

Meeting Date: August 8, 1991

Agenda No.: #2

(Above space for Clerk's Office Use)

AGENDA PLACEMENT FORM
(For Non-Budgetary Items)

SUBJECT: John Cotton Dana Library Public Relations Award

AGENDA REVIEW/ August 6, 1991 REGULAR MEETING August 8, 1991
BOARD BRIEFING (date) (date)

DEPARTMENT Department of Library Services DIVISION Administration

CONTACT Teri Duffy TELEPHONE 248-3308

PERSON(S) MAKING PRESENTATION Ginny Cooper

ACTION REQUESTED:

☒ INFORMATIONAL ONLY ☐ POLICY DIRECTION ☐ APPROVAL

ESTIMATED TIME NEEDED ON BOARD AGENDA: 10 minutes TIME CERTAIN: 9:50 A.M.

CHECK IF YOU REQUIRE OFFICIAL WRITTEN NOTICE OF ACTION TAKEN: _____

BRIEF SUMMARY (include statement of rationale for action requested, as well as personnel and fiscal/budgetary impacts, if applicable):

Multnomah County Library has received a John Cotton Dana Library Public Relations Award for its year long activities in connection with the opening of the Gresham Regional Library. The award is sponsored by the American Library Association's Administration and Management Association and the H.W. Wilson Company.

(If space is inadequate, please use other side)

SIGNATURES:

ELECTED OFFICIAL _____

Or

DEPARTMENT MANAGER _____

(All accompanying documents must have required signatures)

CLERK OF
COUNTY COMMISSIONERS
1991 JUL 30 AM 10:55
MULTNOMAH COUNTY
OREGON

BOARD OF COUNTY COMMISSIONERS
FORMAL BOARD MEETING
RESULTS

MEETING DATE: 8-8-91

Agenda Item #	Motion	Second	APP/NOT APP
#1 <u>Awards</u>	<u>Presented</u>		
<u>236</u>			
#2 <u>Award</u>	<u>Presented</u>		
<u>C-1</u>	<u>LB</u>	<u>SK</u>	<u>App</u>
<u>R-1</u>	<u>SK</u>	<u>GH</u>	<u>App</u>
<u>R-2</u>	Reconsideration of a motion to Approve the 1st Reading of Reading of the B.T. Amendment. <u>GH</u> <u>PA</u> <u>App</u>		
	Comm. Anderson		<u>yes</u> <u>na</u>
	Comm. Bauman		<u>X</u>
	Comm. Kelley		<u>X</u>
	Comm. Hansen		<u>X</u>
	Chair McCaff		<u>X</u>
	<u>Motion to set 2nd Reading on 8-22-91</u>		
<u>R-2</u>	<u>SK</u>		<u>App</u>
	Comm. Anderson		<u>yes</u> <u>no</u>
	Comm. Bauman		<u>X</u>
	Comm. Kelley		<u>X</u>
	Comm. Hansen		<u>X</u>
	Chair McCaff		<u>X</u>



MULTNOMAH COUNTY OREGON

BOARD OF COUNTY COMMISSIONERS
ROOM 606, COUNTY COURTHOUSE
1021 S.W. FOURTH AVENUE
PORTLAND, OREGON 97204

GLADYS McCOY •	CHAIR •	248-3308
PAULINE ANDERSON •	DISTRICT 1 •	248-5220
GARY HANSEN •	DISTRICT 2 •	248-5219
RICK BAUMAN •	DISTRICT 3 •	248-5217
SHARRON KELLEY •	DISTRICT 4 •	248-5213
CLERK'S OFFICE •		248-3277

AGENDA

MEETINGS OF THE MULTNOMAH COUNTY BOARD OF COMMISSIONERS

FOR THE WEEK OF

AUGUST 5 - 9, 1991

Tuesday, August 6, 1991 - 9:30 AM - Planning Item. Page 2
Tuesday, August 6, 1991 - 9:35 AM - Regular Meeting. Page 2
Tuesday, August 6, 1991 - 10:00 AM - Board Briefing. Page 2
Tuesday, August 6, 1991 - 10:30 AM - Agenda Review Page 2
Thursday, August 8, 1991 - 9:30 AM - Regular Meeting Page 3
Friday, August 9, 1991 - 8:00 AM - 4:30 PM Page 3
Strategic Planning Session
Willamette Center, River Room
121 SW Salmon - Mezzanine Level

Thursday Meetings of the Multnomah County Board of Commissioners are recorded and can be seen at the following times:

Thursday, 10:00 PM, Channel 11 for East and West side subscribers
Friday, 6:00 PM, Channel 27 for Paragon Cable (Multnomah East) subscribers
Saturday 12:00 PM, Channel 21 for East Portland and East County subscribers

Tuesday, August 6, 1991 - 9:30 AM

Multnomah County Courthouse, Room 602

PLANNING ITEM

- P-1 CU 6-91 Request for Board Reconsideration of the Scope of Review for the August 13, 1991 Board Hearing in the Matter of an Appeal of the Decision to APPROVE, SUBJECT TO CONDITIONS, a Requested Conditional Use Permit for a Commercial Activity that is in Conjunction with Farm Uses in the EFU Zoning District, for Property Located at 9833 NW CORNELIUS PASS ROAD
-

Tuesday, August 6, 1991 - 9:35 AM

Multnomah County Courthouse, Room 602

REGULAR MEETING

NON-DEPARTMENTAL

- R-1 PROCLAMATION in the Matter of Honoring Dr. Hideo Hashimoto for his Contribution to the National and Local Peace Movement on the Occasion of the 46th Anniversary of the Bombing of Hiroshima
- R-2 First Reading of an ORDINANCE Creating the County Peace Task Force and the Thousand Crane Award to Recognize Citizens who are Leading Multnomah County Toward a Peaceful Non-Nuclear Future
-

Tuesday, August 6, 1991 - 10:00 AM

Multnomah County Courthouse, Room 602

BOARD BRIEFING

- B-1 Briefing on Albina Community Plan Discussion Draft. Presented by Colleen Ackers and Michael Harrison, Portland Bureau of Planning
-

Tuesday, August 6, 1991 - 10:30 AM

Multnomah County Courthouse, Room 602

AGENDA REVIEW

- B-2 Review of Agenda for Regular Meeting of August 8, 1991

Thursday, August 8, 1991 - 9:30 AM

Multnomah County Courthouse, Room 602

REGULAR MEETING

NON-DEPARTMENTAL

1. Formal Recognition of Fifteen and Twenty Year Multnomah County Employees. 9:30 AM Time Certain

LIBRARY SERVICES

2. Presentation of John Cotton Dana Library Public Relations Award. 9:50 AM Time Certain

CONSENT CALENDAR

DEPARTMENT OF HUMAN SERVICES

- APP* C-1 Ratification of an Intergovernmental Agreement Between the City of Portland and Multnomah County Providing Funds for the Emergency Shelter for Homeless Youth Program for the Period July 1, 1991 to June 30, 1992

REGULAR AGENDA

NON-DEPARTMENTAL

- APP* R-1 RESOLUTION in the Matter of Revising the Amount of Ad Valorem Property Taxes for Multnomah County for Fiscal Year 1991-92 *91-112*

- Reconsideration of a motion to approve the*
R-2 First Reading of an ORDINANCE Relating to the Business Income Tax; Amending MCC 5.70.045 (From June 27, 1991)

APP *Second Reading Scheduled for 8-22-91.*

Friday, August 9, 1991 - 8:00 AM - 4:30 PM

Willamette Center, River Room
121 SW Salmon, Mezzanine Level

STRATEGIC PLANNING SESSION

1. The Multnomah County Board of Commissioners Will Meet to Consider Long-Range Policy Directions for Multnomah County.

0104C/18-20/cap

Meeting Date: August 8, 1991

Agenda No.: #/

(Above space for Clerk's Office Use)

AGENDA PLACEMENT FORM
(For Non-Budgetary Items)

SUBJECT: Fifteen and Twenty Year Employee Recognition

AGENDA REVIEW/
BOARD BRIEFING August 6, 1991
(date)

REGULAR MEETING August 8, 1991
(date)

DEPARTMENT Chairs Office

DIVISION _____

CONTACT Teri Duffy

TELEPHONE 248-3308

PERSON(S) MAKING PRESENTATION Sara Martin

ACTION REQUESTED:

☒ INFORMATIONAL ONLY

☐ POLICY DIRECTION

☐ APPROVAL

ESTIMATED TIME NEEDED ON BOARD AGENDA: 20-30 minutes TIME CERTAIN: 9:30 A.M.

CHECK IF YOU REQUIRE OFFICIAL WRITTEN NOTICE OF ACTION TAKEN: _____

BRIEF SUMMARY (include statement of rationale for action requested, as well as personnel and fiscal/budgetary impacts, if applicable):

Formal recognition of employees who have been employees of Multnomah County for 15 and 20 years.

(If space is inadequate, please use other side)

SIGNATURES:

ELECTED OFFICIAL _____

Or

DEPARTMENT MANAGER _____

(All accompanying documents must have required signatures)

BOARD OF
COUNTY COMMISSIONERS
1991 JUL 30 AM 10:55
MULTNOMAH COUNTY
OREGON

Employees Attending the Ceremony

John B. Bjork - P-20

William P. Bodine - N-20 ①

✓ Gary D. Brown - N-20 ②

✓ Michael W. Bufton - P-15

✓ Eunice B. Butler - 15-P

✓ Janette Cantrell - 15-N

✓ Virginia J. Chadly - N-15

✓ James S. Czmowski - N-20 ③

✓ Marilyn J. Dirksen - 20-N

✓ Amancio R. Dizon - N-20 ④

✓ William W. Dorety - N-20

Henry G. How - P-15

✓ Janet M. Irwin - 20-P

✓ Marjorie F. Olson - 15-N

✓ James H. Peebles - P-20

Sharileen A. Reed - N-15

Ralph Schaffer, Jr. - P-15

✓ Wilma J. Smith - 15-P

✓ Mildred E. Titus - P-15

✓ Annie Ilene Vetsch - 20N-⑤

✓ Joan Vielhauer - 20-N

102012

Meeting Date: AUG 0 8 1991

Agenda No.: C-1

(Above space for Clerk's Office Use)

AGENDA PLACEMENT FORM
(For Non-Budgetary Items)

SUBJECT: Approval of an Intergovernmental Agreement with the City of Portland
Bureau of Community Development

BCC Informal _____ (date) BCC Formal _____ (date)

DEPARTMENT Human Services DIVISION Social Services

CONTACT Kathy Tinkle TELEPHONE 248-3691

PERSON(S) MAKING PRESENTATION Billi Odegaard/Gary Smith

ACTION REQUESTED:

☐ INFORMATIONAL ONLY ☐ POLICY DIRECTION ☒ APPROVAL

ESTIMATED TIME NEEDED ON BOARD AGENDA: 5 Minutes

CHECK IF YOU REQUIRE OFFICIAL WRITTEN NOTICE OF ACTION TAKEN: _____

BRIEF SUMMARY (include statement of rationale for action requested,
as well as personnel and fiscal/budgetary impacts, if applicable):

Ratification of an Intergovernmental Agreement between the Multnomah County Social Services Division Youth Program Office and the City of Portland Bureau of Community Development effective July 1, 1991 through June 30, 1992. This is a revenue agreement wherein the City of Portland agrees to pay \$79,000 as their portion to jointly fund Emergency Shelter for the Homeless Youth Program.

