

ANNOTATED MINUTES

Wednesday, July 30, 2003 - 9:00 AM
Multnomah Building, Sixth Floor Commissioners Conference Room 635
501 SE Hawthorne Boulevard, Portland

EXECUTIVE SESSION

Chair Diane Linn convened the meeting at 9:05 a.m., with Vice-Chair Maria Rojo de Steffey and Commissioners Lisa Naito, Serena Cruz and Lonnie Roberts present.

- E-1 The Multnomah County Board of Commissioners Will Meet in Executive Session Pursuant to ORS 192.660(1)(h) for Consultation with Counsel Concerning Current Litigation or Litigation Likely to be Filed. Only Representatives of the News Media and Designated Staff are allowed to Attend. Representatives of the News Media and All Other Attendees are Specifically Directed Not to Disclose Information that is the Subject of the Executive Session. No Final Decision will be made in the Executive Session.

EXECUTIVE SESSION HELD.

There being no further business, the meeting was adjourned at 9:42 a.m.

Thursday, July 31, 2003 - 9:30 AM
Multnomah Building, First Floor Commissioners Boardroom 100
501 SE Hawthorne Boulevard, Portland

REGULAR MEETING

Chair Diane Linn convened the meeting at 9:32 a.m., with Vice-Chair Maria Rojo de Steffey and Commissioners Lisa Naito, Serena Cruz and Lonnie Roberts present.

CONSENT CALENDAR

***UPON MOTION OF COMMISSIONER CRUZ,
SECONDED BY COMMISSIONER NAITO, THE***

***CONSENT CALENDAR (ITEMS C-1 THROUGH C-5)
WAS UNANIMOUSLY APPROVED.***

NON-DEPARTMENTAL

- C-1 Appointments of Bill Hancock, Vickie Hendricks and Anne Potter to the MULTNOMAH COUNTY COMMUNITY HEALTH COUNCIL
- C-2 Appointment of Gale Castillo to the METROPOLITAN EXPOSITION AND RECREATION COMMISSION (MERC)

DEPARTMENT OF BUSINESS AND COMMUNITY SERVICES

- C-3 RESOLUTION Authorizing Private Sale of Certain Tax Foreclosed Property to Thomas G and Sheryl Pagenstecher

RESOLUTION 03-111.

- C-4 Amendment No. 1 to Government Revenue Contract (190 Agreement) 0110972 with Oregon Department of Transportation, Providing Construction Funds for a Permanent Multi-Use Bicycle and Pedestrian Facility on the Morrison Bridge

DEPARTMENT OF COUNTY HUMAN SERVICES

- C-5 Renewal of Government Revenue Contract (190 Agreement) 4600004221 with Oregon Commission for the Blind, Purchasing Vocational and Employment Services for Persons with Developmental Disabilities

REGULAR AGENDA
PUBLIC COMMENT

Opportunity for Public Comment on non-agenda matters. Testimony is limited to three minutes per person. Fill out a speaker form available in the Boardroom and turn it into the Board Clerk.

***JOE JOHNS AND EILEEN FITZSIMONS
COMMENTED REGARDING COMMUNITY
EFFORTS TO PRESERVE HISTORIC SELLWOOD
CAR BARNS AND URGED THE COMMISSIONERS
TO PROVIDE LETTERS OF SUPPORT URGING
REED COLLEGE TO NOT SELL THE PROPERTY***

***TO A DEVELOPER AND WORK TO PLACE THE
HISTORIC REGISTER.***

DEPARTMENT OF HEALTH

- R-2 NOTICE OF INTENT to Partner with Metro Child Care Resource and Referral to Apply for Grant Funding through the Portland Children's Investment Fund to Expand the Safe 'n Sound Child Care Consultation Project

***COMMISSIONER NAITO MOVED AND
COMMISSIONER CRUZ SECONDED, APPROVAL
OF R-2. JAN WALLINDER EXPLANATION AND
RESPONSE TO QUESTION OF COMMISSIONER
CRUZ. NOTICE OF INTENT UNANIMOUSLY
APPROVED.***

- R-3 NOTICE OF INTENT to Partner with Morrison Child and Family Services in an Application for Grant Funding from the Portland Children's Investment Fund to Expand the Healthy Start Services

***COMMISSIONER ROBERTS MOVED AND
COMMISSIONER CRUZ SECONDED, APPROVAL
OF R-3. JAN WALLINDER EXPLANATION.
COMMISSIONER CRUZ COMMENTS IN SUPPORT.
NOTICE OF INTENT UNANIMOUSLY APPROVED.***

DEPARTMENT OF COUNTY HUMAN SERVICES

- R-4 NOTICE OF INTENT to Apply for a Grant from Portland Children's Investment Fund to Expand the Existing Response to Children 0-5 Years Old who have Witnessed Domestic Violence, and to their Mothers

***COMMISSIONER ROBERTS MOVED AND
COMMISSIONER CRUZ SECONDED, APPROVAL
OF R-4. CHIQUITA ROLLINS EXPLANATION AND
RESPONSE TO A QUESTION OF CHAIR LINN.
NOTICE OF INTENT UNANIMOUSLY APPROVED.***

NON-DEPARTMENTAL

- R-1 Briefing on the Children's Investment Fund Allocation Committee. Presented by Commissioner Lisa Naito, Andy Olshin and Invited Others.

**COMMISSIONER LISA NAITO, ANDY OLSHIN
AND WENDY LEBOW PRESENTATIONS AND
RESPONSE TO BOARD QUESTIONS AND
DISCUSSION.**

- R-10 Budget Modification OSCP 04-01 Requesting Contingency Transfer to Restore Funds to Homeless Youth Continuum Programs. Presented by Chair Diane Linn, Commissioner Lisa Naito, Laura Bridges, Mary Li, Caitlin Campbell, Kathy Oliver, Ken Cowdery and Dennis Morrow.

**COMMISSIONER NAITO MOVED AND
COMMISSIONER ROJO SECONDED, APPROVAL
OF R-10. CHAIR DIANE LINN, MARY LI, CAITLIN
CAMPBELL, KEN COWDERY, KATHY OLIVER,
KEVIN DONEGAN, LAURA BRIDGES AND
COMMISSIONER LISA NAITO PRESENTATIONS
AND RESPONSE TO BOARD QUESTIONS,
DISCUSSION AND COMMENTS IN SUPPORT.
BUDGET MODIFICATION UNANIMOUSLY
APPROVED.**

- R-11 RESOLUTION Approving Ballot Titles and Explanatory Statements for the People's Utility District Election on District Formation and Levy for Report [to be Submitted to the Voters at the November 4, 2003 Election]

**COMMISSIONER CRUZ MOVED AND
COMMISSIONER NAITO SECONDED, APPROVAL
OF A SUBSTITUTE RESOLUTION APPROVING
BALLOT TITLE AND EXPLANATORY STATEMENT
FOR THE PEOPLE'S UTILITY DISTRICT
ELECTION ON DISTRICT FORMATION AND LEVY
FOR REPORT. AGNES SOWLE EXPLANATION.
BILL MICHOM, LIZ TROJAN, JOAN HORTON,
NANCY NEWELL AND DAN MEEK TESTIMONY IN
OPPOSITION TO THE BALLOT TITLE AND
EXPLANATORY STATEMENT LANGUAGE OF
THE SUBSTITUTE RESOLUTION. IN RESPONSE
TO QUESTIONS OF CHAIR LINN, MS. SOWLE
STATED THE COUNTY BALLOT TITLE AND
STATEMENTS WERE PREPARED IN A NEUTRAL
MANNER AND THAT THEY ARE IN COMPLIANCE
WITH APPLICABLE CONSTITUTIONAL AND
STATUTORY REQUIREMENTS. COMMISSIONER**

NAITO COMMENTS IN SUPPORT OF THE EFFORTS OF THE COUNTY ATTORNEYS AND EXPLANATION OF WHY SHE WILL BE VOTING NO. COMMISSIONER CRUZ COMMENTS IN SUPPORT OF THE EFFORTS OF THE COUNTY ATTORNEYS AND EXPLANATION OF WHY SHE WILL CONTINUE TO SUPPORT THE RESOLUTION. COMMISSIONER ROJO EXPLANATION OF WHY SHE WILL CONTINUE TO OPPOSE THE RESOLUTION. CHAIR LINN ADVISED SHE WILL SUPPORT TODAY'S RESOLUTION, BUT SHE WILL NOT SUPPORT PASSAGE OF THE MEASURE. RESOLUTION 03-112 APPROVING BALLOT TITLE AND EXPLANATORY STATEMENT FOR THE PEOPLE'S UTILITY DISTRICT ELECTION ON DISTRICT FORMATION AND LEVY FOR REPORT, ADOPTED, WITH COMMISSIONERS CRUZ, ROBERTS AND LINN VOTING AYE AND COMMISSIONERS NAITO AND ROJO VOTING NO.

- R-5 Second Reading and Possible Adoption of an ORDINANCE Creating the Departments of Business Services (MCC Chapter 6); Finance, Budget and Tax (MCC Chapter 7); and Community Services (MCC Chapter 8); Abolishing the Department of Business and Community Services; Amending and Renumbering MCC Chapter 7 and Adding Chapters 6 and 8 to Realign Departmental Responsibilities

ORDINANCE READ BY TITLE ONLY. COPIES AVAILABLE. COMMISSIONER ROJO MOVED AND COMMISSIONER NAITO SECONDED, APPROVAL OF SECOND READING AND ADOPTION. NO ONE WISHED TO TESTIFY. CHIEF OPERATING OFFICER JOHN BALL PRESENTED RESPONSE TO CONCERNS BROUGHT UP AT FIRST READING. COMMISSIONER NAITO REQUESTED WRITTEN MEMORANDUM WITH WORK PLAN AND QUARTERLY UPDATES TO THE BOARD. COMMISSIONER ROBERTS STATED HE STILL HAS RESERVATIONS ABOUT WHAT THE SAVINGS WILL BE FROM THIS CHANGE AND HOW THE TAXPAYERS WILL BENEFIT. COMMISSIONER

ROBERTS ADDED THAT HE APPLAUDS THE EFFORTS OF THE CHAIR BUT NEEDS TO KNOW THAT THE RATIO BETWEEN MANAGEMENT AND REPRESENTED EMPLOYEES IS EQUITABLE. JOHN BALL EXPLANATION IN RESPONSE TO THE SAVINGS ISSUE, ADVISING THEY BELIEVE THAT IMPLEMENTING STANDARDIZED BUSINESS PRACTICES WILL RESULT IN COST RETURNS; THAT THEY PLAN TO ESTABLISH BENCHMARKS AND WILL MONITOR AND REPORT BACK TO THE BOARD; AND THAT TAXPAYERS AND RECIPIENTS OF COUNTY SERVICES WILL REALIZE THE BENEFIT OF THE COUNTY'S EFFORTS TO STREAMLINE COUNTY FUNCTIONS AND IMPLEMENT PROCESS IMPROVEMENTS BEFORE PROBLEMS ARISE. MR. BALL STATED HE IS HAPPY TO CONTINUE MEETING WITH LABOR AND ADDRESSING CONCERNS, BUT THAT HE FEELS IMPROVEMENTS WILL BE REALIZED AFTER IMPLEMENTATION. CHAIR LINN URGED THE BOARD TO CONSIDER THE IMPORTANCE OF MOVING FORWARD TODAY FOR THE SAKE OF THE EMPLOYEES. COMMISSIONER ROBERTS ADVISED THAT HE IS GOING TO VOTE NO, AND THAT HE NEEDS A WEEK OR TWO MORE IN WHICH TO CONSIDER THE ISSUE. COMMISSIONER ROJO STATED THAT ON THE RECOMMENDATION OF DAVE BOYER, SHE WILL BE SUPPORTING THE ORDINANCE. FOLLOWING QUESTIONS OF CHAIR LINN AND RESPONSE BY COUNTY ATTORNEY AGNES SOWLE AND BOARD CLERK DEB BOGSTAD, IT APPEARED IT WAS THE INTENT OF THE CHAIR TO HAVE THE COMMISSIONERS CONSIDER A MOTION TO ADD AN EMERGENCY CLAUSE WHICH WOULD ALLOW IMMEDIATE IMPLEMENTATION UPON ADOPTION WITH THE APPROVAL OF FOUR COMMISSIONERS, AND MOVE THE ORDINANCE TO A THIRD READING IN ORDER TO GIVE COMMISSIONER ROBERTS MORE TIME TO MAKE HIS DECISION. HOWEVER, CHAIR LINN CALLED FOR A VOTE ON THE MOTION FOR APPROVAL OF THE SECOND READING AND ADOPTION,

WHICH FAILED, WITH COMMISSIONERS NAITO, ROJO AND LINN VOTING AYE, AND COMMISSIONERS CRUZ AND ROBERTS VOTING NO. AFTER BEING ADVISED THAT THE ORDINANCE FAILED, BECAUSE THE ONLY MOTION ON THE TABLE WAS THE MOTION FOR APPROVAL OF THE SECOND READING AND ADOPTION, COMMISSIONER ROBERTS MOVED AND COMMISSIONER ROJO SECONDED, A MOTION FOR APPROVAL TO ADD AN EMERGENCY ADOPTION CLAUSE TO THE ORDINANCE AND TO MOVE THE ORDINANCE TO A THIRD READING ON AUGUST 14, 2003. THE MOTION, ADDING THE EMERGENCY ADOPTION CLAUSE AND MOVING THE ORDINANCE TO A THIRD READING ON THURSDAY, AUGUST 14, 2003, WAS APPROVED, WITH COMMISSIONERS NAITO, ROBERTS, ROJO AND LINN VOTING AYE, AND COMMISSIONER CRUZ VOTING NO.

- R-6 RESOLUTION Consenting to Chair's Department Director Appointments
- R-7 RESOLUTION Establishing Fees and Charges for Chapter 6, Business Services, of the Multnomah County Code
- R-8 RESOLUTION Establishing Fees and Charges for Chapter 7, Finance, Budget and Tax, of the Multnomah County Code and Repealing Resolution 03-099
- R-9 RESOLUTION Establishing Fees and Charges for Chapter 8, Community Services, of the Multnomah County Code

FOLLOWING DISCUSSION AND UPON MOTION OF COMMISSIONER ROJO, SECONDED BY COMMISSIONER NAITO, RESOLUTIONS R-6 THROUGH R-9 WERE UNANIMOUSLY TABLED TO THURSDAY, AUGUST 14, 2003.

DEPARTMENT OF BUSINESS AND COMMUNITY SERVICES

- R-12 Government Expenditure Contract (190 Agreement) 4600004396 with the City of Portland, for the Supervision, Collection and Administration of the Multnomah County Income Tax as Approved by Ballot Measure 26-48

**COMMISSIONER CRUZ MOVED AND
COMMISSIONER ROBERTS SECONDED,
APPROVAL OF R-12. DAVE BOYER
EXPLANATION AND RESPONSE TO BOARD
COMMENTS. AGREEMENT UNANIMOUSLY
APPROVED.**

R-13 Government Expenditure Contract (190 Agreement) 4600004398 with the City of Portland, for the Supervision, Collection and Administration of the Multnomah County Business Income Tax Law

**COMMISSIONER ROBERTS MOVED AND
COMMISSIONER CRUZ SECONDED, APPROVAL
OF R-13. DAVE BOYER EXPLANATION.
AGREEMENT UNANIMOUSLY APPROVED.**

R-14 RESOLUTION Approving Sub-lease of a Portion of County-Leased Space in the Blanchard Building to the Housing Authority of Portland

**COMMISSIONER CRUZ MOVED AND
COMMISSIONER NAITO SECONDED, APPROVAL
OF R-14. LYNN DINGLER EXPLANATION AND
RESPONSE TO QUESTIONS OF COMMISSIONERS
ROBERTS AND CRUZ. RESOLUTION 03-113
UNANIMOUSLY ADOPTED.**

R-15 RESOLUTION Approving a Lease of the Peninsula Building and Purchase Option to the Housing Authority of Portland

**COMMISSIONER CRUZ MOVED AND
COMMISSIONER ROBERTS SECONDED,
APPROVAL OF R-15. LYNN DINGLER
EXPLANATION. RESOLUTION 03-114
UNANIMOUSLY ADOPTED.**

There being no further business, the meeting was adjourned at 12:00 p.m.

BOARD CLERK FOR MULTNOMAH COUNTY, OREGON

Deborah L. Bogstad



Multnomah County Oregon

Board of Commissioners & Agenda

connecting citizens with information and services

BOARD OF COMMISSIONERS

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JULY 30 & 31, 2003

BOARD MEETINGS

FASTLOOK AGENDA ITEMS OF INTEREST

Pg 2	9:00 a.m. Wednesday Executive Session
Pg 3	9:30 a.m. Thursday Children's Investment Fund Allocation Committee Briefing Followed by Notice of Intent for Grant Submissions
Pg 3	9:55 a.m. Thursday Second Reading and Possible Adoption of Proposed ORDINANCE Relating to Departmental Reconfigurations
Pg 4	10:15 a.m. Thursday Contingency Transfer Request to Restore Funds to Homeless Youth Continuum Programs
Pg 4	10:45 a.m. Thursday RESOLUTION Approving Ballot Title Language for People's Utility District Measure for the November 4, 2003 Election

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

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

Friday, 11:00 PM, Channel 30

Saturday, 10:00 AM, Channel 30

Sunday, 11:00 AM, Channel 30

Produced through Multnomah Community
Television

(503) 491-7636, ext. 333 for further info

or: <http://www.mctv.org>

Wednesday, July 30, 2003 - 9:00 AM
Multnomah Building, Sixth Floor Commissioners Conference Room 635
501 SE Hawthorne Boulevard, Portland

EXECUTIVE SESSION

- E-1 The Multnomah County Board of Commissioners Will Meet in Executive Session Pursuant to ORS 192.660(1)(h) for Consultation with Counsel Concerning Current Litigation or Litigation Likely to be Filed. Only Representatives of the News Media and Designated Staff are allowed to Attend. Representatives of the News Media and All Other Attendees are Specifically Directed Not to Disclose Information that is the Subject of the Executive Session. No Final Decision will be made in the Executive Session.
-

Thursday, July 31, 2003 - 9:30 AM
Multnomah Building, First Floor Commissioners Boardroom 100
501 SE Hawthorne Boulevard, Portland

REGULAR MEETING

CONSENT CALENDAR - 9:30 AM **NON-DEPARTMENTAL**

- C-1 Appointments of Bill Hancock, Vickie Hendricks and Anne Potter to the MULTNOMAH COUNTY COMMUNITY HEALTH COUNCIL
- C-2 Appointment of Gale Castillo to the METROPOLITAN EXPOSITION AND RECREATION COMMISSION (MERC)

DEPARTMENT OF BUSINESS AND COMMUNITY SERVICES

- C-3 RESOLUTION Authorizing Private Sale of Certain Tax Foreclosed Property to Thomas G and Sheryl Pagenstecher
- C-4 Amendment No. 1 to Government Revenue Contract (190 Agreement) 0110972 with Oregon Department of Transportation, Providing Construction Funds for a Permanent Multi-Use Bicycle and Pedestrian Facility on the Morrison Bridge

DEPARTMENT OF COUNTY HUMAN SERVICES

- C-5 Renewal of Government Revenue Contract (190 Agreement) 4600004221 with Oregon Commission for the Blind, Purchasing Vocational and Employment Services for Persons with Developmental Disabilities

REGULAR AGENDA - 9:30 AM

PUBLIC COMMENT - 9:30 AM

Opportunity for Public Comment on non-agenda matters. Testimony is limited to three minutes per person. Fill out a speaker form available in the Boardroom and turn it into the Board Clerk.

NON-DEPARTMENTAL - 9:30 AM

- R-1 Briefing on the Children's Investment Fund Allocation Committee. Presented by Commissioner Lisa Naito, Andy Olshin and Invited Others. 15 MINUTES REQUESTED.

DEPARTMENT OF HEALTH - 9:45 AM

- R-2 NOTICE OF INTENT to Partner with Metro Child Care Resource and Referral to Apply for Grant Funding through the Portland Children's Investment Fund to Expand the Safe 'n Sound Child Care Consultation Project
- R-3 NOTICE OF INTENT to Partner with Morrison Child and Family Services in an Application for Grant Funding from the Portland Children's Investment Fund to Expand the Healthy Start Services

DEPARTMENT OF COUNTY HUMAN SERVICES - 9:50 AM

- R-4 NOTICE OF INTENT to Apply for a Grant from Portland Children's Investment Fund to Expand the Existing Response to Children 0-5 Years Old who have Witnessed Domestic Violence, and to their Mothers

NON-DEPARTMENTAL - 9:55 AM

- R-5 Second Reading and Possible Adoption of an ORDINANCE Creating the Departments of Business Services (MCC Chapter 6); Finance, Budget and Tax (MCC Chapter 7); and Community Services (MCC Chapter 8); Abolishing the Department of Business and Community Services;

Amending and Renumbering MCC Chapter 7 and Adding Chapters 6 and 8
to Realign Departmental Responsibilities

- R-6 RESOLUTION Consenting to Chair's Department Director Appointments
- R-7 RESOLUTION Establishing Fees and Charges for Chapter 6, Business Services, of the Multnomah County Code
- R-8 RESOLUTION Establishing Fees and Charges for Chapter 7, Finance, Budget and Tax, of the Multnomah County Code and Repealing Resolution 03-099
- R-9 RESOLUTION Establishing Fees and Charges for Chapter 8, Community Services, of the Multnomah County Code
- R-10 Budget Modification OSCP 04-01 Requesting Contingency Transfer to Restore Funds to Homeless Youth Continuum Programs. Presented by Chair Diane Linn, Commissioner Lisa Naito, Laura Bridges, Mary Li, Caitlin Campbell, Kathy Oliver, Ken Cowdery and Dennis Morrow. 30 MINUTES REQUESTED.
- R-11 RESOLUTION Approving Ballot Titles and Explanatory Statements for the People's Utility District Election on District Formation and Levy for Report [to be Submitted to the Voters at the November 4, 2003 Election]

DEPARTMENT OF BUSINESS AND COMMUNITY SERVICES - 11:00 AM

- R-12 Government Expenditure Contract (190 Agreement) 4600004396 with the City of Portland, for the Supervision, Collection and Administration of the Multnomah County Income Tax as Approved by Ballot Measure 26-48
- R-13 Government Expenditure Contract (190 Agreement) 4600004398 with the City of Portland, for the Supervision, Collection and Administration of the Multnomah County Business Income Tax Law
- R-14 RESOLUTION Approving Sub-lease of a Portion of County-Leased Space in the Blanchard Building to the Housing Authority of Portland
- R-15 RESOLUTION Approving a Lease of the Peninsula Building and Purchase Option to the Housing Authority of Portland

AGENDA PLACEMENT REQUEST

BUD MOD #:

Board Clerk Use Only:

Meeting Date: July 31, 2003

Agenda Item #: C-1

Est. Start Time: 9:30 AM

Date Submitted: 07/14/03

Requested Date: 8/7/2003

Time Requested: Consent Calendar

Department: Non-Departmental

Division: Chair's Office

Contact/s: Delma Farrell

Phone: 503 988-3953

Ext.: 83953

I/O Address: 503/600

Presenters: N/A

Agenda Title: Appointments of Bill Hancock, Vickie Hendricks and Anne Potter to the Multnomah County Community Health Council

NOTE: If Ordinance, Resolution, Order or Proclamation, provide exact title. For all other submissions, provide clearly written title.

- 1. What action are you requesting from the Board? What is the department/agency recommendation?** Request approval of appointments to Community Health Council.
- 2. Please provide sufficient background information for the Board and the public to understand this issue.** The purpose of the Community Health Council is to develop policy and generally govern the County Health Department with special attention to promoting the health of individuals and of the community; develop a health care policy for the Department's programs and providing quality health care to individuals. Also serves as the Citizen Budget Advisory Committee for the County Health Department. There are 19 members on the Council appointed to 3-year terms by the County Chair from nominees selected by the current Council with approval of the Board of County Commissioners. Sonia Manhas, of the County Health Department is the staff liaison to the Community Health Council.
- 3. Explain the fiscal impact (current year and ongoing).** No fiscal impact.

NOTE: If a Budget Modification or a Contingency Request attach a Budget Modification Expense & Revenues Worksheet and/or a Budget Modification Personnel Worksheet.

If a budget modification, explain:

- ❖ What revenue is being changed and why?
- ❖ What budgets are increased/decreased?
- ❖ What do the changes accomplish?
- ❖ Do any personnel actions result from this budget modification? Explain.
- ❖ Is the revenue one-time-only in nature?
- ❖ If a grant, what period does the grant cover?
- ❖ When the grant expires, what are funding plans?

NOTE: Attach Bud Mod spreadsheet (FORM FROM BUDGET)

If a contingency request, explain:

- ❖ Why was the expenditure not included in the annual budget process?
- ❖ What efforts have been made to identify funds from other sources within the Department/Agency to cover this expenditure?
- ❖ Why are no other department/agency fund sources available?
- ❖ Describe any new revenue this expenditure will produce, any cost savings that will result, and any anticipated payback to the contingency account.
- ❖ Has this request been made before? When? What was the outcome?

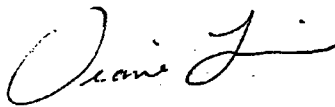
If grant application/notice of intent, explain:

- ❖ Who is the granting agency?
- ❖ Specify grant requirements and goals.
- ❖ Explain grant funding detail – is this a one time only or long term commitment?
- ❖ What are the estimated filing timelines?
- ❖ If a grant, what period does the grant cover?
- ❖ When the grant expires, what are funding plans?
- ❖ How will the county indirect and departmental overhead costs be covered?

4. Explain any legal and/or policy issues. No legal and/or policy issues.
5. Explain any citizen and/or other government participation that has or will take place. N/A

Required Signatures:

Department/Agency Director:



Date: 7/14/2003

Budget Analyst

By:

Date:

Dept/Countywide HR

By:

Date:

AGENDA PLACEMENT REQUEST

BUD MOD #:

Board Clerk Use Only:

Meeting Date: July 31, 2003

Agenda Item #: C-2

Est. Start Time: 9:30 AM

Date Submitted: 07/16/03

Requested Date: 7/31/2003

Time Requested: Consent Calendar

Department: Non-Departmental

Division: Chair's Office

Contact/s: Commissioner Maria Rojo de Steffey

Phone: 503/988-5220

Ext.: 85220

I/O Address: 503/600

Presenters: N/A

Agenda Title: Appointment of Gale Castillo to the Metropolitan Exposition and Recreation Commission (MERC)

NOTE: If Ordinance, Resolution, Order or Proclamation, provide exact title. For all other submissions, provide clearly written title.

-
1. **What action are you requesting from the Board? What is the department/agency recommendation?** Requesting approval of appointment of Gale Castillo to the Metropolitan Exposition and Recreation Commission (MERC)
 2. **Please provide sufficient background information for the Board and the public to understand this issue.** MERC is a seven-member Commission made up of business and community leaders who share a strong commitment to ensuring that regional facilities serve the public interest. The MERC Commissioners are appointed for four-year terms by the City of Portland (two), Metro (two), Multnomah County (one), Washington County (one), and Clackamas County (one). MERC manages three regional facilities: the Oregon Convention Center, the Portland Center for the Performing Arts and the Portland Metropolitan Exposition Center. MERC's mission is to serve the public interest by providing quality stewardship of the region's arts, sports, convention and exhibition centers.
 3. **Explain the fiscal impact (current year and ongoing).** No fiscal impact.

NOTE: If a Budget Modification or a Contingency Request attach a Budget Modification Expense & Revenues Worksheet and/or a Budget Modification Personnel Worksheet.

If a budget modification, explain:

- ❖ **What revenue is being changed and why?**
- ❖ **What budgets are increased/decreased?**
- ❖ **What do the changes accomplish?**
- ❖ **Do any personnel actions result from this budget modification? Explain.**
- ❖ **Is the revenue one-time-only in nature?**
- ❖ **If a grant, what period does the grant cover?**
- ❖ **When the grant expires, what are funding plans?**

NOTE: Attach Bud Mod spreadsheet (FORM FROM BUDGET)

If a contingency request, explain:

- ❖ **Why was the expenditure not included in the annual budget process?**
- ❖ **What efforts have been made to identify funds from other sources within the Department/Agency to cover this expenditure?**
- ❖ **Why are no other department/agency fund sources available?**
- ❖ **Describe any new revenue this expenditure will produce, any cost savings that will result, and any anticipated payback to the contingency account.**
- ❖ **Has this request been made before? When? What was the outcome?**

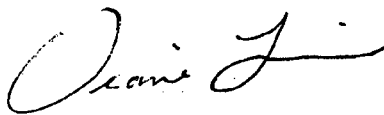
If grant application/notice of intent, explain:

- ❖ **Who is the granting agency?**
- ❖ **Specify grant requirements and goals.**
- ❖ **Explain grant funding detail – is this a one time only or long term commitment?**
- ❖ **What are the estimated filing timelines?**
- ❖ **If a grant, what period does the grant cover?**
- ❖ **When the grant expires, what are funding plans?**
- ❖ **How will the county indirect and departmental overhead costs be covered?**

- 4. Explain any legal and/or policy issues. No legal or policy issues.**
- 5. Explain any citizen and/or other government participation that has or will take place. N/A**

Required Signatures:

Department/Agency Director:



Date: 7/16/2003

**Budget Analyst
By:**

Date:

AGENDA PLACEMENT REQUEST

BUD MOD #:

Board Clerk Use Only:

Meeting Date: July 31, 2003

Agenda Item #: C-3

Est. Start Time: 9:30 AM

Date Submitted: 07/14/03

Requested Date: July 31, 2003

Time Requested: Consent Calendar Item

Department: DBCS

Division: Tax Title

Contact/s: Gary Thomas

Phone: 503-988-3590

Ext.: 22591

I/O Address: 503/4 Tax Title

Presenters: N/A

Agenda Title: Authorizing the Private Sale of a Tax Foreclosed Property to THOMAS & SHERYL PAGENSTECHER

NOTE: If Ordinance, Resolution, Order or Proclamation, provide exact title. For all other submissions, provide clearly written title.

1. What action are you requesting from the Board? What is the department/agency recommendation?

The Tax Title Section is requesting the Board to approve the private sale of one tax foreclosed property to THOMAS & SHERYL PAGENSTECHER. The Department of Business & Community Services recommends that the private sale be approved.

2. Please provide sufficient background information for the Board and the public to understand this issue.

The subject property is a vacant lot approximately 10' x 220' that came into Multnomah County ownership through the foreclosure of delinquent tax liens on July 26, 1968. The strip of property, located adjacent to a house at 8936 SW 40th Ave, appears to encroach on a good portion of the driveway and detached garage that serve the property. The parcel at one time was a part of a longer strip that has since been incorporated into a new subdivision located close by.

The attached plat map, Exhibit A, shows the location of the property. The party with whom we propose to enter into the private with owns the adjacent property on which the subject property encroaches.

Although no written confirmation from the City of Portland was obtained, the Tax Title Division is confident the irregular shape and size of the property, i.e., approximately 10' x 220' strip make it unsuitable for construction or placement of a dwelling thereon under current zoning ordinances and building codes, as provided under ORS 275.225.

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

The Private Sale will allow for the full recovery of the delinquent taxes, fees, and expenses. The sale will also reinstate the property on the tax roll (see Exhibit B).

4. Explain any legal and/or policy issues.

No legal issues are expected. The parcel will be sold "As Is" without guarantee of clear title.

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

No citizen or government participation is anticipated.

Required Signatures:

Department/Agency Director:



Date: 07/16/03

Budget Analyst

By:

Date:

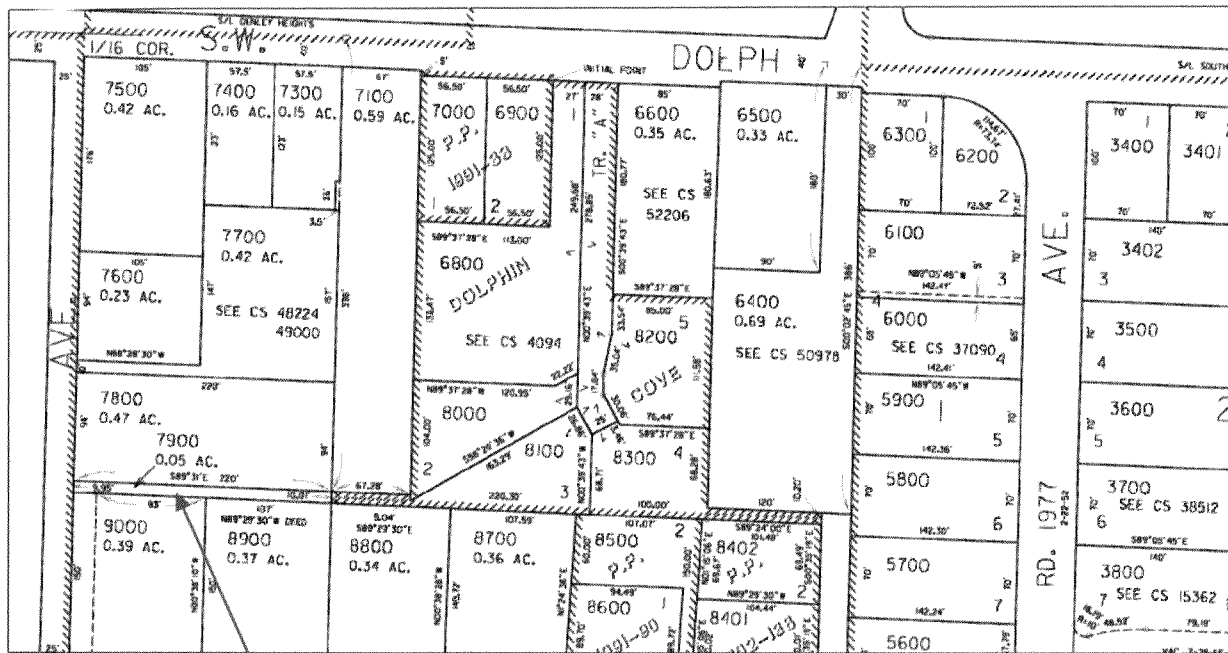
Dept/Countywide HR

By:

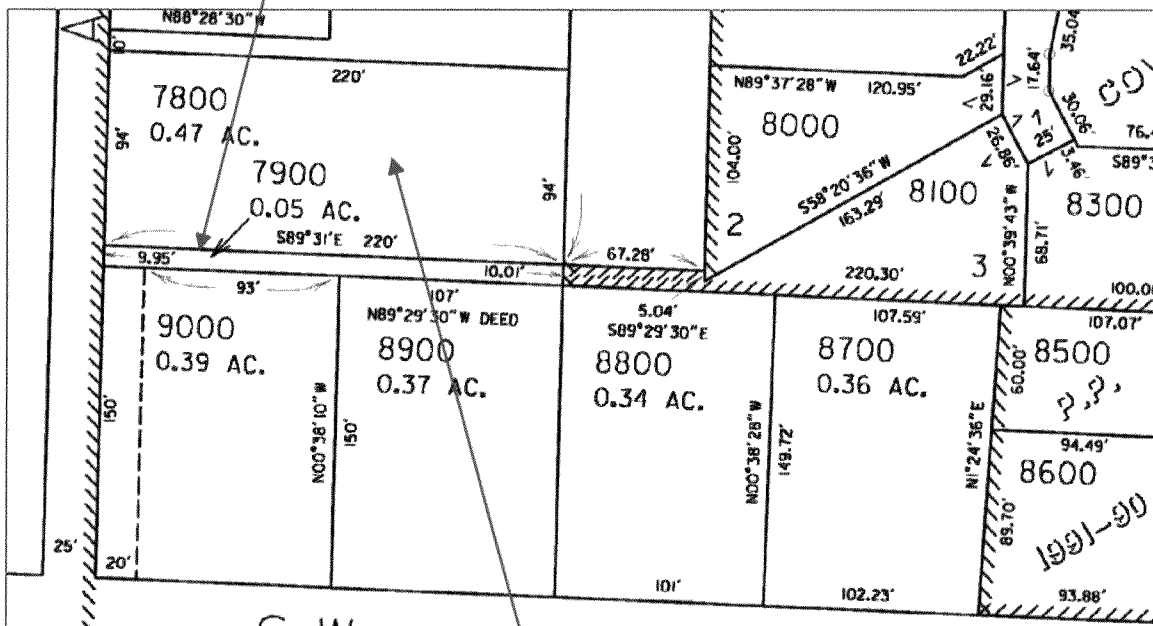
Date:

EXHIBIT A

R330894



Subject property



8936 SE 40th Ave

EXHIBIT B
PROPOSED PROPERTY LISTED FOR PRIVATE SALE
FISCAL YEAR 2002-03

LEGAL DESCRIPTION:

Commencing at the Southwest corner of the Tice DLC in Section 29; thence North 0°38'10" West tracing the West line of said claim 915 feet to the true point of beginning; thence South 89°29'30" East 220 feet to a point; thence North 0°38'10" West 9 feet more or less to a point 14 chains northerly of Tice DLC as acquired in Book 1606 page 545; thence North 89°29'30" West along said North line 220 feet to a point; thence South 0°38'10" East 9 feet more or less to the point of beginning.

ADJACENT PROPERTY ADDRESS: 8936 SW 40th Ave
TAX ACCOUNT NUMBER: R330894
GREENSPACE DESIGNATION: None
SIZE OF PARCEL: Approximately 10' x 220' (2,200sqft)
ASSESSED VALUE: \$2,000.00

ITEMIZED EXPENSES FOR TOTAL PRICE OF PRIVATE SALE
--

BACK TAXES & INTEREST:	\$12.80
TAX TITLE MAINTENANCE COST & EXPENSES:	-0-
ADVERTISING COST:	-0-
RECORDING FEE:	\$24
CITY LIENS:	\$-0-
SUB-TOTAL	\$12.80
MINIMUM PRICE REQUEST OF PRIVATE SALE	\$750.00

BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

RESOLUTION NO. _____

Authorizing Private Sale of Certain Tax Foreclosed Property to THOMAS G & SHERYL PAGENSTECHER

The Multnomah County Board of Commissioners Finds:

- a) Multnomah County acquired the real property described in the attached Exhibit A through the foreclosure of liens for delinquent taxes.
- b) The property has an assessed value of \$2,000 on the County's current tax roll.
- c) Although no written confirmation from the City of Portland was obtained, the Tax Title Division is confident the irregular shape and size of the property, i.e., approximately 10' x 220' strip make it unsuitable for construction or placement of a dwelling thereon under current zoning ordinances and building codes, as provided under ORS 275.225.
- d) THOMAS G & SHERYL PAGENSTECHER, have agreed to pay \$750.00, an amount the Board finds to be a reasonable price for the property in conformity with ORS 275.225.

The Multnomah County Board of Commissioners Resolves:

- 1. Upon Tax Title's receipt of the payment of \$750.00, the Chair on behalf of Multnomah County, is authorized to execute a deed conveying to THOMAS G & SHERYL PAGENSTECHER, the real property described in the attached Exhibit

ADOPTED this 31st day of July, 2003.

BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

Diane M. Linn, Chair

REVIEWED:

AGNES SOWLE, COUNTY ATTORNEY
FOR MULTNOMAH COUNTY, OREGON

By *Sandra Duffy*
Sandra N. Duffy, Assistant County Attorney

BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

RESOLUTION NO.03-111

Authorizing Private Sale of Certain Tax Foreclosed Property to THOMAS G & SHERYL PAGENSTECHER

The Multnomah County Board of Commissioners Finds:

- a) Multnomah County acquired the real property described in the attached Exhibit A through the foreclosure of liens for delinquent taxes.
- b) The property has an assessed value of \$2,000 on the County's current tax roll.
- c) Although no written confirmation from the City of Portland was obtained, the Tax Title Division is confident the irregular shape and size of the property, i.e., approximately 10' x 220' strip make it unsuitable for construction or placement of a dwelling thereon under current zoning ordinances and building codes, as provided under ORS 275.225.
- d) THOMAS G & SHERYL PAGENSTECHER, have agreed to pay \$750.00, an amount the Board finds to be a reasonable price for the property in conformity with ORS 275.225.

The Multnomah County Board of Commissioners Resolves:

- 1. Upon Tax Title's receipt of the payment of \$750.00, the Chair on behalf of Multnomah County, is authorized to execute a deed conveying to THOMAS G & SHERYL PAGENSTECHER, the real property described in the attached Exhibit

ADOPTED this 31st day of July, 2003.



BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

Diane M. Linn, Chair

AGNES SOWLE, COUNTY ATTORNEY
FOR MULTNOMAH COUNTY, OREGON

By
Sandra N. Duffy, Assistant County Attorney

EXHIBIT A (RESOLUTION

Legal Description:

Commencing at the Southwest corner of the Tice DLC in Section 29; thence North 0°38'10" West tracing the West line of said claim 915 feet to the true point of beginning:

thence South 89°29'30" East 220 feet to a point; thence North 0°38'10" West 9 feet more or less to a point 14 chains northerly of Tice DLC as acquired in Book 1606 page 545; thence North 89°29'30" West along said North line 220 feet to a point; thence South 0°38'10" East 9 feet more or less to the point of beginning.

Multnomah County Deed No.: D031924

Tax Account No.: R330834

After recording, return to:
MULTNOMAH COUNTY
TAX TITLE DIVISION
503/4

MULTNOMAH COUNTY, a political subdivision of the State of Oregon, Grantor, conveys to THOMAS G and SHERYL PAGENSTECHE, Husband and Wife, Grantees, that certain real property, located in Multnomah County, Oregon more particularly described as follows:

The true and actual consideration paid for this transfer; stated in the terms of dollars is \$750.00.

IN WITNESS WHEREOF, MULTNOMAH COUNTY has caused these presents to be executed by the Chair of the Multnomah County Board of Commissioners the 31st day of July, 2003, by authority of a Resolution of the Board of County Commissioners heretofore entered of record.

Diane M. Linn, Chair

By Sandra Duffy
Sandra N. Duffy, Assistant County Attorney

This Deed was acknowledged before me this 31st day of July 2003, by Diane M. Linn, to me personally known, as Chair of the Multnomah County Board of Commissioners, on behalf of the County by authority of the Multnomah County Board of Commissioners.

Page 3 of 4– Resolution and Deed Authorizing Private Sale

EXHIBIT A (DEED)

Legal Description:

Commencing at the Southwest corner of the Tice DLC in Section 29; thence North 0°38'10" West tracing the West line of said claim 915 feet to the true point of beginning:

thence South 89°29'30" East 220 feet to a point; thence North 0°38'10" West 9 feet more or less to a point 14 chains northerly of Tice DLC as acquired in Book 1606 page 545; thence North 89°29'30" West along said North line 220 feet to a point; thence South 0°38'10" East 9 feet more or less to the point of beginning.

Multnomah County Deed No.: D031924

Tax Account No.: R330834

After recording, return to:
MULTNOMAH COUNTY
TAX TITLE DIVISION
503/4

Deed D031924

MULTNOMAH COUNTY, a political subdivision of the State of Oregon, Grantor, conveys to THOMAS G and SHERYL PAGENSTECHE, Husband and Wife, Grantees, that certain real property, located in Multnomah County, Oregon more particularly described as follows:

As described in the Attached Exhibit A.

The true and actual consideration paid for this transfer; stated in the terms of dollars is \$750.00.

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

IN WITNESS WHEREOF, MULTNOMAH COUNTY has caused these presents to be executed by the Chair of the Multnomah County Board of Commissioners the 31st day of July, 2003, by authority of a Resolution of the Board of County Commissioners heretofore entered of record.



BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

Diane M. Linn, Chair

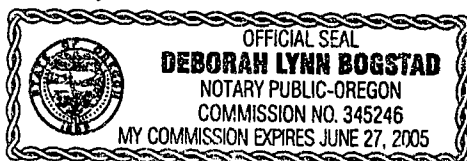
REVIEWED:

AGNES SOWLE, COUNTY ATTORNEY
FOR MULTNOMAH COUNTY, OREGON

By Sandra Duffy
Sandra N. Duffy, Assistant County Attorney

STATE OF OREGON)
) ss
COUNTY OF MULTNOMAH)

This Deed was acknowledged before me this 31st day of July 2003, by Diane M. Linn, to me personally known, as Chair of the Multnomah County Board of Commissioners, on behalf of the County by authority of the Multnomah County Board of Commissioners.



Deborah Lynn Bogstad
Deborah Lynn Bogstad
Notary Public for Oregon
My Commission expires: 6/27/05

EXHIBIT A (DEED)

Legal Description:

Commencing at the Southwest corner of the Tice DLC in Section 29; thence North 0°38'10" West tracing the West line of said claim 915 feet to the true point of beginning:

thence South 89°29'30" East 220 feet to a point; thence North 0°38'10" West 9 feet more or less to a point 14 chains northerly of Tice DLC as acquired in Book 1606 page 545; thence North 89°29'30" West along said North line 220 feet to a point; thence South 0°38'10" East 9 feet more or less to the point of beginning.

Multnomah County Deed No.: D031924

Tax Account No.: R330834

AGENDA PLACEMENT REQUEST

BUD MOD #:

Board Clerk Use Only:

Meeting Date: July 31, 2003

Agenda Item #: C-4

Est. Start Time: 9:30 AM

Date Submitted: 07/22/03

Requested Date: Next Available

Time Requested: N/A

Department: DBCS

Division: Land Use & Trans Program

Contact/s: Ian Cannon. Bridge Program Manager

Phone: (503) 988-3757

Ext.: 223 **I/O Address:** 446

Presenters: Consent Calendar

Agenda Title: Approve Amendment No. 1 to Governmental Agreement with Oregon Department of Transportation providing construction funds for a permanent multi-use bicycle and pedestrian facility on the Morrison Bridge

(NOTE: If Ordinance, Resolution, Order or Proclamation, provide exact title. For all other submissions, provide clearly written title.)

- 1. What action are you requesting from the Board? What is the department/agency recommendation?**

The Department recommends approval of the amendment.

- 2. Please provide sufficient background information for the Board and the public to understand this issue.**

The County currently has an agreement with the Oregon Department of Transportation to design a bicycle and pedestrian facility on the Morrison Bridge. The existing agreement is for preliminary engineering (PE) only. This amendment provides construction funds for the project. The estimated cost to construct the basic improvements needed is \$1,500,000. During the 2002 Metropolitan Transportation Improvement Plan (MTIP) funding allocation process, the County secured \$1,500,000 for the project (\$1,345,000 in

federal funds and \$155,000 in County matching funds). However, an agreement made with the Willamette Shoreline Consortium to use \$40,000 of this project's federal funds for the Willamette Shoreline Trolley project will reduce the federal dollars available for this project to \$1,305,000. The County bike fund, road fund, and bridge fund will each provide equal amounts of funding to fill the shortfall created by the agreement with Willamette Shoreline Consortium.

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

This amendment will not impact the current year budget. \$155,000 in matching funds will be needed in the 2005 and has been programmed in the County's Bicycle Capital Improvement Program (CIP). The additional \$40,000 needed to fill the gap created by the Willamette Shoreline Consortium agreement will be programmed in the 2005 capital budget from the County's Road, Bridge and Bike programs.

NOTE: If a Budget Modification or a Contingency Request attach a Budget Modification Expense & Revenues Worksheet and/or a Budget Modification Personnel Worksheet.

If a budget modification, explain:

- ❖ What revenue is being changed and why?
- ❖ What budgets are increased/decreased?
- ❖ What do the changes accomplish?
- ❖ Do any personnel actions result from this budget modification? Explain.
- ❖ Is the revenue one-time-only in nature?
- ❖ If a grant, what period does the grant cover?
- ❖ When the grant expires, what are funding plans?

NOTE: Attach Bud Mod spreadsheet (FORM FROM BUDGET)

If a contingency request, explain:

- ❖ Why was the expenditure not included in the annual budget process?
- ❖ What efforts have been made to identify funds from other sources within the Department/Agency to cover this expenditure?
- ❖ Why are no other department/agency fund sources available?
- ❖ Describe any new revenue this expenditure will produce, any cost savings that will result, and any anticipated payback to the contingency account.
- ❖ Has this request been made before? When? What was the outcome?

If grant application/notice of intent, explain:

- ❖ Who is the granting agency?
- ❖ Specify grant requirements and goals.
- ❖ Explain grant funding detail – is this a one time only or long term commitment?
- ❖ What are the estimated filing timelines?
- ❖ If a grant, what period does the grant cover?
- ❖ When the grant expires, what are funding plans?

❖ **How will the county indirect and departmental overhead costs be covered?**

4. Explain any legal and/or policy issues.

It is the County's policy (Comprehensive Plan Policy 33A and 33C) to provide a safe and efficient multi-modal transportation system. This project will continue the County's efforts to achieve this.

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

The County and City of Portland have partnered on an extensive public involvement and design process that is almost complete.

An extensive public outreach process included individual meetings with over 18 different groups whose input was used to develop a design proposal that was presented at an open house for public input. Some of the stakeholder groups included in the individual meetings were: the Bicycle Transportation Alliance, City of Portland Bicycle CAC, Oregon Trucking Association, Blind Commission, Elders in Action, Independent Living Resources, Northwest Industrial Neighborhood Association, Portland Business Alliance, Tri-met, County Bicycle and Pedestrian CAC, City of Portland Parks, Metro, City of Portland Pedestrian CAC, Willamette Pedestrian Coalition, Central Eastside Industrial Committee, and Port of Portland.

Required Signatures:



Department/Agency Director:

Date: 07/18/03

Budget Analyst

By:

Date:

Dept/Countywide HR


By:

Date:



OFFICE MEMORANDUM
DEPARTMENT of BUSINESS & COMMUNITY SERVICES
Land Use & Transportation – Bridge Section

TO: Cecilia Johnson, DBCS Director

FROM: Stan Ghezzi, Bridge Manager 

SUBJECT: Morrison Bike/Pedestrian IGA Approval

DATE: July 14, 2003

We currently have an Intergovernmental Agreement (IGA) with ODOT for the Morrison Bridge Multi-Use Bicycle and Pedestrian Facility Design Phase. I have attached the documents required by the County to obtain approval signatures for an amendment to this IGA. This amendment will increase authorization and funding to include the construction of these improvements. The amount of the amendment is \$1,305,000.

The following documents are attached:

- Contract Approval Form (CAF)
- County Board Agenda Placement Request
- Cover Letter from ODOT
- 5 originals of the IGA

Please contact Ian Cannon, Jerry Elliott or me with any questions.

