

ANNOTATED MINUTES

Tuesday, March 28, 1995 - 1:30 PM
Multnomah County Courthouse, Room 602
1021 SW Fourth, Portland

PLANNING ITEMS

Chair Beverly Stein convened the meeting at 1:41 p.m., with Commissioners Gary Hansen, Tanya Collier and Dan Saltzman present.

- P-1 CU 2-95/HV 2-95 Review the March 3, 1995 Hearings Officer Decision DENYING Conditional Use Approval of a Single-Family Dwelling Not Related to Forest Management and Variances to Two Side Yard Setback Requirements on a 16.43 Acre Existing Parcel in the Commercial Forest Use Zoning District, for Property Located at 16200 NW McNAMEE ROAD

DECISION READ. APPEAL FILED. UPON MOTION OF COMMISSIONER COLLIER, SECONDED BY COMMISSIONER SALTZMAN, IT WAS UNANIMOUSLY APPROVED THAT A DE NOVO HEARING BE SCHEDULED FOR TUESDAY, APRIL 25, 1995, WITH TESTIMONY LIMITED TO 20 MINUTES PER SIDE.

The planning meeting was adjourned at 1:42 p.m. and the work session convened at 1:46 p.m.

Tuesday, March 28, 1995 - 1:35 PM
Multnomah County Courthouse, Room 602
1021 SW Fourth, Portland

WORK SESSION

- WS-1 Stakeholders Work Session to Review and Edit the Technical Advisory Committee Draft Multnomah County Strategic Investment Policy (Tax Abatement Program).

Vice-Chair Sharron Kelley arrived at 1:55 p.m.

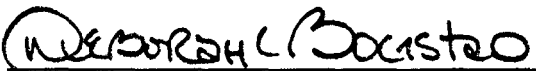
ARTY TROST FACILITATED SESSION ATTENDED BY STAKEHOLDERS BEVERLY STEIN, DON ROBERTSON, PAUL THALHOFER, GUSSIE McROBERT, TANYA COLLIER, GARY HANSEN, SHARRON KELLEY AND DAN SALTZMAN. COUNTY COUNSEL SANDRA DUFFY EXPLANATION OF CONSTITUTIONALITY AND CONFIDENTIALITY ISSUES AND RESPONSE TO

STAKEHOLDERS QUESTIONS, COMMENTS AND DISCUSSION. TECHNICAL COMMITTEE MEMBERS SHARON TIMKO, ROB FUSSELL, MARCY JACOBS, BOB ROBISON AND MICHAEL ODGEN PRESENTATION, EXPLANATION AND SUGGESTIONS IN RESPONSE TO STAKEHOLDERS QUESTIONS AND DISCUSSION CONCERNING PROPOSED OPTIONS A AND B. EXPERTS MARK CLEMONS, LISA NISENFELD, CAROLYN MORRISON AND MIKE SABA EXPLANATION IN RESPONSE TO STAKEHOLDERS QUESTIONS AND DISCUSSION. ECO NORTHWEST CONSULTANT CARL BATTEN EXPLANATION AND SUGGESTIONS IN RESPONSE TO STAKEHOLDERS QUESTIONS AND DISCUSSION. MAYOR McROBERT PRESENTED POLICY SUGGESTIONS AND CONCERNS OF FAIRVIEW MAYOR ROGER VONDERHARR. MR. ROBISON PRESENTED POLICY SUGGESTIONS AND CONCERNS OF PORTLAND COMMISSIONER GRETCHEN KAFOURY. BY MAJORITY CONSENSUS FOLLOWING DISCUSSION AND DELIBERATIONS, STAKEHOLDERS ACCEPTED, REJECTED, AMENDED AND REVISED VARIOUS SECTIONS OF THE 19 PAGE DRAFT POLICY AND DIRECTED TECHNICAL COMMITTEE TO PREPARE THE PROPOSED POLICY TO BE AVAILABLE THROUGH THE OFFICE OF THE BOARD CLERK BY 12:00 PM, THURSDAY, APRIL 6, 1995. CHAIR STEIN ANNOUNCED A PUBLIC HEARING ON THE PROPOSED STRATEGIC INVESTMENT PROGRAM POLICY IS SCHEDULED FOR 6:30 PM, TUESDAY, APRIL 11, 1995, AND A FIRST READING AND POSSIBLE ADOPTION OF THE ORDINANCE ADOPTING THE POLICY BY EMERGENCY CLAUSE IS SCHEDULED FOR 9:30 AM, THURSDAY, APRIL 13, 1995, WITH A POSSIBLE SECOND READING AND ADOPTION SCHEDULED FOR 9:30 AM, THURSDAY, APRIL 20, 1995, ALL TO BE HELD IN COMMISSIONERS' HEARING ROOM 602 OF THE MULTNOMAH COUNTY COURTHOUSE.

Mayor Gussie McRobert was excused at 5:50 p.m.

There being no further business, the meeting was adjourned at 6:00 p.m.

OFFICE OF THE BOARD CLERK
for MULTNOMAH COUNTY, OREGON



Deborah L. Bogstad

Thursday, March 30, 1995 - 9:30 AM
Multnomah County Courthouse, Room 602
1021 SW Fourth, Portland

REGULAR MEETING

Chair Beverly Stein convened the meeting at 9:31 a.m., with Vice-Chair Sharron Kelley, Commissioners Gary Hansen, Tanya Collier and Dan Saltzman present.

CONSENT CALENDAR

**UPON MOTION OF COMMISSIONER KELLEY,
SECONDED BY COMMISSIONER HANSEN, THE
CONSENT CALENDAR (ITEMS C-1 THROUGH C-9) WAS
UNANIMOUSLY APPROVED.**

NON-DEPARTMENTAL

- C-1 In the Matter of the Appointments of Karen Burger-Kimber, Linda Ross and Heidi Soderberg to the MULTNOMAH COUNTY ANIMAL CONTROL ADVISORY COMMITTEE
- C-2 In the Matter of the Appointment of Joe Ferguson to the MULTNOMAH COUNTY CITIZEN INVOLVEMENT COMMITTEE
- C-3 In the Matter of the Appointments of Robert H. Pung, Sr., Cora L. Smith and Stefan Stent to the COMMUNITY CORRECTIONS ADVISORY COMMITTEE
- C-4 In the Matter of the Appointments of Carol Bononno, Michael W. Glass, Ed Jones, Clarence Lankins and Rod Monroe to the DUII COMMUNITY ADVISORY BOARD

DEPARTMENT OF ENVIRONMENTAL SERVICES

- C-5 ORDER in the Matter of the Execution of Deed D951164 for Repurchase of Tax Acquired Property to the Former Owner Randall J. Borho and Joseph Kappers, as Trustees of the Fourbs Trust

ORDER 95-59.

DEPARTMENT OF HEALTH

- C-6 Ratification of Intergovernmental Agreement Contract 201865 Between the City of Portland and Multnomah County, Wherein the County's Bloodborne Pathogen Program Will Provide City Employees the Education, Training and HBV Vaccinations Required by Oregon OSHA, for the Period January 1, 1995 through December 31, 1997

COMMUNITY AND FAMILY SERVICES DIVISION

- C-7 Ratification of Intergovernmental Agreement Contract 104435 Between Multnomah County and the City of Troutdale, for Completion of Improvements to SE 4th Street, SE 2nd Street and SE Dora Street, Using Federal Community Development Block Grant Funds, for the Period August 1, 1994 through July 30, 1995
- C-8 Ratification of Intergovernmental Agreement Contract 104445 Between Multnomah County and the City of Fairview, for Completion of Fairview Avenue Sanitary Sewer Trunk Replacement, Fairview Creek Culvert Replacement (Linglebach and Arnold), Matney Street Culvert and Walnut Lane Culvert Replacement, Using Federal Community Development Block Grant Funds, for the Period October 1, 1994 through December 30, 1995
- C-9 Ratification of Intergovernmental Agreement Contract 104455 Between Multnomah County and Burlington Water District, for Completion of NW Harborton Drive, Branch Waterline Project, Using Federal Community Development Block Grant Funds, for the Period August 1, 1994 through July 30, 1995

REGULAR AGENDA

PUBLIC COMMENT

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

JOHN PRAGGASTIS AND TIM RAMIS DISCUSSED RESPONSE TO REQUEST FOR INFORMATION REGARDING EMS REQUEST FOR PROPOSALS ISSUE. BILL COLLINS, DR. GARY OXMAN AND LAURENCE KRESSEL RESPONSE TO TESTIMONY, BOARD QUESTIONS AND DISCUSSION.

COMMUNITY AND FAMILY SERVICES DIVISION

- R-2 Ratification of Intergovernmental Agreement Contract 104465 Between Multnomah County and Senior Job Center, for Continuation of Home Repairs for Low Income Elderly Using Federal Community Development Block Grant Funds, through June 30, 1996

COMMISSIONER HANSEN MOVED AND COMMISSIONER KELLEY SECONDED, APPROVAL OF R-2. AGREEMENT APPROVED, WITH COMMISSIONERS KELLEY, HANSEN, COLLIER AND STEIN VOTING AYE, AND COMMISSIONER SALTZMAN ABSTAINING DUE TO HIS

**POSITION ON THE PORTLAND COMMUNITY COLLEGE
BOARD.**

DEPARTMENT OF HEALTH

- R-3 PROCLAMATION in the Matter of Proclaiming April 3 through 9, 1995 as PUBLIC HEALTH WEEK in Multnomah County

COMMISSIONER COLLIER MOVED AND COMMISSIONER KELLEY SECONDED, APPROVAL OF R-3. DR. OXMAN PRESENTATION. PROCLAMATION READ. PROCLAMATION 95-60 UNANIMOUSLY APPROVED.

NON-DEPARTMENTAL

- R-4 PROCLAMATION in the Matter of Proclaiming April, 1995 EARTHQUAKE PREPAREDNESS MONTH in Multnomah County

COMMISSIONER KELLEY MOVED AND COMMISSIONER HANSEN SECONDED, APPROVAL OF R-4. JOY TUMBAGA PRESENTATION. PROCLAMATION READ. PROCLAMATION 95-61 UNANIMOUSLY APPROVED.

- R-5 Budget Modification NOND 4 Requesting Authorization to Reclassify an Employee Services Specialist 1 (Training Coordinator) to a Training Administrator and Adding a Half-Time Office Assistant 2 in the Training Section of the Employee Services Division

COMMISSIONER COLLIER MOVED AND COMMISSIONER KELLEY SECONDED, APPROVAL OF R-5. CURTIS SMITH AND CHAIR STEIN EXPLANATION AND RESPONSE TO BOARD QUESTIONS. BUDGET MODIFICATION UNANIMOUSLY APPROVED.

- R-6 Budget Modification NOND 9 Requesting Authorization to Appropriate \$3,500 in Grant Revenue from Portland General Electric Company into the Chair's Office Professional Services/Policy and Legislative Support Budget for Facilitation and Consultation Services Regarding Development of a Strategic Investment (Tax Abatement) Plan and Policy

COMMISSIONER HANSEN MOVED AND COMMISSIONER SALTZMAN SECONDED, APPROVAL OF R-6. SHARON TIMKO EXPLANATION. BUDGET MODIFICATION UNANIMOUSLY APPROVED.

SHERIFF'S OFFICE

- R-7 Budget Modification MCSO 14 Requesting Authorization to Reclassify 23 Warehouse Worker Positions to Equipment/Property Technicians Effective January 23, 1993 and Authorization to Increase Personnel Services Line Items by \$214,815 in the Sheriff's Office Budget and Reduce the General Fund Contingency by \$188,664 and the Inmate Welfare Fund by \$26,151

COMMISSIONER KELLEY MOVED AND COMMISSIONER HANSEN SECONDED, APPROVAL OF R-7. LARRY AAB EXPLANATION AND RESPONSE TO BOARD QUESTIONS AND DISCUSSION. CHAIR STEIN AND DAVE WARREN RESPONSE TO BOARD QUESTIONS AND DISCUSSION CONCERNING PROCESS FOR CONTINGENCY REQUESTS. BOARD COMMENTS AND DISCUSSION. COMMISSIONER COLLIER MOVED AND COMMISSIONER HANSEN SECONDED, TO SET R-7 OVER ONE WEEK WITH BUDGET OFFICE DIRECTION TO PROVIDE FORMAL BUDGET ANALYSIS OF CONTINGENCY REQUEST. MR. AAB COMMENTS. BUDGET MODIFICATION UNANIMOUSLY SET OVER TO THURSDAY, APRIL 6, 1995, WITH SUBMITTAL OF BUDGET OFFICE ANALYSIS OF CONTINGENCY REQUEST.