(If space is inadequate, please use other side)

SIGNATURES:

ELECTED OFFICIAL _____

Or

DEPARTMENT MANAGER Billi Odegaard (S.O.)

(All accompanying documents must have required signatures)

Sent Original GA + Contacts to Kathy Tinkle on 8-9-91.

BOARD OF
COUNTY COMMISSIONERS
1991 AUG - 1 AM 10:03
MULTNOMAH COUNTY
OREGON



MULTNOMAH COUNTY OREGON

DEPARTMENT OF HUMAN SERVICES
SOCIAL AND FAMILY SERVICES DIVISION
ADMINISTRATIVE OFFICES
426 S.W. STARK ST., 6TH FLOOR
PORTLAND, OREGON 97204
(503) 248-3691
FAX (503) 248-3379

BOARD OF COUNTY COMMISSIONERS
GLADYS McCOY • CHAIR OF THE BOARD
PAULINE ANDERSON • DISTRICT 1 COMMISSIONER
GARY HANSEN • DISTRICT 2 COMMISSIONER
RICK BAUMAN • DISTRICT 3 COMMISSIONER
SHARRON KELLEY • DISTRICT 4 COMMISSIONER

M E M O R A N D U M

TO: Gladys McCoy
Multnomah County Chair

VIA: Billi Odegaard, Interim Director *Billi Odegaard (H.O.)*
Department of Human Services

FROM: Gary Smith, *DWP* Director
Social Services Division

DATE: July 11, 1991

SUBJECT: Approval of an Intergovernmental Agreement with the City
of Portland

RETROACTIVE STATUS: This agreement is retroactive to July 1, 1991. It was not received by Multnomah County Social Services Division until June 18, 1991 at which time the processing of amendments to contracts expiring on June 30, 1991 had to receive priority processing.

RECOMMENDATION: Social Services Division recommends Chair and Board approval of the attached revenue agreement between the Youth Program Office and the City of Portland effective July 1, 1991 through June 30, 1992.

ANALYSIS/BACKGROUND: This agreement renews the City's obligation to help fund emergency shelter and related services to homeless youth. The City of Portland is allocating \$79,000 from the Housing and Community Development for this purpose. The United Way also contributes funding to this project. The Youth Program Office has subcontracted the funding to Transition Projects, Inc., formerly Burnside Projects, Inc. Revenue from this agreement was anticipated and is included in the program budget.

**CONTRACT APPROVAL FORM**

(See Administrative Procedure #2106)

MULTNOMAH COUNTY OREGON

Contract # 102012Amendment # —

CLASS I	CLASS II	CLASS III
<input type="checkbox"/> Professional Services under \$10,000	<input type="checkbox"/> Professional Services over \$10,000 (RFP, Exemption) <input type="checkbox"/> PCR B Contract <input type="checkbox"/> Maintenance Agreement <input type="checkbox"/> Licensing Agreement <input type="checkbox"/> Construction <input type="checkbox"/> Grant <input type="checkbox"/> Revenue	<input checked="" type="checkbox"/> Intergovernmental Agreement <div style="text-align: center;">RATIFIED</div> <div style="text-align: center;">Multnomah County Board of Commissioners</div> <div style="text-align: center;">C-1 August 8, 1991</div>

Contact Person Kathy Tinkle Phone 248-3691 Date July 8, 1991Department Human Services Division Social Services Bldg/Room 160/6Description of Contract An agreement wherein the City of Portland agrees to pay \$79,000 as their portion to jointly fund Emergency Shelter for Homeless Youth Program effective July 1, 1991 through June 30, 1992.RFP/BID # N/A IGA Date of RFP/BID _____ Exemption Exp. Date _____ORS/AR # _____ Contractor is ☐ MBE ☐ WBE ☐ QRFContractor Name CITY OF PORTLAND-Bureau of Community DevelopmentMailing Address 808 SW 3rd, Room 600 (Attn: Barbara Madigan)
Portland, OR. 97204Phone 796-5166Employer ID # or SS # N/AEffective Date July 1, 1991Termination Date June 30, 1992

Original Contract Amount \$ _____

Amount of Amendment \$ _____

Total Amount of Agreement \$ 79,000**Payment Term**☐ Lump Sum \$ _____☐ Monthly \$ _____☐ Other \$ _____☐ Requirements contract - Requisition required.

Purchase Order No. _____

☐ Requirements Not to Exceed \$ _____**REQUIRED SIGNATURES:**Department Manager Billi Odegaard (C.O.)

Date _____

Purchasing Director _____
(Class II Contracts Only)

Date _____

County Counsel [Signature]Date 7-31-91County Chair/Sheriff [Signature]Date 8/8/91

VENDOR CODE			VENDOR NAME						TOTAL AMOUNT		\$	
LINE NO.	FUND	AGENCY	ORGANIZATION	SUB ORG	ACTIVITY	OBJECT	SUB OBJ	REPT CATEG	LGFS DESCRIPTION	AMOUNT		INC/ DEC IND
01.	156	010	1505						Revenue 2100	79,000		
02.												
03.												

INSTRUCTIONS ON REVERSE SIDE

WHITE - PURCHASING

CANARY - INITIATOR

PINK - CLERK OF THE BOARD

GREEN - FINANCE

AGREEMENT

An agreement between the City of Portland (City) and Multnomah County (County) to provide the Emergency Shelter for Homeless Youth.

RECITALS:

1. There is a need to provide emergency shelter and related services to homeless youth in the Portland area.
2. Several public and private agencies are committed to working together to provide this service to this needy population.
3. Multnomah County has been designated as the public agency to provide youth services in the Portland area.
4. The County has contracted with Transition Projects, Inc. as the agency to provide the Emergency Shelter for Homeless Youth Program.
5. Funding is being provided by the County, the City and United Way.
6. The City has committed in the FY 91-92 approved budget \$79,000 in the Housing and Community Development Fund for the Youth Shelter.
7. The City now desires to enter into a formal agreement with the County in the amount of \$79,000 so that the County can proceed with this program without delay.

AGREED:

I. Scope of Services

The County will provide the services described below relative to the Emergency Shelter for Homeless Youth Program.

- A. The County will enter into an agreement with Transition Projects as the successful bidder on the program to provide the Emergency Shelter for Homeless Youth Program.
- B. The County will be responsible for implementing the contract and for coordinating contract management.
- C. The shelter will operate seven days a week, 365 days a year, and will provide services to approximately 450 youth (unduplicated). The shelter shall not exceed 30 youth per night.
 1. Two meals per day to youth staying at the shelter.
 2. Provide hygiene, recreation and referral services

- to youth staying at the shelter.
3. Youth served shall not exceed twenty years of age. Youth Shelter staff shall check for run reports on all youth under eighteen years of age with the Juvenile Court. Youth with run reports shall not be sheltered at the shelter.
 4. Youth must identify a plan for leaving street life and demonstrate steps toward accomplishing that plan in cooperation with their assigned case manager.
- D. The County will monitor the program to ensure that the program is being provided in a timely and satisfactory manner within the contract terms negotiated between the County and Transition Projects.
- E. Based upon expenditure statements submitted by Transition Projects, the County will charge program operating costs to the City not to exceed a total of \$79,000 based upon a projected budget attached hereto as Attachment A.
- F. The County will not charge the City an administrative or overhead cost for administering this program. The program is a responsibility of the County with the City providing funding to enable its successful outcome.
- G. The County will provide quarterly reports on the status to the Bureau of Community Development including at a minimum: number of clients (unduplicated) served; number of shelter nights; and racial data.
- H. The City, through the Bureau of Community Development, will provide technical assistance through monitoring and/or upon request of the County.
- I. Any publicity on the program will mention the City's participation through the Bureau of Community Development Housing and Community Development Program.

II. Compensation and Method of Payment

The County will be compensated by the City for operating costs of the Emergency Shelter for Homeless Youth Program through the Housing and Community Development Program. Payments to the County for eligible expenses will be made monthly upon submission of a statement of expenditures based on the request for payment from Transition Projects and the Project's monthly reports. Detailed information on how the funding is expended is to be submitted by the County with the request for payment.

The City's funds can be used for staffing costs, rent, supplies, client services, and any other costs directly related to providing the program incurred by Transition

Projects as indicated on the attached budget. Total compensation under this agreement shall not exceed SEVENTY NINE THOUSAND DOLLARS (\$79,000).

III. Project Manager

- A. The City Project Manager shall be Barbara Madigan or such other person as shall be designated in writing by the Director of the Bureau of Community Development.
- B. The Project Manager is authorized to approve work and billings hereunder, to give notes referred to herein, to terminate this Agreement as provided herein, and to carry out any other City actions referred to herein.

IV. Reporting Requirements

In addition to the quarterly report, the County will prepare a final year end report summarizing the information on the quarterly reports, total number of youth served and ethnic/racial data, a narrative on the program and the results of the program and a few narratives on individual clients served.

V. Maintenance of Records

The Contractor is to maintain fiscal and billing related records as required under General Contract Provisions. In addition, the contractor also is to maintain all records relating to the shelter program including logs and client information on the same schedule as the fiscal reports. All records regarding the program, as well as general organizational and administrative information, will be made available to the City Project Manager or other designated persons upon request. At a minimum, records will be reviewed as part of the annual monitoring process.

VI. Schedule and Performance Measures

In addition to providing 365 nights of shelter for up to 30 youth per night, the County will track numbers of youth transitioning out of the shelter into a more stable life style. The following performance measures were identified by Transition Projects in its annual budget submission and are guidelines for assessing the effectiveness of the shelter program in assisting youth to access programs.

- Number of youth entering transitional housing programs - 45
- Number of youth in case management programs - 324
- Number of youth in Job Corps - 75
- Number of youth receiving Alcohol/Drug assessments - 100
- Percentage of youth who use the shelter who enter case management, jobs, and housing programs - 60%.

VII. GENERAL CONTRACT PROVISIONS

- A. **TERMINATION FOR CAUSE.** In accordance with 24 CFR 85.43, if, through any cause, the Contractor shall fail to fulfill in timely and proper manner his/her obligations under this Contract, or if the Contractor shall violate any of the covenants, agreements, or stipulations of this Contract, the City may avail itself of such remedies as cited in 24 CFR 85.43 by giving written notice to the Contractor of such action and specifying the effective date thereof at least 30 days before the effective date of such action. In such event, all finished or unfinished documents, data, studies, and reports prepared by the Contractor under this Contract shall, at the option of the City, become the property of the City and the Contractor shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents.

Notwithstanding the above, the Contractor shall not be relieved of liability to the City for damages sustained by the City by virtue of any breach of the Contract by the Contractor, and the City may withhold any payments to the Contractor for the purpose of setoff until such time as the exact amount of damages due the City from the Contractor is determined.

- B. **TERMINATION FOR CONVENIENCE.** In accordance with 24 CFR 85.44, the City and Contractor may terminate this contract at any time by mutual written agreement. If the Contract is terminated by the City as provided herein, the Contractor will be paid an amount which bears the same ratio to the total compensation as the services actually performed bear to the total services of the Contractor covered by this Contract less payments of compensation previously made.
- C. **ENFORCEMENT AND REMEDIES.** In the event of termination under section A hereof by the City due to a breach by the Contractor, then the City may complete the work either itself or by agreement with another contractor, or by a combination thereof. In the event the cost of completing the work exceeds the amount actually paid to the Contractor hereunder plus the remaining unpaid balance of the compensation provided herein, then the Contractor shall pay to the City the amount of excess. Allowable costs shall be determined in accordance with 24 CFR 85.43(c).