Thank you

c: Karen Schilling, Br files

Attachments



MULTNOMAH COUNTY CONTRACT APPROVAL FORM

Pre-approved Contract Boilerplate (with County Attorney signature) ☐ Attached ☒ Not Attached Contract #: 0110972
Amendment #: 1

CLASS I	CLASS II	CLASS III A
Contracts \$75,000 and less per 12 month period	Contracts over \$75,000 per 12 month period	<input type="checkbox"/> Government Contracts (190 Agreement)
<input type="checkbox"/> Professional Services Contracts <input type="checkbox"/> PCRB Contracts <input type="checkbox"/> Maintenance Agreements <input type="checkbox"/> Licensing Agreements <input type="checkbox"/> Public Works Construction Contracts <input type="checkbox"/> Architectural & Engineering Contracts <input type="checkbox"/> Revenue Contracts <input type="checkbox"/> Grant Contracts <input type="checkbox"/> Non-Expenditure Contracts	<input type="checkbox"/> Professional Services Contracts <input type="checkbox"/> PCRB Contracts <input type="checkbox"/> Maintenance Agreements <input type="checkbox"/> Licensing Agreements <input type="checkbox"/> Public Works Construction Contracts <input type="checkbox"/> Architectural & Engineering Contracts <input type="checkbox"/> Revenue Contracts <input type="checkbox"/> Grant Contracts <input type="checkbox"/> Non-Expenditure Contracts	<input type="checkbox"/> Expenditure <input type="checkbox"/> Non-Expenditure <input type="checkbox"/> Revenue <div style="text-align: center;">CLASS III B</div> <input checked="" type="checkbox"/> Government Contracts (Non-190 Agreement) <input type="checkbox"/> Expenditure <input type="checkbox"/> Non-Expenditure <input checked="" type="checkbox"/> Revenue <input type="checkbox"/> Interdepartmental Contracts

Department: Business & Community Services Division: Land Use & Transportation Date: 7/10/03
 Originator: Ian Cannon Phone: 83757 ext 223 Bldg/Rm: 446/Bridge
 Contact: Cathey Kramer Phone: Ext 22589 Bldg/Rm: 455/Annex
 Description of Contract: Amendment No. 1 to the Morrison Bridge Multi-use Bicycle and Pedestrian Facility IGA with ODOT - Add Funding for the Construction Phase

RENEWAL: ☐ PREVIOUS CONTRACT #(S): _____
 RFP/BID: _____ RFP/BID DATE: _____
 EXEMPTION #: _____ ORS/AR #: _____
 EFFECTIVE DATE: _____ EXPIRATION DATE: _____
 CONTRACTOR IS: ☐ MBE ☐ WBE ☐ ESB ☐ QRF State Cert# _____ or ☐ Self Cert ☐ Non-Profit ☒ N/A (Check all boxes that apply)

Contractor Address: <u>Oregon Department of Transportation/Debbie Burgess</u> <u>123 NW Flanders St.</u> City/State: <u>Portland, OR</u> ZIP Code: <u>97209-4037</u> Phone: <u>(503) 731-8276</u> Employer ID# or SS#: <u>N/A</u> Contract Effective Date: <u>5/7/2001</u> Term Date: <u>5/7/2004</u> Amendment Effect Date: <u>5/7/2001</u> New Term: <u>9/7/2006</u>	Remittance address: _____ (If different) Payment Schedule / Terms <input type="checkbox"/> Lump Sum \$ _____ <input type="checkbox"/> Due on Receipt <input type="checkbox"/> Monthly \$ _____ <input type="checkbox"/> Net 30 <input type="checkbox"/> Other \$ _____ <input type="checkbox"/> Other <input type="checkbox"/> Requirements Funding Info: _____
Original Contract Amount \$ <u>100,000</u> Total Amt of Previous Amendments \$ _____ Amount of Amendment \$ <u>1,305,000</u> Total Amount of Agreement \$ <u>1,405,000</u>	Original Requirements Amount \$ _____ Total Amt of Previous Amendments \$ _____ Requirements Amount Amendment \$ _____ Total Amount of Requirements \$ _____

REQUIRED SIGNATURES:

Department Manager <u>[Signature]</u>	DATE <u>7/18/03</u>
Purchasing Manager _____	DATE _____
County Attorney <u>[Signature]</u>	DATE <u>7/24/03</u>
County Chair <u>[Signature]</u>	DATE <u>7.31.03</u>
Sheriff _____	DATE _____
Contract Administration _____	DATE _____

COMMENTS: WBS 6700ET3026D520

APPROVED MULTNOMAH COUNTY
BOARD OF COMMISSIONERS
 AGENDA # C-4 DATE 07.31.03
 DEB BOGSTAD, BOARD CLERK

AMENDMENT NO. 1
LOCAL AGENCY AGREEMENT
Enhancement & CMAQ Program Project
Morrison Bridge Ped/Bike Access Project

The State of Oregon, acting by and through its Department of Transportation, hereinafter referred to as "State", and MULTNOMAH COUNTY, acting by and through its Elected Officials, hereinafter referred to as "Agency", entered into Local Agency Agreement No.18,641 on May 9, 2001. Said agreement covers the design of a permanent multi-use bicycle and pedestrian facility on the Morrison Bridge, hereinafter referred to as "Project".

It has now been determined by State and Agency that the agreement referenced above, although remaining in full force and effect, shall be amended by this agreement to provide additional funding for the construction of the Project. Therefore the above mentioned agreement shall be amended as follows:

Page No. 1, Paragraph 3, which reads:

"3. The project shall be conducted as a part of the Enhancement Program, under Title 23, United States Code, and the Oregon Action Plan. **This agreement is for preliminary engineering (PE) only.** The total cost for PE is estimated at \$250,000. The federal funds are limited to \$100,000. The project will be financed at the maximum allowable federal participating amount, with Agency responsible for the match for the federal funds and any portion of the project not covered by federal funding. The project estimate is subject to change."

Shall be amended to read:

"3. The scope of the Project shall be amended to include the construction of the improvements in addition to the design work. A portion of the project shall be conducted as a part of the Transportation Enhancement Program, under Title 23, United States Code. The total Project cost is estimated at \$1,750,000. The federal Transportation Enhancement funds are limited to \$100,000 for the PE.

A portion of the project shall be conducted as a part of the Congestion Mitigation and Air Quality (CMAQ) Program under Title 23, United States Code. The federal CMAQ funds are limited to \$1,305,000 and are for the construction.

M C & A No. 18,641
MULTNOMAH COUNTY

The project will be financed at the maximum allowable federal participating amount, with Agency responsible for the match for the federal Enhancement and CMAQ funds and any portion of the project not covered by federal funding. The project estimate is subject to change."

Page No. 2, Paragraph 4, which reads:

"4. The term of this agreement shall begin on the date all required signatures are obtained and shall terminate on completion of the work or three calendar years following the date of final execution of this agreement by both parties."

Shall be amended to read:

"4. The term of this agreement shall begin on the date all required signatures are obtained and shall terminate on completion of the Project and final payment or ten calendar years following the date all required signatures are obtained, whichever is sooner."

Page No. 2, Paragraph 7, which reads:

"7. Agency, as a recipient of grant funds, pursuant to this agreement with the State, shall assume sole liability for Agency's breach of the conditions of the grant, and shall, upon Agency's breach of grant conditions that requires the State to return funds to FHWA, the grantor, hold harmless and indemnify the State for an amount equal to the funds received under this agreement; or if legal limitations apply to the indemnification ability of Agency, the indemnification amount shall be the maximum amount of funds available for expenditure, including any available contingency funds or other available non-appropriated funds, up to the amount received under this agreement."

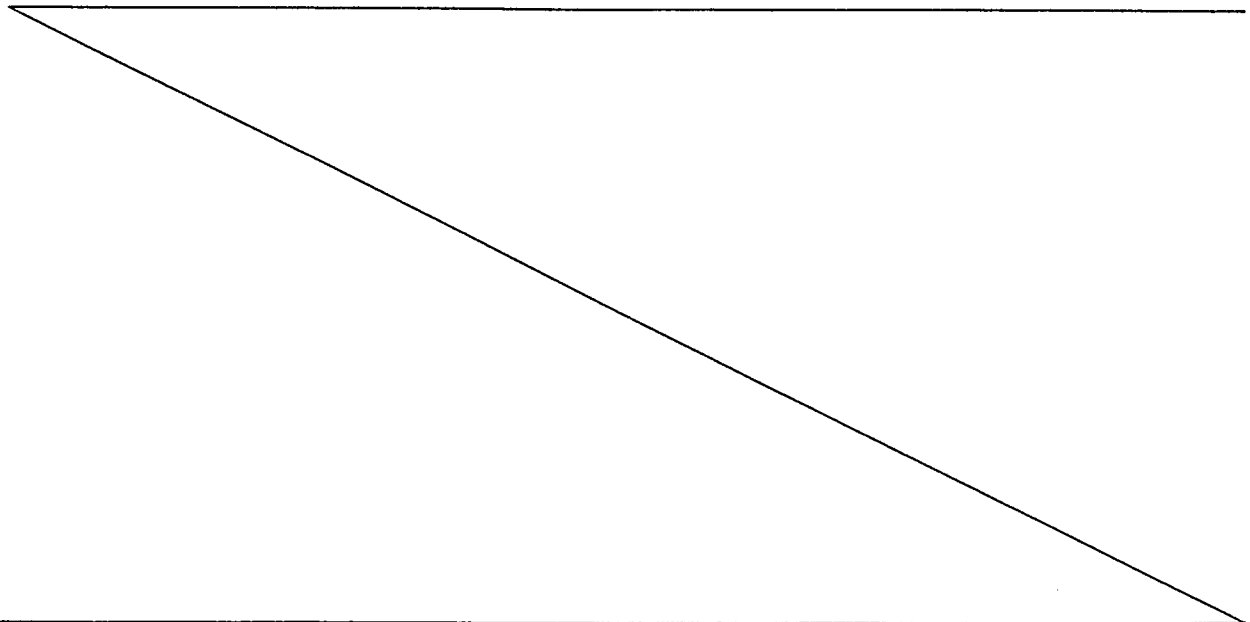
Shall be amended to read:

"7. Agency, as a recipient of federal funds, pursuant to this agreement with the State, shall assume sole liability for Agency's breach of any federal statutes, rules, program requirements and grant provisions applicable to the federal funds, and shall, upon Agency's breach of any such conditions that requires the State to return funds to the Federal Highway Administration, hold harmless and indemnify the State for an amount equal to the funds received under this agreement; or if legal limitations apply to the indemnification ability of Agency, the indemnification amount shall be the maximum amount of funds available for expenditure, including any available contingency funds or other available non-appropriated funds, up to the amount received under this agreement."

M C & A No. 18,641
MULTNOMAH COUNTY

Paragraph No. 9 shall be added to the Special Provisions:

9. Agency shall, upon completion of the Project, submit an annual (Federal FY) progress report to State on or before November 15th. The progress report as shown in Attachment 3, attached hereto and by this reference made a part hereof, should be sent to the Region #1 Manager (*123 NW Flanders Portland, Oregon 97209*) with copies to Region Planning (*same address*), Transit Division (555 13th Street, Salem, OR 97301) and Environmental Services (1158 Chemeketa St. N.E., Salem, OR 97301) in order to fulfill State's requirement to report the progress and benefits of the CMAQ program to FHWA and to the Oregon Transportation Commission. The progress report shall survive any termination of this agreement.



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

This Project is in the 2002-2005 Statewide Transportation Improvement Program, Page 20, Key #11421, that was approved by the Oregon Transportation Commission on February 13, 2002.

The federal funding for this Project is contingent upon approval by the FHWA. Any work performed prior to acceptance by FHWA will be considered nonparticipating and paid for at Agency expense.

M C & A No. 18,641
MULTNOMAH COUNTY

The Oregon Transportation Commission on February 13, 2002, approved Delegation Order No. 2, which authorizes the Director to approve and execute agreements for day-to-day operations when the work is related to a project included in the Statewide Transportation Improvement Program or a line item in the biennial budget approved by the Commission.

On September 6, 2002, the Director of the Oregon Department of Transportation approved Subdelegation Order No. 2, in which the Director delegates authority to the Executive Deputy Director for Highways, to approve and execute agreements over \$75,000 when the work is related to a project included in the Statewide Transportation Improvement Program.

APPROVAL RECOMMENDED

By _____
Tech Serv Mgr/Chief Engineer

Date _____

By Kay Van Aukel
Region 1 Manager

Date 2-20-03

APPROVED AS TO
LEGAL SUFFICIENCY

By _____
Assistant Attorney General

Date _____

STATE OF OREGON, by and through
its Department of Transportation

By _____
Executive Deputy Director for Highways

Date _____

MULTNOMAH COUNTY, By and through its
designated officials

By Diane M. Linn
Diane M. Linn, Multnomah County Chair

Date 7.31.03

REVIEWED BY:

By Matthew O. Ryan
Agency Counsel

Date 7/21/03
::

APPROVED MULTNOMAH COUNTY
BOARD OF COMMISSIONERS
AGENDA # C-4 DATE 07.31.03
DEB BOGSTAD, BOARD CLERK

ATTACHMENT No. 3

Please fill out and submit the following Progress Report as directed in Attachment No. 1 (Special Provisions). Submit a separate report for each Congestion Management / Air Quality (CMAQ) funded Project.

Please Note: If your Project is a Park & Ride, complete the entire report. Otherwise, complete items 1, 2 and any other applicable items.

Project Name: _____
(as submitted on original prospectus)

Agreement No.: _____ Project Year: _____

Progress Report

1. Annual Vehicle Miles Traveled (VMT) reduction: _____

2. Actual daily emission reduction of:

NO _x	_____ (kg/day)	CO	_____ (kg/day)
VOC	_____ (kg/day)	PM-10	_____ (kg/day)

3. Average daily Single Occupancy Vehicles (SOV) eliminated from peak traffic.
Show split between Park & Ride vs. Park & Pool.

Park & Ride _____ Park & Pool _____

4. Average daily occupancy rate of Park & Rides vs. number of spaces in lot.

Spaces occupied _____ Spaces in lot _____

5. Percentage of filled spaces - Park & Ride vs. Park & Pool.

Park & Ride _____ % Park & Pool _____ %

Submitting Agency: _____

Prepared by: _____

Title: _____ Phone: _____

Date: _____

AGENDA PLACEMENT REQUEST

BUD MOD #:

Board Clerk Use Only:

Meeting Date: July 31, 2003

Agenda Item #: C-5

Est. Start Time: 9:30 AM

Date Submitted: 07/23/03

Requested Date: July 31, 2003

Time Requested: N/A

Department: County Human Services

Division: Developmental Disabilities
Services Division (DDSD)

Contact/s: Patrice Botsford

Phone: 503.988.3658

Ext.: 26360

I/O Address: 166/4

Presenters: N/A – Consent Calendar Item

Agenda Title: Renewal of Intergovernmental Agreement (IGA) Contract 4600004221 with Oregon Commission for the Blind

NOTE: If Ordinance, Resolution, Order or Proclamation, provide exact title.
For all other submissions, provide clearly written title.

-
- 1. What action are you requesting from the Board? What is the department/agency recommendation?**

Approval of the attached renewal IGA Contract between Oregon Commission for the Blind and County Human Services – Developmental Disabilities Services Division.

- 2. Please provide sufficient background information for the Board and the public to understand this issue.**

This renewal IGA will permit Oregon Commission for the blind to provide basic vocational and employment services to DDSD clients.

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

NOTE: If a Budget Modification or a Contingency Request attach a Budget Modification Expense & Revenues Worksheet and/or a Budget Modification Personnel Worksheet.

If a budget modification, explain:

- ❖ What revenue is being changed and why?
- ❖ What budgets are increased/decreased?
- ❖ What do the changes accomplish?
- ❖ Do any personnel actions result from this budget modification? Explain.
- ❖ Is the revenue one-time-only in nature?
- ❖ If a grant, what period does the grant cover?
- ❖ When the grant expires, what are funding plans?

NOTE: Attach Bud Mod spreadsheet (FORM FROM BUDGET)

If a contingency request, explain:

- ❖ Why was the expenditure not included in the annual budget process?
- ❖ What efforts have been made to identify funds from other sources within the Department/Agency to cover this expenditure?
- ❖ Why are no other department/agency fund sources available?
- ❖ Describe any new revenue this expenditure will produce, any cost savings that will result, and any anticipated payback to the contingency account.
- ❖ Has this request been made before? When? What was the outcome?

If grant application/notice of intent, explain:

- ❖ Who is the granting agency?
- ❖ Specify grant requirements and goals.
- ❖ Explain grant funding detail – is this a one time only or long term commitment?
- ❖ What are the estimated filing timelines?
- ❖ If a grant, what period does the grant cover?
- ❖ When the grant expires, what are funding plans?
- ❖ How will the county indirect and departmental overhead costs be covered?

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

N/A

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

N/A

Required Signatures:

Department/Agency Director: *Patricia K. Pate*

Date: July 22, 2003

Budget Analyst

By:

Date:

Dept/Countywide HR

By:

Date:

MULTNOMAH COUNTY CONTRACT APPROVAL FORM

(See Administrative Procedure CON-1)

Contract #: 4600004221

Pre-approved Contract Boilerplate (with County Attorney signature) ☒ Attached ☐ Not Attached

Amendment #: 0

Class I Contracts \$75,000 and less per 12 month period	Class II Contracts over \$75,000 per 12 month period	Class III A <input checked="" type="checkbox"/> Government Contracts (190 Agreement)
<input type="checkbox"/> Professional Services Contracts <input type="checkbox"/> PCRB Contracts <input type="checkbox"/> Maintenance Agreements <input type="checkbox"/> Licensing Agreements <input type="checkbox"/> Public Works Construction Contracts <input type="checkbox"/> Architectural & Engineering Contracts <input type="checkbox"/> Revenue Contracts <input type="checkbox"/> Grant Contracts <input type="checkbox"/> Non-Expenditure Contracts	<input type="checkbox"/> Professional Services Contracts <input type="checkbox"/> PCRB Contracts <input type="checkbox"/> Maintenance Agreements <input type="checkbox"/> Licensing Agreements <input type="checkbox"/> Public Works Construction Contracts <input type="checkbox"/> Architectural & Engineering Contracts <input type="checkbox"/> Revenue Contracts <input type="checkbox"/> Grant Contracts <input type="checkbox"/> Non-Expenditure Contracts	<input checked="" type="checkbox"/> Expenditure <input type="checkbox"/> Non-Expenditure <input type="checkbox"/> Revenue
		Class III B <input type="checkbox"/> Government Contracts (Non-190 Agreement) <input type="checkbox"/> Expenditure <input type="checkbox"/> Non-Expenditure <input type="checkbox"/> Revenue <input type="checkbox"/> Interdepartmental Contracts

Department: County Human Services Division: Developmental Disabilities Date: July 21, 2003
 Originator: Rex Surface Phone: 26353 Bldg/Rm: 166/4
 Contact: Tom Ochirero Phone: 29832 Bldg/Rm: 166/4
 Description of Contract **This contract purchases vocational and employment services for persons with developmental disabilities.**

RENEWAL: ☒ PREVIOUS CONTRACT #(S): 4600003266
 RFP/BID: IGA RFP/BID DATE: _____
 EXEMPTION #: _____
 EFFECTIVE DATE: _____ EXPIRATION DATE: _____ ORS/AR #: _____
 CONTRACTOR IS: ☐ MBE ☐ WBE ☐ ESB ☐ QRF State Cert# or ☐ Self Cert ☐ Non-Profit ☒ N/A (Check all boxes that apply)

Contractor <u>Oregon Commission for the Blind</u> Address <u>535 SE 12th</u> City/State <u>Portland OR</u> Zip Code <u>97214</u> Phone <u>503.731.3221</u> Employer ID# or SS# <u>93-6001718</u>		Remittance Address _____ (If different) _____ Payment Schedule / Terms <input type="checkbox"/> Lump Sum \$ _____ <input type="checkbox"/> Due on Receipt <input checked="" type="checkbox"/> Monthly <input type="checkbox"/> Net 30 \$ _____ <input type="checkbox"/> Other \$ _____ <input type="checkbox"/> Other	
Contract Effective Date <u>July 1, 2003</u> Term Date <u>June 30, 2004</u> Amendment Effect Date _____ New Term Date _____	Original Contract Amount \$ <u>0 + Requirements</u> Total Amt of Previous Amendments \$ <u>0</u> Amount of Amendment \$ <u>0</u> Total Amount of Agreement \$ <u>0 + Requirements</u>	Requirements Funding Info: Original Requirements Amount \$ <u>465,195</u> Total Amt of Previous Amendments \$ <u>0</u> Requirements Amount Amendment: \$ <u>0</u> Total Amount of Requirements \$ <u>465,195</u>	

REQUIRED SIGNATURES

Department Manager Patricia K. Antezin DATE 7/22/03
 Purchasing Manager _____ DATE _____
 County Attorney Patrick W. Henry DATE 7/24/03
 County Chair Chari Wright DATE 7.31.03
 Sheriff _____ DATE _____
 Contract Administration _____ DATE _____

COMMENTS: SAP Vendor Code: 26198

Exhibit A, Rev. 03/07/03

S:\admin\Ceu\ceustartFY0304\CpuCAF\OCB_CAF.doc

APPROVED MULTNOMAH COUNTY
 BOARD OF COMMISSIONERS
 AGENDA # C-5 DATE 07.31.03
 DEB BOGSTAD, BOARD CLERK

GOVERNMENT CONTRACT (190 AGREEMENT)

This is an Agreement between Oregon Commission for the Blind (CONTRACTOR) and Multnomah COUNTY (COUNTY), pursuant to authority granted in ORS Chapter 190.

PURPOSE:

The purpose of this agreement is to purchase Vocational/Employment services for people with developmental disabilities.

The parties agree as follows:

1. **TERM** The term of this agreement shall be from July 1, 2003 to June 30, 2004. This agreement may not be renewed.
2. **RESPONSIBILITIES OF CONTRACTOR.** The CONTRACTOR agrees to provide Vocational/Employment services to people with developmental disabilities in accordance with COUNTY and State requirements for DD54 Vocational/Employment services as specified in Attachment A and as described in Paragraph 12-c below.
3. **RESPONSIBILITIES OF COUNTY.** The COUNTY agrees to compensate CONTRACTOR up to a requirements funding estimate of \$465,195 for Vocational/Employment services as specified below in **12. Additional Terms and Conditions**, a and b.
4. **TERMINATION.** This agreement may be terminated by either party upon 30 days written notice.
5. **INDEMNIFICATION.** Subject to the conditions and limitations of the Oregon Constitution and the Oregon Tort Claims Act, ORS 30.260 through 30.300, COUNTY shall indemnify, defend and hold harmless CONTRACTOR from and against all liability, loss and costs arising out of or resulting from the acts of COUNTY, its officers, employees and agents in the performance of this agreement. Subject to the conditions and limitations of the Oregon Constitution and the Oregon Tort Claims Act, ORS 30.260 through 30.300 CONTRACTOR shall indemnify, defend and hold harmless COUNTY from and against all liability, loss and costs arising out of or resulting from the acts of CONTRACTOR, its officers, employees and agents in the performance of this agreement.
6. **INSURANCE.** Each party shall each be responsible for providing worker's compensation insurance as required by law. Neither party shall be required to provide nor show proof of any other insurance coverage.
7. **ADHERENCE TO LAW.** Each party shall comply with all federal, state and local laws and ordinances applicable to this agreement.
8. **NON-DISCRIMINATION.** Each party shall comply with all requirements of federal and state civil rights and rehabilitation statutes and local non-discrimination ordinances.
9. **ACCESS TO RECORDS.** Each party shall have access to the books, documents and other records of the other which are related to this agreement for the purpose of examination, copying and audit, unless otherwise limited by law.
10. **SUBCONTRACTS AND ASSIGNMENT.** Neither party will subcontract or assign any part of this agreement without the written consent of the other party.

11. THIS IS THE ENTIRE AGREEMENT. This Agreement constitutes the entire Agreement between the parties. This Agreement may be modified or amended only by the written agreement of the parties.

12. ADDITIONAL TERMS AND CONDITIONS:

a. Payment Terms and Reports - All Contracts Payment Terms

Chargeable Expenditures. CONTRACTOR may charge expenditures under this Contract only if they are:

- i. In payment for services performed under this Contract;
- ii. In payment of an obligation incurred during the Contract period;
- iii. Performed in conformance with all applicable state and federal regulations and statutes; and
- iv. Not in excess of maximum payable under this Contract.

Reporting Requirements.

- i. Reporting requirements specific to Case Rate are described below.
- ii. If required, the Annual State DHS Carryover Report is due 30 days after receipt of the forms. COUNTY shall provide notification, forms, and instructions to CONTRACTOR subject to carryover reporting at least thirty (30) days prior to the report due date.
- iii. Notwithstanding any other payment provision of this Contract, failure of CONTRACTOR to submit required reports when due, may result in the withholding or reduction of payments under this Contract. Such withholding of payment for cause may continue until CONTRACTOR submits required reports, or establishes, to COUNTY'S satisfaction, that such failure arose out of causes beyond the control and without the fault or negligence of CONTRACTOR.

Recovery of Funds. Any COUNTY funds spent for purposes not authorized by this Contract shall be deducted from future payments or refunded to COUNTY at COUNTY'S discretion. Payments by COUNTY in excess of authorized amounts shall be deducted from payment or refunded to COUNTY no later than thirty (30) calendar days after Contract expiration or after notification by COUNTY. CONTRACTOR shall be responsible for any prior contract overpayments and unrecovered advances provided by COUNTY. Repayment of prior period obligations shall be made by CONTRACTOR in a manner specified by COUNTY. COUNTY shall be entitled to the legal rate of interest for late payment from the date such payments become delinquent, and in case of litigation, to reasonable attorney's fees.

Refunds. Any refunds to the state or federal government resulting from state (OAR 309-013-0120 through 0220) or federal audits shall be the sole responsibility of CONTRACTOR. CONTRACTOR agrees to make all such repayments within twenty working days of receipt of formal notification by COUNTY of disallowance of CONTRACTOR expenditures, or fees.

Protection against Loss or Damages. COUNTY shall have the right to withhold from payments due CONTRACTOR such sums as are necessary in COUNTY'S sole opinion to protect COUNTY from any loss, damage, or claim which may result from CONTRACTOR'S failure to perform in accordance with the terms of the Contract or failure to make proper payment to suppliers or subcontractors.

Request for Payment. CONTRACTOR shall submit all final requests for payment or an estimate of the final requests for payments no later than July 20th or the next working day after July 20th to the COUNTY. COUNTY will not process final requests or estimates for final request for payment documents not received within the specified time and the expense shall be the CONTRACTOR'S responsibility.

Start-Up Funding. COUNTY may provide Start-Up funds for one time only expenses necessary to begin, expand or improve services. These expenses are distinct from routine operation expenses incurred in the course of providing ongoing services. Payment of Start-Up funds is subject to requirements specified in the funding award.

To receive Start-Up funds, CONTRACTOR must submit to COUNTY a line-item budget showing proposed expenditures of funds. Upon approval of the line-item budget, COUNTY may advance up to 90 percent of Start-Up funds to the CONTRACTOR depending on funding source regulations. In no case shall payment exceed start-up amount specified in Attachment A.

If awarded Start-Up funds, CONTRACTOR shall submit an expenditure report that documents actual expenditure of all funds. The expenditure report must include copies of receipts supporting the expenditures. The remaining funds may be provided upon receipt and approval of final expenditure reports, with supporting receipts, and trust deed, if applicable. The final expenditure report is due to the COUNTY 60 days after services are initiated, but no later than the last day of the contract term.

b. Payment Terms and Reports – Case Rate

i. COUNTY and CONTRACTOR shall negotiate case rates on a case-by-case basis. CONTRACTOR shall submit proposed case rates in writing to COUNTY for approval. COUNTY shall process payments by the 10th calendar day of each month. COUNTY shall adjust amounts periodically to reflect:

- a) Increases or decreases in annual contract amounts;
- b) Amounts of client services contributions, if applicable;
- c) Under-utilization of contracted capacity; and
- d) Movement of clients either into or out of services.

ii. CONTRACTOR is required to report to the COUNTY within 72 hours any change in the status of any clients eligibility for coverage funded under case rate payments in this agreement.

c. Service Description

Employment and Community Inclusion Services (DD54) are out-of-home employment or community training services and related supports, delivered to consumers aged 18 or older with developmental disabilities, to improve the consumers' productivity, independence and integration in the community.

PERFORMANCE REQUIREMENTS. CONTRACTOR providing DD54 Services funded through this Agreement must comply with OAR 309-047-0000 through 309-047-0140; as such rules may be amended from time to time.

All consumers receiving DD54 Services funded through this Agreement must be eligible for developmental disability services, with eligibility determined in accordance with OAR 309-041-0415, as such rule may be revised from time to time.

Vacancy Reserve Fund: The Board of Directors (or other governing authority, as applicable) of the CONTRACTOR providing services funded under this Agreement must define, establish, and maintain a

"vacancy reserve" fund in an amount sufficient to ensure that the CONTRACTOR can continue to provide services that meet applicable statutory, administrative rule, and contract requirements when payments are reduced due to vacancies. If the reserve fund falls below the level established by the Board/governing authority, the Board/governing authority must develop and implement a plan to replenish the reserve fund in a timely manner. Each CONTRACTOR providing DD54 services funded under this Agreement must include a line item on its routine financial statements that documents the status of its vacancy reserve fund.

CONTRACTOR providing DD54 services funded through this Agreement may not expend any funds received through this Agreement to cover any of the following costs arising from or related to the work of consumers receiving DD54 Services funded through this Agreement or the goods or services produced thereby: (1) the wages of consumers receiving DD54 Services funded through this Agreement; (2) other indirect labor costs; (3) supply, equipment or marketing costs; or (4) other production costs.

SPECIAL REPORTING REQUIREMENTS. Attendance Records, and Reporting Absences and Termination Services:

1. CONTRACTOR providing DD54 Services funded through this Agreement shall maintain daily attendance records for all consumers receiving DD54 Services funded through this Agreement, and make such records available to COUNTY upon request. For purposes of DD54 Services, an individual shall be considered in attendance only when one of the following conditions is met:

- a. The Provider is actively involved in initial planning and assessment activities, including development of the individual's "Individual Support Plan" ("ISP") as defined in OAR 309-041-1300 through 309-041-1370, as such rules may be revised from time to time, prior to implementation of the ISP. Such planning activity performed on behalf of the individual shall be noted on the attendance sheet. The maximum period of time for which this activity may be defined as "attendance" is 15 consecutive days, beginning with the date the individual is first enrolled in the Provider's services; or
- b. The individual is at the Provider's site, or at the individual's work site, for the days and hours specified in the individual's ISP; or
- c. The individual is absent for not more than 30 consecutive days as a result of approved sick leave, approved vacation, or incarceration and it has not been determined that the individual will not be returning to Provider's services; or
- d. The individual is absent for not more than 90 consecutive days as a result of being on convalescent leave or leave under the Family and Medical Leave Act, admittance to either a psychiatric hospital or COUNTY's Crisis Unit at the Eastern Oregon Training Center and it has not been determined that the individual will not be returning to the Provider's services; or
- e. The Provider is actively involved in job development activity for the individual while that individual is temporarily unemployed, and that job development activity has been reviewed and approved by the ISP Team, as defined in OAR 309-041-1300 through 309-041-1370, as such rules may be revised from time to time. Job development performed on behalf of the individual shall be noted on the attendance sheet. The maximum amount of time that a temporarily unemployed individual may be reported as in attendance, while job development services are being provided, is 90 consecutive calendar days, unless the ISP Team approves continued job development for up to an additional 45 day period.

2. CONTRACTOR must notify COUNTY when an individual enrolled in DD54 Services in CPMS is anticipated to be absent as a result of leave under the Family and Medical Leave Act, incarceration,

or admittance to either a psychiatric hospital or State's Crisis Unit at the Eastern Oregon Training Center.

Information required in this section must be reported, in accordance with procedures designated by COUNTY, to the State's Office of Developmental Disability Services (ODDS) Information & Data Unit, no later than five (5) days after the first day of the individual's absence.

3. An individual enrolled in CPMS in DD54 Services must be reported in CPMS as terminated from a Provider's DD 54 Services, when the individual is not in attendance as defined in this Service Description. The CPMS termination date must be listed as the individual's last day of attendance in that Provider's services.

Employment Outcomes Systems (EOS): Providers of DD54 Services funded through this Agreement shall submit reports, as part of the COUNTY's Employment Outcomes System (EOS), that include data that measure individual and program outcomes. Reports must be completed semi-annually, following instructions provided by COUNTY.

Direct Care Staff Wages and Turnover. Providers of DD54 Services funded through this Agreement must report staff wages and turnover data using forms and procedures designated by COUNTY. Data must include the following information about direct care staff: number of positions; number of vacancies and new hires; average wages and benefits paid; hours of overtime; and such other information as COUNTY reasonably requests. Data must be compiled separately for each month.

PAYMENT PROCEDURES. Basis of payment: COUNTY payment for DD54 Services identified in the contract will be made at the monthly rate or rates set forth on the Developmental Disability Rate Schedule attached to the State Financial Assistance Award to the COUNTY, as such schedule may be amended from time to time, for DD54 Services delivered (services will only be considered delivered to consumers "in attendance" as described above) under that line of the contract during the period specified in that line, subject to the following:


1. Total COUNTY payment for all DD54 Services delivered under a particular line of the contract shall not exceed the total funds awarded for DD54 Services paid by the State.
2. If a unit of DD54 service is not delivered for the entire month, the payment with respect to that unit will be prorated for that month.
3. COUNTY will not pay for any units of DD54 Services delivered during a particular month under a particular line of the contract in excess of the number of units specified in that line of the Contract.
4. COUNTY is not obligated to pay for any DD54 Services that are not properly reported through CPMS (or through other method required or permitted by this Service Description or an applicable Specialized Service Requirement) by the date 45 days after expiration or termination of this Agreement, whichever date is earlier.
5. The rate or rates specified in the Developmental Disability Rate Schedule will be identified by CONTRACTOR, may vary from CONTRACTOR to CONTRACTOR and may be changed by amendment to the contract. The rate or rates specified in the Developmental Disability Rate Schedule are not tied to any particular line in the contract and COUNTY is not required to contract for service delivery with any particular CONTRACTOR identified in the State's Developmental Disability Rate Schedule; provided, however, that, in aggregate across all lines of the State Financial Assistance Award that award funds for DD54 Services, COUNTY will not pay any rate specified in the Developmental Disability Rate Schedule for a particular month for more than the number of units specified at that rate for that month.

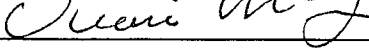
Contract Settlement: Contract settlement will reconcile any discrepancies that may have occurred during the term of this Agreement between actual COUNTY disbursements of funds awarded for DD54 Services under a particular line of the contract and amounts due for such services based on the rate or rates set forth in the Developmental Disability Rate Schedule, the number of units specified in the contract and the amount of services actually delivered under the contract during the period specified on that line, as properly reported in CPMS or by other reporting method required or permitted by this Service Description or an applicable Specialized Service Requirement.

Exceptions to pay for vacancies: In exceptional circumstances, the COUNTY may agree to pay for delivery of DD54 Service capacity that is not utilized, as opposed to the normal DD54 Services payment methodology, which provides only for payment for DD54 Services actually delivered. Exceptional circumstances include: (i) when COUNTY agrees to pay for unutilized DD54 Service capacity in order to ensure the availability of DD54 Services for a particular individual in the near future; or (ii) when unexpected financial difficulties are encountered by a particular CONTRACTOR as a result of an unusually high rate of unutilized service capacity in that CONTRACTOR'S system, through no fault of that CONTRACTOR. COUNTY will award, pay, disburse and settle funds for unutilized DD54 Service capacity in service element DD57 (DD Special Projects, Start-Up).

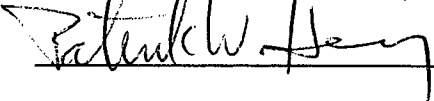
d. DDSD Special Conditions – None

MULTNOMAH COUNTY, OREGON

By  7/22/03
 Patricia K. Pate, Director Date
 Department of County Human Services

By  7-31-03
 Diane M. Linn Date
 Multnomah County Chair

REVIEWED:
 AGNES SOWLE, County Attorney
 for MULTNOMAH COUNTY, OREGON

 7/24/03

OREGON COMMISSION FOR THE BLIND

By _____
 Signature Date

 Name (Please Print)

Approved as to form:

APPROVED MULTNOMAH COUNTY
 BOARD OF COMMISSIONERS
 AGENDA # C-5 DATE 07-31-03
 DEB BOGSTAD BOARD CLERK



MULTNOMAH COUNTY OREGON

Page 1 of 1

IGA Contract

Vendor Address

OR COMM FOR THE BLIND
535 SE 12TH
PORTLAND OR 97214

Information

Contract Number 4600004221
Date 07/01/2003
Vendor No. 26198
Contact/Phone CHS DD Services /

Validity Period: 07/01/2003 - 06/30/2004
Minority Indicator: Not Identified

Estimated Target Value: 497,198.16 USD

Item	Material/Description	Target Qty	UM	Unit Price
0001	<p><i>Previous contract no. N/A</i> <i>Program contact - Rex Surface 503.988.3658 x26353</i></p> <p>H30000014 Employ & Alt Service - Dev Disabled(USD)</p> <p>Plant: F010 Community & Family Services Requirements Tracking Number: IGA <i>Monthly Allotment/Case Rate/Per Client Schedule</i></p>	465,195.000	Dollars	\$ 1.0000



MULTNOMAH COUNTY OREGON
CENTRAL PROCUREMENT AND CONTRACT ADMINISTRATION
P.O. BOX 14700, PORTLAND, OREGON 97293-0700
Phone: (503) 988-5111

ATTACHMENT A

Page 1 of 1

Release Order

Vendor Address

OR COMM FOR THE BLIND
535 SE 12TH
PORTLAND OR 97214

Information

Release Order	4500050723
Date	07/01/2003
Vendor No.	26198
Buyer/Phone	CHS DD Services /
Validity End Date	06/30/2004
Incoterms	FOB

Ship To:

Multnomah County
Community & Family Services
421 SW 6th
Portland OR 97204
Fax: 503-988-3379

Special Instructions:

Item	Material/Description	Quantity	UM	Unit Price	Net Amount
	<i>For the services listed in this Release Order, the Net Amount lines are estimates only. During the term of this contract Multnomah County may unilaterally adjust the Net Amount of each line based on Contractor's documented service level and system-wide service level demands. County will notify Contractor by providing a revised Release Order of any Net Amount adjustments upon request.</i> <i>Previous contract no. N/A</i> <i>Program contact - Rex Surface 503.988.3658 x26353</i>				
0001	H30000014 Employ & Alt Service - Dev Disabled(USD) Tracking Number: IGA WBS: DD CLT 54 Release order against contract 4600004221 Item 00001 Monthly Allotment/Case Rate/Per Client Schedule 	465,195.000	USD	\$ 1.0000	\$ 465,195.00
				Total	<hr/> \$ 465,195.00 <hr/>

#1

**MULTNOMAH COUNTY BOARD OF COMMISSIONERS
PUBLIC TESTIMONY SIGN-UP**

Please complete this form and return to the Board Clerk

This form is a public record

MEETING DATE: 07.31.03

SUBJECT: CARBAWS Sellwood

AGENDA NUMBER OR TOPIC: _____

FOR: _____ AGAINST: _____ THE ABOVE AGENDA ITEM

NAME: Joseph F. Johns

ADDRESS: P.O. Box 82036

CITY/STATE/ZIP: Portland OR 9728

PHONE: _____ DAYS: 503 232-3339

EVES: Same

EMAIL: Joe.Johns@acrcan

FAX: 503 231-7177

SPECIFIC ISSUE: CARBAWS, Sellwood.

WRITTEN TESTIMONY: _____

IF YOU WISH TO ADDRESS THE BOARD:

1. Please complete this form and return to the Board Clerk.
2. Address the County Commissioners from the presenter table microphones. Please limit your comments to **3 minutes**.
3. State your name for the official record.
4. If written documentation is presented, please furnish one copy to the Board Clerk.

IF YOU WISH TO SUBMIT WRITTEN COMMENTS TO THE BOARD:

1. Please complete this form and return to the Board Clerk.
2. Written testimony will be entered into the official record.

Reed College

contact list

Administrators

name	email	address	note
Edwin McFarlane	Edwin.McFarlane@reed.edu		Treasure's Office
	vivian.norman@reed.edu		Ed's Assistant
Colin Diver	Colin.Diver@reed.edu presidentsoffice@reed.edu	TL 503/777-7500 FX 503/777-7701	President
Kathleen A. Rose	kathleen.rose@reed.edu		Executive Assistant to the President
Darlene Tri	darlene.tri@reed.edu		Staff Assistant
Steven Koblik	Steven.Koblik@reed.edu		former president
Paula Barclay	paula.barclay@reed.edu reed.magazine@reed.edu		Editor Reed Magazine
Wendy Shattuck	wendy.shattuck@reed.edu		director of public affairs
Harriet Watson	harriet.watson@reed.edu	503/777-7594	Director, Public Affairs
Nadine Fiedler	fiedler@reed.edu	503/777-7590	Media contact: News & Publications
Hugh Porter	Hugh.Porter@reed.edu	503/788-6604	Vice President for College Relations
Albyn Jones	jones@reed.edu	http://www.reed.edu/~jones/	Stats Prof who lives in Sellwood

Board of Trustees

Daniel B. Greenberg '62	NO Confirmed Email. Guesses: info@electrorent.com greenberg@electrorent.com	Susan Steinmauser (believed to be wife) 16434 Marbro Dr Encino, CA 91436-3619 (818) 981-0019 Electro Rent Corporation (818) 787-2100 Fax: (818) 786-4354 6060 Sepulveda Bl. Van Nuys, California 91411-2512 http://electrorent.com	Chairman No
Stephen R. McCarthy '66	steve@clearcreekdistillery.com	Clear Creek Distillery 1430 NW 23rd Ave., Portland PHONE: 503-248-9470. FAX: 503 248 0490 http://clearcreekdistillery.com	Secretary
E. Randolph Labbe		Kerr Pacific Corp. 811 S.W. Naito Parkway, #620 Portland, OR 97204 Phone: (503) 221-1301 Fax: (503) 294-2058 Home Address 4935 SE BARNES RD PORTLAND OR 97221 (503) 224-5574	Vice Chairman
H. Gerald Bidwell	comments@bidwell.com	President Bidwell & Company 330 S.W. Sixth Avenue Portland, Oregon 97204-1702 Local: 503/790-9000 Fax: 503/222-1055	
Timothy Boyle	No Confirmed Email: Guesses: info@columbia.com tim@columbia.com	Columbia Sportswear 14375 NW Science Park Drive Portland, OR 97202 (503) 985-4000	
Alberto Cribiore	cribore@brera.com	Managing Principal Brera Capital Partners, LLC 712 Fifth Avenue New York, NY 10019 212 835 1352 MAIN: 212 835 1350 FAX: 212 835 1399	
Richard W. Cuthbert '73	rcuthbert@rwbeck.com (206) 695-4434	Senior Director R.W. Beck, Inc. 1001 Fourth Avenue Suite 2500 Seattle, WA 98154-1004 Phone: (206) 695-4700 Fax: (206) 695-4701 seattle@rwbeck.com	
Martha A. Darling '66		Retired Senior Manager, Boeing Company, and Education Policy	

Portland Alumni

name	email	address	Note
Johanna (Turner) Colgrove '92	turner@alumni.reed.edu Johanna.Colgrove@reed.edu	503/775-3032	
Aarin Lutzenhiser '97	aarin@mac.com	503/768-4833	
Andy McLain	amclain@alumni.reed.edu	503/236-1113	
Mark McLean '70	mmclean@pacifier.com	360/253-4965	
Jim Quinn '83	j.q@teleport.com	503/245-6008	Chair
Constance San Juan '87	csj@teleport.com	503/236-3352	
Bear Wilner '95	bear_wilner@alumni.reed.edu	503/236-8074	
	alumni@reed.edu		

Seattle Alumni

name	email	address	Note
Sally Snyder Brunette '83	sallybru@attbi.com	425/562-2670	
Richard Cuthbert '73	rcuthbert@rwbeck.com	206/525-0062	Also on the board
Carol Ellerby '71	clown@alumni.reed.edu	206/431-2881	
Christie Hedman '80	hedman@defensenet.org	206/937-7330	
Noah Iliinsky '95,	noah@oz.net	206/310-4699	representative
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Peter Mason '79	peterma5@attbi.com	206/760-0462	Also on the board
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Barbara Carter Radin '75, chair	dradin@ix.netcom.com	206/523-2484	
Lynn Rosskkamp '95	lynn@threecatsdesigns.com	206/286-0461	
Nic Warmenhoven '96	nic.warmenhoven@alumni.reed.edu	206/861-8028	

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Martin Johnson '82	mrj@usa.net	510/839-7807	
Majda Sajovic Jones '64	msj@iref.org	650/851-4321	
Frank Marquardt '92	tralition@mindspring.com	415/824-5718	
Drew McCormick '82	drew@alumni.reed.edu	408/266-3960	chair
Stephen Shields '62	stevetrave@aol.com	510/635-7687	
Richard Thomason '84	hgoldstein@winstar.com	510/524-3724	

SoCal Alumni

name	email	address	
Robert Hadley '53	BobPatHadley@aol.com	310/398-3538	chair
Barry Hansen '63	dementosoc@earthlink.net	562/220-2615	
Loraine Shields '74		310/657-4556	
Indira Hale Tucker '65		562/428-433	

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BobPatHadley@aol.com
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#2

MULTNOMAH COUNTY BOARD OF COMMISSIONERS
PUBLIC TESTIMONY SIGN-UP

Please complete this form and return to the Board Clerk

This form is a public record

MEETING DATE: 7/31/2003
SUBJECT: Historic Zellwood Carbons preservation

AGENDA NUMBER OR TOPIC: 1

FOR: X AGAINST: _____ THE ABOVE AGENDA ITEM

NAME: Eileen G. Fitzsimons

ADDRESS: 1405 SE Martius St.

CITY/STATE/ZIP: Portland OR 97202

PHONE: _____ DAYS: 503/234-4589 EVES: _____

EMAIL: efgb@comcast.net FAX: _____

SPECIFIC ISSUE: see above

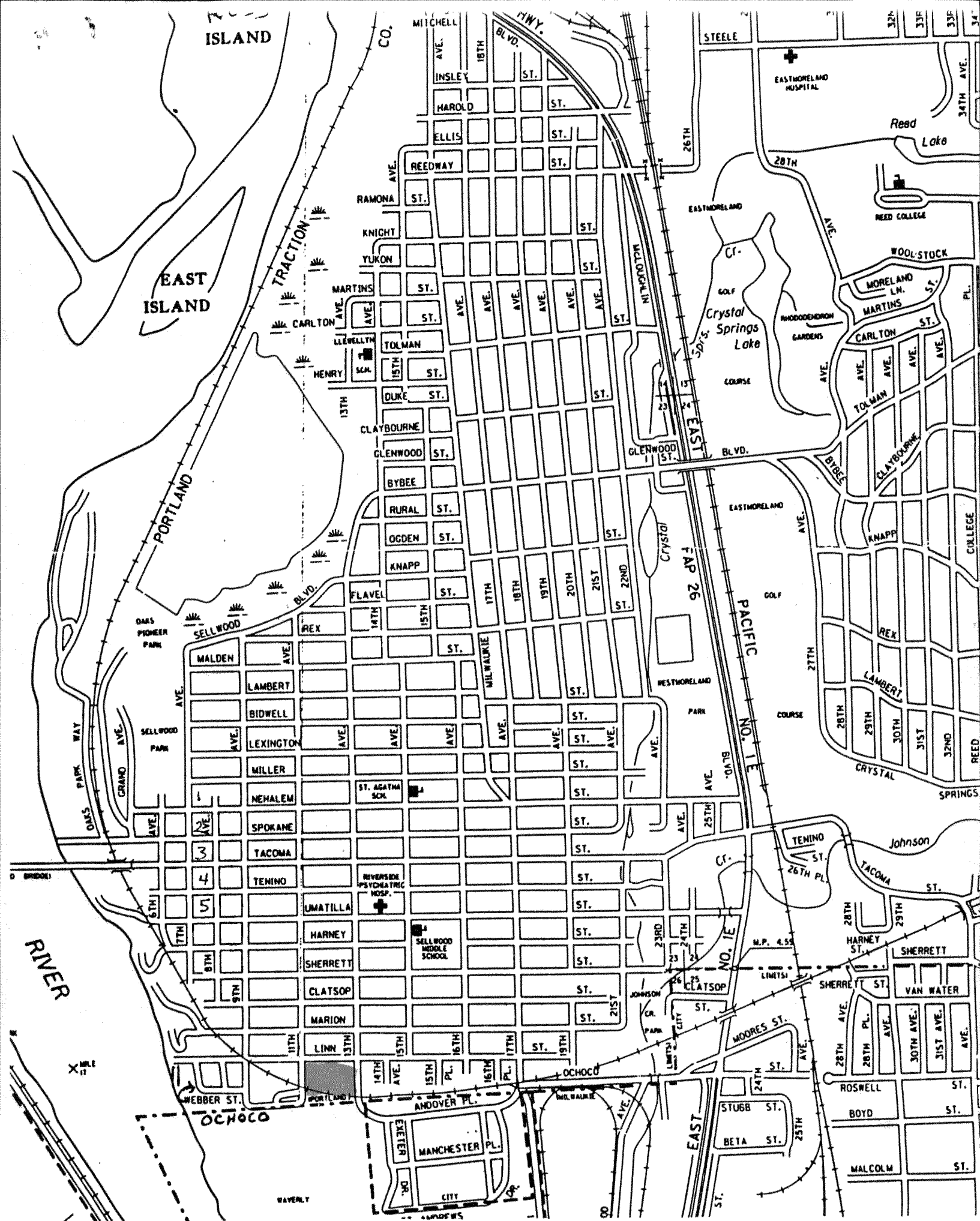
WRITTEN TESTIMONY: _____

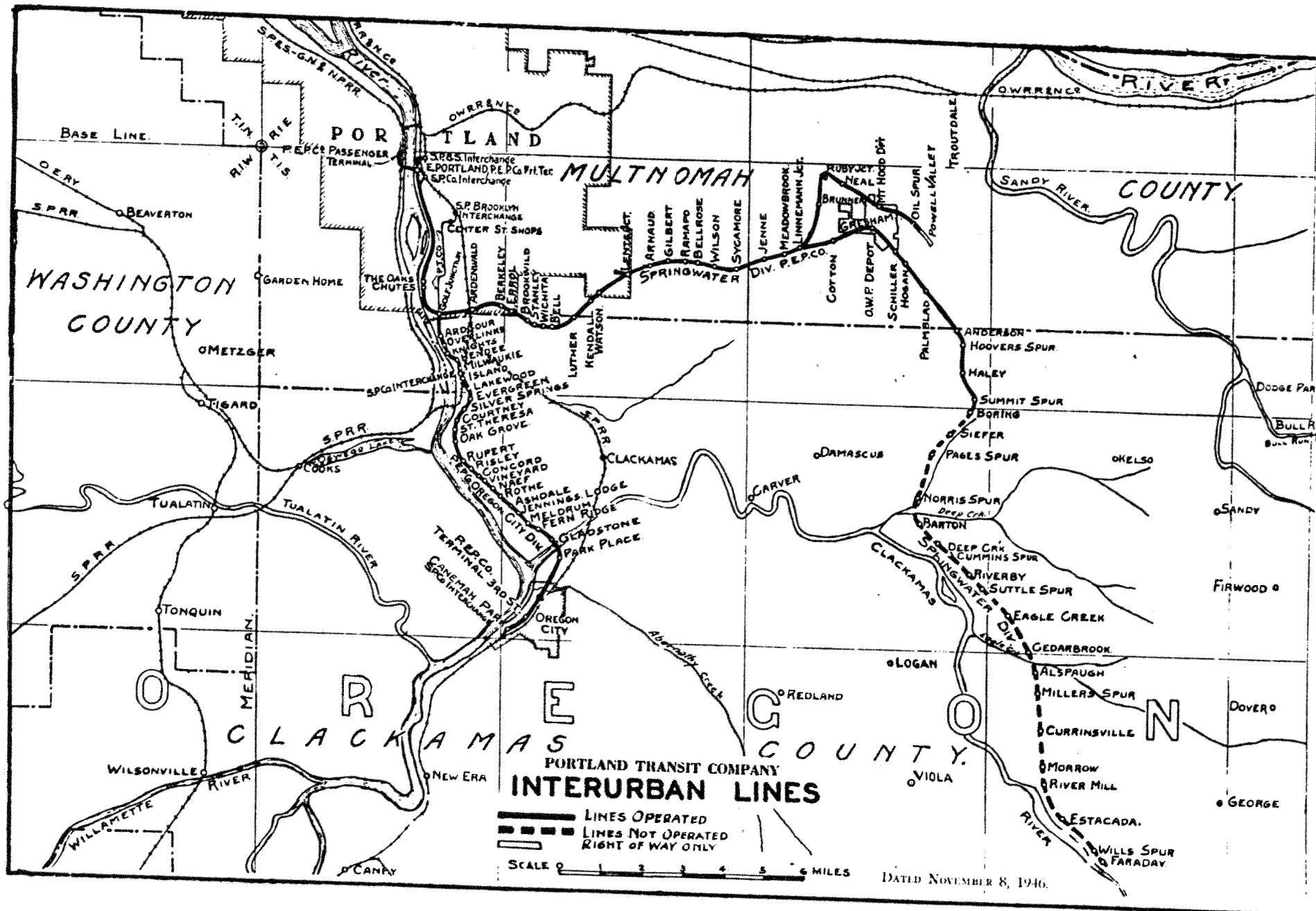
IF YOU WISH TO ADDRESS THE BOARD:

1. Please complete this form and return to the Board Clerk.
2. Address the County Commissioners from the presenter table microphones. Please limit your comments to **3 minutes**.
3. State your name for the official record.
4. If written documentation is presented, please furnish one copy to the Board Clerk.

