
10. **Ownership of Work Product.** All work product of COUNTY that results from this Agreement (the "Work Product") is exclusive property of the BOARD. BOARD and COUNTY intend that such Work Product be deemed "work made for hire", COUNTY hereby irrevocably assigns to BOARD all of its rights, title, and interest in and to any and all of the Work Product, whether arising from copyright, patent, trademark, trade secret, or any other state or federal intellectual property law or doctrine. COUNTY shall execute such further documents and instruments as BOARD may reasonably request in order to fully vest such rights in BOARD. COUNTY forever waives any and all rights relating to the Work Product, including without limitation, any and all rights arising under 17 USC §106A or any other rights of indemnification of authorship or rights of approval, restriction or limitation on use or subsequent modifications.
11. **Survival.** All rights and obligations shall cease upon termination or expiration of this Agreement, except for the rights and obligations set forth in Sections 3, 4, 7, 9, 10 and 11.

12. **Amendment.** The terms of this Agreement shall not be waived, altered, modified, supplemented or amended, in any manner whatsoever, except by written Agreement signed by the parties.
13. This Agreement shall remain in force until which time the parties mutually agree to terminate, unless otherwise specified in this Agreement.

IN WITNESS WHEREOF, the parties hereto have set their hands as of the day and year hereinafter written.

Elyse Clawson, Director

Dept of Juvenile and Adult Community Justice

By: 

State of Oregon, by and through its
Board of Parole and Post-Prison
Supervision

By: 

Dianne L Middle, Chairperson

Date: 1-23-98

Date: 12-3-97

Agency Address:

Dept of Juvenile and Adult Community Justice

421 SW 5th, Suite 600

Portland, OR 97204

IGA with Multnomah County
Agreement #255-01-97
Date Dec 1, 1997
Page 6 of 6
Revised 12/2/97

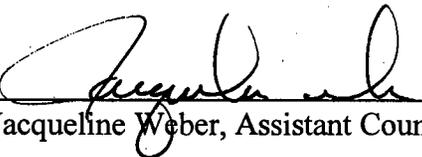
IN WITNESS WHEREOF, the parties have caused this agreement to be executed by their duly appointed officers on the last date written below.

MULTNOMAH COUNTY, OREGON

By: 
Beverly Stein, Chair
Board of County Commissioners

Date: February 12, 1998

REVIEWED:
THOMAS SPONSLER, COUNTY COUNSEL
FOR MULTNOMAH COUNTY, OREGON

By: 
Jacqueline Weber, Assistant Counsel

Date: 1/29/98

**APPROVED MULTNOMAH COUNTY
BOARD OF COMMISSIONERS**
AGENDA # C-4 DATE 2/12/98
DEB BOGSTAD
BOARD CLERK

MEETING DATE: FEB 12 1998

AGENDA NO: C-5
ESTIMATED START TIME: 9:30am

(Above Space for Board Clerk's Use ONLY)

AGENDA PLACEMENT FORM

SUBJECT: Request Approval of Deed to Contract Purchaser for Completion of Contract.

BOARD BRIEFING: Date Requested: _____

Amount of Time Needed: _____

REGULAR MEETING: Date Requested: _____

Amount of Time Needed: Consent

DEPARTMENT: Environmental Services DIVISION: Assessment & Taxation

CONTACT: Kathy Tuneberg TELEPHONE #: 248-3590

BLDG/ROOM #: 166/300/Tax Title

PERSON(S) MAKING PRESENTATION: Kathy Tuneberg

ACTION REQUESTED:

INFORMATIONAL ONLY POLICY DIRECTION APPROVAL OTHER

SUGGESTED AGENDA TITLE:

Request approval of deed to contract purchaser, HICO EXCAVATION, INC, for completion of Contract #15543
(Property purchased at auction).

Deed D981540 and Board Order attached.

*2/13/98 ORIGINAL DEED & COPY of #11 to
TAX TITLE*

BOARD OF
COUNTY COMMISSIONERS
MULTNOMAH COUNTY
OREGON
98 FEB -5 PM 12: 22

SIGNATURES REQUIRED:

ELECTED OFFICIAL: _____

(OR)
DEPARTMENT MANAGER: Kathy Tuneberg & Kaye Nicholas

ALL ACCOMPANYING DOCUMENTS MUST HAVE REQUIRED SIGNATURES
Any Questions: Call the Board Clerk 248-3277

BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

Authorizing the Execution of Deed D981540
Upon Complete Performance of a Contract
with HICO EXCAVATION, INC

} ORDER
98-16

WHEREAS, on August 2, 1990, Multnomah County entered into a contract with HICO EXCAVATION, INC for the sale of the real property hereinafter described; and

WHEREAS, the above contract purchaser has fully performed the terms and conditions of said contract and is now entitled to a deed conveying said property to said purchaser; now therefore

IT IS ORDERED that the Chair of the Multnomah County Board of County Commissioners execute a deed conveying to the contract purchaser the following described real property, situated in the County of Multnomah, State of Oregon:

EXC MT HOOD RY CO'S R/W, EXC PT IN ST, BLOCK A EXC MT HOOD RY CO'S R/W, BLOCK B, ZENITH ADDITION, a recorded subdivision in the City of Gresham, County of Multnomah and State of Oregon.

Dated this 12th day of February, 1998.



BOARD OF COUNTY COMMISSIONERS
MULTNOMAH COUNTY, OREGON

By Beverly Stein
Beverly Stein, Chair

REVIEWED:
Thomas Sponsler, County Counsel
Multnomah County, Oregon

By Matthew O. Ryan
Matthew O. Ryan, Assistant County Counsel

DEED D981540

MULTNOMAH COUNTY, a political subdivision of the State of Oregon, Grantor, conveys to HICO EXCAVATION, INC, Grantee, the following described real property, situated in the County of Multnomah, State of Oregon:

EXC MT HOOD RY CO'S R/W, EXC PT IN ST, BLOCK A EXC MT HOOD RY CO'S R/W, BLOCK B, ZENITH ADDITION, a recorded subdivision in the City of Gresham, County of Multnomah and State of Oregon.

The true and actual consideration paid for this transfer, stated in terms of dollars is \$150,000.00.

THIS INSTRUMENT WILL NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY APPROVED USES AND TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES AS DEFINED IN ORS 30.930.

Until a change is requested, all tax statements shall be sent to the following address:

HICO EXCAVATION, INC
891 NE 6TH ST
GRESHAM OR 97303-7321

IN WITNESS WHEREOF, MULTNOMAH COUNTY has caused these presents to be executed by the Chair of the Multnomah County Board of County Commissioners this 12th day of February, 1998, by authority of an Order of the Board of County Commissioners heretofore entered of record.



BOARD OF COUNTY COMMISSIONERS
MULTNOMAH COUNTY, OREGON

By Beverly Stein
Beverly Stein, Chair

REVIEWED:
Thomas Sponsler, County Counsel
Multnomah County, Oregon

By Matthew O. Ryan
Matthew O. Ryan, Assistant County Counsel

DEED APPROVED:
Kathleen A. Tuneberg, Director
Tax Collections/Records Management

By K. A. Tuneberg

After recording, return to Multnomah County Tax Title/166/300

MEETING DATE: FEB 12 1998

AGENDA #: R-2

ESTIMATED START TIME: 9:30am

(Above Space for Board Clerk's Use ONLY)

AGENDA PLACEMENT FORM

SUBJECT: Multnomah County Community Court

BOARD BRIEFING:

DATE REQUESTED: February 12, 1998

REQUESTED BY: Beverly Stein

AMOUNT OF TIME NEEDED: 30 minutes

REGULAR MEETING:

DATE REQUESTED: _____

AMOUNT OF TIME NEEDED: _____

DEPARTMENT: District Attorney

DIVISION:

CONTACT: Judy Phelan

TELEPHONE #: 248-3335

BLDG/ROOM #: 101/600

PERSON(S) MAKING PRESENTATION: Michael D. Schrunk

ACTION REQUESTED:

INFORMATIONAL ONLY POLICY DIRECTION APPROVAL OTHER

SUGGESTED AGENDA TITLE:

Board Briefing on the Multnomah County Community Court.

SIGNATURES REQUIRED:

ELECTED
OFFICIAL: _____

(OR)
DEPARTMENT
MANAGER: _____



MULTNOMAH COUNTY
OREGON
98 FEB - 4 AM 11:41
BOARD OF
COUNTY COMMISSIONERS

ALL ACCOMPANYING DOCUMENTS MUST HAVE REQUIRED SIGNATURES

Any Questions: Call the Office of the Board Clerk 248-3277 or 248-5222

Community Court Status Report

January 16, 1998

Background

On April 16, 1997, Deputy Associate Attorney General Reginald Robinson came to Portland and met with a number of criminal justice officials and community members to discuss the US Department of Justice's Community Justice Initiative. Portland was selected as one of seven sites to receive this designation. The intent is to support local justice initiatives tailored to local needs. There was discussion about the Community Court concept at that time.

Collaborative Planning

Community Court planning has been proceeding. The Courts, the Department of Juvenile and Adult Community Justice, the Multnomah County Sheriff's Office, the Metropolitan Public Defender's Office, the NE Neighborhood Coalition, and the District Attorney's Office have all been involved in moving the concept of Community Court forward.

Community Court Focus

The focus on the Community Court will be on misdemeanors and "quality of life" offenses. Eligible defendants will be drawn from those who have committed these kinds of offenses in the target North/Northeast area or who live in the target area but committed offenses elsewhere. Initial operation of the court will be biweekly moving to weekly as demand increases. It is anticipated that the court will begin operation at the King Facility in March 1998.

Staffing

A judge from the District/Circuit Court of Multnomah County will preside over the Community Court in NE Portland. Arrangements are in process with the State Indigent Defense Office to identify defense representation for court operation. The Multnomah County Sheriff's Office will supply a Facility Security Officer to cover security needs. The Multnomah County District Attorney's Office will provide a deputy district attorney and legal assistant, the Department of Juvenile and Adult Community Justice will coordinate community service sentencing. A Coordinator for the Community Court will be hired once grant funding is authorized. It is anticipated that other agencies and organizations will be drawn into the project to respond to additional needs as they are identified.

Community Involvement

Meetings have been held with various community groups to discuss the concept of the Community Court. These included: a group convened by the NE Neighborhood Coalition at the King Facility; the Hope and Hard Work Committee; and the Boise Neighborhood Association. These meetings helped to clarify and design the role for the proposed Community Court Advisory Board.

A small group of community members drawn from business, education, religious, social service, and neighborhood programs began meeting on September 30, 1997. They have been meeting twice monthly since that time. This group forms the core of the NE Community Court Advisory Board (CCAB). Their role is to help plan the Community Court to, assist in developing Community Court sentencing guidelines, to review key statistics for feedback to community members, to identify potential problem areas and projects, and to provide technical assistance to criminal justice personnel.

Resources and Grant Opportunities

Several grant opportunities have been pursued over the past few months. In addition to Portland receiving the Community Justice Initiative designation, it is also designated as a Weed and Seed site. This enabled an application to be made to the Weed and Seed program for a grant in the amount of \$50,000. This grant partially funds the cost for assigning a judge and judicial assistant to the project and helps with continued planning for the NE Community Court operation. In August the Board of County Commissioners formally approved funding the technology component for the Community Court as part of the Public Safety Bond Technology Program. This is a one-time-only, \$150,000 grant which will supply equipment and technical expertise for the Community Court operation.

A third grant application, in conjunction with the Community Justice Initiative site designation, was submitted to the Executive Office of Weed and Seed. This grant, in the amount of \$200,000, was approved and the grant award was received on January 14, 1998.

In addition, the Center for Court Innovation has been designated as the official provider of technical assistance for the Community Justice Initiative. The Center has provided written information and technical assistance on various aspects of the project. They also sponsored a workshop on December 4 and 5, 1997, for seven cities engaged in implementing community courts. Portland's participation was funded in part by the Center for Court Innovation and through a technical assistance grant from the National Institute of Corrections. A request for John Feinblatt, Director of the Midtown Community Court and head of the Center for Court Innovation, and Tim Murray from the Department of Justice, to provide technical assistance was also authorized. They were in Portland on December 12, 1997, and met with interested parties to assist in further refining the plans for the Community Court operation.

BUDGET MODIFICATION NO.: DLS 3

(For Clerk's Use) Meeting Date: FEB 12 1998
Agenda No.: R-3

1. REQUEST FOR PLACEMENT ON THE AGENDA FOR

DEPARTMENT: Library
CONTACT: Ellen Fader / Naomi Angier

DATE: 12/18/97
DIVISION: Svcs for Target Populations
TELEPHONE: 248-5408

**Name(s) of person making presentation to board*

SUGGESTED AGENDA TITLE *(to assist in preparing a description for the printed agenda)*

Budget Modification DLS #3 requests appropriation of a \$63,692 federal grant from the Oregon State Library for Juvenile Justice Outreach.

(Estimated Time Needed on the Agenda)

2. DESCRIPTION OF MODIFICATION

*Explain the changes this Bud Mod makes. What budget does it increase? What do changes accomplish?
Where does the money come from? What budget is reduced? Attach additional information if you need more space.*

Personnel changes are shown in detail on the attached sheet

This modification appropriates \$63,692 for Library Services to the Juvenile Justice Complex. This grant will fund teaching & reference materials, DYNA access, rotating collections, and related staff.

3. REVENUE IMPACT *Explain revenues being changed and reason for the change*

Library Fund is increased by \$ 63,692
General Fund is increased by \$ 3,605

BOARD OF COUNTY COMMISSIONERS
MULTNOMAH COUNTY
OREGON
98 FEB 4 AM 11:04

4. CONTINGENCY STATUS *to be completed by Budget & Planning*

NA Fund Contingency before this modification: As of _____ (date): \$ -
After this modification: \$ -

Originated By Becky Cobb BCobb Date 12-8-97
Department Director Ginnie Cooper Ginnie Cooper Date _____
Plan/Budget Analyst David Carr Date 2/3/98
Employee Services Shirley Robertson Date 2/3/98
Board Approval NBORAH C. BOUSTON Date 2/2/98

PERSONNEL DETAIL FOR BUDGET MODIFICATION NO.: DLS 3

5. ANNUALIZED PERSONNEL CHANGES

Compute on a full-year basis even though this action affects only a part of the fiscal year (FY)

Increase / (Decrease) FTE	Position Title	ANNUALIZED			
		Increase / (Decrease)			
		Base Pay	Fringe	Ins.	Total
0.78	Librarian 2	35,754	11,879		47,633
0.78	TOTAL CHANGE (ANNUALIZED):	\$ 35,754	\$ 11,879	\$ -	\$ 47,633

6. CURRENT YEAR PERSONNEL DOLLAR CHANGES

Calculate costs/savings that will take place in this FY; these should explain the actual dollar amounts being changed by this BudMod.

Permanent Positions, Temporary, Overtime, or Premium	Explanation of Change	CURRENT FISCAL YEAR			
		Increase / (Decrease)			
		Base Pay	Fringe	Ins.	Total
0.78	Librarian 2	35,754	11,879		47,633
TOTAL CURRENT FISCAL YEAR CHANGES:		\$ 35,754	\$ 11,879	\$ -	\$ 47,633

EXPENDITURE

TRANSACTION EB GM []

TRANSACTION DATE: _____

ACCOUNTING PERIOD: _____

BUDGET FY: _____

Document Number	Action	Fund	Agency	Organization	Activity	Reporting Category	Object	Current Amount	Revised Amount	Change Increase (Decrease)	Subtotal	Description
DLS 3	C	162	080	8610		LJJS	5100		35,754	35,754		Permanent
						LJJS	5500		11,879	11,879		Fringe
						LJJS	6110		300	300		Professional Svcs
						LJJS	6700		12,154	12,154		Books & Other Materials
						LJJS	7100		3,605	3,605		Indirect Costs
											63,692	
		100	045	9120			7700		3,605	3,605		GF Contingency
											3,605	
TOTAL EXPENDITURE CHANGE:										\$ 67,297	\$ 67,297	

REVENUE

TRANSACTION EB GM []

TRANSACTION DATE: _____

ACCOUNTING PERIOD: _____

BUDGET FY: _____

Document Number	Action	Fund	Agency	Organization	Activity	Reporting Category	Object	Current Amount	Revised Amount	Change Increase (Decrease)	Subtotal	Description
DLS 3		162	080	8610			?		63,692	63,692		LSTA-Juvenile Justice Grant
											63,692	
		100	045	7410			6635		3,605	3,605		Services Reimbursement, Library Fund
											3,605	
TOTAL REVENUE CHANGE:										\$ 67,297	\$ 67,297	

SUPPLEMENTAL STAFF REPORT

TO: BOARD OF COUNTY COMMISSIONERS

FROM:  Ginnie Cooper, Director of Libraries

DATE: December 8, 1997

RE: Budget Modification DLS #3

1. Recommendation/Action Requested:

Request approval to appropriate a \$63,692 grant from the Oregon State Library for Juvenile Justice Outreach.

2. Background/Analysis:

The Juvenile Justice Outreach grant will improve educational resources and access to Multnomah County Library materials in the JDH classrooms. Multnomah ESD will be providing Internet capabilities, including dialing into the library catalog, for the JDH classroom computers. Juvenile Justice Outreach will set up a procedure whereby the Library will work with the eleven JDH classroom teachers to provide biannual technology demonstrations and trainings on the Internet and the Library's DYNA catalog. The grant will set up an improved delivery system for library materials that have been located through the Internet/Dyna system. A minimum of 220 skill-related materials will be purchased for the JDH classrooms.

This grant will also increase the reading motivation of the youth through improved selection of reading materials, including materials that reflect lifestyles of minority youth, and materials in languages other than English. A minimum of 900 recreational reading paperbacks will be

purchased for the living quarters of JDH. Juvenile Justice Outreach will increase the reading motivation of the youth by providing one to two reading enrichment activities, such as book presentations or bedtime read alouds for the eleven JDH living units.

Working with the JDH counseling/prevention staff, the Library will provide programs and materials that help the youth at JDH make better life choices, particularly in the areas of substance abuse and career/job choices, by purchasing a minimum of 400 books and planning and presenting a minimum of two programs.

This grant was originally approved to begin in January of 1997, but due to the passage of Measure 47 and the resulting uncertainties, we requested and received a one year delay. However, we were able to begin this project in September of 1997.

3. Financial Impact:

The State Library grant is \$63,692. In-kind contributions from the Library and from Juvenile and Adult Community Justice Services will total \$46,289, mostly in allocation of staff time.

4. Legal Issues:

None

5. Controversial Issues:

N/A

6. Link to Current County Policies:

N/A

7. Citizen Participation:

N/A

8. Other Government Participation:

N/A

Oregon

STATE

LIBRARY

July 17, 1997

Ginnie Cooper
Multnomah County Library
205 N.E. Russell
Portland, OR 97212-3796

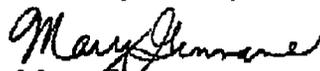
Dear Ginnie:

The State Library is pleased that Multnomah County Library is now in the position of implementing the Juvenile Justice Outreach LSCA grant. The State Library would like to propose awarding a grant contract with partial funding (approximately 1/4 of a year) with a September 1, 1997 start date to be supplemented with FFY 1998 LSTA funding when the federal budget process is completed. The total grant would be \$63,692 as requested in the revised budget. A grant contract modification would be initiated by the State Library to add the additional funds. Under the best of circumstances, the supplemental funding could be available as early as October 1, 1997. The risks to Multnomah County that I must point out are: 1) a protracted congressional budget process could delay the availability of the supplemental funds; or, 2) in the worst case scenario, LSTA is not funded. Neither of these possibilities is expected but in considering the State Library's proposal they must be recognized.

Should Multnomah County Library be willing to accept this proposal I would need to know from Ellen Fader or Naomi Angier how much would be needed to get the grant started for a three month period, by line item amounts. This information could be transmitted to me by e-mail or phone. I would then be able to draft the grant contract.

I trust you will be able to accept this proposal. If you have any questions, please don't hesitate to call or contact me. I can be reached at mary.j.ginnane@state.or.us or by phone at 503-378-2112, Ext. 225.

Sincerely,


Mary Ginnane

Group Leader, Library Development

xc: Ellen Fader

John A. Kitzhaber
Governor

250 Winter St. NE
Salem, OR 97310-0640
(503) 378-4243
FAX (503) 588-7119
TTY (503) 378-4276



MULTNOMAH COUNTY OREGON

DEPARTMENT OF ENVIRONMENTAL SERVICES
TRANSPORTATION AND LAND USE PLANNING DIVISION
1620 SE 190TH AVENUE
PORTLAND, OREGON 97233
(503) 248-5050

BOARD OF COUNTY COMMISSIONERS
BEVERLY STEIN • CHAIR OF THE BOARD
DAN SALTZMAN • DISTRICT 1 COMMISSIONER
GARY HANSEN • DISTRICT 2 COMMISSIONER
TANYA COLLIER • DISTRICT 3 COMMISSIONER
SHARRON KELLEY • DISTRICT 4 COMMISSIONER

MEMORANDUM

TO: BOARD OF COUNTY COMMISSIONERS

FROM:  Larry F. Nicholas, Director, DES

TODAY'S DATE: January 30, 1998

REQUESTED PLACEMENT DATE: February 12, 1998

RE: Approval of Resolution Considering Condemnation and Immediate Possession of a Parcel of Land for Road Construction Purposes.

I. Recommendation/Action Requested:

The Transportation and Land Use Planning Division seeks approval of a resolution requesting consideration to begin public condemnation and gain immediate possession of real property for road construction purposes.

II. Background/Analysis:

The Transportation and Land Use Planning Division is proposing reconstruction of SE Orient Drive at SE 257th Avenue. A number of parcels have been purchased or easements obtained to permit construction. The Oregon Department of Transportation (ODOT) acts as Multnomah County's agent in the acquisition of right of way and has been actively pursuing the purchase of this referenced property for several months. This parcel is vital to the construction and is located in the middle of a proposed intersection of the project. The parcel is unoccupied and is the last parcel to be acquired by ODOT for the County for this project.

The property described in this resolution is vital to the construction phase of the project and must be in Multnomah County's possession at the earliest possible date. The parcel is believed to have had an abandoned service station located on it and may pose an environmental hazard for cleanup. ODOT has been unable to secure the property through binding offer; the owner has been unwilling to speak with ODOT representatives on this matter. It is ODOT's opinion that we will be unable to acquire this property in a timely manner without condemnation.

III. Financial Impact:

A separate account has been established in the Oregon Local Government Investment Pool (LGIP) to purchase right of way for this capital transportation project. Funds from this account will be deposited in court. In the event that additional funds are required to cover legal expenses of the condemnation proceedings, they will be deposited from current Road Fund assets.

IV. Legal Issues:

If a public entity is unable to reach agreement with the owner of property deemed necessary for construction or easement, Oregon State Law authorizes state, county and city governments to condemn property under the Eminent Domain Procedures in ORS CH 35.

V. Controversial Issues:

As in any condemnation proceeding, the property owner in this case is hesitant to accept a binding offer for sale of the parcel. If ODOT is unable to reach a negotiated settlement for sale, condemnation proceedings will be necessary.

VI. Link to Current County Policies:

The reconstruction of SE Orient Drive at SE 257th Avenue is a component of the Multnomah County Transportation Capital Improvement Program and Plan. The construction of this intersection is vital to the reconstruction in this vicinity of SE Orient Drive, SE 257th Avenue and SE Palmquist Road, near US 26.

VII. Citizen Participation:

A public review process was conducted by the Transportation and Land Use Planning Division prior to final design of this project.

VIII. Other Government Participation:

During the planning phase of this project, the City of Gresham was actively involved in helping set design parameters and in facilitating community involvement.

BEFORE THE BOARD OF COUNTY COMMISSIONERS

FOR MULTNOMAH COUNTY, OREGON

Authorizing Condemnation and)
Immediate Possession of Real) RESOLUTION
Property Necessary to Complete) 98-17
Reconstruction at SE Orient Drive)
and SE 257th Avenue)

The Board of County Commissioners finds:

- a. It is necessary to consider the condemnation and immediate possession by Multnomah County of the real property described in Exhibit 1 attached hereto for the purpose of reconstruction of SE Orient Drive at the intersection of SE 257th Avenue.
- b. The project has been planned and located in a manner that is most compatible with the greatest public good and the least private injury.
- c. It is necessary to acquire immediate possession of the property hereinafter described to allow construction to proceed and be completed on schedule within budgetary limitations.

The Multnomah County Board of Commissioners resolves:

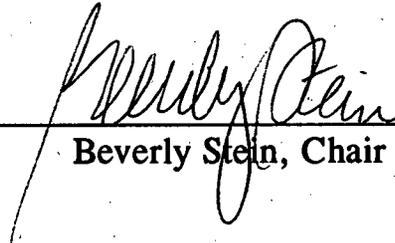
- 1. The Board does hereby find and declare that it is necessary to acquire the property described in Exhibit 1 for the reconstruction of SE Orient Drive at SE 257th Avenue.
- 2. In the event that no satisfactory agreement can be reached with the owners of the property as to the purchase price, legal counsel is hereby authorized and directed to commence and prosecute to final determination such condemnation proceedings as may be necessary to acquire the property. Such action shall be in accordance with all applicable laws, rules, and regulations governing such acquisition.
- 3. Upon final determination of any such proceeding, the deposit of funds and payment of judgement conveying the property to the County is hereby authorized.

4. The Board hereby finds that it is necessary to obtain immediate possession of such property to allow construction to proceed and be completed on schedule within budgetary limitations.
5. Legal counsel is hereby authorized and directed to take such action in accordance with law to obtain immediate possession of the property.
6. There is hereby authorized the creation of a fund in the amount of the estimate of just compensation for each such property, which shall, upon obtaining possession of each such property, be deposited with the Clerk of the Court wherein the action was commenced for the use of the defendants in the action, and the Director of the Finance Division is authorized to draw a warrant on the Road Fund of the County in such sum for deposit.

Dated this 12th day of February, 1998.