The remedies provided to the City under sections A and C hereof for a breach by the Contractor shall not be exclusive. The City also shall be entitled to any other equitable and legal remedies that are available.

In the event of breach of this contract by the City, then the Contractor's remedy shall be limited to termination of the contract and receipt of payment as provided in section B hereof.

In the event of termination under Section A, the City shall provide the Contractor an opportunity for an administrative appeal.

- D. **CHANGES.** The City may, from time to time, request changes in the scope of services or terms and conditions hereunder. Such changes, including any increase or decrease in the amount of the Contractor's compensation, shall be incorporated in written amendments to this contract. Any change that increases the amount of compensation payable to the Contractor must be approved by ordinance of the City Council. Other changes, including changes to scope of work and budget line items, may be approved by the Director of the Bureau of Community Development.
- E. **NON-DISCRIMINATION.** During the performance of this Contract, the Contractor agrees as follows:
1. The Contractor will comply with the non-discrimination provisions of Title VI of the Civil Rights Act of 1964 (24 CFR 1), Fair Housing Act (24 CFR 100), and Executive Order 11063 (24 CFR 107).
 2. The Contractor will comply with prohibitions against discrimination on the basis of age under Section 109 of the Act as well as the Age Discrimination Act of 1975 (24 CFR 146), and the prohibitions against discrimination against otherwise qualified individuals with handicaps under Section 109 as well as section 504 of the Rehabilitation Act of 1973 (24 CFR 8).
 3. The Contractor will comply with the equal employment and affirmative action requirements of Executive Order 11246, as amended by Order 12086 (41 CFR 60).
- F. **SECTION 3:** The Contractor will comply with the training and employment guidelines of Section 3 of the Housing and Urban Development Act of 1968, as amended (12U.S.C. 1701a), and regulations pursuant thereto (24 CFR Part 135).
- G. **ACCESS TO RECORDS.** The City, HUD, the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, general organizational and administrative information, documents, papers, and records of the

Contractor which are directly pertinent to this contract, for the purpose of making audit or monitoring, examination, excerpts, and transcriptions. All required records must be maintained by the Contractor for three years after the City makes final payments and all other pending matters are closed.

- H. MAINTENANCE OF RECORDS. The Contractor shall maintain fiscal records on a current basis to support its billings to the City. The Contractor shall retain fiscal as well as all records relating to program and client eligibility for inspection, audit, and copying for 3 years from the date of completion or termination of this contract. The City or its authorized representative shall have the authority to inspect, audit, and copy on reasonable notice and from time to time any records of the Contractor regarding its billings or its work here under.
- I. AUDIT OF PAYMENTS. The City, either directly or through a designated representative, may audit the records of the Contractor at any time during the 3 year period established by Section H above.

If an audit discloses that payments to the Contractor were in excess of the amount to which the Contractor was entitled, then the Contractor shall repay the amount of the excess to City.

- J. INDEMNIFICATION. The Contractor shall hold harmless, defend, and indemnify the City and the City's officers, agents and employees against all claims, demands, actions, and suits (including all attorney fees and costs) brought against any of them arising from the Contractor's work or any subcontractor's work under this contract.
- K. LIABILITY INSURANCE.

(a) The Contractor shall maintain public liability and property damage insurance that protects the Contractor and the City and its officers, agents, and employees from any and all claims, demands, actions, and suits for damage to property or personal injury, including death, arising from the Contractor's work under this contract. The insurance shall provide coverage for not less than \$200,000 for personal injury to each person, \$500,000 for each occurrence, and \$500,000 for each occurrence involving property damages; or a single limit policy of not less than \$500,000 covering all claims per occurrence. The limits of the insurance shall be subject to statutory changes as to maximum limits of liability imposed on municipalities of the state of Oregon during the term of the agreement. The insurance shall be without prejudice to coverage

otherwise existing and shall name as additional insureds the City and its officers, agents, and employees. Notwithstanding the naming of additional insureds, the insurance shall protect each insured in the same manner as though a separate policy had been issued to each, but nothing herein shall operate to increase the insurer's liability as set forth elsewhere in the policy beyond the amount or amounts for which the insurer would have been liable if only one person or interest had been named as insured. The coverage must apply as to claims between insureds on the policy. The insurance shall provide that it shall not terminate or be canceled without 30 days written notice first being given to the City Auditor. If the insurance is canceled or terminated prior to completion of the contract, Contractor shall provide a new policy with the same terms. Contractor agrees to maintain continuous, uninterrupted coverage for the duration of the contract. The insurance shall include coverage for any damages or injuries arising out of the use of automobiles or other motor vehicles by Contractor.

(b) The Contractor shall maintain on file with the City Auditor a certificate of insurance certifying the coverage required under subsection (a). The adequacy of the insurance shall be subject to the approval of the City Attorney. Failure to maintain liability insurance shall be cause for immediate termination of this agreement by the City.

In lieu of filing the certificate of insurance required herein, Contractor shall furnish a declaration that Contractor is self-insured for public liability and property damage for a minimum of the amounts set forth in ORS 30.270.

L. WORKERS' COMPENSATION INSURANCE.

(a) The Contractor, its subcontracts, 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. A certificate of insurance, or copy thereof, shall be attached to this Agreement as Exhibit 'A', if applicable, and shall be incorporated herein and made a term and part of this Agreement. The Contractor further agrees to maintain workers' compensation insurance coverage for the duration of this Agreement.

(b) In the event the Contractor's workers' compensation insurance coverage is due to expire during the term of this Agreement, the Contractor agrees to timely renew its insurance, either as a carrier-insured employer or

a self-insured employer as provided by Chapter 656 of the Oregon Revised Statutes, before its expiration, and the Contractor agrees to provide the City of Portland such further certification of workers' compensation insurance as renewals of said insurance occur.

(c) The Contractor agrees to accurately complete the City of Portland's Questionnaire for Workers' Compensation Insurance and Qualification as an Independent Contractor prior to commencing work under this Agreement. Questionnaire is attached to this Agreement as Exhibit 'B' and shall remain attached to this Agreement and become a part thereof as if fully copied herein. Any misrepresentation of information on the Questionnaire by the Contractor shall constitute a breach of this Agreement. In the event of breach pursuant to this subsection, City may terminate the agreement immediately and the notice requirement contained in subsection (C), EARLY TERMINATION OF AGREEMENT, hereof shall not apply.

- M. SUBCONTRACTING AND ASSIGNMENT. The Contractor shall not sub-contract its work under this contract, in whole or in part, without the written approval of the City. The Contractor shall require any approved subcontractor to agree, as to the portion subcontracted, to fulfill all obligations of the Contractor as specified in this contract. Notwithstanding City approval of a subcontractor, the Contractor shall remain obligated for full performance hereunder, and the City shall incur no obligation other than its obligations to the Contractor hereunder. The Contractor agrees that if sub-contractors are employed in the performance of this contract, the Contractor and its subcontractors are subject to the requirements and sanctions of ORS Chapter 656, Workers' Compensation. The Contractor shall not assign this contract in whole or in part or any right or obligation hereunder, without prior written approval of the City.

The subcontractor shall be responsible for adhering to all regulations cited within this contract.

- N. INDEPENDENT CONTRACTOR STATUS. The Contractor is engaged as an independent contractor and will be responsible for any federal, state, or local taxes and fees applicable to payments hereunder.

The Contractor and its subcontractors and employees are not employees of the City and are not eligible for any benefits through the City, including without limitation, federal social security, health benefits, workers' compensation, unemployment compensation, and retirement benefits.

- O. CONFLICTS OF INTEREST. No City officer or employee, during his or her tenure or for one year thereafter, shall have any interest, direct, or indirect, in this contract or the proceeds thereof.

No board of director member or employee of the Contractor, during his or her tenure or for one year thereafter, shall have any interest, direct, or indirect, in this contract or the proceeds.

No City Officer or employees who participated in the award of this contract shall be employed by the Contractor during the contract.

On CDBG-funded projects, the Contractor shall further comply with the conflict of interest provisions cited in 24 CFR 570.611.

- P. CONTRACT ADMINISTRATION, 24 CFR 570.502(b). The Contractor shall comply with the applicable provisions of OMB Circular Nos. A-122, A-21, A-133 and A-110 as described by 24 CFR 570.502(b) and 570.610.

- Q. OREGON LAW AND FORUM. This contract shall be construed according to the law of the State of Oregon.

Any litigation between the City and the Contractor arising under this contract or out of work performed under this contract shall occur, if in the state courts, in the Multnomah County court having jurisdiction thereof, and if in the federal courts, in the United States District Court for the State of Oregon.

- R. AVAILABILITY OF FUNDS. It is understood by all parties to this contract that the funds used to pay for services provided herein are provided to the City through a grant from the U.S. Department of Housing and Urban Development. In the event that funding is reduced, recaptured, or otherwise made unavailable to the City as a result of federal action, the City reserves the right to terminate the contract as provided under Section B hereof, or change the scope of services as provided under Section D hereof.

- S. PROGRAM INCOME/PERSONAL PROPERTY. For Community Development Block Grant-funded projects, the Contractor shall comply with provisions of 24 CFR 570.504 regarding program income.

- T. COMPLIANCE WITH LAWS. In connection with its activities under this contract, the Contractor shall comply with all applicable federal, state, and local laws and regulations. For Community Development Block Grant-funded projects, the Contractor shall carry out

its activities in compliance with 24 CFR 570 Subpart K, excepting the responsibilities identified in 24 CFR 570.604 and 570.612.

In the event that the Contractor provides goods or services to the City in the aggregate in excess of \$2,500 per fiscal year, the Contractor agrees it has certified with the City's Equal Employment Opportunity certification process.

- U. MONITORING. The City through the Bureau of Community Development shall monitor at least once each year that portion of the Contractor's project funded with Community Development Block Grant or Emergency Shelter Grant funds. Such monitoring shall ensure that the operation of the project conforms to the provisions of this contract.
- V. EXPIRATION/REVERSION OF ASSETS. For Community Development Block Grant-funded projects, the Contractor shall comply with the Reversion of Assets provision of 24 CFR 570.503 (b) (8).
- W. MINIMIZING DISPLACEMENT. The Contractor assures that it will take all reasonable steps to minimize the displacement of persons as a result of this contract, and shall comply with the applicable provisions of 24 CFR 570.606 or 576.80.
- X. PROGRAM ACCESS BY THE DISABLED. The Contractor shall, to the maximum feasible extent, follow the Bureau of Community Development's guidelines on ensuring interested persons can reasonably obtain information about, and access to, HUD-funded activities.
- Y. FUND-RAISING. City-funded dollars may be used to cover expenses directly related to the contracted project. Costs associated with general agency fund-raising activities are not eligible.
- AA. PUBLICITY. Publicity regarding the project shall note participation of the City through the Bureau of Community Development.
- BB. LOBBYING. No Federal appropriated funds have been paid or will be paid, by or on behalf of the Contractor, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement. If

any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the Contractor shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

The Contractor shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans and cooperative agreement) and that all Subcontractors shall certify and disclose accordingly.