IF YOU WISH TO SUBMIT WRITTEN COMMENTS TO THE BOARD:

1. Please complete this form and return to the Board Clerk.
2. Written testimony will be entered into the official record.







City of Portland
Historic Landmarks Commission

1900 SW Fourth Ave., Suite 5000
Portland, Oregon 97201
Telephone: (503) 823-7300
TDD: (503) 823-6868
FAX: (503) 823-5630
www.bds.ci.portland.or.us

July 24, 2003

Colin Diver, President
Reed College
3203 SE Woodstock Boulevard
Portland, Oregon 97202

Dear President Diver:

At its July 14 meeting, the Portland Historic Landmarks Commission discussed the Sellwood streetcar barns. The Commission is concerned about the possible loss of this historic resource, which has ties to the history of the Sellwood neighborhood, the history of the nation's first electric interurban railway, and the history of hydroelectric development in Oregon. It is a key historic feature along the Springwater Corridor, being developed by local governments as a showpiece linear recreation trail. An adjacent structure, part of the same streetcar facility, was recently named to the National Register of Historic Places, and the Sellwood streetcar barns have been determined to be eligible for this designation by the Oregon State Historic Preservation Office.

We are acutely aware of the need for Reed College to use this property in a manner that is fiscally responsible and environmentally benign. The information available to us suggests that it is technically feasible to develop the property without wholesale demolition of the streetcar barns, and that it is possible to satisfactorily contain subsurface contamination, present on only 27% of the site.

In view of the importance of these historic structures to the community and the nation, and considering the favorable financial returns that the College can obtain through adaptive reuse of them, the Commission urges Reed College and the prospective purchaser of the property to pursue a more creative solution than demolition. If successful, such efforts will redound to the College's credit among its neighbors and the city and state at large, and the College's endowment will be strengthened.

The Commission, and its individual citizen members, would be glad to work with Reed College and the purchaser to accomplish these aims.

Sincerely,

John Czarnecki, Chair
Portland Historic Landmarks Commission

cc: Ed McFarlane, Treasurer, Reed College
Jim Morton / Drew Prell, Craftsman Builders
John Gray
Eileen Fitzsimons SMILE Historic Committee Chair
Mayor Vera Katz
Portland City Council
Cielo Lutino, BOP
Jeff Joslin, BDS
James Hamrick, Deputy State Historic Preservation Officer
Dave Skilton, Tax Incentive Specialist, SHPO

Reed College Unleashes Wrecking Ball in Sellwood

By EILEEN FITZSIMONS

For THE BEE

JULY, 2003 p 1

On May 27, after months of delay and contrary to their stated assurances that they "wanted to make their neighbors happy", Reed College abruptly sold the historic Sellwood Streetcar Barns to a redevelopment firm whose plan is to replace the structure with 70 to 80 units of townhouses, after the college completes its demolition. It was three days after the documents were signed by Reed Treasurer Ed McFarlane that the college's attorney Timothy Parks of Ball Janik finally informed the original designated purchaser of the decision.

"I'm shocked and disappointed" was the response of Art DeMuro, partner in Venerable Properties, who had been--according to Reed College's public statements--the firm to whom they intended to sell the 90,000 square foot property at S.E. 13th and Linn Streets. It had been DuMuro's intention to place the 1910-era building on the National Register of Historic Places and, after seismic upgrading, to construct 60 residential units within the existing walls. The large structure is believed to be the biggest remaining intact streetcar barn in the State of Oregon. The neighborhood association, SMILE, had hoped it would become a second building in a future National Register Historic District, themed around the history of streetcar development in the City of Portland.

On June 2, Reed College issued a press release stating that the carbarns had to be demolished in order to accomplish a "major clean-up of contamination." Wendy Shattuck, Public Affairs spokesperson for the college, claimed that the "environmental issues are severe" but that "Grayco's action ensures that we will turn over a clean and safe property to the buyers..." Grayco is the "shell" corporation established to handle the piece of real estate that was donated to Reed College approximately three years ago by real estate developer John Gray. It was during Mr. Gray's almost 30-year ownership of the carbarns that the industrial contamination of the building occurred.

To the queries from THE BEE over the past several months, Mr. McFarlane at first denied that the environmental report was finished, and then refused to divulge its contents. However, a recent conversation with an employee of Hahn Associates, the environmental testing firm hired by Reed, provided the following information. According to geologist Roger Brown, the actual contamination consists of spent lubricating oil from the machinery operated by Molded Container Corp., the long-time tenant of the structure that declared bankruptcy approximately one year ago and no longer operates in Oregon.

In addition, a chemical called toluene was used to clean up the oil and the mixture was allowed to dribble into drains in the floor of the building over the period of 30 years. During that time, apparently neither the building owner nor business managers thought to ask where the floor drains terminated, but apparently it was into a sump under the build-

Continued From Page 1

ing. According to Brown, the practice ended about three years ago, when new machinery was installed, and waste collection pans were placed under them; at that time the floor drains were sealed.

Brown states that the chemical mixture is contained under the floor slab, is not vaporizing, and is not a threat to nearby neighbors. He estimated that the contamination lies under about 27% of the total slab, and has seeped

into the soil at depths ranging from three to twelve feet. As it is relatively heavy and inert, the material is not migrating laterally or downwards. It is located primarily along the footings of the two northern-most bays, close to where the machinery was housed. The "Level II" environmental testing that Hahn Associates conducted showed no evidence of ground-water contamination, inasmuch as the water table in this area is at a depth of 52 feet.

According to Brown, there are a variety of ways to deal with such contamination, depending on the level of environmental cleanliness the owners want, and the ultimate use of the site. If the site were to continue its present use workers would have little exposure to contaminants, and the solution could be as simple as a monitoring system, to make sure the material wasn't moving. However, Hahn was told that the site was to be converted for residential purposes, and that Grayco wanted to ensure that they had zero liability, which would mean neutralizing the contaminants or removing them. The most expedient method would be demolishing the building and replacing the soil. Whether Reed College sought the other options, or conducted cost analysis of alternative

Craftsman Builders in Lake Oswego.

According to Morton, architect Robert Simpson of Cornelius is working on drawings for the project which will come to SMILE's land use committee for design review. Grayco (Reed College) will obtain the demolition permit, but Morton and Prell will pay for the actual demolition, in addition to the \$2.5 million sales price. Demolition estimates are in the vicinity of \$200,000. Grayco will pay for the site clean-up, which could run higher than \$800,000.

SMILE Board members were provided with an update at their June 18 meeting, and expressed dismay at the sudden turn of events. The Board asked its History Committee to explore avenues for persuading the college to reverse their decision.

Although the environmental report was completed by Hahn on April 14 and sent to the college, Venerable Properties did not receive a copy of it until May 8. DeMuro told THE BEE that after he read the report he contacted the DEQ to discuss the feasibility of "capping" the site, containing the waste, and then constructing on top. After the agency said this was a definite possibility which could be discussed in more depth, DeMuro arranged a meeting with Reed financial officials on May 22 to review options to demolition. At that meeting DeMuro told the college he was still interested in moving forward with the project, and that containment would be less costly than Reed's estimated \$800,000 clean-up. Reed said they would consider the proposal, but on the 27th signed the papers with Jim Morton and Drew Prell of

Reed College Surprises and Disappoints

Editor:

I have been following the attempt to save the Sellwood streetcar barns for the past nine months. The neighborhood association, SMILE, has been persistent but restrained in its dealings with its neighbor, Reed College. When it heard the rumor last September that Reed intended to demolish the building, it informed the college of the building's historic significance. SMILE also approached an experienced (12 successful projects) historic building redeveloper, Art DeMuro, of Venerable Properties and were thankful and relieved when he successfully bid on the project. It appeared that Reed College was headed for a feature article in their alumni newsletter, perhaps: "College Preserves Historic Building, Increases Endowment Fund." Unfortunately, on May 27, Reed took the road most traveled, and has apparently decided to destroy an important historic building, anger their neighbors and devalue a donation from a long-time supporter. What went wrong?

Inexperience seems to be a primary factor. Developer John Gray's gifts over the years have been much-appreciated by the college. This time he gave them a gift of "real property", an old building he had owned for almost 30 years. It apparently never occurred to Reed or their real estate broker to check a 90-year old industrial building, as a

matter of course, for possible contamination. Perhaps they didn't want to risk offending their donor and friend, although as an astute businessman himself, he probably would have considered it a prudent thing to do.

Enter the historic property re-developer, who as a matter of fact did request basic environmental testing. Faced with the unpleasant results, realizing their oversight, and reluctant to confront their benefactor with the sad fact that his gift was not,

um, quite as valuable as had appeared, Reed moved quickly to "solve" their problem. Tossing an environmental smoke bomb, they claimed that out of concern for their neigh-

bors they are cleaning up this frightful contamination. Instead of the creative solutions we might anticipate from a school which is reputedly an intellectual powerhouse, we are faced with the demolition of a significant historic building and the considerable reduction of a donor's \$2.5 million gift. Many questions remain: Who in this case is liable, and who would sue whom to recover damages? What would have happened if no one had asked about possible contamination and the property sold without testing? Why didn't the college call DEQ to explore non-demolition options? Rehabilitating the streetcar barns, located right on the Springwater Corridor, could be such a positive experience for

the neighborhood. And what an opportunity for Reed students themselves to participate in a real-world learning experience: to research the history of transportation development and its demise (and current revival); to explore conflicts between private industry and labor union organization; to discuss the concept of ethics in the business world; to develop ways to restore historic properties; to try to determine the benefits to society of preserving shared history and culture, and, bottom line, how do you clean up a contaminated building site without demolishing it? Here is teaching material for at least the departments of philosophy, history, business and science! It is

not too late for Reed College, its administrators, its teaching staff, its students, donors, trustees and alumni to ask themselves, out of pride and with perhaps some humility, "Is this best we can do?"

Eileen G. Fitzsimons
Westmoreland, Via e-mail

SMILE deplores Reed College action in Car Barns issue

SMILE has devoted the past nine months to trying to save the historic Streetcar Barns in south Sellwood. Reed College, which received the property as a gift three years ago, has covertly sold the property in late May, it announced in the first week of June, to a Lake Oswego developer, Morton and Prell, in spite of repeated public assurances that it was going to sell to Venerable Properties, which was going to mitigate the oil pollution at the site and develop it in such a way as to save the Car Barns buildings. Morton and Prell plan to demolish the buildings and put up in excess of 80 condominiums. Reed College says it will now spend \$800,000 of its own money to decontaminate the site after demolition; since both parties were offering Reed \$2.5 million, and thus Reed would have made much more money selling to Venerable, the SMILE Board is inclined to think that there is more to this deal than has been made public so far, and deplores Reed College's actions. There was a spirited discussion of steps that might be pursued to prevent the destruction of the Car Barns, which have already been approved by the State of Oregon for listing on the National Historic Register, and so the fate of the structure may not yet have been irrevocably sealed.

July, 2003
The Bee

minutes of S.M.I.L.E.
general meeting
for June, 2003

GOLF JUNCTION DESTRUCTION? SPRINGWATER DISASTER?

As we near completion of the Springwater Trail, Reed College is poised to obliterate its hub: the **Sellwood Streetcar Barns** at S.E. 13th & Linn St. Their demolition will not only destroy a remarkable building complex, but also cut the heart out of a potential National Register Historic District, to be replaced with more than 80 row houses.

This destruction can be avoided! You can help persuade Reed College to act responsibly toward the community, preserve our city's history, while still getting a good financial return. **There need not be any losers!**

Encourage Reed College to explore the preservation and creative re-use of what is probably Oregon's largest surviving streetcar barn! Help us establish a National Register Historic District that will mark Portland's place in the national history of electrical generation and transmission, interurban railroads, and the development of suburban communities.

Please address your comments and concerns to:

Colin Diver, President
Reed College
3203 S.E. Woodstock Blvd.
Portland, OR 97202
presidentsoffice@reed.edu
503/ 777-7500 fax:503/ 777-7701

Please send a copy to:

Editor, The Bee Newspaper
1837 S.E. Harold St.
Portland, OR 97202

For background stories and on-going information, log on: <http://www.readthebee.com>

Sellwood-Westmoreland History Committee
Sellwood-Moreland Improvement League (SMILE)
8210 S.E. 13th, Portland, OR 97202 503/234-3570

REED COLLEGE CATALOG

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June 2002

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Sol L. Rabin '57
President, Griffin Investment Advisors
Los Angeles, California

AGENDA PLACEMENT REQUEST

BUD MOD #:

Board Clerk Use Only:

Meeting Date: July 31, 2003

Agenda Item #: R-1

Est. Start Time: 9:30 AM

Date Submitted: 07/23/03

Requested Date: July 31, 2003

Time Requested: 15 minutes

Department: Non-Departmental

Division: Commissioner Lisa Naito

Contact/s: Charlotte Comito/Wendy Lebow

Phone: 503 988-4576

Ext.: 84576

I/O Address: 503/600

Presenters: Commissioner Lisa Naito, Andy Olshin and invited others

Agenda Title: Briefing on the Children's Investment Fund Allocation Committee

NOTE: If Ordinance, Resolution, Order or Proclamation, provide exact title. For all other submissions, provide clearly written title.

1. **What action are you requesting from the Board? What is the department/agency recommendation?** N/A - Informational only.
2. **Please provide sufficient background information for the Board and the public to understand this issue.**
In November 2002, voters in Portland approved a levy to provide children's services in 3 categories, early childhood, abused and neglected children's programs and after school programs. A committee was created to allocate the funds. Commissioner Lisa Naito was appointed by the board of county commissioners to serve on the committee. Additionally, the board appointed Samuel Henry. The committee subsequently hired an administrator to coordinate the committee's activities.
3. **Explain the fiscal impact (current year and ongoing).** The allocation committee will appropriate \$10 million per year for the next 5 years.

NOTE: If a Budget Modification or a Contingency Request attach a Budget Modification Expense & Revenues Worksheet and/or a Budget Modification Personnel Worksheet.

If a budget modification, explain:

- ❖ What revenue is being changed and why?
- ❖ What budgets are increased/decreased?
- ❖ What do the changes accomplish?
- ❖ Do any personnel actions result from this budget modification? Explain.
- ❖ Is the revenue one-time-only in nature?
- ❖ If a grant, what period does the grant cover?
- ❖ When the grant expires, what are funding plans?

NOTE: Attach Bud Mod spreadsheet (FORM FROM BUDGET)

If a contingency request, explain:

- ❖ Why was the expenditure not included in the annual budget process?
- ❖ What efforts have been made to identify funds from other sources within the Department/Agency to cover this expenditure?
- ❖ Why are no other department/agency fund sources available?
- ❖ Describe any new revenue this expenditure will produce, any cost savings that will result, and any anticipated payback to the contingency account.
- ❖ Has this request been made before? When? What was the outcome?

If grant application/notice of intent, explain:

- ❖ Who is the granting agency?
- ❖ Specify grant requirements and goals.
- ❖ Explain grant funding detail – is this a one time only or long term commitment?
- ❖ What are the estimated filing timelines?
- ❖ If a grant, what period does the grant cover?
- ❖ When the grant expires, what are funding plans?
- ❖ How will the county indirect and departmental overhead costs be covered?

4. Explain any legal and/or policy issues involved. NA
5. Explain any citizen and/or other government participation that has or will take place. Many community gatherings will occur to collect advice and input on how services for children should be prioritized.

Required Signatures:

Department/Agency Director: Lisa Naito

Date: 7/23/2003

Budget Analyst

By: _____

Date:

Dept/Countywide HR

By: _____

Date:

AGENDA PLACEMENT REQUEST

BUD MOD #:

Board Clerk Use Only:

Meeting Date: July 31, 2003

Agenda Item #: R-2

Est. Start Time: 9:45 AM

Date Submitted: 07/21/03

Requested Date: 07/31/03

Time Requested: 5 minutes

Department: Health

Division: Neighborhood Health

Contact/s: Jan Wallinder, Early Childhood Manager

Phone: 503-988-3674

Ext.: 28844

I/O Address: 160/8

Presenters: Jan Wallinder

Agenda Title: Notice of Intent to partner with Metro Child Care Resource and Referral to apply for grant funding through the Portland Children's Investment Fund to expand the Safe 'n Sound child care consultation project.

NOTE: If Ordinance, Resolution, Order or Proclamation, provide exact title. For all other submissions, provide clearly written title.

1. **What action are you requesting from the Board? What is the department/agency recommendation?**

Authorize the Director of the Health Department to partner with Metro Child Care Resource and Referral to apply for grant funding to hire staff to develop, deliver and evaluate a health and safety consultation program for family child care providers in Portland.

2. **Please provide sufficient background information for the Board and the public to understand this issue.**

➔ **NOTE TO THE AGENDA REVIEW TEAM:** An exemption to the three week NOI submission process is requested because the deadline for the grant is July 31, 2003.

The City of Portland has released a program announcement seeking grant applications from organizations to invest in early childhood services in Portland. Funds offered through this program are part of the City's effort to invest in proven programs that help

prepare young children for school. This first phase of the fund will invest in programs in the areas of Early Childhood Care and Education; Early Head Start and Head Start; Respite and Transitional Care; Health, Development, and Mental Health Promotion; and Parent Education, and Early Intervention. The Health Department, in partnership with Metro Child Care Resources Referral, proposes to design and implement a health and safety consultation program for family child care providers to ensure children are in safe, healthy and nurturing child care environments.

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

The one-year cost of this project is estimated to be \$165,000 for staffing to develop, implement and evaluate activities associated with this proposal. If authorized by the Board to apply for grant funding, the Health Department will request that the full cost of the project be provided through the grant.

NOTE: If a Budget Modification or a Contingency Request attach a Budget Modification Expense & Revenues Worksheet and/or a Budget Modification Personnel Worksheet.

If a budget modification, explain:

- ❖ **What revenue is being changed and why?**
- ❖ **What budgets are increased/decreased?**
- ❖ **What do the changes accomplish?**
- ❖ **Do any personnel actions result from this budget modification? Explain.**
- ❖ **Is the revenue one-time-only in nature?**
- ❖ **If a grant, what period does the grant cover?**
- ❖ **When the grant expires, what are funding plans?**

NOTE: Attach Bud Mod spreadsheet (FORM FROM BUDGET)

If a contingency request, explain:

- ❖ **Why was the expenditure not included in the annual budget process?**
- ❖ **What efforts have been made to identify funds from other sources within the Department/Agency to cover this expenditure?**
- ❖ **Why are no other department/agency fund sources available?**
- ❖ **Describe any new revenue this expenditure will produce, any cost savings that will result, and any anticipated payback to the contingency account.**
- ❖ **Has this request been made before? When? What was the outcome?**

If grant application/notice of intent, explain:

- ❖ **Who is the granting agency?**
City of Portland
- ❖ **Specify grant requirements and goals.** The goal of the Early Childhood Investment funding round is to substantially increase the capacity for proven programs and promising strategies to deliver services, thereby improving outcomes for children and the community. The grant application will include a description of the project design, how the project incorporates best practices, how the project will increase the capacity to serve children and an evaluation plan. The project addresses outcomes and strategies for Goal 4 of the Early Childhood Framework.
- ❖ **Grant timelines and funding period.**

The grant announcement was released on July 16, with proposals due July 31, 2003. Notification is anticipated Sept 15, with contracts starting October 1, 2003. The award period is 24 months, with renewal or extension for 12, 24, or 36 months.

❖ **When the grant expires, what are funding plans?**

Provided that the project results in favorable outcomes, it can be submitted for additional funding after the initial funding period.

❖ **How will the county indirect and departmental overhead costs be covered?**

Indirect costs can be charged as a grant expense.

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

No unusual legal issues related to the project have been identified. Providing health and safety consultation to child care providers is consistent with County policy and the mission of the Health Department.

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

The Health Department is currently participating in a demonstration project with East County family child care providers. A needs assessment of child care providers is being used to develop service strategies and trainings.

Required Signatures:

Department/Agency Director:

Lillian Shirley

Date: 07/21/03

Budget Analyst

By: Julie Neburka

Date: 07/22/03

Dept/Countywide HR

By: _____

Date:

AGENDA PLACEMENT REQUEST

BUD MOD #:

Board Clerk Use Only:

Meeting Date: July 31, 2003

Agenda Item #: R-3

Est. Start Time: 9:50 AM

Date Submitted: 07/21/03

Requested Date: 07/31/03

Time Requested: 5 minutes

Department: Health

Division: Neighborhood Health

Contact/s: Jan Wallinder, Early Childhood Manager

Phone: 503-988-3674

Ext.: 28844

I/O Address: 160/8

Presenters: Jan Wallinder

Agenda Title: Notice of Intent to partner with Morrison Child and Family Services in an application for grant funding from the Portland Children's Investment Fund to expand the Healthy Start services.

NOTE: If Ordinance, Resolution, Order or Proclamation, provide exact title. For all other submissions, provide clearly written title.

1. **What action are you requesting from the Board? What is the department/agency recommendation?**

Authorize the Director of the Health Department to apply for grant funding in partnership with Morrison Child and Family Services to expand Healthy Start services to first time parents in Portland.

2. **Please provide sufficient background information for the Board and the public to understand this issue.**

➔ **NOTE TO THE AGENDA REVIEW TEAM:** An exemption to the three week NOI submission process is requested because the deadline for the grant is July 31, 2003.

The City of Portland has released a program announcement seeking grant applications from organizations to invest in early childhood services in Portland. Funds offered through this program are part of city effort to invest in proven programs that help prepare young children for school. This first phase will invest in programs in the areas of Early

Childhood Care and Education; Early Head Start and Head Start; Respite and Transitional Care; Health, Development, and Mental Health Promotion; Parent Education, and Early Intervention. The Health Department, in partnership with Morrison Child and Family Services is seeking funds to expand Healthy Start services to first time parents in Portland.

Funds will be used to hire staff and contract with a community based organization to create a Nurse Family Partnership Team in NE Portland. Funds will also be used to hire mental health consultants for the Team, and to develop a family support team to provide services to Latino parents throughout the city .

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

The one-year cost of this expansion is estimated to be \$1,370,000 for staffing to develop, implement and evaluate activities associated with this proposal. If authorized by the Board to apply for grant funding, the Health Department will request \$1,170,000 in grant funding and provide \$200,000 from the Healthy Start state grant to fund the expansion. This expansion will add to the current program budget of \$3,162,869. The grant period is 24 months with possibility of renewal or extension for 12, 24, or 36 months.

NOTE: If a Budget Modification or a Contingency Request attach a Budget Modification Expense & Revenues Worksheet and/or a Budget Modification Personnel Worksheet.

If a budget modification, explain:

- ❖ **What revenue is being changed and why?**
- ❖ **What budgets are increased/decreased?**
- ❖ **What do the changes accomplish?**
- ❖ **Do any personnel actions result from this budget modification? Explain.**
- ❖ **Is the revenue one-time-only in nature?**
- ❖ **If a grant, what period does the grant cover?**
- ❖ **When the grant expires, what are funding plans?**

NOTE: Attach Bud Mod spreadsheet (FORM FROM BUDGET)

If a contingency request, explain:

- ❖ **Why was the expenditure not included in the annual budget process?**
- ❖ **What efforts have been made to identify funds from other sources within the Department/Agency to cover this expenditure?**
- ❖ **Why are no other department/agency fund sources available?**
- ❖ **Describe any new revenue this expenditure will produce, any cost savings that will result, and any anticipated payback to the contingency account.**
- ❖ **Has this request been made before? When? What was the outcome?**

If grant application/notice of intent, explain:

- ❖ **Who is the granting agency?**
City of Portland
- ❖ **Specify grant requirements and goals.** The goal of the early childhood investment round is to substantially increase the capacity for selected proven programs/ promising strategies to deliver services, thereby improving outcomes

for children and the community. The grant application will include a description of the project design, how the project incorporates best practices, how the project will increase the capacity to serve children and an evaluation plan. The project addresses outcomes and strategies for Goal 2 of the Early Childhood Framework.

❖ **Grant timelines and funding period.**

Invitation to submit a request was released on July 16, with proposals due July 31, 2003. Notification is anticipated Sept 15, with contracts starting October 1, 2003.

❖ **When the grant expires, what are funding plans?**

Throughout the grant period we will be evaluating all Healthy Start services and design to determine ongoing needs. We will also identify potential Medicaid revenue that can be used for funding.

❖ **How will the county indirect and departmental overhead costs be covered?**

Indirect costs can be charged as a grant expense.

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

No unusual legal issues related to the project have been identified. Providing Healthy Start services in Multnomah County through management of the state Healthy Start grant is currently a responsibility of the Health Department.

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

The Commission on Children, Families and Community manages a Healthy Start Advisory Committee that provides oversight to the program.

Required Signatures:

Department/Agency Director:

Lillian Shirley

Date: 07/21/03

Budget Analyst

By: Julie Neburka

Date: 07/22/03

Dept/Countywide HR

By: _____

Date:

AGENDA PLACEMENT REQUEST

BUD MOD #:

Board Clerk Use Only:

Meeting Date: July 31, 2003

Agenda Item #: R-4

Est. Start Time: 9:52 AM

Date Submitted: 07/23/03

Requested Date: July 31, 2003

Time Requested: 10 minutes

Department: DCHS

Division: DV

Contact/s: Chiquita Rollins

Phone: 503-988-4112

Ext.: 84112

I/O Address: 166/7

Presenters: Chiquita Rollins

Agenda Title: NOTICE OF INTENT to Apply for a Grant from Portland Children's Investment Fund to Expand the Existing Response to Children 0-5 Years Old who have Witnessed Domestic Violence, and to their Mothers

NOTE: If Ordinance, Resolution, Order or Proclamation, provide exact title. For all other submissions, provide clearly written title.

1. **What action are you requesting from the Board? What is the department/agency recommendation?** Seeking approval of this notice of intent to apply for a grant from Portland Children's Initiative Fund to expand the existing response to children 0-5 years old who have witnessed domestic violence, and to their mothers. The Department recommends approval.
2. **Please provide sufficient background information for the Board and the public to understand this issue.** This proposal will provide services to children who have witnessed domestic violence whose mothers are receiving victim services. It will expand the current services by providing a continuum of care depending on the severity and impact of witnessing domestic violence. It builds on the existing services to children, and utilizes nationally acclaimed models for more intensive intervention. This project is in alignment with Goals 1, 2, and 3 of the Early Childhood Framework adopted by the Board of County Commissioners.

3. **Explain the fiscal impact (current year and ongoing).** Total grant amount requested will be \$400,000 for an on-going project.

NOTE: If a Budget Modification or a Contingency Request attach a Budget Modification Expense & Revenues Worksheet and/or a Budget Modification Personnel Worksheet.

If a budget modification, explain:

- ❖ **What revenue is being changed and why?**
- ❖ **What budgets are increased/decreased?**
- ❖ **What do the changes accomplish?**
- ❖ **Do any personnel actions result from this budget modification? Explain.**
- ❖ **Is the revenue one-time-only in nature?**
- ❖ **If a grant, what period does the grant cover?**
- ❖ **When the grant expires, what are funding plans?**

NOTE: Attach Bud Mod spreadsheet (FORM FROM BUDGET)

If a contingency request, explain:

- ❖ **Why was the expenditure not included in the annual budget process?**
- ❖ **What efforts have been made to identify funds from other sources within the Department/Agency to cover this expenditure?**
- ❖ **Why are no other department/agency fund sources available?**
- ❖ **Describe any new revenue this expenditure will produce, any cost savings that will result, and any anticipated payback to the contingency account.**
- ❖ **Has this request been made before? When? What was the outcome?**

If grant application/notice of intent, explain:

- ❖ **Who is the granting agency?** City of Portland
- ❖ **Specify grant requirements and goals.** The Portland Children's Investment Fund (CHIF) will support proven programs in this community that help prepare young children for school, prevent child abuse and neglect and provide youth development opportunities. It will substantially increase the capacity for selected programs to deliver services and to implement proven programs/promising practices.
- ❖ **Explain grant funding detail – is this a one time only or long term commitment?** This is a long-term commitment. Approximately \$350,000 will be used to contract for specific services. It will also fund a .5 FTE position to coordinate the aspects of the continuum of care being developed and client assistance related to the delivery of these services (transportation, child care for other members of the family, etc.)
- ❖ **What are the estimated filing timelines?** Grant is due July 31, 2003.
- ❖ **If a grant, what period does the grant cover?** July 1, 2003 through September 30, 2005.
- ❖ **When the grant expires, what are funding plans?** There is a possibility that the project funding can be renewed for another 36 months.
- ❖ **How will the county indirect and departmental overhead costs be covered?** Grant will fund indirect costs, materials and supplies, coordination and supervision time.

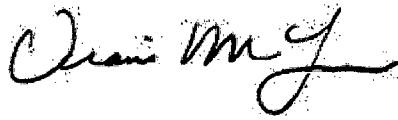
4. Explain any legal and/or policy issues involved.

Relates to Resolution 00-149, Community Based Domestic Violence Services System Plan adopted by the Board of County Commissioners and to the Early Childhood Framework.

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

Several community agencies were involved in the planning and will be involved in the implementation of the grant. In addition, this project is in alignment with the Community Based Domestic Violence Services System Plan that was developed in collaboration with a variety of community agencies.

Required Signatures:



Department/Agency Director:

Date: 07/23/03

Budget Analyst

By: Karyne Dargan


Date: 07/23/03

Dept/Countywide HR

By: _____

Date:

TO: Diane Linn
Board of County Commissioners

FROM: Patricia Pate *Patricia Pate* 
Multnomah County Department of County Human Services

DATE: July 31, 2003

RE: Notice of Intent to respond to the City of Portland Children's Initiative
Request for Investment in Early Childhood Services

Requested Placement date: Thursday, July 31, 2003

1. **Recommendation/Action Requested:**

Multnomah County Department of County Human Services (DCHS) is requesting approval to respond to a grant to expand the continuum of care for children who witness domestic violence to include early intervention and intensive therapeutic services for children and parent education for their mothers.

The goal of the project is to mitigate the negative impact on children by providing the following services for children whose mothers are engaged in services to provide safety and on-going stability in response to domestic violence, including:

- a) Early Intervention – This array of services will be funded by this grant and will include assessment, parent and staff/volunteer education as described below, one-on-one and group work with a child therapist, and some mother/child therapeutic parenting sessions.
- b) Intensive Services – These services will also be funded by this grant and will utilize an existing facility designed specifically to provide therapeutic interventions for children most severely traumatized by witnessing domestic violence and/or the combination of witnessing domestic violence and being victims of abuse.

These services will augment existing prevention activities for children who witness domestic violence provided by domestic violence programs, including safety planning, age-appropriate information about domestic violence, opportunities to talk about what happened and what their fears and feelings are in a group setting, and assistance to the mother on how to best nurture her child(ren).

2. **Background/Analysis:**

A wide range of studies has shown that witnessing domestic violence has a negative impact on children. The severity of the impact is dependent on the age and gender of the child, the duration and severity of the experience, the level of nurturing provided by the non-abusing parent, and whether child abuse is co-occurring. Not all children are equally affected, and thus children and their mothers need a range of services to mitigate the effects of domestic violence. This project utilizes best practices from a variety of sources to help build a continuum of care to meet the variety of needs of children who have witnessed domestic violence. It builds on the existing prevention activities that shelters and other domestic violence victim services programs already provide and adds an increased level of expertise and knowledge through the use of licensed counselors or social workers that have specialized in this area.

3. Partners:

The proposal is presented by Multnomah County on behalf of the community-based domestic violence victim services or prevention programs and will fund services provided by three agencies (Salvation Army's West Women's and Children' Shelter (WCCS), Community Advocates for Safety and Self Reliance (CASS), Hispanic Access Programa de Mujeres (HAPM)). Services will occur on site at the following agencies: Raphael House, YWCA Yolanda House, Volunteers of America Family Center Outreach, Native American Youth Association (NAYA), IRCO, and Russian Oregon Social Services (ROSS).

4. Deliverables:

- a) Curriculum for parent education relating to children who witness domestic violence, with information about culturally specific responses;
- b) Curriculum for staff, volunteer and interns relating to children who witness domestic violence, with information about culturally specific responses;
- c) Assessment tools specifically for children who witness domestic violence, questions and information about culturally specific needs and considerations;
- d) Protocols for domestic violence victim services in responding to children who witness domestic violence;

5. Outcomes:

Process Outcomes:

- 150 children 0-5 years old who witness domestic violence receive age-appropriate services suitable to their level of need, including general domestic violence information, safety planning, assessment, group and one-on-one therapeutic interventions.
- 100 mothers of children 0-5 years old who have witnessed domestic violence receive general parenting education relating to the impact of domestic violence on children and how to assist children in overcoming the impact this trauma and specific information about the needs of their child(ren) and how to maximize the impact of the therapeutic intervention.
- 50 staff and volunteers at domestic violence victim services programs will receive training on child development, the impact of witnessing domestic violence on children 0-5 years old, appropriate interventions, and how they and parents can mitigate the impact.

Short-Term Outcomes:

- Reduction of behaviors associated with the trauma of witnessing domestic violence; for example, nightmares, aggressive behaviors, withdrawal, failure to thrive, etc.
- Mothers demonstrate effective parenting skills/interactions related to the impact on their children of witnessing domestic violence.
- Mothers report being able to more appropriately address the needs of their children as it relates to the impact of witnessing domestic violence.
- Program staff and volunteers are able identify and appropriately respond to children who have the most significant behavior and emotional problems relating to domestic violence.

Long-Term Outcomes:

- School success.
- Increased social competence and academic engagement.
- Increased parent involvement.
- Reduced family conflict.

- Decreased incidence of high risk behaviors, including perpetrating domestic violence or being subject to a criminal charge as an adult.
- Age-appropriate development.

6. **Financial Impact:**

\$250,000 annually for up to 5 years. No county general fund will be used as match beyond that which is already obligated.

7. **Legal Issues:**

None

8. **Controversial Issues:**

No controversial issues.

9. **Link to Current County Policies:**

This program will link to reduce domestic violence, Early Childhood Framework and the Multnomah County Community Based Domestic Violence Services System Plan.

10. **Citizen Participation:**

Several community agencies were involved in the planning and will be involved in the implementation of the grant. In addition, this project is in alignment with the Community Based Domestic Violence Services System Plan that was developed in collaboration with a variety of community agencies.

11. **Other Government Participation:**

None.

AGENDA PLACEMENT REQUEST

BUD MOD #:

Board Clerk Use Only:

Meeting Date: July 31, 2003

Agenda Item #: R-5

Est. Start Time: 9:55 AM

Date Submitted: 07/16/03

Requested Date: July 31, 2003

Time Requested: 2 mins

Department: Non-Departmental

Division: Chair's Office

Contact/s: John Ball and Tony Mounts

Phone: 503 988-3308 **Ext.:** 83958 and 84185 **I/O Address:** 503/600

Presenters: John Ball, Tony Mounts, Dave Boyer, Cecilia Johnson

Agenda Title: Second Reading and Possible Adoption of a Proposed ORDINANCE Creating the Departments of Business Services (MCC Chapter 6); Finance, Budget and Tax] (MCC Chapter 7); and Community Services (MCC Chapter 8); Abolishing the Department of Business and Community Services; Amending and Renumbering MCC Chapter 7 and Adding Chapters 6 and 8 to Realign Departmental Responsibilities

NOTE: If Ordinance, Resolution, Order or Proclamation, provide exact title. For all other submissions, provide clearly written title.

- 1. What action are you requesting from the Board? What is the department/agency recommendation?**

The Chair's Office requests approval of the ordinance.

- 2. Please provide sufficient background information for the Board and the public to understand this issue.**

This ordinance eliminates the Department of Business and Community Services and establishes the departments of Business Services; Community Services; and Finance, Budget and Tax. The primary motive for this change is to allow the creation of a shared services organization through the establishment of the Department of Business Services. The goals of this change were shared with the Board at their briefing on July 22, 2003.

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

The primary fiscal impact will be in the Department of Business Services. A number of new positions will be created (Director, Deputy Director, 3 Account Managers, 5 in the Service Performance Group). The majority of the cost for these positions will come from existing positions in the Budget and Service Improvement Division. A difference of approximately \$200,000 will be shared among the participating departments. Costs in the departments of Community Services and Budget, Finance and Tax will be covered within existing appropriations.

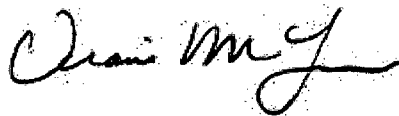
4. Explain any legal and/or policy issues involved.

The County Charter requires Board approval for the creation of departments. This ordinance meets the Charter's requirements.

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

This decision required no participation from citizens or other governments. The development of the shared services business model involved substantial employee involvement.

Required Signatures:



Department/Agency Director:

Date: 07/16/03

Budget Analyst

By: _____

Date:

Dept/Countywide HR

By: _____

Date:

NEW DEPARTMENT FUNCTIONS

CHAPTER 6 BUSINESS SERVICES	CHAPTER 7 FINANCE, BUDGET AND TAX	CHAPTER 8 COMMUNITY SERVICES
<p>§ 6.000*GENERAL PROVISIONS</p> <p>§ 6.001 Business Services Department.</p> <p>The Department of Business Services is created. The head of the department is the Director of the Business Services Department (director). The department is assigned the following functions:</p> <p>(A) Acquisition, management and disposition of county facilities and lands;</p> <p>(B) Fleet, records management, archival and storage, electronic, materials management, and distribution services;</p> <p>(C) Plan, implement and coordinate environmental sustainability program; and</p> <p>(D) Purchase material and supplies as prescribed by state law, and administer contracts;</p> <p>(E) Coordinate programs to enhance Diversity, Cultural Competency and Business Opportunities for Minorities, Women and Emerging Small Businesses;</p> <p>(F) Employee and human resource services;</p> <p>(G) Collective bargaining and labor relations matters;</p> <p>(H) Affirmative action program;</p> <p>(I) County information technology services;</p> <p>(J) Risk Management, insurance and safety programs;</p> <p>(K) Accounts payable, accounts receivable, grants management, payroll; and</p> <p>(L) SAP system.</p>	<p>§ 7.000*GENERAL PROVISIONS</p> <p>§ 7.001 Finance, Budget and Tax Department.</p> <p>The Department of Finance, Budget and Tax is created. The head of the department is the Director of the Finance, Budget and Tax Department (director). The department is assigned the following functions:</p> <p>(A) Plan, prepare and monitor the budget as prescribed by state law;</p> <p>(B) Accounting system and treasurer duties; financial reports, receipt, investments, debt management and expenditure of funds;</p> <p>(C) Liability insurance and property insurance;</p> <p>(D) Assessor and tax collector duties prescribed by state law;</p> <p>(E) Board of Property Tax Appeals prescribed by state law;</p> <p>(F) Marriage license and domestic partner registration services;</p> <p>(G) County recording duties prescribed by state law;</p> <p>(H) Other county clerk duties prescribed by state law; and</p> <p>(I) Administration of Business Income Tax, Transient Lodging Tax, Motor Vehicle Rental Tax and administration of other taxes as approved by the Board.</p>	<p>§ 8.000*GENERAL PROVISIONS</p> <p>§ 8.001 Community Services Department.</p> <p>The Department of Community Services is created. The head of the department is the Director of the Community Services Department (director). The department is assigned the following functions:</p> <p>(A) Land use planning and development services prescribed by state law for planning, zoning, preservation of natural resources, including restoring water quality, promoting sustainable rural communities and related matters;</p> <p>(B) Management and disposition of tax foreclosed properties;</p> <p>(C) Services and duties prescribed by state law relating to special district annexations and withdrawals, special district and city formations, dissolutions or mergers, and boundary changes within the metropolitan service district;</p> <p>(D) Services relating to county service districts and other agencies relating to the natural environment;</p> <p>(E) Services and duties prescribed by state law relating to the construction, maintenance and operation of county roads and bridges;</p> <p>(F) Surveys, examinations, inspections, and issuance of permits relating to construction and occupancy of buildings and other facilities;</p> <p>(G) Animal services programs and facilities;</p> <p>(H) County elections duties prescribed by state law;</p> <p>(I) Emergency management program and services.</p>

CHAPTER 6 BUSINESS SERVICES	CHAPTER 7 FINANCE, BUDGET AND TAX	CHAPTER 8 COMMUNITY SERVICES
<p>6.000* GENERAL PROVISIONS 7.6.004 Information Fees. 7.6.005 Interest Fees. 7.6.006 Purchasing And Handling Fees.</p> <p>7.6.100* RISK MANAGEMENT 7.6.100-Policy. 7.6.101 Risk Management Fund. 7.6.102 Risk Management Function. 7.6.103 Risk Assessment And Loss Prevention. 7.6.104 Authority.</p> <p>7.6.200* COUNTY ATTORNEY 7.6.200-Office Established. 7.6.201 Duties. 7.6.202 Relationship To County.</p> <p>7.6.350* COUNTY REAL PROPERTY 7.6.350-Definitions. 7.6.351 Duties And Powers Of County Chair. 7.6.352 List Of County Property Not Needed For Public Use. 7.6.353 Powers Of Board. 7.6.354 Direction From Board. 7.6.356 Disposition Of Property By Donation, Sale, Lease Or Exchange. 7.6.357 Dispositions Subject To Board Approval. 7.6.358 Administrative Rules.</p> <p>7.6.450* ART ACQUISITION 7.6.450-Definitions. 7.6.451 Policy. 7.6.452 Funding. 7.6.453 Funding Sources. 7.6.454 Administration. 7.6.455 Adoption Of Guidelines. 7.6.456 Council's Decision Final</p> <p>7.6.460* SALE OF SEIZED PERSONAL PROPERTY 7.6.460-Sale For Amount Due. 7.6.461 Insufficient Bid.</p>	<p>7.000* GENERAL PROVISIONS 7.001 Finance, Budget and Tax Department. 7.002 Dishonored Check Fees. 7.003 Accounting Fees. 7.005 Interest Fees. 7.007 Chair Executive Rules. 7.008 Assessment and Taxation Fees.</p> <p>7.300* DOMESTIC PARTNERSHIP REGISTRY 7.301 Purpose. 7.302 Requirements. 7.303 Procedures; Fees. 7.304 Termination of Domestic Partnerships. 7.305 Public Records.</p>	<p>7.8.050* OTHER FEES 7.8.050- Policy. 7.8.051 Subsurface Sewage Inspections And Permits. 7.8.052 Miscellaneous Permit Fees. 7.8.053 Plan Review And Inspection Of Underground Installations And Street Intersections. 7.8.054 Road Vacation Application. 7.8.055 Street And Road Widening Permits. 7.8.056 Miscellaneous Public Works Fees. 7.8.057 Bonding. 7.8.058 Reciprocal Agreements. 7.8.059 Zone Review And Zoning Inspections. 7.8.060 Filing Of Map Surveys. 7.8.061 Fees For Certain Documents; Public Land Corner Preservation Account. 7.8.062 County Surveyor Fees. 7.8.063 Transportation Systems Development And Improvement. 7.8.064 Book Of Records. 7.8.065 Map Reproductions And Loans. 7.8.067 Boundary Change Application.</p> <p>7.8.400* TAX FORECLOSED PROPERTY 7.8.400- Definitions. 7.8.401 Property Administration And Evaluation. 7.8.402 Repurchase Qualifications And Contract Requirements. 7.8.403 Property Sale Restrictions. 7.8.404 Procedure For Designating Significant Environmental and Compelling Greenspace Property. 7.8.405 Procedure For Designating Buildable Property For Housing Purposes. 7.8.406 Procedure For Resolving Conflicts Between Designated Compelling Greenspace Property And Buildable Property. 7.8.407 Requesting Transfer Of Tax Foreclosed Property To Governments For Non Housing Purposes. 7.8.408 Procedure For Requesting Transfer Of Tax Foreclosed</p>

CHAPTER 6 BUSINESS SERVICES	CHAPTER 7 FINANCE, BUDGET AND TAX	CHAPTER 8 COMMUNITY SERVICES
		<p>Property For Housing Purposes.</p> <p>7.8.409 Procedure For Requesting Transfer Of Tax Foreclosed Property For Open Space, Parks Or Natural Areas.</p> <p>7.8.410 Procedure For Disposition Of Requests For Transfer Of Tax Foreclosed Property For Housing And For Open Space, Parks Or Natural Areas.</p> <p>7.8.600* AMMONIA EMISSIONS</p> <p>7.8.600- Title.</p> <p>7.8.601 Definitions.</p> <p>7.8.602 Purpose And Scope.</p> <p>7.8.603 Findings.</p> <p>7.8.604 Prescribed Safeguards.</p> <p>7.8.605 Permits.</p> <p>7.8.606 Administration And Enforcement.</p> <p>7.8.750* SEWERAGE</p> <p>7.8.750- Title.</p> <p>7.8.751 Scope.</p> <p>7.8.752 Responsibilities To The District.</p> <p>7.8.753 Permits Required.</p> <p>7.8.754 Definitions.</p> <p>7.8.755 Records Retention.</p> <p>7.8.756 Disposition Of Funds.</p> <p>7.8.757 Refunds.</p> <p>7.8.758 Property Outside The District; Determination.</p> <p>7.8.759 Sewer Connection Not A Right; Lateral Connection Charges.</p> <p>7.8.760 Special Provisions.</p> <p>7.8.761 Meters.</p> <p>7.8.762 Criteria For Extraterritorial Sewer Main Extensions.</p> <p>7.8.763 Sewage Disposal Agreements.</p> <p>7.8.764 General Discharge Regulations And Limitations.</p> <p>7.8.765 Notification Of Discharge.</p> <p>7.8.766 Industrial Waste Restrictions.</p> <p>7.8.767 Testing Methods.</p> <p>7.8.768 Pretreatment Facilities.</p> <p>7.8.769 Inspection And Sampling.</p> <p>7.8.770 Reporting Requirements.</p> <p>7.8.771 Industrial Waste Discharge Permits.</p> <p>7.8.772 Spill Prevention And Control.</p> <p>7.8.773 Termination Or Prevention Of A Discharge.</p> <p>7.8.774 Application For Connection</p>

CHAPTER 6 BUSINESS SERVICES	CHAPTER 7 FINANCE, BUDGET AND TAX	CHAPTER 8 COMMUNITY SERVICES
		<p>Work Permit.</p> <p>7.8.775 Connection To Existing Systems.</p> <p>7.8.776 Issuance Of Connection Work Permits.</p> <p>7.8.777 Work Requirements Under Connection Work Permit.</p> <p>7.8.778 Restoration Of Work Area And Maintenance Of Street Required.</p> <p>7.8.779 Connection Required; In-Lieu User Charge.</p> <p>7.8.780 Bond Requirements.</p> <p>7.8.781 Storm And Sanitary Sewage Separation Required.</p> <p>7.8.782 Basis For Charges.</p> <p>7.8.783 Sewer User Service Charges.</p> <p>7.8.784 Senior Citizens Rate.</p> <p>7.8.785 Collection Of Charges.</p> <p>7.8.786 Sewage Regulation Audit.</p> <p>7.8.787 Record Of Charges.</p> <p>7.8.788 Connection Fees For Equivalent Dwelling Units.</p> <p>7.8.789 Wastewater Subject To Sewage Charges.</p> <p>7.8.790 Extra-Strength Industrial Waste.</p> <p>7.8.791 Line Charge.</p> <p>7.8.792 Enforcement; Violations.</p> <p>7.8.793 Appeals.</p> <p>7.8.794 Other Laws Apply.</p> <p>7.8.900* EMERGENCY MANAGEMENT</p> <p>7.8.901 Definitions.</p> <p>7.8.902 Office of Emergency Management.</p> <p>7.8.903 Incident Command System.</p> <p>7.8.904 Emergency Management Advisory Council (EMAC).</p> <p>7.8.905 Succession; Authority.</p> <p>7.8.906 Declaration of Emergency.</p> <p>7.8.907 Regulation of Persons and Property.</p> <p>7.8.908 Price Gouging Prohibited.</p> <p>7.8.909 Violation of Curfew or Emergency Regulation.</p> <p>7.8.910 Emergency Service Workers - Volunteers.</p> <p>7.8.999 Penalty.</p>

BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

ORDINANCE NO. _____

Creating The Departments Of Business Services (MCC Chapter 6); Finance, Budget and Tax (MCC Chapter 7); and Community Services (MCC Chapter 8); Abolishing the Department of Business and Community Services; Amending and Renumbering MCC Chapter 7 and Adding Chapters 6 and 8 To Realign Departmental Responsibilities

Multnomah County Ordains as follows:

Section 1. The Department of Business Services is created and the Multnomah County Code is amended to add Chapter 6 as follows:

CHAPTER 6 BUSINESS SERVICES

§ 6.000* GENERAL PROVISIONS

§ 6.001 Business Services Department.

The Department of Business Services is created. The head of the department is the Director of the Business Services Department (director). The department is assigned the following functions:

- (A) Acquisition, management and disposition of county facilities and lands;
- (B) Fleet, records management, archival and storage, electronic, material management and distribution services;
- (C) Plan, implement and coordinate environmental sustainability program;
- (D) Purchase material and supplies as prescribed by state law, and administer contracts;
- (E) Coordinate programs to enhance Diversity, Cultural Competency and Business Opportunities for Minorities, Women and Emerging Small Businesses;
- (F) Employee and human resource services;
- (G) Collective bargaining and labor relations matters;
- (H) Affirmative action program;
- (I) County information technology services; and
- (J) Risk management, insurance and safety programs;
- (K) Accounts payable, accounts receivable, grant management, payroll; and
- (L) SAP system.