DEPARTMENT OF COMMUNITY CORRECTIONS

- R-8 Budget Modification DCC 4 Requesting Authorization to Transfer \$3,000 from General Fund Contingency to the DCC Administration Budget to Hire a Facilitator for a System Analysis Phase 1, Working with the Public Safety Jail Task Force

FOLLOWING BOARD DISCUSSION AND UPON MOTION OF COMMISSIONER SALTZMAN, SECONDED BY COMMISSIONER COLLIER, BUDGET MODIFICATION R-8 WAS UNANIMOUSLY SET OVER TO THURSDAY, APRIL 6, 1995, WITH DIRECTION THAT STAFF SUBMIT ADDITIONAL INFORMATION AS WELL AS FORMAL BUDGET OFFICE ANALYSIS OF CONTINGENCY REQUEST.

DEPARTMENT OF ENVIRONMENTAL SERVICES

- R-9 Ratification of Intergovernmental Agreement Contract 301825 Between Multnomah County and the City of Gresham for Maintenance of Vance Park for a Sum Not to Exceed \$7,000 Annually

COMMISSIONER KELLEY MOVED AND COMMISSIONER COLLIER SECONDED, APPROVAL OF R-9. BOB

THOMAS EXPLANATION AND RESPONSE TO BOARD QUESTIONS. AGREEMENT UNANIMOUSLY APPROVED.

- R-10 Second Reading and Possible Adoption of a Proposed ORDINANCE in the Matter of Increasing Cemetery Rates for County Cemeteries, Amending Multnomah County Code 5.10.250

PROPOSED ORDINANCE READ BY TITLE ONLY. COPIES AVAILABLE. COMMISSIONER KELLEY MOVED AND COMMISSIONER HANSEN SECONDED, APPROVAL OF THE SECOND READING AND ADOPTION. NO ONE WISHED TO TESTIFY. ORDINANCE 813 UNANIMOUSLY APPROVED.

- R-11 ORDER in the Matter of a Public Sale of Properties Acquired by Multnomah County through the Foreclosure of Liens for Delinquent Taxes

COMMISSIONER COLLIER MOVED AND COMMISSIONER HANSEN SECONDED, APPROVAL OF R-11. KATHY TUNEBERG AND STEPHEN KELLY EXPLANATION AND RESPONSE TO BOARD QUESTIONS. ORDER 95-62 UNANIMOUSLY APPROVED.

- R-12 ORDER in the Matter of the Grant of a Sewer Easement on County Land at the Juvenile Justice Center Parcel, NW 1/4, Section 32, T1N, R2E, WM, Multnomah County, Oregon

COMMISSIONER KELLEY MOVED AND COMMISSIONER HANSEN SECONDED, APPROVAL OF R-12. BOB OBERST EXPLANATION. ORDER 95-63 UNANIMOUSLY APPROVED.

- R-13 RESOLUTION AND ORDER in the Matter of the Vacation of a Cul-de-Sac Portion of NE 195th Avenue Situated 372 Feet, More or Less, South of NE Irving Court, County Road No. 4304

COMMISSIONER COLLIER MOVED AND COMMISSIONER KELLEY SECONDED, APPROVAL OF R-13. MR. THOMAS EXPLANATION. RESOLUTION AND ORDER 95-64 UNANIMOUSLY APPROVED.

- R-14 Budget Modification DES 7 Requesting Authorization to Reclassify an Office Assistant I to a Warehouse Worker and Increase the Position from .54 FTE to 1.0 FTE, and Delete an Electronic Technician and Add an Electronic Technician Assistant Position Within the Fleet, Records, Electronic and Distribution Services Division Budget

COMMISSIONER COLLIER MOVED AND COMMISSIONER SALTZMAN SECONDED, APPROVAL OF R-14. TOM GUINEY EXPLANATION. BUDGET MODIFICATION UNANIMOUSLY APPROVED.

- R-15 Budget Modification DES 8 Requesting Authorization to Delete a Vacant Office Assistant II Position and Add a Garage Attendant Position Within the Fleet, Records, Electronic and Distribution Services Division Budget

COMMISSIONER COLLIER MOVED AND COMMISSIONER KELLEY SECONDED, APPROVAL OF R-15. MR. GUINEY EXPLANATION. BUDGET MODIFICATION UNANIMOUSLY APPROVED.

DEPARTMENT OF HEALTH

- R-16 Request Approval of a Notice of Intent to Apply for a \$114,668 Edward Byrne Memorial State and Local Formula Grant for a One Year Project to Increase the Ability of School Based Health Center Staff to Identify Students Who Face Violence in their Homes, Community or School and Provide a Comprehensive Array of Services to Those Students, Including a School-Based Support and Education Group

COMMISSIONER KELLEY MOVED AND COMMISSIONER HANSEN SECONDED, APPROVAL OF R-16. DR. OXMAN EXPLANATION. NOTICE OF INTENT UNANIMOUSLY APPROVED.

- R-17 Request Approval of a Notice of Intent to Apply for a \$375,000 Per Year, Two Year Substance Abuse and Mental Health Services Administration, Center for Substance Abuse Treatment Grant for a Community Based Comprehensive HIV/STD/TB Outreach Services for High Risk Substance Abusers Demonstration Program to Continue Funding for Outreach, Intervention and Substance Abuse Treatment Referral Services to Homeless High Risk Users and Their Sexual Partners

COMMISSIONER COLLIER MOVED AND COMMISSIONER KELLEY SECONDED, APPROVAL OF R-17. MARY KAY DUVAL EXPLANATION AND RESPONSE TO BOARD QUESTIONS. NOTICE OF INTENT UNANIMOUSLY APPROVED.

- R-18 Budget Modification MCHD 8 Requesting Authorization to Increase the School Based Administration Program Budget to Reflect Receipt of Funds from the Community and Family Services Division Budget to Pay for a Teen Pregnancy Prevention Demonstration Project Entitled "Postponing Sexual Involvement"

COMMISSIONER HANSEN MOVED AND COMMISSIONER COLLIER SECONDED, APPROVAL OF R-18. JAN SINCLAIR EXPLANATION. BUDGET MODIFICATION UNANIMOUSLY APPROVED.

- R-19 Budget Modification MCHD 9 Requesting Authorization to Increase the Dental Program to Reflect Increased Estimate of Medicaid Capitation Funds for the Oregon Health Plan

COMMISSIONER HANSEN MOVED AND COMMISSIONER KELLEY SECONDED, APPROVAL OF R-19. DR. OXMAN EXPLANATION AND RESPONSE TO BOARD QUESTIONS. BUDGET MODIFICATION UNANIMOUSLY APPROVED.

- R-20 First Reading of a Proposed ORDINANCE Repealing MCC Chapter 6.32 and Adopting MCC Chapter 6.33, Emergency Medical Service and Ambulance Code, in Order to Implement the Ambulance Service Plan for Multnomah County

PROPOSED ORDINANCE READ BY TITLE ONLY. COPIES AVAILABLE. COMMISSIONER COLLIER MOVED AND COMMISSIONER SALTZMAN SECONDED, APPROVAL OF THE FIRST READING. BILL COLLINS EXPLANATION. TED BAIRD REPRESENTING AMERICAN MEDICAL RESPONSE, PRESENTED TESTIMONY EXPRESSING CONCERN WITH VARIOUS PROPOSED PLAN DEFINITIONS AND OTHER LANGUAGE. MR. COLLINS RESPONSE TO MR. BAIRD'S CONCERNS AND RESPONSE TO BOARD QUESTIONS AND DISCUSSION. COMMUNITY AMBULANCE OWNER JUNITA KAUBLE PRESENTED TESTIMONY EXPRESSING CONCERN WITH AND REQUESTING CLARIFICATION OF VARIOUS PROPOSED PLAN DEFINITIONS. MR. COLLINS RESPONSE TO MS. KAUBLE'S CONCERNS AND QUESTIONS AND RESPONSE TO BOARD QUESTIONS AND DISCUSSION. AMERICAN MEDICAL RESPONSE NORTHWEST PRESIDENT TRACE SKEEN REPORTED ON RECENT BOARD OF MEDICAL EXAMINERS CHANGE OF POLICY REGARDING TRANSPORT OF PATIENTS WITH IVS; TESTIFIED IN SUPPORT OF COMMISSIONER KELLEY'S PROPOSAL REGARDING ADMINISTRATIVE RULES AND IN SUPPORT OF EXPEDITING THE PROPOSED PLAN. UPON MOTION OF COMMISSIONER COLLIER, SECONDED BY COMMISSIONER KELLEY, IT WAS UNANIMOUSLY APPROVED THAT PAGE 25, SECTION 6.33.600(A) BE AMENDED TO READ "DISPATCH FOR CONTRACTED AMBULANCES SHALL BE PROVIDED

BY THE CITY OF PORTLAND BUREAU OF EMERGENCY COMMUNICATIONS." MR. COLLINS RESPONSE TO BOARD COMMENTS AND DISCUSSION. COMMISSIONER SALTZMAN MOVED AND COMMISSIONER COLLIER SECONDED, AMENDMENT TO PAGE 14, SECTION 6.33.100(F). BOARD DISCUSSION AND COMMENTS. MR. COLLINS, MR. KRESSEL AND DR. OXMAN COMMENTS AND SUGGESTIONS IN RESPONSE TO BOARD DISCUSSION. FOLLOWING DISCUSSION, AFTER WITHDRAWAL OF PREVIOUS MOTION AND SECOND AND UPON MOTION OF COMMISSIONER SALTZMAN, SECONDED BY COMMISSIONER COLLIER, IT WAS UNANIMOUSLY APPROVED THAT PAGE 14, SECTION 6.33.100(C)(5) BE AMENDED TO READ "PROMULGATION OF STANDARDS OF PATIENT CARE CONSISTENT WITH THE AMBULANCE SERVICE AREA PLAN INCLUDING, BUT NOT LIMITED TO:" FIRST READING OF THE PROPOSED ORDINANCE UNANIMOUSLY APPROVED, AS AMENDED. SECOND READING SCHEDULED FOR THURSDAY, APRIL 6, 1995. FOLLOWING DISCUSSION, CHAIR STEIN INVITED ALL PARTIES WISHING TO PROPOSE ADDITIONAL AMENDMENTS TO SUBMIT SAME TO THE BOARD AND BILL COLLINS BY 12:00 PM, MONDAY, 3, 1995 SO THEY MAY BE REVIEWED PRIOR TO SECOND READING.

NON-DEPARTMENTAL

- R-21 First Reading of a Proposed ORDINANCE Repealing Ordinance 590 and Permanently Eliminating the Funders Advisory Committee

PROPOSED ORDINANCE READ BY TITLE ONLY. COPIES AVAILABLE. COMMISSIONER SALTZMAN MOVED AND COMMISSIONER COLLIER SECONDED, APPROVAL OF THE FIRST READING. COMMISSIONER SALTZMAN EXPLANATION AND RESPONSE TO BOARD QUESTIONS. NO ONE WISHED TO TESTIFY. FIRST READING UNANIMOUSLY APPROVED. SECOND READING SCHEDULED FOR THURSDAY, APRIL 6, 1995.

There being no further business, the meeting was adjourned at 11:50 a.m.

OFFICE OF THE BOARD CLERK
for MULTNOMAH COUNTY, OREGON

Deborah L. Bogstad
Deborah L. Bogstad



MULTNOMAH COUNTY OREGON

OFFICE OF THE BOARD CLERK
SUITE 1510, PORTLAND BUILDING
1120 S.W. FIFTH AVENUE
PORTLAND, OREGON 97204

BOARD OF COUNTY COMMISSIONERS

BEVERLY STEIN •	CHAIR •	248-3308
DAN SALTZMAN •	DISTRICT 1 •	248-5220
GARY HANSEN •	DISTRICT 2 •	248-5219
TANYA COLLIER •	DISTRICT 3 •	248-5217
SHARRON KELLEY •	DISTRICT 4 •	248-5213
CLERK'S OFFICE •	248-3277 •	248-5222

AGENDA

MEETINGS OF THE MULTNOMAH COUNTY BOARD OF COMMISSIONERS

FOR THE WEEK OF

MARCH 27, 1995 - MARCH 31, 1995

Tuesday, March 28, 1995 - 1:30 PM - Planning Items Page 2

Tuesday, March 28, 1995 - 1:35 PM - Work Session Page 2

Thursday, March 30, 1995 - 9:30 AM - Regular Meeting Page 2

Thursday Meetings of the Multnomah County Board of Commissioners are taped and can be seen by Paragon Cable subscribers at the following times:

Thursday, 6:00 PM, Channel 30
Friday, 10:00 PM, Channel 30
Saturday, 12:30 PM, Channel 30
Sunday, 1:00 PM, Channel 30

INDIVIDUALS WITH DISABILITIES MAY CALL THE OFFICE OF THE BOARD CLERK AT 248-3277 OR 248-5222, OR MULTNOMAH COUNTY TDD PHONE 248-5040, FOR INFORMATION ON AVAILABLE SERVICES AND ACCESSIBILITY.