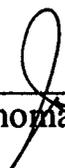


BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON


Beverly Stein, Chair

REVIEWED:

THOMAS SPONSLER, COUNTY COUNSEL
FOR MULTNOMAH COUNTY, OREGON

By 
John Thomas, Assistant County Counsel

WARREN G. ZANDELL

Exhibit 1

S.E. ORIENT DRIVE
S.E. Corner at S.E 257th Avenue
Item No. 97-38
April 3, 1997

DESCRIPTION (FEE SIMPLE)

All of that certain tract of land conveyed to Warren G. Zandell, by a deed recorded on July 21, 1987, in Book 2026, Page 226, Multnomah County Deed Records, more particularly described as follows:

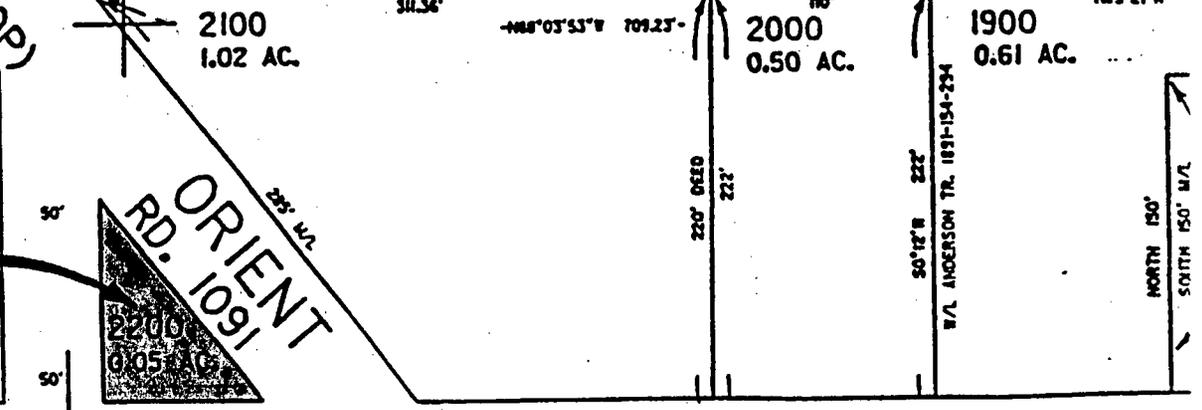
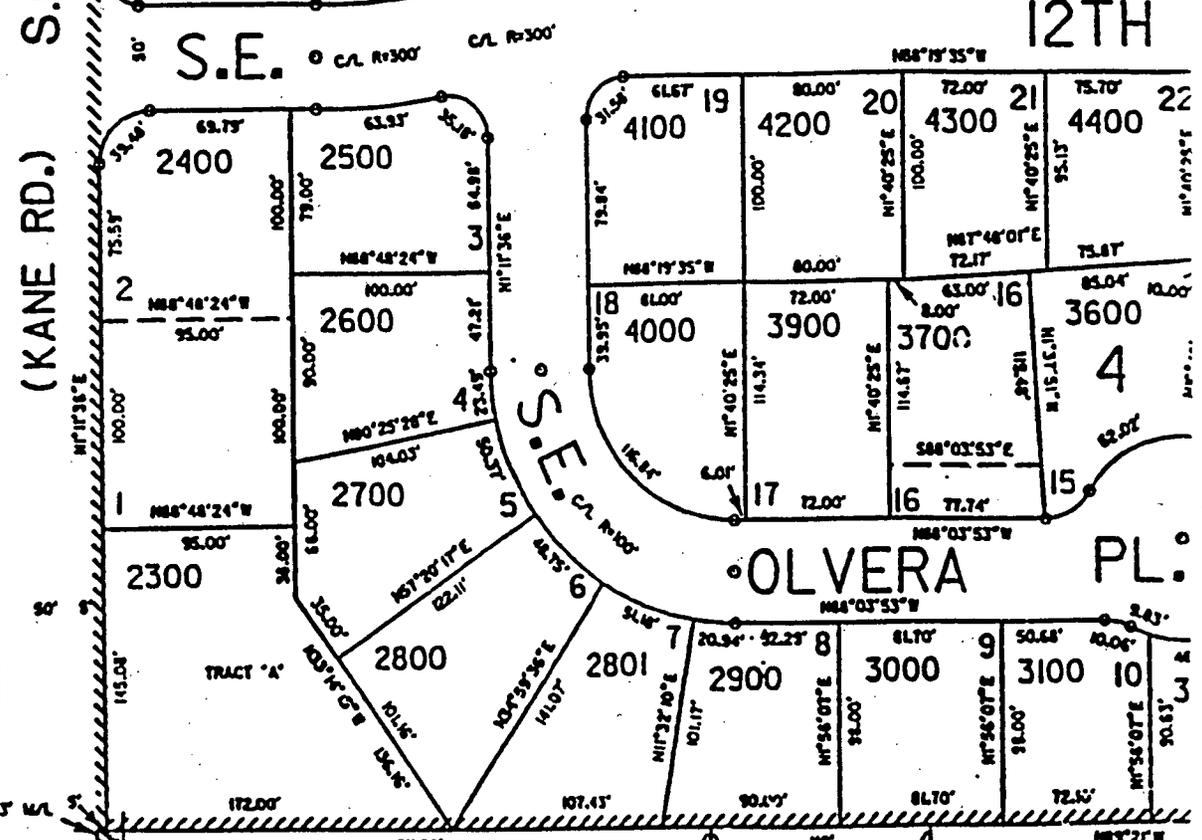
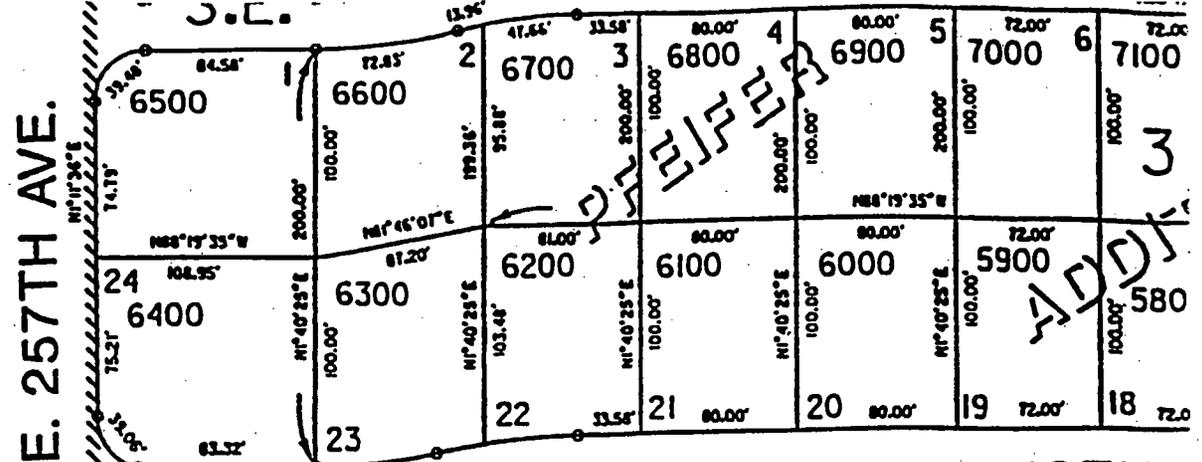
“A parcel of land lying in the Northeast quarter of Section 14, Township 1 South, Range 3 East, of the Willamette Meridian, in the City of Gresham, County of Multnomah and State of Oregon, more particularly described as follows: BEING all of that portion of a certain 0.34 acre tract described in deed recorded December 31, 1907, in Book 404, page 453, Deed Records, which lies southwesterly of the southwesterly side line of the right-of-way of the Mt. Hood Division of the Portland Railway Light and Power Company, which said southwesterly side line of said right-of-way is 42 feet distant from and parallel with the center line of Rollway Tract, EXCEPT a 60 foot right-of-way adjoining and paralleling Portland Railway Light and Power Company’s right-of-way deeded to Multnomah County, Oregon, or to the State of Oregon for road purposes as a part of Mt. Hood Loop Highway, said tract of land being bounded on the North and East by the Mt. Hood Loop Highway, on the South by the Palmquist Road and on the West by Kane Road.”

Containing 2,178 square feet, more or less.

As shown on attached EXHIBIT “A”, herein made a part of this description.



NO SCALE



FEE SIMPLE



1/16 COR.

DR.

S.E. PALMQUIST RD.

EXHIBIT "A"

(KANE RD.) S.E. 257TH AVE.

S.E. C.L. R=300'

12TH

OLVERA PL.

(MT. HOOD LOOP) S.E. 3'

W/L ANDERSON TR. 1891-194-294

NORTH 150' W/1/4 SECTION

#1

SPEAKER SIGN UP CARDS

DATE

2/12/98

NAME

JEFF BACHRACH

ADDRESS

1727 NW Hoyt

Portland, Or. 97209

PHONE

222-4402

SPEAKING ON AGENDA ITEM NUMBER OR
TOPIC

R-5

GIVE TO BOARD CLERK

#2

SPEAKER SIGN UP CARDS

DATE 4/12/98

NAME Chris Foster & Arnold Rochlin

ADDRESS 15400 NW McNamee Rd
Portland OR 97231

PHONE 621-3564 / 289-2657

SPEAKING ON AGENDA ITEM NUMBER OR
TOPIC Farm Zone Permits R-5

GIVE TO BOARD CLERK

**BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM BRIEFING
STAFF REPORT SUPPEMENT**

To: Board of County Commissioners

From: Planning Staff

Today's Date: February 4, 1998

Requested

Placement Date: February 12, 1998

RE: Public hearing on an ordinance amending the Exclusive Farm Use section of the Zoning Code to provide a two year expiration period for certain administrative approvals for single family dwellings. (Planning File C 6-97)

I. Recommendation/ Action Requested:

Recommend adoption of an ordinance that will amend the Conditional Use and Design Review sections of the zoning code by providing an exemption for single family residences from the Design Review process. [see also, Planning Commission Resolution C 6-97, ATTACHMENT "A"]

II. Background/ Analysis:

The Board recently considered an appeal of a Significant Environmental Concern permit (Robinson) where the legality of the underlying farm management plan was questioned. The main issue raised involved the question of how long a farm management plan remains valid when the Zoning Code has no expiration date and the State rules have changed to eliminate farm management plans as a method of approving farm dwellings.

As a result the issues raised in the Robinson appeal, the Board directed staff to develop an ordinance amendment to clarify the status of old farm management plans and provide a method to evaluate substantial compliance with those plans when considering applications for building permits.

The Planning Commission considered this matter at two public hearings a developed language that provides the following:

- The property owner is provided a two year period to demonstrate substantial compliance with the approved farm management plan by a showing that at least two years of the farm management plan has been implemented;
- The property owner must apply for a building permit for the approved dwelling within two years of the effective date of the ordinance; and

- The owner must obtain a building permit within 180 days of the decision that the farm management plan has been implemented.
- If a property owner does not, or can not, demonstrate substantial compliance with the approved farm management plan, the approval of that plan expires two years from the effective date of the ordinance

III. Financial Impact:

No fiscal impact to the County has been identified. An ordinance provision that clarifies the status of farm management plans, will allow County resources to be utilized more efficiently and effectively in matters of higher priority.

IV. Legal Issues:

The owner of six of the nine properties impacted by this ordinance revision has been represented by an attorney at previous hearings. That attorney has voiced concern regarding the proposal, but has not identified any legal issues.

V. Controversial Issues:

- The County has informed individuals with approved farm management plans that those approvals have no expiration.
- In some cases, 180 days is not sufficient time to obtain all of the necessary approvals for a building permit.

VI. Link to Current County Policies:

The Land Use Planning Section is actively participating in the County wide quality improvement program RESULTS (Reaching Excellent Service Using Leadership and Team Strategies). The program is a response to the need for better, more cost-effective service. The goal is to provide our customers with excellent service based on the limited resources available. For the Land Use Planning Section, this includes evaluating and amending the zoning code to clarify the status of decisions of the Planning Director, thus reducing future appeals.

VII. Citizen Participation:

Notice of the Planning Commission hearing on the proposed ordinance was published in the *Oregonian* newspaper. At the Planning Commission hearings persons testified in both support and opposition to the proposed code changes.

VIII. Other Government Participation:

None.

RESOLUTION

C 6-97

MULTNOMAH COUNTY PLANNING COMMISSION

WHEREAS, the Multnomah County Planning Commission recognizes that Oregon Administrative Rule 660-33-140(1) provides:

"A discretionary decision, except for a land division, made after the effective date of this division (August 7, 1993), approving a proposed development on agricultural or forest lands outside an urban growth boundary under ORS 215.010 to 215.293 and 215.317 to 215.428 or under county legislation or regulation adopted pursuant thereto is void two years from the date of the final approval if the development action is not initiated in that period."

and became effective on August 7, 1993; and

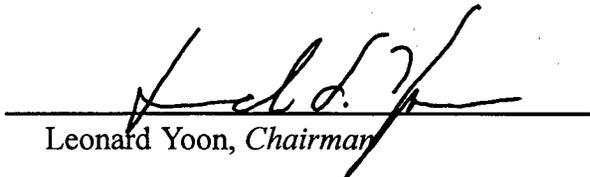
WHEREAS, the Planning Commission also recognizes that OAR 660-33-140(1) applies only to decisions made after its August 7, 1993 effective date; and

WHEREAS, the Planning Commission further recognizes there are approvals for single family dwellings in the Exclusive Farm Use District for applications received prior to August 7, 1993 that do not contain an expiration date, have not been initiated, and are not governed by OAR 660-33-140(1); and

WHEREAS, the Planning Commission finds there would be parity between all dwelling approvals in the Exclusive Farm Use district if an expiration date for the pre-August 7, 1993 approvals were established.

WHEREAS, on December 1, 1997 and January 5, 1998, the Planning Commission held public hearings where all interested persons were given an opportunity to appear and be heard.

NOW, THEREFORE, BE IT RESOLVED that the Multnomah County Planning Commission recommends adoption of the following Zoning Code amendment by the Board of County Commissioners.


Leonard Yoon, *Chairman*

January 5, 1998

1 **BEFORE THE BOARD OF COUNTY COMMISSIONERS**

2 **FOR MULTNOMAH COUNTY, OREGON**

3 **ORDINANCE NO. _____**

4
5 An Ordinance amending MCC 11.15 by establishing an expiration period for certain single
6 family dwelling approvals in the Exclusive Farm Use District.

7 (Underlined language is new or replacement; ~~struck through~~ language is deleted.)

8
9 Multnomah County Ordains as follows:

10
11 **SECTION I. FINDINGS**

12 (A) The Board of County Commissioners recognizes that Oregon Administrative
13 Rule 660-33-140(1) provides:

14 "A discretionary decision, except for a land division,
15 made after the effective date of this division (August 7,
16 1993), approving a proposed development on
17 agricultural or forest lands outside an urban growth
18 boundary under ORS 215.010 to 215.293 and 215.317
19 to 215.428 or under county legislation or regulation
20 adopted pursuant thereto is void two years from the
21 date of the final approval if the development action is
22 not initiated in that period."

23 and became effective on August 7, 1993; and

24 (B) The Board also recognizes that OAR 660-33-140(1) applies only to decisions
25 made after its August 7, 1993 effective date; and

26 (C) The Board further recognizes there are approvals for single family dwellings

1 in the Exclusive Farm Use District for applications received prior to August 7, 1993
2 that do not contain an expiration date, have not been initiated, and are not governed
3 by OAR 660-33-140(1); and

4 (D) The Board finds there would be parity between all dwelling approvals in the
5 Exclusive Farm Use district if an expiration date for the pre-August 7, 1993 approvals
6 were established.

7 (E) On December 1, 1997 and January 5, 1998, the Planning Commission held
8 public hearings. Hearings before the Board of County Commissioners followed on
9 February 12 and February 19, 1998. At each of the hearings all interested persons
10 were given an opportunity to appear and be heard.

11
12 **SECTION II. AMENDMENT OF EFU DISTRICT**

13 Multnomah County Code Chapter 11.15 is amended by adding subsections 11.15.2030
14 through .2031 and amending 11.15.2032 as follows:

15 **11.15.2030 Expiration of Certain Single Family Dwelling Approvals for**
16 **Applications Received Before August 7, 1993**

17 The following provisions apply to all administrative and action proceedings involving
18 discretionary land use decisions approving certain single family dwellings, as
19 described in this subsection, for which applications and fees were collected before
20 August 7, 1993:

21 (A) All single family dwellings approved as a residential use not in conjunction
22 with farm use under the conditional use action proceedings provisions of MCC
23 .2012(B)(3) then in effect, shall be subject to the permit expiration provisions and
24 dates in effect at the time of approval as prescribed by MCC .7110(C).

25 (B) Except as provided in MCC .2031, the following approvals for single family
26 dwellings shall expire two years from the effective date of this ordinance :

1 (1) All residences in conjunction with a farm use considered under the
2 provisions of §3.103.2(c) Ordinance 100 or MCC .2010(C) for which
3 applications were received between August 14, 1980 and February 19, 1990,
4 and

5 (2) All residences customarily provided in conjunction with an existing
6 use considered under the provisions of MCC .2010(A) for which applications
7 were received between February 20, 1990 and August 6, 1993.

8 **11.15.2031 Dwelling Approval Validation**

9 Approvals described in MCC .2030(B) shall continue to be valid if:

10 (A) A dwelling has been constructed or placed on the property as approved prior
11 to the effective date of this ordinance; or

12 (B) The property owner applies for a determination of substantial compliance with
13 the approved farm management plan. That determination shall be initiated and
14 processed as follows:

15 (1) Application shall be made on appropriate forms and filed with the
16 Planning Director prior to (two years after the effective date of this
17 Ordinance);

18 (2) The Planning Director shall find substantial compliance with the
19 approved farm management plan, based on evidence provided by the
20 applicant, if the activities provided for in the first two years of the farm
21 management plan have been implemented.

22 (3) If the applicant applies for a dwelling location other than that approved
23 by the management plan, the new location shall:

24 (a) Satisfy all applicable setback and siting standards including MCC
25 .2016, MCC.6400 through .6425, MCC .6700 through .6735, and MCC
26 9.40, and

1 **(b) Be on a portion of the property with a soil classification of no higher**
2 **value than the original approved location.**

3 **(4) Notices of the application and decision of the Planning Director shall**
4 **be mailed to all individuals entitled to notice as defined in MCC .8220(C).**

5 **(5) The decision of the Planning Director shall become final at the close of**
6 **business on the tenth day following mailed notice unless a party files a written**
7 **notice of appeal. Such notice of appeal and the decision shall be subject to the**
8 **provisions of MCC .8290 and .8295.**

9 **(6) If the Planning Director issues a determination of substantial**
10 **compliance, the property owner shall, within 180 days of the final date of that**
11 **decision, apply for and obtain a building permit for the dwelling under the**
12 **permit regulations of the applicable government issuer and continue to keep**
13 **the building permit valid until completion of the dwelling. Failure to obtain a**
14 **building permit within the specified 180 days, or failure to complete**
15 **construction of the dwelling under the above described valid permit, shall void**
16 **the decision of the Planning Director.**

17 **11.15.2032 Permit Expiration of Applications Received on or after August 7, 1993**

18 All administrative and action proceedings involving discretionary decisions for which
19 applications and fees have been collected on or after August 7, 1993, except land
20 divisions and uses listed in MCC .2012, shall expire two years from the date of the
21 Planning Director's or Hearing's Officer's decision in the matter, or two years from
22 the date of final resolution of subsequent appeals, unless:

23 **(A) The project is completed as approved; or**

24 **(B) A building permit has been obtained and is continuing to be kept valid under**
25 **the permit regulations of the applicable government issuer until completion of the**
26 **construction, or**

1 (C) The Planning Director determines that substantial construction or
2 development has taken place. That determination shall be processed as follows:

3 (1) Application shall be made on appropriate forms and filed with the
4 Director at least 30 days prior to the expiration date.

5 (2) The Director shall issue a written decision ~~on the application within 20~~
6 ~~days of filing. That decision shall be based on findings that:~~

7 (i) Final Design Review approval has been granted under MCC .7845 on
8 the total project, if applicable; and

9 (ii) At least ten percent of the dollar cost of the total project value has been
10 expended for construction or development authorized under a sanitation,
11 building or other development permit. Project value shall be as determined
12 by MCC .9025(A) or .9027(A).

13 (3) Notice of the Planning Director's decision shall be mailed to all parties
14 as defined in MCC .8225.

15 (4) The decision of the Planning Director shall become final at the close
16 of business on the tenth day following mailed notice unless a party files a
17 written notice of appeal. Such notice of appeal and the decision shall be
18 subject to the provisions of MCC .8290 and .8295.

19 (D) Uses listed in MCC .2012 shall expire two years from the date of the Board
20 Order on the matter, or two years from the date of final resolution of subsequent
21 appeals, unless one of the conditions of .7110(C) are met.

C 6-97-PROPOSED AMENDMENT OF EFU TO ESTABLISH AN EXPIRATION PERIOD FOR CERTAIN SINGLE FAMILY DWELLING APPROVALS

ISSUE	WHO RAISED ISSUE?	STAFF COMMENT	RECOMMENDATION
<p>1. The County has informed individuals that farm management plans do not expire.</p>	<p>The representative of the owner of six of the nine properties effected by this revision.</p>	<p>That is correct, the Code currently has no expiration period for farm management plans. The Board, however, has the power to revise and clarify Code requirements.</p>	<p>Revise the Code to place the same two year expiration period on those EFU administrative approvals granted prior to 8/7/93 as the State requires of EFU decisions made after that date. A two year expiration is comparable to the expiration period for Conditional and Community Service Uses.</p>
<p>2. The 180 day period recommended by the Planning Commission for obtaining a building permit after the Planning Director has determined substantial compliance is not sufficient time to obtain a building permit.</p>	<p>The representative of the owner of six of the nine properties effected by this revision.</p>	<p>Staff agrees. Some decisions, particularly when appeals are involved, can not be resolved within 180 days.</p>	<p>Allow a two year period in which to obtain a building permit after the Planning Director's decision</p> <p>See Suggested Revisions below.</p>

Suggested revisions to proposed MCC 11.15.2031(B)(6) [lines 23-28 p. 3 and line 1 p. 4 of proposed amendment

[is proposed elimination] is proposed additions

If the Planning Director issues a determination of substantial compliance, the property owner shall, within [180 days] two years of the date of the Planning Director's decision of substantial compliance, apply for and obtain a building permit for the dwelling under the permit regulations of the applicable government issuer and continue to keep the building permit valid until completion of the dwelling. Failure to obtain a building permit within the two year period specified above [180 days], or failure to complete construction of the dwelling under the above described valid permit, shall void the decision of the Planning Director.

R-5 2/12/08
PLANNING STAFF

PROPOSED CHANGES TO PLANNING COMMISSION RECOMMENDED
AMENDMENTS TO MCC 11.15

(Code Provisions Effecting Old Approvals to Build on EFU Land)

Agenda Item R-5 for the February 13 Board Meeting

(underlined language is new or replacement; ~~struck through language~~ is deleted.)

11.15.2031 Dwelling Approval Validation

willisato
Drop →

(B)(2) The Planning Director shall find substantial compliance with the approved farm management plan, based on evidence provided by the applicant, if the activities provided for in the first two years of the farm management plan have been implemented. “Activities” demonstrating that the “first two years” of the approved plan have been implemented include site preparation and any pre-planting activities described in the farm management plan.

Explanation: The proposed change to sub-section (B)(2) is intended to clarify that where a farm management plan calls for one year of pre-planting activity followed by five years of planting, the two-years-of-activities standard can be met based on one year of pre-planting activity and one year of planting; it would not be necessary to have two years of planting activity to satisfy the standard.

(B)(3) If the applicant applies ~~for a dwelling location other to place a dwelling in a location on the property different than the location that approved by the farm management plan or approved by a subsequent land use decision,~~ to place a dwelling in a location on the property different than the location that approved by the farm management plan or approved by a subsequent land use decision, the new location shall:

- (a) Satisfy all applicable set back and siting standards . . . , and
- (b) Be on a portion of the property with a soil classification of no higher value than the original approved location.

Explanation: This proposed change to subsection (B)(3) clarifies that, without further review by the county, a house can be placed on the same portion of the property as shown on either the approved farm management plan or as shown on another land use approval issued after the original farm management plan was approved.

(B)(6) If the Planning Director issues a determination of substantial compliance, the property owner shall, within two years ~~180 days~~ of the final date of that decision and the resolution of any appeals of that decision, apply for ~~and obtain~~ a building permit for the dwelling under the permit regulations of the applicable government issuer and continued to keep the building permit valid until completion of the dwelling.

Explanation: Giving property owners only 180 days to obtain a building permit is an unfair and unworkably short time frame. Once Planning Director determines that substantial farming activities are occurring, a property owner should have sufficient time in which to get their financing in place, and then prepare and submit their building plans

(B)(6) * * * Failure to obtain a building permit within two years ~~the specified 180 days~~, or ~~failure to complete construction of the dwelling under the above-described valid permit~~, shall void the decision of the Planning Director: unless the property owner, prior to the two-year deadline, applies for a two-year renewal of the Planning Director's determination of substantial compliance by providing evidence that the land is continuing to be used in compliance with a farm management plan.

Explanation: As long as a property owner is continuing to farm the land, and must prove that to the Planning Director's satisfaction every two years, then the public policy of seeing EFU land in farm use is satisfied. What is the detriment to public policy if a property owner farms the land for more than two years or four years or longer before deciding to build a house? If the property owner stops farming, then he or she would lose the right to ever build.

#1

SPEAKER SIGN UP CARDS

DATE 2/12/98

NAME Chris Foster

ADDRESS 15400 NW McNamee Rd.

Portland OR

PHONE 621-3564

SPEAKING ON AGENDA ITEM NUMBER OR
TOPIC Home Occupation R-6

GIVE TO BOARD CLERK

#2

SPEAKER SIGN UP CARDS

DATE 2/12/98

NAME

SETH TANE

ADDRESS

13700 NW NEWBERRY

RD, PORTLAND OR

PHONE

97231 (503) 735-0339

SPEAKING ON AGENDA ITEM NUMBER OR
TOPIC HOME OCCUPATIONS R-6

GIVE TO BOARD CLERK

FEB 12 1998

Meeting Date: FEB 05 1998
Agenda No: R-6
Est. Start Time: 9:40 AM R-6
10:20 AM

(Above Space for Board Clerk's Use ONLY)

AGENDA PLACEMENT FORM

SUBJECT: Public Reading of an Ordinance amending the Multnomah County Zoning Code (MCC 11.15) by creating two classifications of Home Occupations with applicable standards and procedures. (C 2-97)

BOARD BRIEFING Date Requested:
Amt. of Time Needed:
Requested By:

REGULAR MEETING Date Requested: February 5, 1998
Amt. of Time Needed: 30 Min.

DEPARTMENT: DES **DIVISION:** Transportation & Land Use Planning
CONTACT: Susan Muir **TELEPHONE:** 248-3043
BLDG/ROOM: 412 / 109

PERSON(S) MAKING PRESENTATION: Susan Muir / Kathy Busse

ACTION REQUESTED

Informational Only Policy Direction Approval Other

SUGGESTED AGENDA TITLE

Public Reading of an Ordinance amending the Multnomah County Zoning Code (MCC 11.15) by creating two classifications of Home Occupations with applicable standards and procedures.

2/13/98 copies to Susan Muir & Stuart
Farmer
2/17/98 copies to ordinance distribution
list

98 JAN 26 PM 4:12
MULTNOMAH COUNTY
OREGON
BOARD OF
COUNTY COMMISSIONERS

SIGNATURES REQUIRED

Elected Official: _____

or

Department Manager: KB [Signature]

**BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM BRIEFING
STAFF REPORT SUPPLEMENT**

To: Board of County Commissioners

From: Planning Staff

Today's Date: January 23, 1998

Requested Placement Date: February 5, 1998

Subject: Public hearing on an ordinance amending section 11.15 of the Multnomah County Code to update the home occupation provisions. (Planning case file C 2-97)

I. Recommendation / Action Requested:

Recommend adoption of an ordinance that will amend various sections of the zoning code to allow for two types of home occupations. Type A, which is a minimal impact operation and Type B, which would be processed as a Conditional Use.

II. Background / Analysis:

In 1996, the Transportation and Land Use Planning Division made the interpretation that the existing home occupation definition that defines a home occupation as: "Any lawful activity not otherwise specifically provided for in this Chapter" meant that as long as the use proposed for the home occupation was listed anywhere else in the code, it could not be considered an allowed home occupation. This interpretation was consistent with historical planning documents dating back to 1966. The Planning Commission heard testimony that the staff interpretation of this was burdensome and outdated and the Planning Commission embarked on revising the zoning ordinance with the help of a subcommittee. The subcommittee began by analyzing current state code as well as taking several case studies from Clackamas and Washington Counties as well as the City of Portland (see attached matrix labeled Exhibit A).

The Planning Commission subcommittee drafted language with the goals of accommodating the need for home based businesses in the County while also understanding that enforcement of the code will be a major issue. With this in mind, the Planning Commission came up with a two tiered concept that would allow home occupations with little or no impact to the neighborhood to be processed as a registration with the Transportation and Land Use Planning Division. This first type is referenced as Type A in the ordinance and has very tight standards about what can occur without moving into the higher impact category (Type B). Type A allows up to one employee or customer at a time, allows no new buildings or structures, no deliveries outside of those normally associated with a single family dwelling, has no outdoor storage or displays and no signage. The noise level cannot exceed 50 dba, no repair or assembly of any vehicles or motors can occur as

part of this type of operation and the proposal must have direct access to a public road. If one of these standards cannot be met, the home occupation would be considered Type B.

Type B home occupations are those that need to be reviewed by the community and will be considered a conditional use. This will allow the County to notice those neighbors surrounding the property and give them the opportunity to comment on the proposal. Type B home occupations could allow up to 5 employees and will be reviewed to be consistent with character of the area and follow all other state and county guidelines.

The Planning Commission approved the ordinance with the idea that it was desirable to open up the home occupation process in Multnomah County while still ensuring that it was enforceable.

III. Financial Impact

The fiscal impact to the County should be made up through processing fees. The Type A home occupation registration will be filed in the same manner as building permits that are issued by the County and should not require much staff review. The registering of Type A home occupations should save staff resources for code enforcement research and tracking. The application fees paid by the applicants will cover the Type B home occupation processing costs. Currently the fee for a pre-application conference is \$285.00 and a conditional use permit is \$1,550.

IV. Legal Issues

No legal issues have been identified. The revisions proposed are not known to be in violation of any County Planning Policy (except as revised), Statewide Planning Goals, Statutes and Rules.

V. Controversial Issues

These revisions have had public participation from the beginning. Although generally there has been support for the revisions, some of the public testimony received at the Planning Commission level has indicated that the ordinance does not go far enough to allow some types of businesses to operate as home occupations without placing undue burdens on them. The Planning Commission and Staff felt strongly that recommending revisions that can accommodate most home occupation scenarios while still being enforceable was critical at this time and were very reluctant to allow any additional flexibility.

VI. Link to Current County Policies

The East of Sandy River Rural Area Plan contained material about the restrictions currently in place regarding home occupations. The plan discussed the idea of revisiting the county code to look at accommodating the growth of at-home businesses in the rural areas with the concept that there is a demand for a more lenient interpretation of home occupation. The rural area plan contained a policy that stated:

“Consider revisions to the home occupations policies in the Multnomah County Zoning Ordinance.”

This ordinance will implement that policy. In addition, a portion of the Comprehensive Framework Plan will be revised (see. P. 3 of ordinance) to update the policy on home occupations. The revisions will add flexibility to the intent and purpose while staying consistent with the goals and policies established for the resource areas in Multnomah County.

VII. Citizen Participation

Notice of the Planning Commission hearing on the proposed ordinance was published in the *Oregonian* newspaper. Three people testified at the Planning Commission hearing. Notice of this hearing before the Board was also published in the *Oregonian*.

VIII. Other Government Participation

The Department of Environmental Quality was contacted and gave input into the ordinance to ensure the Small Business Section of DEQ will be contacted for input on all applications.