Section 2. MCC §§ 7.004; ~~7.005~~ 7.006; 7.100 – 7.104; 7.200 – 7.202; 7.350 – 7.354; 7.356 - 7.358; 7.450 – 7.456; and 7.460 – 7.461 are moved to Chapter 6, Business Services, and renumbered as shown on the attached Exhibit A. MCC § 7.355 is not needed and is deleted for clarity.

Section 3. The Department of Community Services is created and the Multnomah County Code is amended to add Chapter 8 as follows:

CHAPTER 8 COMMUNITY SERVICES

§ 8.000* GENERAL PROVISIONS

§ 8.001 Community Services Department.

The Department of Community Services is created. The head of the department is the Director of the Community Services Department (director). The department is assigned the following functions:

(A) Land use planning and development services prescribed by state law for planning, zoning, preservation of natural resources, including restoring water quality, promoting sustainable rural communities and related matters;

(B) Management and disposition of tax foreclosed properties;

(C) Services and duties prescribed by state law relating to special district annexations and withdrawals, special district and city formations, dissolutions or mergers, and boundary changes within the metropolitan service district;

(D) Services relating to county service districts and other agencies relating to the natural environment;

(E) Services and duties prescribed by state law relating to the construction, maintenance and operation of county roads and bridges;

(F) Surveys, examinations, inspections, and issuance of permits relating to construction and occupancy of buildings and other facilities;

(G) Animal services programs and facilities;

(H) County elections duties prescribed by state law; and

(I) Emergency management program and services.

Section 4. MCC §§ 7.050 – 7.067; 7.400 - 7.410; 7.600 – 7.606; 7.750 – 7.794; 7.901 – 7.910 and 7.999 are moved to Chapter 8, Community Services, and renumbered as shown on the attached Exhibit B.

Section 5. The Department of Business and Community Services is abolished; the Department of Finance, Budget and Tax is created; and MCC § 7.001 is amended as follows:

CHAPTER 7 ~~BUSINESS AND COMMUNITY SERVICES~~FINANCE, BUDGET AND TAX

§ 7.000* GENERAL PROVISIONS

§ 7.001 ~~Business and Community Services~~Finance, Budget and Tax Department.

The Department of Finance, Budget and Tax~~Business and Community Services~~ is created. The head of the department is the Director of the Finance, Budget and Tax~~Business and Community Services~~ Department (director). The department is assigned the following functions:

~~—— (A) Land use planning and development services prescribed by state law for planning, zoning, preservation of natural resources, including restoring water quality, promoting sustainable rural communities and related matters;~~

~~—— (B) Services and duties prescribed by state law relating to special district annexations and withdrawals, special district and city formations, dissolutions or mergers, and boundary changes within the metropolitan service district;~~

~~—— (C) Services relating to county service districts and other agencies relating to the natural environment;~~

~~—— (D) Acquisition, management and disposition of county facilities and lands;~~

~~—— (E) Services and duties prescribed by state law relating to the construction, maintenance and operation of county roads and bridges;~~

~~—— (F) Surveys, examinations, inspections, and issuance of permits relating to construction and occupancy of buildings and other facilities;~~

~~—— (G) Animal control programs and facilities;~~

~~—— (H) Plan, implement and coordinate environmental sustainability program;~~

~~—— (I) Fleet, records management, archival and storage, electronic, and distribution services;~~

~~—— (J) Emergency management program and services;~~

~~(K)~~ A Plan, prepare and monitor the budget as ~~prescribed~~ided by state law;

~~(L)~~ B Accounting system and treasurer duties; financial reports, receipt, investment, debt management and expenditure of funds, ~~purchase material and supplies as prescribed by state law, and administer contracts;~~

~~(M)~~ C Liability insurance and property insurance~~Risk management and insurance programs;~~

~~—— (N) Coordinate programs to enhance Diversity, Cultural Competency and Business Opportunities for Minorities, Women and Emerging Small Businesses;~~

~~—— (O) Employee and human resource services;~~

- ~~(P) Collective bargaining and labor relations matters;~~
- ~~(Q) Affirmative action program;~~
- (RD) Assessor and tax collector duties prescribed by state law;
- (SE) Board of Property Tax Appeals prescribed by state law;
- (TF) Marriage license and domestic partner registration services;
- (UG) County recording duties prescribed by state law;
- ~~(V) County information technology services;~~
- ~~(W) County elections duties prescribed by state law; and~~
- (XH) Other county clerk duties prescribed by state law; and
- (I) Administration of Business Income Tax, Transient Lodging Tax, Motor Vehicle Rental Tax and administration of other taxes as approved by the Board.

Section 6. The remaining MCC Chapter 7, Finance, Budget and Tax sections are shown on the attached Exhibit C.

Section 7. All references to the Department of Business and Community Services within the Multnomah County Code and other county documents must be changed to the appropriate new department.

Section 8. This ordinance will take effect on August 30, 2003. For budget purposes this ordinance will take effect on July 1, 2004 and will not affect the structure of the 2003-2004 budget.

FIRST READING:

July 24, 2003

SECOND READING AND ADOPTION:

July 31, 2003

BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

Diane M. Linn, Chair

REVIEWED:

AGNES SOWLE, COUNTY ATTORNEY
FOR MULTNOMAH COUNTY, OREGON

By 

Agnes Sowle, County Attorney

EXHIBIT A

MCC §§ 7.004; - 7.006; 7.100 – 7.104; 7.200 – 7.202; 7.350 – 7.354; 7.356 - 7.358; 7.400 - 7.410; 7.450 – 7.456; and 7.460 – 7.461 are moved to Chapter 6, Business Services, and renumbered as follows:

6.000* GENERAL PROVISIONS

76.004 Information Fees.

76.005 Interest Fees.

76.006 Purchasing And Handling Fees.

7.6.100* RISK MANAGEMENT

7.6.100- Policy.

7.6.101 Risk Management Fund.

7.6.102 Risk Management Function.

7.6.103 Risk Assessment And Loss Prevention.

7.6.104 Authority.

7.6.200* COUNTY ATTORNEY

7.6.200- Office Established.

7.6.201 Duties.

7.6.202 Relationship To County.

7.6.350* COUNTY REAL PROPERTY

7.6.350- Definitions.

7.6.351 Duties And Powers Of County Chair.

7.6.352 List Of County Property Not Needed For Public Use.

7.6.353 Powers Of Board.

7.6.354 Direction From Board.

7.355 ~~Property Requested By Another Governmental Entity.~~

7.6.356 Disposition Of Property By Donation, Sale, Lease Or Exchange.

7.6.357 Dispositions Subject To Board Approval.

7.6.358 Administrative Rules.

7.6.450* ART ACQUISITION

7.6.450- Definitions.

7.6.451 Policy.

7.6.452 Funding.

7.6.453 Funding Sources.

7.6.454 Administration.

7.6.455 Adoption Of Guidelines.

7.6.456 Council's Decision Final.

7.6.460* SALE OF SEIZED PERSONAL PROPERTY

7.6.460- Sale For Amount Due.

7.6.461 Insufficient Bid.

EXHIBIT B

MCC §§ 7.050 – 7.067; 7.400 - 7.410; 7.600 – 7.606; 7.750 – 7.794; 7.901 – 7.910 and 7.999 are moved to Chapter 8, Community Services, and renumbered as follows:

<u>7.8.050*</u>	OTHER FEES
<u>7.8.050-</u>	Policy.
<u>7.8.051</u>	Subsurface Sewage Inspections And Permits.
<u>7.8.052</u>	Miscellaneous Permit Fees.
<u>7.8.053</u>	Plan Review And Inspection Of Underground Installations And Street Intersections.
<u>7.8.054</u>	Road Vacation Application.
<u>7.8.055</u>	Street And Road Widening Permits.
<u>7.8.056</u>	Miscellaneous Public Works Fees.
<u>7.8.057</u>	Bonding.
<u>7.8.058</u>	Reciprocal Agreements.
<u>7.8.059</u>	Zone Review And Zoning Inspections.
<u>7.8.060</u>	Filing Of Map Surveys.
<u>7.8.061</u>	Fees For Certain Documents; Public Land Corner Preservation Account.
<u>7.8.062</u>	County Surveyor Fees.
<u>7.8.063</u>	Transportation Systems Development And Improvement.
<u>7.8.064</u>	Book Of Records.
<u>7.8.065</u>	Map Reproductions And Loans.
<u>7.8.067</u>	Boundary Change Application.
<u>7.8.400*</u>	TAX FORECLOSED PROPERTY
<u>7.8.400-</u>	Definitions.
<u>7.8.401</u>	Property Administration And Evaluation.
<u>7.8.402</u>	Repurchase Qualifications And Contract Requirements.
<u>7.8.403</u>	Property Sale Restrictions.
<u>7.8.404</u>	Procedure For Designating Significant Environmental and Compelling Greenspace Property.
<u>7.8.405</u>	Procedure For Designating Buildable Property For Housing Purposes.
<u>7.8.406</u>	Procedure For Resolving Conflicts Between Designated Compelling Greenspace Property And Buildable Property.
<u>7.8.407</u>	Requesting Transfer Of Tax Foreclosed Property To Governments For Non Housing Purposes.
<u>7.8.408</u>	Procedure For Requesting Transfer Of Tax Foreclosed Property For Housing Purposes.
<u>7.8.409</u>	Procedure For Requesting Transfer Of Tax Foreclosed Property For Open Space, Parks Or Natural Areas.
<u>7.8.410</u>	Procedure For Disposition Of Requests For Transfer Of Tax Foreclosed Property For Housing And For Open Space, Parks Or Natural Areas.
<u>7.8.600*</u>	AMMONIA EMISSIONS
<u>7.8.600-</u>	Title.
<u>7.8.601</u>	Definitions.
<u>7.8.602</u>	Purpose And Scope.
<u>7.8.603</u>	Findings.
<u>7.8.604</u>	Prescribed Safeguards.
<u>7.8.605</u>	Permits.
<u>7.8.606</u>	Administration And Enforcement.

<u>7.8.750*</u>	SEWERAGE
<u>7.8.750-</u>	Title.
<u>7.8.751</u>	Scope.
<u>7.8.752</u>	Responsibilities To The District.
<u>7.8.753</u>	Permits Required.
<u>7.8.754</u>	Definitions.
<u>7.8.755</u>	Records Retention.
<u>7.8.756</u>	Disposition Of Funds.
<u>7.8.757</u>	Refunds.
<u>7.8.758</u>	Property Outside The District; Determination.
<u>7.8.759</u>	Sewer Connection Not A Right; Lateral Connection Charges.
<u>7.8.760</u>	Special Provisions.
<u>7.8.761</u>	Meters.
<u>7.8.762</u>	Criteria For Extraterritorial Sewer Main Extensions.
<u>7.8.763</u>	Sewage Disposal Agreements.
<u>7.8.764</u>	General Discharge Regulations And Limitations.
<u>7.8.765</u>	Notification Of Discharge.
<u>7.8.766</u>	Industrial Waste Restrictions.
<u>7.8.767</u>	Testing Methods.
<u>7.8.768</u>	Pretreatment Facilities.
<u>7.8.769</u>	Inspection And Sampling.
<u>7.8.770</u>	Reporting Requirements.
<u>7.8.771</u>	Industrial Waste Discharge Permits.
<u>7.8.772</u>	Spill Prevention And Control.
<u>7.8.773</u>	Termination Or Prevention Of A Discharge.
<u>7.8.774</u>	Application For Connection Work Permit.
<u>7.8.775</u>	Connection To Existing Systems.
<u>7.8.776</u>	Issuance Of Connection Work Permits.
<u>7.8.777</u>	Work Requirements Under Connection Work Permit.
<u>7.8.778</u>	Restoration Of Work Area And Maintenance Of Street Required.
<u>7.8.779</u>	Connection Required; In-Lieu User Charge.
<u>7.8.780</u>	Bond Requirements.
<u>7.8.781</u>	Storm And Sanitary Sewage Separation Required.
<u>7.8.782</u>	Basis For Charges.
<u>7.8.783</u>	Sewer User Service Charges.
<u>7.8.784</u>	Senior Citizens Rate.
<u>7.8.785</u>	Collection Of Charges.
<u>7.8.786</u>	Sewage Regulation Audit.
<u>7.8.787</u>	Record Of Charges.
<u>7.8.788</u>	Connection Fees For Equivalent Dwelling Units.
<u>7.8.789</u>	Wastewater Subject To Sewage Charges.
<u>7.8.790</u>	Extra-Strength Industrial Waste.
<u>7.8.791</u>	Line Charge.
<u>7.8.792</u>	Enforcement; Violations.
<u>7.8.793</u>	Appeals.
<u>7.8.794</u>	Other Laws Apply.

<u>7.8.900</u> *	EMERGENCY MANAGEMENT
<u>7.8.901</u>	Definitions.
<u>7.8.902</u>	Office of Emergency Management.
<u>7.8.903</u>	Incident Command System.
<u>7.8.904</u>	Emergency Management Advisory Council (EMAC).
<u>7.8.905</u>	Succession; Authority.
<u>7.8.906</u>	Declaration of Emergency.
<u>7.8.907</u>	Regulation of Persons and Property.
<u>7.8.908</u>	Price Gouging Prohibited.
<u>7.8.909</u>	Violation of Curfew or Emergency Regulation.
<u>7.8.910</u>	Emergency Service Workers - Volunteers.
<u>7.8.999</u>	Penalty.

EXHIBIT C

MCC Chapter 7, Finance, Budget and Tax sections

CHAPTER 7 FINANCE, BUDGET AND TAX

7.000* GENERAL PROVISIONS

7.001 Finance, Budget and Tax Department.

7.002 Dishonored Check Fees.

7.003 Accounting Fees.

7.005 ~~Interest Fees.~~

7.007 Chair Executive Rules.

7.008 Assessment and Taxation Fees.

7.300* DOMESTIC PARTNERSHIP REGISTRY

7.301 Purpose.

7.302 Requirements.

7.303 Procedures; Fees.

7.304 Termination of Domestic Partnerships.

7.305 Public Records.

AGENDA PLACEMENT REQUEST

BUD MOD #:

Board Clerk Use Only:

Meeting Date: July 31, 2003

Agenda Item #: R-6

Est. Start Time: 10:00 AM

Date Submitted: 07/24/03

Requested Date: 7/31/2003

Time Requested: 5 Minutes

Department: Non-Departmental

Division: Chair's Office

Contact/s: Chair Diane Linn; John Ball, COO

Phone: 503 988-3308 **Ext.:** 83308 **I/O Address:** 503/600

Presenters: Chair Diane Linn, John Ball

Agenda Title: Resolution Consenting to Chair's Department Director Appointments

NOTE: If Ordinance, Resolution, Order or Proclamation, provide exact title. For all other submissions, provide clearly written title.

1. **What action are you requesting from the Board? What is the department/agency recommendation?** Requesting approval of Resolution consenting to Chair Department Director Appointments:

Appointment of Cecilia Johnson as Director of the Department of Community Services
Appointment of David Boyer as Director of the Department of Finance, Budget and Tax
Appointment of Tony Mounts as Director of the Department of Business Services

2. **Please provide sufficient background information for the Board and the public to understand this issue.**

With the passage of an Ordinance scheduled for second reading and adoption on July 31, 2003, the Board established three new departments and abolished the Department of Business and Community Services. The County Charter permits the County Chair to appoint department directors with the consent of the Board. This resolution is necessary to confirm leadership for the new departments.

Cecilia Johnson has been a department director for Multnomah County since 2000. She led the Department of Support Services, the Department of Business and Community Services and will now lead the Department of Community Services. Cecilia has over 20 years of experience in state and local government. Dave Boyer has been a finance manager for Multnomah County for over 20 years. Dave is a proven leader and is well recognized in the finance profession for his expertise and integrity. Tony Mounts has been Budget and Service Improvement Director for Multnomah County since 2001. Prior to coming to the County, he held management positions with the cities of Eugene and Gresham and with Metro. He has demonstrated positive and innovative leadership during a difficult fiscal period.

All three individuals have proven management skills in this organization. Details of their work history and experience are available upon request.

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

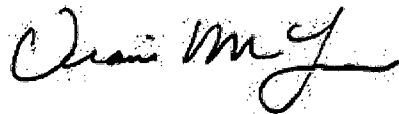
No new expenditures are required for this action. All three of the Department Director appointments already occupy senior management positions with Multnomah County, one as an existing Department Director. The marginal costs of reclassifying the other two positions are funded within existing appropriations.

4. Explain any legal and/or policy issues.

As described above, this resolution is required by County Charter.

5. Explain any citizen and/or other government participation that has or will take place. None

Required Signatures:



Department/Agency Director:

Date: 07/24/03

Budget Analyst

By:

Date:

Dept/Countywide HR

By:

Date:

BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

RESOLUTION NO. _____

Consent to Chair Department Director Appointments

The Multnomah County Board of Commissioners Finds:

- a. Multnomah County Charter Section 6.10(3) provides that Chair appointment of department heads (directors) is subject to consent of a majority of the Board.
- b. The Board enacted an ordinance creating the Departments of Business Services; Finance, Budget and Tax; and Community Services effective August 30, 2003.
- c. Beginning August 30, 2003, the Chair appoints Department Directors as follows:

Cecilia Johnson as Director of the Department of Community Services
David A. Boyer as Director of the Department of Finance, Budget and Tax
Tony D. Mounts as Director of the Department of Business Services

The Multnomah County Board of Commissioners Resolves:

1. In accordance with Multnomah County Charter Section 6.10(3), the Board consents to the following appointments:

Cecilia Johnson as Director of the Department of Community Services
David A. Boyer as Director of the Department of Finance, Budget and Tax
Tony D. Mounts as Director of the Department of Business Services

ADOPTED this 31st day of July, 2003.

BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

Diane M. Linn, Chair

REVIEWED:

AGNES SOWLE, COUNTY ATTORNEY
FOR MULTNOMAH COUNTY, OREGON

By



Agnes Sowle, County Attorney

AGENDA PLACEMENT REQUEST

BUD MOD #:

Board Clerk Use Only:

Meeting Date: July 31, 2003

Agenda Item #: R-7

Est. Start Time: 10:10 AM

Date Submitted: 07/23/03

Requested Date:	Thursday, July 31, 2003	Time Requested:	2 minutes
Department:	Non-Departmental	Division:	Chair's Office
Contact/s:	John Ball / Agnes Sowle		
Phone:	(503) 988-3958, (503) 988-3138	I/O Address:	503/500
Presenters:	Agnes Sowle		

Agenda Title: RESOLUTION Establishing Fees and Charges for Chapter 6, Business Services, of the Multnomah County Code

NOTE: If Ordinance, Resolution, Order or Proclamation, provide exact title. For all other submissions, provide clearly written title.

- 1. What action are you requesting from the Board? What is the department/agency recommendation?** Adopt Resolution Establishing Fees and Charges for Chapter 6, Business Services, of the Multnomah County Code, effective August 30, 2003.
- 2. Please provide sufficient background information for the Board and the public to understand this issue.** On July 10, 2003, the Board adopted Resolution 03-099 establishing fees for MCC Chapter 7, Business and Community Services. The Board is expected to adopt an ordinance creating the Department of Business Services (MCC Chapter 6), the Department of Finance, Budget and Tax (MCC Chapter 7) and the Department of Community Services (MCC Chapter 8). The ordinance effectively moves some of the provisions of MCC Chapter 7 into MCC Chapter 6, effective August 30, 2003. It is necessary to correct code references and establish fees and charges for the new Chapter 6.
- 3. Explain the fiscal impact (current year and ongoing).** None

NOTE: If a Budget Modification or a Contingency Request attach a Budget Modification Expense & Revenues Worksheet and/or a Budget Modification Personnel Worksheet.

If a budget modification, explain: N/A

- ❖ **What revenue is being changed and why?**
- ❖ **What budgets are increased/decreased?**
- ❖ **What do the changes accomplish?**
- ❖ **Do any personnel actions result from this budget modification? Explain.**
- ❖ **Is the revenue one-time-only in nature?**
- ❖ **If a grant, what period does the grant cover?**
- ❖ **When the grant expires, what are funding plans?**

NOTE: Attach Bud Mod spreadsheet (FORM FROM BUDGET)

If a contingency request, explain: N/A

- ❖ **Why was the expenditure not included in the annual budget process?**
- ❖ **What efforts have been made to identify funds from other sources within the Department/Agency to cover this expenditure?**
- ❖ **Why are no other department/agency fund sources available?**
- ❖ **Describe any new revenue this expenditure will produce, any cost savings that will result, and any anticipated payback to the contingency account.**
- ❖ **Has this request been made before? When? What was the outcome?**

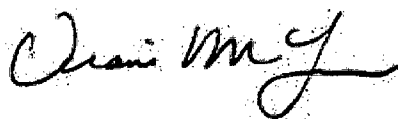
If grant application/notice of intent, explain: N/A

- ❖ **Who is the granting agency?**
- ❖ **Specify grant requirements and goals.**
- ❖ **Explain grant funding detail – is this a one time only or long term commitment?**
- ❖ **What are the estimated filing timelines?**
- ❖ **If a grant, what period does the grant cover?**
- ❖ **When the grant expires, what are funding plans?**
- ❖ **How will the county indirect and departmental overhead costs be covered?**

- 4. Explain any legal and/or policy issues.** This provides an appropriate mechanism to implement County policies adopted by Ordinance and codified in the Multnomah County Code.
- 5. Explain any citizen and/or other government participation that has or will take place.** None.

Required Signatures:

Department/Agency Director:



Date: 7/23/2003

BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

RESOLUTION NO. _____

Establishing Fees and Charges for Chapter 6, Business Services, of the Multnomah County Code

The Multnomah County Board of Commissioners Finds:

- a. The Multnomah County Code provides that the Board shall establish certain fees and charges by resolution.
- b. The Board adopted Resolution 03-099 establishing fees for MCC Chapter 7, Business and Community Services on July 10, 2003.
- c. On July 31, 2003, the Board adopted an ordinance creating the Department of Business Services (MCC Chapter 6), the Department of Finance, Budget and Tax (MCC Chapter 7) and the Department of Community Services (MCC Chapter 8). The ordinance effectively moved some of the provisions of MCC Chapter 7 into MCC Chapter 6, effective August 30, 2003. It is necessary to correct code references and establish fees and charges for the new Chapter 6.
- d. All fees and charges established by Resolution 03-099 remain the same but are being moved and established in the new code chapters.

The Multnomah County Board of Commissioners Resolves:

1. The fees and charges for Chapter 6, Business Services, of the Multnomah County Code are set as follows:

Section 6.005. INTEREST FEES.

The interest rate on receivables is 1.5% per month.

Section 6.006: PURCHASING AND HANDLING FEES.

The fee for purchasing and stores services is 10% of the value of goods purchased and handled.

2. This resolution takes effect and Resolution 03-099 is repealed on August 30, 2003.

ADOPTED this 31st day of July, 2003.

BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

Diane M. Linn, Chair

REVIEWED:

AGNES SOWLE, COUNTY ATTORNEY
FOR MULTNOMAH COUNTY, OREGON

By _____
Agnes Sowle, County Attorney

AGENDA PLACEMENT REQUEST

BUD MOD #:

Board Clerk Use Only:

Meeting Date: July 31, 2003

Agenda Item #: R-8

Est. Start Time: 10:12 AM

Date Submitted: 07/23/03

Requested Date:	Thursday, July 31, 2003	Time Requested:	2 minutes
Department:	Non-Departmental	Division:	Chair's Office
Contact/s:	John Ball / Agnes Sowle		
Phone:	(503) 988-3958, (503) 988-3138	I/O Address:	503/500
Presenters:	Agnes Sowle		

Agenda Title: RESOLUTION Establishing Fees and Charges for Chapter 7, Finance, Budget and Tax, of the Multnomah County Code and Repealing Resolution 03-099

NOTE: If Ordinance, Resolution, Order or Proclamation, provide exact title. For all other submissions, provide clearly written title.

- 1. What action are you requesting from the Board? What is the department/agency recommendation?** Adopt Resolution Establishing Fees and Charges for Chapter 7, Finance, Budget and Tax, of the Multnomah County Code and Repealing Resolution No. 03-099, effective August 30, 2003.
- 2. Please provide sufficient background information for the Board and the public to understand this issue.** On July 10, 2003, the Board adopted Resolution 03-099 establishing fees for MCC Chapter 7, Business and Community Services. The Board is expected to adopt an ordinance creating the Department of Business Services (MCC Chapter 6), the Department of Finance, Budget and Tax (MCC Chapter 7) and the Department of Community Services (MCC Chapter 8). The ordinance effectively moves some of the provisions of MCC Chapter 7 into MCC Chapters 6 and 8, effective August 30, 2003. It is necessary to establish the new Chapter 7 fees and charges and repeal Resolution 03-099.
- 3. Explain the fiscal impact (current year and ongoing).** None

NOTE: If a Budget Modification or a Contingency Request attach a Budget Modification Expense & Revenues Worksheet and/or a Budget Modification Personnel Worksheet.

If a budget modification, explain: N/A

- ❖ **What revenue is being changed and why?**
- ❖ **What budgets are increased/decreased?**
- ❖ **What do the changes accomplish?**
- ❖ **Do any personnel actions result from this budget modification? Explain.**
- ❖ **Is the revenue one-time-only in nature?**
- ❖ **If a grant, what period does the grant cover?**
- ❖ **When the grant expires, what are funding plans?**

NOTE: Attach Bud Mod spreadsheet (FORM FROM BUDGET)

If a contingency request, explain: N/A

- ❖ **Why was the expenditure not included in the annual budget process?**
- ❖ **What efforts have been made to identify funds from other sources within the Department/Agency to cover this expenditure?**
- ❖ **Why are no other department/agency fund sources available?**
- ❖ **Describe any new revenue this expenditure will produce, any cost savings that will result, and any anticipated payback to the contingency account.**
- ❖ **Has this request been made before? When? What was the outcome?**

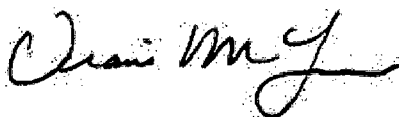
If grant application/notice of intent, explain: N/A

- ❖ **Who is the granting agency?**
- ❖ **Specify grant requirements and goals.**
- ❖ **Explain grant funding detail – is this a one time only or long term commitment?**
- ❖ **What are the estimated filing timelines?**
- ❖ **If a grant, what period does the grant cover?**
- ❖ **When the grant expires, what are funding plans?**
- ❖ **How will the county indirect and departmental overhead costs be covered?**

- 4. Explain any legal and/or policy issues. This provides an appropriate mechanism to implement County policies adopted by Ordinance and codified in the Multnomah County Code.**
- 5. Explain any citizen and/or other government participation that has or will take place. None.**

Required Signatures:

Department/Agency Director:



Date: 7/23/03

BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

RESOLUTION NO. _____

Establishing Fees and Charges for Chapter 7, Finance, Budget and Tax, of the Multnomah County Code and Repealing Resolution No. 03-099

The Multnomah County Board of Commissioners Finds:

- a. The Multnomah County Code provides that the Board shall establish certain fees and charges by resolution.
- b. The Board adopted Resolution 03-099 establishing fees for MCC Chapter 7, Business and Community Services on July 10, 2003.
- c. On July 31, 2003, the Board adopted an ordinance creating the Department of Business Services (MCC Chapter 6), the Department of Finance, Budget and Tax (MCC Chapter 7) and the Department of Community Services (MCC Chapter 8). The ordinance effectively moved some of the provisions of MCC Chapter 7 into MCC Chapters 6 and 8, effective August 30, 2003. It is necessary to establish the new Chapter 7 fees and charges and repeal Resolution 03-099.
- d. All fees and charges established by Resolution 03-099 remain the same but are being moved and established in the new code chapters.

The Multnomah County Board of Commissioners Resolves:

1. The fees and charges for Chapter 7, Finance, Budget and Tax, of the Multnomah County Code are set as follows:

Section 7.002. DISHONORED CHECK FEES.

The fee for processing a dishonored check, draft or money order is \$25.00.

Section 7.008. ASSESSMENT AND TAXATION FEES.

(A) For any printout or copy of an appraisal card for any tax account, the division of assessment and taxation shall charge a fee of \$1.00 per page, provided that where printouts or appraisal cards are requested and provided for more than one tax year or for any tax year other than the current year, the division shall charge an additional fee of \$1.00 for each such year.

(B) For the division's services in gathering, preparing or providing nonstandard information upon request, the division shall collect a fee equal to its actual cost, as determined by the director of the division.

(C) In addition, the division shall charge the following fees for copies provided by it:

MICROFICHE	
Assessment roll	\$ 100.00
Property owners index	25.00
Property address index	25.00
Sales data—per month	50.00
Individual copies of microfiche:	
First copy	10.00
Each additional copy	1.00

Merged recording indices	100.00
Record indexing fee, per document	1.00
ELECTRONIC FILES	
Assessment roll	200.00
Property Administration	100.00
Tax bills	100.00
Delinquent taxes	50.00
Situs address	75.00
Sales	75.00
Deeds	75.00
Property Owners	75.00
Property Improvement Characteristics	300.00
Property Land Characteristics	75.00

Section 7.303.

DOMESTIC PARTNERSHIP REGISTRATION FEES:

Filing Fees:

Registration:

\$60 to be distributed as follows:

\$25 to county (General Fund) for processing
\$25 to the Multnomah County Community and Family Services – Clearinghouse to be used for safe housing for Domestic Violence victims
\$10 for conciliation services provided under ORS §§ 107.5100 to 107.610 to county for processing .

Termination:

\$25.00

2. This resolution takes effect and Resolution 03-099 is repealed on August 30, 2003.

ADOPTED this 31st day of July, 2003.

BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

Diane M. Linn, Chair

REVIEWED:

AGNES SOWLE, COUNTY ATTORNEY
FOR MULTNOMAH COUNTY, OREGON

By


Agnes Sowle, County Attorney

AGENDA PLACEMENT REQUEST

BUD MOD #:

Board Clerk Use Only:

Meeting Date: July 31, 2003

Agenda Item #: R-9

Est. Start Time: 10:14 AM

Date Submitted: 07/23/03

Requested Date: Thursday, July 31, 2003

Time Requested: 2 minutes

Department: Non-Departmental

Division: Chair's Office

Contact/s: John Ball / Agnes Sowle

Phone: (503) 988-3958, (503) 988-3138

I/O Address: 503/500

Presenters: Agnes Sowle

Agenda Title: RESOLUTION Establishing Fees and Charges for Chapter 8, Community Services, of the Multnomah County Code

NOTE: If Ordinance, Resolution, Order or Proclamation, provide exact title. For all other submissions, provide clearly written title.)

-
1. **What action are you requesting from the Board? What is the department/agency recommendation?** Adopt Resolution Establishing Fees and Charges for Chapter 8, Community Services, of the Multnomah County Code, effective August 30, 2003.
 2. **Please provide sufficient background information for the Board and the public to understand this issue.** On July 10, 2003, the Board adopted Resolution 03-099 establishing fees for MCC Chapter 7, Business and Community Services. The Board is expected to adopt an ordinance creating the Department of Business Services (MCC Chapter 6), the Department of Finance, Budget and Tax (MCC Chapter 7) and the Department of Community Services (MCC Chapter 8). The ordinance effectively moves some of the provisions of MCC Chapter 7 into MCC Chapter 8, effective August 30, 2003. It is necessary to correct code references and establish fees and charges for the new Chapter 8.
 3. **Explain the fiscal impact (current year and ongoing).** None

NOTE: If a Budget Modification or a Contingency Request attach a Budget Modification Expense & Revenues Worksheet and/or a Budget Modification Personnel Worksheet.

If a budget modification, explain: N/A

- ❖ What revenue is being changed and why?
- ❖ What budgets are increased/decreased?
- ❖ What do the changes accomplish?
- ❖ Do any personnel actions result from this budget modification? Explain.
- ❖ Is the revenue one-time-only in nature?
- ❖ If a grant, what period does the grant cover?
- ❖ When the grant expires, what are funding plans?

NOTE: Attach Bud Mod spreadsheet (FORM FROM BUDGET)

If a contingency request, explain: N/A

- ❖ Why was the expenditure not included in the annual budget process?
- ❖ What efforts have been made to identify funds from other sources within the Department/Agency to cover this expenditure?
- ❖ Why are no other department/agency fund sources available?
- ❖ Describe any new revenue this expenditure will produce, any cost savings that will result, and any anticipated payback to the contingency account.
- ❖ Has this request been made before? When? What was the outcome?

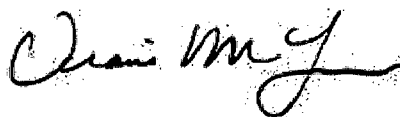
If grant application/notice of intent, explain: N/A

- ❖ Who is the granting agency?
- ❖ Specify grant requirements and goals.
- ❖ Explain grant funding detail – is this a one time only or long term commitment?
- ❖ What are the estimated filing timelines?
- ❖ If a grant, what period does the grant cover?
- ❖ When the grant expires, what are funding plans?
- ❖ How will the county indirect and departmental overhead costs be covered?

4. **Explain any legal and/or policy issues.** This provides an appropriate mechanism to implement County policies adopted by Ordinance and codified in the Multnomah County Code.
5. **Explain any citizen and/or other government participation that has or will take place.** None.

Required Signatures:

Department/Agency Director:



Date: 7/23/2003

BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

RESOLUTION NO. _____

Establishing Fees and Charges for Chapter 8, Community Services, of the Multnomah County Code

The Multnomah County Board of Commissioners Finds:

- a. The Multnomah County Code provides that the Board shall establish certain fees and charges by resolution.
- b. The Board adopted Resolution 03-099 establishing fees for MCC Chapter 7, Business and Community Services on July 10, 2003.
- c. On July 31, 2003, the Board adopted an ordinance creating the Department of Business Services (MCC Chapter 6), the Department of Finance, Budget and Tax (MCC Chapter 7) and the Department of Community Services (MCC Chapter 8). The ordinance effectively moved some of the provisions of MCC Chapter 7 into MCC Chapter 8, effective August 30, 2003. It is necessary to correct code references and establish fees and charges for the new Chapter 8.
- d. All fees and charges established by Resolution 03-099 remain the same but are being moved and established in the new code chapters.

The Multnomah County Board of Commissioners Resolves:

1. The fees and charges for Chapter 8, Community Services, of the Multnomah County Code are set as follows:

Section 8.052. MISCELLANEOUS PERMIT FEES.

See Exhibit A attached.

Section 8.053. PLAN REVIEW AND INSPECTION OF
UNDERGROUND INSTALLATIONS AND STREET INTERSECTIONS.

See Exhibit B attached

Section 8.054: ROAD VACATION APPLICATION.

Feasibility study:	\$200.00
Application:	120% of estimated costs
Minimum:	\$1,000.00 plus \$65.00 for posting

Section 8.055. STREET AND ROAD WIDENING PERMITS.

- (B) The construction permit deposit schedule for engineering, design, project management, and administration shall be as follows:

Project Cost as Estimated by the County	Deposit
Minimum Deposit at the time of application	800.00
\$4,000.00 to \$10,000.00	20%
\$20,000.00 to \$50,000.00	\$2,000.00 plus 12.0% over \$10,000.00
\$50,000.00 and over	\$6,800.00 plus 10.0% over \$50,000.00

Section 8.056. MISCELLANEOUS PUBLIC WORKS FEES.

For services provided by the department in connection with design, plan review and inspection of items not set forth elsewhere, the department shall charge fees sufficient to cover the actual cost of services. The following are deposits only. The actual charges will be based on actual costs including overhead and other related costs, determined at the completion of the project. The difference between the actual costs and the deposit will either be billed or refunded to the permit holder.

Project cost as Estimated by the county	Deposit
Minimum deposit at the time of application	\$800.00
\$4,000.00 to \$10,000.00	20%
\$10,000.00 to \$50,000.00	\$2,000.00 plus 12.0% over \$10,000.00
\$50,000.00 and over	\$6,800.00 plus 10.0% over \$50,000.00

Section 8.059. ZONE REVIEW AND ZONING INSPECTIONS.

For conducting any zone review prior to the issuance of a building or mobile home permit, the department shall charge a fee of \$25.00 or 15 percent of the permit fee, whichever is greater; provided that the fee for review of applications for permits to construct one- or two-family dwellings shall not exceed \$25.00. Zoning review fees are payable upon permit application. For conducting any zoning inspection during construction or after completion of construction, the department shall charge a fee equal to the greater of \$25.00 or 35 percent of the building permit fee, to be collected at the time the permit is issued, provided, however, that no fee for zoning inspection of one- and two-family dwellings shall exceed \$25.00. Zoning inspection fees are payable upon permit issuance.

Section 8.060. FILING OF MAP SURVEYS.

A fee of \$225.00 shall accompany each filing of a map of survey

Section 8.061. FEES FOR CERTAIN DOCUMENTS; PUBLIC LAND CORNER PRESERVATION ACCOUNT.

Document filing fee: \$5.00

Section 8.062. COUNTY SURVEYOR FEES.

- (A) Fees are based on the following procedures and requirements on partition, subdivision and condominium plats.
 - (1) Submit a boundary survey to the County surveyor a minimum of 30 days prior to the submission of the final subdivision or condominium plat. If warranted, the county surveyor may waive this requirement.
 - (2) In addition to the requirements of ORS 209.250, a survey, and a partition plat if a separate survey has not been filed shall show all obvious encroachments or hiatus

created by deeds, buildings, fences, cultivation, previous surveys and plats, or similar means and any other conditions that may indicate that the ownership lines as surveyed may be different than those shown on the survey.

- (3) The county surveyor may refuse to approve a plat if the surveyor finds an encroachment or hiatus. Evidence that the hiatus or encroachment has been eliminated may be required, or the county surveyor may require that it be shown on the plat if it cannot be eliminated.
 - (4) All partition, subdivision, and condominium final plats, including those inside city limits, shall be checked and approved by the county surveyor prior to recording. No plat shall be recorded without such approval. This approval by the county surveyor shall be valid for 30 days from the date of approval to the date submitted for recording, after 30 days the approval is withdrawn and must be resubmitted.
 - (5) All partition, subdivision, and condominium final plats submitted for approval shall be accompanied by a report, issued by a title insurance company, or authorized agent to perform such service in Oregon, setting forth ownership and all easements of record, together with a copy of the current deed and easements for the platted property, and copies of the deeds for all abutting properties and other documentation as required by the county surveyor. The report shall have been issued no more than 15 days prior to plat submittal to the county surveyor. A supplemental report may be required by the county surveyor.
- (B) A deposit for the following county surveyor functions shall be made with the submission of the material. The final fee will be determined at completion of the project based on actual costs incurred by Multnomah County including overhead and other related costs. The difference between the actual costs and the deposit will be paid prior to approval of the final plat or refunded to the applicant except for post-monumented plats, which will not be refunded until after completion of the interior monumentation; the survey filing fee is non-refundable.

- (1) Partition Plat Review, the deposit shall be:

Base Deposit	\$480.00 plus
Survey filing Fee	\$225.00

- (2) Pre-monumented Plat Review, the deposit shall be:

Base Deposit	\$700.00 plus
Survey Filing Fee	\$225.00 plus
Per Lot, Tract, or Parcel	\$ 35.00 each, plus
Per gross acre of the subdivision if the average Lot size exceeds 15,000 sq. ft	\$ 31.00 per acre

- (3) Post-Monumented Plat Review, the deposit shall be:

An estimate by the county surveyor based on the complexity of the plat at 120 percent of the estimate; the minimum deposits shall be:

Base Deposit	\$795.00 plus
Survey Filing Fee	\$225.00 plus

Per Lot, Tract, or Parcel	\$45.00 each, plus
Per gross acre of the subdivision if the average lot size exceeds 15,000 sq. ft.	\$31.00 per acre

- (4) For Condominium Plat Review, the deposit shall be:

Base Deposit	\$770.00 plus
Each Building	\$105.00 each, plus
Survey Filing Fee	\$225.00

- (5) For Condominium Plat Amendment Review, the deposit shall be:

Base Deposit	\$500.00 plus
Survey Filing Fee	\$225.00

- (C) Posting of street vacations in accordance with ORS 271.230(2) \$ 65.00
- (D) Review, Approval, and Posting of Affidavits of correction \$ 45.00 plus county clerk's recording fee
- (E) For services required by ORS 100.115 in connection with reclassification or withdrawal of variable property from unit ownership as provided in ORS 100.115(1) or (2), or removal of property from any condominium plat as provided in ORS 100.600(2), the fee will be \$150.00.
- (F) In accordance with ORS 92.070(5), (1997), relating to the reestablishment of Subdivision Plat Monuments and the review and recordation of the required surveyor's affidavit in support thereof, the affidavit recording fee shall be \$100.00 plus the county clerk's recording fee.
- (G) In accordance with ORS 100.115(6), (1997), relating to Declaration Amendment Review service, the fee shall be \$100.00 plus the county clerk's recording fee.

Section 8.064. BOOK OF RECORDS.

Minimum per roll of 16mm:	\$12.00
Minimum per roll for 35mm microfilm:	\$15.00
Minimum for microfiches:	\$ 2.00

Section 8.065. MAP REPRODUCTIONS AND LOANS.

For the services of the department in reproducing and loaning maps, fees shall be charged in accordance with the following schedules:

Standard Weight	Blackline	Sepia
¼ Section		
30 inches x 36 inches	\$3.00	\$5.00

Standard Weight	Blackline	Sepia
600 Scale		
21 inches x 33 inches	\$2.00	\$3.00
Plat		
18 inches x 24 inches	\$2.00	\$2.00
1,000 Scale		
13 inches x 21 inches	\$1.00	\$2.00

Photostat copy where no tracing exists: \$5.00

Office duplicator copy of a portion of a map: \$1.50

For loaning sepia or plat tracing, 48-hour
limit excluding weekends and holidays: \$0.50 each

Each additional 48 hours excluding weekends and holidays: \$2.00 each

Condominium hardboard and tracing recording: \$9.00 per page.

Section 8.067. BOUNDARY CHANGE APPLICATION.

For services provided by the department in connection with processing a boundary change petition, the department shall charge fees sufficient to cover the actual cost of services. The following is a deposit only and is in addition to any other fees, deposits or charges authorized by law. The actual charges will be based on actual costs including overhead and other related costs, determined at the completion of the process. The difference between the actual costs and the deposit will either be billed or refunded to the applicant. Minimum Deposit: \$2,300 per application (includes Metro mapping service fee).

Section 8.408. PROCEDURE FOR REQUESTING TRANSFER OF TAX FORECLOSED PROPERTY FOR HOUSING PURPOSES:

Non-refundable Application Fee: \$50.00

Section 8.410. PROCEDURE FOR DISPOSITION OF REQUESTS FOR TRANSFER OF TAX FORECLOSED PROPERTY FOR HOUSING AND FOR OPEN SPACE, PARKS OR NATURAL AREAS:

Non-refundable Transfer Fee: \$200.00

Section 7.605. PERMITS.

Ammonia storage: \$25.00

Section 7.783. SEWER USER SERVICE CHARGES.

Per equivalent dwelling unit, per month: \$14.00
Pumping, per 1,000 cubic feet water \$0.50 to \$2.00
consumption per month:

Section 7.784. SENIOR CITIZENS RATE

Per month: \$7.00

Section 7.788. CONNECTION FEES.

(A) The following fees for connection with a public sewer inside or outside the district shall become effective November 1, 1984, and shall be based on equivalent dwelling units and shall be as follows:

(1) Residential Users:

- | | | |
|------|---|------------|
| (a) | Single-family unit connection fee, October 1, 1984: | \$1,100.00 |
| (b) | Multifamily unit connection fee: | |
| (i) | First living unit: | \$1,100.00 |
| (ii) | Each additional living unit: | \$ 935.00 |

(2) Nonresidential users: The formula for computing the connection fee for a nonresidential user shall be equal to the equivalent dwelling units multiplied by \$1,100.00. Equivalent dwelling units shall be determined by table 2 of MCC 7.783.

(3) Combined dwelling units and others: Where both dwelling units and other occupancies are combined on the same property, the charges for sanitary connection shall be at the living unit rate for the dwelling units required in subsection (A)(1)(b) of this section, plus the rates given in (A)(2) for the nonresidential users of the property.

Section 7.790. EXTRA-STRENGTH INDUSTRIAL WASTE.

(D) *Extra-strength rates.* Effective October 1, 1984:

BOD, per pound	\$0.097
Suspended solids, per pound	\$0.106

(E) *Industrial waste discharge permit fees.*

(1) The engineer shall determine the effective period for the permit, based upon such factors as concentration, volume, and origin of the discharge. In no case shall an industrial waste permit be effective for a period exceeding five years.

(2) Except as provided in subsection (F)(2)[sic], fees for industrial waste discharge permits shall be \$75.00 for each permit and \$50.00 for each renewal of a permit. However, permit renewals which involve new or additional discharges from those in the preceding permit shall have a fee of \$75.00. Where a permit is issued as a result of a violation, the permit fee shall be \$150.00. Fees are payable to the county as part of the application for the permit or permit renewal.

(3) Where the owner of a property is discharging industrial wastes prior to the effective date of the ordinance comprising this subchapter, the owner shall be issued an industrial waste discharge permit at no charge, but will then be subject to the renewal fees and requirements of this section.

- (F) *Minimal charges suspension.* The engineer may establish a minimum limit for monthly extra-strength charges. The billing for all accounts whose monthly extra-strength charges are below this minimum limit will be suspended until such time as they are found to be higher.
- (G) *Adjustments.* The engineer may check sewage strength as outlined in this section and adjust charges where applicable at any time in accordance with the most recent analysis.
- (H) *Resampling request; fees.* Any discharger may request the district to resample wastewater at no charge if 18 months or more have elapsed since the last such sampling. If less than 18 months have elapsed since the last sampling, then requests for the district to resample wastes shall be submitted in writing and accompanied by full payment for the resampling fee. The fee to each account for five days of sampling is \$500.00 per sample, per sampling point. The fee for one day's resampling is \$125.00 per sample, per sampling point.

2. This resolution takes effect on August 30, 2003.

ADOPTED this 31st day of July, 2003.

BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

Diane M. Linn, Chair

REVIEWED:

AGNES SOWLE, COUNTY ATTORNEY
FOR MULTNOMAH COUNTY, OREGON

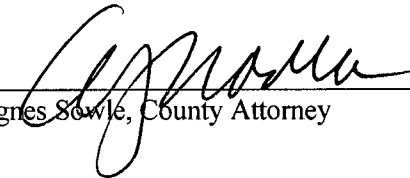
By _____
Agnes Sowle, County Attorney

EXHIBIT A

Section 8.052. MISCELLANEOUS PERMIT FEES

Miscellaneous permit fees.

The following fees shall be charged for permits:

- (A) For overweight or over dimensional moves, except for moves as specified in MCC 8.052(A)(2), either single trip or annual permit, the fee shall be \$8.00. Future fee increases by the Oregon Department of Transportation shall automatically increase the county's fee for this service to the same level, without action of the board of county commissioners.
- (B) For building and structure move permits permittee shall post a deposit of \$1,000.00 prior to issuance of a permit. Non-refundable permit application, investigation and issuance fees for structures under 14 feet in width and 15 feet in height shall be \$115.00. For structures exceeding the above dimensions, the non-refundable permit fee shall be \$145.00. Inspection fees to be billed at the actual costs incurred by the county including overhead and equipment costs. For over-dimensional moves other than house moves, the non-refundable permit fees for heights over 17 feet in width shall be \$75.00 for a normal workday, and \$350.00 for holidays and weekends.
- (C) For permits issue for manholes for storm and sanitary sewers, the fee shall be \$30.00 per manhole.
- (D) For permits issued for canopies, awnings and marquees, a fee of \$40.00 shall be charged.
- (E) For permits issued for construction or reconstruction of driveway approaches, the fees shall be:
 - (1) \$90.00 first driveway approach.
 - (2) \$60.00 each additional driveway approach inspected at the same time as first approach.
 - (3) Common access way permit fees for plan review and inspection shall be \$120.00 or \$0.06 per square foot of common access way, whichever is greater. The above fee will include the first driveway approach fee under section 8.052(E)(1).
 - (4) \$90.00 for agriculture approaches.
 - (5) \$90.00 for temporary logging approaches.
- (F) For permits issued for sewer connections, the fee shall be \$120.00 per connection.
- (G) For a drilling or boring test hole permit, the fee shall be \$84.00 each.
- (H) For curb drain outlet construction or reconstruction, including drainage connections to catch basins, a fee of \$20.00 shall be charged.

- (I) For sidewalk construction or reconstruction, the fee shall be \$0.25 per square foot with a minimum fee of \$10.00. For curb construction or reconstruction the fee shall be \$0.35 per lineal foot with a minimum fee of \$10.00.
- (J) The fee to release advertising benches picked up within the right-of-way shall be \$50.00 per bench.
- (K) For any excavation, construction, reconstruction, repair, removal, abandonment, placement or use within the right-of-way, the permit fee shall be a minimum of \$50.00.
- (L) For material filing or excavating within the public right-of-way, the permit fee shall be \$50.00.
- (M) For underground storm or sanitary sewer construction, reconstruction or repair permits, including property service and laterals not maintained by the county, the fees shall be:

<i>Length of Conduit Constructed, Reconstructed, Repaired or Exposed for Repair</i>				<i>Fee</i>
0	-	50	feet	\$50.00
51	-	100	feet	60.00
101	-	200	feet	70.00
201	-	300	feet	75.00
301	-	400	feet	80.00
401	-	500	feet	85.00
501		feet and over		\$85.00 plus \$0.07 per foot over 500 feet

Conduit diameters exceeding 24 inches shall be assessed a surcharge onto the above rates of \$0.01 per foot of diameter per foot of length.

- (N) If work is commenced on a project requiring a permit without first securing the permit, the fee shall be double the fee established in this section. If the fee required by this subsection is not paid directly to the department by the owner of the property, the person paying the penalty shall be required to notify the owner that the penalty was imposed. Payment of the fee shall not relieve or excuse any person from penalties imposed for violation of any applicable statutes or ordinances.
- (O) If work is commenced on a project requiring a permit without first securing the permit, the fee shall be double the fee established in this section. If the fee required by this subsection is not paid directly to the department by the owner of the property, the person paying the penalty shall be required to notify the owner that the penalty was imposed. Payment of the

fee shall not relieve or excuse any person from penalties imposed for violation of any applicable statutes or ordinances.