CC. CHURCH-STATE. The Contractor agrees to comply with the applicable provisions of 24 CFR 570.200(j) or 24 CFR 576.22 regarding the use of federal funds by religious organizations.

VIII. Period of Agreement

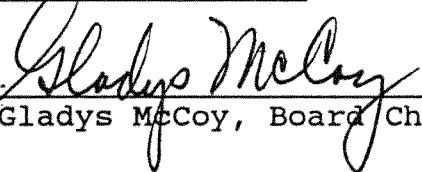
The terms of this Agreement shall be effective as of July 1, 1991 and shall remain in effect during any period the Contractor has control over Federal funds, including program income. Work by the Contractor shall terminate as of June 30, 1992.

Dated this _____ day of _____, 1991.

CITY OF PORTLAND

MULTNOMAH COUNTY


Commissioner Gretchen Kafoury


Gladys McCoy, Board Chair

Barbara Clark, City Auditor

APPROVED AS TO FORM:

Jeffrey L. Rogers, City Attorney


Laurence Kressel, County Counsel

RATIFIED

Multnomah County Board
of Commissioners

C-1 8-8-91

MULTNOMAH COUNTY
TRANSITION PROJECTS, INC.

FY 1991-92 BUDGET

Salaries	\$108,217
Taxes	16,233
Benefits	12,900
Supplies	4,900
Telephone	2,200
Postage	600
Occupany	18,600
Insurance	600
Equipment	550
Printing	1,000
Travel	600
Training	800
Food	26,500
Other	1,650
Indirect Costs (15%)	<u>29,303</u>
Total Youth Shelter Expenses	\$224,653

City funding can reimburse the above line items, not to exceed a total of \$79,000.

Date Submitted 7/29/91

Meeting Date 8/8/91

Agenda No. R-1

REQUEST FOR PLACEMENT ON THE AGENDA

Subject Revised Property Tax Levy for 1991-92

Informal Only

Formal Only

DEPARTMENT Nondepartmental

DIVISION Planning & Budget

CONTACT David Warren

TELEPHONE 248-3822

Brief Summary

Revises the General Fund Tax Base amount levied by one dollar to comply with the correct rounding noted by the Department of Revenue in computing the tax to be levied. The resolution approved by the Board on June 27, 1991 levied \$81,002,931 for the General Fund. The legal limit is \$81,002,930.

Action Requested:

☐ Information Only ☐ Preliminary Approval ☐ Policy Direction ☒ Approval

Estimated Time Needed on Agenda 1 minute

IMPACT:

☐ Personnel
☐ Fiscal/Budgetary
☐ General Fund
☐ Other

1991 JUL 30 AM 10:55
MULTIOMAH COUNTY
OREGON

SIGNATURES

Department Manager

Budget/Personnel

County Counsel

Other

[Signature]
David G. Warren
J.R.

Resolution 91-112 Approved. Sent copies of Resolution to Dave Warren 8-8-91 & Dave Boyer 8-8-91.

BEFORE THE BOARD OF COUNTY COMMISSIONERS FOR
MULTNOMAH COUNTY

(In the matter of revising)	
(the amount of Ad Valorem Property)	RESOLUTION
(Taxes for Multnomah County)	91-112
(for fiscal year 1991-2)	

WHEREAS on April 29, 1991, the Board of County Commissioners, after duly noticed hearings, approved a budget for Multnomah County, Oregon, for the fiscal year beginning July 1, 1991 and ending June 30, 1992; and

WHEREAS on June 20, 1991, the Tax Supervising and Conservation Commission met and discussed the amended budget, and certified the budget; and

WHEREAS on June 27, in accordance with that certification, the Board of County Commissioners adopted the budget for Multnomah County, Oregon for the 1991-92 fiscal year, and that budget provides for ad valorem property taxes levied on all property in Multnomah County; and

WHEREAS on June 27, the Board levied a tax in the amount of \$104,802,931 on all taxable property in Multnomah County and this levy was certified to the Director of Assessment and Taxation of Multnomah County and the Department of Revenue of the State of Oregon to be distributed among three funds as follows:

Tax Base within 6% limitation (General Fund)	\$81,002,931
Library Serial Levy Fund	10,300,000
Jail Levy Fund	13,500,000; and

WHEREAS the State Department of Revenue has determined that the amount levied within the 6% limitation (General Fund) was incorrectly rounded and should be \$81,002,930;

NOW THEREFORE BE IT RESOLVED that a tax for Multnomah County

Revised Resolution Levying Property Taxes
Page 2

is levied in the amount of \$104,802,930 on all taxable property in Multnomah County and this levy is certified to the Director of Assessment and Taxation of Multnomah County and Department of Revenue of the State of Oregon to be distributed among three funds as follows:

Tax Base within 6% limitation (General Fund)	\$81,002,930
Library Serial Levy Fund	10,300,000
Jail Levy Fund	13,500,000.

Adopted this 8th day of August, 1991.



BOARD OF COUNTY COMMISSIONERS
MULTNOMAH COUNTY, OREGON

By

Gladys McCay
Chair

LAURENCE KRESSEL, COUNTY COUNSEL
FOR MULTNOMAH COUNTY, OREGON

Laurence Kressel

#

112

DATE

8/8/91

NAME

Mayor HESSIE M. ROBERT

ADDRESS

1383 NW Eastman

STREET

Gresham OR 97030

CITY

ZIP CODE

I WISH TO SPEAK ON AGENDA ITEM #

R 2

SUBJECT

Business Income Tax

FOR

AGAINST

PLEASE PRINT LEGIBLY!

2

DATE 8-8-91

NAME Jan Burrason

ADDRESS PDC
STREET

CITY

ZIP CODE

I WISH TO SPEAK ON AGENDA ITEM # R-2

SUBJECT Business Income tax

_____ FOR ✓ AGAINST
PLEASE PRINT LEGIBLY!

3

DATE

8/8/91

NAME

DEN McELHUE

ADDRESS

PORTLAND CHAMBER
STREET

CITY

ZIP CODE

I WISH TO SPEAK ON AGENDA ITEM #

SUBJECT

BIT

FOR

AGAINST

PLEASE PRINT LEGIBLY!

#

~~R-2~~ 4

DATE

8-8

NAME

Joan Pasco

ADDRESS

Gresham Chamber

STREET

CITY

ZIP CODE

I WISH TO SPEAK ON AGENDA ITEM #

R-2

SUBJECT

FOR

AGAINST

PLEASE PRINT LEGIBLY!

#

~~27~~ 5

DATE

8/8/91

NAME

Liz Warman

ADDRESS

The Boeing Co.

STREET

11000 NE Sandy Blvd

CITY

ZIP CODE

I WISH TO SPEAK ON AGENDA ITEM #

R-2

SUBJECT

Increase to Bus/Tram Tax

FOR

X

AGAINST

PLEASE PRINT LEGIBLY!

~~R-2~~ 6

DATE 7-8-91

NAME Frank A. Eischen

ADDRESS 19393 SE October Dr

STREET

Boring 97008

CITY

ZIP CODE

I WISH TO SPEAK ON AGENDA ITEM # R-2

SUBJECT Business Fed

_____ FOR ✓ AGAINST

PLEASE PRINT LEGIBLY!

8

DATE Aug 8, 1991

NAME

Jim Brinkman

ADDRESS

2056 SE Salmon

STREET

Portland OR 97214

CITY

ZIP CODE

I WISH TO SPEAK ON AGENDA ITEM #

SUBJECT

Increase in Business Income Tax

FOR

AGAINST

PLEASE PRINT LEGIBLY!

Meeting Date: August 8, 1991

Agenda No.: R-2

(Above space for Clerk's Office Use)

AGENDA PLACEMENT FORM
(For Non-Budgetary Items)

SUBJECT: An Ordinance Relating to the Business Income Tax; Amending MCC 5.70.045

AGENDA REVIEW/
BOARD BRIEFING August 6, 1991 REGULAR MEETING August 8, 1991
(date) (date)

DEPARTMENT Non-Departmental DIVISION Chair Gladys McCoy

CONTACT Ben Buisman TELEPHONE 248-3883

PERSON(S) MAKING PRESENTATION Ben Buisman, Merlin Reynolds

ACTION REQUESTED:

☐ INFORMATIONAL ONLY ☐ POLICY DIRECTION ☒ APPROVAL

ESTIMATED TIME NEEDED ON BOARD AGENDA: 30 Minutes

CHECK IF YOU REQUIRE OFFICIAL WRITTEN NOTICE OF ACTION TAKEN: _____

BRIEF SUMMARY (include statement of rationale for action requested, as well as personnel and fiscal/budgetary impacts, if applicable):

First Reading Continued From June 27, 1991. .5% Increase in BIT.

*Reconsideration of a motion to Approve the First Reading
of an Ordinance Relating to the Business Income Tax
Approved. Second Reading Scheduled for 8-22-91.*

BOARD OF
COUNTY COMMISSIONERS
CLATSOP COUNTY
OREGON
1991 JUL 31 PM 3:55

(If space is inadequate, please use other side)

SIGNATURES:

ELECTED OFFICIAL Gladys McCoy per

OR

DEPARTMENT MANAGER [Signature]

(All accompanying documents must have required signatures)



MULTNOMAH COUNTY OREGON

OFFICE OF COUNTY COUNSEL
1120 S.W. FIFTH AVENUE, SUITE 1530
P.O. BOX 849
PORTLAND, OREGON 97207-0849
(503) 248-3138
FAX 248-3377

BOARD OF COUNTY COMMISSIONERS
GLADYS McCOY, CHAIR
PAULINE ANDERSON
RICK BAUMAN
GARY HANSEN
SHARRON KELLEY

MEMORANDUM

TO: Dave Warren (106/1400)
Budget Manager

FROM: Laurence Kressel (106/1530) *LK*
County Counsel

DATE: August 7, 1991

SUBJECT: Procedure for Board Action on Amendment
to Business Income Tax

COUNTY COUNSEL
LAURENCE KRESSSEL
CHIEF ASSISTANT
JOHN L. DUBAY
ASSISTANTS
JIM MICHAEL DOYLE
SANDRA N. DUFFY
GERALD H. ITKIN
H.H. CAZENBACH, JR.
MATTHEW O. RYAN
JACQUELINE A. WEBER
MARK B. WILLIAMS

This week's Board agenda includes a continued first reading of a proposed amendment to the business income tax ordinance (agenda item R-2). This item has an unusually complex procedural history. The ordinance was considered by the Board several times in June. There were many procedural motions, amendments to motions, and related parliamentary questions. You've asked me to review the record and determine the status of the amendment.

Based on my review, I conclude that what is before the Board on August 8 is reconsideration of a motion to approve the first reading. To briefly explain: on June 27 a motion to approve the first reading was defeated on a 3-2 vote. However, the Board then approved (3-2) a motion to reconsider that vote on August 8th.

At the August 8 meeting, the proper procedure would be for the Clerk or the Chair to announce that R-2 is reconsideration of a motion to approve the first reading of the BIT amendment. That would set the stage for a vote on the motion, unless amendments to the motion are first offered.