Tuesday, March 28, 1995 - 1:30 PM
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PLANNING ITEMS

- P-1 *CU 2-95/HV 2-95* Review the March 3, 1995 Hearings Officer Decision DENYING Conditional Use Approval of a Single-Family Dwelling Not Related to Forest Management and Variances to Two Side Yard Setback Requirements on a 16.43 Acre Existing Parcel in the Commercial Forest Use Zoning District, for Property Located at 16200 NW McNAMEE ROAD
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WORK SESSION

- WS-1 Stakeholders Work Session to Review and Edit the Technical Advisory Committee Draft Multnomah County Strategic Investment Policy (Tax Abatement Program). 3 1/2 HOURS REQUESTED.
-

Thursday, March 30, 1995 - 9:30 AM
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REGULAR MEETING

CONSENT CALENDAR

NON-DEPARTMENTAL

- C-1 In the Matter of the Appointments of Karen Burger-Kimber, Linda Ross and Heidi Soderberg to the MULTNOMAH COUNTY ANIMAL CONTROL ADVISORY COMMITTEE
- C-2 In the Matter of the Appointment of Joe Ferguson to the MULTNOMAH COUNTY CITIZEN INVOLVEMENT COMMITTEE
- C-3 In the Matter of the Appointments of Robert H. Pung, Sr., Cora L. Smith and Stefan Stent to the COMMUNITY CORRECTIONS ADVISORY COMMITTEE
- C-4 In the Matter of the Appointments of Carol Bononno, Michael W. Glass, Ed Jones, Clarence Lankins and Rod Monroe to the DUII COMMUNITY ADVISORY BOARD

DEPARTMENT OF ENVIRONMENTAL SERVICES

- C-5 *ORDER in the Matter of the Execution of Deed D951164 for Repurchase of Tax Acquired Property to the Former Owner Randall J. Borho and Joseph Kappers, as Trustees of the Fourbs Trust*

DEPARTMENT OF HEALTH

- C-6 *Ratification of Intergovernmental Agreement Contract 201865 Between the City of Portland and Multnomah County, Wherein the County's Bloodborne Pathogen Program Will Provide City Employees the Education, Training and HBV Vaccinations Required by Oregon OSHA, for the Period January 1, 1995 through December 31, 1997*

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PUBLIC COMMENT

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

COMMUNITY AND FAMILY SERVICES DIVISION

- R-2 *Ratification of Intergovernmental Agreement Contract 104465 Between Multnomah County and Portland Community College Senior Job Center, for Continuation of Home Repairs for Low Income Elderly Using Federal Community Development Block Grant Funds, through June 30, 1996*

DEPARTMENT OF HEALTH

- R-3 *PROCLAMATION in the Matter of Proclaiming April 3 through 9, 1995 as PUBLIC HEALTH WEEK in Multnomah County*

NON-DEPARTMENTAL

- R-4 *PROCLAMATION in the Matter of Proclaiming April, 1995 EARTHQUAKE PREPAREDNESS MONTH in Multnomah County*
- R-5 *Budget Modification NOND 4 Requesting Authorization to Reclassify an Employee Services Specialist 1 (Training Coordinator) to a Training Administrator and Adding a Half-Time Office Assistant 2 in the Training Section of the Employee Services Division*
- R-6 *Budget Modification NOND 9 Requesting Authorization to Appropriate \$3,500 in Grant Revenue from Portland General Electric Company into the Chair's Office Professional Services/Policy and Legislative Support Budget for Facilitation and Consultation Services Regarding Development of a Strategic Investment (Tax Abatement) Plan and Policy*

SHERIFF'S OFFICE

- R-7 *Budget Modification MCSO 14 Requesting Authorization to Reclassify 23 Warehouse Worker Positions to Equipment/Property Technicians Effective January 23, 1993 and Authorization to Increase Personnel Services Line Items by \$214,815 in the Sheriff's Office Budget and Reduce the General Fund Contingency by \$188,664 and the Inmate Welfare Fund by \$26,151*

DEPARTMENT OF COMMUNITY CORRECTIONS

- R-8 *Budget Modification DCC Requesting Authorization to Transfer \$3,000 from General Fund Contingency to the DCC Administration Budget to Hire a Facilitator for a System Analysis Phase 1, Working with the Public Safety Jail Task Force*

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- R-9 *Ratification of Intergovernmental Agreement Contract 301825 Between Multnomah County and the City of Gresham for Maintenance of Vance Park for a Sum Not to Exceed \$7,000 Annually*
- R-10 *Second Reading and Possible Adoption of a Proposed ORDINANCE in the Matter of Increasing Cemetery Rates for County Cemeteries, Amending Multnomah County Code 5.10.250*
- R-11 *ORDER in the Matter of a Public Sale of Properties Acquired by Multnomah County through the Foreclosure of Liens for Delinquent Taxes*

- R-12 *ORDER in the Matter of the Grant of a Sewer Easement on County Land at the Juvenile Justice Center Parcel, NW 1/4, Section 32, T1N, R2E, WM, Multnomah County, Oregon*

- R-13 *RESOLUTION AND ORDER in the Matter of the Vacation of a Cul-de-Sac Portion of NE 195th Avenue Situated 372 Feet, More or Less, South of NE Irving Court, County Road No. 4304*

- R-14 *Budget Modification DES 7 Requesting Authorization to Reclassify an Office Assistant I to a Warehouse Worker and Increase the Position from .54 FTE to 1.0 FTE, and Delete an Electronic Technician and Add an Electronic Technician Assistant Position Within the Fleet, Records, Electronic and Distribution Services Division Budget*

- R-15 *Budget Modification DES 8 Requesting Authorization to Delete a Vacant Office Assistant II Position and Add a Garage Attendant Position Within the Fleet, Records, Electronic and Distribution Services Division Budget*

DEPARTMENT OF HEALTH

- R-16 *Request Approval of a Notice of Intent to Apply for a \$114,668 Edward Byrne Memorial State and Local Formula Grant for a One Year Project to Increase the Ability of School Based Health Center Staff to Identify Students Who Face Violence in their Homes, Community or School and Provide a Comprehensive Array of Services to Those Students, Including a School-Based Support and Education Group*

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- R-18 *Budget Modification MCHD 8 Requesting Authorization to Increase the School Based Administration Program Budget to Reflect Receipt of Funds from the Community and Family Services Division Budget to Pay for a Teen Pregnancy Prevention Demonstration Project Entitled "Postponing Sexual Involvement"*

- R-19 *Budget Modification MCHD 9 Requesting Authorization to Increase the Dental Program to Reflect Increased Estimate of Medicaid Capitation Funds for the Oregon Health Plan*

- R-20 *First Reading of a Proposed ORDINANCE Repealing MCC Chapter 6.32 and Adopting MCC Chapter 6.33, Emergency Medical Service and Ambulance Code, in Order to Implement the Ambulance Service Plan for Multnomah County*



MULTNOMAH COUNTY OREGON

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SUITE 1510, PORTLAND BUILDING
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PORTLAND, OREGON 97204

BOARD OF COUNTY COMMISSIONERS
BEVERLY STEIN • CHAIR • 248-3308
DAN SALTZMAN • DISTRICT 1 • 248-5220
GARY HANSEN • DISTRICT 2 • 248-5219
TANYA COLLIER • DISTRICT 3 • 248-5217
SHARRON KELLEY • DISTRICT 4 • 248-5213
CLERK'S OFFICE • 248-3277 • 248-5222

SUPPLEMENTAL AGENDA

*Thursday, March 30, 1995 - 9:30 AM
Multnomah County Courthouse, Room 602
1021 SW Fourth, Portland*

REGULAR MEETING

REGULAR AGENDA

NON-DEPARTMENTAL

***R-21 First Reading of a Proposed ORDINANCE Repealing Ordinance 590 and
Permanently Eliminating the Funders Advisory Committee***

1460 PIONEER TOWER
888 S.W. FIFTH AVENUE
PORTLAND, OREGON 97204

TEL.: (503) 222-6060
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ECO

NORTHWEST

CARL BATTEN

CONSULTANTS IN ECONOMICS, FINANCE, PLANNING & MANAGEMENT

MEETING DATE: MARCH 28, 1995

AGENDA NO: WS-1

(Above Space for Board Clerk's Use ONLY)

AGENDA PLACEMENT FORM

SUBJECT: Work Session to Review and Edit the Technical Advisory Committee
Draft Strategic Investment Program Policy

BOARD BRIEFING Date Requested: Tuesday, March 28, 1995

Amount of Time Needed: 1:35 - to - 5:00 pm

REGULAR MEETING: Date Requested: _____

Amount of Time Needed: _____

DEPARTMENT: Non-Departmental DIVISION: Chair Beverly Stein

CONTACT: Sharon Timko TELEPHONE #: 248-3960
BLDG/ROOM #: 106/1515

PERSON(S) MAKING PRESENTATION: Technical Advisory Committee, Stakeholders

ACTION REQUESTED:

☐ INFORMATIONAL ONLY ☒ POLICY DIRECTION ☐ APPROVAL ☐ OTHER

SUMMARY (Statement of rationale for action requested, personnel and fiscal/budgetary impacts, if applicable):

Stakeholders Work Session to Review and Edit the Technical
Advisory Team Draft Multnomah County Strategic Investment
Program Policy

BOARD OF
COUNTY COMMISSIONERS
1995 MAR 23 AM 11:02
MULTNOMAH COUNTY
OREGON

SIGNATURES REQUIRED:

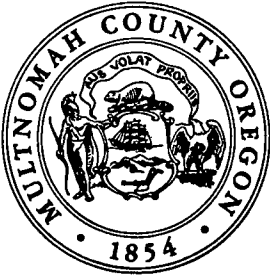
ELECTED OFFICIAL: Beverly Stein

OR

DEPARTMENT MANAGER: _____

ALL ACCOMPANYING DOCUMENTS MUST HAVE REQUIRED SIGNATURES

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



Beverly Stein, Multnomah County Chair

Room 1515, Portland Building
1120 S.W. Fifth Avenue
Portland, Oregon 97204

Phone: (503) 248-3308
FAX: (503) 248-3093
E-Mail: MultChair@aol.com

MEMORANDUM

TO: Stakeholders and Interested Parties
FROM: Sharon Timko, Staff Assistant *Sharon*
DATE: March 23, 1994
RE: Draft Strategic Investment Program Policy

Attached is the draft Strategic Investment Program (SIP) Policy for your review.

On January 31, 1995 the Multnomah County Board of Commissioners agreed to develop a County policy implementing the State Strategic Investment Program. The Board invited the mayors from all the cities in the County and the Metro Council presiding officer to participate in a February 28, 1995 goal setting session for the Strategic Investment Program.

A technical advisory committee was convened to draft a policy based on the goals agreed to at the February 28th meeting. The technical advisory committee includes representatives from the Multnomah County Chair's Office, City of Gresham, Portland Development Commission, Oregon State Economic Development Department, Portland Commissioner Gretchen Kafoury's Office, and The Institute of Portland Metropolitan Studies. A consultant (ECONorthwest) was hired to assist with the development of the policy.

The technical advisory committee reached agreement on about 75 percent of the policy. For the remaining 25 percent, the committee has presented two options identified as "A" and "B." For each option there is a brief statement presenting the arguments in support of that option.

A majority of the committee supports the "B" option and believes that the policy should be a single decision package. The minority supports the "A" option and believes that stakeholders can reasonably "mix and match" the options. Since the technical committee is "advisory", stakeholders are not limited by any of the approaches or options presented. At the beginning of the March 28 meeting, the stakeholders will discuss their preferred approach.

Members of the technical advisory committee will be present at the Tuesday, March 28th stakeholders meeting to field questions. The meeting will be held at 1:35 pm in Room 602 of the Multnomah County Courthouse, 1021 SW Fourth Avenue, Portland.

If you have any questions, please contact me at 248-3960.



Multnomah County Strategic Investment Program

Draft of Implementing Policy

I. Background

Oregon has many natural advantages that make it attractive to firms seeking to locate a new facility. For firms in capital-intensive industries such as semiconductors and metals, however, Oregon's property tax system has made locating in Oregon less attractive relative to locating in another state or outside the U.S. Firms in capital-intensive industries generally are especially desirable to a region because they tend to invest heavily in developing the skill levels of their employees, pay their employees well, and contribute in other ways to the economic development of the region.

A highly capital-intensive production facility would pay many times more in property taxes than an otherwise-identical facility with average capital intensity, but would impose the same costs on local government service providers. If the property tax burden on a typical production facility is a fair burden, then the burden on a highly capital-intensive facility is excessive.

The 1993 Oregon legislature sought to provide a means for rectifying this inequity and enjoy additional investment and employment within the state by capital-intensive firms. With the passage of House Bill 3686, counties and cities may elect, under certain conditions, to exempt portions of projects funded by Economic Development Revenue Bonds from property-tax assessments. This program for abating property taxes for capital-intensive firms is called the Strategic Investment Program (SIP).