- (P) A permit deposit for each permit authorizing work under ORS 374.305 not covered in this section shall be 120 percent of estimated amount of charges based on the estimated hours or part thereof for plan review and/or inspection. The final fee will be determined at completion of the project based on the actual costs incurred by Multnomah County including overhead and other related costs. The difference between the two amounts will be billed or refunded to the permit holder with the minimum fee being \$50.00.
- (Q) Permits under this section shall be issued without charge when a permit is required as a direct result of a county public works improvement. For temporary closure of any street or any portion of a street, the fee shall be \$84.00.[Ord. 126 § 9 (1976); Ord. 195 § 6 (1979); Ord. 256 § 2 (1980); Ord. 278 § 3 (1981); Ord. 367 § 1 (1983) (court of appeals held that payment of fee for permit by utility companies was in violation of ORS 758.010 on May 16, 1984, supreme court denied petition for review August 8, 1984, court of appeals decision became enforceable September 10, 1984); Ord. 467 § 2 (1985); Ord 826 § 2(A)--(H) (1995)]

EXHIBIT B

Section 8.053. PLAN REVIEW AND INSPECTION OF UNDERGROUND INSTALLATIONS AND STREET INTERSECTIONS

Fees for plan review and inspection of underground installations and street intersections.

- (A) For plan review and inspection of any storm sewer line installation, when completed facilities are to be maintained by the county, the fee shall be:

<i>Estimated or Bid Construction Cost</i>			<i>Fee</i>
0.00	-	\$1,000.00	\$50.00
\$1,000.00	-	5,000.00	\$50.00 plus 1.25% over \$1,000.00
5,000.00	-	10,000.00	\$100.00 plus 1.00% over \$5,000.00
10,000.00	-	15,000.00	\$150.00 plus 0.90% over \$10,000.00
15,000.00	-	20,000.00	\$195.00 plus 0.80% over \$15,000.00
20,000.00	-	25,000.00	\$235.00 plus 0.70% over \$20,000.00
25,000.00	-	30,000.00	\$270.00 plus 0.60% over \$25,000.00
30,000.00	-	35,000.00	\$300.00 plus 0.50% over \$30,000.00
35,000.00	-	40,000.00	\$325.00 plus 0.40% over \$35,000.00
40,000.00	-	45,000.00	\$345.00 plus 0.30% over \$40,000.00
45,000.00	-	50,000.00	\$360.00 plus 0.20% over \$45,000.00
50,000.00	-	and over	\$370.00 plus 0.74% over \$50,000.00

- (B) When submitting plans for review, the applicant shall submit a copy of the engineer's estimate or the bid construction cost. No plans will be reviewed without the required cost figures. If, in the opinion of the director of the department, the cost figures appear unreasonable, the director shall establish the permit fee based upon the director's cost estimate of the work to be done. The director shall submit a report to the county executive/chair of the board of county commissioners whenever a cost estimate is adjusted and shall state the reasons therefore.
- (C) For utility lines, including storm and sanitary sewers, to be maintained by others, not connecting to a county-maintained system but located within county-controlled right-of-way or easements, the plan review and inspection fee will be \$40.00 plus \$0.10 per foot of line.
- (D) For storm or sanitary sewer line systems located on private land connecting to county maintained systems, the plan review and inspection fee will be a minimum of \$40.00 plus \$10.00 for each acre or fraction thereof within the development area. Developments requiring both storm and sanitary system review will be charged that rate for each.

- (E) A sewer line system for fee purposes means a line with two or more connections including lateral lines, house branches, inlets or any other appurtenance contributing discharge.
- (F) Plan review and inspection fees will be established by the director for connections to a county system where the development area is not discernable or applicable. A deposit shall be 120 percent of estimated amount of charges based on the estimated hours or parts thereof required for plan review and/or inspection. The final fee will be determined at completion of the project based on costs incurred by Multnomah County including overhead and other related costs. The difference between the actual costs and the deposit will be billed or refunded to the permit holder.
- (G) For plan review and inspection of each street intersection or vehicle access, either public or private, other than a standard driveway approach, a fee of \$40.00 will be charged.
- (H) Plans shall be reviewed by Multnomah County under this section for compatibility with the comprehensive plan, conformance to county design criteria, as applicable, and for general protection of county facilities as considered necessary.
- (I) Inspection by Multnomah County under this section will be cursory only and will not relieve the owner, contractor or engineer of responsibility for the project being completed according to plans and specifications.

[Ord. 126 § 10 (1976); Ord. 826 § 2(I), (J)(1995)]

AGENDA PLACEMENT REQUEST

BUD MOD #: OSCP 01

APPROVED MULTNOMAH COUNTY
BOARD OF COMMISSIONERS
AGENDA # R-10 DATE 07.31.03
DER BOGSTAD, BOARD CLERK

Board Clerk Use Only:

Meeting Date: July 31, 2003

Agenda Item #: R-10

Est. Start Time: 10:15 AM

Date Submitted: 07/24/03

Requested Date: 7/31/03

Time Requested: 30 min

Department: Non-Departmental

Division: Chair's Office & Commissioner Naito

Contact/s: Laura Bridges, Charlotte Comito

Phone: 988-3971

Ext.: 83971

I/O Address: 503/600

Presenters: Chair Linn, Commissioner Naito, Laura Bridges, Mary Li, Caitlin Campbell, Kathy Oliver, Ken Cowdery, Dennis Morrow

Agenda Title: Budget Modification OSCP 04-01 Requesting Contingency Transfer to Restore Funds to Homeless Youth Continuum Programs

NOTE: If Ordinance, Resolution, Order or Proclamation, provide exact title. For all other submissions, provide clearly written title.

1. **What action are you requesting from the Board? What is the department/agency recommendation?** Approval of \$199,767 General Fund contingency transfer to fund FY 03-04 Homeless Youth services.
2. **Please provide sufficient background information for the Board and the public to understand this issue.** As a result of mid-year and annual budget reductions, it was determined that current service funding levels were inadequate to meet minimum service delivery needs. In consultation with the Chair's office, Commissioner Naito's office, Homeless Youth Providers, and the Homeless Youth Oversight Committee, a package of prioritized services was developed. See attached document of prioritized services.
3. **Explain the fiscal impact (current year and ongoing).**

For FY 03-04, \$199,767 will be transferred from the General Fund contingency to OSCP. For FY 04-05 forward, OSCP's General Fund constraint will be increased by \$199,767 to maintain the increased service level. Unless County revenues grow faster than current service level costs, this will require other County activities to be reduced.

NOTE: If a Budget Modification or a Contingency Request attach a Budget Modification Expense & Revenues Worksheet and/or a Budget Modification Personnel Worksheet.

If a budget modification, explain:

- ❖ **What revenue is being changed and why?** N/A
- ❖ **What budgets are increased/decreased?**
- ❖ **County General Fund contingency fund decreases, OSCP contracted services budget increases by \$199,767.**
- ❖ **What do the changes accomplish?**
The changes will allow the County to purchase services to fulfill the intent of the homeless youth RFP and provide safety-net services to homeless youth.
- ❖ **Do any personnel actions result from this budget modification? Explain.**
No
- ❖ **Is the revenue one-time-only in nature?**
N/A
If a grant, what period does the grant cover?
N/A
- ❖ **When the grant expires, what are funding plans?**
N/A

NOTE: Attach Bud Mod spreadsheet (FORM FROM BUDGET)

If a contingency request, explain:

- ❖ **Why was the expenditure not included in the annual budget process?**
As a result of mid-year budget cuts being annualized and annual budget reductions, anticipated savings due to program model redesign were not available for reinvestment into the new system. When the Board was made aware of the cumulative impact of these reductions, they determined in the annual budget process to revisit this issue.

What efforts have been made to identify funds from other sources within the Department/Agency to cover this expenditure?

The Chair's Office, along with OSCP and DCJ reviewed available budgets and found no other means of funding.

Why are no other department/agency fund sources available?

OSCP's budget was cut approximately \$3.5 million for FY 04, and the decision was made not to cut other programs to provide additional funding.

- ❖ **Describe any new revenue this expenditure will produce, any cost savings that will result, and any anticipated payback to the contingency account.**

N/A

- ❖ Has this request been made before? When? What was the outcome?
No

If grant application/notice of intent, explain:

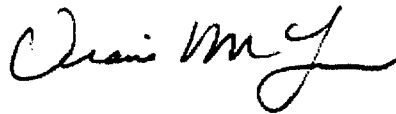
- ❖ Who is the granting agency?
- ❖ Specify grant requirements and goals.
- ❖ Explain grant funding detail – is this a one time only or long term commitment?
- ❖ What are the estimated filing timelines?
- ❖ If a grant, what period does the grant cover?
- ❖ When the grant expires, what are funding plans?
- ❖ How will the county indirect and departmental overhead costs be covered?

4. Explain any legal and/or policy issues.

N/A

5. Explain any citizen and/or other government participation that has or will take place. The Chair's office, Commissioner Naito's office, Homeless Youth System Providers, OSCP, and the Homeless Youth Oversight Committee helped to assess and identify system needs and buy back priorities for system services. Ongoing oversight of the system will be provided by the Homeless Youth Oversight Committee, which includes Homeless Youth System Providers, Board representation, Departmental staff, business community representatives, youth representatives and citizens.

Required Signatures:



Department/Agency Director:

Date: 07/23/03

Budget Analyst

By:

Date:

Dept/Countywide HR

By:

Date:

Budget Modification:

OSCP 01

EXPENDITURES & REVENUES

Please show an increase in revenue as a negative value and a decrease as a positive value for consistency with MERLIN.

Line No.	Fund Center	Fund Code	Accounting Unit			Cost Element	Current Amount	Revised Amount	Change Increase/ (Decrease)	Subtotal	Description
			Internal Order	Cost Center	WBS Element						
1	19	1000		9500001000		60470	1,852,617	1,652,850	(199,767)		General Fund Contingency
2	21-40	1000			SCPHPHWY.CGF	60160	1,700,863	1,900,630	199,767		Pass Through Payments
3								0			
4								0			
5								0			
6								0			
7								0			
8								0			
9								0			
10								0			
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25								0			
26								0			
27								0			
28								0			
29								0			
									0	0	Total - Page 1
									0	0	GRAND TOTAL

**Multnomah County Office of School and Community Partnerships
Homeless Youth Services Continuum
Listing of Priority Buy-Back of System Services
July 16, 2003**

The following tables outline program services and budget figures recommended by Homeless Youth System Providers as priority services for reinstatement. Table 1 identifies funding in the amount of \$100,000 that has been reinstated for FY03-04 to the Homeless Youth System due to a budget amendment by the Board of County Commissioners on June 12. Tables 2 and 3 identify priority services for reinstatement should the system be allocated additional funding. Table 2 represents services or associated programming costs that System Providers identified as being the top priority for reinstatement to ensure youth's safety off of the streets. Table 3 represents services that are vital to the system but were identified as being less of a priority if additional funding is limited. These services would provide for 24 hour, seven day a week program coverage and meet the specifications outlined in the Homeless Youth Services Continuum RFP.

Table 1. Homeless Youth System, funding & services reinstated per BCC budget amendment, effective July 1, 2003

Service/Agency	Cost
<i>Crisis Shelter (Janus Youth Programs):</i>	
<ul style="list-style-type: none"> ▪ Leasing fees for Crisis Shelter space 	\$20,000
<i>Service Coordination, Employment (Outside In):</i>	
<ul style="list-style-type: none"> ▪ Expand day services program from 5 to 6 days per week, 6 hours per day, to be more aligned with requirements for day services programming in the RFP. This will provide youth with increased access to needed services on the weekend days. Outside In will provide day services on Sunday with staff support from NAFY. This additional staff support on Sundays will allow for programming around more structured activities to work towards engaging youth into the Homeless Youth Continuum. 	\$40,000
<i>Service Coordination, Education (New Avenues for Youth):</i>	
<ul style="list-style-type: none"> ▪ Expand day services program from 5 to 6 days per week, 6 hours per day, to be more aligned with requirements for day services programming in the RFP. This will provide youth with increased access to needed services on the weekend days. NAFY will provide day services on Saturday with staff support from Outside In. This additional staff support on Saturdays will allow for programming around more structured activities to work towards engaging youth into the Homeless Youth Continuum. 	\$40,000
Total:	\$100,000

Table 2. Homeless Youth System, priority services for reinstatement should additional funding become available

Service/Agency	Cost
<i>Access & Reception Center (Janus Youth Programs):</i> <ul style="list-style-type: none"> Increased leasing fees for the Access/Reception Center space Increased clinical supervision will be included in the new Access/Reception Center model requiring additional funding to cover staffing costs. 	<p>\$30,000</p> <p>\$10,000</p>
<i>Service Coordination, Employment (Outside In):</i> <ul style="list-style-type: none"> Expand day services program to 8 hours per day as specified in the RFP for 6 day/week program coverage. Current funding provides for 6 hour/day program staffing. The RFP specifies that Service Coordination agencies provide 7 day/week program coverage. In this scenario, each agency provides day services 6 days/week with agencies staggering the days they are open to ensure 7 day/week program coverage for the system. 	<p>\$65,000</p>
<i>Service Coordination, Education (New Avenues for Youth):</i> <ul style="list-style-type: none"> Expand day services program to 8 hours per day as specified in the RFP for 6 days/week program coverage. Current funding provides for 6 hour/day program staffing. The RFP specifies that Service Coordination agencies provide 7 day/week program coverage. In this scenario, each agency provides day services 6 days/week with agencies staggering the days they are open to ensure 7 day/week program coverage for the system. 	<p>\$64,767</p>
<i>Crisis Shelter (Janus Youth Programs):</i> <ul style="list-style-type: none"> Reinstate 5 additional crisis shelter beds to a total of 30 as specified in the RFP. Current funding allows for 25 crisis shelter beds. With the goal that youth will reside at the crisis shelter for a maximum of 4 days/month, there will be more movement through the shelter allowing for available bed space for youth in need. 	<p>\$30,000</p>
Total:	\$199,767

Table 3. Homeless Youth System, services for reinstatement should additional funding become available

Service/Agency	Cost
<p><i>Service Coordination, Employment (Outside In):</i></p> <ul style="list-style-type: none"> Expand day services programming from 6 to 7 days a week as specified in the RFP. This would allow for more structured activities and programming during the weekend hours since both Service Coordination agencies would be open and staffed at an appropriate level. Currently, funding allows 6 day/week coverage per agency and 7 day/week coverage for the system with each agency offering day services on either a Saturday or Sunday. With only one agency open during the weekend days, agencies will serve as more of a drop-in center than one that can work with youth to move them off of the streets and into Continuum services. 	\$50,000
<p><i>Service Coordination, Education (New Avenues for Youth):</i></p> <ul style="list-style-type: none"> Expand day services programming from 6 to 7 days a week as specified in the RFP. This would allow for more structured activities and programming during the weekend hours since both Service Coordination agencies would be open and staffed at an appropriate level. Currently, funding allows 6 day/week coverage per agency and 7 day/week coverage for the system with each agency offering day services on either a Saturday or Sunday. With only one agency open during the weekend days, agencies will serve as more of a drop-in center than one that can work with youth to move them off of the streets and into Continuum services. 	\$49,750
Total:	\$99,750
<p>Grand Total: (Combines the package of services in Table 2 & Table 3 for buy-back should additional funding be invested in the Homeless Youth System)</p>	\$299,517



Department of Business and Community Services
MULTNOMAH COUNTY OREGON

501 SE Hawthorne Blvd., 4th Floor
Portland, Oregon 97214
(503) 988-5881 phone
(503) 988-5758 fax
(503) 988-5170 TDD

TO: Board of County Commissioners

FROM: Mike Jaspin, Senior Budget Analyst

DATE: July 24, 2003

SUBJECT: General Fund Contingency Request for \$199,767 for On-Going Support of Homeless Youth Services.

Budget Modification OSCP 01 provides \$199,767 from the General Fund Contingency to support the homeless youth system. In particular, funds would be for the access & reception center (Janus Youth Programs \$40,000), service coordination – employment (Outside In \$65,000), service coordination – education (New Avenues for Youth \$64,767), and 5 crisis shelter beds (Janus Youth Programs \$30,000).

The Budget Office is required to inform the Board if contingency requests submitted for Board approval satisfy the general guidelines and policies for using the General Fund Contingency. The request is technically consistent with County policy as it could be argued it falls under criteria 2b: "Unanticipated expenditures that are necessary to keep previous public commitment..."

While the Board did identify Homeless Youth as a Budget Note, it did not specifically set aside funds in contingency for it so it doesn't fall under the Budget Note criteria (#3). The Board noted:

Homeless Youth: *The Board will review the homeless youth system in July and allocate appropriate available funds from other sources, Itax or contingency.*

Resolution #03-080, Attachment D – Board Budget Notes

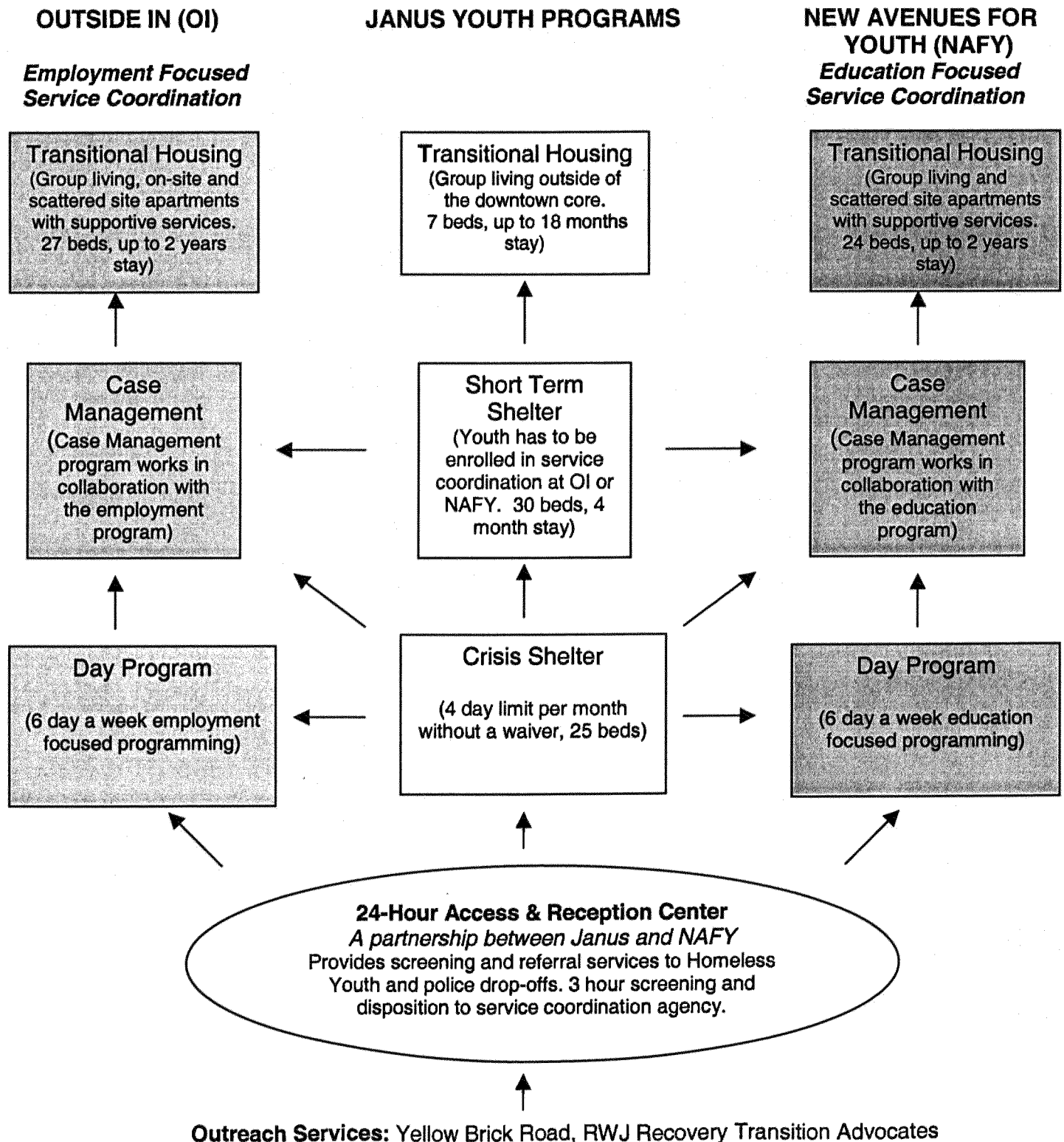
The agenda placement request notes that, if approved by the Board, the increased funding is intended to be *ongoing*. Unless County revenues grow faster than current service level costs, this will require other County activities to be reduced.

As of July 24, 2003, the General Fund Contingency balance was \$1,852,617. This budget modification will reduce that amount to \$1,652,850.

Homeless Youth Service Continuum System Overview

Basic Goals of the Continuum:

- Provide screening and referral services to area youth, and safety off of the streets.
- Transition youth into safe, stable housing environments with supportive education and employment services.
- Assist youth in achieving self-sufficiency and independent living.



AGENDA PLACEMENT REQUEST

BUD MOD #:

Board Clerk Use Only:

Meeting Date: July 31, 2003

Agenda Item #: R-11

Est. Start Time: 10:45 AM

Date Submitted: 07/23/03

Requested Date: Thursday, July 31, 2003

Time Requested: 5 minutes

Department: Non-Departmental

Division: Commission District 2

Contact/s: Commissioner Serena Cruz / Agnes Sowle

Phone: (503) 988-5219, (503) 988-3138

I/O Address: 503/500

Presenters: Agnes Sowle

Agenda Title: RESOLUTION Approving Ballot Titles and Explanatory Statements for the People's Utility District Election on District Formation and Levy for Report

NOTE: If Ordinance, Resolution, Order or Proclamation, provide exact title. For all other submissions, provide clearly written title.

1. **What action are you requesting from the Board? What is the department/agency recommendation?** Adopt Resolution Approving Ballot Titles and Explanatory Statements for PUD Formation and Levy.
2. **Please provide sufficient background information for the Board and the public to understand this issue.** On February 12, 2003, an electors' petition was filed with Elections for formation of a Multnomah County People's Utility District (PUD). As required under ORS 261.161, on June 12, 2003, the Board determined the boundaries of the proposed PUD and called the election as required under ORS 261.171 for November 4, 2003. This resolution adopts the ballot titles and explanatory statements for PUD formation and the 2004 special levy of \$.003 per \$1000 assessed value. The one-time levy raises a total of about \$127,000 to finance an engineer's report on revenue bonds for acquisition or construction of the utility system. The levy for a house with an assessed value of \$150,000 would be about 45 cents.
3. **Explain the fiscal impact (current year and ongoing).** N/A

NOTE: If a Budget Modification or a Contingency Request attach a Budget Modification Expense & Revenues Worksheet and/or a Budget Modification Personnel Worksheet.

If a budget modification, explain: N/A

- ❖ **What revenue is being changed and why?**
- ❖ **What budgets are increased/decreased?**
- ❖ **What do the changes accomplish?**
- ❖ **Do any personnel actions result from this budget modification? Explain.**
- ❖ **Is the revenue one-time-only in nature?**
- ❖ **If a grant, what period does the grant cover?**
- ❖ **When the grant expires, what are funding plans?**

NOTE: Attach Bud Mod spreadsheet (FORM FROM BUDGET)

If a contingency request, explain: N/A

- ❖ **Why was the expenditure not included in the annual budget process?**
- ❖ **What efforts have been made to identify funds from other sources within the Department/Agency to cover this expenditure?**
- ❖ **Why are no other department/agency fund sources available?**
- ❖ **Describe any new revenue this expenditure will produce, any cost savings that will result, and any anticipated payback to the contingency account.**
- ❖ **Has this request been made before? When? What was the outcome?**

If grant application/notice of intent, explain: N/A

- ❖ **Who is the granting agency?**
- ❖ **Specify grant requirements and goals.**
- ❖ **Explain grant funding detail – is this a one time only or long term commitment?**
- ❖ **What are the estimated filing timelines?**
- ❖ **If a grant, what period does the grant cover?**
- ❖ **When the grant expires, what are funding plans?**
- ❖ **How will the county indirect and departmental overhead costs be covered?**

- 4. Explain any legal and/or policy issues. Submits the question of district formation and special levy as required under ORS 261.171.**
- 5. Explain any citizen and/or other government participation that has or will take place. None.**

Required Signatures:

Department/Agency Director:



Date: 7/23/2003

BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

RESOLUTION NO. _____

Approving Ballot Titles and Explanatory Statements for the People's Utility District Election on District Formation and Levy for Report

The Multnomah County Board of Commissioners Finds:

- a. On February 12, 2003, an electors' petition was filed with Multnomah County Elections Division (Elections) for formation of a People's Utility District (PUD) (Exhibit 3).
- b. On June 12, 2003, the Board determined the boundaries of the proposed PUD in accord with the petition for district formation, excluding certain property to correct deficiencies (under ORS 261.161(4)), as described in the ballot titles and shown on the map (Exhibit 2), and called the election for November 4, 2003.
- c. Ballot titles and explanatory statements for district formation and the levy have been prepared.

The Multnomah County Board of Commissioners Resolves:

1. The ballot titles and explanatory statements attached to this Resolution as Exhibit 1 (A-D) are approved and certified to the Director of Multnomah County Division of Elections.
2. The Board Clerk shall submit this Resolution, ballot titles and explanatory statements to the Elections Director for further action as required by law.

ADOPTED this 31st day of July 2003.

BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

Diane M. Linn, Chair

REVIEWED:

AGNES SOWLE, COUNTY ATTORNEY
FOR MULTNOMAH COUNTY, OREGON

By _____

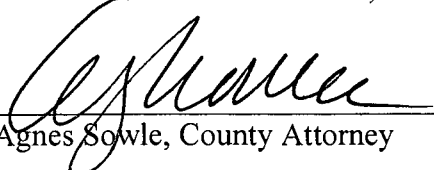

Agnes Sowle, County Attorney

EXHIBIT 1-A
BALLOT TITLE

MEASURE NO. 26-

CAPTION:

FORMS MULTNOMAH COUNTY PEOPLE'S UTILITY DISTRICT

QUESTION:

Shall Multnomah County People's Utility District be formed?

SUMMARY:

Creates Multnomah County People's Utility District (PUD) governed by a 5-member board elected from within the district. If approved, the PUD would include the entire geographic area of Multnomah County except:

- A. Interlachen People's Utility District
- B. Rockwood Water People's Utility District
- C. Townships and portions of townships with fewer electors than required under ORS 261.110(6) for inclusion in a PUD
- D. The area provided utility service by the City of Cascade Locks
- E. The portion of the City of Milwaukie that extends into Multnomah County on the County's southern border.

EXHIBIT 1-B
EXPLANATORY STATEMENT

MEASURE NO. 26-

Form Multnomah County People's Utility District

On February 12, 2003, an electors' petition was filed with Multnomah County Elections Division for formation of the Multnomah County People's Utility District (PUD) to supply public utility service. On June 12, 2003, the Multnomah County Board of Commissioners found that the petition complies with Oregon law and determined the boundaries of the proposed petition to include all of the geographic area of Multnomah County except

- A. Interlachen People's Utility District
- B. Rockwood Water People's Utility District
- C. Sections of townships with fewer electors than required under ORS 261.110(6) for inclusion in a PUD
- D. The area provided utility service by the City of Cascade Locks
- E. That portion of the City of Milwaukie that extends into Multnomah County on the County's southern border.

The Measure will create the Multnomah County People's Utility District comprised of the boundaries described above.

EXHIBIT 1-C
BALLOT TITLE

MEASURE NO. 26-

CAPTION:

AUTHORIZES MULTNOMAH COUNTY PEOPLE'S UTILITY DISTRICT TO IMPOSE SPECIAL LEVY

QUESTION:

If formed, shall Multnomah County People's Utility District impose one-year special levy of \$.003 per \$1000 assessed value in 2004?

This measure may cause property taxes to increase more than three percent.

SUMMARY:

This measure may be passed only at an election with at least a 50 percent voter turnout.

The measure authorizes the Multnomah County People's Utility District (PUD), if formed, to levy a tax of \$.003 per \$1000 of assessed valuation to finance an engineer's report on revenue bonds for acquisition or construction of the utility system and the cost of an election to authorize revenue bonds, if held.

The one-time levy raises a total of about \$127,000 to pay for the engineer's report. The levy for a house with an assessed value of \$150,000 would be about 45 cents.

The estimated tax cost for this measure is an ESTIMATE ONLY based on the best information available from the county assessor at the time of estimate.

EXHIBIT 1-D

EXPLANATORY STATEMENT

MEASURE NO. 26-

Authorize Multnomah County People's Utility District Special Levy

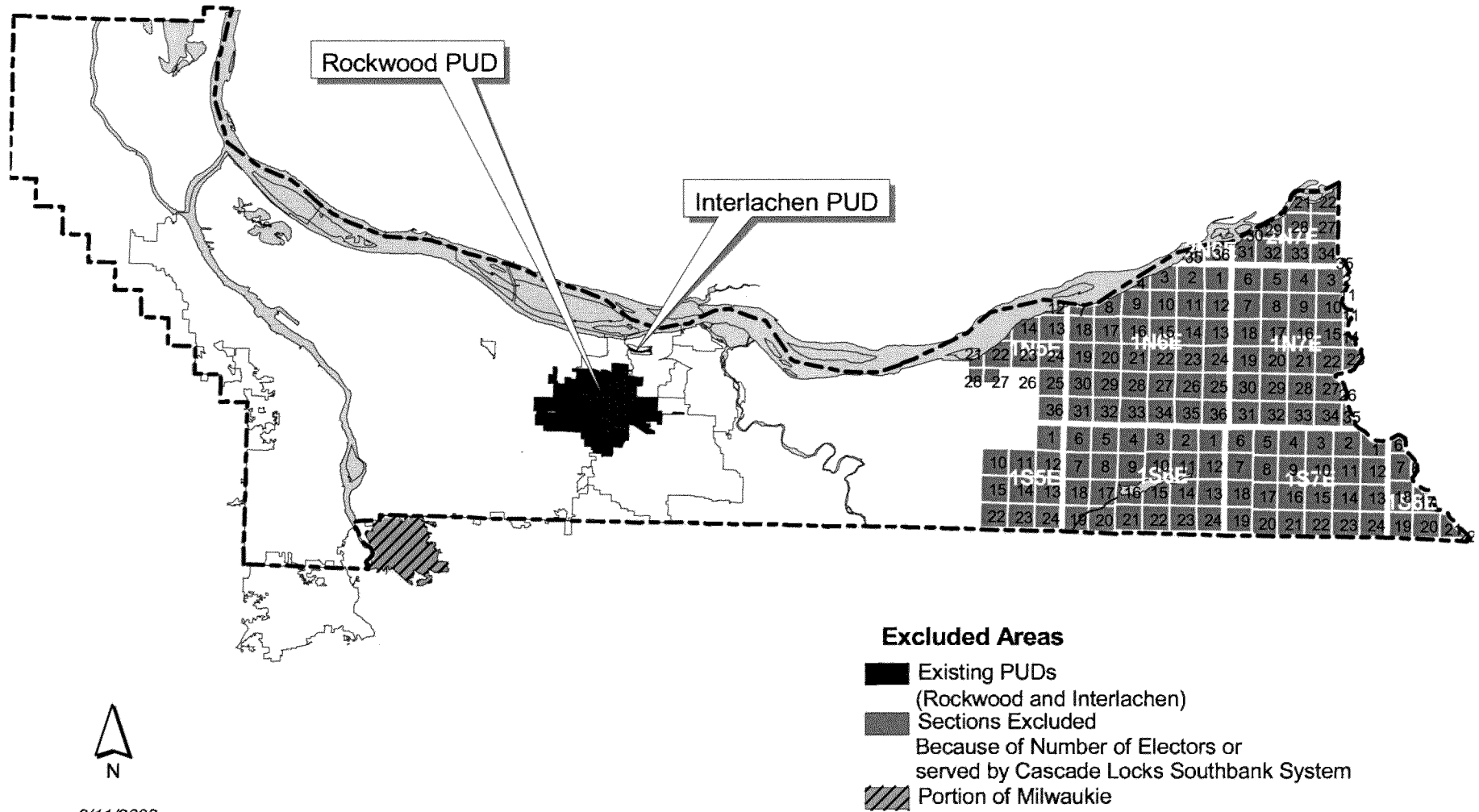
On February 12, 2003, an electors' petition was filed with Multnomah County Elections Division for formation of the Multnomah County People's Utility District (PUD) to supply public utility service. As allowed by statute the elector's petition includes a proposal for the authorization of the district to impose a special levy of \$.003 per \$1000 of assessed value to finance an engineer's report on revenue bonds for acquisition or construction of the utility system and the cost of an election to authorize revenue bonds, if held. On June 12, 2003, the Multnomah County Board of Commissioners found that the petition complies with Oregon law. The Board is required by law to submit the special levy to the electors in the affected territory.

The Measure would authorize the Multnomah County People's Utility District (PUD), if formed, to levy a tax of \$.003 one thousand dollars of assessed valuation, to finance an engineer's report on revenue bonds for acquisition or construction of the utility system and the cost of an election to authorize revenue bonds, if held. The proposed levy would result in total estimated revenues of \$127,000. The levy for a house with an assessed value of \$150,000 would be 45 cents. The levy would be a one time levy.

This measure may be passed only at an election with at least a 50 percent voter turnout.

EXHIBIT 2

Multnomah County PUD Boundary



6/11/2003

ELECTORS' PETITION FOR FORMATION ELECTION FOR THE MULTNOMAH COUNTY PEOPLE'S UTILITY DISTRICT

Whereas, with the intent that agreements allowing existing municipal electric utilities to enlarge their service territories into areas annexed by those municipalities should be respected, the Chief Petitioners desire to form the Multnomah County People's Utility District and address this petition to the Multnomah County Commissioners:

The Chief Petitioners, electors residing in Multnomah County, desire to form a utility district and request that an election be held, pursuant to ORS 261.105, on the question of whether to form the MULTNOMAH COUNTY PEOPLES' UTILITY DISTRICT (P.U.D.) in the following territory:

All of Multnomah County, except the areas within the boundaries of these existing People's Utility Districts:

Interlachen People's Utility District

Rockwood Water People's Utility District

In the event the people within any one or more municipalities or separate parcels of territory within the proposed district vote against its formation, then that portion of the district which voted in favor of organization of a people's utility district may be organized into the district.

As required by ORS 261.113, the Chief Petitioners also propose the question of whether the P.U.D. shall be authorized to impose a one-time special levy of 3 mills per one thousand dollars of assessed valuation (equal to \$3 per million dollars of assessed valuation) to finance an engineer's report and the election under ORS 261.355(1).

CHIEF PETITIONERS

Judith Barnes 1425 SE 37th Ave Portland OR 97214 503-232-1911	Frank Gearhart 2103 NE 24th Court Gresham, OR 97030 503-665-4777	Elizabeth Trojan 12320 SW 60th Ave Portland OR 97219 503-246-7850
Eric Dover 2425 NE 48th Ave Portland OR 97213 503-249-3993	Joan Horton 0234 SW Curry Portland OR 97239 503-228-4468	Bill Michtom 1110 SW Clay St #33 Portland, OR 97201 503-916-4102
	Scott Forrester 2030 NW 7th Place Gresham OR 97030 503-492-1593	



BCC ✓

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June 24, 2003

ROBERT D. VAN BROCKLIN
Direct (503) 294-9660
rdvanbrocklin@stoel.com

VIA FACSIMILE AND FIRST CLASS MAIL

Ms. Agnes Sowle
County Counsel
Multnomah County
501 SE Hawthorne Blvd, Suite 600
Portland, OR 97214

Dear Agnes:

Thank you for meeting with Bernie Bottomly, Robert Manicke and me last week to discuss the question of whether Article XI, Section 11(3)(c)(A) ("Subsection (3)(c)(A)") of the Oregon Constitution requires that the proposed Multnomah People's Utility District ("PUD") ballot title include the question of whether to establish a permanent property tax rate for the Multnomah PUD. Because the ballot title will propose an *ad valorem* property tax (the special levy), we believe that the Constitution does impose such a requirement.

Since our discussion last week, we have spoken with Richard J. Schack, a property tax specialist at the Oregon Department of Revenue, and Mr. Schack, too, believes that a permanent tax rate must be approved prior to or concurrent with the approval of the special levy (*see* attached copy of confirmatory e-mail). On behalf of Mara Woloshin, Citizens Against the Government Takeover, and PacifiCorp, the purpose of this letter is to request that the permanent rate question be included in the ballot title for the proposed Multnomah PUD.

A. Background. As we discussed last week, ORS 261.113 requires that a petition to form a PUD include a proposal to authorize the district to impose a special levy. Further, the Board is required by ORS 261.171(1) to include the special levy proposal in the ballot measure to form the Multnomah PUD.

The petition to form the Multnomah PUD proposes a special levy of three mills, which is \$0.003 per \$1,000 of assessed value of taxable property within Multnomah County. The petition states that the proceeds of the special levy will be used to finance an engineer's report on the feasibility of Multnomah PUD to issue revenue bonds and to pay for a revenue bond election.

Oregon
Washington
California
Utah
Idaho



Ms. Agnes Sowle
June 24, 2003
Page 2

If a majority of the votes cast at the election to form the Multnomah PUD favors the "formation of the district **and** authorization of the district to impose a special levy," the county governing body must issue a proclamation of district formation (the "Proclamation"). ORS 261.200(1) (emphasis added). Under ORS 261.215, from the date of the Proclamation the PUD is a separate and legally constituted district.

B. The County May Not Proclaim That the Multnomah PUD Has the Authority to Impose the Special Levy Until Voters Approve a Permanent Property Tax Rate Limit for the PUD. If the Multnomah PUD proposal is approved by the voters, the Proclamation would be signed by County Board Chair Diane Linn and would declare:

"Now, therefore, the undersigned hereby does proclaim and declare that all of that part of the State of Oregon, described as the Multnomah County People's Utility District has been duly and legally incorporated as the Multnomah County People's Utility District under and pursuant to the Constitution and laws of the State of Oregon, and the district **has the authority to collect the sum of \$ _____ by special levy against the taxable property within the district.**" ORS 261.200(1) (emphasis added).

Unless Multnomah County voters approve a permanent property tax rate limit for the Multnomah PUD prior to or concurrent with the approval of the special levy, we do not think the County can make such a declaration.

Further, if the formation and special levy are approved, ORS 261.200(3) provides that the Proclamation must be filed with the county assessor, who "shall thereupon enter the special levy." Furthermore, the special levy is exempt from the requirements of local budget law, pursuant to ORS 261.200(4). Thus, the special levy is self-executing. We believe that it would be unconstitutional for the County to enter the special levy in the absence of a voter-approved permanent property tax rate limit for the district.

C. Analysis. Subsection (3)(c)(A) states:

"A local taxing district that has not previously imposed ad valorem property taxes and that seeks to impose ad valorem property taxes shall establish a limit on the rate of ad valorem property tax to be imposed by the district. The rate limit established under this subparagraph shall be approved by a



Ms. Agnes Sowle
June 24, 2003
Page 3

majority of voters voting on the question. The rate limit approved under this subparagraph shall serve as the district's permanent rate limit under paragraph (b) of this subsection." (Emphasis added).

In the election to form the Multnomah PUD, the PUD "seeks to impose" property taxes in the form of the special levy required by ORS 261.113 and 261.200(1). The term "seeks to impose" in Subsection (3)(c)(A) implies that the permanent rate approval requirement applies to any new district that seeks voter approval to impose a property tax levy in the future.

The context of Subsection (3)(c)(A) supports the above interpretation. The main function of Subsection (3) of Article XI, Section 11 is to direct the legislature to establish permanent limits on the rate of property tax for each taxing district, and to provide the basic method by which the permanent limits will be established in various situations. Those situations include:

- The application of the permanent rate limits to taxing districts that were in existence and imposing property taxes when Measure 50 was approved by Oregon voters in May 1997. (See Or Const Art XI, Section 11(3)(b).)
- The establishment of a permanent property tax rate limit for new taxing districts (i.e., those districts that are created after the provisions of Measure 50 became applicable). (See Subsection (3)(c)(A)).)
- The application of the tax limitation rules when there is a merger or division of existing taxing districts. (See paragraphs Or Const Art XI, Section 11(3)(d), (e).)

Measure 50's permanent limits on the rates of property tax that local governments may levy are integrated with the aggregate tax caps that were introduced by Measure 5 in 1991. Under Measure 5, local governments in a county (other than school districts) are prohibited from imposing taxes on real property that, in the aggregate, exceed \$10 per thousand dollars of real market value. See Or Const Art IX, Section 11b. Under the principle of "compression" pursuant to Measure 5, the creation of a permanent rate limit for a new local government in a county, such as a PUD, would cause a proportional reduction in the permanent rate limits of the existing local governments in the county. See Or Const Art XI, Section 11(11)(c)(B)(ii).



Ms. Agnes Sowle
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The permanent property tax rate limits are an integral part of the Constitution's approach to limiting property taxes. It is consistent with the remainder of Measure 50 and Measure 5 to conclude that a new taxing district must adopt a permanent rate limit before it may seek to impose a tax levy, including the special levy described in ORS 261.113.

The Constitutional limits on property taxation are intended to limit the ability and extent to which existing and new districts may impose such taxes. In the case of new taxing districts, the Constitution establishes a process whereby voters are asked to establish a permanent rate limit prior to or concurrent with any request by the new district to levy a property tax. We know of no local jurisdiction that has waited to establish a rate limit until after a property tax is approved and imposed. To allow such a process would eliminate the ability of the taxpayer to understand how the overall \$10 rate limit is allocated among the relevant taxing districts and the amount of the maximum tax rate that each of those districts may seek to impose.

In the case of the Multnomah PUD, it is logical to combine the permanent rate limit and special levy proposals into a single question or, at least, a single measure. The voters will logically assume that, if approved, the special levy will be imposed to allow the PUD to pursue the required engineering study. As we have noted above, the special levy appears to be self-executing upon passage. If the permanent rate limit is not approved at the same time as the special levy, under Subsection 3(c)(A) the PUD will not have the authority to actually collect the funds approved by the voters. The clear intent of the statute is for the County to present the special levy question in a way that allows the PUD to use the proceeds of the special levy if the proposed PUD and levy are approved. Without the prior or simultaneous establishment of the district's permanent rate limit, it appears that the Constitution would prevent the imposition of the special levy.

Thank you for your consideration of our request. Please provide me with written notice of the time and place at which the Board will consider the proposed ballot title for the Multnomah PUD measure. Please also provide me with written notice of whether the proposed ballot title will include the permanent tax rate question. If such a question is not included in the ballot title, we reserve the right to pursue any available legal remedy to have the permanent rate question included in the measure.



Ms. Agnes Sowle
June 24, 2003
Page 5

Please contact me if you have any questions about the positions outlined in this letter.

Very truly yours,

Robert D. Van Brocklin

cc: Multnomah County Board of Commissioners ✓
Ms. Katie Gaetjens
Ms. Mara Woloshin
Mr. Brian Gard

Van Brocklin, Robert

From: Manicke, Robert
Sent: Monday, June 23, 2003 11:32 AM
To: 'richard.j.schack@state.or.us'
Cc: Van Brocklin, Robert
Subject: Permanent rate limit discussion

Rick,

Thank you for taking the time to talk with me last Friday regarding permanent rate limit issues under Measure 50. This summarizes our discussions; please let me know as soon as possible if you disagree with the summary or have further comments or questions.

We discussed whether Article XI, section 11(c)(3)(A), of the Oregon Constitution requires voter approval of a permanent rate limit for a new people's utility district before (or at least in the same measure in which) voter approval is sought for an initial property tax levy under ORS 261.113.

You agreed with my general interpretation of section 11(c)(3)(A), namely that a local district that has not previously imposed property taxes is required to establish a permanent rate before any property taxes may be sought or imposed. The specific language "seeks to impose" supports this view.

You pointed me to the Department of Revenue's publication on "Tax Election Ballot Measures," available on the Department's website. Permanent rates are discussed at pages 5 and 12 of that publication. The example on page 12 describes a new cemetery district that previously was supported by user fees alone. That district asks the voters to approve a specific dollar amount per \$1,000 of assessed value as a permanent rate limit, beginning in the following tax year.

The example supports the conclusion that there is an established process for a district to seek a permanent rate limit. The example also supports the conclusion that a district must go through that process before imposing any property taxes.

We then discussed the more specific question of a PUD. Under ORS 261.171(1), the formation of a new PUD must be approved by the voters within the affected territory. Among other things, the ballot measure for formation of the PUD must include the question of a "special levy."

The special levy required for formation of a PUD is described in ORS 261.113. That section states that a resolution to form a PUD must include a "proposal for the authorization of the district to impose a special levy of a certain amount to finance an engineer's report on revenue bonds for the acquisition or construction of the initial utility system ***."

You agreed that this special levy is an ad valorem property tax for Measure 50 purposes. ORS 261.200(3) supports this conclusion, as that section requires the new PUD to file its proclamation of formation with the county assessor, along with a "notice of boundary change under ORS 308.225." As the next step, ORS 261.200(3) states that the assessor "shall thereupon enter the special levy." See also ORS 261.390.

Thus, the PUD statutes require that the special levy be included in the ballot measure by which the PUD is formed. You agreed that the phrase "seeks to impose" in Art. XI, section 11(3)(c)(A) means that the voters must approve the question of a permanent rate limit at or before the election in which the voters approve the special levy. The PUD statutes do not address this constitutional requirement. However, none of the PUD statutes referred to above has been amended since 1991. Obviously, the fact that the PUD statutes have not been updated does not change the constitutional requirement.

In summary, you agreed that section 11(c)(3)(A) requires voter approval of a permanent rate limit before (or at least in the same measure in which) voter approval is sought for an initial property tax levy under ORS 261.113. You indicated that you may want to talk with others in the Department about this issue. I would be interested in any further

thoughts that you or anyone else might have.

Again, I do appreciate your time and attention to this question.

Robert T. Manicke
Stoel Rives LLP
900 SW Fifth Avenue, Suite 2600
Portland, Oregon 97204
Tel: 503-294-9664
Fax: 503-220-2480
Email: rtmanicke@stoel.com

BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

RESOLUTION NO. _____

Proposed
Substitute

Approving Ballot Title and Explanatory Statement for the People's Utility District Election on District Formation and Levy for Report

The Multnomah County Board of Commissioners Finds:

- a. On February 12, 2003, an electors' petition was filed with Multnomah County Elections Division (Elections) for formation of a People's Utility District (PUD) (Exhibit 3).
- b. On June 12, 2003, the Board determined the boundaries of the proposed PUD in accord with the petition for district formation, excluding certain property to correct deficiencies (under ORS 261.161(4)), as shown on the map (Exhibit 2), and called the election for November 4, 2003.
- c. The ballot title and explanatory statement for district formation and the levy have been prepared.

The Multnomah County Board of Commissioners Resolves:

1. The ballot title and explanatory statement attached to this Resolution as Exhibit 1 (A-B) are approved and certified to the Director of Multnomah County Division of Elections.
2. The Board Clerk shall submit this Resolution, ballot title and explanatory statement to the Elections Director for further action as required by law.

ADOPTED this 31st day of July 2003.

BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

Diane M. Linn, Chair

REVIEWED:

AGNES SOWLE, COUNTY ATTORNEY
FOR MULTNOMAH COUNTY, OREGON

By _____



Agnes Sowle, County Attorney

EXHIBIT 1-A

BALLOT TITLE

MEASURE NO. 26-

CAPTION:

FORMS MULTNOMAH COUNTY PEOPLE'S UTILITY DISTRICT; AUTHORIZES
SPECIAL LEVY

QUESTION:

Shall Multnomah County People's Utility District be formed with authority to impose a special one-year levy in 2004-05?

This measure may cause property taxes to increase more than three percent.

SUMMARY:

The special levy provided for in this measure may be passed only at an election with at least a 50 percent voter turnout.

If a majority of votes cast at the election favor the measure, the district shall be formed.

If there is a majority vote for the measure and there is not a 50% voter turnout, the district will be formed but the special levy will not be authorized.

This measure creates Multnomah County People's Utility District with authority to levy a tax of \$.003 per \$1000 of assessed valuation to finance an engineer's report on revenue bonds for acquisition or construction of the utility system and the cost of an election to authorize revenue bonds, if held. If approved, the district would include all of Multnomah County except areas excluded by statute as determined by the Board of Commissioners.

The one-time levy raises a total of about \$127,000 to pay for the engineer's report. The levy for a house with an assessed value of \$150,000 would be 45 cents.

The estimated tax cost for this measure is an ESTIMATE ONLY based on the best information available from the county assessor at the time of estimate.

EXHIBIT 1-B

EXPLANATORY STATEMENT

MEASURE NO. 26-

Form Multnomah County People's Utility District

If approved by a majority of the voters, the measure will create the Multnomah County People's Utility District (PUD). On June 12, 2003, the Multnomah County Board of Commissioners determined the boundaries of the proposed PUD to include all of the geographic area of Multnomah County except:

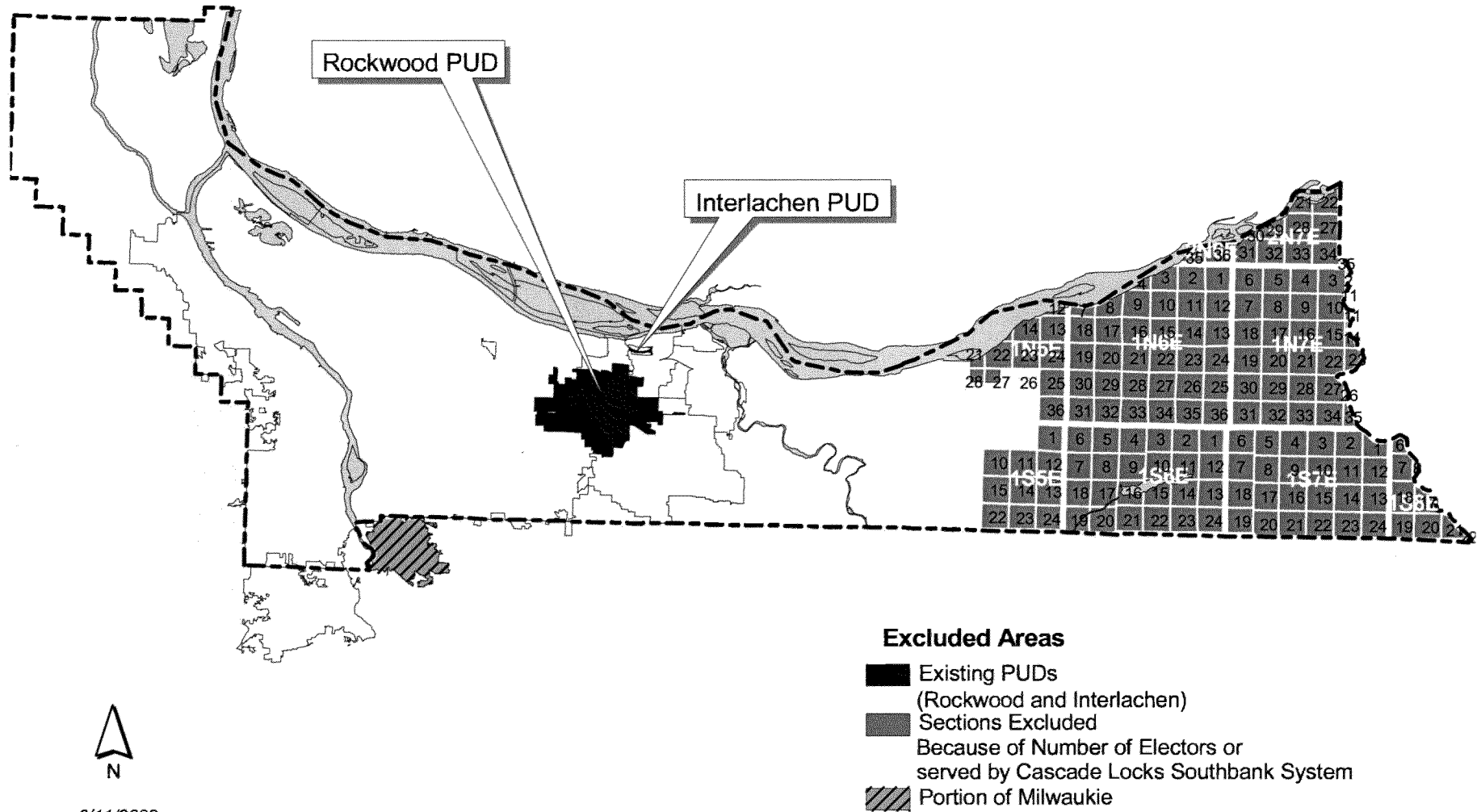
- A. Interlachen People's Utility District
- B. Rockwood Water People's Utility District
- C. Sections of townships with fewer electors than required under ORS 261.110(6) for inclusion or served by the City of Cascade Locks under ORS 261.110(5):
 - 1. Township 1 South Range 8 East Willamette Meridian
 - 2. Township 1 South Range 7 East Willamette Meridian
 - 3. Township 1 South Range 6 East Willamette Meridian
 - 4. Sections 1,10,11,12,13,14,15,22,23 and 24 in Township 1 South Range 5 East Willamette Meridian
 - 5. Township 1 North Range 7 East Willamette Meridian
 - 6. Township 1 North Range 6 East Willamette Meridian
 - 7. East half of section 21, NW corner of section 27, and NE corner of section 28 and all of Sections 12,13,14,15,22,23 24,25, and 36 in Township 1 North Range 5 East Willamette Meridian
 - 8. Township 2 North Range 7 East Willamette Meridian
 - 9. Township 2 North Range 6 East Willamette Meridian
- D. The identified portion of the City of Milwaukie that extends into Multnomah County on the County's southern border.