At Tuesday's informal meeting, the Board discussed the possibility of amending the rate set forth in the pending ordinance. I was asked if a motion to amend the rate passed on August 8, must the Board treat the amendment as substantive and schedule two additional public hearings on different dates. I believe I answered "yes." On further reflection, however, I conclude I was only half right. A rate amendment would be substantive but would not require an extra hearing. The Board rules provide:

Dave Warren
August 7, 1991
Page 2

G. If the Board approves a change which substantively affects a proposed ordinance on the final reading, an additional reading of the amended ordinance shall be held. (Emphasis added.)

I read the rule to require an extra reading only if a substantive amendment is made at the second reading. The notice for the August 8 reading correctly describes it as the first reading of this ordinance. In sum, if a rate change is made on August 8, it would be prudent to invite public comment before the vote on the amendment, but no further hearings after the second reading are necessary.

The procedural record discloses some confusion about the date of the second reading for this ordinance (assuming it gets that far). The June 27 motion to approve the first reading included an amendment setting the second reading for August 8th. Since the first reading wound up being continued until August 8 (so that reconsideration could occur), the date of the second reading will have to be reset. The Charter requires first and second readings to be six days apart. By Board rule (11E), the second reading would automatically be August 15, unless a later date is provided by the Board.

One procedural guideline emerges from studying the procedural history of R-2. Once a motion is seconded and voting begins, the decision-making process can easily go awry if discussion of the motion takes place. The best practice is that once voting begins, the only allowable expression should be yay or nay.

cc Board of Commissioners
Clerk of the Board

R:\FILES\132LK.MEM\mw

ORDINANCE FACT SHEET

Title: An Ordinance Relating to the Business Income Tax; Amending MCC 5.70.045 Date: 8/2/91

Brief statement of purpose of ordinance (include rationale for adoption of ordinance, a description of persons benefitted, and other alternatives explored).

The purpose of the proposed ordinance is to increase General Fund revenues to Multnomah County, by increasing the Business Income Tax from 1.46% to 1.96%. Revenues received through the increase will be used in partial support of the myriad of programs and support functions funded through the General Fund.

Other alternatives explored focused on cutting the budgets of existing programs and divisions, or implementing employment taxes, or utility franchise fees.

The increased revenue is needed to balance the County budget for FY 1991-92.

What other jurisdictions in the metropolitan area have enacted similar legislation?

The City of Portland has a Business License Fee. Multnomah County has had a Business Income Tax since 1976. This ordinance increases the rate of the existing tax.

What has been the experience in other areas with this type of legislation?

This type of revenue source, is considered fairly stable, although it is directly affected by the overall health of the local, regional, and global economy. Concern has also been noted about the possibility of businesses moving from the affected jurisdiction, but the tax rate at which the tax triggers this movement has not been documented.

What authority is there for Multnomah County to adopt this legislation? (State Statute, home rule charter). Are there constitutional problems?

Authority is granted under the Home Rule Charter.

Fiscal Impact Analysis

Increases the Business Income Tax rate 0.5 percent, from 1.46 percent to 1.96 percent for a period of 3 years. The estimated revenue to the county for Fiscal Year 1991-92 equals \$5.8 million.

SIGNATURES:

Office of County Counsel

Department Head

~~Liaison Commissioner~~

CLERK OF
COUNTY COMMISSIONERS
1991 AUG - 2 4 11:53
MULTNOMAH COUNTY
OREGON

BEFORE THE BOARD OF COUNTY COMMISSIONERS

FOR MULTNOMAH COUNTY, OREGON

ORDINANCE NO. _____

An ordinance relating to the Business Income Tax; amending
MCC 5.70.045.

Multnomah County ordains as follows:

SECTION 1. FINDINGS.

- A. The citizens of the State of Oregon enacted Ballot Measure 5, the Property Tax Limitation Initiative, in November of 1990. As a result of that limitation, services and programs funded through the Multnomah County General Fund must be sharply cut.
- B. It has been made plain in testimony from the citizens of Multnomah County that the required cuts are unacceptable. Alternative revenue sources must be established.
- C. This ordinance modestly increases the County's Business Income Taxes for a limited period of time as a means of partially funding public services and programs that would otherwise be lost. Approval of the ordinance will result in a total business income tax rate of 1.96% until January 1, 1994, when the rate shall return to its current 1.46%.

1 SECTION 2. AMENDMENT

2
3 MCC 5.70.045 is amended to read as follows:
4

5 (A) Except as otherwise provided in this chapter,
6 a tax is hereby imposed upon each person doing business
7 within Multnomah County equal to six-tenths of one
8 percent (0.006) of the net income from that business
9 within the county.
10

11 (B) In addition to the tax imposed under
12 subsection (A) above, a tax equal to thirty-five
13 hundredths of one percent (0.0035) of the net income from
14 each person doing business within Multnomah County is
15 hereby imposed upon that business within the county
16 effective with tax years beginning January 1, 1986.
17

18 (C) In addition to the tax imposed under
19 subsections (A) and (B) above, a tax equal to fifty-one
20 hundredths of one percent (0.51%) of the net income
21 (0.0051) from each person doing business within Multnomah
22 County is hereby imposed upon that business within the
23 county effective with tax years beginning January 1,
24 1987.
25
26

1 (D) In addition to the tax imposed under
2 subsections (A), (B), and (C) above, a tax equal to five-
3 tenths of one percent (0.5%) of the net income from each
4 person doing business within Multnomah County is hereby
5 imposed upon that business within the county effective
6 with tax years beginning January 1, 1991.

7
8 (E) The tax imposed by subsection (D) above shall
9 be levied for three (3) years and shall expire as of the
10 tax year beginning January 1, 1994.

11
12 (F) The tax prescribed in subsections (A), (B),
13 [and] (C), and (D) of this section is for revenue
14 purposes and is not imposed for regulatory purposes. The
15 payment of the tax and the acceptance of it by the county
16 shall not entitle a taxpayer to carry on any business not
17 in compliance with all other legal requirements.

18
19
20 SECTION 3. ADOPTION.

21
22 This Ordinance, being necessary for the health, safety, and
23 general welfare of the people of Multnomah County, shall take
24 effect on the thirtieth (30th) day after its adoption, pursuant to
25 Section 5.50 of the Charter of Multnomah County.
26

ADOPTED this ____ day of _____, 1991, being
the date of its _____ reading before the Board of County
Commissioners of Multnomah County.

(SEAL)

By Gladys McCoy
Gladys McCoy, Chair
Multnomah County, Oregon

REVIEWED:

By Laurence Kressel
Laurence Kressel, County Counsel
For Multnomah County, Oregon

05/23/91:2
R:\FILES\067LK.ORD\dc

Agenda Review
R-2
8-6-91
Handout #1

1991-92 GENERAL FUND

\$ Millions

Financial Picture June 25, 1991

Shortfall in Beginning Working Capital (resulting from 90-91 BIT shortfall)	(\$2.20)
Shortfall in 91-92 B.I.T. based on 1990-91 receipts, assuming 1.96% rate	(\$2.60)
<u>Property taxes</u>	
Benefit from PDC not competing within the \$10 limit	\$0.40
Valuation Increase (from 10.25% to 14.50%)	\$1.80
Total Shortfall	(\$2.60)

Financial Picture August 6, 1991

Shortfall in Beginning Working Capital	(\$3.60)
Shortfall in 91-92 B.I.T. based on 1990-91 receipts, assuming 1.96% rate	(\$2.60)
<u>Property taxes</u>	
Benefit from PDC not competing within the \$10 limit	\$0.40
Valuation Increase (from 10.25% to 14.50%)	\$1.80
Total Shortfall	(\$4.00)

95% Spending Limit

Savings from Depts. Administered by the Chair	\$0.91
Savings from Elected Officials	\$0.46
Remaining Shortfall	(\$2.64)



MULTNOMAH COUNTY OREGON

BOARD OF COUNTY COMMISSIONERS
GLADYS McCOY
PAULINE ANDERSON
GARY HANSEN
RICK BAUMAN
SHARRON KELLEY

PLANNING & BUDGET
PORTLAND BUILDING
1120 S.W. 5TH—ROOM 1400
PORTLAND, OREGON 97204-1934
PHONE (503) 248-3883

MEMORANDUM

TO: Board of County Commissioners

FROM: Ben Buisman, Budget Office *BBB*

DATE: August 7, 1991

SUBJECT: Budget Balancers

BOARD OF
COUNTY COMMISSIONERS
1991 AUG - 7 PM 1:49
MULTNOMAH COUNTY
OREGON

Latest estimates of revenues and expenses indicate the 1991-92 General Fund Budget will be short about \$4.0M, assuming an increase in the Business Income Tax to 1.96%. At the August 6 Informal, you asked the Budget Office to put numbers on some alternatives, including alternate or increased revenue sources, and spending limitations.

MOTOR VEHICLE RENTAL TAX

The current 10% tax is expected to bring in \$5.9 million in 1991-92. An additional 1% should generate \$0.59M if it had been in place July 1st. Assuming a September raise in the rate, with taxes collected October through June of next year, a 1% increase would bring in about \$0.44M.

BIT RATES

Our current assumption is that a 1.96% Business Income Tax will bring in \$23M (\$2.6M less than in the Adopted Budget). At that rate, a 0.1% increase (to 2.06%) would raise an additional \$1.17M.

Before our June discovery of the BIT shortfall, the 0.5% increase (to 1.96%) would have balanced the budget. Now, with our shortfall of \$4.0M, the increase (without any other correction) would have to be an additional 0.34% (0.84% total increase) to 2.30%. (The Portland license rate is 2.2%).

If the 95% spending limit is in place, but with no further correction, the shortfall is reduced from \$4.0M to \$2.64M. A balancing BIT rate then would be 2.19%, up 0.73% instead of the 0.5% in this week's BIT ordinance. County Counsel has advised you that any change from the 0.5% is likely a substantial change and would require another public hearing. (This would not necessarily add a week to the process. What is before the Board this week is a vote on the first reading. If the proposed ordinance is amended, public testimony should be taken on August 8th on the amendment. The second reading can be retained on August 15th, the date we need to notify the DOR about what rate to print on the tax forms. If there is no amendment, public testimony need not be taken on August 8th.)

UTILITY SURCHARGES

Our initial look at this was to estimate how much a utility surcharge on bills to customers of Northwest Natural Gas, Portland General Electric, and Pacificorp (PP&L). We estimated a 1% surcharge over a full year would raise \$4.4M. Given the late start and assuming at least two months for implementation, a better **1991-92 estimate would be \$3.3M for each 1% surcharge on electric and natural gas bills.**

Recently it was pointed out that we did not consider oil heat customers in our study. For a full year, about \$0.4M could be raised from a 1% surcharge on heating oil pumped in the county. Again, with a late start, the **1991-92 estimate would be \$0.3M for each 1% surcharge on heating oil bills.** Some implementation expense would be necessary to get this started in the 60 to 70 dealers serving the county.

We don't have data now to do seasonal patterns on the partial-year receipts. With that, both numbers above could possibly be raised a little as we would surely bill for the colder months when more energy is consumed.

SPENDING LIMITS

The Budget Office estimates that departments will spend 96% of their budgets. Each additional **1% less spending** below that **would result in a savings of \$0.91M for departments administered by the Chair, and \$0.46M for areas administered by other elected officials.**

CUTS/OTHER ADJUSTMENTS

In our Tuesday handout, we showed that with the 1.96% BIT and a county-wide spending limit, the shortfall is \$2.64M. Program cuts of that size would be necessary to balance the budget.