House Bill 3686 specified that the governing body of an Oregon county may impose additional reasonable requirements on an applicant. Multnomah County seeks to implement its SIP in a way that promotes attainment of the County's goals. To ensure that abatements are granted only to firms that share the County's goals, this policy document describes in detail the things a successful applicant will do, knowing that firms eligible to apply probably would do most or all of them anyway.

II. Purpose

The purpose of this Implementing Policy is to ensure that:

- the SIP is implemented in a fair and open manner
- only projects that would not otherwise locate in Multnomah County receive property tax abatements under the SIP
- benefits are enjoyed by current county residents, especially those who are unemployed or underemployed, and the region as a whole benefits
- the implementation of the County's SIP results in the creation of a reasonable number of long-term jobs that lead to economic self sufficiency in relation to the amount of taxes abated
- the implementation of the County's SIP is consistent with the County's land use, development, and environmental goals and promotes progress as measured by the County's Urgent Benchmarks.

III. Limits

OPTION A

This implementing policy will sunset at the earlier of two years or when the combination of approved and pending applications have a projected abatement value in excess of \$100 million. The County Board will appoint an independent body to evaluate the effectiveness of this implementing policy and to recommend its continuation, reform, or elimination. The duration of the sunset review will be limited to 60 days and review may be initiated up to 60 days prior to sunset.

Argument in favor: After granting three property tax abatements, Washington County is seeking more control over the program. The Washington County Chair has asked Governor Kitzhaber to consider legislative changes that would allow counties to place a cap on the amount of property tax exemption that a company can receive. Currently, counties have the ability to gain greater control over the SIP by placing a cap on the amount of property tax exemption allowed for the entire tax abatement program. In addition, the County may have met all of its policy goals by the time \$100 million of abatements are granted and not wish to grant any more. After having been through the application process two or three times, problems in the application or approval procedures, if present, are likely to be evident and an opportunity should exist to correct them.

OPTION B

This implementing policy will sunset after two years. The County Board will appoint an independent body to evaluate the effectiveness of this implementing policy and to recommend its continuation, reform, or elimination. The duration of the sunset review will be limited to 60 days and review may be initiated up to 60 days prior to sunset.

Argument in favor: If multiple applications are received soon after adoption of this policy, sunset could be immediate, and happen before the review of any application is complete. In any case, sunset review under the dollar limit would be concurrent with the review of the application that triggered it. The County is not prevented from reviewing its policy at any earlier time it feels appropriate and can decide at any time that it has granted enough abatements.

The Board will not approve applications that fail to meet the Standards set forth in this Implementing Policy. The Board also may refuse any application for a project that, in its judgment, would not meet the Goals set forth in this policy.

The Board will grant abatements only to companies that have demonstrated a commitment to obeying all applicable laws and regulations including, but not limited to, environmental laws, labor laws, laws requiring notice before layoffs, land use laws, and tax laws.

IV. Procedures for Review and Negotiation

A. Application fee and deposit

A deposit of \$10,000, to cover the full cost of review and processing by all public agencies and consultants will be collected at the time of application. The deposit will be collected by the Multnomah County Budget and Quality Office. Any amount collected in excess of actual cost will be reimbursed. Actual costs in excess of the deposit collected will be billed and paid by the applicant.

B. Summary of the application procedure

A pre-application exchange of information between prospective applicants and relevant agencies is expected. State and local economic development agencies may facilitate this exchange. The better prepared the review agencies are in advance of application, the more quickly the application may be reviewed. The identity of potential applicants may be kept confidential until the date of public notice (see below).

Multnomah County will retain independent consultants to coordinate the review of the application for compliance with this Implementing Policy. State and local agencies will contribute information and analysis as appropriate. With direction from Multnomah County, the independent consultants will coordinate negotiations with the applicant. Local agencies will evaluate the application in light of the consultants' reports and make recommendations to the Board.

This process can be completed within approximately __ days [56 or 35 depending on option chosen below] of application if the application is complete when presented, not including the time required for negotiations.

C. Sequence and timeline for review

Pre-application (begins two weeks or more in advance of application)

- The prospective applicant will become informed about the process, players, and information requirements of review agencies and will use that information to draft the application in a way that expedites review. County and City personnel will become familiar with the applicant's proposed project and will begin to identify issues and information requirements associated with that project.
- The prospective applicant will inform Multnomah County as soon as possible of the date it intends to submit an application.
- The prospective applicant may choose to expedite the review process by paying the deposit in advance of making application, thereby permitting the County to retain the consultants and appoint a negotiating team

Application

- Applicant submits 20 copies of application to the Multnomah County Budget and Quality Office and pays deposit (if not already paid)
- The Multnomah County Budget and Quality Office distributes the copies. and, if it has not already done so under the expedited process, begins hiring the consultants. The contract document will follow the process for a Class II contract as outlined in the County's Administrative Manual except that Board Approval will be required.
- If a negotiating team has not already been appointed under the expedited process, the County Chair will appoint one.

OPTION A

Review (approximately 42 days plus time for negotiations)

- Review agencies have seven days from the date of application to make a determination of completeness and advise the County and consultants of any additional information needed.
- Once an application had been determined to be complete, negotiations will begin
- Within 14 days from the date of application, or seven days from the date the application is deemed complete, whichever comes later, the consultants will submit a report to the Board on the compliance of the application with this Implementing Policy including the findings of the fiscal and economic impact studies and proposed contract terms and conditions. The application, along with the consultants' reports will be made public at this time and public notice will be given

OPTION B

Review (approximately 14 days plus time for negotiations)

- The County will have retained the consultants within seven days of receipt of the deposit. The consultants will make a determination of completeness within seven days of the date of application. If an application is deemed incomplete, the County and applicant will be advised as to what additional information is needed.
- Within seven days from the date the application is deemed complete, the consultants will submit a report to the Board on the compliance of the application with this Implementing Policy including the findings of the fiscal and economic impact studies.
- Negotiations may begin at any time after the date of application, but no later than seven days after the County receives the consultants' report.

OPTION A

- No less than 14 days after public notice, a public hearing will be held. After the hearing, the Board will give direction to the negotiating team
- When negotiations are complete, the negotiating team will present a draft of the contract between the County and the applicant, along with the consultants' report, to the County Board. The County will forward a copy to the City Council of the affected city
- Within seven days of being presented with the draft contract, the County Board will accept the draft or ask for changes

Additional Public Review and County Approval (approximately 14 days)

- Upon approval of the draft contract, public notice will be given
- No less than seven days after public notice, a joint City/County public hearing will be held
- No less than seven days after the public hearing, the County Board will meet to take final action on the contract

OPTION B

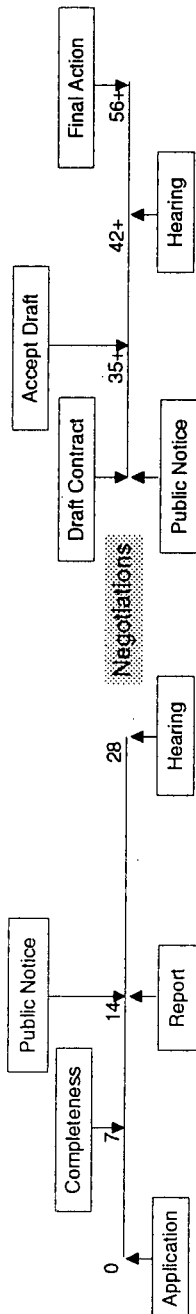
- When negotiations are complete, public notice will be given and the application, consultants' report, and draft contract will be released for review.

Public Review and County Approval (approximately 21 days)

- No less than 14 days after public notice, a joint City/County public hearing will be held
- No less than seven days after the public hearing, the County Board will meet to take final action on the contract

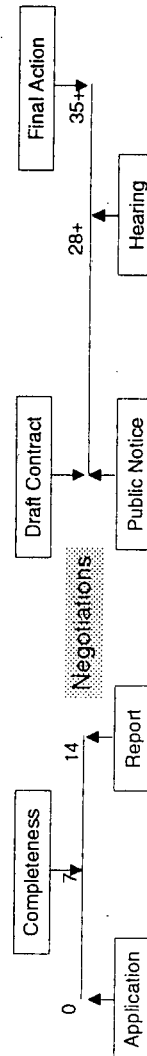
OPTION A

Argument in favor: Allows for public review and involvement prior to negotiations.



OPTION B

Argument in favor: Allows timely decision. Negotiations will be between the County and the applicant based on this policy, rather than between the applicant and every interest group that wants to get involved and change the standards.



D. Negotiating Team

The County's negotiating team will be appointed by the County Chair. The city in which the project will be located will appoint a representative who will be a part of the negotiating team.

To ensure checks and balances in the process, the responsibility for business recruitment will be separate from the responsibility for contract negotiation. Neither the County or the City will appoint parties with business-recruitment responsibility to the negotiating team.

The negotiating team will have access to and will make use of the consultants and parties.

V. Contents of Application

A. General Information

The applicant will describe itself and the proposed project

B. Compliance with Standards and consistency with Goals

Section VIII of this policy lists for each of several categories Goals and related Standards. The Standards are clear and measurable and must be met in advance of an application being approved. The Goals are less clearly defined and, in many cases, progress toward their attainment cannot be measured until after a project is operational. The Abatement Contract will contain negotiated terms and conditions that specify measures of attainment appropriate to the applicant's operations as well as repayment terms should agreed-upon performance not be achieved.

The applicant will demonstrate that it meets every Standard by including sufficient evidence in the application. For each Standard, this implementing policy describes a repayment provision in general terms, which will be defined more specifically during negotiations.

The applicant will describe how the proposed project will advance each of the County's Goals. Statements made in the application regarding the applicant's commitment to meeting these Goals may become a part of the Abatement Contract, which will contain negotiated terms and conditions that specify measures of attainment appropriate to the applicant's operations as well as repayment terms should agreed-upon performance not be achieved.

C. Past practices

Multnomah County is interested in encouraging the location of companies that will help the County to achieve its goals and will bring benefits to the community. Learning about the applicant's experience in other communities will allow Multnomah County to have confidence that the applicant will be a beneficial addition to the community.

The applicant will report any sanctions or consent agreements related to violations of U.S. federal or state laws or rules relating to environmental protection, worker safety, or labor relations. The applicant also will report all prior and existing tax abatement agreements in other U.S. jurisdictions so that the County may verify that the applicant has upheld the terms of those agreements.

VI. Compliance Auditing, Enforcement, Repayment, and Changes to the Contract

Once an Abatement Contract is in place, the applicant will report annually on how it is meeting each of the terms and conditions of the contract. If the County receives information indicating a potential violation of the contract terms, it may ask the applicant for a written response. In the event that the applicant's written response fails to satisfy the County, the County may retain an outside firm to verify compliance. The applicant will provide access to necessary records.

OPTION A

The costs of such verification would be billed and paid by the applicant, over and above the application fee and community service fee.

Argument in favor: Implementation of the SIP, including responding to potential violations, should be cost-neutral to the County. It is not the intent of the County to abuse this policy. If the county believes there is just cause for an investigation and no violation is found, the County should not have to bear the cost. If the County does not respond because of cost and it is later determined that a violation did occur, then the County is not being accountable and responsible to the public.

OPTION B

In the event a violation is found, the costs of such verification would be billed and paid by the applicant, over and above the application fee and community service fee. If no violation is found, the County will pay for the investigation.

Argument in favor: Applicant shouldn't have to pay for the investigation of unfounded accusations against it, especially since there is no limit on the frequency of such investigations or their cost. Given the political risk in failing to pursue an accusation, putting some of the financial risk on the County is one way to provide incentive to limit investigations to accusations with probable cause.

In the event of non-compliance, repayment of foregone taxes (i.e. penalties) must be equal to or greater than the savings the company would realize by not meeting the requirement. Specific terms for repayment will be negotiated and included in the Abatement Contract. In any case, total repayments will not exceed 75% of the total abatement. Repaid funds will be directed to the area of public policy most directly related to the failure to comply.

Conditions beyond the control of the parties may lead to renegotiation of the contract upon agreement of both parties.

VII. Process for Establishing Use of Community Service Fee

Consistent with State law, a Community Service Fee equal to the lesser of \$2 million or 25 percent of abated taxes will be paid to the County by the applicant or its successors each year abatement is in effect.

The County Board, after consultation with elected officials from all cities within the County, will decide how to use the Community Service Fee. The fee may be used for:

- mitigating potential impacts of the project
- Collaborative efforts among City agencies, County agencies, school districts, and community groups to achieve progress as measured by Portland-Multnomah Benchmarks.
- other uses in the interest of the community

In addition to the Community Service Fee, the County may ask for financial contributions from the applicant to address the goals of this policy as part of the terms and conditions of the contract negotiated under this policy.