Attachments: Ordinance C 2-97
Planning Commission Resolution
Draft Planning Commission Ordinance
Exhibit A – Matrix of other local jurisdictions

(7) Making an enforceable code that does not place additional burdens on the code enforcement staff, and

WHEREAS, This amendment will allow home occupations only when they are in accordance with all other applicable state codes.

WHEREAS, This draft ordinances was presented at a public hearing before the Planning Commission on September 8, 1997; and

WHEREAS, Amendments were made at that hearing including:

1. Adding a general finding that requires home occupations to comply with all other state codes.
2. Delete references to economic success not being tied to customers visiting the site.
3. Exempt Type B home occupations from requiring Design Review if no modifications (similar to SEC exemptions for additions).
4. Exempt Type A and B (if no modifications) home occupations from Significant Environmental Concern permits.
5. Amend the Type A definition to read non-resident employee or customer on the premises at any one time in addition to the resident participant.
6. The hours of activity changed from 8 am-5 pm to 7 am - 6 pm.
7. Add language to require that the approval be specific in terms of number of employees allowed, hours, type of business, etc.

NOW, THEREFORE BE IT RESOLVED that the Multnomah County Planning Commission hereby recommends that the proposed revisions to the Multnomah County Zoning Code regarding home occupations be adopted by the Multnomah County Board of Commissioners.

APPROVED this 8th day of September, 1997.

By _____



LEONARD YOON, CHAIR
MULTNOMAH COUNTY PLANNING COMMISSION
MULTNOMAH COUNTY, OREGON

BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

ORDINANCE NO.

DRAFT

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31

An Ordinance amending the Multnomah County Comprehensive Framework Plan and the Multnomah County Zoning Ordinance regarding the provisions for home occupations.

(Language in ~~strikethrough~~ is to be deleted; underlined language is new)

Multnomah County Ordains as follows:

Section I. Findings

(A) On November 18, 1996 the Planning Commission heard testimony regarding the current provisions for home occupations which are not responsive to current business practices.

(B) The Planning Commission subsequently formed a subcommittee to conduct meetings and assist in the preparation of the revisions to the home occupation portion of the Multnomah County Code.

(C) The Subcommittee reported back to the Planning Commission with draft policies and principles to be implemented through the revisions including goals:

(1) Addressing the need for home based business' for those uses that are not large enough and do not have impacts that are associated with uses allowed in the rural center or urban zoning districts.

(2) Providing the opportunity for residents of Multnomah County to engage in these types of home occupations when the economic success of the business is not tied to customers visiting the site.

- 1 (3) Protecting the rural character of areas in unincorporated Multnomah
- 2 County and maintain the quality of life for all residents of the
- 3 communities.
- 4 (4) Clearly indicating which types or levels of activities are regulated in
- 5 Multnomah County and which are not.
- 6 (5) Joining in an effort to reduce vehicle miles traveled, traffic congestion
- 7 and air pollution in the State of Oregon.
- 8 (6) Providing clear direction for the Planning Staff on interpreting
- 9 regulations regarding home occupations.
- 10 (7) Creating a simple and quick process for prospective applicants for home
- 11 occupations permits.
- 12 (8) Making an enforceable code that does not place additional burdens on the
- 13 code enforcement staff.

14

15 (D) This draft ordinances was presented at a public hearing before the Planning

16 Commission on September 8, 1997.

17

18 Section II. Amendment of the Multnomah County Comprehensive Framework Plan

19

20 Policy 27: Commercial Location

21 * * *

22 E. CLASSIFY COMMERCIAL DEVELOPMENTS ACCORDING TO THEIR

23 FUNCTION, TENANT/TENANT MIX, AND SCALE OF OPERATIONS, AS

24 FOLLOWS:

25 * * *

26

27

28

29

30

31

1 SCALE	2 INTENT AND 3 PURPOSE	4 PRIMARY 5 TENANT/TENA 6 NT MIX 7 INCLUDES	8 GROSS 9 LEASABLE 10 AREA (GLA)
11 HOME 12 OCCUPATION	13 TO ALLOW 14 BUSINESS 15 WHICH CAN BE 16 CARRIED ON 17 WITHIN A 18 HOME OR 19 <u>ACCESSORY</u> 20 <u>STRUCTURE</u> 21 AND WHOSE 22 IMPACT WILL 23 NOT AFFECT 24 THE ADJACENT 25 HOMES OR 26 <u>RESOURCE</u> 27 <u>AREAS</u>	28 VARIABLE	29 LESS THAN 20% 30 OF THE HOME 31 <u>NOT</u> <u>APPLICABLE</u>

16 Section III. Amendment of the Multnomah County Zoning Code MCC 11.15

18 MCC 11.15.0010 Definitions

19 * * *

20 Home Occupation – ~~Any lawful activity not otherwise specifically provided for in~~
 21 ~~this Chapter commonly carried on within a dwelling unit or accessory building by~~
 22 ~~the occupant thereof, no employee or other person being engaged in the same;~~
 23 ~~which activity is secondary to the use of the property for residential purposes;~~
 24 ~~provided that there is no outside advertising or display of merchandise; that no sale~~
 25 ~~of merchandise is made from the premises, and that noise, odor, smoke, gases,~~
 26 ~~fallout, vibration, heat or glare resulting from the activity is undetectable at any~~
 27 ~~property line. The operation of a Residential Home is not considered a Home~~
 28 ~~Occupation.~~

30 (A) Type A: A type A home occupation is one where the residents use their
 31 home as a place of work. Type A home occupations may have up to one

1 employee in addition to the resident participant. No customers shall visit the
 2 site. No new buildings or modifications to existing structures shall be
 3 allowed. No deliveries other than those normally associated with a single
 4 family dwelling and between the hours of 8 a.m. - 5 p.m. No outdoor
 5 storage or displays shall occur (including vehicle parking). No signage shall
 6 be allowed (including temporary signage and those exempted under MCC
 7 11.15.7912 with the exception of those required under MCC 11.05.500-
 8 .575), and no noise above 50 dba at the property lines shall be permitted.
 9 No repair or assembly of any vehicles or motors can occur as part of a type
 10 A home occupation. A type A home occupation may not serve as
 11 headquarters or dispatch where employees come to the site. A type A home
 12 occupation must have direct access to a public road (no easements). Type A
 13 home occupations shall be filed on a form provided by the Planning
 14 Director.

15
 16 Type B: A type B home occupation is one where the residents use their home
 17 site as a place of work but exceeds the standards of the type A home occupation.
 18 Type B home occupations shall be approved as per MCC 11.15.7105 and .7455.

19
 20 * * *

21 **Exclusive Farm Use Zone**

22 * * *

23 11.15.2012 Conditional Uses

24 * * *

25 (F) Type B Hhome occupation as provided for in ORS 215.448 MCC 11.15.7455
 26 and provided:

- 27 ~~(1)~~ That there is no outside advertising or display of merchandise; and
 28 ~~(2)-(1)~~ That no sale of merchandise is made from the premise; and
 29 ~~(3)-(2)~~ That noise, odor, smoke, gases, fallout, vibration, heat or glare resulting
 30 from the activity is not detectable at any property line.
 31

1 A home occupation located on high-value farmland may employ only
2 residents of the home.

3 * * *

4 11.15.2014 Accessory Uses

5 * * *

6 (E) Type A home occupation pursuant to the definition and restrictions of
7 MCC .0010. Home occupations as defined by MCC .0010 do not allow
8 the level of activity defined in ORS 215.448.

9 * * *

10

11 **Commercial Forest Use Zone**

12 * * *

13 11.15.2054 Conditional Uses

14 * * *

15 ~~(C) Type B Hhome occupation pursuant to the definition and restrictions of MCC~~
16 ~~.0010. Home occupations as defined by MCC .0010 do not allow the level of~~
17 ~~activity defined in ORS 215.448; and MCC 11.15.7455 and provided:~~

18 (1) That no sale of merchandise is made from the premise; and

19 (2) That noise, odor, smoke, gases, fallout, vibration, heat or glare resulting
20 from the activity is not detectable at any property line.

21 * * *

22 11.15.2054 Accessory Uses

23 * * *

24 (C) Type A Hhome occupations pursuant to the definition and restrictions of
25 MCC .0010. Home occupations as defined by MCC .0010 do not allow the
26 level of activity defined in ORS 215.448.

27 * * *

28

29 **Multiple Use Agriculture Zone**

30 * * *

31

1 11.15.2132 Conditional Uses

2 * * *

3 (D) Type B Home occupation as provided for in MCC 11.15.7455.

4 * * *

5 11.15.2134 Accessory Uses

6 * * *

7 (C) Type A Home occupations pursuant to the definition and restrictions of
8 MCC .0010; and

9 * * *

10

11 **Rural Residential**

12 * * *

13 11.15.2212 Conditional Uses

14 * * *

15 (C) Type B Home occupation as provided for in MCC 11.15.7455.

16 * * *

17 11.15.2214 Accessory Uses

18 * * *

19 (C) Type A Home occupations pursuant to the definition and restrictions of
20 MCC .0010; and

21 * * *

22

23 **Rural Center**

24 * * *

25 11.15.2252 Conditional Uses

26 * * *

27 (C) Type B Home occupation as provided for in MCC 11.15.7455.

28 * * *

29 11.15.2254 Accessory Uses

30 * * *

31

1 (C) Type A Hhome occupations pursuant to the definition and restrictions of
2 MCC .0010; and

3 * * *

4 **Urban Low Density Residential LR-40**

5 * * *

6 11.15.2508 Uses Permitted Under Prescribed Conditions

7 * * *

8 (E) Type A Hhome occupations as defined in pursuant to the definition and
9 restrictions of MCC .0010.

10 * * *

11

12 **Urban Low Density Residential LR-30**

13 * * *

14 11.15.2528 Uses Permitted Under Prescribed Conditions

15 * * *

16 (E) Type A Hhome occupations as defined in pursuant to the definition and
17 restrictions of MCC .0010.

18 * * *

19

20 **Urban Low Density Residential LR-20**

21 * * *

22 11.15.2548 Uses Permitted Under Prescribed Conditions

23 * * *

24 (E) Type A Hhome occupations as defined in pursuant to the definition and
25 restrictions of MCC .0010.

26 * * *

27

28 **Urban Low Density Residential LR-10**

29 * * *

30 11.15.2568 Uses Permitted Under Prescribed Conditions

31

1 * * *

2 (F) Type A Hhome occupations as defined in pursuant to the definition and
3 restrictions of MCC .0010.

4 * * *

5

6 **Urban Low Density Residential LR-7.5**

7 * * *

8 11.15.2588 Uses Permitted Under Prescribed Conditions

9 * * *

10 (G) Type A Hhome occupations as defined in pursuant to the definition and
11 restrictions of MCC .0010

12 * * *

13

14 **Urban Low Density Residential LR-7**

15 * * *

16 11.15.2608 Uses Permitted Under Prescribed Conditions

17 * * *

18 (H) Type A Hhome occupations as defined in pursuant to the definition and
19 restrictions of MCC .0010.

20 * * *

21

22 **Urban Low Density Residential LR-5**

23 * * *

24 11.15.2628 Uses Permitted Under Prescribed Conditions

25 * * *

26 (G) Type A Hhome occupations as defined in pursuant to the definition and
27 restrictions of MCC .0010

28 * * *

29

30 **Urban Medium Density Residential MR-4**
31

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31

* * *

11.15.2748 Uses Permitted Under Prescribed Conditions

* * *

(G) Type A Home occupations as defined in pursuant to the definition and restrictions of MCC .0010

* * *

Single Family Residential R-40

* * *

11.15.2832 Use

* * *

(H) Uses customarily incidental to any of the above uses, including Type A home occupations pursuant to the definition and restrictions of MCC .0010.

(I) Type B Home occupation as provided for in MCC 11.15.7455.

* * *

Single Family Residential R-30

* * *

11.15.2842 Use

* * *

(H) Uses customarily incidental to any of the above uses, including Type A home occupations pursuant to the definition and restrictions of MCC .0010.

(I) Type B Home occupation as provided for in MCC 11.15.7455.

* * *

Single Family Residential R-20

11.15.2852 Use

1 * * *

2

3 * * *

4 (H) Uses customarily incidental to any of the above uses, including Type A home
5 occupations pursuant to the definition and restrictions of MCC .0010.

6

7 (I) Type B Home occupation as provided for in MCC 11.15.7455.

8 * * *

9

10 **Single Family Residential R-10**

11 * * *

12 (H) Uses customarily incidental to any of the above uses, including Type A home
13 occupations pursuant to the definition and restrictions of MCC .0010.

14

15 (I) Type B Home occupation as provided for in MCC 11.15.7455.

16 * * *

17

18 **Single Family Residential R-7**

19 * * *

20 (H) Uses customarily incidental to any of the above uses, including Type A
21 home occupations pursuant to the definition and restrictions of MCC .0010.

22

23 (I) Type B Home occupation as provided for in MCC 11.15. 7455.

24 * * *

25

26 **Home Occupations - CU**

27

28 11.15.7455 Definitions:

29

30 (A) Employee - one full or part time participant, resident or non-resident, in the
31

1 business shall constitute one employee.

2 (B) Customers - Any person visiting the site that is not an employee who is
3 associated with the home occupation.

4 (C) Normal deliveries - The home occupation shall not involve the use, parking,
5 storage or repair of any vehicle exceeding a gross vehicle weight of 11,000
6 pounds, except deliveries by parcel post, United Parcel Service, or similar in-
7 town delivery service trucks. These deliveries or pick-ups of supplies or
8 products, associated with business activities, are allowed at the home only
9 between 8 am and 5 pm.

10 (D) Headquarters - A business operation where employees come to the site at any
11 time.

12 (E) Motor vehicles - vehicles or equipment with internal combustion engines
13 (such as autos, motorcycles, scooters, snowmobiles, outboard marine engines,
14 lawn mowers, chain saws, and other small engines).

15
16 11.15.7460 Purposes

17
18 The purposes of this home occupation section are to address the need for home
19 based business for that are small scale businesses (not more than 5 employees)
20 and that fit in with the characteristic of the neighborhood or the area. The
21 regulations are designed to:

22
23 (A) Provide the opportunity for residents of Multnomah County to engage in
24 these types of home occupations when the economic success of the
25 business is not tied to customers visiting the site.

26 (B) Protect the individual characteristics of areas in unincorporated
27 Multnomah County and maintain the quality of life for all residents of the
28 communities.

29 (C) Join in an effort to reduce vehicle miles traveled, traffic congestion and
30 air pollution in the State of Oregon.

31

1 11.15.7465 Criteria for Approval

2

3 The approval authority shall find that the following standards are met:

4

5 (A) The standards found in MCC 11.15. 7120:

6 (B) The home occupation does not employ more than 5 employees.

7 (C) The site has on site parking as per MCC 11.15.6100 to accommodate the
8 total number of employees and customers.

9 (D) No deliveries other than those normally associated with a single family
10 dwelling and between the hours of 8 a.m. - 5 p.m.

11 (E) No outdoor storage or display

12 (F) No signage (including temporary signage and those exempted under MCC
13 11.15.7912) with the exception of those required under MCC 11.05.500-
14 .575.

15 (G) No noise above 50 dba at the property lines.

16 (H) No repair or assembly of any vehicles or motors.

17 (I) The application has been noticed to and reviewed by the Small Business
18 Section of the Department of Environmental Quality.

19

20 ADOPTED this ____ day of _____, 1997, being the date of its
21 third reading before the Board of County Commissioners of Multnomah County.

22

23 BOARD OF COUNTY COMMISSIONERS
24 FOR MULTNOMAH COUNTY, OREGON

25

26

27 _____
Beverly Stein, Chair

28

29

30

31

1 REVIEWED:

2

3 THOMAS SPONSLER, COUNTY COUNSEL

4 FOR MULTNOMAH COUNTY, OREGON

5

6 By _____

7 Thomas Sponsler, County Counsel

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31

Home Occupations Background Information 12/13/96

Multnomah County

Any lawful activity not otherwise specifically provided for in this Chapter, commonly carried on within a dwelling unit or accessory building by the occupant thereof, no employee or other person being engaged in the same; which activity is secondary to the use of the property for residential purposes; provided that there is no outside advertising or display of merchandise; that no sale of merchandise is made from the premises, and that noise, odor, smoke, gases, fallout, vibration, heat or glare resulting from the activity is undetectable at any property line. Does not include the operation of a Residential Home.

State Code

In an exclusive farm, forest zone or mixed farm and forest zone that allows residential uses, the following standards apply to the home occupation;

It shall be operated by a resident or employee of a resident of the property on which the business is located;

It shall employ on the site no more than five full-time or part-time employees;

It shall be operated substantially in:

the dwelling, or

other buildings normally associated with uses permitted in the zone in which the property is located; and

It shall not unreasonably interfere with other uses permitted in the zone in which the property is located.

The governing body of the county or its designate may establish additional reasonable conditions of approval for the establishment of a home occupation under subsection (1) of this section.

Nothing in this section authorizes the governing body or its designate to permit construction of any structure that would not otherwise be allowed in the zone in which the home occupation is to be established.

The existence of home occupations shall not be used as justification for a zone change.

Clackamas County

Minor Home Occupations	Major Home Occupation - Non-urban	Major Home Occupations - Urban
Allowed in any zone that permits dwellings	Allowed in rural or natural resource zoning on lots or parcels two acres or larger	Allowed in urban, future urban, rural center district, or in a rural or natural resource district on a lot less than 2 acres in size.
Conducted within a dwelling	Conducted by member of family in the	Conducted by member of family in the

<p>No change in the exterior of the dwelling Limited to 5 employees No outdoor storage, including vehicles No accessory structures used No displays No signs No additional parking spaces No more than 5 vehicle trips/day No equipment that creates noise, vibration, glare, fumes or odor, or visual or audible electrical interference.</p>	<p>residence No more than 5 full or part time employees Must have frontage on and direct access from public road or easement serving only the subject property (requires petition if serves more) Up to 1,000 square feet of an accessory building space can be used Character and residential function of the buildings and property shall be maintained Shall not create noise which exceeds 60 dba between 8 am and 6 pm. Shall not create noise which is detectable off the property between 6 pm and 8 am. No vibration, glare, fumes, odors or electrical interference shall be detectable off the property No outside storage One sign, 8 sq ft. No more than 15 vehicle trips/day Max # of vehicles associated with HO shall not exceed 5 Additional parking requirements</p>	<p>residence No more than 5 full or part time employees Must have frontage on and direct access from public road or easement serving only the subject property (requires petition if serves more) Up to 500 square feet of an accessory building space can be used Character and residential function of the buildings and property shall be maintained Shall not create noise which exceeds 60 dba between 8 am and 6 pm. Shall not create noise which is detectable off the property between 6 pm and 8 am. No vibration, glare, fumes, odors or electrical interference shall be detectable off the property No outside storage One sign, 3 sq ft. No more than 10 vehicle trips/day No vehicles stored over 11,000 lbs/gvw Additional parking requirements</p>
	<p>Administrative Decision, good for one year</p>	<p>Administrative Decision, good for one year</p>

Portland

Type A	Type B	Other
<p>No employees or customers come to site. Artists, crafts people, writers and consultants.</p>	<p>One employee or customers come to the site. Counseling, tutoring and hair cutting.</p>	<p>Lists Bed and Breakfast facility and Family daycare as separate exemptions.</p>
<p>No repair or assembly of any vehicles or motors May not serve as headquarters or dispatch centers where employees come to the site All activities must be in completely enclosed structures</p>	<p>No repair or assembly of any vehicles or motors May not serve as headquarters or dispatch centers where employees come to the site Prohibited in a residence with an accessory rental unit</p>	

Exterior storage or display is prohibited
 Dwelling and site must remain residential in appearance
 Max noise level 50 dba at property line
 No more than one truck may be parked at the site
 Deliveries allowed between 8 am and 5 pm

Customers may only visit the site between 7 am and 9 pm
 One nonresident employee is allowed provided no customers come to the site
 Only 8 customers or clients may visit the site in a day
 Retail sales of goods must be entirely accessory to any services provided on site (hair care products sold as an accessory to hair cutting)
 No more than one type B home occupation per dwelling
 All activities must be in completely enclosed structures
 Exterior storage or display is prohibited
 Dwelling and site must remain residential in appearance
 Max noise level 50 dba at property line
 No more than one truck may be parked at the site
 Deliveries allowed between 8 am and 5 pm

Permit issued by building bureau, after application submitted, applicant provides notice to neighbors

Washington County

Type I	Type II
<p>A lawful activity carried on within the dwelling by a member or members of the family who occupy the dwelling, it is secondary to the use of the dwelling.</p>	<p>One employee or customers come to the site. Counseling, tutoring and hair cutting.</p>
<p>Shall be operated entirely within the dwelling Shall not use more than 25% of the floor area of the dwelling When in a residential district, no external evidence of an occupation except one sign, 2 sq. ft. in size Won't involve the use or storage of tractor trailers, semi-trucks or</p>	<p>Shall be operated entirely within the dwelling or permitted accessory structure If located inside UGB, shall not use more than 25% of the floor area of the dwelling or no more than 400 sq ft of allowed accessory structure</p>

heavy equipment (construction)
No retail sales other than phone sales
Involves fewer than 6 customers daily entering the premises
No noise, odors, vibrations, glare, fumes or electrical interference should be produced
No additional parking
If in commercial or industrial district, may have one ID sign, max 20 sq. ft.

If located outside UGB, shall not use more than 25% of the floor area of the dwelling, where an accessory building is used, no more than 1000 sq ft shall be utilized
When in a residential district, no external evidence of an occupation except one sign, 2 sq. ft. in size
No remodeling allowed which changes the residential character
No use or storage of heavy vehicles or equipment. No warehousing or distribution
No retail sales
Involves fewer than 10 customers daily entering the premises
No noise, odors, vibrations, glare, fumes or electrical interference should be produced
Only one person can be employed who is not a permanent resident
Must provide parking plan
If in commercial or industrial district, may have one ID sign, max 20 sq. ft.

Requires permit, renewed once a year

Requires permit, renewed once a year

November 17, 1996

Seth Tane

13700 NW Newberry rd..
Portland, OR., 97231
(503) 735-0339 office
286-6339 home
735-0337 fax

To : Multnomah County Planning Commission Members
Re: Request to review MCC .0010 "Home Occupation" Definition

I am pleased to see the commission consider the above subject with the intent of refining code language to clearly implement the planning objectives in a practical manner.

My comments below are from my perspective as a resident on a five acre CFU parcel in the West Hills operating a Home Occupation, and as a citizen interested in rational, practical, land use planning as a social tool to preserve and improve Quality of Life.

It is unfortunate that the present situation of self-acknowledged, long standing, absurdly restrictive, and unevenly enforced interpretation is only now being addressed, but this pattern is an example of the practices that create and inflame a constituency adversarial to planning and government in general. Bearing this history in mind, the Planning Commission must be careful to provide: the rationale or intent of the code, code language, and an interpretation together for planning staff to administer. The result must be usable, unambiguous, and equitable to what appears to be an increasing number of county residents.

An interesting study, *Home-Based Enterprise in Oregon: Improving Local Regulation of An Important Economic Asset*, prepared by Michael F. Sheehan, Ph.D. Fisher, Sheehan & Colton, Sept. 1996, was brought to my attention by Commissioner Saltzman's office on Friday the 15th. I read it and have provided copies for each of you and the Multnomah County Chair and other board members. I have also had several conversations this weekend with Mr. Sheehan to clarify or expand on several of the aspects of the study. Because of the short lead time I have not been able to prepare a written synopsis for you, but I will be happy to testify orally and answer any questions I can.

This is an opportunity to craft enlightened code to encourage rather than restrict *reasonable*, family owned and operated home businesses. It is hard to imagine a better fit with the desires to reduce vehicle miles traveled, reduce crime in neighborhoods, provide an incentive to family stability, and manage natural resources through intensive stewardship.

Home Occupations should be appropriate to each class of zone in consideration of the impacts on adjoining properties, due to parcel size and minimum yard dimensions. Permitted home occupations should be described by employment level / type, traffic generation, noise, environmental criteria, and other appropriate performance standards and not by listed "type". The range of "types" as listed in the examples below only serve to illustrate the complexities inherent in generalization when the setting of standards is undertaken.

So many scenarios can be painted to illustrate the kinds of Home Occupations that we might want to encourage, drawn from the actual Multnomah County population, and many currently in violation of the current interpretation. They can be one person or parent and child enterprises that generate taxable income and local economic gain with a greatly reduced impact on transportation, parking, and environmental impact, while having positive effects for neighborhood and family values. At the point at which they cross the thresholds of employment, traffic, and impacts, they cease to be Home Occupations and must be located in appropriate zones for the level of impact. For example:

Artist (painter, sculptor, photographer, filmmaker-videographer, printmaker, glassblower, jeweler, textiles, bookbinder, woodworker, potter, dancer, musician, writer, actor...)

Information Technology (programmer, data entry, journalist, publisher, editor, internet services, electronic sales, radio dispatch...)

Cottage Industry (assembly, trades person, musical instrument making, light manufacturing, small boat building, mobile service...)

Business and Professional (planner, architect, surveyor, engineer, drafter / designer, financial analyst, electronic broker, biologist, forester, auctioneer, cartographer, geologist, attorney, outpatient health services, researcher...)

Agricultural / Forest / Marine resource related. (wholesale and neighborhood specialty garden and animal products, fishing, outdoor guide, arborist, small equipment design / repair, gardener, landscaper...)

The challenge is to provide for the genuinely appropriate level of activity for the zone. In the CEU, for example, many professions, crafts and trades can be compatible with the intended commercial forest and habitat uses because of the large lot sizes, and rural character. These same activities may be clearly unacceptable in an urbanized, small lot, neighborhood. All of the above illustrative examples can be operated at true home occupation, zone appropriate scales, **in some zones**, and many could also be envisioned growing, or being beyond that scale. Some thoughts on possible threshold criteria:

Employment: Immediate family residing on the property only.
Traffic / Parking: Off street parking only, no retail trade, regulated truck / visitor average and peak frequency. No more than two powered business vehicles and all under 26,000 GVW.
Signage: Standard sign size for address / identification only (6" x 36" max ?)
Environmental Impacts: Noise, emissions, standards, DEQ ?, Structure area and number limited. Limitation on refuse generation with exclusion for recycling.
Licensing: Establish home occupation business license with fee to cover costs if necessary and automatic registration for business personal property tax, and state fire marshal hazardous material compliance.

The possible utilization of the conditional use process to address all proposed "Class 2" or over-the-threshold Home Occupations is an option, but the threshold must be established with a clearly articulated intent that offers equal footing based on performance based standards free of "class" or "collar color" bias. The old paradigm of limiting neighbor to neighbor conflicts by effectively prohibiting anything other than barbecuing or lawnmowing has questionable validity in an age of telecommuting, home schooling, and virtual corporations.

Sincerely,

Seth Tane

March 5, 1997

Seth Tane

13700 NW Newberry Rd.
Portland, OR., 97231
(503) 735-0339 office
286-6339 home
735-0337 fax

To : Multnomah County Planning Commission Members
Re: Suggested new MCC .0010 "Home Occupation" Definition / Code

I am pleased to see the commission consider the above subject with the intent of refining code language to clearly implement the planning objectives in a practical manner. I offer this draft as a citizen interested in rational, practical, land use planning as a social tool to preserve and improve Quality of Life.

In the interim between the present, and the possible eventual acceptance of new, enlightened code, a considerable time may elapse before the Planning Commission can complete this work, and to allow time for the scheduling, consideration, and hearings by the Board of Commissioners. In fact, it is advisable to take the time to do a proper job of this new code work and not be rushed by the desire to fix the problem, resulting in language with new loopholes for staff to interpret in unforeseen ways. For this reason, I urge you to provide an immediate interpretation to correct the longstanding staff position that virtually all home occupations are subject to enforcement (and many are currently subject to in-process enforcement actions) because the activities in question are provided for in other zones. **This current situation is a waste of enforcement resources, is contrary to the intent of the code, is causing hardship for citizens, and deserves this quick fix !**

The challenge for a more permanent solution is to provide: A statement of purpose, code language, and an interpretation together for planning staff to administer. The result must be usable, unambiguous, and equitable to what appears to be an increasing number of county residents. The difficulty is in properly balancing the potential desired benefits with the prevention of unintended negative impacts inappropriate to the residential and resource zones. It is also essential to use performance standards (traffic, noise, etc.) to avoid unjustified value judgements that might permit an Artist, but prohibit a one person manufacturer of similar size objects, for example, or permit an office type use, but not a craft use even if the impacts are identical.

This is an opportunity to design enlightened code to encourage rather than prohibit *reasonable*, family owned and operated home businesses. It is hard to imagine a better fit with the desires to reduce vehicle miles traveled, reduce crime in neighborhoods, provide an incentive to family stability, and manage natural resources through intensive stewardship by virtue of increased presence.

Following the draft code is a brief discussion of some of the provisions for clarification.