Commissioner Anderson (August 6, 1991 memo, copy attached) has suggested \$1.175M in possible changes in funding sources that would begin to address this requirement:

1. Reduce the Marshal Revenue Subsidy to operate MCIJ II, using Levy funds instead to save \$0.35M in the General Fund.
2. Cut \$0.5M budgeted for JDH.
3. Appropriate the possible \$0.2M savings from County School Support per Measure 5 interpretation.
4. Use Road Fund contingency to pay for one-half of the PUC Enforcement activities in the Sheriff's office, saving \$0.25M in the General Fund.

MAÑANA

With a 95% spending limit for control, and a 1.96% BIT, it is technically possible to do nothing else and deal with the \$2.46M in the 1992-93 budget as a severely reduced 1992-93 Beginning Working Capital.

A worksheet might help you organize your thoughts. There are many numbers laid out above. Assuming the 0.5% BIT increase to 1.96% the shortfall is \$4.0M. You might want to note your thoughts on restorations decreasing the shortfall.

<u>Shortfall</u>	<u>Restoration</u>	<u>Description</u>
\$4.0M	\$ _____	_____
	\$ _____	_____
	\$ _____	_____
	\$ _____	_____
	\$ _____	_____
	\$ _____	_____
Total Restored	\$ _____	

cc: Auditor
District Attorney
Sheriff
Department Managers

Planning and Budget
August 7, 1991

G:\COMMON\ALTREVS.DOC (WORD 5.5) August 6, 1991

PAULINE ANDERSON
Multnomah County Commissioner
District 1



605 County Courthouse
Portland, Oregon 97204
(503) 248-5220

August 7, 1991

To: Board of County Commissioners
From: Pauline Anderson
Re: Suggested Budget Actions

In June, we passed a budget whose expenditures could exceed revenues by \$2.6 million. We delayed further actions at that time, pending additional information from the Budget office and Salem. Nothing has changed.

In view of this possible shortfall, I recommend the following two stage approach to our budget.

STAGE 1

This month, we should take the following budget actions.

1. Reduce the Marshal Revenue Subsidy to Operate MCIJ II
(Use levy funds instead) \$ 350,000
2. Return additional funds budgeted for
JDH to contingency \$ 500,000
3. Appropriate anticipated School Fund Revenue
\$ 200,000
4. Pay for 1/2 of the PUC Enforcement Sheriff Activities
through use of Road Fund contingency \$ 125,000

At the same time we are reducing requirements by \$850,000 and recognizing revenues of \$325,000, we should reduce our anticipated BIT revenue by \$1,175,000. This will get us part of the way towards a more realistic, balanced budget plan.

STAGE 2

In addition to these budget actions, I am willing to support one or more of the following:

1. Increase the BIT another .1 %, bringing the total to 2.06%

2. Increase the car rental tax by 1%, raising \$590,000.

3. Reexamine the 95% spending limit in October to determine whether we need to tighten the limit further. At that time, we will know the final BIT revenues for fiscal year 1990-91 and the first quarter spending projections for 1991-92.

In the interim, I believe we should ask the budget office to develop procedures to ensure that the spending limit is fairly applied and achieves our financial goal. We also need to be sure that all the elected officials will abide by our final decision on the spending limit.

A few points of clarification:

1. Reducing the Marshal Revenue Subsidy has no impact on the opening or operating of MCIJ II. Currently, the marshal revenue goes into the General Fund and is then transferred to help operate the jail. With the increased levy collections, we do not need as much General Fund money to operate MCIJ II.

2. I avoided counting the additional Library Levy revenues (approximately \$250,000) because the Library contingency will already be eliminated by needing to backfill the Property Tax Accounting Error identified by TSSC (\$712,351) and the minimum cost of implementing the classification/compensation study (\$440,000 not counting exempt costs). The additional library levy funds could be added to contingency for a partial restoration.

3. The use of Road Fund to support the PUC enforcement has been given legal blessing by Counsel. The original proposal in June would have provide total support for the PUC program from the Road contingency fund, thereby depleting the fund. This option leaves the Road Fund with a \$125,000+ contingency.

4. I avoided anticipating any revenue for video poker because of the uncertainty of the revenue source, potential legal challenges, and the amount of one time only money we have already built into the budget. Any revenue we receive this year should be of assistance in meeting next year's needs.

I suggest we discuss the Stage 1 proposals as a package during the week of August 13th/15th.

c. Sheriff
c. District Attorney
c. Auditor
c. Department Managers

1991-92 GENERAL FUND

\$ Millions

Financial Picture June 25, 1991

Shortfall in Beginning Working Capital (resulting from 90-91 BIT shortfall)	(\$2.20)
Shortfall in 91-92 B.I.T. based on 1990-91 receipts, assuming 1.96% rate	(\$2.60)
Property taxes	
Benefit from PDC not competing within the \$10 limit	\$0.40
Valuation Increase (from 10.25% to 14.50%)	\$1.80
Total Shortfall	(\$2.60)

Financial Picture August 6, 1991

Shortfall in Beginning Working Capital	(\$3.60)
Shortfall in 91-92 B.I.T. based on 1990-91 receipts, assuming 1.96% rate	(\$2.60)
Property taxes	
Benefit from PDC not competing within the \$10 limit	\$0.40
Valuation Increase (from 10.25% to 14.50%)	\$1.80
Total Shortfall	(\$4.00)
95% Spending Limit	
Savings from Depts. Administered by the Chair	\$0.91
Savings from Elected Officials	\$0.46
Remaining Shortfall	(\$2.64)

Regular Meeting
8-8-91
R-2
Handout #1

COMPONENTS IDENTIFIED

<u>Shortfall</u>	<u>Restoration</u>	<u>Description</u>
(4,000,000)		
	1,170,000	Each 0.1% B.I.T. increase over .5%
	440,000	Each 1% Car Rental Tax
	3,300,000	Each 1% electrical/natural gas tax
	300,000	each 1% fuel oil tax
	910,000	each 1% lower spending by Depts.
	460,000	each 1% lower spending Elected Officials
	350,000	Reduce Transfer to Levy Fund
	500,000	Cut funds for JDH
	200,000	State offset to School Fund support
	125,000	Use Road Fund for PUC

COMMISSIONER ANDERSON PROPOSAL

<u>Shortfall</u>	<u>Restoration</u>	<u>Description</u>
(4,000,000)		
	1,170,000	Increase B.I.T. rate to 2.06%
(2,830,000)		
	440,000	Increase Car Rental Tax 1%
(2,390,000)		
	350,000	Reduce Transfer to Levy Fund
	500,000	Cut funds for JDH
	200,000	State offset to School Fund support
	125,000	Use Road Fund for PUC
(1,215,000)		
	1,360,000	95% Spending Ceiling
145,000		

CURRENT SCENARIO IN PLACE

<u>Shortfall</u>	<u>Restoration</u>	<u>Description</u>
(4,000,000)		
	1,360,000	95% Spending Ceiling
(2,640,000)		

Reg. Meeting
8-8-91

P-2
Handwritten #2

Gresham Area

CHAMBER OF COMMERCE

Serving

East Portland

Damascus

Gresham

Boring

Fairview

Troutdale

Wood Village

August 8, 1991

Chair Gladys McCoy
Multnomah County Commission

Testimony: Increase in the business income tax
Gresham Area Chamber of Commerce

Commissioners:

The Gresham Area Chamber and our Public Affairs Council remain opposed to any increase in the county business income tax, even in light of the projected shortfall from this funding source.

The county budget cannot rely upon increases in the level of tax dollars collected from the business community rather than cost cutting measures. If our county is to attract the kinds of new businesses which will contribute to our future tax base, we must be responsive to the competitive environment of our entire metropolitan area.

All of our large business contacts, those with the best job creation potential, will weigh this fee against the cost of doing business in Washington, Clark, or Clackamas counties.

Job creation and economic development for our county is just as critical today as ten years ago. The loss of Oregon jobs from the timber industry will be felt in our county. We will face a declining growth in employment as well as an increase in the unemployed seeking county services. Continuing to tax the businesses who must be successful in order to create these new jobs is counter-productive.

The credibility of the county is also at stake. To our knowledge, you are the only government entity seeking to increase revenue rather than respond to the public who asked for government cuts.

We urge you to seek efficiencies and cut costs within your systems. At the very least, let the current recommendations have an opportunity to demonstrate their effectiveness. The consolidation efforts of Gresham and Portland in the areas of parks, transportation, and law enforcement must also be considered as ways to balance your current budget.

The U.S. running on empty

Reg. Meeting
8-8-91
R-2
Handout #3

MARCH 28 — President Nixon built a bridge across the Pacific Ocean, readmitted China to the family of nations. Bully for him!

President Reagan tore down the Berlin Wall and ended the Cold War with the U.S.S.R. No small accomplishment.

President Bush is bringing the fragmented Middle East under at least a degree of discipline.

Now what about the United States?

Broke and \$3 trillion in debt, our own country is running on empty.

Our gross federal debt has tripled in 10 years.

FIFTY-EIGHT-POINT-ONE percent of all the money you pay in taxes is used to pay interest on the money our government has borrowed to try to stay afloat.

One-point-six million Americans have lost their jobs since June; half a million just last month.

Bankruptcies this past year were up 16 percent.

Yet, there is a way that our country, starting from where it is, can prosper again.

History says that any nation that taxes its people more than 43 percent goes backward.

When any government tries to take a larger-than-that share of a country's income, the tax base shrinks and tax collections go down.

In shirt-sleeve English: When people are taxed less, they work harder, make more money and pay more taxes.

Less taxes equals more taxes; the lesson is irrefutable.

Worldwide last year the average income tax rate was 46.7 percent, and those economies were in stagnation and decline.

University of Texas economist Gerald Scully says, "Those governments are shooting themselves in the foot."

Lower tax rates harvest increased tax revenues.

Example:

In the United States during the Reagan years, the top tax rate fell from 70 percent to 28 percent.

Yet, the richest Americans during that same period — the richest 1 percent — paid more taxes. Their share increased from 18 percent to 27 percent.

IT'S VERY DIFFICULT to convince Congress that lower taxes result in higher taxes, but that is the way it works.

High tax rates retard economic growth.

Any nation's economy enjoys the optimum rate of stimulation when its tax take is less than 20 percent.

Our present President is admittedly bored with economics, prefers diplomacy.

But if we don't learn from history — and soon — we are likely to repeat it. That is not a happy prospect — Rome and Spain and Greece and China won their wars and lost their shirts!

Frank A. Escherich
665-4142

PAUL HARVEY
Copyright 1991, Los Angeles Times Syndicate

According to Oregon Tax Research, we pay 37% of our gross income for Federal, State, local and hidden taxes. Add to that 15.6% paid to Social Security and we are paying a total of 52.6% of our gross income for all taxes.

Is it any wonder U.S. productivity has been in steady decline starting in 1965 with the enactment of Lyndon Johnson's "Great Society", which saw taxes escalate at an unprecedented rate?