VIII. SIP Goals and Standards

A. Need for the exemption

Multnomah County Goal:

- Abatements will be granted to secure investments that would otherwise not take place within Multnomah County

Standard:

- Applicant will describe why an abatement is needed
- Applicant will state that it is considering sites outside the region

B. Hiring, Wages, Benefits, Training, and Retention

The goals and standards in this category promote progress as measured by the following Urgent Benchmarks:

- Average annual payroll per non-farm worker
- Percentage of citizens with incomes above 100% of the poverty level
- Percentage of children 0-17 living above 100% of the poverty level
- Percentage of citizens who have economic access to basic health care

Multnomah County Goals:

- The creation of long-term jobs with family wages, benefits, and working conditions for residents of Multnomah County **or** the creation of a full spectrum of jobs for residents of Multnomah County who are unemployed or under-employed, with a clear career track from entry-level jobs to family-wage jobs.
- Provide support for all parents needing child care, especially entry-level parents

Standards:

Multnomah County wishes to attract firms that will pay especially high wages and will employ large numbers of area residents who are unemployed or underemployed, but understands that jobs that pay especially high wages generally require skills that large numbers of unemployed or underemployed area residents are unlikely to possess. In recognition of the fact that projects eligible for the SIP are likely to fall into two broad categories—research-oriented facilities that pay high wages but are unlikely to employ large numbers of current area residents and production-oriented facilities that can employ significant numbers of current area residents but at wages that are high only in relation to other production jobs—this policy provides two parallel sets of standards.

The following standard will be met by an applicant offering primarily high-wage jobs:

- The applicant will make assurance that 75 percent of regular employees (counted on an FTE basis) will be paid more than the mean covered payroll per employee in Multnomah County.

The following standards will be met by an applicant offering a full spectrum of jobs:

- The applicant will agree to a minimum number of jobs to be created through the project as part of the terms and conditions of the abatement contract
- The applicant will demonstrate that a clear path exists for advancement from entry-level positions to positions that provide higher pay, including positions that pay more than the mean covered payroll per employee in the county
- The applicant will describe its wage scale for occupations with entry-level positions and describe how an entry-level employee might typically move through pay levels and job classifications
- The applicant will agree to negotiate contract terms and conditions appropriate to its operations and to the local labor market that will specify minimum percentages for hiring current residents of the region

OPTION A

- The applicant will describe how their employment practices facilitate the retention of employees. The applicant will make assurance that half of the percentage of local hires agreed to above will be retained for a minimum of two years.

Argument in favor: prevents an applicant from meeting the local-hire standard by hiring local employees initially and then replacing them with others.

- The applicant will describe a credible program to assist employees who need child care and will make assurance that such a program will be implemented

Argument in favor: This standard applies only to employers who will be offering a substantial number of below-family-wage jobs. Many holders of such jobs cannot afford to pay for child care, but cannot work without it.

OPTION B

- The applicant will describe how their employment practices facilitate the retention of employees.

Argument in favor: a nearby competitor with a local-hire requirement of its own may bid away employees recently hired by the applicant. If this happens, the applicant will already be suffering increased costs and further punishment would be unwarranted.

(no mandatory child care)

Argument in favor: Providing support for parents who need assistance with child care is a goal and the need for company-paid programs should be assessed on a case-by-case basis as part of the negotiations.

The following standards will be met by all applicants:

- The applicant will have entered into a Full Service First Source Agreement to use Job Net or an equivalent sourcing arrangement.
- The applicant will describe training programs available to entry-level employees and training programs available to other employees. In-house programs, tuition assistance for job-related

training and education, or contracts directly with community colleges or universities would meet this standard.

- The applicant will describe the benefits offered to employees, making clear what the employer's contribution is and which employees qualify
- The applicant will make assurance that regular employees will receive employer-paid health benefits equal to or better on the whole than those provided under the Oregon Health Plan, and that members of employees' families will be able to purchase the same coverage at or below cost to the extent that carriers will write coverage for such persons
- The applicant will make assurance that regular employees will receive employer-paid benefits that help an employee prepare for retirement

OPTION A

- The applicant will have a policy of contracting on-site services only with firms that provide health care benefits to their employees wherever feasible.

Argument in favor: prevents an applicant from escaping the standard by contracting out work. Proponents believe that every employee should have health benefits

- The applicant will have a policy of contracting on-site services only with firms that pay each of their employees more than \$6.50 per hour wherever feasible.

Argument in favor: Proponents believe that subsidies should be granted only to firms that pay an adequate wage.

OPTION B

(no standards imposing conditions on firms not receiving tax abatements)

Argument in favor: These standards, if adopted, would extend the County's demands for concessions from beyond the firm to which it granted the abatement (and can reasonably ask for concessions in return) to firms for which the County has done no favors. The minimum wage requirement is not even imposed on the applicant firm. Firms contracting with the applicant firm are not receiving subsidies from the County.

Repayment:

- Payment to the County of \$1.00 for every \$1.00 saved by not meeting the standard.

C. Housing and Transportation

Multnomah County Goals:

- Provide assistance securing affordable housing
- Encourage employees to use transit, car pools, van pools, or alternative modes of transportation

Standards:

OPTION A

- Applicant will agree to contribute ten percent of abated property taxes to the County housing authority.

Argument in favor: Multnomah County already has an affordable-housing problem and any large new employer will add to that problem, not just in the city it locates in, but throughout the region. The extent of any particular employer's contribution to the problem, however, cannot be measured accurately. One of the things Multnomah County is asking from applicants in return for the abatements is help with this problem.

- The applicant will describe a credible program to encourage employees to use transit, car pools, van pools, or alternative modes of transportation and will make assurance that such a program will be implemented

Repayment:

- Payment to the County of \$1.00 repayment for each \$1.00 saved by not meeting standard.

OPTION B

- The City in which the project will be located will assess the applicants impact on the availability of affordable housing and, if an adverse impact is predicted, the applicant will agree in negotiations to fund an appropriate company- or community-operated program.

Argument in favor: The extent of mitigation asked for should depend on the extent of the applicant's contribution to the problem, if any.

D. Infrastructure and Public Services

The goals and standards in this category promote progress as measured by the following Urgent Benchmark:

- Percentage of citizens who feel government is doing a good job of providing public services

Multnomah County Goals:

- No unmitigated adverse impacts on the level of services provided to existing residents of Multnomah County and the region

Standards:

As part of its application, the applicant will describe impacts in the following areas and what it has committed to do to mitigate negative impacts. The applicant will provide statements from the relevant agencies that there will be no unmitigated adverse impacts on the level of service or infrastructure or that describe what unmitigated adverse impacts will result from the project. Remedies for unmitigated adverse impacts will be negotiated as part of the terms and conditions of the contract.

- Transportation infrastructure (including traffic and congestion, transit, port, rail, air, multi-modal)
- Utility infrastructure (water and sewer capacity; solid and hazardous waste disposal)
- Public safety (police, fire, emergency medical services, disaster preparedness)

E. Environmental Protection

Multnomah County Goal:

- To grant abatements only to firms that demonstrate a commitment to environmental protection.

Standards:

The applicant will describe credible programs in each of the following areas, will present verification by the relevant regulatory authorities that these programs are reasonable, and will demonstrate a commitment to ongoing monitoring.

- Reducing the use of toxic and hazardous materials
- Water conservation, reuse, and waste water discharge
- Air quality
- Waste reduction and recycling
- Energy conservation

F. Stimulation of Local Economy

Multnomah County Goal:

- To encourage the purchase of goods and services produced in Multnomah County

Standards:

- The applicant will have a plan to identify for procurement locally-produced goods and services and to solicit bids from local suppliers

IX. Impact analysis

The impact analysis will be assembled by the consultants primarily from components provided by other agencies and included in the application. It will address the following points:

A. Fiscal Impacts (impacts on revenues and capacity constraints). This analysis will show property-tax revenues under each of three scenarios and will calculate their differences from each other: (1) without the project, (2) with the project without abatement, and (3) with the project with abatement. Community service fees will be shown separately and will not be counted as property tax revenue.

1. Education Districts
2. County
3. City
4. Special Districts
5. Impacts on existing property tax payers (tax bills relative to no development and relative to no abatement)

B. Economic Impacts

1. Labor market impacts (number and types of jobs; incomes; impacts on other employers)
2. Indirect and induced business activity (additional demand for locally-produced goods and services; resulting changes in employment and income)
3. Competitive impacts on existing businesses (would abatements give new firm unfair advantage over direct competitors already located here?)
4. Dollars of abated taxes per job created

MULTNOMAH COUNTY STRATEGIC INVESTMENT PROGRAM POLICY DISCUSSION

February 28, 1995

Multnomah County Justice Center, 14th Floor, Conference Room B

After hearing presentations giving an overview of the Strategic Investment Program, the history and process for the development of the County's policy, a review of the Portland - Multnomah County Benchmarks, and a profile of a company likely to be applying under this policy, the Commissioners and Mayors worked together to develop the elements they would like to see in a policy. Following is a summary of the ideas and approaches they listed.

■ **Pre-Qualification Threshold** - A preliminary question was raised as to whether the policy should include a threshold of certain things a company must meet right up front before any further consideration is given to its application or before it could even apply. This was set aside as something to look at once the elements of the policy are pulled together, to see if some clearly fit this sort approach.

Benchmarks

The group listed the following benchmarks or general goals as ones that they would like to see addressed in the policy or that they believe the policy will further. (Numbers following a benchmark refers to the benchmark number in the County Benchmarks book.)

- Average wage. Floor/wage spread
- Poverty - Women on welfare
- Children in poverty
- Unemployment
- Education certificate
- Housing Affordability (availability)
- Proximity of home to work
- Infrastructure (cost/benefit)
- Capability (Perf. Meas)
- Implementation of 2040 (employees per acre)
- Open Space/Green Space
- Water conservation
- Water quality
- Transportation
- Air quality
- (Policy Administration-Equity related benchmarks)
 - % HH income for taxes
 - Citizens feel good about government
 - Per capita expenditure by government
 - G.O. Bond rating

- Services as % of expenditures
- % of adults with Associate degrees by ethnicity 41
- % leaving post-secondary skill sets match workforce 42
- Child care slots 33
- Energy units 70
- Access to health care
- Economic prosperity
- # of cities served by airport 17
- Exports 18
- Citizens feel safe 84/49

The following requirements/policies related to income/wages, housing, infrastructure, livability/environment, and other should be incorporated into the policy:

Income/wages

- Commitment to a certain number of full time, permanent jobs that pay above the County average. Minimize temporary and contract jobs.
 - Preference for companies with entry level jobs - have the full continuum.
 - Look at spread in wages
 - Require disclosure of types of jobs.
 - R& D jobs as well as other
 - Opportunities for lower jobs to move into higher
 - Job retention
- High percentage of local workers - Multnomah County
- Recruit locally for higher paid jobs as well as lower
- Tuition/training opportunities
- Develop a training/mentoring program - industry-wide training ok.
 - On the job training
 - Pay tuition/child care
 - Train women on welfare for opportunities to move to a higher level.
- Coordinate "pots" of money in order to access resources such as child care, training, etc.
- Network with universities
- Target employees
 - Recruit most needy (target certain segments)
 - Women on welfare
 - Others with male head of family needing work
- Ability to advance on job
- Encourage creating jobs in job deficient areas
- Child care
 - on-site, near
 - Employer sponsored/subsidized
- Full Time jobs
- Jobs and training leading to economic self-sufficiency

- Minimum/standard benefits (p. 19).
 - Health care coverage for families
 - Require contractors to provide health care. Require contractors to pay entry level wage.

Housing

- Require an investment into development of moderate and lower income housing.

Infrastructure

- Look at how infrastructure paid for
 - Do an impact analysis (include school impacts, water use)
- Compatible with 2040 Plan
- Require mitigation of any negative infrastructure effects (acknowledgment of the fact it may be appropriate for the County or City to invest in infrastructure that will serve others in the long term)
- Help meet transportation goals
- Coordinate the development of infrastructure to extent possible to meet variety of needs

Liveability/environment

- Give a "bonus" for state of the art water conservation, toxic use reduction and other innovative environmentally friendly approaches
- Require up front disclosure of environmental performance and past labor relations.
- Get a picture of the company's past environmental responsibility (Consider this, but may not be an absolute bar if past violations)

Other

- Local purchase of supplies
- Use of local, minority and women contractors
- Advance notice of closure/downsizing and assistance for employees

Policy Administration

The following items were suggested for inclusion in the policy for enforcement and administrative purposes:

- Accountability - strong mechanisms for enforcement.
- "Clawback" provisions
- Develop process to go through
 - Include time lines - clear expectations
 - Public process
 - City and County as partners in negotiating - method of working together on the nuts and bolts - County holds to overall policy.
- Non-refundable application fee

- Consider whether eligible for enterprise zone and S/P both

Evaluation Process

The following items were suggested as things to build into the process for evaluating applications for tax abatement under this policy:

- Use a cost/benefit or impact analysis
- Use the goals to focus
- Enforcement mechanism
- Build a process for deciding into the policy

Community Service Fee

The following ideas were generated about how to apply the Community Service Fee collected. No policy was adopted, but a general intent was expressed to keep it flexible so that it could be used to meet needs identified at the time.