The possible utilization of the conditional use process to address all proposed "B" or over the threshold Home Occupations is an option, but the threshold must be established with a clearly articulated intent that offers equal footing based on performance based standards free of "class" or "collar color" bias. The old paradigm of limiting neighbor to neighbor conflicts by effectively prohibiting anything other than barbecuing or lawnmowing has questionable validity in an age of telecommuting, home schooling, and virtual corporations.

DRAFT CODE HOME OCCUPATIONS

Sections:

1. Purpose
2. Description of Type A and Type B Home Occupations
3. Performance Standards
4. Requirements

Consistent with Policy 27, COMMERCIAL LOCATION, Policy 29 OFFICE LOCATION, of the Comprehensive Framework Plan, and the goals of reducing vehicle miles traveled, decreasing

neighborhood crime, and encouraging family cohesion while protecting the residential character and natural resources of properties the following Home Occupation regulations are effective (insert date)

TYPE " A " HOME OCCUPATIONS

1. Resident participants in operation only.
2. No additional net trip generation from either clients or deliveries over existing residential or resource use, and no net increase in fuel consumption by transport vehicles.
3. No signage.
4. Conducted within primary residence or accessory structure of size and appearance normal to zone or outdoors when not visible to public view or neighboring residences.
5. Adherence to performance standards required, neighbor notification, filing with personal property tax, and state fire marshal required.
6. Permanent unless violations reported. One time \$100 administrative fee to fund additional staff burden.

TYPE " B " HOME OCCUPATIONS

1. Resident participants and up to two additional non-resident participants at any time.
2. No additional net trip generation from either clients or deliveries over existing residential or resource use, and no net increase in fuel consumption by transport vehicles.
3. Signage limited to two square feet (1' x 2') for identification purposes.
4. Conducted within primary residence or accessory structure of size and appearance normal to zone or outdoors when not visible to public view or neighboring residences.
5. Adherence to performance standards required, neighbor notification, filing with personal property tax, and state fire marshal required.
6. Valid for two years, automatic renewal by mail if no reported, verified violations. Initial and renewal fee of \$150 to fund staff burden.

Explanatory Notes for Draft Home Occupations Code

1. The use of *Participant* rather than *employee* prevents abuse by the "multiple owners" or "subcontractors" tactic.
2. Trip generation and fuel consumption standards should be calculated on a renewable weekly calendar, with no "banking". This means that the applicant uses the standard figures for trips per household / week at the time of application, and may substitute any of those trips with the

visit of delivery, client, or other trips on a weekly basis. Each week begins a new trip budget, so that a seasonal business cannot save up enough trips to have an unreasonable level of traffic in the "on" season. Fuel consumption standards are used in the same manner to encourage pedestrian, bicycle and small delivery vehicles over trucks. An upper limit on delivery vehicle size appropriate to the class of road and safety considerations should remain in force.

3. It is not inconceivable that a reasonable home occupation, a sculptor of small garden fountains or a kite maker, for instance, when complying with all the performance standards and other requirements might be appropriate to be partially outdoors, when not visible from the public right of way or neighboring residences.

4. The requirements for registration with the Business Personal Property tax and State Fire Marshall hazardous materials reporting system may at first seem excessive, but is unfair to similar sized businesses in commercial zones who must comply with these regulations, regardless of impact or size. Furthermore, under current statute all business property, including that in a "home office", is required to be assessed anyway, this will merely increase compliance and share the burden properly. As mentioned at the work session on March 3, and widely acknowledged, compliance is currently the exception rather than the rule.

5. The arbitrary limitation as discussed at the work session (400 sq', 1000 sq') of size for accessory structures should be eliminated. Instead, it should remain as in the current code for such structures, rather than subject to some additional restriction. Currently the accessory structures are subject to the Planning Director's approval as customarily accessory or incidental to any use permitted or approved in this district (MCC 11.15.2054 in the CFU, for example). It is readily seen that barns, sheds, and other accessory structures in the CFU and EFU zones for instance, contain many structures far larger than 20' x 50', with similar or greater impacts than the proposed Home Occupations, because there are currently no limits on the impacts of the uses of these structures at present. Currently the owner of such resource lands can store, operate, and maintain any kind of machinery or equipment in their structures no matter what kind of noise, smoke or other effects are generated, day or night. The new uses would be subject to standards, and not create size related impacts.

6. Performance standards can be as simple as those currently contained in the Home Occupations language that refer to detectability at property boundaries, with the exception that noise needs a measurable, quantifiable, level (50db was deemed acceptable in the Portland code, this should be examined as to appropriate levels for the larger rural properties). Sound experts use a variety of methods to comply with existing city and state noise ordinances that refer to the duration, intensity, and peak and average levels for various periods and times of day. Some guidance needs to be provided to staff, however, so that frivolous complaints about "glare" (can you see your neighbors' UPS truck windshield in the sun?) and other standards have a reasonable meaning.

HOMEWORK ? Part 2...

The Multnomah County Planning commission considered its regular September meeting to be the hearing for the draft " Home Occupation Ordinance " and unanimously approved the new ordinance and definition with some important amendments and changes. The amended draft will be signed by the commission chair, and forwarded to **County Council** for a **hearing** scheduled for **Jan. 29, 1998**. While the new ordinance is a vast improvement over the previous interpretation by planning staff, which amounted to an effective ban on working at home, it still contains language that will eliminate many of our work-at-home businesses. A quick sampler:

1. **No outside storage or parking.** I use my pickup for my business, and now I have to build a bigger building, with more environmental impact, just so that no one can see my truck on my five acre rural property ? Huh ?
2. No part of any structure built, altered, or remodeled or new accessory structure constructed after the date of enactment of the new ordinance can **ever** be used for a home occupation. Even if the property is sold, the room you put a new window in (yes, with a permit) can never be used by a legal home occupation under the new draft ordinance. As long as the new structure or alteration conforms with all of the SEC and other zoning and land use criteria, why should we penalize those who can figure out a way to work at home instead of drive to the office or plant ?
3. No work of any kind on large machines, appliances or motors. This includes the restoration of classic boats or automobiles even **inside** a garage. This provision is found in many home occupation ordinances and reflects the suburban or urban residential setting where the world's worst neighbor might be the "junkyard" or chain saw repair business. This hazard is taken care of by the inclusion of a provision that restricts noise at the property lines to 50 db. There also obviously need to be different, zone appropriate adjustments in the rural areas of the county.
4. The planning commission was comfortable with all of the above, which I brought to their attention as one of only two citizens present, because any one can apply to obtain a Conditional Use Permit to address special circumstances Under the "B" level application. Unfortunately even with the removal of the design review requirement, this uncertain process may cost the home business proprietor at least three thousand dollars in fees, outside consultants, and presentation, not to mention the months of work. Not really realistic for the 18 year old landscaper who doesn't have a garage to park his pickup and trailer inside...Or the artist who sculpts outside her barn, or even displays a piece of her work there.

Does this affect you or your neighbor ? Call Susan Muir at Multnomah County Planning, 248-3043 to confirm the date and for a copy of the draft ordinance, which may not be ready for public review until a week or two before the Jan. 29 hearing. **Call or write your County Commissioners before the hearing, and attend the hearing and testify!**

Chair Beverly Stein	1120 SW 5th Avenue, Room 1515 Portland, OR	248-3308
Commissioner Gary Hansen	248-5440 fax " 97204	248-5219
Commissioner Sharron Kelley	248-5262 fax "	248-5213

(commissioner Collier has resigned, and commissioner Saltzman will have resigned by the hearing date in order to run for Portland City Council)

Seth Tane

13700 NW Newberry rd.. Portland, OR., 97231 735-0339 phone 735-0337 fax

January 28, 1998

CC: Eddie Campbell

To: Chair Beverly Stein
1120 SW 5th Avenue room 1504
Portland, Oregon 97204

Dear Chair Stein,

Thank you for your interest concerning the upcoming hearing on the draft Home Occupation Ordinance. I understand you were briefed by planning staff on this issue recently, and that your only remaining concern after reviewing my comments are that the cost and prepayment associated with the type "B" rural area conditional use should be comparable to surrounding jurisdictions. I have done some additional research on this topic with the following results:

City of Portland:	Type "B"	\$100 two years
Clackamas County:	Rural Area Major Home Occupation	\$172 per year
Columbia County:	All Home Occupations, all zones	\$600 conditional use Permanent
Washington County:	Type II Rural	\$847 application, \$257 renewal

Obviously the proposed Multnomah County Conditional use costs will be much higher, although how staff will be able to answer how much is unknown, since there is no history to track under the new fee schedule and recovered costs approach. In addition, there is no certainty that even if the standards are met that the permit will be granted, without the possible additional costs of appeals etc.

I still maintain this is not a reasonable alternative. If a "B" level could be accommodated by a higher permit fee, and/or yearly renewal with conditions set administratively, perhaps with room for public notice and comment, and everything beyond that dealt with by the Conditional Use Permit process we might have a workable alternative.

Because I am still concerned that the draft ordinance does not meet the stated goals of the process, and you have not indicated what your proposed changes are if the staff report on comparative pricing confirms the results tabulated above, I have contacted Commissioners Hansen and Kelley on this subject. I have forwarded to them the same information I provided to you, plus the additional specific recommended changes to the draft ordinance below. I ask that you review these specific recommendations and confer with the other commissioners to see if we can craft a truly enlightened ordinance that reflects present realities.

1/12/98 Draft Ordinance Recommended Changes: **SHOWN IN BOLD**

Page 4, Line 1..participant. **DELETE SENTENCE:** No new buildings or modifications...

Page 4, Line 5...occur **THAT ARE VISIBLE FROM THE PUBLIC RIGHT OF WAY OR ADJOINING RESIDENCES,** (- including vehicle parking.) **EXCEPT FOR THE PARKING**

248
1550
540
2338
deposits

Seth Tane

13700 NW Newberry rd.. Portland, OR., 97231 735-0339 phone 735-0337 fax

January 28, 1998

To: Commissioner Gary Hansen
1120 SW 5th Avenue suite 1500
Portland, Oregon 97204

Dear Commissioner Hansen,

Thank you for your interest concerning the upcoming hearing on the draft Home Occupation Ordinance. A brief synopsis of the key issues follows and please also see the enclosed earlier letters to the Planning Commission that will provide some background.

As I mentioned in our phone conversation today, if the planning staff can't (for legal reasons) be directed to interpret the existing MCC 11.15.0010 code in a manner that does not eliminate all home occupations then the new draft ordinance can be revised to fix the defects as I have illustrated in my version of the ordinance that follows. At this point planning staff, the Planning Commission, and Chair Stein feel that items 1, 2, and 3 below are taken care of because a Conditional Use Permit can be applied for to accommodate the exceptions. As we discussed (item 4) this is not a reasonable alternative. If a "B" level could be accommodated by a higher permit fee, and/or yearly renewal with conditions set administratively, perhaps with room for public notice and comment, and everything beyond that dealt with by the Conditional Use Permit process we would have a workable alternative.

DRAFT ORDINANCE PROBLEMS

1. No outside storage or parking will be permitted. Completely unrealistic, unenforceable, and environmentally unsound for rural home occupations. Forces an increase in structure size and impervious surfaces to garage a car, pickup or trailer even if used only part time for a home occupation. Should instead reference visibility from adjoining residences, and public right of way if there is a need for this section.
2. No work of any kind on large machines, appliances or motors. This includes the restoration of classic boats or automobiles even inside a garage. This provision is found in many home occupation ordinances and reflects the suburban or urban residential setting where the world's worst neighbor might be the "junkyard" or chain saw repair business. This hazard is taken care of by the inclusion of a provision that restricts noise at the property lines to 50 DB. There also obviously need to be different, zone appropriate adjustments in the rural areas of the county.
3. No part of any structure built, altered, or remodeled or new accessory structure constructed after the date of enactment of the new ordinance can *ever* be used for a home occupation. Even if the property is sold, the room you put a new window in (yes, with a permit) can never be used by a legal home occupation under the new draft ordinance. As long as the new structure or alteration conforms with all of the SEC and other zoning and land use criteria, why should we penalize those who can figure out a way to work at home instead of drive to the office or plant?

4. The planning commission was comfortable with all of the above because any one can apply to obtain a Conditional Use Permit to address special circumstances Under the "B" level application. Unfortunately even with the removal of the design review requirement, this uncertain process may cost the home business proprietor at least three thousand dollars in fees, outside consultants, and presentation, not to mention the months of work. Not really realistic for the 18 year old landscaper who doesn't have a garage to park his pickup and trailer inside...Or the artist who sculpts outside her barn, or even displays a piece of her work there.

1/12/98 Draft Ordinance Recommended Changes: **SHOWN IN BOLD**

Page 4, Line 1..participant. **DELETE SENTENCE:** No new buildings or modifications...

Page 4, Line 5 ...occur **THAT ARE VISIBLE FROM THE PUBLIC RIGHT OF WAY OR ADJOINING RESIDENCES,** (including vehicle parking) **EXCEPT FOR THE PARKING OF A SINGLE VEHICLE WITHOUT SIGNAGE UNDER 10,000 LBS GVW,**

Page 4, Line 8... **DELETE SENTENCE:** No repair or assembly of any vehicles or motors can occur as part of a type A home occupation. (See above item for reasoning)

Page 4, Line 17(and all following pages that define type B as a conditional use) **DELETE LINE AND REPLACE WITH:** the criteria found on Page 12, lines 17,18,19,20,23 (as amended below),24,25,26,28,29,30 (**EXCEPT REPLACE HEARINGS OFFICER WITH PLANNING DIRECTOR**)

Page 11, Lines 2 through 11, **DELETE**

Page 12, Lines 12 and 14 **DELETE**

MOVE REMAINDER OF PAGE 12, AS AMENDED BELOW, AND PAGE 13, LINES 1 AND 2 TO PAGE 4, LINE 17 (as above)

Page 12, Line 22...display **THAT IS VISIBLE FROM THE PUBLIC RIGHT OF WAY OR ADJOINING RESIDENCES.**

PAGE 12, line 24...exception of **A DIRECTIONAL SIGN NO MORE THAN 2 SQUARE FEET IN SIZE WHERE NECESSARY BECAUSE OF MULTIPLE STRUCTURES OR ACCESS ROADS ON THE PROPERTY...**and those required....

Page 13, Lines 4 through 12, **DELETE**

I also recommend application fees for type "A" and type "B" permits set at a level to recover direct costs, and the automatic referral to Assesment and Taxation, business personal property tax section, for registration.

Sincerely,

Seth Tane

Seth Tane
13700 NW Newberry rd.. Portland, OR., 97231 735-0339 phone 735-0337 fax

February 6, 1998

To: Chair Beverly Stein / Mr. Eddie Campbell
1120 SW 5th Avenue room 1504
Portland, Oregon 97204

Dear Chair Stein and Mr. Campbell,

Thank you for your interest concerning the upcoming 2nd reading of the draft Home Occupation Ordinance.

I was told by Susan Muir after the 1st reading that the fee schedule for the conditional use type "B" home occupations would be resolved by the planning commission at some indefinite future date, and that the second reading will be unchanged. Is this true?

I was disappointed to see that some of the issues I had brought to the board's attention will remain unresolved by the fee reduction, and hope you will consider the following changes in the interest of fairness. I conferred with Chris Foster after the hearing and he suggested that the changes be confined to the forest zones, which I can understand.

1. In the CFU zone ~~DELETE~~ the prohibition on work on vehicles and motors, provided that such work is carried out within a structure.

Susan Muir's response to this was that perhaps it will be called a "hobby". I fail to see how that will be legitimate for a home occupation business that restores classic automobiles or boats.

2. In the CFU zone ~~DELETE~~ the prohibition on outside storage and restrict it instead to those areas not visible from the public right of way or adjoining residences. Retain the existing code prohibition on non-running vehicles.

These simple changes will serve the public interest by permitting these activities in a zone where they will permit the artist or artisan to practice their craft without impact to the surrounding properties or the public, instead of prohibit them altogether.

Sincerely, *Seth Tane* Seth Tane

Please ENTER IN RECORD

BOARD OF
COUNTY COMMISSIONERS
98 FEB -9 AM 9:40
MULTNOMAH COUNTY
OREGON

BOGSTAD Deborah L

From: MUIR Susan L
Sent: Tuesday, February 10, 1998 11:35 AM
To: DUFFY Sandra N; BOGSTAD Deborah L
Subject: RE: Home Occupations Ordinance

Thank you for your response time, I think that was a record...I just faxed you over a copy of the fix, I will bring the original page on Thursday unless someone needs it there sooner, in which case I'll be right over, just let me know!

-----Original Message-----

From: DUFFY Sandra N
Sent: Tuesday, February 10, 1998 11:18 AM
To: BOGSTAD Deborah L
Cc: MUIR Susan L
Subject: Home Occupations Ordinance

Susan Muir called today (calling it a 911 call) saying there were 2 typos on page 5 of the ordinance. She will prepare a new page. I will bring them to the attention of the Board and asked them include the changes in their motion. This is not a substantial change and will not require another reading.

Hear you are sick. Hope you are being good to yourself and get well soon.

1 A home occupation located on high-value farmland may employ only
2 residents of the home.

3 * * *

4 11.15.2014 Accessory Uses

5 * * *

6 (E) Type A home occupation pursuant to the definition and restrictions of
7 MCC 11.15.0010. Home occupations as defined by MCC 11.15.0010 do
8 not allow the level of activity defined in ORS 215.448.

9 * * *

10

11 **Commercial Forest Use Zone**

12 * * *

13 11.15.2054 Conditional Uses

14 * * *

15 ~~(C) Type B H~~home occupation pursuant to the definition and restrictions of MCC
16 ~~.0010. Home occupations as defined by MCC .0010 do not allow the level of~~
17 ~~activity defined in ORS 215.448; and MCC 11.15.7455 and provided:~~

18 (1) That no sale of merchandise is made from the premise; and

19 (2) That noise, odor, smoke, gases, fallout, vibration, heat or glare resulting
20 from the activity is not detectable at any property line.

21 * * *

22 11.15.2054 Accessory Uses

23 * * *

24 (C) Type A Hhome occupations pursuant to the definition and restrictions of
25 MCC 11.15.0010. Home occupations as defined by MCC 11.15.0010 do not
26 allow the level of activity defined in ORS 215.448.

27 * * *

28

29 **Multiple Use Agriculture Zone**

30 * * *

31

1 BEFORE THE BOARD OF COUNTY COMMISSIONERS
2 FOR MULTNOMAH COUNTY, OREGON
3 ORDINANCE NO. 900

4
5 An Ordinance amending the Multnomah County Comprehensive Framework
6 Plan and the Multnomah County Zoning Ordinance regarding the provisions for
7 home occupations.

8
9 (Language in ~~strike through~~ is to be deleted; underlined language is new)

10
11 Multnomah County Ordains as follows:

12
13 Section I. Findings

14
15 (A) On November 18, 1996 the Planning Commission heard testimony regarding
16 the current provisions for home occupations which are not responsive to current
17 business practices.

18
19 (B) The Planning Commission subsequently formed a subcommittee to conduct
20 meetings and assist in the preparation of the revisions to the home occupation
21 portion of the Multnomah County Code.

22
23 (C) The Subcommittee reported back to the Planning Commission with draft
24 policies and principles to be implemented through the revisions including goals:

25
26 (1) Addressing the need for home based business' for those uses that are not
27 large enough and do not have impacts that are associated with uses
28 allowed in the rural center or urban zoning districts.

29 (2) Protecting the rural character of areas in unincorporated Multnomah
30 County and maintain the quality of life for all residents of the
31 communities.

- 1 (3) Clearly indicating which types or levels of activities are regulated in
- 2 Multnomah County and which are not.
- 3 (4) Joining in an effort to reduce vehicle miles traveled, traffic congestion
- 4 and air pollution in the State of Oregon.
- 5 (5) Providing clear direction for the Planning Staff on interpreting
- 6 regulations regarding home occupations.
- 7 (6) Creating a simple and quick process for prospective applicants for home
- 8 occupations permits.
- 9 (7) Making an enforceable code that does not place additional burdens on the
- 10 code enforcement staff.
- 11 (8) This amendment will allow home occupations only when they are in
- 12 accordance with all other applicable state codes.

13

14 (E) A draft ordinances was presented at a public hearing before the Planning

15 Commission on September 8, 1997.

16

17 Section II. Amendment of the Multnomah County Comprehensive Framework Plan

18

19 Policy 27: Commercial Location

20 * * *

21 E. CLASSIFY COMMERCIAL DEVELOPMENTS ACCORDING TO THEIR

22 FUNCTION, TENANT/TENANT MIX, AND SCALE OF OPERATIONS, AS

23 FOLLOWS:

24 * * *

1 SCALE	2 INTENT AND PURPOSE	3 PRIMARY TENANT/TENANT MIX INCLUDES	4 GROSS LEASABLE AREA (GLA)
5 HOME OCCUPATION	6 TO ALLOW BUSINESS WHICH CAN BE CARRIED ON WITHIN A HOME OR <u>ACCESSORY STRUCTURE</u> AND WHOSE IMPACT WILL NOT AFFECT THE ADJACENT HOMES OR <u>RESOURCE AREAS</u>	7 VARIABLE	8 LESS THAN 20% OF THE HOME <u>NOT APPLICABLE</u>

15 Section III. Amendment of the Multnomah County Zoning Code MCC 11.15

17 MCC 11.15.0010 Definitions

18 * * *

19 Home Occupation – ~~Any lawful activity not otherwise specifically provided for in this Chapter commonly carried on within a dwelling unit or accessory building by the occupant thereof, no employee or other person being engaged in the same; which activity is secondary to the use of the property for residential purposes; provided that there is no outside advertising or display of merchandise; that no sale of merchandise is made from the premises, and that noise, odor, smoke, gases, fallout, vibration, heat or glare resulting from the activity is undetectable at any property line. The operation of a Residential Home is not considered a Home Occupation.~~

29 (A) Type A: A type A home occupation is one where the residents use their home as a place of work. Type A home occupations may have up to one non-resident employee or customer on the premises at any one time in addition to the

1 resident participant. No new buildings or modifications to existing structures
 2 shall be allowed (constructed after the effective date of this ordinance). No
 3 deliveries other than those normally associated with a single family dwelling
 4 and between the hours of 7 a.m. - 6 p.m. No outdoor storage or displays shall
 5 occur (including vehicle parking associated with the Home Occupation). No
 6 signage shall be allowed (including temporary signage and those exempted
 7 under MCC 11.15.7912 with the exception of those required under MCC
 8 11.05.500-.575), and no noise above 50 dba (decibels adjusted) at the property
 9 lines shall be permitted. No repair or assembly of any vehicles or motors can
 10 occur as part of a type A home occupation. A type A home occupation may not
 11 serve as headquarters or dispatch where employees come to the site. A type A
 12 home occupation must have direct access to a public road (no easements). Type
 13 A home occupations shall be filed on a form provided by the Planning Director.
 14 Type A Home Occupations must be in conformance with all other applicable
 15 state codes.

16 (B): Type B home occupation is one where the residents use their home
 17 site as a place of work but exceeds the standards of the type A home occupation.
 18 Type B home occupations shall be approved as per MCC 11.15.7105 and .7455.

19
 20 * * *

21 **Exclusive Farm Use Zone**

22 * * *
 23 11.15.2012 Conditional Uses
 24 * * *

25 (F) Type B Hhome occupation as provided for in ~~ORS 215.448~~ MCC 11.15.7455
 26 and provided:

- 27 ~~(1) That there is no outside advertising or display of merchandise; and~~
- 28 ~~(2)-(1) That no sale of merchandise is made from the premise; and~~
- 29 ~~(3)-(2) That noise, odor, smoke, gases, fallout, vibration, heat or glare~~
 30 resulting from the activity is not detectable at any property line.

31

1 A home occupation located on high-value farmland may employ only
2 residents of the home.

3 * * *

4 11.15.2014 Accessory Uses

5 * * *

6 (E) Type A home occupation pursuant to the definition and restrictions of
7 MCC 11.15.0010. Home occupations as defined by MCC 11.15.0010 do
8 not allow the level of activity defined in ORS 215.448.

9 * * *

10

11 **Commercial Forest Use Zone**

12 * * *

13 11.15.2050 Conditional Uses

14 * * *

15 (E) Type B home occupation pursuant to MCC 11.15.7455 and provided:

16 (1) That no sale of merchandise is made from the premise; and

17 (2) That noise, odor, smoke, gases, fallout, vibration, heat or glare resulting
18 from the activity is not detectable at any property line.

19

20

21 * * *

22 11.15.2054 Accessory Uses

23 * * *

24 (C) Type A Home occupations pursuant to the definition and restrictions of
25 MCC 11.15.0010. Home occupations as defined by MCC 11.15.0010 do not
26 allow the level of activity defined in ORS 215.448.

27 * * *

28

29 **Multiple Use Agriculture Zone**

30 * * *

31

1 11.15.2132 Conditional Uses

2 * * *

3 (D) Type B Home occupation as provided for in MCC 11.15.7455.

4 * * *

5 11.15.2134 Accessory Uses

6 * * *

7 (C) Type A Home occupations pursuant to the definition and restrictions of

8 MCC 11.15.0010; and

9 * * *

10

11 **Rural Residential**

12 * * *

13 11.15.2212 Conditional Uses

14 * * *

15 (C) Type B Home occupation as provided for in MCC 11.15.7455.

16 * * *

17 11.15.2214 Accessory Uses

18 * * *

19 (C) Type A Home occupations pursuant to the definition and restrictions of

20 MCC 11.15.0010; and

21 * * *

22

23 **Rural Center**

24 * * *

25 11.15.2252 Conditional Uses

26 * * *

27 (C) Type B Home occupation as provided for in MCC 11.15.7455.

28 * * *

29 11.15.2254 Accessory Uses

30 * * *

31

1 (C) Type A Hhome occupations pursuant to the definition and restrictions of
2 MCC 11.15.0010; and

3 * * *
4 **Urban Low Density Residential LR-40**

5 * * *
6 11.15.2508 Uses Permitted Under Prescribed Conditions

7 * * *
8 (E) Type A Hhome occupations as defined in pursuant to the definition and
9 restrictions of MCC 11.15.0010.

10 * * *
11
12 **Urban Low Density Residential LR-30**

13 * * *
14 11.15.2528 Uses Permitted Under Prescribed Conditions

15 * * *
16 (E) Type A Hhome occupations as defined in pursuant to the definition and
17 restrictions of MCC 11.15.0010.

18 * * *
19
20 **Urban Low Density Residential LR-20**

21 * * *
22 11.15.2548 Uses Permitted Under Prescribed Conditions

23 * * *
24 (E) Type A Hhome occupations as defined in pursuant to the definition and
25 restrictions of MCC 11.15.0010.

26 * * *
27
28 **Urban Low Density Residential LR-10**

29 * * *
30 11.15.2568 Uses Permitted Under Prescribed Conditions
31

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31

* * *

(F) Type A Hhome occupations as defined in pursuant to the definition and restrictions of MCC 11.15.0010.

* * *

Urban Low Density Residential LR-7.5

* * *

11.15.2588 Uses Permitted Under Prescribed Conditions

* * *

(G) Type A Hhome occupations as defined in pursuant to the definition and restrictions of MCC 11.15.0010

* * *

Urban Low Density Residential LR-7

* * *

11.15.2608 Uses Permitted Under Prescribed Conditions

* * *

(H) Type A Hhome occupations as defined in pursuant to the definition and restrictions of MCC 11.15.0010.

* * *

Urban Low Density Residential LR-5

* * *

11.15.2628 Uses Permitted Under Prescribed Conditions

* * *

(G) Type A Hhome occupations as defined in pursuant to the definition and restrictions of MCC 11.15.0010

* * *

Urban Medium Density Residential MR-4

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31

* * *

11.15.2748 Uses Permitted Under Prescribed Conditions

* * *

(G) Type A Home occupations as defined in pursuant to the definition and restrictions of MCC 11.15.0010

* * *

Single Family Residential R-40

* * *

11.15.2832 Use

* * *

(H) Uses customarily incidental to any of the above uses, including Type A home occupations pursuant to the definition and restrictions of MCC 11.15.0010.

(I) Type B Home occupation as provided for in MCC 11.15.7455.

* * *

Single Family Residential R-30

* * *

11.15.2842 Use

* * *

(H) Uses customarily incidental to any of the above uses, including Type A home occupations pursuant to the definition and restrictions of MCC 11.15.0010.

(I) Type B Home occupation as provided for in MCC 11.15.7455.

* * *

Single Family Residential R-20

* * *

1 11.15.2852 Use

2

3

* * *

4 (H) Uses customarily incidental to any of the above uses, including Type A home
5 occupations pursuant to the definition and restrictions of MCC 11.15.0010.

6

7 (I) Type B Home occupation as provided for in MCC 11.15.7455.

8

* * *

9

10 **Single Family Residential R-10**

11

* * *

12 (H) Uses customarily incidental to any of the above uses, including Type A home
13 occupations pursuant to the definition and restrictions of MCC 11.15.0010.

14

15 (I) Type B Home occupation as provided for in MCC 11.15.7455.