The special levy provided for in the measure will only be approved if there is also a 50% voter turnout. If there is a majority vote for the measure but there is not a 50% voter turnout, the district will be formed but the special levy will not be authorized.

If the special levy is authorized, the District will have authority to levy a one-time tax of \$.003 per one thousand dollars of assessed valuation in fiscal year 2004-05 to finance an engineer's report on revenue bonds for acquisition or construction of the utility system and the cost of an election to authorize revenue bonds, if held. The proposed levy would result in total estimated revenues of \$127,000. The levy for a house with an assessed value of \$150,000 would be 45 cents.

EXHIBIT 2

Multnomah County PUD Boundary



6/11/2003

EXHIBIT 3

**ELECTORS' PETITION FOR FORMATION ELECTION
FOR THE
MULTNOMAH COUNTY PEOPLE'S UTILITY DISTRICT**

Whereas, with the intent that agreements allowing existing municipal electric utilities to enlarge their service territories into areas annexed by those municipalities should be respected, the Chief Petitioners desire to form the Multnomah County People's Utility District and address this petition to the Multnomah County Commissioners:

The Chief Petitioners, electors residing in Multnomah County, desire to form a utility district and request that an election be held, pursuant to ORS 261.105, on the question of whether to form the MULTNOMAH COUNTY PEOPLES' UTILITY DISTRICT (P.U.D.) in the following territory:

All of Multnomah County, except the areas within the boundaries of these existing People's Utility Districts:

Interlachen People's Utility District

Rockwood Water People's Utility District

In the event the people within any one or more municipalities or separate parcels of territory within the proposed district vote against its formation, then that portion of the district which voted in favor of organization of a people's utility district may be organized into the district.

As required by ORS 261.113, the Chief Petitioners also propose the question of whether the P.U.D. shall be authorized to impose a one-time special levy of 3 mills per one thousand dollars of assessed valuation (equal to \$3 per million dollars of assessed valuation) to finance an engineer's report and the election under ORS 261.355(1).

CHIEF PETITIONERS

Judith Barnes 1425 SE 37th Ave Portland OR 97214 503-232-1911	Frank Gearhart 2103 NE 24th Court Gresham, OR 97030 503-665-4777	Elizabeth Trojan 12320 SW 60th Ave Portland OR 97219 503-246-7850
Eric Dover 2425 NE 48th Ave Portland OR 97213 503-249-3993	Joan Horton 0234 SW Curry Portland OR 97239 503-228-4468	Bill Michtom 1110 SW Clay St #33 Portland, OR 97201 503-916-4102
	Scott Forrester 2030 NW 7th Place Gresham OR 97030 503-492-1593	

BOGSTAD Deborah L

From: Liz Trojan [elizat8@pobox.com]
Sent: Wednesday, July 30, 2003 3:33 PM
To: carol.kinoshita@co.multnomah.or.us
Cc: michtom@pacifier.com; deane_funk@pgn.com;
deborah.l.bogstad@co.multnomah.or.us; lawyer@teleport.com;
liz@oppc.net; ciibri.gear@verizon.net; agnes.sowle@co.multnomah.or.us;
deane_funk@pgn.com; clackamas9@aol.com; dan@meek.net;
joan@oppc.net; judybarnes@earthlink.net
Subject: Re: Substitute PUD Ballot Title

Hi Carol, Hi Agnes, Hi Deb,

Thank you for the notification of tomorrows agenda item regarding the P.U.D ballot title. This is very late notice. In the future is it possible to get earlier notification? We are a grassroots volunteer group. On such short notice it's difficult for us to respond when there is almost no time for us to gather our collective thoughts.

Regards,

Liz Trojan, Treasurer
Oregon Public Power Coalition (www.oppc.net)
818 SW 3rd Ave PMB 1335
Portland, OR 97204
liz@oppc.net
503-970-2069

> Agnes Sowle asked me to email you the attached Resolution, Ballot Title and
> Explanatory Statement regarding the PUD. She believes that Commissioner
> Cruz will move to substitute this Ballot Title for the two that are
> contained in tomorrow's agenda.
> <<Res_PUDballotALTFinal 7-30-03.doc>>
> Carol Kinoshita, Legislative Paralegal
> 503.988.3138 (x29360) fx:503.988.3377
> Office of Multnomah County Attorney
> 501 SE Hawthorne Blvd., Ste. 500,
> Portland, OR 97214 (interoffice: 503/500)
> Multnomah County Code Vol. 1:
> <http://www2.co.multnomah.or.us/counsel/code>
> <<http://www2.co.multnomah.or.us/counsel/code>>
>
>

#1

MULTNOMAH COUNTY BOARD OF COMMISSIONERS
PUBLIC TESTIMONY SIGN-UP

Please complete this form and return to the Board Clerk

This form is a public record

MEETING DATE:

7/31/03

SUBJECT:

P.U.D. Title

AGENDA NUMBER OR TOPIC:

Ballot Title for P.U.D. R-11

FOR: _____ AGAINST: ☒ THE ABOVE AGENDA ITEM

NAME:

Bill Michelson

ADDRESS:

1110 SW Clay #33

CITY/STATE/ZIP:

Portland, OR 97201

PHONE:

DAYS: 916 4102

EVES:

916 4102

EMAIL:

~~bill~~ bill@oppc.net

FAX:

SPECIFIC ISSUE:

the misleading ballot title for the
P.U.D. election

WRITTEN TESTIMONY:

yes

IF YOU WISH TO ADDRESS THE BOARD:

1. Please complete this form and return to the Board Clerk.
2. Address the County Commissioners from the presenter table microphones. Please limit your comments to **3 minutes**.
3. State your name for the official record.
4. If written documentation is presented, please furnish one copy to the Board Clerk.

IF YOU WISH TO SUBMIT WRITTEN COMMENTS TO THE BOARD:

1. Please complete this form and return to the Board Clerk.
2. Written testimony will be entered into the official record.

Commissioners:

I am Bill Michtom, a chief petitioner for the Multnomah County People's Utility District. I am here to speak about your proposed ballot title wording, and I am outraged.

Is this a democracy? You have taken a simple measure and twisted in a way that looks **not** like an honest mistake but a purposeful manipulation of the process.

First, there are two separate questions to put before the electorate:

- 1) Do we want to form a P.U.D.? And
- 2) do we want to impose a one-time levy of three-tenths of a penny on each 1000 dollars of assessed valuation.

The County has seen fit, however, to combine those questions into one. Then they call the levy a "one-year levy" not a "one-time levy." This is not a trivial distinction.

A person could easily misinterpret that wording and think, "Oh sure. They say one year, but just wait. We'll never get rid of it!" P.U.D. opponents will surely jump on this opportunity to further mislead the public. And the County clearly knows better, since the two references in the summary use the words "one time."

Then, to add insult to injury, the County states, "This measure may cause property taxes to increase more than three percent."

For the levy to add 3% to property taxes, it would have to add **three thousand dollars** per 100,000 dollars of valuation, not the actual 30 cents the levy calls for. This could be a error in placing a decimal point or it could be deliberate misinformation.

I am not sure which shows the County in a worse light. Do I want a government that gets their figures off by a factor of ten thousand, or one that maliciously misrepresents an honest effort to save people hundreds of millions of dollars?

Would I rather be shot or hanged?

I call on you, Commissioners, to throw out this ballot title and save us all unnecessary acrimony and wasted court time and costs.

There are two items to go on the ballot: the formation of a People's Utility District is one. The second is levying a one-time addition to property taxes of 3/10ths of a cent per 100,000 dollars of assessed valuation.

This will raise property taxes zero.zero-zero-zero-zero-zero-3 per cent.

Thank you for your time.

William Michtom
1110 SW Clay,#33
Portland, OR 97201
michtom@pacifier.com
(503) 916-4102
(503) 975-1529 (cell)

#2

MULTNOMAH COUNTY BOARD OF COMMISSIONERS
PUBLIC TESTIMONY SIGN-UP

Please complete this form and return to the Board Clerk

This form is a public record

MEETING DATE: 7/31/03

SUBJECT: Agenda Replacement Request

AGENDA NUMBER OR TOPIC: R11

FOR: _____ AGAINST: X THE ABOVE AGENDA ITEM

NAME: Liz Trojan

ADDRESS: 12320 SW 66th Ave

CITY/STATE/ZIP: Portland, OR 97219

PHONE: _____ DAYS: 503-970-2069 EVES: _____

EMAIL: liz@oppc.net FAX: _____

SPECIFIC ISSUE: PUD formation election
ballot title

WRITTEN TESTIMONY: this replacement is unnecessary
replacement is ~~partly written~~ and inaccurate
in the levy amount and misstates
the questions of PUD formation. Should
be two questions - 1) PUD formation
2) levy

IF YOU WISH TO ADDRESS THE BOARD:

1. Please complete this form and return to the Board Clerk.
2. Address the County Commissioners from the presenter table microphones. Please limit your comments to **3 minutes**.
3. State your name for the official record.
4. If written documentation is presented, please furnish one copy to the Board Clerk.

IF YOU WISH TO SUBMIT WRITTEN COMMENTS TO THE BOARD:

1. Please complete this form and return to the Board Clerk.
2. Written testimony will be entered into the official record.

#3

**MULTNOMAH COUNTY BOARD OF COMMISSIONERS
PUBLIC TESTIMONY SIGN-UP**

Please complete this form and return to the Board Clerk

This form is a public record

MEETING DATE: 7/31/03

SUBJECT: P.U.D

AGENDA NUMBER OR TOPIC: R-11

FOR: X AGAINST: _____ THE ABOVE AGENDA ITEM

NAME: JOAN HORTON

ADDRESS: 0234 SW Curry

CITY/STATE/ZIP: PORTLAND, OR 97239

PHONE: _____ DAYS: _____ EVES: _____

EMAIL: joan4oppc@yahoo.com FAX: _____

SPECIFIC ISSUE: Barlot Title

WRITTEN TESTIMONY: Attached

IF YOU WISH TO ADDRESS THE BOARD:

1. Please complete this form and return to the Board Clerk.
2. Address the County Commissioners from the presenter table microphones. Please limit your comments to **3 minutes**.
3. State your name for the official record.
4. If written documentation is presented, please furnish one copy to the Board Clerk.

IF YOU WISH TO SUBMIT WRITTEN COMMENTS TO THE BOARD:

1. Please complete this form and return to the Board Clerk.
2. Written testimony will be entered into the official record.

July 31, 2003

To the Multnomah County Commissioners:

Good morning,

The ballot title states that the special levy required on the PUD petition would raise property taxes more than three percent. It also states that it is a "one-year" levy.

I'm a CPA & I have to question the math.

My house is worth approximately \$175,000 & my taxes last year were about \$2,900.
3% of \$2900. = \$87.

However the P.U.D. levy will cost me almost 53 cents, not \$87.
($\$175,000 / \$1,000 = 175$ $175 \times .003 = \$.525$)

The 53 cents is property tax increase of .0181%. IE: less than 2-one hundredths of a percent.

Where you come up with "more than 3%" is a mystery to me.

53 cents is a small price to pay to keep PGE's assets from being sold off to a company which wouldn't be required to sell the energy back to Multnomah County.

Secondly, you describe the levy as a "one-year" levy. This isn't true. It's a "one-TIME" levy, meaning that it will only be on the property tax bill ONCE. Describing it as a "one-year" levy makes it sound like an on-going tax. It isn't.

An on-going tax would be similar to the Multnomah County Personal Income Tax that we all have to pay now to replace the \$2million/week that ENRON is taking out of our pockets & not paying over to either the federal or state government.

The ballot title as it is now does not describe the petition accurately. Before sending this measure to the voters, both of these errors need to be corrected.

Sincerely,

Joan Horton

Joan Horton, CPA

PS: These 2 issues should be presented separately on the ballot.
THAT IS ALSO HOW THE PETITION WAS WRITTEN & PRESENTED TO THE VOTERS WHO
0234 SW Curry Street / Portland, OR 97239 / 503-998-0862 signed it.
All 9,321 of them.

#4

**MULTNOMAH COUNTY BOARD OF COMMISSIONERS
PUBLIC TESTIMONY SIGN-UP**

Please complete this form and return to the Board Clerk

This form is a public record

MEETING DATE: 7/31/03

SUBJECT: Multnomah County Ballot Title For PUD

AGENDA NUMBER OR TOPIC: Ballot Title PUD Formation

FOR: _____ AGAINST: X THE ABOVE AGENDA ITEM

NAME: Nancy Newell

ADDRESS: 3917 NE Skidmore St.

CITY/STATE/ZIP: Portland, OR 97211

PHONE: _____ DAYS: 288-3986

EVES: _____

EMAIL: _____

FAX: _____

SPECIFIC ISSUE: _____

WRITTEN TESTIMONY: The Ballot Title AS WRITTEN IS INACCURATE
ON levy percentage & IS REQUIRED TO SEPARATE levy vote
FROM PUD FORMATION VOTE by law.

IF YOU WISH TO ADDRESS THE BOARD:

1. Please complete this form and return to the Board Clerk.
2. Address the County Commissioners from the presenter table microphones. Please limit your comments to **3 minutes**.
3. State your name for the official record.
4. If written documentation is presented, please furnish one copy to the Board Clerk.

IF YOU WISH TO SUBMIT WRITTEN COMMENTS TO THE BOARD:

1. Please complete this form and return to the Board Clerk.
2. Written testimony will be entered into the official record.

#5

**MULTNOMAH COUNTY BOARD OF COMMISSIONERS
PUBLIC TESTIMONY SIGN-UP**

Please complete this form and return to the Board Clerk

This form is a public record

MEETING DATE: 7/31/03
SUBJECT: PUD BALLOT TITLE

AGENDA NUMBER OR TOPIC: R-11

FOR: _____ AGAINST: X THE ABOVE AGENDA ITEM

NAME: DAN MEEK

ADDRESS: 10949 SW 4TH AVE

CITY/STATE/ZIP: POX 97219

PHONE: _____ DAYS: 293-9021 EVES: 293-9021

EMAIL: dan@meek.net FAX: _____

SPECIFIC ISSUE: ERRORS IN BALLOT TITLE

WRITTEN TESTIMONY: YES - SUBMITTED

IF YOU WISH TO ADDRESS THE BOARD:

1. Please complete this form and return to the Board Clerk.
2. Address the County Commissioners from the presenter table microphones. Please limit your comments to **3 minutes**.
3. State your name for the official record.
4. If written documentation is presented, please furnish one copy to the Board Clerk.

IF YOU WISH TO SUBMIT WRITTEN COMMENTS TO THE BOARD:

1. Please complete this form and return to the Board Clerk.
2. Written testimony will be entered into the official record.

**MEMORANDUM OF CHIEF PETITIONERS
on
BALLOT TITLE AND EXPLANATORY STATEMENT
FOR
MULTNOMAH COUNTY P.U.D. MEASURE**

July 31, 2003

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1. THE P.U.D. MEASURE CONSISTS OF TWO QUESTIONS, NOT ONE.	1
2. BOTH PROPOSED BALLOT TITLES INCORRECTLY STATE THAT THE MEASURE MAY CAUSE PROPERTY TAXES TO INCREASE MORE THAN THREE PERCENT, WHICH IS WRONG BY A FACTOR OF 10,000.	2

DANIEL W. MEEK
10949 S.W. 4th Avenue
Portland, OR 97219
503-293-9021 voice
503-293-9099 fax
dan@meek.net

1. THE P.U.D. MEASURE CONSISTS OF TWO QUESTIONS, NOT ONE.

The ballot title and explanatory statement prepared by the County Attorney correctly presents to voters two separate questions:

- (1) Shall Multnomah County People's Utility District be formed?
- (2) If formed, shall Multnomah County People's Utility District impose a one-year special levy of \$.003 per \$1000 assessed value in 2004.

The proposed alternative, first made available late yesterday, attempts to compress these two questions into a single question. This is contrary to ORS 261.171, which states (emphasis added):

261.171 County governing body to call election; notice; dates. (1) Upon its own resolution, the county governing body may, and upon receipt of an electors' petition or resolution of the governing body of a district or municipality which the county governing body finds to be in compliance with this chapter shall, at the earliest practical date submit **the question of district formation, annexation or consolidation and, if for formation, the question of a special levy**, to the electors within the affected territory at a special election. The special election may be held on the same date as a biennial primary election or general election.

This indicates that the question of district formation is one question, while the question of a special levy is another question. If they were supposed to be only one question, the statute would have to read "the question of district formation and special levy." It does not state that. Instead, it refers to them as separate questions.

ORS 261.200 does not countermand this. That statute provides a sample proclamation, which can be used if in fact a majority of voters voting vote in favor of formation and in favor of authorizing the levy. The providing of a sample proclamation to cover that circumstance does not preclude a proclamation declaring formation of the PUD, even if the levy fails.

The applicable statutes make it absolutely clear that, if a majority vote for formation, the PUD is formed, period, with no exceptions:

261.105 Authority to create districts; vote necessary to create district; vote necessary for annexation and consolidation. (1) People's utility

districts may be created as provided in this chapter. When so created, they may exercise all powers conferred by this chapter.

(2) When a majority of all votes cast, at an election within the boundaries of any proposed district to determine whether or not the district is to be formed, favor formation, the district shall be created.

This clearly indicates that there is to be a vote on "whether or not the district is to be formed" and that the votes to be counted on that question are those which "favor formation" or do not "favor formation." The statute does not call for a combined single vote on formation and imposition of the levy.

2. BOTH PROPOSED BALLOT TITLES INCORRECTLY STATE THAT THE MEASURE MAY CAUSE PROPERTY TAXES TO INCREASE MORE THAN THREE PERCENT, WHICH IS WRONG BY A FACTOR OF 10,000.

The proposed ballot title and explanatory statement, and the alternate, both incorrectly state:

This measure may cause property taxes to increase more than three percent.

This is flatly false, by a factor of 10,000. As each ballot title accurately states, "The levy for a house with an assessed value of \$150,000 would be 45 cents." If in fact the levy caused "property taxes to increase more than three percent," then the minimum added charge on a house with an assessed value of \$150,000 would be \$4,500.00. That is more than 45 cents by a factor of 10,000.

Even if the statement were interpreted to mean that property taxes would increase by three percent over the current level of property taxes, then that statement would be wrong by a factor of 220. Adding a levy of \$.003 to the current level of property taxes would increase the current level of property taxes by less than .000136 -- which is 0.0136 percent, not 3 percent.

County counsel has included this statement, due to her belief that ORS 280.070 applies to this election for a levy. It does not. That statute applies to "an election within a county for the purpose of approving a tax levy or rate **under ORS 280.060.**" The Multnomah County P.U.D. initial levy election is not an election for the purpose of approving a tax levy or rate under ORS 280.060. It is an election for a levy under ORS 261.113 and ORS 261.171. While ORS 280.060 is an implementation of Article XI, Section 11, of the Oregon Constitution (Ballot Measures 5 and progeny), ORS 261.113 and ORS 261.171 are implementations of Article XI, Section 12, of the Oregon Constitution (a ballot measure enacted in

1932), which independently authorizes People's Utility Districts "To levy taxes upon the taxable property of such districts."

In addition, ORS 280.060 applies when a taxing district with a property tax limit seeks to exceed that limit by adopting a "local option tax" pursuant to Article XI, Section 11(4) or Section 11(7)(c). The initial levy here is not a "local option tax." In order to be one, the Multnomah County People's Utility District would first be required to conduct an election under Article XI, Section 11(3)(c)(A) to "establish a limit on the rate of ad valorem property tax to be imposed by the district." Obviously, a PUD which does not exist has not conducted such an election.

Further, even if ORS 280.070 did apply, it includes several references to the applicability of ORS 250.035 to the ballot title for the measure. ORS 250.035 states:

250.035 Form of ballot titles for state and local measures. (1) The ballot title of any measure, other than a state measure, to be initiated or referred shall consist of:

(a) A caption of not more than 10 words which reasonably identifies the subject of the measure;

(b) A question of not more than 20 words which plainly phrases the chief purpose of the measure so that an affirmative response to the question corresponds to an affirmative vote on the measure; and

(c) A concise and impartial statement of not more than 175 words summarizing the measure and its major effect.

A statement which includes an assertion about property taxes which is demonstrably false by a factor of 10,000 does not qualify as "concise and impartial." The Oregon Supreme Court has held in dozens of cases that this phrase requires that a ballot title be accurate and neutral and that accuracy is a fundamental requirement for all elements of a lawful ballot title. In *Kain v. Myers*, 333 Or 497, 502, 41 P3d 1076, 1079 (2002), for example, the Court stated:

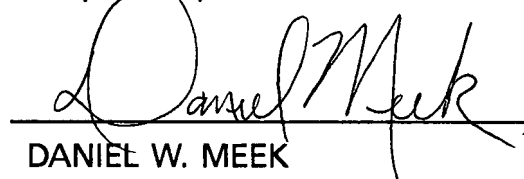
In conducting our review, we examine the ballot title's statements regarding the law that the proposed measure would create to determine whether they are accurate. We do so "to ensure that the ballot title does not misstate, even by implication, the law that the proposal would enact, and 'thereby create a spurious argument to support the measure's passage.' " *Novick/Bosak v. Myers*, 333 Or 18, 24, 36 P3d 464 (2001) (quoting Dale v. Kulongoski, 321 Or 108, 113, 894 P2d 462 (1995)).

It is no more appropriate, of course, to create spurious arguments to oppose a measure than to create such arguments to support it. See also *Mills v. Myers*, 329 Or 585, 993 P2d 807 (2000); *Mannix v. Kulongoski*, 323 Or 485, 918 P2d 839 (1996); *Ascher v. Kulongoski*, 322 Or 531, 909 P2d 1223 (1996); *Rooney v. Kulongoski*, 322 Or 15, 902 P2d 1143 (1995); *Aughenbaugh v. Roberts*, 309 Or 510, 789 P2d 656 (1990); *Bauman v. Roberts*, 309 Or 490, 789 P2d 258 (1990); *Hand v. Roberts*, 309 Or 430, 788 P2d 446 (1990); *Deras v. Roberts*, 309 Or 410, 788 P2d 987 (1990).

Thus, the phrase "This measure may cause property taxes to increase more than three percent" is certainly not required by ORS 280.070 and, as a totally wrong statement, is clearly prohibited by ORS 250.035.

Dated: July 31, 2003

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Daniel W. Meek", is written over a horizontal line.

DANIEL W. MEEK
10949 S.W. 4th Avenue
Portland, OR 97219
503-293-9021 voice
503-293-9099 fax
dan@meek.net



BCC ✓

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Portland, Oregon 97204
main 503.224.3380
fax 503.220.2480
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VIA FACSIMILE AND HAND DELIVERY

ROBERT D. VAN BROCKLIN
LetterheadTitle
Direct (503) 294-9660
rdvanbrocklin@stoel.com

July 30, 2003

Multnomah County Board of Commissioners
c/o Agnes Sowle
County Counsel
501 SE Hawthorne Blvd.
Portland, OR 97214

Re: Multnomah County People's Utility District Ballot Titles

Dear Members of the Board:

On behalf of our client, PacifiCorp, I am writing to you regarding the draft ballot titles for the proposed Multnomah County People's Utility District ("Multnomah PUD"). It is my understanding that the Board of Commissioners ("Board") will consider the draft ballot titles at its July 31, 2003 meeting. The draft ballot titles provide that two separate questions concerning the proposed Multnomah PUD be placed on the November 2003 ballot. The first question is whether to **form** the Multnomah PUD. The second question is whether the Multnomah PUD shall impose a one-year **special levy** of \$0.003 per \$1,000 of assessed value in 2004, if the Multnomah PUD formation measure is approved.

For the following reasons, we believe these two questions must be consolidated into one question.

1. Statutory Text. Upon receipt of an electors' petition to form a PUD that the county governing body finds to be in compliance with ORS chapter 261, ORS 261.171(1) provides that the county governing body must "submit the question of district formation **and** the question of a special levy to the electors within the affected territory at a special election." (Emphasis added). There is no requirement in ORS 261.171(1) that these questions be presented separately on the ballot.



ORS 261.200(1) provides that "if a majority of votes cast at the election favor formation of the district and authorization of the district to impose a special levy for the purposes stated in the petition for formation," the county governing body "shall issue a proclamation accordingly and file a certified copy with the county clerk of each county where the district or any portion thereof is located." (Emphasis added). The proclamation must state that (i) an election was held on a date certain, (ii) that the election was held within the boundaries of the proposed district, and (iii) that "there was submitted to the electors thereof the question whether or not a people's utility district should be incorporated.... and to give authority to impose a special levy of \$ _____ under and pursuant to the provisions of ORS chapter 261." The proclamation thus specifically refers to a single question, i.e., one that asks the voters to both form the district and authorize the imposition of the special levy. The proclamation must also proclaim and declare that the district has been "duly and legally incorporated" and "has the authority to collect the sum of \$ _____ by special levy against the taxable property within the district." It does not appear that a proclamation could be issued that did not proclaim both formation and authority to impose the levy.

If the county board approves the ballot titles as drafted and places two separate questions on the ballot, there is the possibility that the voters in the county will approve one question and defeat the other. In such a case, we do not believe the county could declare that the district had been formed. For example, if the formation question was approved, but the special levy question was defeated, the proclamation could not proclaim and declare that the district had the authority to impose the special levy. Yet ORS 261.200(1) requires that the proclamation make such a declaration. Conversely, if the formation question was defeated, but the special levy question was approved, the proclamation could not proclaim and declare that the district had been duly and legally formed. But, again, ORS 261.200(1) requires such a declaration. The Board can and should avoid these potential post-election problems by consolidating the formation and the special levy questions into a single question on the ballot.

2. Legislative History of Statutory Text. The position set forth above is also supported by the legislative history of ORS chapter 261. Chapter 261 was amended in 1979 (Or Laws 1979 ch. 558, effective July 21, 1979) to include ORS 261.113. At the time it was adopted, ORS 261.113 read in pertinent part as follows: "Voters' petitions and resolutions for formation of a district shall include a proposal for the authorization of the district to impose a special levy of a certain amount to finance an engineer's report on revenue bonds for the acquisition or construction of the initial utility system"

That same chapter of the 1979 laws also added ORS 261.171(1), which provides that "the county governing body ... upon receipt of an electors' petition ... shall ... submit the question of district formation ... and ... the question of a special levy, to the electors within the affected territory at a



special election.” Governing principles of statutory construction require that this requirement in ORS 261.171(1) must be read in conjunction with the requirement of ORS 261.113, which was adopted as part of the same 1979 Act: that is, since the legislature mandated that a PUD formation measure must include BOTH a proposal to create a district AND a proposal for a special levy, it must have been the intent of the legislature that the two questions would be presented to the voters as a single question.

3. Prior Ballot Title Precedent. If the Board has any doubt that a single question is appropriate, it need only look to its own 1988 ballot title for the proposed Pioneer People’s Utility District (“Pioneer PUD”). The Pioneer PUD measure was the last PUD formation proposal to be presented to county voters. The ballot title for that proposed PUD did, in fact, consolidate the formation and levy questions into one question (*see attached*). Since the 1979 amendments to ORS chapter 261 discussed above and which added ORS 261.113 and ORS 261.171(1) to the chapter, there have been at least two other PUD formation measures in the state, one in Polk County and one in Linn County (*see attached*). In both instances, the formation and levy questions were consolidated into a single question. We believe the county may and should rely upon these precedents and consolidate the two questions into a single question.

4. Double Majority Requirement. With respect to the application of the double majority provision of the Oregon Constitution to the ballot title, because ORS 261.200(1) only allows the county to proclaim that the district has been legally formed if “a majority of votes cast at the election favor formation of the district **and** authorization of the district to impose a special levy,” no district can exist unless both the formation and the special levy question are approved. (Emphasis added). Article XI, Section 8 of the Oregon Constitution requires that the question of the special levy satisfy the “double majority” requirement of that constitutional section, i.e. that a majority of the registered voters in the affected territory vote at the election and that a majority of all of the votes cast vote in favor of the levy. Because ORS 261.200 provides that the formation and levy questions appear on the ballot as a single question, the double majority requirement must be applied to the entire question.

5. Substitute Ballot Title. We understand that the Board may consider a substitute ballot title that would consolidate the formation and levy questions into a single question on the ballot. As is discussed above, PacifiCorp supports such a consolidation. By indicating such support, however, we do not mean to imply that PacifiCorp agrees with the discussion in the ballot title with respect to the effect on district formation of an election in which fewer than 50 percent of the registered voters in the affected territory vote. We reserve our right to challenge the measure



Multnomah County Board of Commissioners

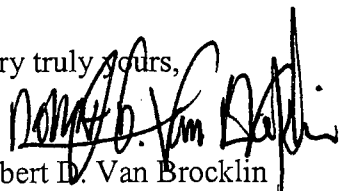
July 30, 2003

Page 4

if approved, including but not limited to claiming that results of the election do not comply with the double majority requirement and, thus, that the district may not be legally formed.

Thank you for the opportunity to comment on the proposed ballot titles and the substitute ballot title.

Very truly yours,


Robert D. Van Brocklin

cc: Ms. Deborah Bogstad (via messenger)
Mr. Bernie Bottomly
Ms. Barbara Halle

**FORMATION OF PIONEER PEOPLE'S
UTILITY DISTRICT #1,
AUTHORIZES LEVY FOR REPORT**

QUESTION: Shall Pioneer People's Utility District
26-7 #1 be formed with authority to impose
a special levy of \$50,000 for engineer's
report?

PURPOSE: Measure creates Pioneer People's
Utility District #1 governed by five district residents
elected to the board of directors. Measure also
authorizes special levy (property tax) of \$50,000,
estimated at \$.03 per \$1,000 of assessed property
valuation, for an engineer's report. Report would
study the costs of acquisition or construction of
an electric utility system. If district voters approve
in a future election, District could condemn
existing electric utility properties and issue
revenue or general obligation bonds.

YES

NO

For Director People's Utility
District #1

Vote for Five

RICHARD E. BEETLE

FRANK CARSNER

EASTON CROSS

LINDA L. EKHOF

GAYLE HIGHFINE

LINDA KRUGEL

JANET E. PENNER

SHARON J. ROSO

**PIONEER PEOPLE'S UTILITY
DISTRICT NO. 2**

**FORMATION OF PIONEER PEOPLE'S
UTILITY DISTRICT #2,
AUTHORIZES LEVY FOR REPORT**

QUESTION: Shall Pioneer People's Utility District
26-8 #2 be formed with authority to impose
a special levy of \$75,000 for engineer's
report?

PURPOSE: Measure creates Pioneer People's
Utility District #2 governed by five district residents
elected to the board of directors. Measure also
authorizes special levy (property tax) of \$75,000,
estimated at \$.04 per \$1,000 of assessed property
valuation, for an engineer's report. Report would
study the costs of acquisition or construction of
an electric utility system. If district voters approve
in a future election, District could condemn
existing electric utility properties and issue
revenue or general obligation bonds.

YES

NO

For Director People's Utility
District #2

Vote for Five

RICHARD BRANDMAN

PAT deGARMO

PHIL DREYER

RALPH FROHWERK

ED LYLE

ANDREW (ANDY) NEBERGALL

ROGER REDFERN

ALAN ROHR

CHARLES TREINEN

...for the offices and me
s will be open from 8 a.m. to

Nov. 1980

POLK COUNTY PEOPLE'S UTILITY DISTRICT	
REFERRED TO THE PEOPLE BY THE POLK COUNTY COMMISSIONERS	
10. FORMATION OF POLK COUNTY PEOPLE'S UTILITY DISTRICT Question: Shall a Polk County People's Utility District be created with authority to levy an initial property tax of \$100,000? Purpose: To create a people's utility district, with five directors, in Polk County. A people's utility district is authorized to sell electricity and water, fix rates, condemn and acquire property, levy taxes, issue voter approved revenue and general obligation bonds, and exercise other powers. Measure authorizes district to initially levy \$100,000 to finance an engineer's report on revenue bonds to acquire or construct an initial utility system and pay for an election.	
YES 162 →	
NO 163 →	
Directors PUD	R. W. BERGER
	SUSAN M. GARRETT
	CECIL HULTMAN
	ED PIERCE
Vote For Five	VIOLET ISABEL WETZEL
CITY OF SALEM	
For Mayor	
Vote For One	KENT L. ALDRICH, Incumbent
CITY OF SALEM MEASURE	
MEASURE SUBMITTED TO THE VOTERS BY THE COMMON COUNCIL	
51. REAL ESTATE TRANSFER TAX INCREASE Question: Shall Salem City Council be authorized to levy a real estate transfer tax on all transfers of real property in the city of Salem?	

27-11

Question: Shall the city of Salem be authorized to levy a real estate transfer tax on all transfers of real property in the city of Salem?

Purpose: The City of Salem is authorized to levy a real estate transfer tax on all transfers of real property in the city of Salem.

The City of Salem is authorized to levy a real estate transfer tax on all transfers of real property in the city of Salem.

CAPTION:
10 words or
less

FORMATION OF A PEOPLE'S UTILITY DISTRICT (P.U.D.) IN
LINN COUNTY

QUESTION:
20 words or
less

Shall the Linn County People's Utility District
be formed with authority to levy initial tax of
\$60,000 for Engineer's Report.

PURPOSE:
75 words or
less excluding
"A" Ballot lan-
guage

Approval of this measure will form a People's Utility
District governed by elected directors and authorize
\$60,000 for Engineer's study and report on acquisition
or construction of utility system supplying consumers
within the district with electrical energy needs, and
pay costs of election to authorize revenue bonds to
acquire the system. The District will have authority
to condemn properties, levy taxes and to issue voter
approved bonds.

If this measure is approved, \$60,000 of the taxes
levied will be financed partially by the State of
Oregon. The tax rate will depend upon the actual
boundaries determined by the election and the tax rate
cannot be determined at this time.

CERTIFICATE:
ORS 310.350
(1) 100 words
or less excluding
"A" Ballot
language

Oregon law requires this levy to be submitted to the
voters at the same time as the district formation
question. Because the District has no tax base,
the \$60,000 levy exceeds the Oregon Constitutional
tax limit by \$60,000. This measure has been placed
on the ballot by the petition of 769 Linn County
voters as provided by statute. Passage results in
creation of the District, a tax levy of \$60,000 and
a 5 member Board of Directors who will carry out the
lawful duties and purpose of the District.

FILED

SEP 1 1980

Del M. Riley, Clerk

By John F. Smith Deputy Clerk

BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

RESOLUTION NO. 03-112

Approving Ballot Title and Explanatory Statement for the People's Utility District Election on District Formation and Levy for Report

The Multnomah County Board of Commissioners Finds:

- a. On February 12, 2003, an electors' petition was filed with Multnomah County Elections Division (Elections) for formation of a People's Utility District (PUD) (Exhibit 3).
- b. On June 12, 2003, the Board determined the boundaries of the proposed PUD in accord with the petition for district formation, excluding certain property to correct deficiencies (under ORS 261.161(4)), as shown on the map (Exhibit 2), and called the election for November 4, 2003.
- c. The ballot title and explanatory statement for district formation and the levy have been prepared.

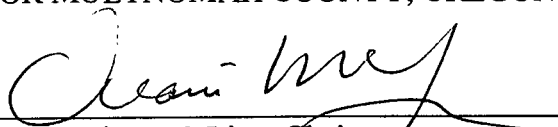
The Multnomah County Board of Commissioners Resolves:

1. The ballot title and explanatory statement attached to this Resolution as Exhibit 1 (A-B) are approved and certified to the Director of Multnomah County Division of Elections.
2. The Board Clerk shall submit this Resolution, ballot title and explanatory statement to the Elections Director for further action as required by law.

ADOPTED this 31st day of July 2003.



BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON


Diane M. Linn, Chair

REVIEWED:

AGNES SOWLE, COUNTY ATTORNEY
FOR MULTNOMAH COUNTY, OREGON

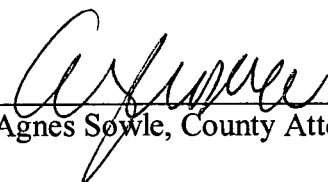
By 
Agnes Sowle, County Attorney

EXHIBIT 1-A

BALLOT TITLE

MEASURE NO. 26-49

CAPTION:

FORMS MULTNOMAH COUNTY PEOPLE'S UTILITY DISTRICT; AUTHORIZES SPECIAL LEVY

QUESTION:

Shall Multnomah County People's Utility District be formed with authority to impose a special one-year levy in 2004-05?

This measure may cause property taxes to increase more than three percent.

SUMMARY:

The special levy provided for in this measure may be passed only at an election with at least a 50 percent voter turnout.

If a majority of votes cast at the election favor the measure, the district shall be formed.

If there is a majority vote for measure and there is not a 50% voter turnout, the district will be formed but the special levy will not be authorized.

This measure creates Multnomah County People's Utility District with authority to levy a tax of \$.003 per \$1000 of assessed valuation to finance an engineer's report on revenue bonds for acquisition or construction of the utility system and the cost of an election to authorize revenue bonds, if held. If approved, the district would include all of Multnomah County except areas excluded by statute as determined by the Board of Commissioners.

The one-time levy raises a total of about \$127,000 to pay for the engineer's report. The levy for a house with an assessed value of \$150,000 would be 45 cents.

The estimated tax cost for this measure is an ESTIMATE ONLY based on the best information available from the county assessor at the time of estimate.

EXHIBIT 1-B

EXPLANATORY STATEMENT

MEASURE NO. 26-49

Form Multnomah County People's Utility District

If approved by a majority of the voters, the measure will create the Multnomah County People's Utility District (PUD). On June 12, 2003, the Multnomah County Board of Commissioners determined the boundaries of the proposed PUD to include all of the geographic area of Multnomah County except:

- A. Interlachen People's Utility District
- B. Rockwood Water People's Utility District
- C. Sections of townships with fewer electors than required under ORS 261.110(6) for inclusion or served by the City of Cascade Locks under ORS 261.110(5):
 - 1. Township 1 South Range 8 East Willamette Meridian
 - 2. Township 1 South Range 7 East Willamette Meridian
 - 3. Township 1 South Range 6 East Willamette Meridian
 - 4. Sections 1,10,11,12,13,14,15,22,23 and 24 in Township 1 South Range 5 East Willamette Meridian
 - 5. Township 1 North Range 7 East Willamette Meridian
 - 6. Township 1 North Range 6 East Willamette Meridian
 - 7. East half of section 21, NW corner of section 27, and NE corner of section 28 and all of Sections 12,13,14,15,22,23 24,25, and 36 in Township 1 North Range 5 East Willamette Meridian
 - 8. Township 2 North Range 7 East Willamette Meridian
 - 9. Township 2 North Range 6 East Willamette Meridian
- D. The identified portion of the City of Milwaukie that extends into Multnomah County on the County's southern border.

The special levy provided for in the measure will only be approved if there is also a 50% voter turnout. If there is a majority vote for the measure but there is not a 50% voter turnout, the district will be formed but the special levy will not be authorized.

If the special levy is authorized, the District will have authority to levy a one-time tax of \$.003 per one thousand dollars of assessed valuation in fiscal year 2004-05 to finance an engineer's report on revenue bonds for acquisition or construction of the utility system and the cost of an election to authorize revenue bonds, if held. The proposed levy would result in total estimated revenues of \$127,000. The levy for a house with an assessed value of \$150,000 would be 45 cents.

EXHIBIT 2

Multnomah County PUD Boundary

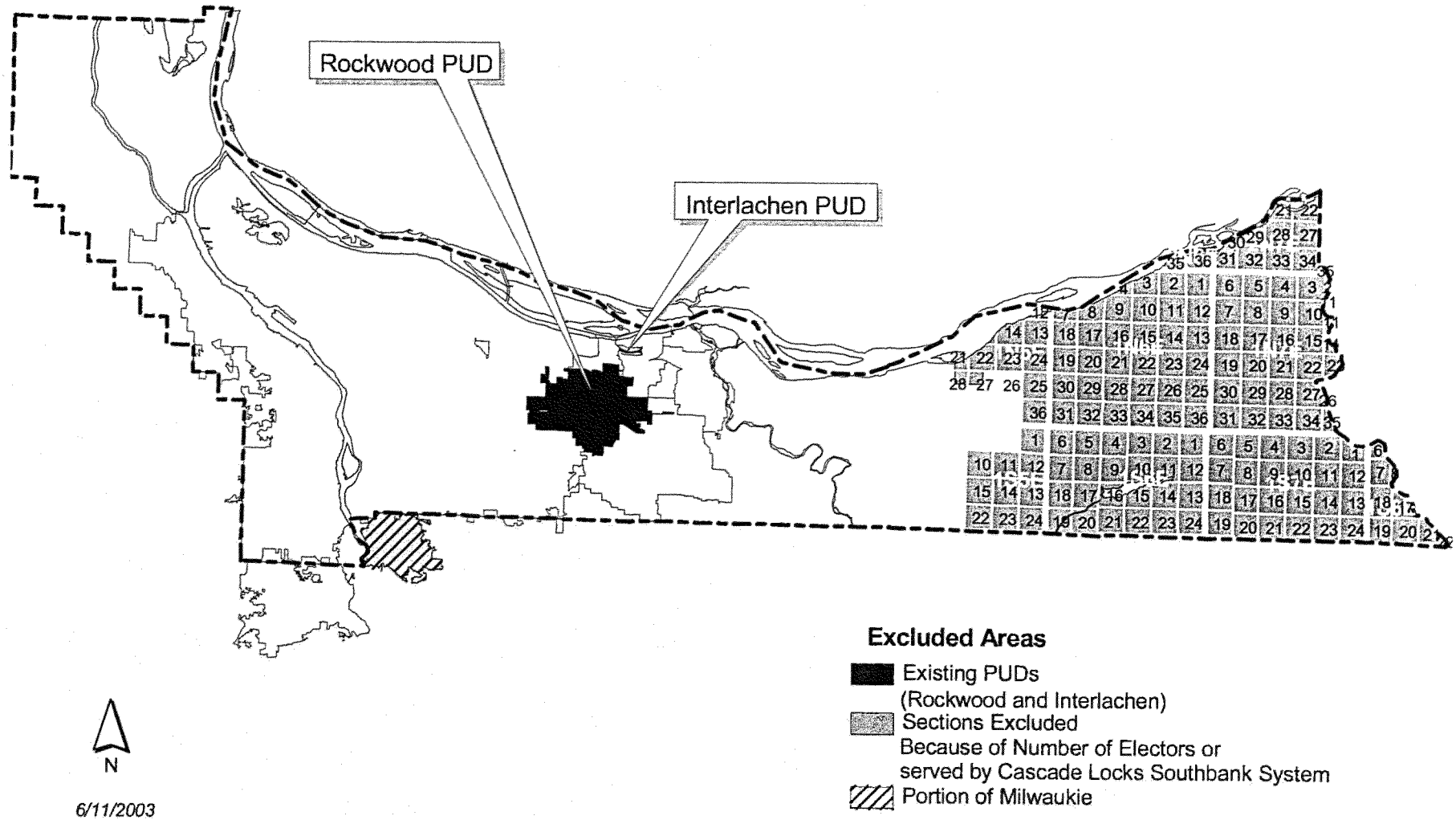


EXHIBIT 3

**ELECTORS' PETITION FOR FORMATION ELECTION
FOR THE
MULTNOMAH COUNTY PEOPLE'S UTILITY DISTRICT**

Whereas, with the intent that agreements allowing existing municipal electric utilities to enlarge their service territories into areas annexed by those municipalities should be respected, the Chief Petitioners desire to form the Multnomah County People's Utility District and address this petition to the Multnomah County Commissioners:

The Chief Petitioners, electors residing in Multnomah County, desire to form a utility district and request that an election be held, pursuant to ORS 261.105, on the question of whether to form the MULTNOMAH COUNTY PEOPLES' UTILITY DISTRICT (P.U.D.) in the following territory:

All of Multnomah County, except the areas within the boundaries of these existing People's Utility Districts:

Interlachen People's Utility District

Rockwood Water People's Utility District

In the event the people within any one or more municipalities or separate parcels of territory within the proposed district vote against its formation, then that portion of the district which voted in favor of organization of a people's utility district may be organized into the district.

As required by ORS 261.113, the Chief Petitioners also propose the question of whether the P.U.D. shall be authorized to impose a one-time special levy of 3 mills per one thousand dollars of assessed valuation (equal to \$3 per million dollars of assessed valuation) to finance an engineer's report and the election under ORS 261.355(1).

CHIEF PETITIONERS

Judith Barnes 1425 SE 37th Ave Portland OR 97214 503-232-1911	Frank Gearhart 2103 NE 24th Court Gresham, OR 97030 503-665-4777	Elizabeth Trojan 12320 SW 60th Ave Portland OR 97219 503-246-7850
Eric Dover 2425 NE 48th Ave Portland OR 97213 503-249-3993	Joan Horton 0234 SW Curry Portland OR 97239 503-228-4468	Bill Michtom 1110 SW Clay St #33 Portland, OR 97201 503-916-4102
	Scott Forrester 2030 NW 7th Place Gresham OR 97030 503-492-1593	



OFFICE OF
MULTNOMAH COUNTY ATTORNEY

MEMORANDUM

TO: Chair Diane Linn
Commissioner Maria Rojo
Commissioner Serena Cruz
Commissioner Lisa Naito
Commissioner Lonnie Roberts

FROM: Agnes Sowle
John Thomas

DATE: August 19, 2003

RE: Update on PUD Ballot Title challenge

We wanted to give you a brief update on the PUD Ballot Title challenge. As you know, the petitioners filed their challenge on Monday, August 11. Essentially they make two arguments. The first is that the formation and levy should be two separate questions. The second is that the language in the ballot title that the levy may cause taxes to increase more than 3%. In addition, the petition requests declaratory and injunctive relief which we contend is inappropriate in a ballot challenge.

Charlie Hinkle representing an individual voter has filed a motion to intervene to support the ballot title we prepared.

We met with Linda Williams (representing the petitioners) and Mr. Hinkle at court yesterday to ask the Court for a judge to hear this matter expeditiously, as provided in the statute. The challenge was assigned to Judge Janice Wilson. She set the following briefing schedule.

We will file two briefs Friday, August 22. One is a motion to dismiss those portions of the petition that are inappropriate in this challenge. The second is a brief which explains why we wrote the ballot title as we did. The petitioners must provide their proposed language for the ballot title by Monday, August 25. We will have until Friday, August 29, to respond to that language. On the same day, both the petitioners and intervener must respond to our briefs. Judge Wilson will hear oral arguments on the challenge at 1:30 p.m. on September 2, 2003. She will issue a ballot title to the Elections Director no later than September 4, 2003.

We are pleased with this schedule as it meets John Kauffman's filing and printing deadlines. If you have any questions about the process or status, please do not hesitate to give one of us a call.

BOGSTAD Deborah L

From: SOWLE Agnes
Sent: Wednesday, September 03, 2003 3:50 PM
To: KINOSHITA Carol; BOGSTAD Deborah L
Subject: FW: Certification of Ballot Title

FYI --

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

From: SAMPLE Christopher E
Sent: Wednesday, September 03, 2003 3:00 PM
To: SOWLE Agnes
Cc: THOMAS John S
Subject: RE: Certification of Ballot Title

Thanks Agnes. That's what I needed to hear. I'm assigning the following measure numbers.

26-51 Forms Multnomah County People's Utility District

26-52 Authorizes Multnomah County People's Utility District to Impose Special Levy

Eric
Multnomah Co. Elections

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

From: SOWLE Agnes
Sent: Wednesday, September 03, 2003 2:09 PM
To: SAMPLE Christopher E
Subject: FW: Certification of Ballot Title

Chris -- see below. Feel free to contact John directly if you have any further concerns.

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

From: THOMAS John S
Sent: Wednesday, September 03, 2003 12:23 PM
To: SOWLE Agnes
Subject: RE: Certification of Ballot Title

No. When the court certifies the ballot title, that is the ballot title and the old ballot title is of no further effect. There is nothing further to be done by the Board or us or anyone else. The new ballot title will need to be assigned two new measure numbers and should be handled the same as if it had come from the Board in the first place.

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

From: SOWLE Agnes
Sent: Wednesday, September 03, 2003 11:33 AM
To: THOMAS John S
Subject: FW: Certification of Ballot Title

Do we have to withdraw it?

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

From: SAMPLE Christopher E
Sent: Wednesday, September 03, 2003 10:46 AM
To: SOWLE Agnes
Subject: RE: Certification of Ballot Title

Agnes,

John has left for the day. I have one quick question. When you have received the court signature, will you or the commissioners withdraw the old ballot title and submit the two new titles/explanatory statements for us to assign **two new** measure numbers?

Eric
Multnomah Co. Elections

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

From: KAUFFMAN John
Sent: Wednesday, September 03, 2003 9:29 AM
To: AITKEN Linda M; SAMPLE Christopher E
Subject: FW: Certification of Ballot Title

FYI

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

From: THOMAS John S
Sent: Wednesday, September 03, 2003 9:23 AM
To: 'Hinkle, Charles'; 'dan@meek.net'
Cc: SOWLE Agnes; KAUFFMAN John
Subject: Certification of Ballot Title

Attached is the ballot title that I will be providing to the court for signature this morning.