- Apply to City, County, school and community collaboration that helps the County achieve benchmarks
- Use it to deal with direct impacts of the project
- Options (it was not agreed which of these would be the approach)
 - Retain flexibility - for any need
 - Choose one benchmark to enhance the benefits of the project

Other Directions to Technical Staff

- Adopt "findings" - why are we doing this
- Analyze data to draw conclusions about what the primary need is in the County; use the information in the rationale for where the Community Service Fee is allocated
- Achieve long term improvements for the County through this policy
- Try to keep it a regional policy, unless cities see a clear need to adopt a separate policy

Multnomah County Strategic Investment Program

Draft of Implementing Policy

I. Background

Oregon has many natural advantages that make it attractive to firms seeking to locate a new facility. For firms in capital-intensive industries such as semiconductors and metals, however, Oregon's property tax system has made locating in Oregon less attractive relative to locating in another state or outside the U.S. Firms in capital-intensive industries generally are especially desirable to a region because they tend to invest heavily in developing the skill levels of their employees, pay their employees well, and contribute in other ways to the economic development of the region.

A highly capital-intensive production facility would pay many times more in property taxes than an otherwise-identical facility with average capital intensity, but would impose the same costs on local government service providers. If the property tax burden on a typical production facility is a fair burden, then the burden on a highly capital-intensive facility is excessive.

The 1993 Oregon legislature sought to provide a means for rectifying this inequity and enjoy additional investment and employment within the state by capital-intensive firms. With the passage of House Bill 3686, counties and cities may elect, under certain conditions, to exempt portions of projects funded by Economic Development Revenue Bonds from property-tax assessments. This program for abating property taxes for capital-intensive firms is called the Strategic Investment Program (SIP).

House Bill 3686 specified that the governing body of an Oregon county may impose additional reasonable requirements on an applicant. Multnomah County seeks to implement its SIP in a way that promotes attainment of the County's goals. To ensure that abatements are granted only to firms that share the County's goals, this policy document describes in detail the things a successful applicant will do, knowing that firms eligible to apply probably would do most or all of them anyway.

II. Purpose

The purpose of this Implementing Policy is to ensure that:

- the SIP is implemented in a fair and open manner
- only projects that would not otherwise locate in Multnomah County receive property tax abatements under the SIP
- benefits are enjoyed by current county residents, especially those who are unemployed or underemployed, and the region as a whole benefits
- the implementation of the County's SIP results in the creation of a reasonable number of long-term jobs that lead to economic self sufficiency in relation to the amount of taxes abated
- the implementation of the County's SIP is consistent with the County's land use, development, and environmental goals and promotes progress as measured by the County's Urgent Benchmarks.

III. Limits

OPTION A

This implementing policy will sunset at the earlier of two years or when the combination of approved and pending applications have a projected value of taxes abated in excess of \$100 million. The County Board will appoint an independent body to evaluate the effectiveness of this implementing policy and to recommend its continuation, reform, or elimination. The duration of the sunset review will be limited to 60 days and review may be initiated up to 60 days prior to sunset.

Argument in favor: After granting three property tax abatements, Washington County is seeking more control over the program. The Washington County Chair has asked Governor Kitzhaber to consider legislative changes that would allow counties to place a cap on the amount of property tax exemption that a company can receive. Currently, counties have the ability to gain greater control over the SIP by placing a cap on the amount of property tax exemption allowed for the entire tax abatement program. In addition, the County may have met all of its policy goals by the time \$100 million of abatements are granted and not wish to grant any more. After having been through the application process two or three times, problems in the application or approval procedures, if present, are likely to be evident and an opportunity should exist to correct them.

OPTION B

This implementing policy will sunset after two years. The County Board will appoint an independent body to evaluate the effectiveness of this implementing policy and to recommend its continuation, reform, or elimination. The duration of the sunset review will be limited to 60 days and review may be initiated up to 60 days prior to sunset.

Argument in favor: If multiple applications are received soon after adoption of this policy, sunset could be immediate, and happen before the review of any application is complete. In any case, sunset review under the dollar limit would be concurrent with the review of the application that triggered it. The County is not prevented from reviewing its policy at any earlier time it feels appropriate and can decide at any time that it has granted enough abatements.

The Board will not approve applications that fail to meet the Standards set forth in this Implementing Policy. The Board also may refuse any application for a project that, in its judgment, would not meet the Goals set forth in this policy.

The Board will grant abatements only to companies that have demonstrated a commitment to obeying all applicable laws and regulations including, but not limited to, environmental laws, labor laws, laws requiring notice before layoffs, land use laws, and tax laws.

IV. Procedures for Review and Negotiation

A. Application fee and deposit

A deposit of \$10,000, to cover the full cost of review and processing by all public agencies and consultants will be collected at the time of application. The deposit will be collected by the Multnomah County Budget and Quality Office. Any amount collected in excess of actual cost will be reimbursed. Actual costs in excess of the deposit collected will be billed and paid by the applicant.

B. Summary of the application procedure

A pre-application exchange of information between prospective applicants and relevant agencies is expected. State and local economic development agencies may facilitate this exchange. The better prepared the review agencies are in advance of application, the more quickly the application may be reviewed. The identity of potential applicants may be kept confidential until the date of public notice (see below).

Multnomah County will retain independent consultants to coordinate the review of the application for compliance with this Implementing Policy. State and local agencies will contribute information and analysis as appropriate. With direction from Multnomah County, the independent consultants will coordinate negotiations with the applicant. Local agencies may evaluate the application in light of the consultants' reports and make recommendations to the Board.

This process can be completed within approximately ___ days [49 or 35 depending on option chosen below] of application if the application is complete when presented, not including the time required for negotiations.

C. Sequence and timeline for review

Pre-application (begins two weeks or more in advance of application)

- The prospective applicant will become informed about the process, players, and information requirements of review agencies and will use that information to draft the application in a way that expedites review. County and City personnel will become familiar with the applicant's proposed project and will begin to identify issues and information requirements associated with that project.
- The prospective applicant will inform Multnomah County as soon as possible of the date it intends to submit an application.
- The prospective applicant may choose to expedite the review process by paying the deposit in advance of making application, thereby permitting the County to retain the consultants and appoint a negotiating team

Application

- Applicant submits 20 copies of application to the Multnomah County Budget and Quality Office and pays deposit (if not already paid)
- The Multnomah County Budget and Quality Office distributes the copies. and, if it has not already done so under the expedited process, begins hiring the consultants. The contract document will follow the process for a Class II contract as outlined in the County's Administrative Manual except that Board Approval will be required.
- If a negotiating team has not already been appointed under the expedited process, the County Chair will appoint one.

OPTION A

Review (approximately 28 days plus time for negotiations)

- Review agencies have seven days from the date of application to make a determination of completeness and advise the County and consultants of any additional information needed.
- Once an application had been determined to be complete, negotiations will begin
- Within 14 days from the date of application, or seven days from the date the application is deemed complete, whichever comes later, the consultants will submit a report to the Board on the compliance of the application with this Implementing Policy including the findings of the fiscal and economic impact studies and proposed contract terms and conditions. The application, along with the consultants' reports will be made public at this time and public notice will be given

OPTION B

Review (approximately 14 days plus time for negotiations)

- The County will have retained the consultants within seven days of receipt of the deposit. The consultants will make a determination of completeness within seven days of the date of application. If an application is deemed incomplete, the County and applicant will be advised as to what additional information is needed.
- Within seven days from the date the application is deemed complete, the consultants will submit a report to the Board on the compliance of the application with this Implementing Policy including the findings of the fiscal and economic impact studies.
- Negotiations may begin at any time after the date of application, but no later than seven days after the County receives the consultants' report.

OPTION A

- No less than 14 days after public notice, a public hearing will be held. After the hearing, the Board will give direction to the negotiating team
- When negotiations are complete, the negotiating team will present a draft of the contract between the County and the applicant, along with the consultants' report, to the County Board. The County will forward a copy to the City Council of the affected city. Public notice will be given

Additional Public Review
and County Approval
(approximately 21 days)

- No less than 14 days after public notice, a joint City/County public hearing will be held
- No less than seven days after the public hearing, the County Board will meet to take final action on the contract

OPTION B

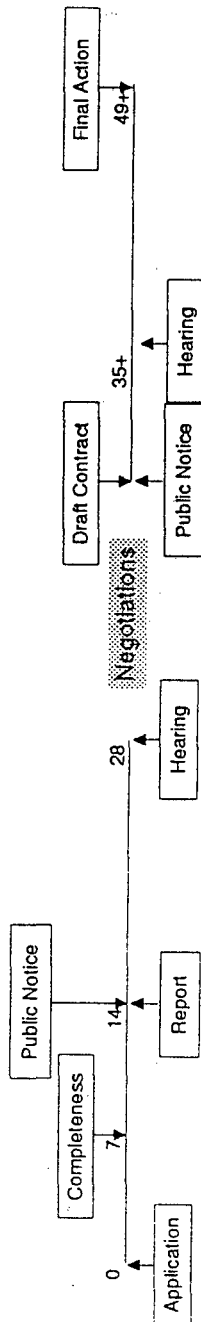
- When negotiations are complete, public notice will be given and the application, consultants' report, and draft contract will be released for review.

Public Review and County
Approval (approximately 21
days)

- No less than 14 days after public notice, a joint City/County public hearing will be held
- No less than seven days after the public hearing, the County Board will meet to take final action on the contract

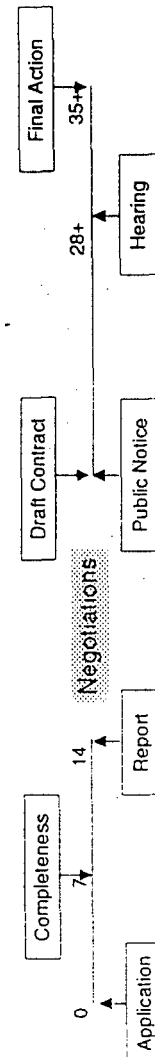
OPTION A

Argument in favor: Allows for public review and involvement prior to negotiations.



OPTION B

Argument in favor: Allows timely decision. Negotiations will be between the County and the applicant based on this policy, rather than between the applicant and every interest group that wants to get involved and change the standards.



D. Negotiating Team

The County's negotiating team will be appointed by the County Chair. The city in which the project will be located will appoint a representative who will be a part of the negotiating team.

To ensure checks and balances in the process, the responsibility for business recruitment will be separate from the responsibility for contract negotiation. Neither the County or the City will appoint parties with business-recruitment responsibility to the negotiating team.

The negotiating team will have access to and will make use of the consultants and parties.

V. Contents of Application

A. General Information

The applicant will describe itself and the proposed project

B. Compliance with Standards and consistency with Goals

Section VIII of this policy lists for each of several categories Goals and related Standards. The Standards are clear and measurable and must be met in advance of an application being approved. The Goals are less clearly defined and, in many cases, progress toward their attainment cannot be measured until after a project is operational. The Abatement Contract will contain negotiated terms and conditions that specify measures of attainment appropriate to the applicant's operations as well as repayment terms should agreed-upon performance not be achieved.

The applicant will demonstrate that it meets every Standard by including sufficient evidence in the application. For each Standard, this implementing policy describes a repayment provision in general terms, which will be defined more specifically during negotiations.

The applicant will describe how the proposed project will advance each of the County's Goals. Statements made in the application regarding the applicant's commitment to meeting these Goals may become a part of the Abatement Contract, which will contain negotiated terms and conditions that specify measures of attainment appropriate to the applicant's operations as well as repayment terms should agreed-upon performance not be achieved.

C. Past practices

Multnomah County is interested in encouraging the location of companies that will help the County to achieve its goals and will bring benefits to the community. Learning about the applicant's experience in other communities will allow Multnomah County to have confidence that the applicant will be a beneficial addition to the community.

The applicant will report any sanctions or consent agreements related to violations of U.S. federal or state laws or rules relating to environmental protection, worker safety, or labor relations. The applicant also will report all prior and existing tax abatement agreements in other U.S. jurisdictions so that the County may verify that the applicant has upheld the terms of those agreements.

VI. Compliance Auditing, Enforcement, Repayment, and Changes to the Contract

Once an Abatement Contract is in place, the applicant will report annually on how it is meeting each of the terms and conditions of the contract. If the County receives information indicating a potential violation of the contract terms, it may ask the applicant for a written response. In the event that the applicant's written response fails to satisfy the County, the County may retain an outside firm to verify compliance. The applicant will provide access to necessary records.

OPTION A

The costs of such verification would be billed and paid by the applicant, over and above the application fee and community service fee.