16

* * *

17

18 **Single Family Residential R-7**

19

* * *

20 (H) Uses customarily incidental to any of the above uses, including Type A
21 home occupations pursuant to the definition and restrictions of MCC
22 11.15.0010.

23

24 (I) Type B Home occupation as provided for in MCC 11.15. 7455.

25

* * *

26

27 **Significant Environmental Concern**

28

* * *

29 11.15.6404 Exceptions

30

* * *

31

- 1 (H) All type A Home Occupations
- 2 (I) Type B Home Occupations that require the addition of less than 400 square
- 3 feet of ground coverage to the structure.

4 **Conditional Use**

5 * * *

6 11.15.7127 Design Review Exceptions

7 Exempted from the Design Review criteria of MCC .7805 through .7870 (A)

8 include:

9 (A) Single family residences

10 (B) Type B Home Occupations that require the addition of less than 400 square feet

11 of ground coverage to the structure.

12 * * *

13 **Home Occupations - CU**

14

15 11.15.7455 Definitions:

16

17 (A) Employee - one full or part time participant, resident or non-resident, in the

18 business shall constitute one employee.

19 (B) Customers - Any person visiting the site that is not an employee who is

20 associated with the home occupation.

21 (C) Normal deliveries - The home occupation shall not involve the use, parking,

22 storage or repair of any vehicle exceeding a gross vehicle weight of 11,000

23 pounds, except deliveries by parcel post, United Parcel Service, or similar in-

24 town delivery service trucks. These deliveries or pick-ups of supplies or

25 products, associated with business activities, are allowed at the home only

26 between 7 am and 6 pm.

27 (D) Headquarters - A business operation where employees come to the site at any

28 time.

29 (E) Motor vehicles - vehicles or equipment with internal combustion engines

30 (such as autos, motorcycles, scooters, snowmobiles, outboard marine engines,

31 lawn mowers, chain saws, and other small engines).

1

2 11.15.7460 Purposes

3

4 The purposes of the type B home occupation section are to address the need for
5 home based business for that are small scale businesses (not more than 5
6 employees) and that fit in with the characteristic of the neighborhood or the area.

7 The regulations are designed to:

8 (A) Protect the individual characteristics of areas in unincorporated
9 Multnomah County and maintain the quality of life for all residents of the
10 communities.

11 (B) Join in an effort to reduce vehicle miles traveled, traffic congestion and
12 air pollution in the State of Oregon.

13

14 11.15.7465 Criteria for Approval

15

16 The approval authority shall find that the following standards are met:

17

18 (A) The standards found in MCC 11.15. 7120:

19 (B) The home occupation does not employ more than 5 employees.

20 (C) The site has on-site parking as per MCC 11.15.6100 to accommodate the
21 total number of employees and customers.

22 (D) No deliveries other than those normally associated with a single family
23 dwelling and between the hours of 7 a.m. - 6 p.m.

24 (E) No outdoor storage or display

25 (F) No signage (including temporary signage and those exempted under MCC
26 11.15.7912) with the exception of those required under MCC 11.05.500-
27 .575.

28 (G) No noise above 50 dba at the property lines.

29 (H) No repair or assembly of any vehicles or motors.

30 (I) The application has been noticed to and reviewed by the Small Business
31 Section of the Department of Environmental Quality.

1 (J) Each approval issued by a hearings officer shall be specific for the particular
2 home occupation and reference the number of employees allowed, the hours
3 of operation, frequency and type of deliveries, the type of business and any
4 other specific information for the particular application.

5 * * *

6 **Design Review**

7
8 **11.15.7817 Exceptions**

9
10 The provisions of MCC .7805 through .7865 shall not be applied to the following
11 uses:

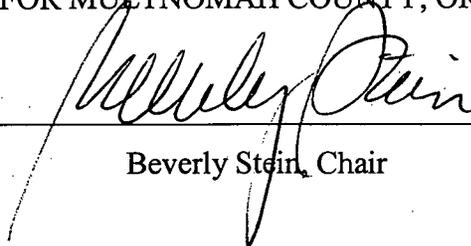
12 (A) Single family residences,

13 (B) Type B Home Occupations that require the addition of less than 400 square feet
14 of ground coverage to the structure.

15
16 ADOPTED this 12th day of February, 1998, being the date of its
17 second reading before the Board of County Commissioners of Multnomah County.



18
19 BOARD OF COUNTY COMMISSIONERS
20 FOR MULTNOMAH COUNTY, OREGON

21 
22
23 Beverly Stein, Chair

24
25 REVIEWED:

26
27 THOMAS SPONSLER, COUNTY COUNSEL
28 FOR MULTNOMAH COUNTY, OREGON

29
30 By 
31 Sandra N. Duffy, Chief Assistant County Counsel



MULTNOMAH COUNTY, OREGON

COUNTY COMMISSIONERS		DEPARTMENT OF SUPPORT SERVICES FINANCE DIVISION		
BEVERLY STEIN, CHAIR	DIRECTORS OFFICE	PORTLAND BUILDING	MATERIALS MGMT	FORD BUILDING
DAN SALTZMAN, DISTRICT #1	ACCOUNTS PAYABLE	1120 SW FIFTH AVENUE, SUITE 1430	CONTRACTS	2505 SE 11TH 1ST FLOOR
GARY HANSEN, DISTRICT #2	GENERAL LEDGER	PO BOX 14700	PURCHASING	PORTLAND, OR 97202
VACANT, DISTRICT #3	PAYROLL	PORTLAND, OR 97293-0700		PHONE (503) 248-5111
SHARRON KELLEY, DISTRICT #4	TREASURY	PHONE (503) 248-3312		FAX (503) 248-3252
	LAN ADMINISTRATION	FAX (503) 248-3292		TDD (503) 248-5170

MEMORANDUM

TO: Board of County Commissioners

FROM: Dave Boyer *DB*

DATE: January 30, 1998

REQUESTED PLACEMENT DATE: February 12, 1998

SUBJECT: Ordinance Amending Business Income Tax

I. Recommendation / Action:

Adopt Ordinance that increases gross exemption deduction and indexes owners compensation deduction in the Multnomah County Business Income Tax Code MCC 5.60. The specific changes would be:

- Increase the gross receipts exemption from \$15,000 to \$25,000 effective for tax years beginning on or after January 1, 1999.
- Effective for tax years beginning on or after January 1, 1999, the owners compensation allowance for Sole Proprietorships, partnerships, and corporations, currently at the lesser of \$50,000 or 75% of net income, will be indexed by the Consumer Price Index – All Urban Consumers, US City average as published by US Dept of Labor, Bureau of labor and Statistics, using the September to September index not seasonally adjusted. The initial or base year would September 98 to September 99. The change index would be in multiples of \$500 and rounded to the next lowest multiple of \$500.

II. Background / Analysis:

The current owners compensation allowance deduction for the Multnomah Business Income Tax Code was established at \$50,000 in 1976.

Since the adoption of the Business Income Tax, various individuals, business associations and other businesses have requested that the owners compensation deduction be indexed for inflation.

In June 1993, the Board of County Commissioners adopted a new Business Income Tax Law under MCC 5.60 to achieve code conformity with the City of Portland Business License Law. At that time the gross exemption level was increased from \$10,000 to 15,000.

These increases will relieve some of the tax burden on small business.

The Finance Division along with the City of Portland's Bureau of Licenses and City Attorney's Office staff have reviewed these changes to ensure code conformity with the City of Portland Business License Law. The City of Portland Council has indicated that they support these code changes and are expected to adopt them on February 18, 1998.

III. Financial Impact:

The financial impact will be as follows:

1. The Increase in the gross receipts exemption from \$15,000 to \$25,000 will:
 - Reduce BIT revenues by about \$55,000 per year.
 - An additional 1,000 BIT accounts will be exempt.
 - It will free up staff to work on other aspects of revenue collection
2. The increase in the owners compensation deduction will not result in a material reduction in revenue loss.

IV. Legal Issues:

None that I am aware of

V. Controversial Issues:

There are varying views on what the exemption and owners compensation deduction amount should be.

VI. Link to Current County Policy:

Linked to County Policy

VII. Citizen Participation:

The amendments were a result of input from various tax payers and citizens.

VIII. Other Government Participation:

These amendments were jointly developed by Multnomah County and the City of Portland staff.

1 **BEFORE THE BOARD OF COUNTY COMMISSIONERS**

2 **FOR MULTNOMAH COUNTY, OREGON**

3 **ORDINANCE NO. _____**

4 An ordinance amending Multnomah County Business Income Tax MCC 5.60 to incorporate
5 changes in the owners compensation deduction and gross receipts exemption.

6 (Stricken language in brackets [] is to be deleted; underlined language is new.)

7 Section I. Findings

8 A) The current owners compensation deduction of \$50,000 was established in
9 1976.

10 B) Since the adoption of the Business Income Tax, various individuals, business
11 associations and other businesses have requested that the owners compensation deduction be
12 indexed for inflation.

13 C) In June 1993, the Board of County Commissioners adopted a new Business
14 Income Tax Law under MCC 5.60 to achieve code conformity with the City of Portland
15 Business License Law. At that time the gross exemption level was increased from \$10,000 to
16 15,000.

17 D) These changes will have a positive impact on reducing the tax burden for small
18 businesses.

19 E) The Finance Division along with the City of Portland's Bureau of Licenses and
20 City Attorney's Office staff have reviewed these changes to ensure code conformity with the
21 City of Portland Business License Law. The City of Portland Council has indicated that they
22 support these code changes and are expected to adopt them.

1 Section II. Amendments to Chapter 5.60.

2 MCC 5.60 is amended as follows:

3 **5.60.400 Exemptions.**

4 (C) Persons whose gross receipts from all business, both within and without the
5 County, amount to less than [\\$15,000} \\$25,000 in an tax year. The Administrator may
6 demand a statement that the person's gross receipts for any tax year were less than [\\$15,000}
7 \\$25,000.

8 **5.60.600 Income Determinations.**

9 (A) Owners Compensation Deduction. Owners Compensation Deduction is defined
10 as the additional deduction allowed in section B, C, and D below. For tax years beginning
11 prior to January 1, 1999, the owners compensation deduction cannot exceed \$50,000 per
12 owner, as defined in Section B,C and D below. For tax years beginning on or after January 1,
13 1999, the owners compensation deduction will be indexed by the Consumer Price Index - All
14 Urban Consumers (CPI-U) U.S. City Average as published by the U.S. Department of Labor,
15 Bureau of Labor Statistics, using the September to September index, not seasonally adjusted
16 (unadjusted index). The initial index will be the September 1998 to September 1999 index.
17 The Administrator will determine the exact deduction amount and publish the amount in
18 written policy and included on forms. Any increase or decrease under this paragraph which is
19 not a multiple of \$500 shall be rounded to the next lowest multiple of \$500.

20 ([A] B) *Sole Proprietorships.* In determining income, no deduction shall be allowed
21 for any compensation for services rendered by, or interest paid to, owners. However, 75
22 percent of income determined without such deduction shall be allowed as an additional

1 deduction, not to exceed [\$50,000] the amount determined in Section A above per owner.

2 **([B] C) Partnerships.** In determining income, no deduction shall be allowed for any
3 compensation for services rendered by, or interest paid to, owners of partnerships, limited
4 partnerships, limited liability companies, limited liability partnerships or family limited
5 partnerships. Guaranteed payments to partners or members shall be deemed compensation
6 paid to owners for services rendered. However:

7 (1) For general partners or members, 75 percent of income determined without such
8 deductions shall be allowed as an additional deduction, not to exceed [\$50,000]
9 the amount determined in Section A above per general partner or members.

10 (2) For limited partners or members of LLCs who are deemed limited partners by
11 administrative rule or policy, 75 percent of income determined without such
12 deductions shall be allowed as an additional deduction, not to exceed the lesser
13 of actual compensation and interest paid or [\$50,000] the amount determined in
14 Section A above per compensated limited partner.

15 **([C] D) Corporations.** In determining income, no deduction shall be allowed for any
16 compensation for services rendered by, or interest paid to, controlling shareholders of any
17 corporation, including, but not limited to C and S corporations and any other entity electing
18 treatment as a corporation, either C or S . However, 75 percent of the corporation's income,
19 determined without deduction of compensation or interest, shall be allowed as a deduction in
20 addition to any other allowable deductions, not to exceed the lesser of the actual compensation
21 and interest paid or [\$50,000] the amount determined in Section A above for each controlling
22 shareholder.

1 (1) For purposes of this subsection, to calculate the compensation for services
2 rendered by or interest paid to controlling shareholders that must be added back
3 to income, wages, salaries, fees, or interest paid to all persons meeting the
4 definition of a controlling shareholder, must be included.

5 (2) For purposes of this subsection, in determining the number of controlling
6 shareholders, a controlling shareholder and that person's spouse, parents and
7 children count as one owner, unless such spouse, parent or child individually
8 own more than 5 percent ownership of outstanding stock or securities in their
9 own name. In that case, each spouse, parent or child who owns more than 5
10 percent of stock shall be deemed to be an additional controlling shareholder.

11 (3) For purposes of this subsection, joint ownership of outstanding stock or
12 securities shall not be considered separate ownership.

13 ~~(D)~~ E *Estates and Trusts*. In determining income for estates and trusts, income shall
14 be measured before distribution of profits to beneficiaries. No additional deduction shall be
15 allowed.

16 ~~(E)~~ F *Nonbusiness Income*. In determining income under this Section, an allocation
17 shall be allowed for nonbusiness income as reported to the State of Oregon. However, income
18 treated as nonbusiness income for State of Oregon tax purposes may not necessarily be defined
19 as nonbusiness income under the Business Income Tax Law. Interest and dividend income,
20 rental income or losses from real and personal business property, and gains or losses on sales
21 of property or investments owned by a trade or business shall be treated as business income for
22 purposes of the Business Income Tax Law. Income derived from non-unitary business

1 functions reported at the State of Oregon level may be considered nonbusiness income. Non-
2 unitary income will not be recognized at an intrastate level. The taxfiler shall have the burden
3 of showing that income is nonbusiness income.

4 **([F] G) *Taxes Based on or Measured by Net Income.*** In determining income, no
5 deduction shall be allowed for taxes based on or measured by net income. No deduction shall
6 be allowed for the federal built-in gains tax.

7 **([G] H) *Ordinary Gain or Loss.*** In determining income, gain or loss from the sale,
8 exchange or involuntary conversion of real property or tangible and intangible personal
9 property not exempt under Section 5.60.400(F) shall be included as ordinary gain or loss.

10 **([H] I) *Net Operating Loss.*** In determining income, a deduction shall be allowed
11 equal to the aggregate of the net operating losses incurred in prior years, not to exceed 75
12 percent of the income determined for the current tax year before this deduction but after all
13 other deductions from income allowed by this Section and apportioned for business activity
14 both within and without Multnomah County.

15 (1) When the operations of the taxfiler from doing business both within and without
16 the County result in a net operating loss, such loss shall be apportioned in the
17 same manner as the net income under Section 5.60.610. However, in no case
18 shall a net operating loss be carried forward from any tax year during which the
19 taxfiler conducted no business within the County or the taxfiler was otherwise
20 exempt from tax filing requirements.

21 (2) In computing the net operating loss for any tax year, the net operating loss of a
22 prior tax year shall not be allowed as a deduction.

1 (3) In computing the net operating loss for any tax year, no compensation
2 allowance deduction shall be allowed to increase the net operating loss.

3 "Compensation allowance deduction" is defined as the additional deduction
4 allowed by Section 5.60.600 A [, B, and C].

5 (4) The net operating loss of the earliest tax year available shall be exhausted before
6 a net operating loss from a later tax year may be deducted.

7 (5) The net operating loss in any tax year shall be allowed as a deduction in any of
8 the 5 succeeding tax years until used or expired. Any partial tax year shall be
9 treated the same as a full tax year in determining the appropriate carry-forward
10 period.

11 Section III. Effective Date

12 All amendments in this ordinance are effective for tax years beginning on or after
13 January 1, 1999.

14 Adopted this 19th day of February, 1998, being the date of its second reading before
15 the Board of County Commissioners of Multnomah County, Oregon.

16
17 BOARD OF COUNTY COMMISSIONERS
18 FOR MULTNOMAH COUNTY, OREGON

19
20 _____
Beverly Stein, Chair

21 REVIEWED:

22
23 THOMAS SPONSLER, COUNTY COUNSEL
24 FOR MULTNOMAH COUNTY, OREGON

25
26 By Thomas Sponsler
27 Thomas Sponsler, County Counsel

MEETING DATE: FEB 12 1998

AGENDA #: R-8

ESTIMATED START TIME: 10:30AM

(Above Space for Board Clerk's Use ONLY)

AGENDA PLACEMENT FORM

SUBJECT: Briefing on Urban Renewal Options

BOARD BRIEFING: DATE REQUESTED: February 12, 1998

REQUESTED BY: Dave Warren

AMOUNT OF TIME NEEDED: 1 hour

REGULAR MEETING: DATE REQUESTED: _____

AMOUNT OF TIME NEEDED: _____

DEPARTMENT: Support Services DIVISION: Budget and Quality

CONTACT: Dave Warren TELEPHONE #: 248-3822

BLDG/ROOM #: _____

PERSON(S) MAKING PRESENTATION: Ken Rust and Drew Barden from the Portland Office of Finance and Administration

ACTION REQUESTED:

INFORMATIONAL ONLY POLICY DIRECTION APPROVAL OTHER

SUGGESTED AGENDA TITLE:

Briefing on the options the City of Portland must choose among to finance debt in existing urban renewal districts.

SIGNATURES REQUIRED:

ELECTED OFFICIAL: _____
(OR)
DEPARTMENT MANAGER: *Richie L. Jones*

BOARD OF COUNTY COMMISSIONERS
98 FEB -4 AM 11:20
MULTNOMAH COUNTY
OREGON

ALL ACCOMPANYING DOCUMENTS MUST HAVE REQUIRED SIGNATURES



MULTNOMAH COUNTY, OREGON

BOARD OF COUNTY COMMISSIONERS
BEVERLY STEIN
DAN SALTZMAN
GARY HANSEN
TANYA COLLIER
SHARRON KELLEY

BUDGET AND QUALITY
PORTLAND BUILDING
1120 S.W. FIFTH - ROOM 1400
P. O. BOX 14700
PORTLAND, OR 97214
PHONE (503)248-3883

TO: Board of County Commissioners

FROM: Dave Warren *DCW*

TODAY'S DATE: February 4, 1998

REQUESTED PLACEMENT DATE: February 12, 1998

SUBJECT: Portland Urban Renewal Options

I. Recommendation / Action Requested:

Discuss with Ken Rust and Drew Barden from the City of Portland Office of Finance and Administration the urban renewal options Portland has to exercise among for each urban renewal district.

II. Background / Analysis:

SB 1215, the implementing legislation for Measure 50, requires any municipality with an existing urban renewal plan to choose one of three options to raise revenue to retire the debt of each existing urban renewal district. The three options are:

1. divide ad valorem taxes
2. special levy on all taxable property within the municipality
3. a combination of 1 and 2.

Cities must decide which option applies to each urban renewal district by July 1, 1998.

As part of the decision process, Portland has expressed interest in briefing the Board of Commissioners on the three options. SB 1215 also requires that municipalities other than the city that activated urban renewal agencies review the proposed maximum indebtedness of each existing district and the debt retirement options with other municipalities affected by the decision. Prior to any joint discussion, the Board should be familiar with the issues.

Urban Renewal Options Briefing
February 12, 1998

I have attached several of documents.

- The first set contains the talking points that Ken Rust and Drew Barden will refer to them during the briefing. It consists of seven pages of tax information and specifics about each of the options.
- The second document is a letter from Courtney Wilton describing his view of how the options work and what factors he recommends Portland consider in making its choice.
- A third set of documents are maps of the urban renewal districts in question with their names, when they were formed, and their 96-7 assessed value.
- Finally, I have attached a copy of the relevant sections of SB 1215.

III. Financial Impact:

The impact on the County of any of the decisions is not easy to determine.

Option 1, which divides the taxes collected on property in urban renewal districts between the urban renewal agency and local governments by removing "increment value" from the taxable base of local governments, increases the rate Portland must impose to collect the FPD&R levy. That pushes total operating taxes up and increases compression. It also removes property from the base the County could otherwise tax, costing the County roughly \$6 million of potential revenue.

Option 2, which would impose a tax over all property in Portland to retire urban renewal debt, would add taxable value to the roll, but would also add an additional tax levy to the compression mix.

Option 3, which allows a ceiling to be set on the amount of increment value removed from the taxable base of local governments, may offer a way to increase control over the long-term amount of urban renewal taxes without jeopardizing the debt payments of the districts.

The primary effect of compression will be on the Library levy. Under Measure 50, local option levies must be reduced to 0 on a property before any permanent tax rate is compressed on that property. If there is any property in compression, the Library levy will collect no taxes from any of the value of that property. County preference between Option 1 and Option 2 implies more understanding of the financial consequences to the Library levy than we have now. The briefing on February 12 may help with context, but further work will remain.

IV. Legal Issues:

The entire process is defined in SB 1215 sections 442 through 454. Copies of these sections are attached. Enjoy.

V. Controversial Issues:

Urban Renewal Options Briefing
February 12, 1998

The option to be chosen and the amount of debt (with the consequent cost of debt retirement) are inherently controversial.

VI. Link to Current County Policies:

NA

VII. Citizen Participation:

NA

VIII. Other Government Participation:

Portland, Metro, and the Port are all affected.

FY1997-98 Measure 50 Local Government Levy Results

M50 Levy Authority, Assessed Value, and Tax Rates

- **City Measure 50 AV TOTAL is \$28.1 billion: this is composed of \$1.7 billion "plus" of Increment AV leaving about \$26.4 bil- that generates local agency revenues.**

Agency	Levy(*)	AVNET	Tax Rate	Tax Rate Is
General Fund.	\$121,532,434	\$26.4B	\$4.5819	Fixed
County.....	\$141,963,946	\$26.4B	\$4.3471	Fixed
Port & Metro...	\$9,445,101	\$26.4B	\$0.1668	Fixed
FPD&R.....	\$53,125,846	\$26.4B	\$2.0029	Levy Based
TOTAL	\$326,067,326		\$11.0987	
Schools.....		\$26.4B	\$6.1029	Fixed
G.O. Bond.....		\$26.4B	\$2.5837	Levy Based
TOTAL = Consolidated Measure 50				
Tax Rate (CTR)..Average in City.....			\$19.7853	
Urban Renewal	Special Levy	TOTAL AV	Tax Rate(**)	
Special Levy	\$366,037	\$28.1B	\$0.0129	Levy Based

() Note: Tax Rate Calculated On TOTAL AV = AVNET + AV INCREMENT. B=Billion**

(*) Before Measure 5 compression on some properties

FY1997-98 Measure 50 Local Government Levy Results

**Typical Homeowner Tax Bill, \$150,000 AV, FY1997-98
FY1997-98 Real Market Value (RMV) Is \$207,167**

- **Homeowner Measure 50 AV is \$150,000, 90% of FY1995-96 real market value (RMV) of \$166,667. FY97-98 RMV is \$207,167.**
- **The local government portion of bill is \$1,664.81, "capacity" on this property is $\$10 \times \$207.167 = \$2,071.67$.**
- **If property is in an urban renewal district the \$2,967.79 tax bill goes into the urban renewal district's debt fund, assuming that the property's AV is Increment AV**

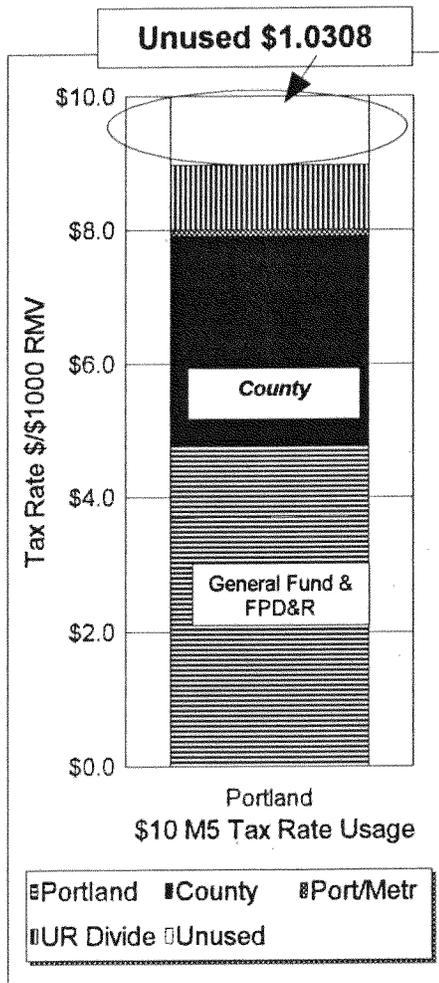
AGENCY	Tax Rate	Tax Bill
Portland General Fund Tax Base Levy.....	\$4.5819	\$687.29
FPD&R Levy.....	\$2.0029	\$300.44
County.(Tax base, Library, Sheriff Serials).....	\$4.3471	\$652.07
Port & Metro (Zoo Tax Base).....	\$0.1668	\$25.02
Local Government Tax Rate & Bill.....	\$11.0987	\$1,664.81
Schools Tax Rate & Tax Bill.....	\$6.1029	\$915.44
G.O. Bond Tax Rate & Tax Bill.....	\$2.5837	\$387.55
Consolidated Measure 50 Tax Rate....	\$19.7853	\$2,967.79
Homeowner Measure 50 AV is \$150,000.....	\$150	
Subtotal: Before UR Special Levy.....	\$2,967.79	
Add: UR Special Levy.....	\$1.94	\$1.94
Homeowner Tax Bill.....	\$2,969.73	

Use of Measure 5 Capacity on Real Market Values (RMV), FY1997-98

- **Portland Total Real Market Value is.....** \$36,605,545 (\$1,000s)
- **Available Local Government Levy Capacity is \$366,055,452, that is, \$10 multiplied by \$36.605 billion of RMV.**
- **Use of levy capacity totals about \$328.3 million, leaving about \$37.7 million of capacity unused, FY1997-98.**

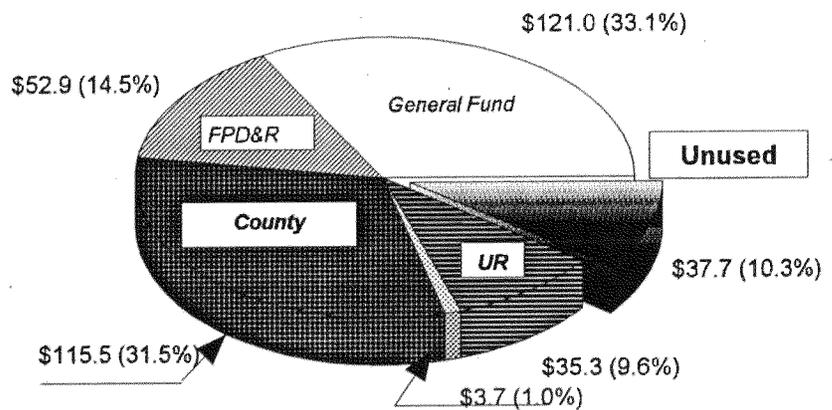
Agency & Levy, FY1998-99	Levy(*)	RMV	M5 Tax Rate
General Fund Tax Base.....	\$121,012,172	\$36,605,545	\$3.3058
FPD&R Levy.....	\$52,898,422	\$36,605,545	\$1.4451
UR: Special Levy.....	\$364,470	\$36,605,545	\$0.0100
UR: Divide-the-Taxes.....	\$34,924,019	\$36,605,545	\$0.9541
County (Tax base & Serials)...	\$115,453,514	\$36,605,545	\$3.1540
Port of Portland Tax Base.....	\$2,570,945	\$36,605,545	\$0.0702
METRO (Zoo Tax Base).....	\$1,099,693	\$36,605,545	\$0.0300
Use of Levy Capacity.....	\$328,323,236		\$8.9692

(*) Numbers approximate because of compression on some values.



Use of M5 Levy Capacity, FY1997-98

Note: Levy data in \$-millions



Urban Renewal Funding Option #1: Divide-The-Taxes, Special Levy

- Under this option, urban renewal district property tax revenues would be automatically generated in each district by divide-the-taxes.
- Council/PDC can elect to increase funding in each district by certifying added special levy authority. The sum of divide-the-taxes plus special levy authority in a district cannot exceed the district's authority limit.
- Each special levy is recovered through a tax rate that is calculated on AVTOTAL. This increases property owner tax bills.