<< File: Certification of Ballot Title.doc >> << File: Exhibit 1 to Certification.doc >>

NNEBA

BCC ✓

North Northeast Business Association

Creating a Thriving and Livable North/Northeast

P. O. Box 11565

Portland, OR 97211

September 4, 2003

Multnomah County Board of Commissioners
Ms. Deborah Bogstad, Board Clerk
501 S.E. Hawthorne Blvd., Suite 600
Portland, OR 97214

Dear Commissioners:

Re: Peoples Electric Utility District Proposal

The North/Northeast Business Association Board of Directors has unanimously voted to oppose the formation of the Multnomah County PUD.

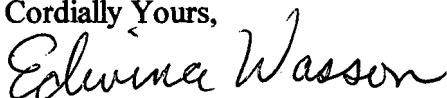
NNEBA feels the formation of a PUD will add an additional burden and uncertainty to our already troubled economy because:

- Condemning Portland General Electric's and PacificCorp facilities in Multnomah County will be costly, in excess of \$1 billion, lengthy and very disruptive to the community
- How costly or how complicated it will be to transition from established reliable servers to a PUD is unknown
- There is no certainty in where the PUD will be getting its power and at what cost

NNEBA believes the formation of the Multnomah County PUD puts residents and businesses at risk of higher rates and disruption in services.

Please consider our opposition to the formation of the Multnomah County PUD.

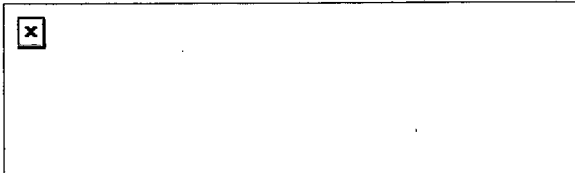
Cordially Yours,



Edwina Wasson
President

BOGSTAD Deborah L

From: Cindy [cindy@tigardchamber.com]
Sent: Saturday, September 13, 2003 12:19 PM
To: Deborah.L.bogstad@co.multnomah.or.us
Subject: Re: PGE and Pacific Power's Service



12345 SW Main Street
Tigard, Oregon 97223

September 8, 2003

Multnomah County Board of
Commissioners
Deborah Bogstad, Board Clerk
501 SE Hawthorne Blvd., Suite 600
Portland, Oregon 97214

Dear Commissioners:

The Tigard Area Chamber of Commerce Board of Directors desires to go on record as opposed to the condemnation of Portland General Electric and Pacific Power's service area and the proposed formation of a People's Utility District in Multnomah County.

The Chamber's Business Advocacy Committee expressed their position in one statement: "We support keeping Portland General Electric and Pacific Power, its successors and assigns, as private companies in their entirety." The Chamber Executive Committee and Board of Directors later supported this proclamation.

Our Chamber feels that disabling a viable, competent private corporation; in favor of a dubious public organization is philosophically contrary to our core belief in the free enterprise system. Approval of the dismantling of PGE and Pacific Power will be additional evidence to the nation that Oregon is "unfriendly" to private enterprise.

Sincerely,

9/15/2003

Dan Murphy
2003/2004 President

cc: TACC Board of Directors
Judy Crafton

Cindy St. Claire
Assistant to the Executive Director
Tigard Area Chamber of Commerce
12345 SW Main St., Tigard, OR 97223
503-639-1656 Fax 503-639-6302
www.tigardchamber.com

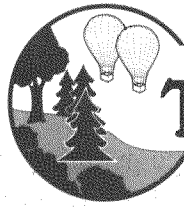
9/15/2003

BOGSTAD Deborah L

From: SOWLE Agnes
Sent: Monday, September 15, 2003 4:22 PM
To: #ALL CHAIR'S OFFICE; #ALL DISTRICT 1; #ALL DISTRICT 2; #ALL DISTRICT 3;
#ALL DISTRICT 4
Cc: BOGSTAD Deborah L; KAUFFMAN John
Subject: PUD Ballot Challenge

Today we received another ballot title challenge from the petitioners of the PUD -- this one filed in federal court. We just received the complaint but on my first quick reading, I cannot find sufficient facts alleged to sustain a complaint against the County and John Kauffman. We will continue to keep you apprised of the proceedings, but be sure to let me or John Thomas know if you have any questions.

Agnes Sowle
Multnomah County Attorney
501 SE Hawthorne Blvd., Ste. 500
Portland, OR 97214
(503)988-3138



TIGARD AREA Chamber of Commerce

BCC ✓

September 8, 2003

Multnomah County Board of Commissioners
Deborah Bogstad, Board Clerk
501 SE Hawthorne Blvd., Suite 600
Portland, Oregon 97214

Deborah.l.bogstad@co.multnomah.or.us
Original letter sent by mail

Dear Commissioners:

The Tigard Area Chamber of Commerce Board of Directors desires to go on record as opposed to the condemnation of Portland General Electric and Pacific Power's service area and the proposed formation of a People's Utility District in Multnomah County.

The Chamber's Business Advocacy Committee expressed their position in one statement: "We support keeping Portland General Electric and Pacific Power, its successors and assigns, as private companies in their entirety." The Chamber Executive Committee and Board of Directors later supported this proclamation.

Our Chamber feels that disabling a viable, competent private corporation; in favor of a dubious public organization is philosophically contrary to our core belief in the free enterprise system. Approval of the dismantling of PGE and Pacific Power will be additional evidence to the nation that Oregon is "unfriendly" to private enterprise.

Sincerely,

Dan Murphy
2003/2004 President

cc: TACC Board of Directors
Judy Crafton



North Clackamas County Chamber of Commerce

Mission Statement: "Provide responsible leadership and innovative resources for business and community."

September 18, 2003

Yamhill County Board of Commissioners
Yamhill County Courthouse
Room 106
535 NE 5th
McMinnville, OR 97128

John / Board Clerk
RECEIVED

SEP 22 2003

DIANE LINN
MULTNOMAH COUNTY CHAIR

Dear Board of Commissioners;

Please accept this letter as part of the public hearing process you will be holding on the petition to form a People's Utility District in Yamhill County.

The North Clackamas County Chamber of Commerce Board of Directors is opposed to the PUD and the proponent's efforts to condemn Portland General Electric assets in Yamhill County. We believe the proposal to form this PUD increases economic uncertainty and has many risks for all of PGE's customers.

The following are some of the points that show this to be poor public policy:

1. Creating a new government utility would eliminate private sector jobs, reduce local tax revenues, and create an adverse impact on the overall economy without lowering prices or improving electric service and reliability to business and residential customers in Yamhill County.
2. A PUD would add uncertainty to an already strained economy. The condemnation of a long time Oregon company promotes the view that Oregon is anti-business. It sends the wrong message to employers considering our area as a place to locate or expand.
3. A start up government utility would have no generation and be dependent on the wholesale market for power supply. It would sever Yamhill County from the integrated generation, transmission and distribution systems of PGE.
4. Start up utilities will not have access to lower-price BPA preference power in the foreseeable future.
5. A PUD condemnation proceeding will result in protracted litigation taking years and millions of dollars to resolve.

6. There is no regulatory oversight by the Oregon Public Utility Commission. Operational expenditures, rates, customer service standards, etc would be left to the PUD board with no outside review.
7. Government utilities can charge ratepayers 100 percent of their costs for the acquisition of the utility. Privately owned utilities can only recover book value plus operating costs.
8. PGE has a demonstrated record of high customer service satisfaction and superior reliability and safety performance.
9. PGE is a locally managed company with it's corporate headquarters in Portland. PGE employs 2800 people. As a business organization, we cannot support condemnation of a local business.

Thank you for the opportunity for discussion on this important matter. Please feel free to contact me if you need additional information.

Sincerely,



Wilda Parks, ACE
President/CEO

Cc: Oregon Office of Energy
Clackamas County Board of Commissioners
Multnomah County Board of Commissioners

BOGSTAD Deborah L

From: SOWLE Agnes
Sent: Monday, September 22, 2003 2:16 PM
To: #ALL CHAIR'S OFFICE; #ALL DISTRICT 1; #ALL DISTRICT 2; #ALL DISTRICT 3;
#ALL DISTRICT 4
Cc: BOGSTAD Deborah L
Subject: PUD Ballot Title Challenge

On Thursday, we attended the hearing on the federal ballot title challenge. Judge Haggarty ruled that while he could not overrule Judge Wilson's decision on the ballot title, he could look at the facial constitutionality of the statute that requires that elections on local option taxes (such as the special levy here) have to contain the language: This might raise your taxes more than 3%. He continued the hearing so that the Secretary of State could respond to the challenge of the statute.

At this point, we are defending only so far as the County's interests. We were required to put the questions on the ballot exactly as ordered by Judge Wilson and will take no position as to whether she was right or wrong. However, we do not feel that the County or John Kauffman are appropriately made defendants in this action and will continue to attempt to have the case dismissed as against them.

Please let me know if you have any questions.

Agnes Sowle
Multnomah County Attorney
501 SE Hawthorne Blvd., Ste. 500
Portland, OR 97214
(503)988-3138

BOGSTAD Deborah L

From: FARRELL Delma D on behalf of CHAIR Mult
Sent: Monday, September 29, 2003 9:17 AM
To: BOGSTAD Deborah L
Subject: FW: Relevant testimony and attachments on PUD questions



Lon Topaz
stimony OOE Yamhi



Who Killed Montana
Power mp3.p...



How is the tragic
fate of Mont...

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

From: rbee2020@hevanet.com [mailto:rbee2020@hevanet.com]
Sent: Wednesday, September 24, 2003 4:46 PM
To: Serena Cruz-2; Diane Linn-Co.chair; Maria Rojo de Steffy-1; Lisa Naito-d 3; Lonnie Roberts-4; Michael Shrunk
Subject: Relevant testimony and attachments on PUD questions

To Multnomah County Commissioners,

I am attaching a copy of testimony to be presented on September 25th, 2003 at the Oregon Office of Energy (OOE) Public Hearing in Yamhill County on the question of a PUD.

Unlike the sloppy job done on the so-called "report" submitted to you by OOE on the Multnomah County PUD question, Mr. Topaz (who has impeccable credentials) is urging OOE to do it right this time. Please read this simple and straightforward testimony and think a bit about what you might have done if you had received a report with some research done in it, as suggested by Mr. Topaz.

I have also attached a copy of a transcript of a 8/10/03 CBS 60 Minutes piece on Montana Power, and a discussion about what the repercussions could mean for Oregon, and Multnomah County.

I don't expect to hear from any of you, but you really should be more aware of what is happening here with the PGE/Enron Reorganization Plan.

A very concerned citizen,
Robin Bee
Oregon Public Power Coalition
503-232-1911

Yamhill County PUD
Presentation of Lon Topaz
Oregon Office of Energy
September 25, 2003

Disclaimer

Here on my own, not representing my employer, PUD # 1 of Grant County, WA

Background and Experience:

10 years with the OPUC

16 Months as Director of the Oregon Department of Energy

5 years as Community Development Administrator for the City of Beaverton, OR

8 years as General Manager of Emerald PUD

Background and Experience -2:

4 years as Assistant General Manager of the Sacramo Municipal Utility District

4 years as Integrated Resources Manager for the City of Anaheim , Public Utilities Department

4.5 years as Director of Resource Management, Public Utility District #1 of Grant County, WA

Background and Experience:

American Public Power Association

Northwest Public Power Association

Public Power Council

Public Generating Pool

Last Mile Electric Cooperative

Ephrata and Moses Lake Chamber of Commerce Board

Lane County Planning Commission

Springfield School District Budget Committee

Purpose of Presentation:

Provide Information to the Office for its required report on the Yamhill County PUD

Ask the Office to independently research several issues

Urge the Office to work for the people of Oregon by being fair, thorough and immune from hyperbole or mythology

Important Issues :

Costs of acquisition of distribution/generation by new PUD

Power Supply availability and cost

Ability to run a local utility

Cost to Acquire:

Lots of talk and lots of smoke- essential truth is that no new PUD has had to go through full eminent domain processes to acquire its system from the incumbent Investor Owned Utility

Costs paid have varied but most often have approximated Replacement Cost New-less depreciation

Cost to Acquire- 2:

Look at Emerald PUD and PacifiCorp

Columbia River PUD and PGE- 1984

Columbia River PUD and PGE - 2002

Power Supply:

Pretty Straight forward:

New PUD will be a public preference customer of BPA and will participate in BPA Power (You can argue when and how, but it will happen)

Current BPA provision of power to PGE for the residential exchange should move to the new PUD by contract. (Here the Office can simply review the BPA/PGE Agreement and put forth the facts)

Power Supply-2:

The ability of the new PUD to acquire PGE contractual rights and/or generating facilities is unknown. In the past it has not been an issue, new publics simply went to the cheapest supplier- BPA.

Now it is an issue. ORS 261.305(4) gives the district the right to acquire and hold real and other property necessary to acquire a supply of energy generated from any utility.

Power Supply -3:

ORS 261.305 (5) gives the district the power of eminent domain for the purpose of acquiring "any property, within or without the district, necessary for the carrying out of the provisions of this chapter."

ORS 261.305 (16) states "To take any other actions necessary or convenient for the proper exercise of the powers granted to a district by this chapter and by section 12, Article XI of the Oregon Constitution."

Ability to Operate the New PUD:

Oregon already has six PUDs, 12 municipals - McMinnville for example- and 16 electric cooperatives. All of which have effective , low cost operations.

Today's "economy of scale" argument is largely a generation/transmission issue and the PUD will get that from the BPA. Local services are often cheaper than PGE.- Comparable statistics are available to the Office and should be checked out for the final report.

Summary:

PUD will get property at a reasonable cost

Power will come from BPA and/ or existing PGE resources

New PUD will be efficient and locally controlled

Finally, ask that the Office leave the record open for some period of time to receive more information from all parties.

How is the tragic fate of Montana Power relevant to PGE ratepayers?

Because Enron's bankruptcy could *force deregulation on us*, with similar massive rate increases and job losses, all without the consent of Oregon's legislature or the Oregon Public Utilities Commission.

There is ample precedent to believe that Enron's bankruptcy will result in the complete loss to ratepayers of PGE's valuable generation and transmission assets, which would necessitate truly massive rate increases.

That's because Enron owns 100% of Portland General Electric. Enron is bankrupt and its creditors, mainly Wall Street investment firms, have a responsibility to recover as much as possible for their investors. This they can do by ensuring that Enron sells PGE's assets for the highest price they will fetch. PGE's valuable hydro-dams and Pacific Intertie will command a much higher price if they can be sold to a buyer that cannot be regulated by Oregon's PUC. Enron's reorganization plan permits such a sale and federal bankruptcy law leaves the state of Oregon powerless to prevent it.

To see just how powerless a state PUC is to stop such a sale, we need only look at the recent example of Pacific Gas & Electric in California. When bankrupt PG&E threatened to sell its assets to an unregulated buyer, the California PUC and State of California went to federal court to stop it. But they lost. Every federal court decision since Congress changed the Bankruptcy Code in 1978 has found that utility generation and transmission assets can be sold out from under state rate regulation, no matter what the state wants. The California PUC staff has now offered PG&E a \$7.5 billion dollar rate increase (over 10 years), if PG&E will abandon its plan to sell the assets out from under the PUC's jurisdiction. Californians will now have the highest electric rates in the nation.

Oregon could be next. The rate increases from the sale of PGE's generation and transmission assets to an unregulated buyer could top \$400 million per year, because, just as in Montana, the new owner will be able to sell the power from its new assets anywhere it likes for the highest price it can obtain, leaving PGE ratepayers "powerless" in more ways than one.

As we saw in the video, Goldman Sachs is the investment house that persuaded the Montana legislature to deregulate Montana Power, so that its assets could be sold to an unregulated buyer (Pennsylvania Power & Light) and fetch the highest possible sale price. The loss of the reliable low-cost energy Montana Power had been delivering for nearly a century has caused massive rate hikes, closed mining operations, produced major job losses and devastated Montana's local economy. Goldman Sachs is also one of Enron's creditors, along with a slew of other Wall Street investment firms who are under no obligation to look out for the interests of Oregon ratepayers.

A People's Utility District will save us from the fate of Montana Power

Only a body with the power of eminent domain and the will to use it can rescue PGE's valuable assets from Enron's creditors and acquire them for the benefit of the public. Once it is formed by the voters, a PUD will have the power of eminent domain and the public mandate to use it.

The City of Portland also has the power to condemn PGE's assets, but the City Council still lacks the votes to use that power to protect ratepayers.

Only public ownership of PGE will spare us from a repeat of Montana Power here in Oregon. The question for voters is: who do we trust with our energy future, Enron and its creditors or ourselves?

Vote YES on Measures 26-51 and 26-52

Who Killed Montana Power?

(transcript of "60 Minutes" show) CBS Broadcasting, Inc.
August 10, 2003

Touch America was the brainchild of Montana Power/Touch America CEO Bob Gannon, who was born and bred in Montana.

"It's the American way now, unfortunately, that a company can take itself down. And a company can destroy itself, and its shareholders." Gary Buchanan former Montana legislator

For nearly 90 years, the Montana Power Company exemplified the very best of American capitalism. It provided cheap, reliable electricity for the people of Montana, excellent benefits for thousands of employees and generous, reliable dividends for its stockholders.

Everyone was happy, except for the corporate officers and their Wall Street investment banking firm who decided there was more money to be made in the more glamorous and profitable world of telecommunications.

The result exemplified the worst of American capitalism.

When 60 Minutes first reported this story last February, the cheap electricity, the good jobs and the life savings of a lot of people were gone, along with the name Montana Power.

Its demise may not be the biggest scandal of our time, but to its stockholders, it shows how greed and outright stupidity destroyed one of the oldest and proudest companies in America. Correspondent Steve Kroft reports.

Gary Buchanan is a former Montana legislator who runs an investment firm in Billings. Over the years, he bought and held lots of Montana Power stock for his clients.

What's more, its customers, which was everyone in Montana, had some of the lowest electricity bills in the country. The rates were regulated by the state, and in exchange, Montana Power received a monopoly.

The only people not satisfied with the arrangement were the executives at Montana Power. In 1997, their lobbyist pushed a bill through the state legislature to deregulate the price of electricity and open up the market to competition. It was supposed to be good for the consumers, who could decide who they were going to buy their power from at the lowest possible prices.

But Frank Morrison, a former Montana Supreme Court justice who now represents the stockholders, believes there was another reason. He says Montana Power officials had already decided to get out of the utility business, and were using deregulation to drive up the price of its assets.

"Part of the plan involved going to the legislature and pushing through a bill right at the end of the session, with no deliberation to deregulate power in Montana," says Morrison. "They did that, in order to make the generating assets more valuable on the open market. No price limit on selling power in Montana. Therefore we can go out and sell these generators for more money."

Sure enough, within six months of the bill's passage, the company began selling off its generating assets.

First it sold the company's hydroelectric dams, coal mines and power plants to Pennsylvania Power and Light. Next, Montana Power announced it was selling its transmission and distribution system and getting out of the business entirely.

It was going to join the dot.com revolution by transforming itself into a high-tech telecommunications company called Touch America. The decision was made on the advice of its New York investment banker, Goldman Sachs, without consulting the stockholders.

"Everybody was stunned," says longtime shareholder Marjorie Schmechel. "I mean, the shareholders that I knew were stunned. The employees that I know said that that came completely out of the blue to them."

Schmechel and her brother Mike now owned a stock called Touch America, which had once been a small but profitable telecommunications subsidiary of Montana Power.

Do they think that most of the stockholders knew that their investment had gone from a sort of stodgy, reliable, safe utility stock to a very, very highly speculative, very risky telecom stock?

"I would say that most of them knew there was some change," says Mike Schmechel. "But I doubt that most of them knew how drastically different it was."

The company's plan was to take the \$2.7 billion dollars raided in the sale of Montana Power's assets, and literally bury the profits in the ground.

The new company, Touch America, was going to lay a 26,000-mile fiber optic network that would carry voice video and data transmission across a dozen western states. It was the brainchild of Montana Power/Touch America CEO Bob Gannon, who was born and bred in Montana.

Why does Morrison think that Gannon and Goldman Sachs decided to get out of the energy business and into telecom?

"He was tired of what he thought was a stodgy utility stock. He owned an awful lot of shares. And I think he wanted to be the Bill Gates of Montana," says Morrison. "I think he wanted to get into a high flier situation where he could go to a \$100 a share instead of sit there at \$30. With Sachs, Goldman Sachs, it was simply money."

It didn't take long before things started to unravel. No sooner had Montana Power sold its dams and power plants, than deregulated electricity prices shot through the roof - and Pennsylvania Power and Light began selling its cheap Montana electricity out of state to the highest bidder.

Electricity prices in Montana doubled, then redoubled, and doubled again - refineries, lumber mills, and the last working copper mine in Butte

was forced to suspend operations because they couldn't afford their electricity bills.

"If we were going to continue to run, we were faced with prices that were \$150 to \$600 a megawatt hour. In other words five to 20 times what we were paying before," says Greg Stricker, a manager at the mine.

That was just the beginning. By getting out of utilities and into telecommunications, Montana Power/Touch America had bought into the biggest stock market bubble in American history. Just before it burst.

Apparently, there was a lot more fiber optic cable in the ground than there were e-mails and phone calls to travel on them. And the billions of dollars buried in the ground are now worth pennies on the dollar, just like the stock.

"It seems counterintuitive, and I will say the word stupid, to sell off the business that you know that is generating income for thousands of employees and providing a steady rate of return for shareholders - for a company that is now worth 53 cents a share," says Margery Schmechel.

Last time 60 Minutes checked, the stock was down to 33 cents.

"Montana Power had 3,000 employees. And now a lot of those are laid off, or transferred or working for different companies," says Mike Schmechel. "It has had a devastating effect on Butte. Many of the retirees are wondering whether their pension benefits are secure. Their savings are certainly not secure. And then there's a lot of uncertainty."

Jack Timmer, who worked for Montana Power for 27 years and retired two years ago, says he's lost \$350,000 in his 401K.

Timmer had to hang up his fishing pole and return to work. Now, he makes a minimum wage driving and loading trucks for a tire company.

And at the M&M, a 24-hour bar and restaurant that hasn't locked its door since the 1880s, people are out for blood.

"The whole thing was just wrong what they did. People here losing money and they have no retirement," says one waitress. "They have nothing coming in. Companies shouldn't be able to do that. I don't think anybody ever thought we'd never have Montana Power."

Some of those involved were in New York City, at the huge Wall Street investment firm of Goldman Sachs. As financial advisors to Montana Power, Goldman Sachs executives made more than 100 trips to Montana urging the company to get out of the utility business. And they made the crucial presentations to the board of directors.

"Bob Gannon could have never sold this plan to the board. He didn't have enough credibility," says Morrison. "I think Goldman Sachs was in it from the beginning. I think they pushed it. They drove the truck, so to speak."

Goldman Sachs declined to comment on this story. But according to its contract with Montana Power, Goldman Sachs was to be paid a flat fee as financial advisor. It was also to be paid a transaction fee or commission on every asset that was sold.

Morrison says that it was in Goldman Sachs best interest to have

Gannon and the board sell off the assets: "The evidence is going to show that the weeks would go by and then there would be memos in which Goldman Sachs would just keep pushing, 'This has to be done now. No better time than now. The market for this can only get worse.' But they were definitely the driver. They were pushing it all the time."

Morrison believes Goldman Sachs made about \$20 million dollars on the deal, and his lawsuit outlines what he calls an end run around the shareholders.

The firm's contract with Montana Power stipulates that "any advice provided by Goldman Sachs...is exclusively for the information of the Board of Directors and senior management of the company..." Morrison translates that into "don't tell the shareholders."

"Because until this thing was finalized they didn't want people raising questions," he says. "It would be an extremely controversial thing if that got out."

Does Morrison think that Goldman Sachs knew that this was not particularly a good deal for the stockholders? "I don't think they cared very much," he says. "They were making money."

The final insult to the people of Montana came last summer, just days after Touch America announced a second-quarter loss of \$30 million dollars. Gannon announced that he and three other executives were going to receive a \$5.4 million dollar payout.

"If you look at the market capitalization, at this stage of the market, that's giving 10 percent of the market cap of this company to executives who failed," says Buchanan.

"It appears to most people that they're stuffing their pockets with the last of the cash before the ship sinks, and taking the life raft off, and leaving everyone else on board," says Mike Schmechel.

Margery Schmechel tried to raise all of this at the stockholders meeting, which, for the first time, was held outside the state of Montana, in Minneapolis. When Gannon saw her get up to ask a question, the meeting was over.

Gannon spends a lot of his time avoiding people. He wouldn't give 60 Minutes an interview either.

But don't worry too much about Bob Gannon. He's built himself a \$3 million dollar home on Flathead Lake, and he has a new three-year contract - if Touch America stays in business that long.

"It's the American way now, unfortunately, that a company can take itself down. And a company can destroy itself, and its shareholders," says Buchanan. "But I think in this case, we have a company that helped take a state down. And I think that's what's fundamentally different here."

After hemorrhaging money and laying off more than half of its workforce, after being de-listed from the New York Stock Exchange, Touch America filed for Chapter 11 Bankruptcy protection in June.

Touch America now plans to sell off all its remaining assets to help finance the 14 lawsuits filed against it.

And remember the M&M, the local Butte bar and restaurant that hadn't locked its doors since the 1880s? It has finally locked them permanently because there wasn't enough money in Butte passing through them.

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**OREGON
RURAL
ELECTRIC
COOPERATIVE
ASSOCIATION**

RECEIVED

OCT 07 2003

October 3, 2003

Commissioner Diane Linn
Multnomah County Board of Commissioners
501 SE Hawthorne Blvd. Suite 600
Portland, OR 97214

DIANE LINN
MULTNOMAH COUNTY CHAIR

C JB, Clerk

Dear Commissioner Linn:

On behalf of the members of the Oregon Rural Electric Cooperative Association, I would like to provide you with some comments on the formation of a People's Utility District (PUD) in Multnomah County. Electric cooperatives serve approximately 300,000 consumer-owners in the most rural areas of the state. Our density is an average of 6 customers per mile of line in a geographic area covering 65% of the State of Oregon. This low density requires high distribution costs and causes much concern over increased wholesale power rates. All of the electric cooperatives are currently preference customers of the Bonneville Power Administration and purchase 100% of their power from BPA. We are also all locally governed utilities and believe ratepayers are served well by having local control of their utility.

There are many uncertainties surrounding a change in ownership of Portland General Electric. Both a City of Portland acquisition and new PUD formations have been proposed as possibilities. All of these proposals could bring great benefit to the customers in those jurisdictions. However, there is a possibility that these benefits could come at the expense of other BPA customers in the state.

Because of the questions about ownership of PGE's current generation assets, a new public utility could be in a position to exercise their preference rights and become BPA customers, either for their entire electrical load or net load with PGE generation facilities. This causes us some concern due to the fact that BPA has a limited supply of low-cost hydropower. Additional demand for BPA power may require market purchases or other non-hydropower supply resulting in a melded rate, which would have the effect of increasing current BPA rates.

In addition, several electric co-ops have contracts or agreements with PGE for either territory or services. We are unsure as to how a change in ownership would impact those agreements.

Currently, PGE is under PUC regulation and is required to pay a 3% public purpose tax, neither of which apply to consumer-owned utilities. These exemptions are designed to allow us to maintain local control of our utilities and keep our distribution costs to a minimum. Recognize that cooperatives pay for public purposes through their BPA power purchases and through local conservation and weatherization programs. These efforts exceed the 3% level.

October 3, 2003

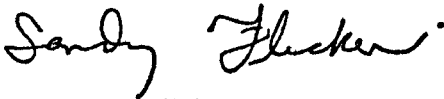
There are property tax issues of concern to some of the rural counties in Oregon. Columbia Basin Electric Cooperative serves Morrow County and has expressed grave concern because Morrow County currently receives one-half of their tax revenue from PGE because of PGE generation assets in Morrow County.

During the past legislative session, the Oregon Rural Electric Cooperative Association supported a Resolution, see attached, that should the City of Portland acquire PGE, they would make every effort to avoid making power purchases from BPA that would increase cost to current customers. We continue to support this concept should a PUD be formed in Multnomah County.

We ask that in your deliberations regarding possible formation of a new PUD, you consider these issues of concern. Changes in ownership of PGE should benefit all customers in the State of Oregon, politically, locally and economically.

We thank you for your consideration of our concerns.

Sincerely,

A handwritten signature in cursive script, reading "Sandra Flicker".

Sandra Flicker
Executive Director

Enc.

cc: Legislators in House Districts 27, 31, 33, 36, 38
41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52
Senate Districts: 14, 16, 17, 18, 19, 21, 22, 23, 24, 25, 26

A-Engrossed Senate Joint Resolution 12

Ordered by the Senate August 25
Including Senate Amendments dated August 25

Sponsored by Senator METSGER

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

[Proposes amendment to Oregon Constitution to limit initiative amendments to Constitution to those that relate to structure and organization of government, limitation of government powers or election of government officials.]

[Refers proposed amendment to people for their approval or rejection at next regular general election.]

Expresses desire of Legislative Assembly that if City of Portland acquires Portland General Electric and successor utility qualifies as preference customer of Bonneville Power Administration, that successor utility will make effort to avoid significant cost shifts to existing preference customers of Bonneville Power Administration and that successor utility consider rate impact of preference power purchase on other preference customers.

JOINT RESOLUTION

Whereas the Enron Corporation is in bankruptcy proceedings supervised by the federal bankruptcy court; and

Whereas Enron owns Portland General Electric, the largest investor-owned utility in Oregon; and

Whereas the City of Portland has expressed an interest in acquiring Portland General Electric; and

Whereas many consumer-owned utilities have preference customer status for purposes of acquiring power from the Bonneville Power Administration; and

Whereas other consumer-owned utilities could be adversely affected if Portland General Electric were to become a consumer-owned utility and also acquire preference customer status for purposes of acquiring power from the Bonneville Power Administration; now, therefore,

Be It Resolved by the Legislative Assembly of the State of Oregon:

That we, the members of the Seventy-second Legislative Assembly, urge that, if the City of Portland acquires Portland General Electric and the successor utility thereafter established qualifies as a preference customer of the Bonneville Power Administration, the governing body of the successor utility make every effort to avoid significant cost shifts to existing preference customers in Oregon that may result from the successor utility's purchasing preference power from the Bonneville Power Administration, and we further urge that the governing body of the successor utility consider the rate impact of any preference power purchase on other preference customers in Oregon.

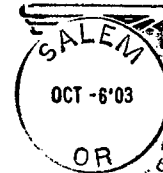
NOTE: Matter in boldfaced type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in boldfaced type.



OREGON
RURAL
ELECTRIC
COOPERATIVE
ASSOCIATION

707 - 13TH ST. SE SUITE 200
SALEM, OREGON 97301-4005

PRESORTED
FIRST CLASS



DIANE LINN, COMMISSIONER
MULTNOMAH COUNTY BOARD OF
COMMISSIONERS
501 SE HAWTHORNE BLVD. SUITE 600
PORTLAND OR 97214

H-GDNMM 97214



AGENDA PLACEMENT REQUEST

BUD MOD #:

Board Clerk Use Only:

Meeting Date: July 31, 2003

Agenda Item #: R-12

Est. Start Time: 11:00 AM

Date Submitted: 07/23/03

Requested Date:	July 31, 2003	Time Requested:	15 mins
Department:	Business & Community Services	Division:	Finance
Contact/s:	Dave Boyer		
Phone:	503 988-3903	Ext.:	83903
		I/O Address:	503/4
Presenters:	Dave Boyer and Agnes Sowle		

Agenda Title: Government Expenditure Contract (190 Agreement) 4600004396 with the City of Portland, for the Supervision, Collection and Administration of the Multnomah County Income Tax as Approved by Ballot Measure 26-48

NOTE: If Ordinance, Resolution, Order or Proclamation, provide exact title. For all other submissions, provide clearly written title.

- 1. What action are you requesting from the Board? What is the department/agency recommendation?** Approve the Collection/Administration Intergovernmental Agreement.
- 2. Please provide sufficient background information for the Board and the public to understand this issue.**

On May 20, 2003, the voters of the County passed a temporary three year personal income tax (the "Income Tax") as Measure 26-48. The particulars of the tax are as follows:

- The tax rate is 1.25% on Oregon taxable income after exemptions and is levied on County residents.
- The Income Tax is effective January 1, 2003 and terminates December 31, 2005.

- The Income Tax is due on April 15 beginning in year 2004 and ending in year 2006.
- Employers will be allowed and may be required to deduct Income Tax withholdings from the paychecks of County residents.
- Taxpayers will be allowed to make estimated quarterly payments.

During the preparation of the Ballot Measure the County had been working with the State of Oregon Department of Revenue in anticipation of them administering the collection of the tax. Just prior to the passage of the measure the Department of Revenue informed the County that they would not collect the tax. As an alternative the County began discussing the collection of the tax with the City of Portland Bureau of Licenses and the City's Bureau of License is willing to administer the Income Tax. Intergovernmental Agreement Matrix is attached.

3. **Explain the fiscal impact (current year and ongoing).** The first year costs to the County will not exceed \$4,600,000. The second and third year the cost to collect the tax will not exceed \$3,500,000 each year. The resources for the administration of the tax collections are currently budgeted at \$7 million per year.

NOTE: If a Budget Modification or a Contingency Request attach a Budget Modification Expense & Revenues Worksheet and/or a Budget Modification Personnel Worksheet.

If a budget modification, explain:

- ❖ What revenue is being changed and why?
- ❖ What budgets are increased/decreased?
- ❖ What do the changes accomplish?
- ❖ Do any personnel actions result from this budget modification? Explain.
- ❖ Is the revenue one-time-only in nature?
- ❖ If a grant, what period does the grant cover?
- ❖ When the grant expires, what are funding plans?

NOTE: Attach Bud Mod spreadsheet (FORM FROM BUDGET)

4. **Explain any legal and/or policy issues.** Meets the County's legal requirements and is consistent with County policies
5. **Explain any citizen and/or other government participation that has or will take place.** None.

Required Signatures:

Department/Agency Director: *David Boyer*

Date: 07/22/03

Budget Analyst
By:

Date:

Dept/Countywide HR
By:

Date:



IGA Contract

Vendor Address

PORTLAND CITY OF
BUREAU OF LICENSES
1900 SW 4TH AVE RM 3500
PORTLAND OR 97201-5304

Information

Contract Number 4600004396
Date 07/24/2003
Vendor No. 49681
Contact/Phone BCS Finance /

Validity Period: 07/01/2003 - 06/30/2007
Minority Indicator: Not Identified

Estimated Target Value: 12,000,000.00 USD

Item	Material/Description	Target Qty	UM	Unit Price
0002	<p>Contact: Theresa Sullivan 503-988-3635</p> <p>Administration of Income Tax</p> <p>Plant: F070 Business & Community Service Requirements Tracking Number: 30000101BA Supervise, collect and administer Multnomah County Income Tax as approved by Ballot Measure 26-48</p>	12,000,000.000	Dollars	\$ 1.0000

MULTNOMAH COUNTY CONTRACT APPROVAL FORM

Pre-approved Contract Boilerplate (with County Attorney signature) ☐ Attached ☐ Not Attached Contract #: 4600004396
Amendment #: _____

CLASS I	CLASS II	CLASS III A
Contracts \$75,000 and less per 12 month period	Contracts over \$75,000 per 12 month period	<input checked="" type="checkbox"/> Government Contracts (190 Agreement)
<input type="checkbox"/> Professional Services Contracts <input type="checkbox"/> PCRB Contracts <input type="checkbox"/> Maintenance Agreements <input type="checkbox"/> Licensing Agreements <input type="checkbox"/> Public Works Construction Contracts <input type="checkbox"/> Architectural & Engineering Contracts <input type="checkbox"/> Revenue Contracts <input type="checkbox"/> Grant Contracts <input type="checkbox"/> Non-Expenditure Contracts	<input type="checkbox"/> Professional Services Contracts <input type="checkbox"/> PCRB Contracts <input type="checkbox"/> Maintenance Agreements <input type="checkbox"/> Licensing Agreements <input type="checkbox"/> Public Works Construction Contracts <input type="checkbox"/> Architectural & Engineering Contracts <input type="checkbox"/> Revenue Contracts <input type="checkbox"/> Grant Contracts <input type="checkbox"/> Non-Expenditure Contracts	<input checked="" type="checkbox"/> Expenditure <input type="checkbox"/> Non-Expenditure <input type="checkbox"/> Revenue CLASS III B <input type="checkbox"/> Government Contracts (Non-190 Agreement) <input type="checkbox"/> Expenditure <input type="checkbox"/> Non-Expenditure <input type="checkbox"/> Revenue <input type="checkbox"/> Interdepartmental Contracts

Department: Finance Budget and Tax Division: Tax Date: July 31, 2003
 Originator: Theresa Sullivan Phone: (503) 988-3635 Bldg/Rm: 501/4th floor
 Contact: Dave Boyer Phone: (503) 988-3903 Bldg/Rm: 501/4th floor
 Description of Contract: _____

RENEWAL: ☒ PREVIOUS CONTRACT #(S): Administrative Agreement City of Portland to Administer Income Tax
 RFP/BID: _____ RFP/BID DATE: N/A
 EXEMPTION #: _____ ORS/AR #: _____
 Effective DATE: _____ EXPIRATION DATE: _____
 CONTRACTOR IS: ☐ MBE ☐ WBE ☐ ESB ☐ QRF State Cert# _____ or ☐ Self Cert ☐ Non-Profit ☒ N/A (Check all boxes that apply)

Contractor <u>City of Portland Bureau of Licenses</u>		Remittance address _____	
Address <u>1900 SW 4th Avenue, Room 3500</u>		(If different) _____	
City/State <u>Portland, Oregon</u>		Payment Schedule / Terms	
ZIP Code <u>97201-5304</u>		<input type="checkbox"/> Lump Sum \$ _____	
Phone <u>(503) 823-5149</u>		<input type="checkbox"/> Monthly \$ _____	
Employer ID# or SS# _____		<input checked="" type="checkbox"/> Other \$ _____	
Contract Effective Date <u>July 1, 2003</u> Term <u>6/30/07</u>		<input type="checkbox"/> Due on Receipt	
Amendment Effect Date _____ New Term Date _____		<input type="checkbox"/> Net 30	
Original Contract Amount <u>\$12,000,000</u>		<input type="checkbox"/> Other	
Total Amt of Previous Amendments \$ _____		<input type="checkbox"/> Requirements Funding Info:	
Amount of Amendment \$ _____		Original Requirements Amount \$ _____	
Total Amount of Agreement \$ <u>\$12,000,000</u>		Total Amt of Previous Amendments \$ _____	
		Requirements Amount Amendment: \$ _____	
		Total Amount of Requirements \$ _____	

REQUIRED SIGNATURES:

Department Manager [Signature] DATE 7/22/03
 Purchasing Manager [Signature] DATE 7/22/03
 County Attorney [Signature] DATE 7-31-03
 County Chair [Signature] DATE _____
 Sheriff _____ DATE _____
 Contract Administration _____ DATE _____

COMMENTS:

APPROVED MULTNOMAH COUNTY
BOARD OF COMMISSIONERS

AGENDA # R-12 DATE 07-31-03
DEB BOGSTAD, BOARD CLERK

**MULTNOMAH COUNTY, OREGON
CITY OF PORTLAND**

Intergovernmental Agreement

THIS AGREEMENT entered into by and between Multnomah County, Oregon, hereinafter "County", and the City of Portland, hereinafter "City", is pursuant to authority of ORS Chapter 190.

- A. On May 20, 2003, the voters of the County passed a temporary three year personal income tax (the "Income Tax") as Measure 26-48.
- B. The tax rate is 1.25% on Oregon taxable income after exemptions and is levied on County residents.
- C. The Income Tax is effective January 1, 2003 and terminates December 31, 2005.
- D. The Income Tax is due on April 15 beginning in year 2004 and ending in year 2006.
- E. Employers will be allowed and may be required to deduct Income Tax withholdings from the paychecks of County residents.
- F. Taxpayers will be allowed to make estimated quarterly payments.
- G. The County desires to have the City's Bureau of Licenses ("the Bureau") to administer the Income Tax and the City agrees to provide such administration.

NOW THEREFORE, in consideration of the mutual promises contained herein, the parties agree as follows:

- 1. General Administration.
 - a. The Bureau agrees to supervise, collect and administer the Multnomah Income Tax Law, imposed by the Multnomah County Code as approved by Ballot Measure 26-48 Income Tax.
 - b. The Bureau agrees to administer the Income Tax, including, but not limited to, collecting tax payments, providing forms and information, auditing returns, assessing and collecting tax and tax deficiencies, including penalties and interest, providing refund information to the County, and taking any other action necessary to administer and collect taxes under the Income Tax.
 - c. The County will defend any legal claims against the Income Tax, and shall perform all legal functions related to enforcement and collection of the Income Tax if referred from the Bureau.
 - d. In performing its duties under this Agreement, the Bureau in its discretion may determine what action shall be taken to enforce the provisions of the Income Tax provisions and collect the tax imposed thereunder. In exercising its discretion, the Bureau agrees to provide an enforcement and collection plan to the County Finance Director on or about July 1st of each year beginning 2004 for review and approval. This annual review will allow the County to provide input as to any amnesty programs or other guidelines it desires, as long as they can be reasonably and equitably applied to all taxpayers.

- e. As the tax collector, the Bureau is authorized to collect any and all taxes, penalties and interest for any tax year open under statute.
 - f. The parties agree that all Income Tax returns from any year are available for review and may be used by Bureau staff to assess fees or taxes not previously collected under the law.
2. Appeals.
- a. The City shall conduct an informal protest process prior to an appeal and shall provide background information and recommendations in consultation with County staff.
 - b. The County Board of Commissioners or their appointees shall review taxpayer appeals and make final determinations under the Income Tax.
3. Hiring Program Personnel
- a. The Bureau shall hire personnel of various knowledge and skill levels to administer, collect and enforce the Income Tax. The Bureau agrees to invite the County Finance Director to participate on staff interview panels for positions hired after the date of this agreement.
4. Tax Deposits.
- The tax receipts will be deposited to a Multnomah County bank account that is mutually agreeable to both parties.
5. Payments to the City.
- a. The County agrees to pay the City estimated annual compensation for the Bureau's administration services, including start up costs, for fiscal year 2003-2004 no more than \$4,600,000. The County agrees to pay the City the annual compensation not to exceed \$3,500,000 for fiscal years 2004-2005 and 2005-2006. The compensation will be paid in twelve (12) equal payments each year. Payments to the Bureau shall be made on the 15th of each month, or the first business day that follows. The Bureau agrees to bill the County for each monthly payment.
 - b. If the actual administrative cost are less than \$4,600,000 in fiscal year 2003-2004 or less than \$3,500,000 in fiscal year 2004-2005 and 2005-2006, the City shall repay the County the difference within 90 days after the fiscal year end.
 - c. Compensation for administering the Income Tax in fiscal year 2006-2007 will be negotiated by the Bureau Director and County Finance Director based on the level of service required by the County to close out the Income Tax.
6. Notification of Changes.
- a. The County agrees to notify the City of its intent to make changes, whether in the law or in the tax rates, at least ninety (90) days prior to adopting the change.
 - b. The Bureau agrees to notify the County promptly of any matter arising from the administration of the Income Tax that may require any legislative amendments or

affect any County policy, including any policy relating to the amount of taxes collected.

7. Administrative Rules.

- a. The County Finance Director, or designee, shall have the authority to develop and adopt Administrative Rules. The County shall initiate the public process for review and comment on proposed Administrative Rules. The County Finance Director agrees that prior to the adoption of Administrative Rules, the Bureau shall be allowed to review and discuss any issues as a result of the proposed rules. The final decision rests with the County
- b. The County agrees to notify the City at least thirty (30) days prior to scheduling any public hearing on proposed Administrative Rules, unless both parties mutually agree to notice of less than thirty (30) days.

8. Computer Access

- a. The City agrees to authorize computer access at the County location(s), for approximately ten County employees as determined by the Finance Director. The City agrees to train these employees on how to access data and produce reports from the system.
- b. The County employees who are given authorization to access the system will also be authorized to monitor who has logged onto computer in order to safeguard the confidentiality of the data.
- c. The desktop computers and any other devices needed to connect to the City computer system, used by County staff, will be the responsibility of the County.

9. Reports.

- a. The Bureau agrees to provide a receipts and expenditure report to the County at the close of each of the City's accounting periods. The Bureau shall deliver a preliminary report, estimating receipts and expenditures by tax year, to the County by the 10th day of each month. If the 10th day falls on a legal holiday or on a weekend, the preliminary report will be delivered on the following business day.
- b. The Bureau agrees to provide the County an electronic report of refunds due to amended returns, appeals or overpaid estimates. Upon issuance of the refund (s), the County shall electronically provide the Bureau with date and warrant/check information to be uploaded into the Personal Income Tax system developed and maintained by the Bureau.
- c. Within 60 days after the fiscal year end, the Bureau agrees to provide a written annual summary of the proceeding fiscal year to the County, showing the number of tax returns filed, total revenues collected, refunds paid, administrative costs, and other pertinent information.
- d. The Bureau agrees to provide other reports, or may discontinue or combine any of the above reports, as the Bureau and the County may mutually agree. If the reports requested by the County require extensive programming time, the City and the

County will mutually agree upon additional charges to be paid for such additional work.

- e. The County agrees to give not less than ten (10) days prior notice to the Bureau, when requesting reports other than those routinely requested and supplied by the City. Such notices shall identify the information desired, the purpose of the request and the use to be made of such information.

10. Information.

- a. The City agrees that all information relating to the Income Tax and policy matters given to the public will be made by the County whether by means of public relations announcements, media information, WEB based information, direct mail to businesses or taxpayers or other means. This includes, but is not limited to, reports generated by the School Efficiency and Oversight Council, tax policy and administrative rule hearings.
- b. The parties shall cooperate in exchanging information and making joint public announcements to promote the effective administration of the Income Tax.

11. Public Records.

- a. All work performed by the City under the terms of this agreement shall be considered to be the property of the County. The County shall own any and all data the City produces in connection with this Agreement. Upon termination of this Agreement, the City and County shall mutually agree upon how delivery of this data is to be effected. The County will pay any copying expenses related to these returns upon termination of this Agreement.
- b. The Bureau may receive public records requests for Income Tax records obtained by or provided to the Bureau under this Agreement. Any requests for such records shall be directed or forwarded to the County Finance Director, or routed as (s)he directs, by the following business day. To the extent permitted by the Oregon Public Records Law, only the County, through its Finance Director or designee, may determine whether the requested records exist, and whether such records are subject to the public records law. The County's decision will be binding on the City.

12. Confidentiality.

- a. The City agrees that the information provided by individual taxpayers on tax returns shall be treated as confidential information to the extent permitted under Oregon law. Such information may be used by the City and its employees, officers or agents only for purposes of the Bureau's administration of the Income Tax. The County Finance Director may authorize access to such information only after the execution of a certificate of confidentiality by each individual receiving access to the information. The certificate shall advise the individual of the penalties for disclosure of confidential information. The Bureau shall obtain and keep on file all such certificates for such individuals, and will provide copies of the certificates to the County.
- b. County employees receiving access to information provided by individual taxpayers shall sign a confidentiality certificate. The certificate shall advise the individual of the penalties for disclosure of confidential information. The County shall obtain and keep

on file such certificates for its employees, agents and officers, and will provide copies of the certificates to the Bureau.

13. Audits.

The County may audit the Bureau's administration of the Income Tax, applying generally accepted audit standards. The County shall provide reasonable prior notice of its intent to audit the Bureau. Prior to beginning the audit, all County officers, agents or employees participating in the audit shall execute confidentiality certificates as provided herein.

14. Limitations and Conditions.

- a. To the extent permitted by Oregon law, the City shall indemnify, within the limits of the Oregon Tort Claims, the County from any and all claims, demands, settlements or judgments, including all costs and attorney fees, arising from any of the Bureau's activities under this Agreement, provided, that the City shall not be required to indemnify the County for any such claims, demands, settlements or judgments arising from the acts of the County's officers, agents or employees.
- b. To the extent permitted by Oregon law, the County shall indemnify, within the limits of the Oregon Tort Claims, the City from any and all claims, demands, settlements or judgments, including all costs and attorney fees, arising from any of the County's activities under this Agreement, provided, that the County shall not be required to indemnify the City for any such claims, demands, settlements or judgments arising from the acts of the City's officers, agents or employees.

15. Term.

The term of this Agreement shall be four years, beginning July 1, 2003, unless terminated by operation of law or by either party upon twenty four months prior written notice. Prior to the termination date of this Agreement, the County and the Bureau will determine the disposition of pending matters which will not otherwise be completed within the term of this Agreement, and the Bureau will provide the County with such records as are necessary for the County to commence collecting the tax under the Income Tax.

16. Payment on Early Termination.

Upon early termination as provided in this Agreement, the County agrees to pay the City for all work performed prior to to the termination date.

17. Integration.

This Agreement embodies the whole of the agreement between the parties for the administration of the Income Tax. Any prior written or oral agreements shall be superseded hereby. The terms of this Agreement shall not be waived, altered, modified, supplemented or amended, in any manner whatsoever, except by written instrument signed by the parties.

18. Severability.

If any provisions of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provisions hereof.

19. Notice.

Any notice provided for under this Agreement shall be sufficient if in writing and delivered personally to the following addressee or deposited in the United States mail, postage prepaid, certified mail, return receipt requested, addressed as follows, or to such other address as the receiving party specifies in writing:

If to the City: Bureau of Licenses Director
1900 SW 4th Avenue, Room 3500
Portland, Oregon 97201-5304

If to the County: Multnomah County Finance Director
501 SE Hawthorne Blvd. 4th Floor
PO Box 14700
Portland, Oregon 97293-0700

20. Oregon Law

- a. This Agreement shall be construed according to the laws of the State of Oregon.
- b. Any litigation between the City and the County arising under this Agreement or out of work performed under this Agreement shall occur, if in the state courts, in the Multnomah County Court having jurisdiction thereof, and if in the federal courts, in the United States District Court for the District of Oregon.

21. Independent Contractor Status.

- a. The City is engaged as an independent contractor and shall be responsible for any federal, state and local taxes and fees applicable to payments hereunder.
- b. The City, its subcontractors and their employees are not employees of the County and are not eligible for any benefits through the County including, without limitation, federal social security, health benefits, workers' compensation, unemployment compensation and retirement benefits.

22. Amendments.

- a. The City and the County may amend this Agreement at any time only by written amendment executed by the City and the County. Any amendment must be approved by ordinance of the City Council.

23. Non-Waiver.

The City and the County shall not be deemed to have waived any breach of this Agreement by the other party except by an express waiver in writing. An express written waiver as to one breach shall not be deemed a waiver of any other breach not expressly identified, even though the other breach be of the same nature as that waived.