Meeting Date: JUN 27 1991 AUG 08 1991

Agenda No.: R-9

(Above space for Clerk's Office Use)

AGENDA PLACEMENT FORM
(For Non-Budgetary Items)

SUBJECT: Amendment to BIT Ordinance

AGENDA REVIEW/ BOARD BRIEFING June 25, 1991 REGULAR MEETING June 27, 1991
(date) (date)

DEPARTMENT Non-Departmental DIVISION BCC (Comm. Anderson)

CONTACT Bill Farver TELEPHONE 248-3740

PERSON(S) MAKING PRESENTATION Bill Farver

ACTION REQUESTED:

☐ INFORMATIONAL ONLY ☐ POLICY DIRECTION ☒ APPROVAL

ESTIMATED TIME NEEDED ON BOARD AGENDA: 15 minutes

CHECK IF YOU REQUIRE OFFICIAL WRITTEN NOTICE OF ACTION TAKEN: _____

BRIEF SUMMARY (include statement of rationale for action requested, as well as personnel and fiscal/budgetary impacts, if applicable):

Amendment to the existing Business Income Tax Ordinance which would increase the Business Income Tax by .5% ($\frac{1}{2}$ of 1%).

CHANGE THE SECOND READING FROM SEPTEMBER 5 TO JUNE 27

(If space is inadequate, please use other side)

SIGNATURES:

ELECTED OFFICIAL Pauline Anderson

Or

DEPARTMENT MANAGER _____

(All accompanying documents must have required signatures)

BOARD OF
COUNTY COMMISSIONERS
MULTNOMAH COUNTY
OREGON
1991 JUN 20 AM 11:34

Meeting Date: JUN 06 1991

Agenda No.: R-12

(Above space for Clerk's Office Use)

JUN 13 1991

R-16

AGENDA PLACEMENT FORM
(For Non-Budgetary Items)

SEP 05 1991

SUBJECT: Amendment to the BIT Ordinance

AGENDA REVIEW/
BOARD BRIEFING 6/4/91 (date) REGULAR MEETING 6/6/91 (date)

DEPARTMENT Nondepartmental DIVISION County Chair's Office

CONTACT Ben Buisman TELEPHONE 248-3883

PERSON(S) MAKING PRESENTATION Ben Buisman, Merlin Reynolds

ACTION REQUESTED:

☐ INFORMATIONAL ONLY ☐ POLICY DIRECTION ☒ APPROVAL

ESTIMATED TIME NEEDED ON BOARD AGENDA: 15 minutes

CHECK IF YOU REQUIRE OFFICIAL WRITTEN NOTICE OF ACTION TAKEN: _____

BRIEF SUMMARY (include statement of rationale for action requested, as well as personnel and fiscal/budgetary impacts, if applicable):

Amendment to existing Business Income Tax Ordinance. This Amendment would increase the Business Income Tax by .5%.

First Reading Approved. Second Reading Scheduled 9-5-91.

BOARD OF
COUNTY COMMISSIONERS
MULTNOMAH COUNTY
OREGON
1991 MAY 30 PM 12:30

(If space is inadequate, please use other side)

SIGNATURES:

ELECTED OFFICIAL _____

Or

DEPARTMENT MANAGER _____

(All accompanying documents must have required signatures)



MULTNOMAH COUNTY OREGON

OFFICE OF COUNTY COUNSEL
1120 S.W. FIFTH AVENUE, SUITE 1530
P.O. BOX 849
PORTLAND, OREGON 97207-0849
(503) 248-3138
FAX 248-3377

BOARD OF COUNTY COMMISSIONERS
GLADYS McCOY, CHAIR
PAULINE ANDERSON
RICK BAUMAN
GARY HANSEN
SHARRON KELLEY

MEMORANDUM

TO: Ben Buisman (106/1400)
Planning & Budget

FROM: Laurence Kressel (106/1530)
County Counsel

DATE: May 23, 1991

SUBJECT: Draft Business Income Tax Ordinance

COUNTY COUNSEL
LAURENCE KRESSEL

CHIEF ASSISTANT
JOHN L. DU BAY

ASSISTANTS
SANDRA N. DUFFY
J. MICHAEL DOYLE
GERALD H. ITKIN
H.H. LAZENBY, JR.
MATTHEW O. RYAN
JACQUELINE A. WEBER
MARK B. WILLIAMS

Here is the latest revision, showing the changes you requested.

With respect to the retroactivity aspect of MCC 5.70.045(D), our research indicates there is no constitutional flaw. See *Collins v. Tax Commission*, 3 OTR 275, 280-82 (1968) (excerpt attached).

Attachments

cc: H. C. Miggins (101/134)
David Boyer (106/1430)

R:\FILES\087LK.MEM\dc

BEFORE THE BOARD OF COUNTY COMMISSIONERS

FOR MULTNOMAH COUNTY, OREGON

ORDINANCE NO. _____

An ordinance relating to the Business Income Tax; amending
MCC 5.70.045.

Multnomah County ordains as follows:

SECTION 1. FINDINGS.

- A. The citizens of the State of Oregon enacted Ballot Measure 5, the Property Tax Limitation Initiative, in November of 1990. As a result of that limitation, services and programs funded through the Multnomah County General Fund must be sharply cut.
- B. It has been made plain in testimony from the citizens of Multnomah County that the required cuts are unacceptable. Alternative revenue sources must be established.
- C. This ordinance modestly increases the County's Business Income Taxes for a limited period of time as a means of partially funding public services and programs that would otherwise be lost. Approval of the ordinance will result in a total business income tax rate of 1.96% until January 1, 1994, when the rate shall return to its current 1.46%.

1 SECTION 2. AMENDMENT

2
3 MCC 5.70.045 is amended to read as follows:

4
5 (A) Except as otherwise provided in this chapter,
6 a tax is hereby imposed upon each person doing business
7 within Multnomah County equal to six-tenths of one
8 percent (0.006) of the net income from that business
9 within the county.

10
11 (B) In addition to the tax imposed under
12 subsection (A) above, a tax equal to thirty-five
13 hundredths of one percent (0.0035) of the net income from
14 each person doing business within Multnomah County is
15 hereby imposed upon that business within the county
16 effective with tax years beginning January 1, 1986.

17
18 (C) In addition to the tax imposed under
19 subsections (A) and (B) above, a tax equal to fifty-one
20 hundredths of one percent (0.51%) of the net income
21 (0.0051) from each person doing business within Multnomah
22 County is hereby imposed upon that business within the
23 county effective with tax years beginning January 1,
24 1987.

1 (D) In addition to the tax imposed under
2 subsections (A), (B), and (C) above, a tax equal to five-
3 tenths of one percent (0.5%) of the net income from each
4 person doing business within Multnomah County is hereby
5 imposed upon that business within the county effective
6 with tax years beginning January 1, 1991.

7
8 (E) The tax imposed by subsection (D) above shall
9 be levied for three (3) years and shall expire as of the
10 tax year beginning January 1, 1994.

11
12 (F) The tax prescribed in subsections (A), (B),
13 [and] (C), and (D) of this section is for revenue
14 purposes and is not imposed for regulatory purposes. The
15 payment of the tax and the acceptance of it by the county
16 shall not entitle a taxpayer to carry on any business not
17 in compliance with all other legal requirements.

18
19
20 SECTION 3. ADOPTION.

21
22 This Ordinance, being necessary for the health, safety, and
23 general welfare of the people of Multnomah County, shall take
24 effect on the thirtieth (30th) day after its adoption, pursuant to
25 Section 5.50 of the Charter of Multnomah County.

1 ADOPTED this ____ day of _____, 1991, being
2 the date of its _____ reading before the Board of County
3 Commissioners of Multnomah County.

4
5 (SEAL)

6
7 By _____
8 Gladys McCoy, Chair
9 Multnomah County, Oregon

10 REVIEWED:

11 By _____
12 Laurence Kressel, County Counsel
13 For Multnomah County, Oregon

14
15 05/23/91:2
16 R:\FILES\067LK.ORD\dc

Also Section 2 of the Act provided as follows:

"The amendment of ORS 316.405 by section 1 of this Act applies to all *transactions* occurring on or after July 1, 1965." (Emphasis supplied.)

The parties agree on two features: (1) that the 1965 Act did not include losses from worthless securities as sales or exchanges of capital assets and therefore did not adopt § 165(g)(1) of the Internal Revenue Code of 1954,^② and (2) that the 1967 amendment to ORS 316.405 did include losses from worthless securities as sales or exchanges and did adopt § 165(g)(1) of the Internal Revenue Code which treated losses from worthless securities as a loss from a sale or exchange of a capital asset.^③

② The commission's Reg 316.405 (1965) made this clear. It stated in part:

"* * *

"Certain sections of the federal capital gains law are considered not to have been adopted by ORS 316.405 because the Oregon law is restricted to sales and exchanges and does not include transactions which, for federal purposes, are treated as if they were sales or exchanges. (* * * Other examples of such items are: I.R.C. § 165(g)(1) which provides that if any security which is a capital asset becomes worthless during the taxable year, the loss resulting therefrom shall, for purposes of the subtitle, be treated as a loss from the sale or exchange, on the last day of the taxable year, of a capital asset; and I.R.C. § 166(d)(1)(B) which provides that where any nonbusiness debt becomes worthless within the taxable year, the resulting loss therefrom shall be considered as a loss from the sale or exchange, during the taxable year, of a capital asset held for not more than six months. In both of these situations, no sale or exchange has taken place. Therefore, the loss which results from either of these transactions is an ordinary loss and not a capital loss for Oregon income tax purposes. A taxpayer applying the federal capital gains laws to Oregon income should be careful that only the income which results from a sale or exchange of a capital asset is treated as such.) * * *

The above regulation was repealed in 1967.

③ Section 165(g)(1) of the Internal Revenue Code of 1954 provides as follows:

"(g) Worthless Securities.

(Continued on page 279)

Cite as 3 OTR 275

1. The plaintiffs' first contention is that the "transaction" involved in this case did not occur in 1966 when the stock became worthless but occurred in 1964 when it was purchased. Therefore plaintiffs argue that Or L 1967, ch 110, did not apply because it related to "all transactions occurring on or after July 1, 1965." This contention is without merit. Section 165(g)(1) of the Internal Revenue Code, *supra*, clearly states that if a security becomes worthless, the loss shall be treated as the loss from a sale or exchange of a capital asset "on the last day of the taxable year." (Emphasis supplied.) The parties have stipulated that on December 31, 1966, the stock had no value. The stock did not become worthless when it was purchased. Concerning this subject, 5 *Mertens, Law of Federal Income Taxation*, § 28.15, states "losses are ordinarily deductible when sustained. * * * In general, losses must be evidenced by closed and completed transactions, fixed by identifiable events, bona fide and actually sustained during the taxable period for which allowed." The completed transaction in this case occurred when the stock became worthless in 1966, not when it was purchased. It was, therefore, a transaction that occurred after July 1, 1965 and was within the provisions of the 1967 amendment.

2. The plaintiffs argue in their brief that the retroactive provisions of the 1967 Act applying to transactions occurring on or after July 1, 1965, violates Art. I, § 21, of the Oregon Constitution which provides against enactment of ex post facto laws or laws im-

(Continued from page 278)

"(1) General Rule.—If any security which is a capital asset becomes worthless during the taxable year, the loss resulting therefrom shall, for purposes of this subtitle, be treated as a loss from the sale or exchange, on the last day of the taxable year, of a capital asset."

pairing the obligation of contracts. Plaintiffs' position cannot be sustained on either theory. The reference in the Constitution to ex post facto laws applies only to statutes that are criminal in nature. *In re Idleman's Commitment*, 146 Or 13, 27, 27 P2d 305, 310 (1933); *Fisher et al v. City of Astoria*, 126 Or 268, 286, 269 P 853, 859 (1928).