Forecast Urban Renewal District Divide-The-Taxes

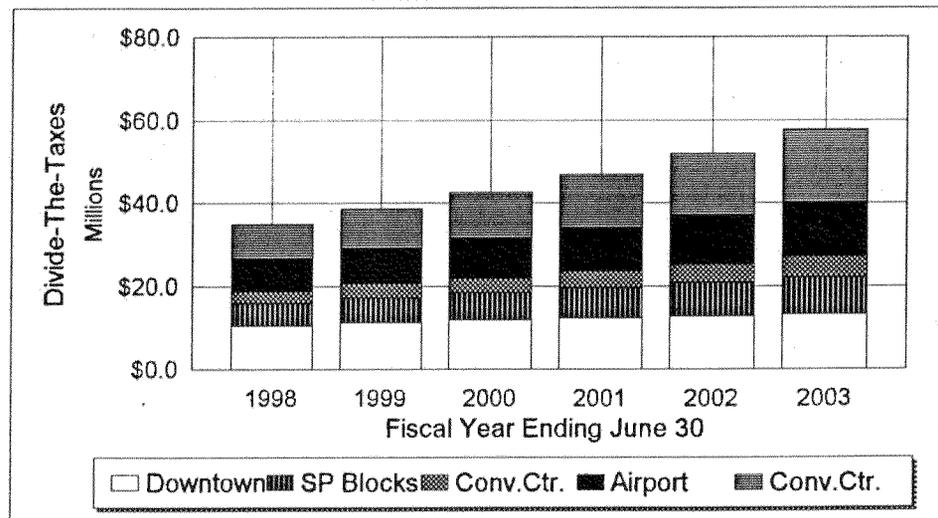
Fiscal Year	Downtown Water Front	South Park Blocks	Central Eastside	Airport Way	Convention Center	Tax Rate CTR
1998	\$10,462,760	\$5,490,925	\$2,853,946	\$7,664,114	\$8,435,835	\$19.787
1999	\$11,254,041	\$6,070,498	\$3,172,566	\$8,525,134	\$9,595,687	\$20.576
2000	\$11,772,770	\$6,695,686	\$3,535,450	\$9,511,495	\$11,149,873	\$20.720
2001	\$12,231,450	\$7,342,377	\$3,916,722	\$10,549,936	\$12,864,192	\$20.707
2002	\$12,740,885	\$8,106,037	\$4,371,474	\$11,790,577	\$14,986,205	\$20.713
2003	\$13,200,063	\$8,939,222	\$4,878,102	\$13,176,851	\$17,519,628	\$20.564

(* Estimates are before deduction for delinquency and discounts

Estimated Divide-The-Taxes

Urban renewal divide-the-taxes estimates show that collections authority will increase to about \$57.7 million FY2002-03.

Fiscal Year	Divide-Taxes TOTAL
1998	\$34,907,579
1999	\$38,617,926
2000	\$42,665,274
2001	\$46,904,678
2002	\$51,995,178
2003	\$57,713,865



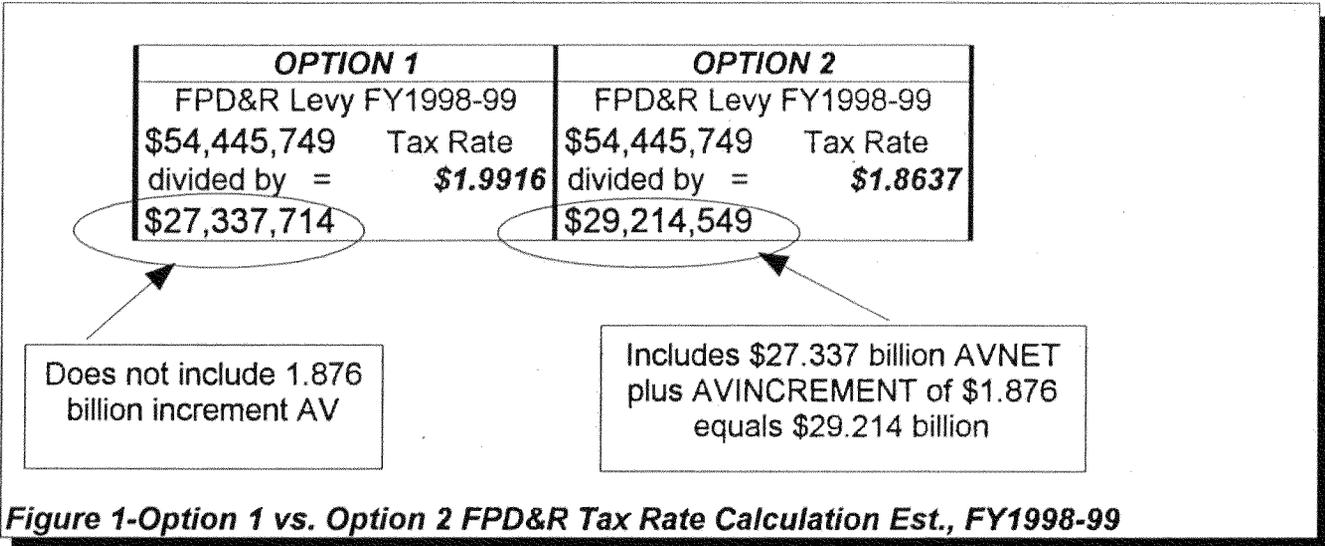
- The use of special levy authority increases tax bills. The table below summarizes estimated maximum special levy authority available in all five districts.

Fiscal Year	Max Special Levy Authority	Estimated Tax Rate	Homeowner Tax Bill
1999	\$21,334,815	\$0.7303	\$112.83
2000	\$23,063,621	\$0.7557	\$120.27
2001	\$25,352,527	\$0.7950	\$130.31
2002	\$28,023,212	\$0.8403	\$141.86
2003	\$31,689,643	\$0.9077	\$157.85

Each \$10 million of special levy results in a \$0.34 tax rate and increases a homeowner tax bill in FY1998-99 by \$53.

Urban Renewal Funding Option #2: Special Levy Only

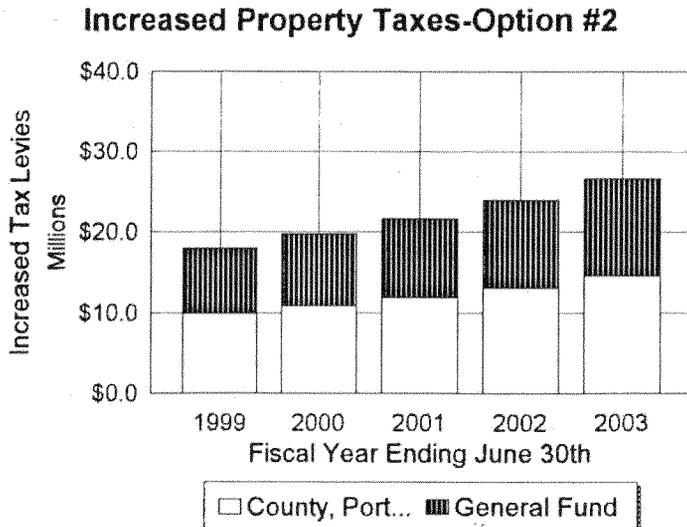
- Under this option, urban renewal district property tax revenues would be generated in each district through a special levy only.
- Each special levy is recovered through a tax rate that is calculated on AVTOTAL. This increases property owner tax bills.
- Increment values (AVINCREMENT) would generate added revenues for local governments. FPD&R and GO debt levy tax rates would decline because their tax rates would be calculated with all AV, AVTOTAL, "in the denominator."



- The table below summarizes the fiscal and tax bill impacts of Option 2 assuming an annual special levy total to meet existing district debt service requirements as specified in last year's 5-year financial plan.
- Under this option the General Fund's fixed tax rate applied to increment AV generates new levy authority for the General Fund and not the urban renewal districts. The five year average increase in tax base levy authority is currently estimated at \$9.965 million, on-going.

Fiscal Year	Increase in Tax Levies(*)	
	General Fund	County, Port...
1999	\$8,122,197	\$9,909,683
2000	\$8,911,103	\$10,896,115
2001	\$9,797,711	\$11,907,396
2002	\$10,857,592	\$13,116,376
2003	\$12,139,334	\$14,579,116
5-Yr Ave	\$9,965,588	\$12,081,737

(*) Est. before deduction for delinquency and discounts



- **FPD&R and GO debt levy tax rates would decline \$0.31 in FY1998-99. This would be offset by a special levies tax rate, potentially increasing a typical homeowner's tax bill. The change in the estimated homeowner's tax bill depends on the amount of special levy authority used.**

Scenario #1--Special Levies totaling about \$20 million per year as found in last year's five year financial plan.

Fiscal Year	Special(*) Levies Total	AVTOTAL	Special Levy Tax Rate	Tax Rate Reduction	Tax Bill Difference
1999	\$20,442,515	\$29,214,549	\$0.6997	(\$0.3117)	\$59.95
2000	\$20,011,759	\$30,517,691	\$0.6557	(\$0.3545)	\$47.94
2001	\$19,552,359	\$31,890,564	\$0.6131	(\$0.3729)	\$39.37
2002	\$19,078,818	\$33,350,245	\$0.5721	(\$0.3950)	\$29.90
2003	\$19,084,866	\$34,911,021	\$0.5467	(\$0.4232)	\$21.47
Total	\$98,170,316			5-Year Total	\$198.63

(*) Existing financial plan

Scenario #2--Special Levies totaling about \$30 million per year, \$150 million over five years, increases a homeowner's tax bill by \$110 first year and by about \$465 over five years.

Fiscal Year	Special Levies Total	AVTOTAL	Special Levy Tax Rate	Tax Rate Reduction	Tax Bill Difference
1999	\$30,000,000	\$29,214,549	\$1.0269	(\$0.3117)	\$110.49
2000	\$30,000,000	\$30,517,691	\$0.9830	(\$0.3545)	\$100.02
2001	\$30,000,000	\$31,890,564	\$0.9407	(\$0.3729)	\$93.07
2002	\$30,000,000	\$33,350,245	\$0.8995	(\$0.3950)	\$85.19
2003	\$30,000,000	\$34,911,021	\$0.8593	(\$0.4232)	\$75.84
Total	\$150,000,000			5-Year Total	\$464.61

Scenario #3--Annual special levies equaling estimated divide-the-taxes each year increases a homeowner's tax bill by \$156 first year and by about \$913 over five years.

Fiscal Year	Special Levies Total	AVTOTAL	Special Levy Tax Rate	Tax Rate Reduction	Tax Bill Difference
1999	\$38,617,926	\$29,214,549	\$1.3219	(\$0.3117)	\$156.07
2000	\$42,665,274	\$30,517,691	\$1.3981	(\$0.3545)	\$166.07
2001	\$46,904,678	\$31,890,564	\$1.4708	(\$0.3729)	\$179.96
2002	\$51,995,178	\$33,350,245	\$1.5591	(\$0.3950)	\$196.53
2003	\$57,713,865	\$34,911,021	\$1.6532	(\$0.4232)	\$213.88
Total	\$237,896,922			5-Year Total	\$912.50

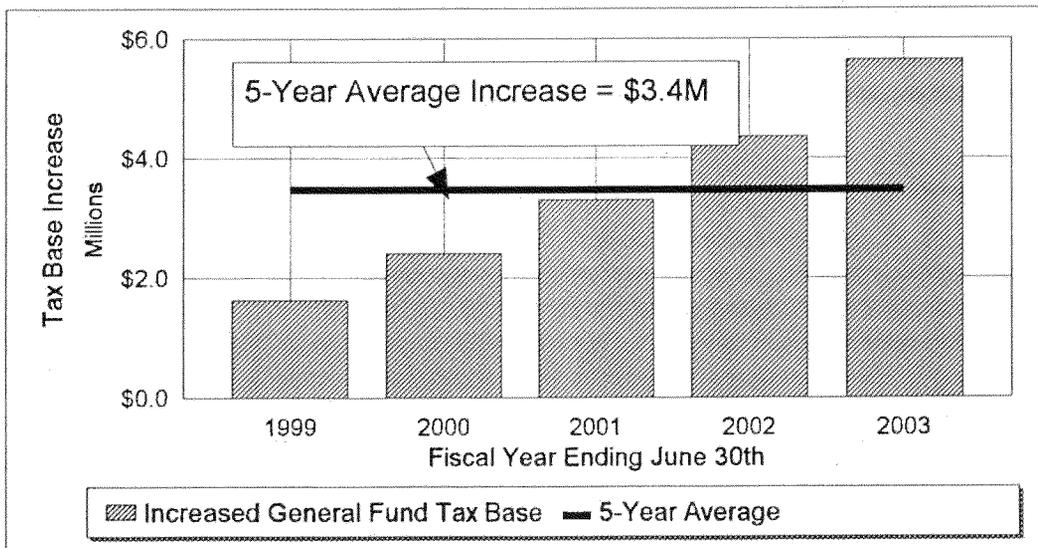
Urban Renewal Funding Option #3

- *Under this option Council/PDC can specify an amount that is to be collected under divide-the-taxes. Like Option 1, added special levy amounts can also be certified. District specified divide-the-taxes collections plus special levy authority cannot exceed a district's authority limit.*
- *This option produces results that will come out somewhere between the first two options depending the specifics of any scenario. The example below assumes that \$1.5 billion of increment is used to generate divide-the-taxes collections. Special levies are certified so total collections equal the divide-the-taxes total by year as shown in Option 1.*

Fiscal Year	Divide-The Taxes	Special Levies Total	Annual UR Total	Tax Bill Difference	New Taxes: General Fund
1999	\$30,336,662	\$8,281,264	\$38,617,926	\$33.29	\$1,630,791
2000	\$30,813,715	\$11,851,559	\$42,665,274	\$46.11	\$2,419,696
2001	\$30,769,533	\$16,135,145	\$46,904,678	\$62.25	\$3,309,741
2002	\$30,730,155	\$21,265,024	\$51,995,178	\$81.17	\$4,369,622
2003	\$30,713,823	\$27,000,042	\$57,713,865	\$101.01	\$5,651,364
Total	\$153,363,888	\$84,533,034	\$237,896,922	\$323.82	\$3,476,243

- *Under the scenario, above divide-the-taxes collections average about \$30 million per year. Special levies are certified so that the total divide-the-taxes plus special levies equal Option #1 divide-the-taxes collections. This scenario requires FY1998-99 special levies totaling \$8.3 million rising to \$27.0 million in FY2002-03. A typical homeowner pays an additional \$33 next year rising to \$101 in FY2002-03. Total cost to the homeowner is about \$324 over five years.*

General Fund Tax Base Increase For Option 3 Scenario





Commissioners

Richard Anderson
Anthony Jankans
Roger McDowell
Charles Rosenthal
Ann Sherman

TAX SUPERVISING & CONSERVATION COMMISSION
MULTNOMAH COUNTY, OREGON

421 S.W. Fifth Avenue, Room 724
Portland, Oregon 97204-2189

Telephone: (503) 248-3054 Facsimile: (503) 248-3053
E Mail: TSCC@aol.com Web Site: www.multnomah.lib.or.us/tscc/

January 9, 1998

Ken Rust
Financial Planning Director
City of Portland
1120 SW 5th Avenue
Portland, Oregon 97204

Re: Urban Renewal Feedback

Dear Ken,

You asked for some feedback on the city's upcoming selection of existing urban renewal plan tax collection method(s). My guess is that with all your expertise on staff (i.e. yourself, Drew, Tim, Chris etc.) you already have an extremely thorough understanding of the three options available and their ramifications to the city and its taxpayers. However, I'm happy to provide input. And, while I doubt I can add to your technical base, my perspective may be different. I also included some comments / questions on related issues.

First off, while the existing plan tax collection method choice is important, my impression is that the real battle took place last spring at the Legislature. As discussed, I'm still amazed at the end result, at least in Portland. At a time when the city went through all sorts of grief to balance its general fund budget (because of M-47 /M-50 reductions), its urban renewal impositions were not only shielded, but actually allowed to increase almost 100% (from \$18.09m to \$35.3m). In other words, voter approved levies for essential services were cut while non-voter approved, non-essential service levies increased dramatically. As a result, savings to taxpayers generated by cuts to the city's tax base were to a large degree offset by the rapid growth in urban renewal taxes. And, the end result was little overall tax relief and an allocation of property taxes inconsistent with the public's priorities. This chain of events doesn't make sense, but I realize it's water under the bridge at this point.

Regarding the choice of method: The mechanics of urban renewal tax calculation are so complex that it's easy to lose sight of the big picture. However, one message that came through pretty clear to me from the passage of Measure's 47 and 50 is that people want control of their property tax bill. The 3% cap included in both measures along with voter approval requirements for new taxes is supposed to provide this restraint. Therefore, I hope the focus of the selection process is on taxpayer impact rather than revenue generation. For example, the return of the tax increment value to the general roll allowed under option #2, when back-filled with a special levy, generates a tax increase significantly over 3%. As a result, this option appears to me to be inconsistent with the interests of taxpayers and should be avoided.

The same is true for tax increases generated by additional special levies allowed under options #1 or #3. I realize the city is legally free to increase taxes via special levy up to its pre measure 47 maximum capacity. This assumes the related projects to be funded were "on the table" so to speak by Measure 47's effective date. In 97/98, the difference between what you imposed and the legal maximum was approximately \$21m. However, while you may be entitled to impose these additional taxes, there's also certainly no obligation. Keep in mind that this year's hefty tax increase created approximately \$17.2m of additional, ongoing urban renewal revenue for funding various new projects. Was this enough? The city's elected officials need to weigh the interests of taxpayers vs. the community benefits of additional urban renewal projects. I'd vote for the taxpayer in this instance given the large windfall already received by PDC, property tax increases over and above 3% expected to be incurred next year as a result of the newly approved library levy and upcoming g/o bond elections, and the message sent by voters when they approved M47 / M50.

I understand your concerns regarding the divide the tax option #1. This method, in essence, creates an entitlement for PDC that isn't controllable by the city. Under this option, PDC captures all the benefits of plan area growth. Urban renewal tax receipts roll in based on formula rather than an annual review of plan area needs. The resulting levy growth over time could create Measure 5 compression and crowd out the city's and other general government essential service levies.

To prevent this from happening, my suggestion would be to cap each plan's divide the taxes total at current levels (or even lower if not supportable) as permitted under option #3. This allows the city to control the growth of plan area urban renewal taxes. Each year, the city / PDC would evaluate plan area needs and impose additional special levies only if justified. This approach, in my opinion, is much preferable to an automatic entitlement. Option #3 also is more equitable in that some of the benefits of plan area growth are shared with overlapping local governments. This makes sense in that while part of plan area growth is attributable to urban renewal capital improvements, another portion is due to other factors and would have occurred anyway. Other governments should be allowed to benefit from growth that has nothing to do with urban renewal activities.

Finally, option #3 appears to me to be the most taxpayer friendly. The information provided Council at the December 2nd informal indicates option #1 has the least impact on taxpayers - but I disagree. Capping the divide the tax amount results in lower overall taxes in that it drives down the rates of overlapping government dollar denominated levies. This lowers individual taxpayer bills.

Regarding other issues:

1 *Plan Area Location*

With the exception of Airport Way, the benefits of current urban renewal activities are focused on the central city. Yet, in my opinion, blight is much more apparent in other areas of Portland. Wouldn't it make sense to spread urban renewal benefits throughout the city, especially to the areas of highest need? I realize you're currently evaluating the feasibility of the outer southeast area. And, I also understand there's a limit to the number

of urban renewal areas the city and overlapping governments can afford to allow operate. On the flip side, however, certain existing plan areas or parts thereof are mature and could be returned to the general roll. Looking at our annual report, I note that at least part of the Downtown Waterfront area was initiated as an urban renewal area over twenty years ago. At what point will the agency's mission be accomplished - at least in parts of this area - and the increment returned? While evaluating the total of maximum indebtedness / increment to be generated in future years, I hope what drives the estimate are identified plan needs and not merely the existence of tax capacity. Otherwise, urban renewal plans become simply a way to generate additional, dedicated revenue and the chances of the increment value return to the general roll are greatly diminished.

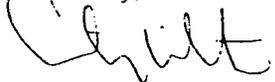
2. *Use of Urban Renewal Taxes*

I note from the AORA administrative guidelines that the powers granted from ORS 457.170 do not specifically include operation and maintenance. This seems consistent with the broad purpose of urban renewal which, in my understanding, is to eliminate blight and build value. Is the \$400,000 of transit mall rehabilitation included in the draft 97/98 adjusted budget a maintenance item? Likewise, are the various property management expenses incurred at Walnut Park or Union Station related to redevelopment activities, or simply PDC's current role as landlord? One of our commissioners, Charlie Rosenthal, has mentioned many times how important he feels it is for PDC to be able to quantify to taxpayers the return on their urban renewal tax investment. Admittedly, measuring the benefits with exactness is extremely difficult. However, I think there is value in attempting this exercise in that the more focus placed on maximizing the benefit of these dollars, the less likely are the chances that they will be used for things that don't build value - such as maintenance and operations items.

Finally, it's my understanding from reviewing PDC's budget that tax increment funds raised in one plan have not historically been diverted for use outside the area. In my opinion, it's very important the agency maintain this practice. Likewise, if PDC undertakes projects that benefit other areas, it seems reasonable that the urban renewal funding reflect the proportionality of the benefit. It really is in your interest to maintain as clear a link as possible between the tax and the related improvement. Otherwise, over time, tax increment revenues lose their character and become thought of as general subsidies rather than anything specific to the plan area that was created to justify their existence.

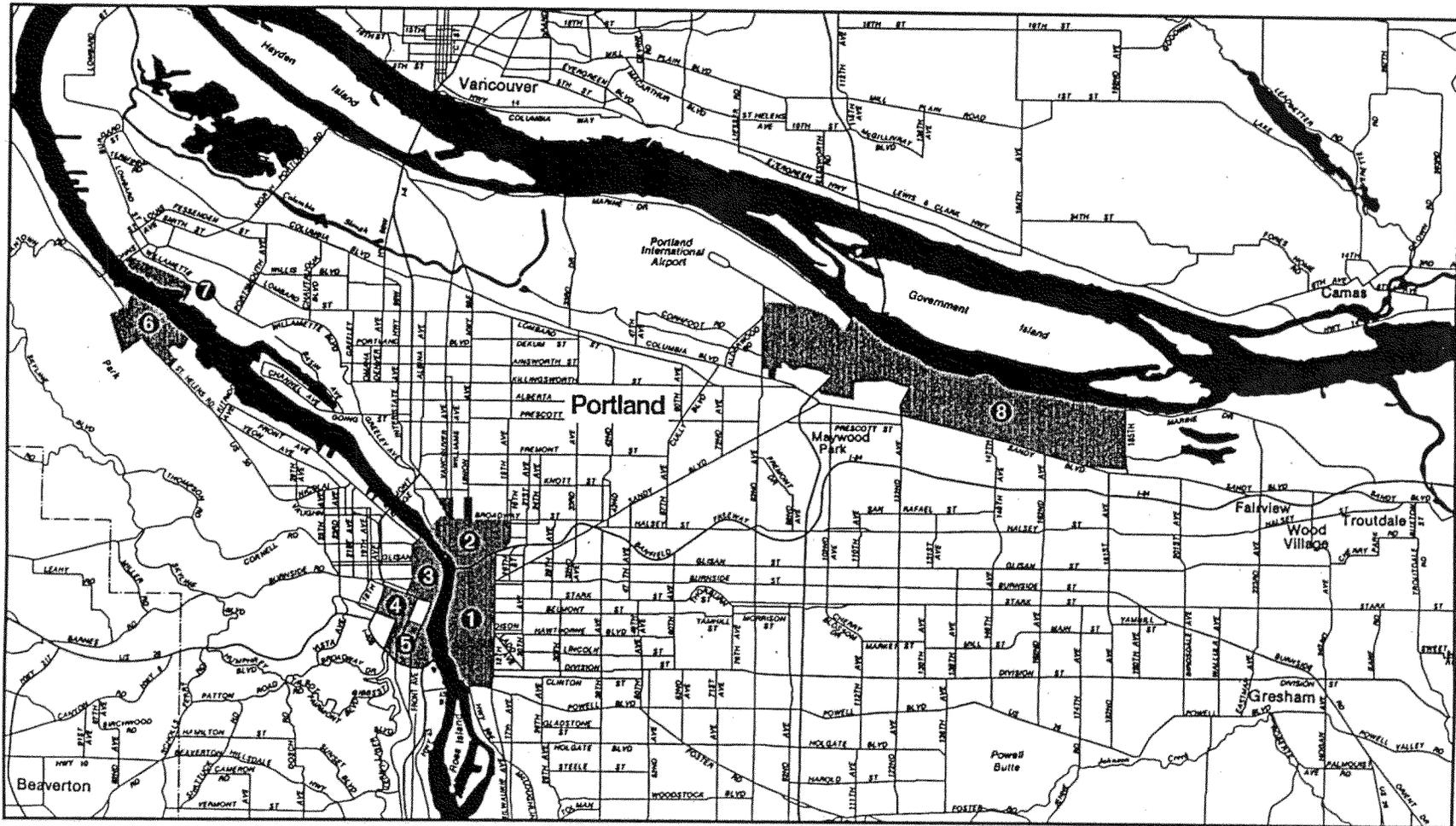
Ken - I hope this helps. I may have a different perspective on the needed level and use of urban renewal. However, I do appreciate how successful the city's / PDC's redevelopment efforts have been over the years, and the role played by tax increment financing in making this possible.

Sincerely,



Courtney Wilton
Administrative Officer

Portland Urban Renewal Areas



- 1 - Central Eastside
- 2 - Convention Center
- 3 - Downtown Waterfront
- 4 - South Park Blocks

- 5 - South Auditorium (no tax increment collection)
- 6 - Northwest Front Avenue - *closed 1992*
- 7 - St. Johns - *closed 1997*
- 8 - Airport Way

URBAN RENEWAL PROPERTY VALUES, RATES AND TAX INCREMENT

Tax Year	Gross Tax Rate (Before M-5 Reduction)	Base Value (Frozen)	Increased Value (Increment)	Available but Not Levied (2)	Total Taxes Levied
Downtown Waterfront					
1974-75	27.79	123,922,901	7,694,168		213,821
1975-76	28.65	123,183,813	29,802,206		853,833
1976-77	28.82	121,506,894	46,930,840		1,352,547
1977-78	26.96	119,829,975	83,666,992		2,255,662
1978-79	24.32	122,771,507	128,508,594		3,125,329
1979-80	20.46	121,093,924	176,522,432		3,611,649
1980-81	20.09	109,142,592	181,711,454		3,650,583
1981-82	22.83	105,155,648	215,365,226		4,916,788
1982-83	25.11	106,027,792	247,407,048		6,212,391
1983-84	24.34	113,254,129	280,745,552		6,833,347
1984-85	24.56	119,608,320	327,267,263		8,037,684
1985-86	25.68	124,592,000	385,102,580		9,889,434
1986-87	27.62	124,592,000	451,678,970		12,475,373
1987-88	29.66	97,406,603	317,016,733		9,402,716
1988-89	31.02	97,406,603	357,907,674		11,102,904
1989-90	33.23	97,406,603	381,775,832		12,686,335
1990-91	33.50	97,406,603	374,998,032		12,564,234
1991-92	30.45	97,406,603	459,452,602	5,828,662	8,163,232
1992-93	29.42	97,406,603	535,206,805	15,744,767	0
1993-94	29.08	97,406,603	524,818,411	15,260,092	0
1994-95	27.28	97,406,603	541,681,618	14,779,404	0
1995-96	26.06	97,406,603	585,738,467	13,387,002	1,875,000
1996-97	25.98	97,406,603	621,556,033	9,306,043	6,841,734
Subtotal				74,305,970	126,064,597

Convention Center					
1989-90	33.23	304,528,900	0		0
1990-91	33.50	291,915,082	0		0
1991-92	30.45	291,915,082	48,231,470	221,178	1,247,632
1992-93	29.42	291,915,082	131,107,808	3,856,943	0
1993-94	29.08	291,915,082	129,680,786	3,770,715	0
1994-95	27.28	291,915,082	186,141,671	5,078,745	0
1995-96	26.06	291,915,082	259,789,038	6,769,063	0
1996-97	25.98	291,915,082	438,012,726	6,262,532	5,116,863
Subtotal				25,959,176	6,364,495

Northwest Front Avenue Industrial

Area was in existence from 1978 to 1992.

Subtotal	1,251,538	20,814,566
-----------------	------------------	-------------------

St. Johns Riverfront (1)

1981-82	22.83	3,104,126	608,126		13,884
1982-83	25.11	3,133,198	772,646		19,401
1983-84	24.34	3,348,465	823,242		20,038
1984-85	24.56	3,537,717	1,229,302		30,192
1985-86	25.68	3,685,122	1,182,192		30,359
1986-87	27.62	3,685,122	390,831		10,795
1987-88	29.66	3,685,122	0		0
1988-89	31.02	3,685,122	105,923		3,286
1989-90	33.23	3,685,122	570,357		18,953
1990-91	33.50	3,685,122	1,010,715		33,864
1991-92	30.45	3,685,122	1,444,126	6,618	37,360
1992-93	29.42	3,685,122	1,510,921	44,448	0
1993-94	29.08	3,685,122	1,958,492	56,947	0
1994-95	27.28	3,685,122	2,275,550	62,087	0
1995-96	26.06	3,685,122	4,520,024	117,774	0

Subtotal	287,874	218,130
-----------------	----------------	----------------

(1) Plan area was closed in 1996-97.

(2) Urban renewal levies are subject to Measure 5 Limits. These tax rate limits effectively determine Urban Renewal taxing capacity.