Argument in favor: Implementation of the SIP, including responding to potential violations, should be cost-neutral to the County. It is not the intent of the County to abuse this policy. If the county believes there is just cause for an investigation and no violation is found, the County should not have to bear the cost. If the County does not respond because of cost and it is later determined that a violation did occur, then the County is not being accountable and responsible to the public.

OPTION B

In the event a violation is found, the costs of such verification would be billed and paid by the applicant, over and above the application fee and community service fee. If no violation is found, the County will pay for the investigation.

Argument in favor: Applicant shouldn't have to pay for the investigation of unfounded accusations against it, especially since there is no limit on the frequency of such investigations or their cost. Given the political risk in failing to pursue an accusation, putting some of the financial risk on the County is one way to provide incentive to limit investigations to accusations with probable cause.

In the event of non-compliance, repayment of foregone taxes (i.e. penalties) must be equal to or greater than the savings the company would realize by not meeting the requirement. Specific terms for repayment will be negotiated and included in the Abatement Contract. In any case, total repayments will not exceed 75% of the total abatement. Repaid funds will be directed to the area of public policy most directly related to the failure to comply.

Conditions beyond the control of the parties may lead to renegotiation of the contract upon agreement of both parties.

VII. Process for Establishing Use of Community Service Fee

Consistent with State law, a Community Service Fee equal to the lesser of \$2 million or 25 percent of abated taxes will be paid to the County by the applicant or its successors each year abatement is in effect.

The County Board, after consultation with elected officials from all cities within the County, will decide how to use the Community Service Fee. The fee may be used for:

- mitigating potential impacts of the project
- Collaborative efforts among City agencies, County agencies, school districts, and community groups to achieve progress as measured by Portland-Multnomah Benchmarks.
- other uses in the interest of the community

In addition to the Community Service Fee, the County may ask for financial contributions from the applicant to address the goals of this policy as part of the terms and conditions of the contract negotiated under this policy.

VIII. SIP Goals and Standards

A. Need for the exemption

Multnomah County Goal:

- Abatements will be granted to secure investments that would otherwise not take place within Multnomah County

Standard:

- Applicant will describe why an abatement is needed
- Applicant will state that it is considering sites outside the region

B. Hiring, Wages, Benefits, Training, and Retention

The goals and standards in this category promote progress as measured by the following Urgent Benchmarks:

- Average annual payroll per non-farm worker
- Percentage of citizens with incomes above 100% of the poverty level
- Percentage of children 0-17 living above 100% of the poverty level
- Percentage of citizens who have economic access to basic health care

Multnomah County Goals:

- The creation of long-term jobs with family wages, benefits, and working conditions for residents of Multnomah County or the creation of a full spectrum of jobs for residents of Multnomah County who are unemployed or under-employed, with a clear career track from entry-level jobs to family-wage jobs.
- Provide support for all parents needing child care, especially entry-level parents

Standards:

Multnomah County wishes to attract firms that will pay especially high wages and will employ large numbers of area residents who are unemployed or underemployed, but understands that jobs that pay especially high wages generally require skills that large numbers of unemployed or underemployed area residents are unlikely to possess. In recognition of the fact that projects eligible for the SIP are likely to fall into two broad categories—research-oriented facilities that pay high wages but are unlikely to employ large numbers of current area residents and production-oriented facilities that can employ significant numbers of current area residents but at wages that are high only in relation to other production jobs—this policy provides two parallel sets of standards.

The following standard will be met by an applicant offering primarily high-wage jobs:

- The applicant will make assurance that 75 percent of regular employees (counted on an FTE basis) will be paid more than the mean covered payroll per employee in Multnomah County.

The following standards will be met by an applicant offering a full spectrum of jobs:

- The applicant will agree to a minimum number of jobs to be created through the project as part of the terms and conditions of the abatement contract
- The applicant will demonstrate that a clear path exists for advancement from entry-level positions to positions that provide higher pay, including positions that pay more than the mean covered payroll per employee in the county
- The applicant will describe its wage scale for occupations with entry-level positions and describe how an entry-level employee might typically move through pay levels and job classifications
- The applicant will agree to negotiate contract terms and conditions appropriate to its operations and to the local labor market that will specify minimum percentages for hiring current residents of the region

OPTION A

- The applicant will describe how their employment practices facilitate the retention of employees. The applicant will make assurance that half of the percentage of local hires agreed to above will be retained for a minimum of two years.

Argument in favor: prevents an applicant from meeting the local-hire standard by hiring local employees initially and then replacing them with others.

- The applicant will describe a credible program to assist employees who need child care and will make assurance that such a program will be implemented

Argument in favor: This standard applies only to employers who will be offering a substantial number of below-family-wage jobs. Many holders of such jobs cannot afford to pay for child care, but cannot work without it.

OPTION B

- The applicant will describe how their employment practices facilitate the retention of employees.

Argument in favor: a nearby competitor with a local-hire requirement of its own may bid away employees recently hired by the applicant. If this happens, the applicant will already be suffering increased costs and further punishment would be unwarranted.

(no mandatory child care)

Argument in favor: Providing support for parents who need assistance with child care is a goal and the need for company-paid programs should be assessed on a case-by-case basis as part of the negotiations.

The following standards will be met by all applicants:

- The applicant will have entered into a Full Service First Source Agreement to use Job Net or an equivalent sourcing arrangement.
- The applicant will describe training programs available to entry-level employees and training programs available to other employees. In-house programs, tuition assistance for job-related

training and education, or contracts directly with community colleges or universities would meet this standard.

- The applicant will describe the benefits offered to employees, making clear what the employer's contribution is and which employees qualify
- The applicant will make assurance that regular employees will receive employer-paid health benefits equal to or better on the whole than those provided under the Oregon Health Plan, and that members of employees' families will be able to purchase the same coverage at or below cost to the extent that carriers will write coverage for such persons
- The applicant will make assurance that regular employees will receive employer-paid benefits that help an employee prepare for retirement

OPTION A

- The applicant will have a policy of contracting on-site services only with firms that provide health care benefits to their employees wherever feasible.

Argument in favor: prevents an applicant from escaping the standard by contracting out work. Proponents believe that every employee should have health benefits

- The applicant will have a policy of contracting on-site services only with firms that pay each of their employees more than \$6.50 per hour wherever feasible.

Argument in favor: Proponents believe that subsidies should be granted only to firms that use contractors that pay an adequate wage.

OPTION B

(no standards imposing conditions on firms not receiving tax abatements)

Argument in favor: These standards, if adopted, would extend the County's demands for concessions from beyond the firm to which it granted the abatement (and can reasonably ask for concessions in return) to firms for which the County has done no favors. The minimum wage requirement is not even imposed on the applicant firm. Firms contracting with the applicant firm are not receiving subsidies from the County.

Repayment:

- Payment to the County of \$1.00 for every \$1.00 saved by not meeting the standard.

C. Housing and Transportation

Multnomah County Goals:

- Provide assistance securing affordable housing
- Encourage employees to use transit, car pools, van pools, or alternative modes of transportation

Standards:

OPTION A

- Applicant will agree to contribute ten percent of abated property taxes to the County housing authority.

Argument in favor: Multnomah County already has an affordable-housing problem and any large new employer will add to that problem, not just in the city it locates in, but throughout the region. The extent of any particular employer's contribution to the problem, however, cannot be measured accurately. One of the things Multnomah County is asking from applicants in return for the abatements is help with this problem.

- The applicant will describe a credible program to encourage employees to use transit, car pools, van pools, or alternative modes of transportation and will make assurance that such a program will be implemented

Repayment:

- Payment to the County of \$1.00 repayment for each \$1.00 saved by not meeting standard.

OPTION B

- The City in which the project will be located will assess the applicants impact on the availability of affordable housing and, if an adverse impact is predicted, the applicant will agree in negotiations to fund an appropriate company- or community-operated program.

Argument in favor: The extent of mitigation asked for should depend on the extent of the applicant's contribution to the problem, if any.

D. Infrastructure and Public Services

The goals and standards in this category promote progress as measured by the following Urgent Benchmark:

- Percentage of citizens who feel government is doing a good job of providing public services

Multnomah County Goals:

- No unmitigated adverse impacts on the level of services provided to existing residents of Multnomah County and the region

Standards:

As part of its application, the applicant will describe impacts in the following areas and what it has committed to do to mitigate negative impacts. The applicant will provide statements from the relevant agencies that there will be no unmitigated adverse impacts on the level of service or infrastructure or that describe what unmitigated adverse impacts will result from the project. Remedies for unmitigated adverse impacts will be negotiated as part of the terms and conditions of the contract.

- Transportation infrastructure (including traffic and congestion, transit, port, rail, air, multi-modal)
- Utility infrastructure (water and sewer capacity; solid and hazardous waste disposal)
- Public safety (police, fire, emergency medical services, disaster preparedness)

Repayment:

- Payment to the County of \$1.00 repayment for each \$1.00 saved by not meeting standards.

E. Environmental Protection

Multnomah County Goal:

- To grant abatements only to firms that demonstrate a commitment to environmental protection.

Standards:

The applicant will describe credible programs in each of the following areas, will present verification by the relevant regulatory authorities that these programs are reasonable, and will demonstrate a commitment to ongoing monitoring.

- Reducing the use of toxic and hazardous materials
- Water conservation, reuse, and waste water discharge
- Air quality
- Waste reduction and recycling
- Energy conservation

Repayment:

- Payment to the County of \$1.00 repayment for each \$1.00 saved by not meeting standards.

F. Stimulation of Local Economy

Multnomah County Goal:

- To encourage the purchase of goods and services produced in Multnomah County

Standards:

- The applicant will have a plan to identify for procurement locally-produced goods and services and to solicit bids from local suppliers

Repayment:

- Payment to the County of \$1.00 repayment for each \$1.00 saved by not meeting standard.

IX. Impact analysis

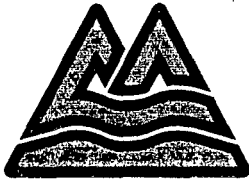
The impact analysis will be assembled by the consultants primarily from components provided by other agencies and included in the application. It will address the following points:

A. Fiscal Impacts (impacts on revenues and capacity constraints). This analysis will show property-tax revenues under each of three scenarios and will calculate their differences from each other: (1) without the project, (2) with the project without abatement, and (3) with the project with abatement. Community service fees will be shown separately and will not be counted as property tax revenue.

1. Education Districts
2. County
3. City
4. Special Districts
5. Impacts on existing property tax payers (tax bills relative to no development and relative to no abatement)
6. Cumulative fiscal impacts including those of SIP abatements already granted

B. Economic Impacts

1. Labor market impacts (number and types of jobs; incomes; impacts on other employers)
2. Indirect and induced business activity (additional demand for locally-produced goods and services; resulting changes in employment and income)
3. Competitive impacts on existing businesses (would abatements give new firm unfair advantage over direct competitors already located here?)
4. Dollars of abated taxes per job created



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M E M O R A N D U M

TO: Sharon Timko
Chair's Staff

FROM: Sandra N. Duffy (106/1530)
Assistant County Counsel *Sandra Duffy*

DATE: March 28, 1995

SUBJECT: Legal Issues of Import to SIP

This memo will address: (1) the constitutionality of a resident hire preference requirement; (2) confidentiality of applicant identity and application;

(1) Resident hire requirement. ORS 285.323(3) provides that a business applying for the benefits of the SIP "shall agree that not less than seventy five percent of new employees hired as a result of the bond issue shall reside within Oregon." The County in turn is interested in requiring that some percentage of those Oregon residents also be County and/or City residents.

There is a December 21, 1994, opinion from Assistant Attorney General Wendy Robinson which concludes that the 75% resident hiring requirement violates the Privileges and Immunities Clause of the United States Constitution (see attached). I have reviewed the opinion and read the cited cases. I conclude that it would be very difficult to draft a provision that could withstand challenge. While Hicklen v. Orbeck, 437 US 518 (1978) states that the Privileges and Immunities clause "does not preclude disparity of treatment in the many situations where there are perfectly valid independent reasons for it," it "does bar discrimination against citizens of other states where there is no reason for the discrimination beyond the mere fact that they are citizens of other states." At 525 citing Toomer v. Witsell, 334 US 385 (1948). Hicklen was a case where the State of Alaska's statute requiring all oil and gas leases, easements and permits to contain a resident hire preference was found unconstitutional, but the US Supreme

Court left open the door by suggesting that a statute granting employment preferences to unemployed residents or residents enrolled in job training programs might be permissible where the record shows that unemployment exists and it is caused by lack of education and training. At 528. But the court looked at the record for facts to support a "substantial relationship" between the resident hiring preference and the discrimination against nonresidents and failed to find any. The court said that the record in Hicklen did not show that the state's unemployment problem was related to an influx of nonresidents.

This case also questioned the provision of the statute that included hiring requirements for subcontractors and suppliers to the oil and gas industry. This raises the specter of the validity of our policy requirement to use local suppliers of goods and services.