3, 4. The retroactive effect of the 1967 Act was not unconstitutional as impairing the obligation of contract. Credits, deductions or exemptions to or from income are matters of legislative grace and not a matter of taxpayer right. *Keyes v. Chambers et al*, 209 Or 640, 646, 307 P2d 498, 501 (1957); *Plywood & Veneer Local v. Commission*, 2 OTR 520, 523 (1967). In *Welch v. Henry*, 305 US 134, 146, 59 S Ct 121, 125, 83 L ed 87, 93, 21 AFTR 973, 977 (1938), the United States Supreme Court stated: "Taxation is neither a penalty imposed on the taxpayer nor a liability which he assumes by contract. It is but a way of apportioning the cost of government among those who in some measure are privileged to enjoy its benefits and must bear its burdens. Since no citizen enjoys immunity from that burden, its retroactive imposition does not necessarily infringe due process, and to challenge the present tax it is not enough to point out that the taxable event, the receipt of income, antedated the statute."

5. The Oregon Constitution does not prohibit retroactive legislation. *Fisher et al v. City of Astoria*, *supra*, at p 286.

6. The general rule regarding constitutionality of retroactive tax statutes is stated by *Mertens* as follows: "A retroactive statute is not of itself unconstitutional unless it conflicts with the due process clause. Although it has sometimes been argued to be

Cite as 3 OTR 275

an injustice, in the light of the decided cases retroactive income taxation has become well established as a constitutional power of Congress. * * *." 1 *Mertens, Law of Federal Income Taxation*, § 4.14. See also *Garrett Freight Lines v. State Tax Commission*, 103 Utah 390, 135 P2d 523, 526, 146 ALR 1003, 1006 (1943), 73 Har L Rev 692, 706-711.

In *Welch v. Henry*, *supra*, the United States Supreme Court upheld a Wisconsin statute enacted in 1935 imposing a tax on corporate dividends received in 1933 and found that the retroactive application of the statute did not violate due process. The Court stated:

"* * * In each case it is necessary to consider the nature of the tax and the circumstances in which it is laid before it can be said that its retroactive application is so harsh and oppressive as to transgress the constitutional limitation.

"* * * * *

"* * * The contention that the retroactive application of the Revenue Acts is a denial of the due process guaranteed by the Fifth Amendment has been uniformly rejected. [Citing cases.] * * *." 305 US at 147-149.

7. The loss was deductible in 1966. However, the 1967 amendment by its terms was clearly intended to be retroactive to July 1, 1965. It did not eliminate the loss but, as previously mentioned, treated it as a capital loss limited to an offset against ordinary income to \$1,000 per year with a carryover to succeeding years. The legislature has the authority to enact a law which has a reasonable retroactive effect upon transactions occurring prior to its enactment. This is particularly true with respect to tax statutes where there is no constitutional prohibition against retroactive or retrospective laws. *Mecham v. State Tax*

Commission, 17 Utah2d 321, 410 P2d 1008 (1966). It cannot be said here that the act was "so harsh and oppressive as to transgress the constitutional limitation." *Welch v. Henry, supra*.

The order of the tax commission is affirmed.

SOUTHERN OREGON HEALTH SERVICE, INC. v. COMMISSION

Suit to set aside an order of the commission denying plaintiff an exemption from corporate excise taxes under ORS 317.080(8). The Court held that where plaintiff provided only health and accident insurance it was not "like" a life insurance company; nor did it show that it was a mutual company where there was no evidence of the relationship between the reserves and the insurance in force.

Judicial construction—Tax exemption statutes

1. Rules of judicial construction require strict but reasonable construction of tax exemption statutes; and one seeking the benefit of an exemption statute must show that he comes clearly within the legislative intent of the statute.

"Like"—Definition—Mutual insurance exemption

2. An insurance company issuing health and accident insurance is not "like" a company issuing hail, cyclone or fire insurance.

Statutory interpretation—Federal law—Administrative construction

3. Where an Oregon statute has been copied from federal law, the Oregon courts will adopt the interpretation given the federal act by the federal court. But, "[I]n the absence of judicial construction, administrative construction is informative, and unless clearly at variance with the express terms of the statute, is entitled to respect."

"Like"—Definition—Mutual insurance exemption

4. A company issuing both health and accident insurance plus death benefits would be similar to a life insurance company because of the death benefits allowed, but a company writing only health and accident insurance would not be "like" a life insurance company because of the absence of any death benefits.

Mutual insurance company—Definition

5. A mutual insurance company is an association of persons having the objective of obtaining insurance substantially at cost.

Mutual insurance company—Defined

6. The characteristics of a mutual insurance company are:
- a. The common equitable ownership of the assets by the members;
 - b. The right of all policyholders to be members to the exclusion of other persons and to choose the management;

7

DATE 8-8

NAME MICHAEL
AT ZOKOYCH

ADDRESS 111 SE SHAWY

STREET

STREET PORT- 97714

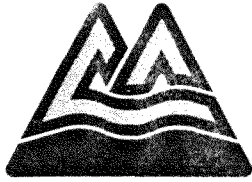
CITY _____ **ZIP CODE** _____

ZIP CODE

I WISH TO SPEAK ON AGENDA ITEM # R-2

SUBJECT RESTAURANT ORDINANCE

_____ FOR _____ AGAINST
PLEASE PRINT LEGIBLY!



MULTNOMAH COUNTY OREGON

DEPARTMENT OF HUMAN SERVICES
HEALTH DIVISION
426 S.W. STARK STREET, 8TH FLOOR
PORTLAND, OREGON 97204
(503) 248-3674
FAX (503) 248-3676

BOARD OF COUNTY COMMISSIONERS
GLADYS McCOY • CHAIR OF THE BOARD
PAULINE ANDERSON • DISTRICT 1 COMMISSIONER
GARY HANSEN • DISTRICT 2 COMMISSIONER
RICK BAUMAN • DISTRICT 3 COMMISSIONER
SHARRON KELLEY • DISTRICT 4 COMMISSIONER

July 10, 1991

Michael Zokoych
Michael's Italian Beef and Sausage Co.
1111 SE Sandy Blvd.
Portland, OR 97214

Dear Mr. Zokoych:

I am writing in response to your phone call of July 9. I tried to return your call but, as you acknowledged might be the case, I was unable to reach you.

Art Bloom is currently in the process of drafting the revised ordinance for restaurant license fees. I would expect that he would be done with that within the next week or two. He and I have talked about involving you in this process, so I know that Art has not forgotten your concerns or your wish to be involved.

I know that Art is planning on contacting you to give you an opportunity to have input into the ordinance prior to the time it is considered by the Board of County Commissioners. At the present time, I believe the ordinance will be revised in two areas:

- o the fees will be revised to reflect current program costs; and
- o the timing of billing and due dates for license fees will be clarified.

I don't believe Art is planning other major changes in the ordinance.

If you have other concerns that you would like to have addressed I would urge you to contact Art at your earliest convenience. Otherwise, I would expect that you should be hearing from him in the next week or two.

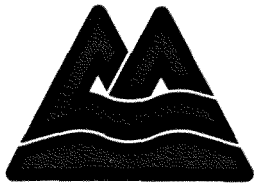
Sincerely,

Gary L. Oxman, MD MPH
Health Officer

c: Billi Odegard, Acting Director
Department of Human Services

Art Bloom, Environmental Health Program Manager

[0517k-M/0]



MULTNOMAH COUNTY OREGON

DEPARTMENT OF HUMAN SERVICES
421 S.W. FIFTH AVENUE, SUITE 600
PORTLAND, OREGON 97204
(503) 248-3782
FAX: (503) 248-3828

BOARD OF COUNTY COMMISSIONERS
GLADYS McCOY • CHAIR OF THE BOARD
PAULINE ANDERSON • DISTRICT 1 COMMISSIONER
GRETCHEN KAFOURY • DISTRICT 2 COMMISSIONER
RICK BAUMAN • DISTRICT 3 COMMISSIONER
SHARRON KELLEY • DISTRICT 4 COMMISSIONER

February 15, 1991

Mr. Michael Zokoych
Michael's Italian Beef & Sausage, Co.
1111 S.E. Sandy Boulevard
Portland, Oregon 97214

Dear Mr. Zokoych:

Thank you again for taking time to meet with Dr. Oxman and me in my office on the afternoon of Friday, February 8 to discuss more fully the matters you had raised before the Board of County Commissioners the day before.

Briefly, I understand that we came to the following understandings:

- . You do not wish to press any complaints of inappropriate behavior on the part of any County employee with whom you have dealt on the current matter.
- . You were familiar with the requirements of the Restaurant Inspection Ordinance; the due dates and penalties, etc. though you did not necessarily agree with them or find them fair.
- . You did offer a number of suggestions for possible changes in the present ordinance, several of which we agreed to seriously consider then we begin the next review of that ordinance. We also agreed that you would be invited to personally participate along with the Restaurant Association representatives and others in that ordinance review which we expect to commence prior to May 15, 1991.
- . We agreed that the criteria for the exercise of discretion to waive penalties under the ordinance will be clarified in writing through Administrative Rulemaking and that future letters informing restaurateurs of the due dates for payment of license fees will include notice that payments made by mail and postmarked on the due date and/or final day of the grace period will be accepted as having been made "on time".

Mr. Michael Zokoych
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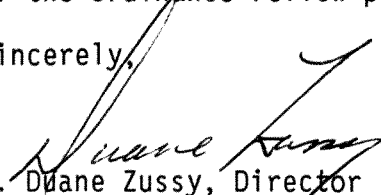
Finally we agreed to confer with County Counsel concerning our legitimate discretion to waive your late fee this year, given that, even though you knew the payment had been due since January 1, 1991, you did not know that mailing the payment to be postmarked on the last day of the grace period would suffice to avoid the penalty.

Briefly, County Counsel had indicated that, under the circumstances, we would be within our legitimate discretionary authority to waive the late fee for you this year and Dr. Oxman and I have agreed to do so. Therefore, by a copy of this letter, I am advising Art Bloom, our Environmental Health Manager, to make the necessary adjustments and issue your license renewal without further charge.

Please do clearly understand that we are looking forward to your participation in the group reviewing the present ordinance for possible revisions. We are also looking forward to receiving your license fee on time next year and each year thereafter. We hope and trust that all remaining misunderstandings will be removed and that it will not be necessary for you to seek or for us to contemplate any "special considerations" for you in future years. Should any presently unforeseen complication arise in the future, I want to assure you right now that, whatever these circumstances may be, you will be accorded the same treatment any other individual or firm would receive under like circumstances, no better and no worse.

Thank you again for your time, for your suggestions and for your willingness to help us make the regulation of your industry more fair, equitable and understandable. We will be in touch with you again soon to schedule the start of the ordinance review process. Until then, good bye.

Sincerely,


D. Duane Zussy, Director
Department of Human Services

c: Chair Gladys McCoy and Members of the BCC
Chip Lazenby, County Counsel
Dr. Gary Oxman, Health Officer
Art Bloom, Environmental Health Manager

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