URBAN RENEWAL PROPERTY VALUES AND TAX INCREMENT

Tax Year	Gross Tax Rate (Before M-5 Reduction)	Base Value (Frozen)	Increased Value	Available but Not Levied (2)	Total Taxes Levied
South Park Blocks					
1985-86	25.68	402,291,511	0		0
1986-87	27.62	402,291,511	57,466,184		1,587,216
1987-88	29.66	402,291,511	88,659,839		2,629,651
1988-89	31.02	402,291,511	108,430,202		3,363,689
1989-90	33.23	402,291,511	100,792,815		3,349,325
1990-91	33.50	402,291,511	128,244,205		4,296,796
1991-92	30.45	402,291,511	144,531,902	3,008,692	1,392,796
1992-93	29.42	471,812,571	194,778,468	5,730,012	0
1993-94	29.08	471,812,571	219,575,558	6,384,577	0
1994-95	27.28	471,812,571	204,042,597	5,567,159	0
1995-96	26.06	471,812,571	257,130,962	6,074,804	625,000
1996-97	25.98	471,812,571	248,404,845	4,122,372	2,331,087
			Subtotal	30,887,616	4,348,883
Central Eastside					
1987-88	29.66	297,333,210	7,627,920		226,244
1988-89	31.02	297,333,210	3,153,972		97,842
1989-90	33.23	280,372,860	3,551,549		118,017
1990-91	33.50	280,372,860	35,797,901		1,199,402
1991-92	30.27	280,372,860	62,580,244	11,201	1,894,579
1992-93	29.42	280,372,860	55,325,728	1,627,578	0
1993-94	29.08	280,372,860	50,362,948	1,464,398	0
1994-95	27.28	280,372,860	66,138,770	1,804,550	0
1995-96	26.06	280,372,860	87,224,716	2,272,727	0
1996-97	25.98	280,372,860	136,007,940	1,260,705	2,272,727
			Subtotal	8,441,159	5,808,811
Airport Way (formerly Columbia South Shore)					
1987-88	23.60	146,986,010	4,572,404		107,909
1988-89	28.63	159,268,260	13,300,791		380,763
1989-90	29.29	159,268,260	39,077,949		1,144,710
1990-91	29.64	159,268,260	65,868,193		1,952,537
1991-92	28.11	159,268,260	109,817,556	12,050	3,075,122
1992-93	27.18	159,268,260	147,211,285	4,001,905	0
1993-94	26.71	159,268,260	147,963,024	3,952,222	0
1994-95	23.09	159,268,260	181,792,560	4,196,900	0
1995-96	24.13	159,268,260	252,852,250	6,102,514	0
1996-97	24.69	159,268,260	333,126,040	6,694,057	1,531,557
			Subtotal	24,959,648	8,192,598
Total - All Urban Renewal Areas Combined					
1974-75	27.79	123,922,901	7,694,168		213,821
1975-76	28.65	123,183,813	29,802,206		853,833
1976-77	28.82	121,506,894	46,930,840		1,352,547
1977-78	26.96	119,829,975	83,666,992		2,255,662
1978-79	24.32	154,748,067	135,312,665		3,290,804
1979-80	20.46	152,105,119	183,400,407		3,752,372
1980-81	20.09	135,462,740	189,489,487		3,806,844
1981-82	22.83	133,618,454	285,979,556		6,528,914
1982-83	25.11	134,729,991	319,786,958		8,029,850
1983-84	24.34	143,914,254	352,510,989		8,580,118
1984-85	24.56	151,990,034	401,313,233		9,856,253
1985-86	25.68	560,614,463	466,318,798		11,975,067
1986-87	27.62	560,614,301	569,891,916		15,740,415
1987-88	29.60	977,748,286	476,025,156		14,091,197
1988-89	30.96	990,030,536	533,704,064		16,524,557
1989-90	32.97	1,277,599,086	594,118,104		19,588,584
1990-91	33.13	1,264,985,268	674,292,824		22,337,683
1991-92	30.18	1,264,985,268	928,096,857	10,339,939	17,666,269
1992-93	29.11	1,304,460,498	1,065,141,015	31,005,653	0
1993-94	28.75	1,304,460,498	1,074,359,219	30,888,951	0
1994-95	26.64	1,304,460,498	1,182,072,766	31,488,845	0
1995-96	25.72	1,304,460,498	1,447,255,457	34,723,884	2,500,000
1996-97	25.74	1,300,775,376	1,777,107,584	27,645,708	18,093,968
	Total			166,092,980	187,038,758

DOWNTOWN WATERFRONT URBAN RENEWAL PLAN

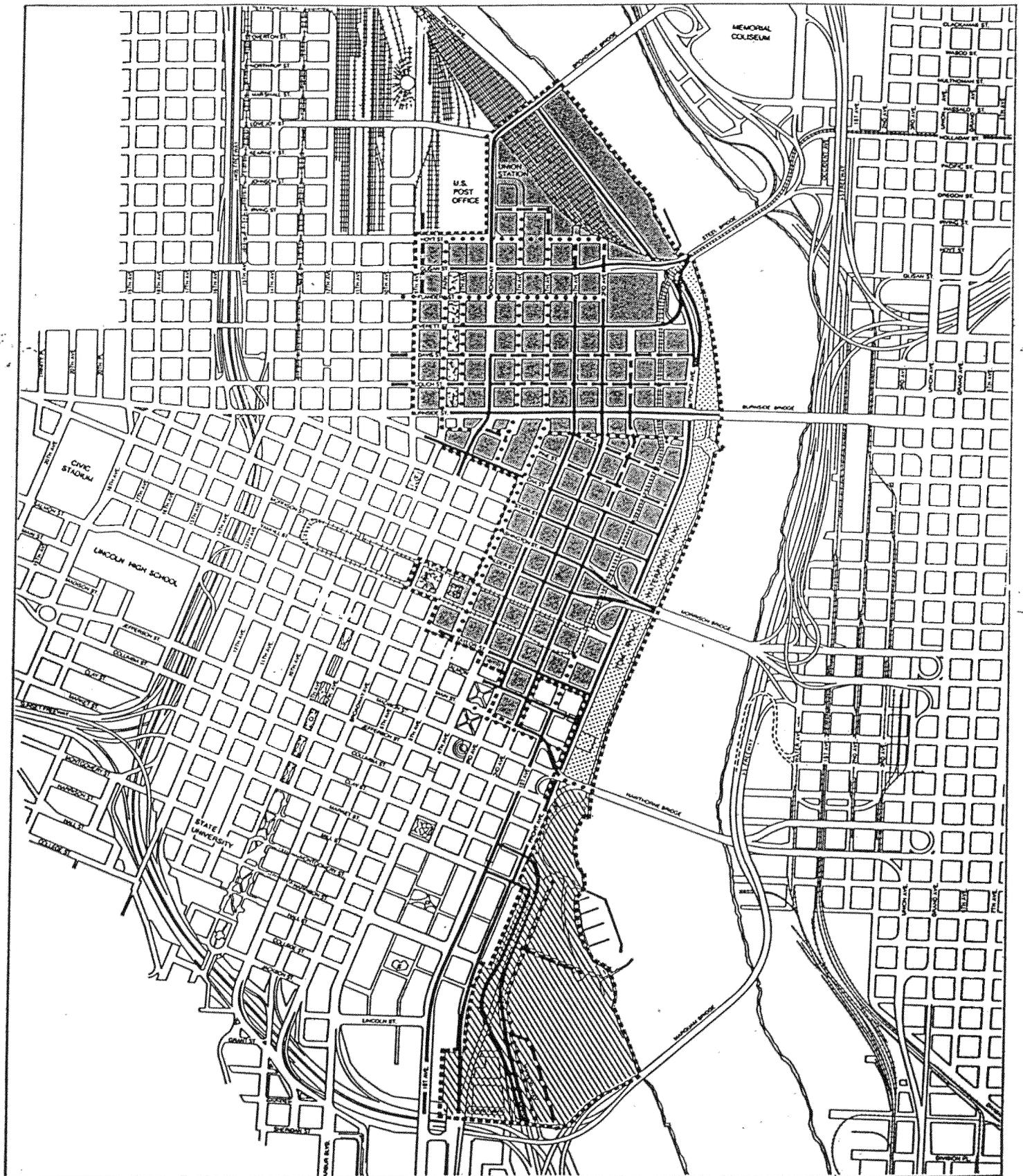


EXHIBIT 1 Land Use Plan



LEGEND

-  Waterfront Park
-  Public Open Space and Park
-  Mixed Use

-  Mixed Use: South Waterfront Activity Area
-  Traffic Access Street
-  Local Service Street
-  Non-Automobile Oriented Street
-  Project Boundary

SOUTH PARK BLOCKS URBAN RENEWAL AREA

FIGURE 1

RENEWAL AREA BOUNDARY

- PORTLAND STATE UNIVERSITY RENEWAL AREA
- SOUTH AUDITORIUM RENEWAL AREA
- - - DOWNTOWN WATERFRONT RENEWAL AREA
- SOUTH PARK BLOCKS RENEWAL AREA
- EXPANSION AREA OF SOUTH PARK BLOCKS RENEWAL AREA

First year 85-6

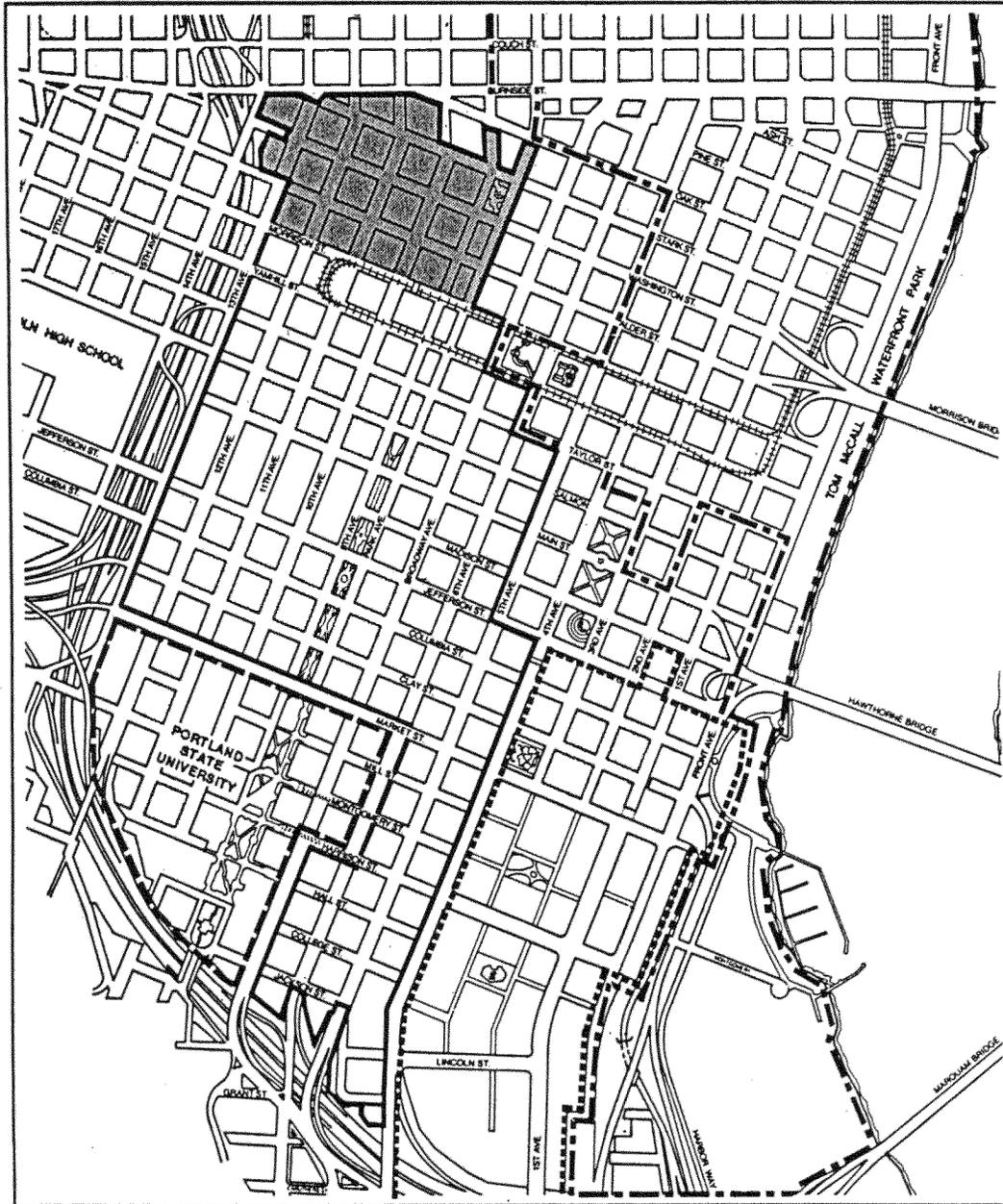
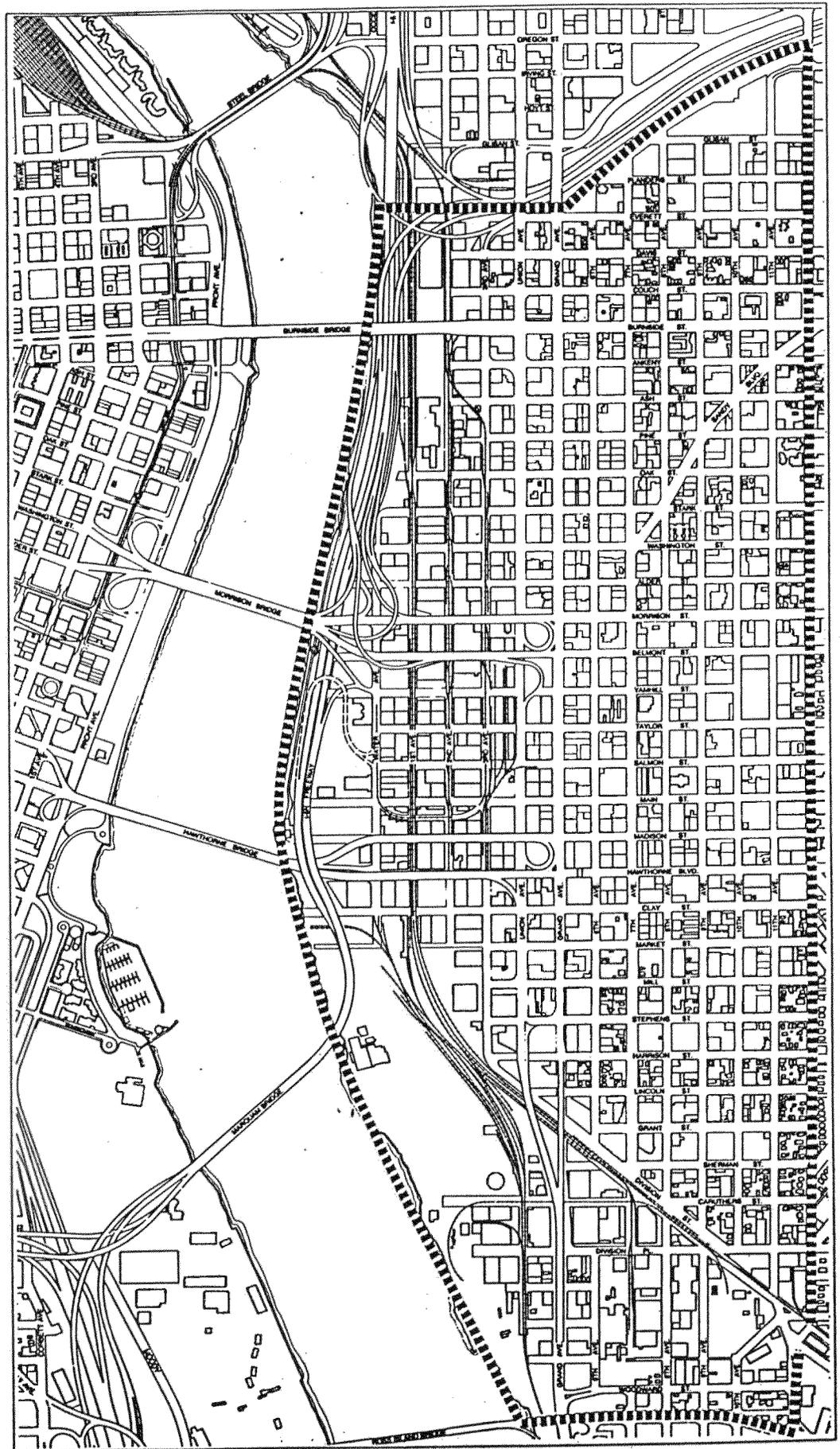


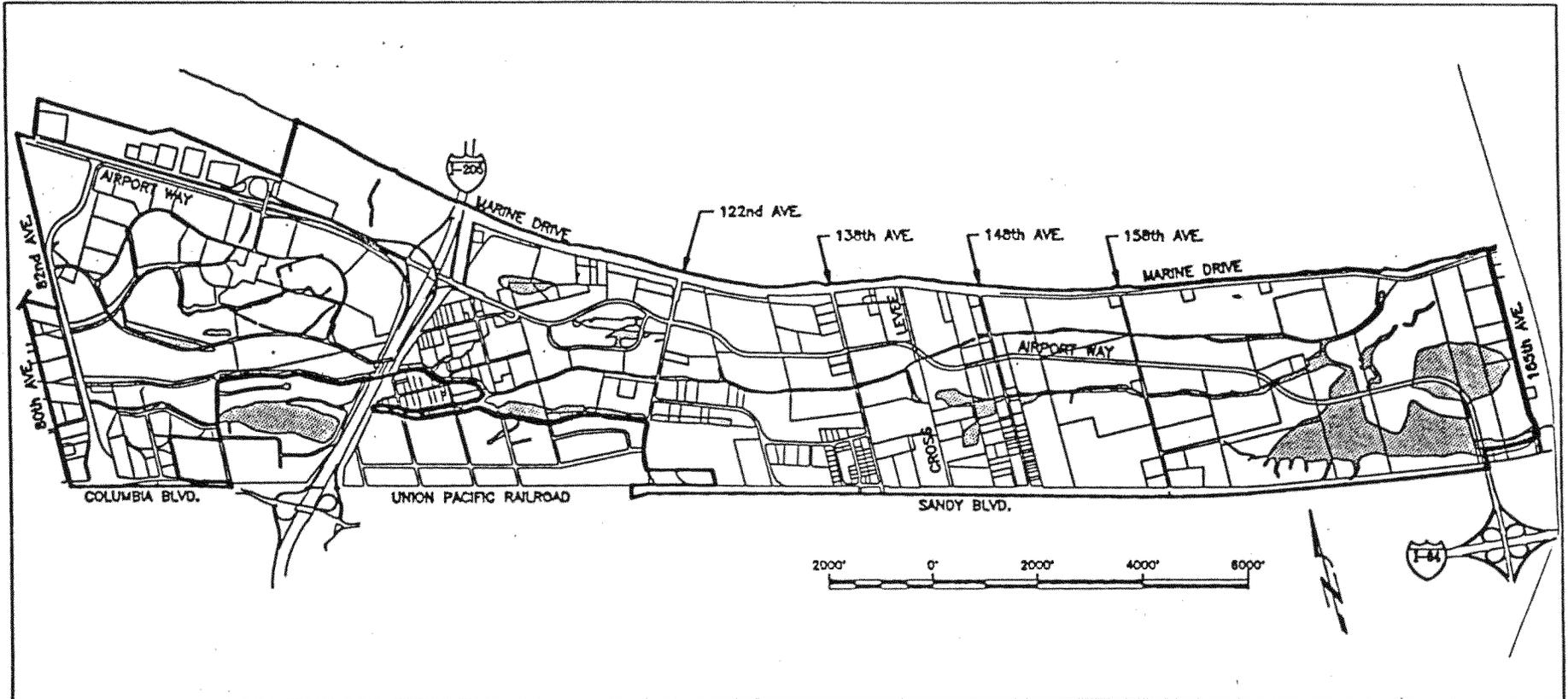
Exhibit 1
Central Eastside Urban Renewal Area boundary



First year 87-8

Exhibit 1 Airport Way Urban Renewal Area

Airport Way Urban Renewal Area



— Area Boundary

First Year 87-8

1 suant to subsection (1) of this section. Not later than November 15, the commission shall pay each
 2 amount, less a discount equivalent to that which is provided in ORS 311.505. Payment shall be made
 3 to the county treasurer who shall distribute the payment to the taxing districts of the county in
 4 accordance with the schedule of percentages computed under ORS 311.390.

5 (5) Notwithstanding any other provision of the wildlife laws, there is appropriated annually from
 6 the moneys in the State Wildlife Fund in the State Treasury such amounts as are necessary for the
 7 purpose of making the payments to counties required by this section.

8 9 URBAN RENEWAL

10
11 **SECTION 442.** ORS 457.010 is amended to read:

12 457.010. As used in this chapter, unless the context requires otherwise:

13 (1) "Blighted areas" means areas which, by reason of deterioration, faulty planning, inadequate
 14 or improper facilities, deleterious land use or the existence of unsafe structures, or any combination
 15 of these factors, are detrimental to the safety, health or welfare of the community. A blighted area
 16 is characterized by the existence of one or more of the following conditions:

17 (a) The existence of buildings and structures, used or intended to be used for living, commercial,
 18 industrial or other purposes, or any combination of those uses, which are unfit or unsafe to occupy
 19 for those purposes because of any one or a combination of the following conditions:

20 (A) Defective design and quality of physical construction;

21 (B) Faulty interior arrangement and exterior spacing;

22 (C) Overcrowding and a high density of population;

23 (D) Inadequate provision for ventilation, light, sanitation, open spaces and recreation facilities;

24 or

25 (E) Obsolescence, deterioration, dilapidation, mixed character or shifting of uses;

26 (b) An economic dislocation, deterioration or disuse of property resulting from faulty planning;

27 (c) The division or subdivision and sale of property or lots of irregular form and shape and in-
 28 adequate size or dimensions for property usefulness and development;

29 (d) The laying out of property or lots in disregard of contours, drainage and other physical
 30 characteristics of the terrain and surrounding conditions;

31 (e) The existence of inadequate streets and other rights-of-way, open spaces and utilities;

32 (f) The existence of property or lots or other areas which are subject to inundation by water;

33 (g) A prevalence of depreciated values, impaired investments and social and economic
 34 maladjustments to such an extent that the capacity to pay taxes is reduced and tax receipts are
 35 inadequate for the cost of public services rendered;

36 (h) A growing or total lack of proper utilization of areas, resulting in a stagnant and unpro-
 37 ductive condition of land potentially useful and valuable for contributing to the public health, safety,
 38 and welfare; or

39 (i) A loss of population and reduction of proper utilization of the area, resulting in its further
 40 deterioration and added costs to the taxpayer for the creation of new public facilities and services
 41 elsewhere.

42 (2) "Certified statement" means the statement prepared and filed pursuant to ORS 457.430 or
 43 amendment to the certified statement prepared and filed pursuant to ORS 457.430.

44 (3) "City" means any incorporated city.

45 (4)(a) "Existing urban renewal plan" means an urban renewal plan that provides for a

1 division of ad valorem property taxes as described under ORS 457.420 to 457.460 adopted by
2 ordinance before December 6, 1996, that:

3 (A) Except for an amendment made on account of ORS 457.190 (3) and subject to para-
4 graph (b) of this subsection, is not changed by substantial amendment, as described in ORS
5 457.085 (2)(i)(A) or (B), on or after December 6, 1996; and

6 (B) For tax years beginning on or after July 1, 1998, includes the limit on indebtedness
7 as described in ORS 457.190 (3).

8 (b) On or after July 1, 1998, if an existing urban renewal plan is on or after July 1, 1998,
9 changed by substantial amendment to adopt or change the maximum limit on indebtedness
10 adopted by ordinance before July 1, 1998, pursuant to ORS 457.190, "indebtedness issued or
11 incurred to carry out the existing urban renewal plan" for purposes of section 454 of this 1997
12 Act includes only the indebtedness within the indebtedness limit adopted by ordinance under
13 ORS 457.190 (3)(c) before July 1, 1998.

14 [(4)] (5) "Fiscal year" means the fiscal year commencing on July 1 and closing on June 30.

15 [(5)] (6) "Governing body of a municipality" means, in the case of a city, the common council
16 or other legislative body thereof, and, in the case of a county, the board of county commissioners
17 or other legislative body thereof.

18 [(6)] (7) "Housing authority" or "authority" means any housing authority established pursuant
19 to the Housing Authorities Law.

20 [(7)] (8) "Increment" means that part of the assessed value of a taxing district attributable to
21 any increase in the assessed value of the property located in an urban renewal area, or portion
22 thereof, over the assessed value specified in the certified statement.

23 (9) "Maximum indebtedness" means the amount of the principal of indebtedness included
24 in a plan pursuant to ORS 457.190 and does not include indebtedness incurred to refund or
25 refinance existing indebtedness.

26 [(8)] (10) "Municipality" means any county or any city in this state. "The municipality" means
27 the municipality for which a particular urban renewal agency is created.

28 [(9) "Shared property" of a taxing district and an urban renewal agency means the property
29 within:]

30 [(a) The taxing district; and]

31 [(b) The municipality that activated the urban renewal agency or any portion of an urban renewal
32 area of the agency outside the municipality.]

33 [(10)] (11) "Taxing body" or "taxing district" means the state, city, county or any other taxing
34 unit which has the power to levy a tax.

35 [(11)] (12) "Urban renewal agency" or "agency" means an urban renewal agency created under
36 ORS 457.035 and 457.045.

37 [(12)] (13) "Urban renewal area" means a blighted area included in an urban renewal plan or
38 an area included in an urban renewal plan under ORS 457.160.

39 [(13)] (14) "Urban renewal project" or "project" means any work or undertaking carried out
40 under ORS 457.170 in an urban renewal area.

41 [(14)] (15) "Urban renewal plan" or "plan" means a plan, as it exists or is changed or modified
42 from time to time for one or more urban renewal areas, as provided in ORS 457.085, 457.095, 457.105,
43 457.115, 457.120, 457.125, 457.135 and 457.220.

44 **SECTION 443.** ORS 457.075 is amended to read:

45 457.075. If the governing body of a municipality which has an urban renewal agency under ORS

1 457.035 finds that there no longer exists a need for an urban renewal agency in the municipality,
 2 the governing body shall provide, by ordinance, for a termination of the agency and a transfer of
 3 the agency's facilities, files and personnel to the municipality. The termination of an urban renewal
 4 agency shall not affect any outstanding legal actions, contracts or obligations of the agency and the
 5 municipality shall be substituted for the agency and, for the purpose of those legal actions, contracts
 6 or obligations, shall be considered a continuation of the urban renewal agency and not a new entity.
 7 No urban renewal agency shall be terminated under this section unless all indebtedness to which a
 8 portion of taxes is irrevocably pledged for payment under ORS [457.440] 457.420 to 457.460 is fully
 9 paid.

10 **SECTION 444.** ORS 457.085 is amended to read:

11 457.085. (1) An urban renewal agency shall provide for public involvement in all stages in the
 12 development of an urban renewal plan.

13 (2) An urban renewal plan proposed by an urban renewal agency shall include all of the fol-
 14 lowing:

15 (a) A description of each urban renewal project to be undertaken.

16 (b) An outline for the development, redevelopment, improvements, land acquisition, demolition
 17 and removal of structures, clearance, rehabilitation or conservation of the urban renewal areas of
 18 the plan.

19 (c) A map and legal description of the urban renewal areas of the plan.

20 (d) An explanation of its relationship to definite local objectives regarding appropriate land uses
 21 and improved traffic, public transportation, public utilities, telecommunications utilities, recreational
 22 and community facilities and other public improvements.

23 (e) An indication of proposed land uses, maximum densities and building requirements for each
 24 urban renewal area.

25 (f) A description of the methods to be used for the temporary or permanent relocation of persons
 26 living in, and businesses situated in, the urban renewal area of the plan.

27 (g) An indication of which real property may be acquired and the anticipated disposition of said
 28 real property, whether by retention, resale, lease or other legal use, together with an estimated time
 29 schedule for such acquisition and disposition.

30 (h) If the plan provides for a division of ad valorem taxes under ORS [457.440] 457.420 to
 31 457.460, [either (A) a date after which no bonded indebtedness shall be issued with respect to the plan
 32 or any project undertaken with respect to the plan or (B)] the maximum amount of [bonded] indebt-
 33 edness **that can be issued or incurred under the plan** [excluding bonded indebtedness issued to
 34 refinance or refund existing bonded indebtedness to be issued under the plan].

35 (i) A description of what types of possible future amendments to the plan are substantial
 36 amendments and require the same notice, hearing and approval procedure required of the original
 37 plan under ORS 457.095 as provided in ORS 457.220, including but not limited to amendments:

38 (A) Adding land to the urban renewal area, except for an addition of land that totals not more
 39 than one percent of the existing area of the urban renewal area.

40 [(B) Extending the date after which no bonded indebtedness shall be issued with respect to the plan
 41 or any project undertaken or to be undertaken under the urban renewal plan.]