The case of United Bldg & Constr. Trades v. Mayor & Council of the City of Camden, 465 US 208 (1984) struck down a city ordinance requiring that 40% of employees working on city construction projects be Camden residents. The court said that such a requirement would have to be supported by a record showing it was calculated to counteract grave economic and social ills involving unemployment and city residents. The case was remanded for creation of a record though it is not subsequently reported. The city, however, appeared to have facts which could have created a sufficient record. The city had "spiraling unemployment, a sharp decline in population, a dramatic reduction in the number of businesses located in the city [which has] eroded property values and depleted the city's tax base." At 222. Similarly, the county would have to have a factual record to support its discriminatory treatment of nonresidents.

(2) Confidentiality of Application. I have previously provided you with a memorandum regarding how an exception in the public records law could be used to protect a potential applicant's identity. That exception, however, must be balanced against the general public interest which must be made of record.

As for the application itself, the only possible exemption is to be found at ORS 192.502(15) which makes certain writings to OSEDC exempt. It provides:

(15) The following records, communications and information submitted to the Economic Development Commission, the Economic Development Department, the Oregon Resource and Technology Development Corporation, the Port of Portland or other ports, as defined in ORS

777.005, by applicants for loans or services described in ORS 285.120:

- (a) Personal financial statements;
- (b) Financial statements of applicants;
- (c) Customer lists;
- (d) Information of an applicant pertaining to litigation to which the applicant is a party if the complaint has been filed, or if the complaint has not been filed, if the applicant shows that such litigation is reasonably likely to occur; this exemption does not apply to litigation which has been concluded, and nothing in this paragraph shall limit any right or opportunity granted by discovery or deposition statutes to a party to litigation or potential litigation;
- (e) Production, sales and cost data; and
- (f) Marketing strategy information that relates to applicant's plan to address specific markets and applicant's strategy regarding specific competitors;

This exemption, which applies to the state agencies and ports only, exempts only the listed documents, so to the extent that an application contains documents not listed, they must be provided to a requester. It is my understanding that in Washington County EDC acted as a "front" for Intel by submitting an application on Intel's behalf without disclosing the corporation's identity. That process appears to meet the letter of the law.

Another possibility is to use ORS 192.502(8) which makes exempt:

- (8) Public records or information the disclosure of which is prohibited or restricted or otherwise made confidential or privileged under Oregon law;

This statute is usually interpreted to apply to writings protected by law other than the Public Records Law. But it appears broad enough to protect records made privileged by the Public Records Law. That is, once submitted to EDC, the records become privileged in the County's possession too. This would require that the application be submitted to EDC before submission to the County.

THEODORE R. KULONQOSKI
ATTORNEY GENERAL

THOMAS A. BALMER
DEPUTY ATTORNEY GENERAL



DEPARTMENT OF JUSTICE
GENERAL COUNSEL DIVISION

December 21, 1994

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1162 Court Street NE
Salem, Oregon 97310
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FILE COPY

Jon Jaqua, Deputy Director
ECONOMIC DEVELOPMENT DEPARTMENT
775 Summer Street, NE
Salem, OR 97310

Post-It* Fax Note	7671	Date	8/23/95	# of pages	3
To	Frank Kaminski	From	Wendy Robinson		
Co./Dept.	Multi-Co. Assessor's Office	Co.	Dept. of Justice		
Phone #	248-3367	Phone #	378-6060		
Fax #	248-3856	Fax #	378-3784		

Re: Hiring Requirement in Strategic Investment Program Statutes
DOJ File No. 123-600-BA018-94

Dear Jon:

ORS 285.323(3) provides in part that "[t]he benefitted business firm shall agree that not less than seventy-five percent of new employees hired as a result of the bond issue shall reside within Oregon." ORS 285.330(5)(c) similarly provides that the applicant must reach "agreement with the county and, if the proposed project will be located within a city, with the city on any other requirements related to the project, including requirements for hiring, as employees of the project, individuals who, prior to being hired, reside within the county in which the project is located." The portions of ORS 285.323(3) and 285.330(5)(c) quoted above violate Article IV, section 2, clause 1 of the United States Constitution, the Privileges and Immunities Clause. That provision provides that "[t]he Citizens of each State shall be entitled to all Privileges and Immunities of Citizens in the several states." OAR 123-11-035(3)(e), which further interprets the seventy-five percent residency requirement, does not save the statute from being unconstitutional under the Privileges and Immunities Clause.

In Hicklin v. Orbeck, 437 US 518, 98 S Ct 2482, 57 L Ed2d 397 (1978) the Court held that an Alaskan statute that required all oil and gas leases, easements or right of way permits to contain requirements that Alaska residents be hired in preference to non-residents violated the Privileges and Immunities Clause. The Court noted that "a resident of one State is constitutionally entitled to travel to another State for purposes of employment free from discriminatory restrictions in favor of state residence imposed by the other state." *Id.* at 525. In order for a discriminatory statute to withstand a challenge under the Privileges and Immunities Clause it must pass two tests: 1) there must be a substantial reason for the discrimination and 2) the non-residents must constitute a peculiar source of the evil at which the statute is aimed. Even where the presence or activity of the non-residents causes or

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exacerbates a problem the State is trying to remedy, there must be a reasonable relationship between the danger represented by the non-residents as a class and the discrimination against them. See also S. Ct. of New Hampshire v. Piper, 470 US 274, 105 S Ct 1272, 84 L Ed2d 205 (1985); Berry v. State Tax Comm'n., 241 Or 580, appeal dismissed 382 US 16 (1964). The statute in question was intended to reduce the high unemployment rate in Alaska. The Court concluded that the statute was unconstitutional because there was no showing that the non-residents who were hired to work on the Alaska pipeline were the cause of Alaska's high unemployment rate. In addition, the statute gave a preference to Alaska residents who had never been unemployed over non-residents.

In United Bldg. & Constr. Trades v. Mayor & Council of the City of Camden, 465 US 208, 104 S Ct 1020, 79 L Ed2d 249 (1984) the Court reversed and remanded to the lower courts to determine if an ordinance passed by the City of Camden which required contractors and subcontractors who worked on city construction projects to hire forty percent of their workforce from among Camden residents had sufficient reasons to justify the discrimination against non-Camden residents. Significantly, the Court held that though it was reviewing a municipal ordinance, not a state statute, that a municipality could not do what the state would be prohibited from doing. The Court reiterated that the right to be employed is a fundamental privilege under the Privileges and Immunities Clause. The City argued that the ordinance was necessary because of the high unemployment rate, the decrease in the City's population, and the decrease in the number of businesses located in the City had eroded property values and depleted the tax base. The ordinance was intended to increase the number of employed persons living in Camden and arrest middle-class flight to the suburbs.

ORS 285.323 is part of a statutory scheme setting out the procedures for issuing industrial development revenue bonds and granting property tax exemptions in certain circumstances. Oregon Laws 1993, chapter 737 did not state any reason for the seventy-five percent residency requirement. The provision was added at the request of Senator Dukes who was concerned that businesses located on the Oregon-Washington border would hire employees from Washington. Apparently the provision was added to reduce the unemployment rate in Oregon. This is exactly the type of reason that is prohibited under the Privileges and Immunities Clause. A person's right to pursue a livelihood in a state other than his own is protected by the Privileges and Immunities Clause. Letter of Advice dated August 1, 1988 to Representative Robert Shlprack (OP-6242). Thus, there is no substantial reason for the difference in treatment. There is no evidence that Washington residents who work in Oregon are the cause of Oregon's higher unemployment rate. In addition, Oregon does not have a particularly high unemployment rate at this time. See Wood v. Dept. of Rev., 305 Or 23 (1988).

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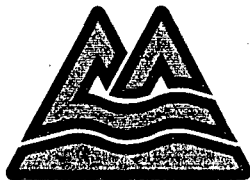
I would recommend that the seventy-five percent hiring requirement in ORS 285.323(3) be repealed in the next session. In addition, that portion of ORS 285.330(5)(c) referring to residency within the county where the project is located should also be repealed. In the alternative, the legislature could make findings setting out the purpose for the residency requirement and, after investigation, explain why non-Oregon residents are the particular source of the evil the statute is aimed at. That portion of OAR 123-11-035(3)(e) that further defines the residency requirements should not be made a permanent rule. In the interim, if the Department is working with companies who might use the Strategic Investments Program, they should not be required to comply with the seventy-five percent residency requirement.

If you have any questions regarding my conclusions, please feel free to call.

Sincerely,

Wendy A. Robinson
Assistant Attorney General
Business Activities Section
General Counsel Division

WAR:war:rosVGG00ABC1



RECEIVED

MAR 15 1995

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MULTNOMAH COUNTY CHAIR

MULTNOMAH COUNTY OREGON

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MEMORANDUM

TO: Sharon Timko, Chair's Staff

FROM: Sandra N. Duffy (106/1530) *Sandy Duffy*
Assistant County Counsel

DATE: March 15, 1995

SUBJECT: Strategic Investment Program - draft
policy

I have reviewed the draft policy you delivered to me on March 14, 1995. My comments and legal opinions regarding the two specific things you asked me to review follow:

1. CAP ON TOTAL AMOUNT OF TAXES SUBJECT TO ABATEMENT.

In my prior memo of January 19, 1995, I gave you my legal opinion that the County could not cap the amount of taxes abated as to any one applicant because the state statutes provide that, if an application is approved, and if state revenue bonds are used to finance a project for the applicant, all value in excess of \$100 million shall be exempt from taxation. However, the creation of a County policy to limit the total amount of tax dollars available for abatement under the SIP is not in conflict with any state statutes.

The policy should determine the maximum number of tax dollars the County is willing to forego to support the program, and make a finding that it is not in the best interests of the citizens of the County to forego more than that amount because of the negative impact it will have to other programs that are important to County citizens.

By creating a total cap it is possible that the County will be in a difficult situation when (or if) it gets close to the cap. Assume that the limit is \$50 million. Also assume that prior applicants have had projects approved where the estimate of the tax

abatement impact is \$48 million dollars. Any later applications which have a potential tax abatement impact of less than \$2 million could be considered. The County would apply the criteria in its policy to determine whether to approve the application. However, any project with a potential tax abatement impact of more than \$2 million would be denied out-of-hand because it will exceed the policy total tax abatement cap. It is not discriminatory. The first-come-first-served method of allocation is constitutionally sufficient.

2. CONFIDENTIALITY OF APPLICANTS.

The County sets out in its draft policy that it is the County's intention to keep the names of potential applicants confidential if that is the applicant's desire. This does not conflict with Oregon Public Records Law. ORS 192.502(3) specifically exempts from disclosure:

(3) Information submitted to a public body in confidence and not otherwise required by law to be submitted, where such information should reasonably be considered confidential, the public body has obliged itself in good faith not to disclose the information, and when the public interest would suffer by the disclosure.

According to the Attorney General's Public Records and Public Meetings Manual the purpose of this exemption is to encourage citizens to provide relevant information voluntarily to governmental agencies, with some reasonable assurance that the information will be kept confidential. There are cases under this statute which set out a five-point test to determine whether the exemption applies. This test can be met by the applicant and the County signing an agreement in which the applicant states that it is submitting the information (i.e., its identity) voluntarily; that the applicant is asking that the information be treated in a confidential manner because [insert reason, eg. "revelation of the identify of applicant could affect property prices for parcels of land under consideration for new plant"]; that the County has agreed to treat the possible applicant's identity as confidential; and, that disclosure would cause harm to the public interest because it would limit the number of businesses which would consider making an application.

CITY
OF

FAIRVIEW

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MEMORANDUM

TO: Mayor Gussie McRobert
FROM: Mayor Roger Vonderharr
DATE: March 28, 1995
RE: Strategic Investment Program

Per our conversation yesterday regarding the Strategic Investment Program, I am enclosing the following comments:

1. (Page 4) The involvement of city officials should be expanded to include input on the hiring of the independent consultant responsible for the coordination of the review of the application for compliance with the policy.
2. (Pages 6-8) Option B should be selected for the review process. To quote from the language: "Negotiations will be between the County and the applicant based on this policy, rather than between the applicant and every interest group that wants to get involved and change the standards."
3. (Page 9) The negotiating team composition, which includes a city official, is satisfactory; however, the city should have a choice regarding the appointing of parties with business-recruitment responsibility to the negotiating team.
4. (Page 10) Regarding compliance auditing, enforcement, repayment and changes to the contract: the words "or the city" should be added, ("In the event that the applicant's written response fails to satisfy the County or the city, the County may retain an outside firm to verify compliance.")
5. (Page 12) SIP Goals and Standards, Section B., Hiring, Wages, Benefits, Training and Retention: add additional goal:

- Education/training

and add to end of first Multnomah County Goal: ...and educational opportunities to enhance upward mobility for both technical and management roles.



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6. (Page 14) I am totally against mandates regarding child care. I prefer opportunities that are negotiated.
7. (Page 16) The City of Fairview cannot afford additional affordable housing. This again should be part of the negotiation discussion.