42 [(C)] (B) Increasing the maximum amount of [bonded] indebtedness **that can be issued or in-**
 43 **curred under the plan** [excluding bonded indebtedness issued to refinance or refund existing bonded
 44 indebtedness issued or to be issued under the urban renewal plan].

45 (j) For a project which includes a public building, an explanation of how the building serves or

1 benefits the urban renewal area.

2 (3) An urban renewal plan shall be accompanied by a report which shall contain:

3 (a) A description of physical, social and economic conditions in the urban renewal areas of the
4 plan and the expected impact, including the fiscal impact, of the plan in light of added services or
5 increased population;

6 (b) Reasons for selection of each urban renewal area in the plan;

7 (c) The relationship between each project to be undertaken under the plan and the existing
8 conditions in the urban renewal area;

9 (d) The estimated total cost of each project and the sources of moneys to pay such costs;

10 (e) The anticipated completion date for each project;

11 (f) The estimated amount of money required in each urban renewal area under ORS 457.420 to
12 [457.440] **457.460** and the anticipated year in which indebtedness will be retired or otherwise pro-
13 vided for under ORS [457.440] **457.420 to 457.460**;

14 (g) A financial analysis of the plan with sufficient information to determine feasibility;

15 (h) A fiscal impact statement that estimates the impact of the tax increment financing, both until
16 and after the [bonds are] **indebtedness is** repaid, upon all entities levying taxes upon property in
17 the urban renewal area; and

18 (i) A relocation report which shall include:

19 (A) An analysis of existing residents or businesses required to relocate permanently or tempo-
20 rarily as a result of agency actions under ORS 457.170;

21 (B) A description of the methods to be used for the temporary or permanent relocation of per-
22 sons living in, and businesses situated in, the urban renewal area in accordance with ORS 281.045
23 to 281.105; and

24 (C) An enumeration, by cost range, of the existing housing units in the urban renewal areas of
25 the plan to be destroyed or altered and new units to be added.

26 (4) An urban renewal plan and accompanying report shall be forwarded to the planning com-
27 mission of the municipality for recommendations, prior to presenting the plan to the governing body
28 of the municipality for approval under ORS 457.095.

29 (5) An urban renewal plan and accompanying report shall be forwarded to the governing body
30 of each taxing district affected by the urban renewal plan and the agency shall consult and confer
31 with the taxing districts prior to presenting the plan to the governing body of the municipality for
32 approval under ORS 457.095. Any written recommendations of the governing body of each taxing
33 district shall be accepted, rejected or modified by the governing body of the municipality in adopting
34 the plan.

35 (6) No urban renewal plan shall be carried out until the plan has been approved by the gov-
36 erning body of each municipality pursuant to ORS 457.095 and 457.105.

37 **SECTION 445.** ORS 457.120 is amended to read:

38 457.120. (1) In addition to any required public notice of hearing on a proposed urban renewal
39 plan or substantial amendment or change to a plan, as described in ORS 457.085 (2)(i) and 457.220,
40 the municipality shall cause notice of a hearing by the governing body on a proposed plan for a new
41 urban renewal area or on a proposed change containing one of the types of amendments specified
42 in ORS 457.085 (2)(i)[(A) to (C)] to be mailed to each individual or household in one of the following
43 groups:

44 (a) Owners of real property that is located in the municipality;

45 (b) Electors registered in the municipality;

1 (c) Sewer, water, electric or other utility customers in the municipality; or

2 (d) Postal patrons in the municipality.

3 (2) If the urban renewal area governed by the plan or substantial amendment thereof extends
4 beyond the boundaries of the municipality, notice shall also be sent to each individual in the se-
5 lected group who is located in the urban renewal area.

6 (3) The notice required by this section shall contain a statement in plain language that:

7 (a) The governing body, on a specified date, will hold a public hearing and consider an ordinance
8 adopting or substantially amending an urban renewal plan;

9 (b) The adoption or amendment may impact property tax rates;

10 (c) States the proposed maximum amount of [bonded] indebtedness **that can be issued or in-**
11 **curred under the plan or amendment** [or the proposed date after which no new bonded indebt-
12 edness shall be issued, whichever is applicable, if the plan is new or an amendment proposes to change
13 the date or amount];

14 (d) The ordinance, if approved, is subject to referendum; and

15 (e) A copy of the ordinance, urban renewal plan and accompanying report can be obtained by
16 contacting a designated person within the municipality.

17 (4) If the municipality which activated the urban renewal agency is a county:

18 (a) The notice required by subsection (1) of this section shall be sent to each individual or
19 household in one of the groups listed in subsections (1)(a) to (d) of this section, except that the no-
20 tice need be sent only to those individuals or households located in a school district with territory
21 affected or to be affected by the tax increment financing for the new urban renewal area or pro-
22 posed change.

23 (b) In addition to the notice under paragraph (a) of this subsection, the county shall cause notice
24 to be published in a paper of general circulation throughout the county. The published notice shall
25 contain the information described in subsection (3) of this section, be published in an advertisement
26 not less than three inches in height and three inches in width and be located in a general interest
27 section of the newspaper other than the classified advertisement section.

28 **SECTION 446.** ORS 457.190 is amended to read:

29 457.190. (1) An urban renewal agency may borrow money and accept advances, loans, grants and
30 any other form of financial assistance from the Federal Government, the state, county or other
31 public body, or from any sources, public or private, for the purposes of undertaking and carrying
32 out urban renewal projects.

33 (2) An urban renewal agency may do all things necessary or desirable to secure such financial
34 aid, including obligating itself in any contract with the Federal Government for federal financial aid
35 to convey to the Federal Government the project to which the contract relates upon the occurrence
36 of a substantial default thereunder, in the same manner as a housing authority may do to secure
37 such aid in connection with slum clearance and housing projects under the Housing Authorities
38 Law.

39 [(3) Notwithstanding subsection (1) of this section, on or after September 29, 1991, no urban re-
40 newal agency may issue bonded indebtedness for which taxes divided under ORS 457.440 are to be
41 pledged, unless the urban renewal plan for which the bonded indebtedness is to be issued either es-
42 tablished:]

43 [(a) A date after which no bonded indebtedness shall be issued under the plan and under any and
44 all projects undertaken with respect to the plan; or]

45 [(b) A maximum amount of bonded indebtedness excluding bonded indebtedness issued to refinance

1 or refund existing bonded indebtedness that may be issued under the plan.]

2 (3)(a) Each urban renewal plan adopted by ordinance on or after the effective date of this
3 1997 Act, that provides for a division of taxes pursuant to ORS 457.440 shall include in the
4 plan the maximum amount of indebtedness that may be issued or incurred under the plan.
5 Notwithstanding subsection (1) of this section, if a maximum amount of indebtedness is not
6 included in the plan, the urban renewal agency may not issue indebtedness for which taxes
7 divided under ORS 457.440 are to be pledged to carry out the plan.

8 (b) Each urban renewal plan adopted by ordinance on or after December 6, 1996, and be-
9 fore the effective date of this 1997 Act that provides for a division of taxes pursuant to ORS
10 457.440 but does not include a maximum amount of indebtedness that may be issued or in-
11 curred under the plan shall be changed, by substantial plan amendment pursuant to ORS
12 457.220, to include the maximum amount of indebtedness that may be issued or incurred
13 under the plan before July 1, 2000. Notwithstanding subsection (1) of this section, if a maxi-
14 mum amount of indebtedness is not included in the plan on or before July 1, 2000, the urban
15 renewal agency may not on or after July 1, 2000, issue indebtedness for which taxes divided
16 under ORS 457.440 are to be pledged to carry out the plan.

17 (c)(A) Each existing urban renewal plan that provides for a division of taxes pursuant to
18 ORS 457.420 to 457.460 may be changed by substantial amendment no later than July 1, 1998,
19 to include a maximum amount of indebtedness that may be issued or incurred under the plan
20 determined as described in subparagraph (B) of this paragraph. The additional notices re-
21 quired under ORS 457.120 are not required for an amendment adopted pursuant to this par-
22 agraph.

23 (B) The maximum amount of indebtedness that may be issued or incurred under the plan,
24 as determined for purposes of meeting the requirements of this paragraph, shall be based
25 upon good faith estimates of the scope and costs of projects, including but not limited to
26 increases in costs due to reasonably anticipated inflation, in the existing urban renewal plan
27 and the schedule for their completion as completion dates were anticipated as of December
28 5, 1996. The maximum amount of indebtedness shall be specified in dollars and cents.

29 (C) Notwithstanding subsection (1) of this section, if a maximum amount of indebtedness
30 is not adopted for an existing urban renewal plan as described in this paragraph before July
31 1, 1998, the urban renewal agency may not collect funds under section 454 of this 1997 Act.

32 **SECTION 446a.** Section 335e, chapter 459, Oregon Laws 1991, is amended to read:

33 **Sec. 335e.** Bonded indebtedness if project agreed to prior to September 29, 1991.
34 Notwithstanding ORS 457.190 [(3)], an urban renewal agency may issue bonded indebtedness to
35 undertake an urban renewal project to carry out an urban renewal plan if, prior to [the effective date
36 of this 1991 Act] **September 29, 1991,** a written contract or other written agreement for the project
37 was made, the instrument setting forth the contract or agreement was executed and the parties were
38 bound. The urban renewal agency of the municipality may use any of the money available to it from
39 the issuance of the bonds for carrying out the project in accordance with the contract or agreement.

40 **SECTION 447.** ORS 457.420 is amended to read:

41 457.420. (1) Any urban renewal plan may contain a provision that the ad valorem taxes, if any,
42 levied by a taxing district in which all or a portion of an urban renewal area is located, shall be
43 divided [by rates] as provided in section 1c, Article IX of the Oregon Constitution, and ORS
44 [457.440] **457.420 to 457.460.** Ad valorem taxes shall not be divided if there is no provision in the
45 urban renewal plan for the division.

1 (2) No plan adopted after October 3, 1979, shall provide for a division of ad valorem taxes under
2 subsection (1) of this section if:

3 (a) For municipalities having a population of more than 50,000, according to the latest state
4 census:

5 (A) The assessed value for the urban renewal areas of the plan, when added to the total assessed
6 value previously certified by the assessor for other urban renewal plans of the municipality for
7 which a division of ad valorem taxes is provided exceeds a figure equal to 15 percent of the total
8 assessed value of that municipality, exclusive of any increased assessed value for other urban re-
9 newal areas; or

10 (B) The urban renewal areas of the plan when added to the areas included in other urban re-
11 newal plans of the municipality providing for a division of ad valorem taxes, exceed a figure equal
12 to 15 percent of the total land area of that municipality.

13 (b) For municipalities having a population of less than 50,000, according to the latest state
14 census:

15 (A) The assessed value for the urban renewal areas of the plan, when added to the total assessed
16 value previously certified by the assessor for other urban renewal plans of the municipality for
17 which a division of ad valorem taxes is provided exceeds a figure equal to 25 percent of the total
18 assessed value of that municipality, exclusive of any increased assessed value for other urban re-
19 newal areas; or

20 (B) The urban renewal areas of the plan, when added to the areas included in other urban re-
21 newal plans of the municipality providing for a division of ad valorem taxes, exceed a figure equal
22 to 25 percent of the total land area of that municipality.

23 (3) Property may not be included in more than one urban renewal area.

24 **SECTION 448.** ORS 457.430 is amended to read:

25 457.430. (1) As soon as practicable after the approval of a plan containing a provision authorized
26 by ORS 457.420, the county assessor of each county in which an urban renewal area is located shall
27 prepare, in duplicate, a certified statement of the total assessed value, as shown on the county as-
28 sessment roll last certified prior to the effective date of the ordinance approving the plan, of all of
29 the taxable real and personal property contained in the urban renewal area in the county.

30 (2) Wherever only a part of an urban renewal area is located in a taxing district, the assessor
31 also shall show in the statement required by subsection (1) of this section the assessed value of the
32 real and personal property in the part of the urban renewal area located in the taxing district.

33 (3) One copy of the certified statement shall be filed by the assessor with the agency and the
34 other copy shall constitute a part of the public records of the county assessor's office.

35 (4) Whenever a part of an urban renewal area comes within the territory of a taxing district
36 either by annexation, incorporation of a new taxing district or consolidation, after the approval of
37 a plan containing a provision authorized by ORS 457.420, the county assessor shall in the same
38 manner as under subsection (3) of this section file a certified statement or an amendment to a cer-
39 tified statement to show the assessed value of the real and personal property in that part of the
40 urban renewal area incorporated by annexation or consolidation into the taxing district. The as-
41 sessed value of the real and personal property so incorporated shall be determined in the same
42 manner and as of the same date as provided in subsections (1) and (2) of this section.

43 (5) When a certified statement is filed as required by subsection (1) of this section, if the law
44 provides a [percentage] reduction or increase of the valuation for tax purposes of the taxable prop-
45 erty contained in the urban renewal area at the time of the filing, the assessor shall state the total

1 assessed value as it is so reduced or increased. After a certified statement has been filed as required
 2 by subsection (1) of this section, if a law is enacted which provides a [percentage] reduction or in-
 3 crease of the valuation for tax purposes of the taxable property contained in the urban renewal area
 4 at the time the certified statement was filed, the assessor shall amend the certified statement an-
 5 nually or as otherwise required to reduce or increase the stated total assessed value of the real and
 6 personal property accordingly. An amendment to the certified statement shall be filed in the manner
 7 provided by subsections (3) and (4) of this section.

8 (6)(a) **Subject to subsections (4) and (5) of this section and paragraph (b) of this sub-**
 9 **section,** all certified statements and amendments thereto filed under this section before [September
 10 29, 1991] **the effective date of this 1997 Act,** shall continue to remain in effect. [The total true cash
 11 value contained in those certified statements shall constitute the total assessed value for purposes of this
 12 section.]

13 (b) **Effective as of the tax year beginning on July 1, 1997,** the assessor shall amend the
 14 amount of assessed value included in a certified statement by applying to the certified as-
 15 sessed value of each tax code area located within an urban renewal area the percentage ob-
 16 tained by dividing the total assessed value within the tax code area, including growth in
 17 assessed value over the certified assessed value, by the total real market value within the
 18 tax code area.

19 **SECTION 449.** ORS 457.440 is amended to read:

20 457.440. During the period specified under ORS 457.450:

21 (1) The county assessor shall determine the amount of funds to be raised each year for urban
 22 renewal within the county [by dividing the ad valorem taxes] levied by taxing districts in accordance
 23 with section 1c, Article IX of the Oregon Constitution, [ORS 457.420 and this section] **and ORS**
 24 **457.420 to 457.460.**

25 (2) Not later than July 15 of each tax year, each urban renewal agency shall determine and
 26 [certify to] file with the county assessor [the following:] a notice stating the amount of funds to
 27 be raised for each urban renewal area as follows:

28 (a) If the municipality that activated the urban renewal agency has chosen Option One
 29 as provided in section 454 (2)(a) of this 1997 Act, the notice shall state that the maximum
 30 amount of funds that may be raised by dividing the taxes under section 1c, Article IX of the
 31 Oregon Constitution, shall be raised for the agency.

32 (b) If the municipality that activated the urban renewal agency has chosen Option Two
 33 as provided in section 454 (2)(b) of this 1997 Act, the notice shall state the amount of funds
 34 to be raised by the special levy.

35 (c) If the municipality that activated the urban renewal agency has chosen Option Three
 36 as provided in section 454 (2)(c) of this 1997 Act, the notice shall state the amount of funds
 37 to be raised by special levy in addition to the amount to be raised by dividing the taxes as
 38 stated in the ordinance adopted under section 454 (1) of this 1997 Act.

39 (d) If the plan is not an existing plan, the notice shall state that the maximum amount
 40 of funds that may be raised by dividing the taxes under section 1c, Article IX of the Oregon
 41 Constitution, shall be raised for the agency.

42 [(a) The amount of funds to be raised each year for the purpose of paying principal and interest
 43 on bonded indebtedness from each urban renewal area through the division of taxes that are not subject
 44 to the limits of section 11b, Article XI of the Oregon Constitution.]

45 [(b) If the municipality that activated the urban renewal agency has limited the funds to be received

1 by the agency under subsection (3) of this section, the amount of funds to be raised each year for the
 2 purpose of paying other indebtedness from each urban renewal area through the division of taxes that
 3 are subject to the limits of section 11b, Article XI of the Oregon Constitution.]

4 [(c) If the municipality that activated the urban renewal agency has not limited the funds to be
 5 received by the agency under subsection (3) of this section, a statement that the maximum amount of
 6 funds that may be raised by dividing the ad valorem taxes levied by taxing districts under this section
 7 shall be raised.]

8 (3) [The amounts certified under subsection (2)(b) of this section] **If a municipality has chosen**
 9 **Option Three pursuant to section 454 of this 1997 Act, the maximum amount of funds that**
 10 **may be raised for an urban renewal agency by dividing the taxes as provided in section 1c,**
 11 **Article IX of the Oregon Constitution, may be limited by the municipality in which the urban**
 12 **renewal agency is located. The decision of the municipality to limit the amount of funds to be [cer-**
 13 **tified] included in the notice filed under subsection (2) of this section shall be reflected in the**
 14 **certified statement filed by the urban renewal agency with the county assessor.**

15 (4) Not later than September 25 of each tax year, the assessor of any county in which a joint
 16 district is located shall provide, to the assessor of each other county in which the joint district is
 17 located, the assessed values of the property in the joint district that is located within the county,
 18 including the certified statement value and the increment for **each code area containing** any urban
 19 renewal area located within the joint district, and a copy of the [certificate] notice filed by the urban
 20 renewal agency for the area located within the joint district under subsection (2) of this section.

21 (5) **The maximum amount of funds that may be raised for an urban renewal plan by di-**
 22 **viding the taxes as provided in section 1c, Article IX of the Oregon Constitution, shall be**
 23 **computed by the county assessor as follows:**

24 (a) The county assessor shall compute the **total consolidated** tax rate for each [taxing district]
 25 **code area** in which [all or part of] an urban renewal area **of the plan** is located [in the manner
 26 provided by ORS 310.090, except that assessed value to be divided into the total amount of money
 27 proposed to be raised by the taxing district shall not include the increment for the taxing district].

28 (b) The assessor shall determine the amount of taxes that would be produced by extending the
 29 tax rate computed under paragraph (a) of this subsection against the increment of each [taxing dis-
 30 trict] **code area.**

31 (c) **The total amount determined for all code areas containing urban renewal areas in-**
 32 **cluded within the urban renewal plan is the maximum amount of funds to be raised for the**
 33 **urban renewal plan by dividing the taxes.**

34 [(6) For each taxing district, the assessor shall divide and attribute the tax rate determined under
 35 subsection (5)(a) of this section between the taxing district and each urban renewal area of the urban
 36 renewal agency and shall calculate, extend and, subject to section 11b, Article XI of the Oregon Con-
 37 stitution, collect amounts as follows:]

38 [(a) The assessor shall calculate the urban renewal rates by dividing the amount determined under
 39 subsection (5)(b) of this section attributable to the agency by the assessed value of the shared property
 40 of the taxing district and the urban renewal agency.]

41 [(b) The portion of each urban renewal rate determined by multiplying that urban renewal rate by
 42 the ratio, not greater than one, of the amount certified under subsection (2)(a) of this section for the
 43 urban renewal area to the total amounts determined in subsection (5)(b) of this section for the area
 44 shall be extended against the shared property of the taxing district and the urban renewal agency. Any
 45 amounts collected pursuant to this portion of the urban renewal rate shall be paid into a special fund

1 of the urban renewal agency and shall be used to pay the principal and interest on bonded indebtedness
 2 incurred by the agency to finance or refinance the urban renewal plan for the area.]

3 [(c) Any portion of each urban renewal rate not extended under paragraph (b) of this subsection
 4 shall be extended against the shared property of the taxing district and the urban renewal agency.
 5 However, if a municipality has limited the funds to be received by an urban renewal area under sub-
 6 section (3) of this section, the rate for the area shall not exceed the rate determined by multiplying the
 7 urban renewal rate by the ratio of the amount certified under subsection (2)(b) of this section to the
 8 total amounts determined in subsection (5)(b) of this section for the area. Any amounts collected pur-
 9 suant to this portion of the urban renewal rate shall be paid into a special fund of the urban renewal
 10 agency and shall be used to pay the principal and interest of any indebtedness incurred by the agency
 11 to finance or refinance the urban renewal plan of the area.]

12 [(d) Any remaining portion of the urban renewal rate shall not be extended against the shared
 13 property of the taxing district and the urban renewal agency.]

14 [(e) The portion of the rate determined under subsection (5)(a) of this section after subtracting the
 15 urban renewal rate shall be extended against the shared property of the taxing district and the urban
 16 renewal agency. Any amounts collected pursuant to this portion of the taxing district rate shall be
 17 distributed to the taxing district.]

18 [(f) The entire rate determined under subsection (5)(a) of this section shall be extended against the
 19 property of the taxing district that is not shared property of the taxing district and any urban renewal
 20 agency. Any amounts collected pursuant to this rate shall be distributed to the taxing district.]

21 [(7)] **(6)(a)** [Any amount collected for an urban renewal agency pursuant to this section shall be
 22 deposited into the unsegregated tax collections account and distributed to the urban renewal agency
 23 based upon the distribution schedule established under ORS 311.390.] **The maximum amount of**
 24 **funds that may be raised for an urban renewal agency as determined under subsection (5)**
 25 **of this section, or the maximum amount, as determined under subsection (2) of this section,**
 26 **shall be certified by the county assessor to the tax collector. The tax collector shall include**
 27 **the amount so certified in the percentage schedule of the ratio of taxes on property prepared**
 28 **under ORS 311.390 and filed with the county treasurer. Notwithstanding ORS 311.395 (5), the**
 29 **county treasurer shall credit the amount to the urban renewal agency and shall distribute**
 30 **its percentage amount to the urban renewal agency as determined by the schedule at the**
 31 **times other distributions are made under ORS 311.395 (6).**

32 **(b) The county assessor shall notify the urban renewal agency of the amounts received**
 33 **under subsection (5) of this section or amounts received pursuant to the notice provided in**
 34 **subsection (2) of this section for each urban renewal plan area. Any amounts received by the**
 35 **urban renewal agency under paragraph (a) of this subsection shall be attributed to the urban**
 36 **renewal plan in which the urban renewal area is included, shall be paid into a special fund**
 37 **of the urban renewal agency for the urban renewal plan and shall be used to pay the principal**
 38 **and interest on any indebtedness issued or incurred by the urban renewal agency to finance**
 39 **or refinance the urban renewal plan.**

40 [(8)] **(7) Unless and until the total assessed value of the taxable property in an urban renewal**
 41 **area exceeds the total assessed value specified in the certified statement, all of the ad valorem taxes**
 42 **levied and collected upon the taxable property in [such] the urban renewal area shall be paid into**
 43 **the funds of the respective taxing districts.**

44 [(9)] **(8) The agency may incur indebtedness, including obtaining loans and advances in carrying**
 45 **out the urban renewal plan, and the portion of taxes received under this section may be irrevocably**

1 pledged for the payment of principal of and interest on *[such]* the indebtedness.

2 ~~[(10)]~~ (9) The Department of Revenue shall by rule establish procedures for *[certification]* giving
3 notice of amounts to be raised, *[calculation of rates]* for urban renewal agencies and for determi-
4 nation of amounts to be raised and distributed *[under this section]* to urban renewal agencies.

5 (10) The notice required under this section shall serve as the notice required under ORS
6 310.060 for the special levy described under section 454 of this 1997 Act.

7 **SECTION 450.** ORS 457.450 is amended to read:

8 457.450. (1)(a) ORS 457.440 shall first apply to the assessment roll next following the tax roll
9 referred to in ORS 457.430 if the assessor is provided notice of a plan adoption or amendment
10 changing area boundaries by the agency prior to January 1 before the tax year to which the plan
11 first applies.

12 (b) If the assessor is not provided notice of plan adoption or amendment changing area bound-
13 aries by the agency prior to January 1 before the tax year to which ORS 457.440 would otherwise
14 first apply, then ORS 457.440 shall first apply to the assessment roll next following the assessment
15 roll described in paragraph (a) of this subsection.

16 (2) When the principal and interest on indebtedness to which the portion of taxes is irrevocably
17 pledged for payment under ORS 457.440 or section 454 of this 1997 Act is fully paid, or it is found
18 that deposits in the special fund are sufficient to fully pay principal and interest on that indebt-
19 edness either through direct payment of the indebtedness or by payment of principal and interest
20 on bonds or notes issued to finance the indebtedness, the agency shall notify the assessor of that
21 fact *[and for the tax year for which the notice is received and each year thereafter the county assessor*
22 *shall compute the rate percent of the levy for each taxing district in which an urban renewal area, or*
23 *part thereof, is located without regard to the limitations provided in ORS 457.440].*

24 (3) All moneys remaining unexpended from the special fund provided for in ORS 457.440 or
25 section 454 of this 1997 Act, after payment of all the principal and interest on indebtedness is
26 provided for, shall be turned over to the county treasurer by the agency and prorated by the
27 treasurer back to the taxing districts in which the area, or part thereof, is located, in proportion
28 to the amount of money in the fund attributable to each taxing district for the last fiscal year in
29 which tax levy moneys were paid into the special fund of the agency under ORS 457.440 or section
30 454 of this 1997 Act.

31 **SECTION 451.** ORS 457.460 is amended to read:

32 457.460. (1) An agency shall, by August 1 of each year, prepare a statement on the same basis
33 on which its financial statements are prepared containing:

34 (a) The amount of money *[actually]* received during the preceding fiscal year under ORS
35 ~~[457.440]~~ 457.420 to 457.460 and from indebtedness incurred under ORS ~~[457.440]~~ 457.420 to
36 457.460;

37 (b) The purposes and amounts for which any money received under ORS ~~[457.440]~~ 457.420 to
38 457.460 and from indebtedness incurred under ORS ~~[457.440]~~ 457.420 to 457.460 were expended dur-
39 ing the preceding fiscal year;

40 (c) An estimate of moneys to be received during the current fiscal year under ORS ~~[457.440]~~
41 457.420 to 457.460 and from indebtedness incurred under ORS ~~[457.440]~~ 457.420 to 457.460;

42 (d) A budget setting forth the purposes and estimated amounts for which the moneys which have
43 been or will be received under ORS ~~[457.440]~~ 457.420 to 457.560 and from indebtedness incurred
44 under ORS ~~[457.440]~~ 457.420 to 457.460 are to be expended during the current fiscal year; and

45 (e) An analysis of the impact, if any, of carrying out the urban renewal plan on the tax *[rate for*

1 ginning July 1, 1996.

2 (2) Notwithstanding section 454 (3) of this Act, the municipality that activated the urban
3 renewal agency may adopt an ordinance as provided in section 454 of this Act to impose a
4 special levy for an amount equal to the amount that was not collected for urban renewal for
5 the tax year beginning July 1, 1996.

6 (3) The special levy shall be extended as provided in section 454.

7 (4) This section applies to the tax year beginning July 1, 1997.

8
9 **FEE SHIFT RESTRICTIONS**

10
11 **SECTION 455.** Sections 456 to 462 of this Act are added to and made a part of ORS
12 chapter 310.

13 **SECTION 456.** As used in sections 456 to 462 of this 1997 Act:

14 (1) "Fee, tax, assessment or other charge":

15 (a) Means an amount of money that a person is required to pay to a local taxing district.

16 (b) Does not include moneys received by a local taxing district as:

17 (A) Rent or lease payments;

18 (B) Interest, dividends, royalties or other investment earnings;

19 (C) Fines, penalties and unitary assessments;

20 (D) Amounts charged to and paid by another unit of government for products, services
21 or property;

22 (E) Payments derived from a contract entered into by the local government as a propri-
23 etary function of that government; or

24 (F) Any other amount determined under section 459 of this 1997 Act not to constitute a
25 fee, tax, assessment or other charge.

26 (2) "Fee" means a fee, tax, assessment or other charge.

27 (3) "Government" means this state or a political subdivision of this state.

28 (4) "Local taxing district":

29 (a) Means a subdivision of government that receives revenues derived wholly or in part
30 from ad valorem property taxes.

31 (b) Does not include a subdivision of government that derived less than 10 percent of the
32 subdivision's operating revenues from ad valorem property taxes, other than ad valorem
33 property taxes imposed to pay bonded indebtedness, during the fiscal year ending June 30,
34 1996.

35 (5) "Shift" means an affirmative action by a local taxing district government to fund a
36 qualified government product or service during the initial implementation period by replacing
37 property tax reduction amounts with new or increased fees.

38 (6) "Affirmative action":

39 (a) Means an act of a local taxing district, by resolution, ordinance, administrative rule
40 or order, to create or increase fees during the initial implementation period; and

41 (b) Does not include increases in fees to the extent that the increased fees are due to
42 increases in numbers of persons paying fees, fee indexing that was approved by resolution,
43 ordinance, administrative rule or order before section 11, Article XI of the Oregon Consti-
44 tution, took effect, or increases due to other causes not related to an affirmative act of
45 government.