IN WITNESS WHEREOF, the authorized representatives of the City and County, as parties hereto, acting pursuant to the authority granted to them, have

HEREBY AGREED:

CITY OF PORTLAND

By _____
Mayor
City of Portland, Oregon

Date signed: _____

Approved as to Form:

Jeffrey L. Rogers
City Attorney

MULTNOMAH COUNTY

By Chair m J
Chair
Multnomah County Board of
Commissioners

Date signed: 7.30.03

Reviewed by:

Agnes Sowle
Agnes Sowle
County Attorney for
Multnomah County

APPROVED MULTNOMAH COUNTY
BOARD OF COMMISSIONERS
AGENDA # R-12 DATE 07.31.03
DEB BOGSTAD, BOARD CLERK

AGENDA PLACEMENT REQUEST

BUD MOD #:

Board Clerk Use Only:

Meeting Date: July 31, 2003

Agenda Item #: R-13

Est. Start Time: 11:05 AM

Date Submitted: 07/23/03

Requested Date: July 31, 2003

Time Requested: 15 minutes

Department: Business & Community Services **Division:** Finance

Contact/s: Dave Boyer

Phone: 503 988-3903

Ext.: 83903

I/O Address: 503/4

Presenters: Dave Boyer

Agenda Title: Government Expenditure Contract (190 Agreement) 4600004398 with the City of Portland, for the Supervision, Collection and Administration of the Multnomah County Business Income Tax Law

NOTE: If Ordinance, Resolution, Order or Proclamation, provide exact title. For all other submissions, provide clearly written title.

-
- 1. What action are you requesting from the Board? What is the department/agency recommendation? Approve the Collection/Administration Intergovernmental Agreement.**
 - 2. Please provide sufficient background information for the Board and the public to understand this issue.**

In 1993 the County Business Income Tax and City of Portland License Fee administration was consolidated. Prior to 1993 the County contracted with the State Department of Revenue. The City and the County jointly developed and have retained code conformity. The consolidated program has allowed businesses to follow a single set of procedures and definitions and to file a single reporting form for both the City and the County. This has simplified reporting

requirements for businesses and has reduced administrative costs for both the City and the County for the past 10 years.

The City's Bureau of Licenses is willing and able to continue administering the Multnomah County Business Income Tax Law for the County.

The agreement does allow for a change in administration based on the outcome of the informational returns and potential code amendments that were discussed under the Community Partnership Agreement. Currently we have received about a 60% return rate on the informational return requests.

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

The annual compensation to the City for administration services for FY 2003-2004 is \$595,710. For FY 2004-2005 and thereafter, the annual compensation will be adjusted annually by the greater of two and on half (2.5%) or the Portland Consumer Price Index All Urban Consumers (CPI-U). The Increase from FY 2002-2003 to 2004 is 2.5%.

NOTE: If a Budget Modification or a Contingency Request attach a Budget Modification Expense & Revenues Worksheet and/or a Budget Modification Personnel Worksheet.

If a budget modification, explain:

- ❖ What revenue is being changed and why?
- ❖ What budgets are increased/decreased?
- ❖ What do the changes accomplish?
- ❖ Do any personnel actions result from this budget modification? Explain.
- ❖ Is the revenue one-time-only in nature?
- ❖ If a grant, what period does the grant cover?
- ❖ When the grant expires, what are funding plans?

NOTE: Attach Bud Mod spreadsheet (FORM FROM BUDGET)

- 4. Explain any legal and/or policy issues. Meets the County's legal requirements and is consistent with County policies**
- 5. Explain any citizen and/or other government participation that has or will take place. None.**

Required Signatures:

Department/Agency Director: *David Boyer*

Date: 07/22/03

Budget Analyst
By:

Date:

Dept/Countywide HR
By:

Date:



IGA Contract

Vendor Address

PORTLAND CITY OF
BUREAU OF LICENSES
1900 SW 4TH AVE RM 3500
PORTLAND OR 97201-5304

Information

Contract Number 4600004398
Date 07/24/2003
Vendor No. 49681
Contact/Phone BCS Finance /

Validity Period: 07/01/2003 - 06/30/2008
Minority Indicator: Not Identified

Estimated Target Value: 3,125,000.00 USD

Item	Material/Description	Target Qty	UM	Unit Price
0001	<p>Contact: Theresa Sullivan 503-988-3635</p> <p>Administration of Business Income Tax</p> <p>Plant: F070 Business & Community Service Requirements Tracking Number: 30000101BA Supervise, collect and administer Multnomah County Business Income Tax Law.</p> <p>Payments to City: FY 2003-04 is \$595,710. FY 2004-05 and thereafter, the annual compensation will be adjusted annually by the greater of two and one half (2.5%) or the Portland Consumer Price Index All Urban Consumers (CPI-U). 12 equal payments on the 15th of each month.</p>	3,125,000.000	Dollars	\$ 1.0000

MULTNOMAH COUNTY CONTRACT APPROVAL FORM

Pre-approved Contract Boilerplate (with County Attorney signature) ☐ Attached ☐ Not Attached Contract #: 4600004398
Amendment #: _____

CLASS I	CLASS II	CLASS III A
Contracts \$75,000 and less per 12 month period	Contracts over \$75,000 per 12 month period	<input checked="" type="checkbox"/> Government Contracts (190 Agreement)
<input type="checkbox"/> Professional Services Contracts <input type="checkbox"/> PCRB Contracts <input type="checkbox"/> Maintenance Agreements <input type="checkbox"/> Licensing Agreements <input type="checkbox"/> Public Works Construction Contracts <input type="checkbox"/> Architectural & Engineering Contracts <input type="checkbox"/> Revenue Contracts <input type="checkbox"/> Grant Contracts <input type="checkbox"/> Non-Expenditure Contracts	<input type="checkbox"/> Professional Services Contracts <input type="checkbox"/> PCRB Contracts <input type="checkbox"/> Maintenance Agreements <input type="checkbox"/> Licensing Agreements <input type="checkbox"/> Public Works Construction Contracts <input type="checkbox"/> Architectural & Engineering Contracts <input type="checkbox"/> Revenue Contracts <input type="checkbox"/> Grant Contracts <input type="checkbox"/> Non-Expenditure Contracts	<input checked="" type="checkbox"/> Expenditure <input type="checkbox"/> Non-Expenditure <input type="checkbox"/> Revenue CLASS III B <input type="checkbox"/> Government Contracts (Non-190 Agreement) <input type="checkbox"/> Expenditure <input type="checkbox"/> Non-Expenditure <input type="checkbox"/> Revenue <input type="checkbox"/> Interdepartmental Contracts

Department: Finance Budget and Tax Division: Tax Date: July 31, 2003
 Originator: Theresa Sullivan Phone: (503) 988-3635 Bldg/Rm: 501/4th floor
 Contact: Dave Boyer Phone: (503) 988-3903 Bldg/Rm: 501/4th floor
 Description of Contract: _____

RENEWAL: ☒ PREVIOUS CONTRACT #(S): Administrative Agreement City of Portland to Administer Business Income Tax
 RFP/BID: _____ RFP/BID DATE: N/A
 EXEMPTION #: _____ ORS/AR #: _____
 Effective DATE: _____ EXPIRATION DATE: _____
 CONTRACTOR IS: ☐ MBE ☐ WBE ☐ ESB ☐ QRF State Cert# _____ or ☐ Self Cert ☐ Non-Profit ☒ N/A (Check all boxes that apply)

Contractor	<u>City of Portland Bureau of Licenses</u>		Remittance address	_____
Address	<u>1900 SW 4th Avenue, Room 3500</u>		(If different)	_____
City/State	<u>Portland, Oregon</u>		Payment Schedule / Terms	_____
ZIP Code	<u>97201-5304</u>		<input type="checkbox"/> Lump Sum \$ _____	<input type="checkbox"/> Due on Receipt
Phone	<u>(503) 823-5149</u>		<input type="checkbox"/> Monthly \$ _____	<input type="checkbox"/> Net 30
Employer ID# or SS#	_____		<input checked="" type="checkbox"/> Other \$ _____	<input type="checkbox"/> Other
Contract Effective Date	<u>July 1, 2003</u>	Term <u>6/30/08</u>	<input type="checkbox"/> Requirements Funding Info: _____	
Amendment Effect Date	New Term Date _____		Original Requirements Amount	\$ _____
Original Contract Amount	<u>\$595,710 per year plus cpi</u>		Total Amt of Previous Amendments	\$ _____
Total Amt of Previous Amendments	\$ _____		Requirements Amount Amendment:	\$ _____
Amount of Amendment	\$ _____		Total Amount of Requirements	\$ _____
Total Amount of Agreement \$	<u>\$3,125,000 est</u>			

REQUIRED SIGNATURES:

Department Manager	<u>[Signature]</u>	DATE	<u>7/22/03</u>
Purchasing Manager	_____	DATE	_____
County Attorney	<u>[Signature]</u>	DATE	<u>7/22/03</u>
County Chair	<u>[Signature]</u>	DATE	<u>7.31.03</u>
Sheriff	_____	DATE	_____
Contract Administration	_____	DATE	_____

COMMENTS:

APPROVED MULTNOMAH COUNTY
 BOARD OF COMMISSIONERS
 AGENDA # R-13 DATE 07.31.03
 DEB BOGSTAD, BOARD CLERK

**MULTNOMAH COUNTY, OREGON
CITY OF PORTLAND**

Intergovernmental Agreement

THIS AGREEMENT entered into by and between Multnomah County, Oregon, hereinafter "County", and the City of Portland, hereinafter "City", is pursuant to authority of ORS Chapter 190.

- A. The consolidated administration of the City of Portland's Business License Law and the Multnomah County Business Income Tax Law has simplified reporting requirements for businesses and has reduced administrative costs for both the City and the County for the past 10 years.
- B. A consolidated program has allowed businesses to follow a single set of procedures and definitions and to file a single reporting form for both the City and the County for the past 10 years.
- C. The City and the County jointly developed and have retained code conformity and consolidated administration for the past 10 years with positive results for both jurisdictions.
- D. The City's Bureau of Licenses ("the Bureau") is willing and able to continue administering the Multnomah County Business Income Tax Law for the County.

NOW THEREFORE, in consideration of the mutual promises contained herein, the parties agree as follows:

- 1. General Administration.
 - a. The Bureau agrees to supervise and administer the Multnomah County Business Income Tax Law, imposed by the Multnomah County Code as adopted by the Multnomah County Commission (the County Business Income Tax).
 - b. The Bureau agrees to administer the County Business Income Tax, including, but not limited to, adopting administrative rules and written policies, collecting estimated tax payments, auditing returns, assessing and collecting tax and tax deficiencies, including penalties and interest, making refunds, hearing appeals, and taking any other action necessary to administer and collect taxes under the County Business Income Tax.
 - c. The County will defend any legal claims against the County Business Income Tax regarding the legal validity or constitutionality of the County Business Income Tax.
 - d. In performing its duties under this Agreement, the Bureau may in its discretion determine what action shall be taken to enforce the provisions of the County Business Income Tax and collect the tax imposed thereunder. In exercising its discretion, the Bureau agrees to provide a level of service comparable to the level of service it provides in the administration of the Business License Law. If the Bureau deems it necessary to vary substantially from this standard, the Bureau shall notify the County of the need and obtain its written consent.

- e. As the tax administrator, the Bureau is authorized to collect any and all taxes, penalties and interest for any tax year open under statute.
2. Appeals Board.
- a. The County designates the Business License Appeals Board, as created by the Business License Law, as the body for reviewing taxfiler appeals from final determinations made by the Bureau under the County Business Income Tax.
 - b. The County Chair shall provide recommendations for appointments to be made by the Mayor to the Business License Appeals Board. The Mayor shall appoint one (1) of the three (3) public members of the Business License Appeals Board from the list of recommendations submitted by the County Chair.
3. Payments to the County.
- a. The Bureau agrees to deposit all taxes collected under this Agreement to a trustee account within the City established on behalf of and for the benefit of the County. The account shall earn interest based on the City's internal interest allocation used for its own funds.
 - b. The City agrees, after deducting its cost of administration, refunds and other credits, remit the balance of the tax collected under this Agreement to the County by the tenth (10th) business day following the close of each month.
 - c. The Bureau agrees to maintain a reserve balance of approximately Seventy five thousand dollars (\$75,000).
 - d. The Bureau agrees to make payments of taxes collected under this Agreement to the County's Local Government Investment Pool Account No. 4017. Should extraordinary refunds, adjustments, or credits require funds in excess of the \$75,000, the Bureau may retain a reasonable amount in excess of the \$75,000 in the trustee account, or the County agrees to transfer necessary funds to the Bureau from its Local Government Investment Pool Account No. 4017 to the City's Local Government Investment Pool Account No. 4002.
 - e. The Bureau agrees to prepare monthly reconciliations of deposits made and net revenues collected. The Bureau agrees to provide a minimum of 10 days prior notice if it requires transfer by the County of an amount equal to or greater then \$500,000.
4. Payments to the City.
- a. The annual compensation to the City for administration services for FY 2003-2004 is \$595,710. For FY 2004-2005 and thereafter, the annual compensation will be adjusted annually by the greater of two and on half (2.5%) or the Portland Consumer Price Index All Urban Consumers (CPI-U) as issued by the US Department of Labor, Bureau of Labor Statistics during February of each year. The compensation will be paid in twelve (12) equal payments, deducted from payments to the County as described in Paragraph 3. Payments to the City will be made on the 15th of each month, or the first business day that follows.

- b. The City and County are currently in the process of gathering business income and payroll data to analyze potential business tax reform. The County Board of Commissioners and City of Portland Commissioners may amend the tax codes based on the data presented. The parties agree that they will renegotiate the payment terms of this agreement if the County tax code is amended to include a payroll tax component.
- 5. Notification of Changes.
 - a. Law Changes. The parties agree to cooperate in amending the County Business Income Tax or the Business License Law to ensure uniformity and consistency in these respective codes and in administration. Both parties to this Agreement agree to notify the other of any intent to make changes, whether in the law or in the tax or fee rates, at least ninety (90) days prior to adopting the change. If both parties mutually agree to make changes, such changes may take effect in less than the ninety (90) days required.
 - b. Administrative Rules. The County's Finance Director, or designee, agrees to be involved in the development of Administrative Rules. The Bureau agrees that it will not initiate the public process for review and comment on proposed Administrative Rules until the County's Finance Director and the Bureau mutually agree on the content and substance of the Administrative Rules. The Bureau agrees to notify the County's Finance Director at least thirty (30) days prior to scheduling any public hearing on proposed Administrative Rules, unless both parties mutually agree to notice of less than thirty (30) days.
- 6. Reports.
 - a. The Bureau agrees to provide a receipts and expenditure report to the County at the close of each of the City's accounting periods. The Bureau will deliver a preliminary report, estimating receipts and expenditures by tax year, to the County by the 10th day of each month. If the 10th day falls on a legal holiday or on a weekend, the preliminary report will be delivered on the following business day.
 - b. The Bureau agrees to provide the County, upon request, a report of large potential refunds due to amended returns, appeals or overpaid estimates. For purposes of the preceding sentence, "large" shall mean an accumulated total of more than \$75,000.
 - c. The Bureau agrees to provide a written annual summary of the proceeding year to the County, showing the number of tax returns filed and dollars paid by entity type, total revenues collected, refunds paid, administrative costs, and other pertinent information.
 - d. The Bureau will provide other reports, or may discontinue or combine any of the above reports, as the Bureau and the County may mutually agree. If the reports requested by the County require extensive programming time, the City and the County may agree upon additional charges to be paid for such additional work under this Agreement.

7. Information.

- a. The parties agree to cooperate in exchanging information and making joint public announcements to promote the effective administration of the County Business Income Tax and the Business License Law. In regard to the County Business Income Tax, all public announcements and all correspondence relating to policy matters and public relations will be the County's responsibility. The Bureau agrees to promptly notify the County of any matter arising from the administration of the County Business Income Tax that may require any legislative amendments or affect County policy, including any policy relating to the amount of taxes collected.
- b. Additionally, the parties agree that all Business License returns and County Business Income Tax returns from any year, are available for review and may be used by Bureau staff to assess fees or taxes not previously collected under one and/or both laws.

8. Public Records.

- a. All work performed by the City under the terms of this agreement shall be considered to be the property of the County. The County shall own any and all data the City produces in connection with this Agreement. Upon termination of this Agreement, the City and County mutually agree upon how delivery of this data is to be effected. Since the tax returns are combined with the City's business license return as of tax year 1993, the City and County jointly own these documents. The City and County will equally share any copying expenses related to these returns upon termination of this Agreement.
- b. The Bureau may receive public records requests for County Business Income Tax records obtain by or provided to the Bureau under this Agreement. Any requests for such records shall be forwarded to the County's Finance Director, or routed as (s)he directs, by the following business day. The Finance Director, or designee, may determine if the requested records exist, and if such records are subject to the public records law. Any determination made by the County under the public records law shall be the County's sole responsibility, including but not limited to any legal defenses of such determinations.

9. Limitations and Conditions.

- a. To the extent permitted by Oregon law, the City agrees to indemnify, within the limits of the Oregon Tort Claims, the County from any and all claims, demands, settlements or judgments, including all costs and attorney fees, arising from any of the Bureau's activities under this Agreement, provided, that the City shall not be required to indemnify the County for any such claims, demands, settlements or judgments arising from the wrongful acts of the County's officers, agents or employees.
- b. To the extent permitted by Oregon law, the County agrees to indemnify, within the limits of the Oregon Tort Claims, the City from any and all claims, demands, settlements or judgments, including all costs and attorney fees, arising from any of the County's activities under this Agreement, provided, that the County shall not be required to indemnify the City for any such claims, demands, settlements

or judgments arising from the wrongful acts of the City's officers, agents or employees.

10. Confidentiality.

- a. The information provided by individual taxpayers on tax returns shall be treated as confidential information to the extent permitted under Oregon law. Such information may be disclosed to the County, for purposes of monitoring or overseeing the Bureau's administration of the County Business Income Tax or for County revenue forecasting and budgeting. If authorized by the County's Finance Director, County officers, agents or employees may have access to such information after the execution of a certificate of confidentiality. The certificate shall advise the officer, agent or employee of the penalties for disclosure of confidential information. The County shall obtain and keep on file such certificates for its employees, agents and officers, and will provide a copy of the certificate to the Bureau.
- b. When making requests for such information, other than routinely agreed upon reports, the County shall give not less than ten (10) days prior notice to the Bureau, stating the information desired, the purpose of the request and the use to be made of such information.
- c. The County may audit the Bureau's administration of the County Business Income Tax, applying generally accepted audit standards. The County agrees to provide reasonable prior notice of its intent to audit the Bureau. Prior to beginning the audit, all County officers, agents or employees participating in the audit agree to execute confidentiality certificates as provided herein.
- d. The County has installed one "inquiry only" telephone access line to the Bureau's database. All costs associated with this line, including upgrades necessary to maintain this line, shall be the responsibility of the County. Access to this inquiry only line shall be restricted to the Finance Director and any one designee. Access to the database shall be protected by restrictions, including but not limited to, password access codes and physical lockouts. Anyone with access to this line shall execute a confidentiality certificate prior to being granted access.

11. Term.

- a. The term of this Agreement shall be five years, beginning July 1, 2003, unless terminated by operation of law or by either party upon twelve months prior written notice. Prior to the termination date of this Agreement, the County and the Bureau will determine the disposition of pending matters which will not otherwise be completed within the term of this Agreement, and the Bureau will provide the County with such records as are necessary for the County to commence collecting the tax under the County Business Income Tax.
- b. At its sole option, the County may extend the term of this Agreement by additional five-year increments, beyond the period identified above.

12. Payment on Early Termination

Upon early termination as provided by this Agreement, the County shall pay the City for all work performed prior to the termination date.

13. Integration.

This Agreement embodies the whole of the agreement between the parties for the administration of the County Business Income Tax. Any prior written or oral agreements shall be superseded hereby. The terms of this Agreement shall not be waived, altered, modified, supplemented or amended, in any manner whatsoever, except by written instrument signed by the parties.

14. Severability.

If any provisions of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provisions hereof.

15. Notice.

- a. Program Managers. The City Program Manager shall be the Director of the City's Bureau of Licenses, or such other person as shall be designated in writing by the Director. The County's Program Manager shall be the County Finance Director, or such other person as shall be designated in writing by the County Finance Director.
- b. Any notice provided for under this Agreement shall be sufficient if in writing and delivered personally to the following addressee or deposited in the United States mail, postage prepaid, certified mail, return receipt requested, addressed as follows, or to such other address as the receiving party specifies in writing:

If to the City: Bureau of Licenses Director
 1900 SW 4th Avenue, Room 40
 Portland, Oregon 97201-5304

If to the County: Multnomah County Finance Director
 501 SE Hawthorne Blvd. 4th Floor
 PO Box 14700
 Portland, Oregon 97293-0700

16. Oregon Law and Forum.

- a. This Agreement shall be construed according to the laws of the State of Oregon.
- b. Any litigation between the City and the County arising under this Agreement or out of work performed under this Agreement shall occur, if in the state courts, in the Multnomah County Court having jurisdiction thereof, and if in the federal courts, in the United States District Court for the District of Oregon.

17. Independent Contractor Status.

- a. The City is engaged as an independent contractor and shall be responsible for any federal, state and local taxes and fees applicable to payments hereunder.
- b. The City, its subcontractors and their employees are not employees of the County and are not eligible for any benefits through the County including, without

limitation, federal social security, health benefits, workers' compensation, unemployment compensation and retirement benefits.

18. Amendments.

The City and the County may amend this Agreement at any time only by written amendment executed by the City and the County. Any amendment must be approved by ordinance of the City Council.

19. Non-Waiver.

The City and the County shall not be deemed to have waived any breach of this Agreement by the other party except by an express waiver in writing. An express written waiver as to one breach shall not be deemed a waiver of any other breach not expressly identified, even though the other breach be of the same nature as that waived.

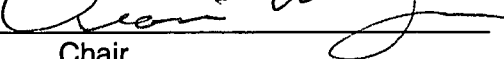
IN WITNESS WHEREOF, the authorized representatives of the City and County, as parties hereto, acting pursuant to the authority granted to them, have

HEREBY AGREED:

CITY OF PORTLAND

MULTNOMAH COUNTY

By _____
Mayor
City of Portland, Oregon

By  _____
Chair
Multnomah County Board of
Commissioners

Date signed: _____

Date signed: 7.31.03

Approved as to Form:

Reviewed by:

Jeffrey L. Rogers
City Attorney

 _____
Agnes Sowle
County Attorney for
Multnomah County

APPROVED MULTNOMAH COUNTY
BOARD OF COMMISSIONERS
AGENDA # R-13 DATE 07.31.03
DEB BOGSTAD, BOARD CLERK

AGENDA PLACEMENT REQUEST

BUD MOD #:

Board Clerk Use Only:

Meeting Date: July 31, 2003

Agenda Item #: R-14

Est. Start Time: 11:10 AM

Date Submitted: 07/22/03

Requested Date: July 31, 2003

Time Requested: 5 minutes

Department: DBCS

Division: Facilities & Property Mgmt

Contact/s: Doug Butler, Lynn Dingler

Phone: 503 988-3322

Ext.: 24443

I/O Address: 274/F&PM

Presenters: Doug Butler, Lynn Dingler

Agenda Title: RESOLUTION Approving Sub-lease of a Portion of County-Leased Space in the Blanchard Building to the Housing Authority of Portland

NOTE: If Ordinance, Resolution, Order or Proclamation, provide exact title. For all other submissions, provide clearly written title.

1. What action are you requesting from the Board? What is the department/agency recommendation?

The Department of Business Services **requests this Resolution be considered under an "expedited process" and allow an exception to the normal Agenda Placement Request timeline.** An exception is requested because: 1) the process for preparing and negotiating this lease has been extensive; 2) the date for the Housing Authority of Portland to vacate their current space is less than nine weeks away (September 30th); and 3) HAP will require at least 60 days to make needed improvements and to move into this space.

This Agenda Placement Request, the Resolution, and the prepared Lease are being submitted to the Agenda Review Team via e-mail requesting an exception to the normal Agenda Placement Request timeline and an expedited review process.

The Department of Business Services, Facilities and Property Management Division, recommends adoption of the Resolution.

2. Please provide sufficient background information for the Board and the public to understand this issue.

There have been significant reductions in County funds available for programs, including the Department of Business Services, Facilities and Property Management Division, (FPM). FPM states that due to extensive budget and program reductions the County is not presently fully utilizing space in the Blanchard Building leased from the Portland Public Schools District nor is there County uses planned for this space.

The Blanchard Building is owned by the Portland Public Schools District and a portion of the building has been leased to Multnomah County until 2099 by an Intergovernmental Agreement dated June 8, 2000 which was approved by Board Resolution 00-081. FPM has determined that portions of this leased space are presently not needed for any County purposes. A portion of this leased space is presently occupied by a County Library warehouse. The Library is agreeable to relocate its warehouse to other similar existing County leased warehouse space in the Blanchard or elsewhere. FPM has no plan for full utilization of this leased space and FPM has not identified any other County agency or program interested in occupying this facility now or in the near future. This portion of the leased Blanchard Building is not needed for County purposes. Therefore, the unutilized leased space should be designated as surplus.

By Resolution 02-032, the Chair directed FPM to develop disposition strategies for other surplus properties, and FPM used the goals and criteria of Resolution 02-032 to develop a strategy for the Blanchard Building.

The Housing Authority of Portland, HAP, must vacate its buildings in Columbia Villa to make way for development of the New Columbia Villa project. HAP has stated its commitment to lease a portion of the vacant County-leased space in the Blanchard Building from Multnomah County for three (3) years, with a renewal term of two (2) years, and will participate in the work and cost of moving the County Library warehouse, currently occupying a portion of this space, to another location. It is in the County's and public's interest to sub-lease a portion of the vacant County-leased space in the Blanchard Building to HAP for up to five years.

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

A lease to HAP will provide lease revenues each year sufficient to cover Debt Service costs proportionate to the leased space and a portion of O&M costs. The lease provides for HAP to pay approximately \$58,000 in base rent in the first year of the lease and increasing amounts for subsequent years. Therefore, the County will reduce its facility costs for this leased space.

<i>Item by unit of cost</i>	<i>County</i>	<i>HAP</i>
Blanchard Bldg. Sub-lease, per sq.ft. (full cost 2003)	\$13.98	\$10.00
Flint Street Buildings per sq. ft.	\$0	\$2.00
Parking, per space	\$39.07	\$40.00

The \$13.98 is a blended rate that includes capital costs (\$7.49), which is a fixed annual amount and directly assigned and allocated operations and maintenance costs (\$6.49 in 2003), which fluctuate annually.

The current market rate for warehouse space within the geographic area of the Blanchard Building is between \$5.00 and \$8.00+/- . This rate range was determined by reviewing the warehouse offerings of two major commercial real estate firms. The rate charged HAP is based on this market range plus a benefit package that includes the opportunity for shared conference rooms, proximity to contracted vehicle service and other benefits of co-location.

The total cost of F&PM's use of the Blanchard building is part of the non-recoverable (vacancy and self used) property and, as such, is part of the rate charged clients to make the Facilities Fund whole. This transaction with HAP covers fixed costs and contributes to the variable cost, thereby reducing the net burden on Facilities costs.

NOTE: If a Budget Modification or a Contingency Request attach a Budget Modification Expense & Revenues Worksheet and/or a Budget Modification Personnel Worksheet.

If a budget modification, explain:

No Budget Modification is included or requested as part of this Resolution.

If a contingency request, explain:

No Contingency Request is included as part of this Resolution.

If grant application/notice of intent, explain:

No Grant application or notice of intent is included or anticipated as part of this Resolution.

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

Passage of this Resolution is recommended by the County Attorney to provide a process for the Board to approve this sub-lease at this time and authorize the Chair to execute the sub-lease at the appropriate time.

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

None required.

Required Signatures:



Department/Agency Director:

Date: 07/24/03

Budget Analyst

By:

Date:

Dept/Countywide HR

By:

Date:

BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

RESOLUTION NO. _____

APPROVING SUB-LEASE OF A PORTION OF COUNTY-LEASED SPACE IN THE BLANCHARD
BUILDING TO HOUSING AUTHORITY OF PORTLAND

The Multnomah County Board of Commissioners Finds:

- a. The County is confronting difficult financial times and the County Board has been forced to make major reductions in budgets for County Departments and Programs.
- b. Due to the extensive budget reductions, the Department of Business Services, Facilities Property Management Division severely reduced its programs operating in the Blanchard Building and is not presently fully utilizing space in the Blanchard Building leased from the Portland Public Schools District.
- c. The Blanchard Building, located at 501-401 North Dixon Street, Portland, Oregon, is owned by the Portland Public Schools District and a portion of the Blanchard Building has been leased to Multnomah County until 2099 by an Intergovernmental Agreement dated June 8, 2000 that was approved by Board Resolution 00-081. The County-leased space is legally described in the Intergovernmental Agreement. A portion of this leased space comprising approximately 3549 sf is presently occupied by a County Library warehouse. The Library is agreeable to relocate its warehouse to other similar existing County leased warehouse space in the Blanchard Building or elsewhere. The portion of the premises in the Blanchard Building currently occupied by the Library is not currently needed for County purposes and is temporarily surplus. The County also has 31 spaces in the Flint Street lot leased from the District that are not currently needed for County purposes.
- d. The Housing Authority of Portland, (HAP), must vacate its buildings in Columbia Villa to make way for development of the New Columbia Villa project. HAP has stated its commitment to lease a portion of the vacant County-leased space in the Blanchard Building and the 31 surplus parking spaces from Multnomah County and will participate in the work and cost of moving the County Library warehouse to another location.
- e. The County is interested in supporting the HAP program and it is in the public's interest to lease a portion of the surplus County-leased space in the Blanchard Building to HAP and the surplus parking spaces for up to five years.

The Multnomah County Board of Commissioners Resolves:

1. The Board approves the sub-lease to the Housing Authority of Portland of a portion of the vacant County-leased space in the Blanchard Building and 31 surplus parking spaces. The Chair is directed to execute all documents necessary to complete the transaction.

ADOPTED this 31st day of July, 2003.

BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

Diane M. Linn, Chair

REVIEWED:

AGNES SOWLE, COUNTY ATTORNEY
FOR MULTNOMAH COUNTY, OREGON

By _____
John S. Thomas, Assistant County Attorney

BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

RESOLUTION NO. 03-113

Approving Sub-lease of a Portion of County-Leased Space in the Blanchard Building to the Housing Authority of Portland

The Multnomah County Board of Commissioners Finds:

- a. The County is confronting difficult financial times and the County Board has been forced to make major reductions in budgets for County Departments and Programs.
- b. Due to the extensive budget reductions, the Department of Business Services, Facilities Property Management Division severely reduced its programs operating in the Blanchard Building and is not presently fully utilizing space in the Blanchard Building leased from the Portland Public Schools District.
- c. The Blanchard Building, located at 501-401 North Dixon Street, Portland, Oregon, is owned by the Portland Public Schools District and a portion of the Blanchard Building has been leased to Multnomah County until 2099 by an Intergovernmental Agreement dated June 8, 2000 that was approved by Board Resolution 00-081. The County-leased space is legally described in the Intergovernmental Agreement. A portion of this leased space comprising approximately 3549 sf is presently occupied by a County Library warehouse. The Library is agreeable to relocate its warehouse to other similar existing County leased warehouse space in the Blanchard Building or elsewhere. The portion of the premises in the Blanchard Building currently occupied by the Library is not currently needed for County purposes and is temporarily surplus. The County also has 31 spaces in the Flint Street lot leased from the District that are not currently needed for County purposes.
- d. The Housing Authority of Portland, (HAP), must vacate its buildings in Columbia Villa to make way for development of the New Columbia Villa project. HAP has stated its commitment to lease a portion of the vacant County-leased space in the Blanchard Building and the 31 surplus parking spaces from Multnomah County and will participate in the work and cost of moving the County Library warehouse to another location.
- e. The County is interested in supporting the HAP program and it is in the public's interest to lease a portion of the surplus County-leased space in the Blanchard Building to HAP and the surplus parking spaces for up to five years.

The Multnomah County Board of Commissioners Resolves:

1. The Board approves the sub-lease to the Housing Authority of Portland of a portion of the vacant County-leased space in the Blanchard Building and 31 surplus parking spaces. The Chair is directed to execute all documents necessary to complete the transaction.

ADOPTED this 31st day of July, 2003.



REVIEWED:

AGNES SOWLE, COUNTY ATTORNEY
FOR MULTNOMAH COUNTY, OREGON

By _____
John S. Thomas, Assistant County Attorney

BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

Diane M. Linn, Chair

Sublease

Date: _____

Between: Multnomah County, Oregon ("Landlord")
Facilities and Property Management
401 N. Dixon Street 97227

And: HOUSING AUTHORITY OF PORTLAND ("Tenant")
135 S.W. Ash Street
Portland OR 97204

Landlord subleases to Tenant and Tenant subleases from Landlord the following described property (the "Premises") on the terms and conditions stated below:

Approximately 3,549 square feet of space and related common areas in the Blanchard Education Service Center, 401 N. Dixon Street, Portland, Oregon, as shown in the attached Exhibit A.

A portion of the Flint Street Parking Lot including the wood-framed Storage Building, the Shed, and 31 parking spaces all as shown on attached Exhibit B.

In addition, Tenant shall be allowed the use of the loading dock, and use of the conference rooms shown on Exhibit C. These uses shall be by prior arrangement with Landlord and subject to availability as determined by Landlord in Landlord's sole discretion.

Section 1. Occupancy

1.1 Term. The term of this Sublease shall commence August 18, 2003 and continue through August 17, 2006 unless sooner terminated as hereinafter provided.

1.2 Renewal Option. If the Tenant is not in default at the time this option is exercised or at the time the renewal term is to commence, Tenant shall have a renewal option for two (2) one year options, as follows:

1.2.1 Each renewal term shall commence on the day following expiration of the previous term.

1.2.2 The option may be exercised by written notice to Landlord given not less than one hundred twenty (120) days prior to the last day of the current term. The giving of such notice shall be sufficient to make the Sublease binding for the renewal term without further act of the parties.

1.2.3 The terms and conditions of the Sublease for the renewal term shall be identical with the original term except for rent and except that after the second renewal period, Tenant will no longer have any option to renew this Sublease. Rent for each year of the renewal term shall be the greater of (a) the monthly rental during the last month of the previous year (b) the monthly rental during the last month of the previous year increased by the most recent percentage increase in operation, repair, and maintenance costs passed through to the County under the terms of the Master Lease or (c) the monthly rental during the last month of the previous year increased by a percentage equal to the percentage change in the Consumer Price Index published by the United States Bureau of Labor Statistics of the United States Department of Labor, U.S. City Average, All Items and Major Group Figures for All Urban Consumers (1982-84 = 100). If such index is no longer published, the nearest comparable data on changes in the cost of living shall be used.

1.3 **Master Lease.** Landlord is Lessee of the Building and Premises by virtue of a Real Property Agreement dated June 8, 2000 between County and Multnomah County School District No. 1J ("District"), hereinafter the "Master Lease." (Attached as Exhibit "D"). This Sublease is and shall be at all times subject to and subordinate to the Master Lease. In no case shall this Sublease grant any rights to Lessee not expressly granted to Landlord under the Master Lease. Tenant shall at all times comply with the terms of the Master Lease. In the event of termination of the Master Lease pursuant to paragraph 4.3 of the Master Lease, this Sublease shall terminate on the date of termination of the Master Lease. In such event, Tenant shall have no claim against County except to the extent that Tenant is entitled to payments under paragraph 4.3 of the Master Lease.

Section 2. Rent and Moving Costs

2.1 **Rent** During the first year of the term, Tenant shall pay to Landlord as rent the sum of \$4,827.50 per month. Rent is allocated \$3,374.17 for the property described in Exhibit A ("Blanchard Building Property") and \$1,453.33 for the property described in Exhibit B ("Flint Street Property"). Rent shall be payable on the first day of each month in advance at such place as may be designated by Landlord. Rent for each subsequent year shall be the greater of (a) the monthly rental during the last month of the previous year (b) the monthly rental during the last month of the previous year increased by the most recent percentage increase in operation, repair, and maintenance costs passed through to the County under the terms of the Master Lease or (c) the monthly rental during the last month of the previous year increased by a percentage equal to the percentage change in the Consumer Price Index published by the United States Bureau of Labor Statistics of the United States Department of Labor, U.S. City Average, All Items and Major Group Figures for All Urban Consumers (1982-84 = 100). If such index is no longer published, the nearest comparable data on changes in the cost of living shall be used.

2.2 **Moving Costs** On or before the date this lease commences, Tenant shall either perform actual moving or pay to Landlord up to \$5,000 to defray the cost of moving Library storage currently located in the Premises to another location in the Blanchard Building. Landlord shall be responsible for coordinating the move so that it is accomplished before the date the lease commences.

2.3 Parking Costs. The Rent set forth in Section 2.1 for the first year of the Sublease includes rent for parking calculated at \$40 per parking space per month for 31 parking spaces in the Flint Parking Lot shown in Exhibit B. Each year Tenant may reduce parking spaces and corresponding rent by written notice to the Landlord given not less than one hundred twenty (120) days prior to the last day of the current term. If such notice is given, rent for the subsequent year shall be reduced by the number of parking spaces deleted times \$40.00.

Section 3. Use of the Premises

3.1 Permitted Use. The Premises shall be used for office, warehouse and parking purposes. The Premises may not be used for any other purpose without the prior written consent of Landlord, which consent shall not be unreasonably withheld.

3.2 Restrictions on Use. In connection with the use of the Premises, Tenant shall:

(1) Comply with all applicable laws and regulations of any public authority affecting the premises and the use, and correct at Tenant's own expense any failure of compliance created through Tenant's fault or by reason of Tenant's use, but Tenant shall not be required to make any structural changes to effect such compliance.

(2) Refrain from any activity that would make it impossible to insure the Premises against casualty, would increase the insurance rate, or would prevent Landlord from taking advantage of any ruling of the Oregon Insurance Rating Bureau, or its successor, allowing Landlord to obtain reduced premium rates for long-term fire insurance policies, unless Tenant pays the additional cost of the insurance.

(3) Refrain from any use that would be reasonably offensive to the District, other tenants or owners or users of neighboring premises or that would tend to create a nuisance or damage the reputation of the premises.

(4) Refrain from loading the electrical system or floors beyond the point considered safe by a competent engineer or architect selected by Landlord.

(5) Refrain from making any marks on or attaching any sign, insignia, antenna, aerial, or other device to the exterior or interior walls, windows, or roof of the premises without the written consent of Landlord, which shall not be unreasonably withheld.

(6) Refrain from any activity that violates the terms of the Master Lease.

3.3 Hazardous Substances. Tenant refrain from any activity as it relates to hazardous substances prohibited by the Master Lease. The term "hazardous substance" has the meaning set forth in the Master Lease.

3.4 Parking. The designated parking area shown in attached Exhibit B shall be used only for vehicles owned or operated by the Housing Authority of Portland or its employees.

Section 4. Repairs and Maintenance

4.1 Maintenance and Repair of Premises. Responsibilities for repair and maintenance of the Premises shall be as follows:

(1) Landlord's obligation to Tenant for maintenance and repair shall be coextensive with the District's obligation to Landlord for maintenance and repair under the Master Lease.

(2) Tenant shall take good care of the interior of the Premises and at the expiration of the term surrender the Premises in as good condition as at the commencement of this Lease, excepting only reasonable wear, permitted alterations, and damage by fire or other casualty.

4.2 Tenant's Obligations. The following shall be the responsibility of Tenant:

(1) Any repairs necessitated by the negligence of Tenant, its agents, employees, and invitees, except as provided in Section 6.3 dealing with waiver of subrogation, but including repairs that would otherwise be the responsibility of Landlord under Section 4.1. Such repairs shall be made by Landlord at Tenant's expense.

(2) Any repairs or alterations required under Tenant's obligation to comply with laws and regulations as set forth in Section 3.2(1).

(3) All other repairs to the Premises which Landlord is not required to make under Section 4.1.

4.3 Landlord's Interference with Tenant. In performing any repairs, replacements, alterations, or other work performed on or around the Premises, Landlord shall not cause unreasonable interference with use of the Premises by Tenant. Tenant shall have neither right to an abatement of rent nor any claim against Landlord for any inconvenience or disturbance resulting from Landlord's activities performed in conformance with this provision.

4.4 Inspection of Premises. Landlord shall have the right to inspect the Premises at any reasonable time or times to determine the necessity of repair. Whether or not such inspection is made, the duty of Landlord to make repairs shall not mature until a reasonable time after Landlord has received from Tenant written notice of the repairs that are required.

Section 5. Alterations

5.1 Alterations Restricted. Tenant shall make no improvements or alterations on the Premises of any kind without the prior written consent of Landlord. Tenant may make such alterations, subject to Landlord's approval and at Tenant's sole expense. All alterations shall be made in a good and workmanlike manner, and in compliance with applicable laws and building codes.

5.2 Ownership and Removal of Alterations. All improvements and alterations to the Premises shall be the property of Landlord when installed unless the Landlord's written consent specifically provides otherwise. Such improvements and alterations shall, at Landlord's option, be

removed by Tenant and the premises restored unless the Landlord's written consent specifically provides otherwise. If this Sublease is terminated pursuant to the terms of paragraph 4 of the Master Lease, Landlord shall pay to Tenant that portion of the amounts received by County allocable to Tenant's improvements and the cost of moving Tenant's personal property from the Premises.

Section 6. Insurance

6.1 Insurance Required of Landlord. Landlord shall keep the Premises insured at Landlord's expense against fire and other risks covered by a standard fire insurance policy with an endorsement for extended coverage. Tenant shall bear the expense of any insurance covering the property of Tenant on the Premises against such risks but is not required to provide such insurance.

6.2 Insurance Required of Tenant. Tenant shall provide at its expense on or before the commencement date of this lease and shall keep in force during the term of the lease, naming Landlord as insured, a commercial general liability insurance policy or such successor comparable form of coverage written on a "claims made basis," including, without limitation, blanket contractual liability coverage, broad form property damage, independent contractor's coverage, and personal injury coverage, protecting Landlord and Tenant against liability occasioned by any covered occurrence on or about the Premises. Such policy shall be written by a good and solvent insurance company licensed to do business in the State of Oregon and shall provide coverage limits of not less than One Million Dollars (\$1,000,000) combined single limit per occurrence for bodily or personal injury (including death) and property damage combined, subject to a commercially reasonable deductible. Prior to the time such insurance is first required to be carried by Tenant and thereafter, Tenant agrees to deliver to Landlord a certificate evidencing such insurance coverage. The certificate shall contain an endorsement that such insurance may not be canceled except upon ten (10) days' prior written notice to Landlord. If Tenant is self-insured for liability Tenant shall provide to Landlord a certificate of self-insurance in lieu of the insurance required by this paragraph.

6.3 Waiver of Subrogation. Neither party shall be liable to the other (or to the other's successors or assigns) for any loss or damage caused by fire or any of the risks enumerated in a standard fire insurance policy with an extended coverage endorsement, and in the event of insured loss, neither party's insurance company shall have a subrogated claim against the other. This waiver shall be valid only if the insurance policy in question expressly permits waiver of subrogation or if the insurance company agrees in writing that such a waiver will not affect coverage under the policies. Each party agrees to use best efforts to obtain such an agreement from its insurer if the policy does not expressly permit a waiver of subrogation.

Section 7. Taxes

7.1 Property Taxes. Tenant shall pay as due all taxes on the Premises. If Tenant intends to seek exemption from real property taxes, Tenant shall apply for exemption through Multnomah County Assessment and Taxation pursuant to ORS 307.112.

7.2 Special Assessments. If an assessment for a public improvement is made against the Premises, Landlord may elect to cause such assessment to be paid in installments as allowed by law. If Landlord so elects, all of the installments payable during the lease term shall be treated the same as

general real property taxes for purposes of Section 7.1.

7.3 Contest of Taxes. Tenant shall be permitted to contest the amount of any tax or assessment as long as such contest is conducted in a manner that does not cause any risk that Landlord's interest in the Premises will be foreclosed for nonpayment. Landlord shall cooperate in any reasonable manner with such contest by Tenant.

7.4 Proration of Taxes. Tenant's share of real property taxes and assessments for the years in which this lease commences or terminates shall be prorated based on the portion of the tax year that this lease is in effect.

Section 8. Services and Utilities

Tenant shall pay for and provide for its own janitorial services. The cost of utilities are included in the Base Rent except for the cost of utilities and services to the Flint Street Storage Building and Shed which shall be separately metered and which shall be paid by Tenant within 10 days of receipt of each utility or service bill.

Section 9. Damage and Destruction

9.1 Termination as a Result of Termination of the Master Lease. If the Premises are damaged and the Master Lease is terminated at the election of either Landlord or the District as provided in the Master Lease as to the Blanchard Building Property or the Flint Street Property, or both, then this lease shall also terminate accordingly effective on the date of termination of Master Lease. If the Master Lease is terminated as to only one property then this lease shall terminate only with respect to that property. In the event of such termination, Tenant shall have no further claim against Landlord except that rent shall be prorated to the date of termination.

9.2 Rent Abatement. If the Premises or the structure are damaged and the District elects to make repairs, Tenant's obligation to pay rent shall be reduced during the period when such repairs are being made to the extent that the Premises cannot be reasonably used by Tenant for the purposes stated in this agreement.

Section 10. Condemnation

10.1 Termination as a Result of Termination of the Master Lease. If all or a portion of the Premises are condemned and the Master Lease is terminated at the election of either Landlord or the District as provided in the Master Lease as to the Blanchard Building Property or the Flint Street Property, or both, then this lease shall also terminate accordingly effective on the date of termination of Master Lease. If the Master Lease is terminated as to only one property then this lease shall terminate only with respect to that property. In the event of such termination, Tenant shall have no claim to any of the condemnation proceeds and shall have no claim against Landlord except that rent shall be prorated to the date of termination. and an amount paid through the Master Lease for Tenant improvements. Nothing in this paragraph shall limit Tenant's right to claim and receive relocation or other benefits directly from the condemning authority.

10.2 Rent Abatement. If only a part of the Premises is condemned and repairs are

required affecting the Premises, Tenant's obligation to pay rent shall be reduced during the period when such repairs are being made to the extent that the Premises cannot be reasonably used by Tenant for the purposes stated in this agreement.

Section 11. Liability and Indemnity

11.1 Liens

11.1.1 Except with respect to activities for which Landlord is responsible, Tenant shall pay as due all claims for work done on and for services rendered or material furnished to the Premises, and shall keep the Premises free from any liens. If Tenant fails to pay any such claims or to discharge any lien, Landlord may do so and collect the cost as additional rent. Any amount so added shall bear interest at the rate of 12% per annum from the date expended by Landlord and shall be payable on demand. Such action by Landlord shall not constitute a waiver of any right or remedy which Landlord may have on account of Tenant's default.

11.1.2 Tenant may withhold payment of any claim in connection with a good-faith dispute over the obligation to pay, as long as Landlord's property interests are not jeopardized. If a lien is filed as a result of nonpayment, Tenant shall, within 10 days after knowledge of the filing, secure the discharge of the lien or deposit with Landlord cash or sufficient corporate surety bond or other surety satisfactory to Landlord in an amount sufficient to discharge the lien plus any costs, attorney fees, and other charges that could accrue as a result of a foreclosure or sale under the lien.

11.2 **Indemnification.** Tenant shall indemnify, defend, and hold harmless Landlord from any claim, loss, or liability arising out of or related to any negligent activity of Tenant on the Premises or any condition of the Premises in the possession or under the control of Tenant. Landlord shall have no liability to Tenant for any injury, loss, or damage caused by third parties, or by any condition of the Premises except to the extent caused by Landlord's negligence or breach of duty under this Sublease.

Section 12. Landlord Warranty

Landlord warrants that it is the lessee of the Premises under the Master Lease and it has the right to sublease the Premises to Tenant subject to the terms of the Master Lease.

Section 13. Assignment and Subletting

No part of the Premises may be assigned, mortgaged, or subleased, nor may a right of use of any portion of the property be conferred on any third person by any other means without the prior written consent of Landlord which Landlord may withhold in Landlord's sole discretion. This provision shall apply to all transfers by operation of law. Consent in one instance does not constitute consent in any other instance unless Landlord expressly so states in writing.

Section 14. Default

The following shall be events of default:

14.1 Default in Rent. Failure of Tenant to pay any rent or other charge within 15 days after written notice that it is due.

14.2 Default in Other Covenants. Failure of Tenant to comply with any term or condition or fulfill any obligation of this Sublease (other than the payment of rent or other charges) within 20 days after written notice by Landlord specifying the nature of the default with reasonable particularity. If the default is of such a nature that it cannot be completely remedied within the 20-day period, this provision shall be complied with if Tenant begins correction of the default within the 20-day period and thereafter proceeds with reasonable diligence and in good faith to effect the remedy as soon as practicable.

14.3 Insolvency. The following constitute default on the lease by Tenant:

- (1) Insolvency of Tenant;
- (2) An assignment by Tenant for the benefit of creditors;
- (3) Filing by Tenant of a voluntary petition in bankruptcy;
- (4) An adjudication that Tenant is bankrupt or the appointment of a receiver of the properties of Tenant;
- (5) The filing of any involuntary petition of bankruptcy and failure of Tenant to secure a dismissal of the petition within thirty (30) days after filing;
- (6) Attachment of or the levying of execution on the leasehold interest and failure of Tenant to secure discharge of the attachment or release of the levy of execution within ten (10) days.

14.4 Default by Assignee. If the lease has been assigned, the events of default specified in section 14.3 apply to the party to whom the rights of Tenant under the lease have been assigned.

Section 15. Remedies on Default. In the event of default by tenant, this Sublease may be terminated at the option of Landlord by written notice to Tenant. Whether or not this Sublease is terminated by the election of Landlord, Landlord shall be entitled to pursue any remedies available to Landlord under applicable law.

Section 16. Surrender at Expiration

16.1 Condition of Premises. Upon expiration of the lease term or earlier termination on default, Tenant shall deliver all keys to Landlord and surrender the Premises broom clean in the same condition as it was in at commencement of the lease term. Alterations constructed by Tenant with permission from Landlord shall not be removed or restored to the original condition unless the terms of permission for the alteration so require. Depreciation and wear from ordinary use for the purpose for which the Premises are leased are excepted but repairs for which Tenant is responsible must be completed prior to surrender. Tenant's obligations under this section are subordinate to the provisions of Section 9 relating to destruction.

16.2 Fixtures.

16.2.1 All fixtures placed upon the Premises during the term, other than Tenant's trade fixtures, shall, at Landlord's option, become the property of Landlord. Tenant shall remove any or all fixtures that remain the property of tenant and shall repair any physical damage resulting from the removal. If Tenant fails to remove such fixtures, Landlord may do so and charge the cost to Tenant with interest at the legal rate from the date of expenditure.

16.2.2 Prior to expiration or other termination of the Sublease, Tenant shall remove all furnishings, furniture, and trade fixtures that remain its property. Failure to remove such property constitutes abandonment of the property and Landlord may retain the property and all rights of Tenant with respect to the property shall cease. If Landlord elects not to retain the property, Landlord may, by written notice provided to Tenant within twenty (20) days after removal was required, hold Tenant to its obligation of removal. If Landlord requires Tenant to remove the property, Landlord may effect removal and place the property in public storage for Tenant's account. Tenant shall be liable to Landlord for the cost of removal, transportation to storage, and storage, with interest at the legal rate on all such expenses from the date of expenditure by Landlord.

16.3 Holdover

16.3.1 If Tenant does not vacate the Premises at the time required, Landlord shall have the option to treat Tenant as a tenant from month to month, subject to all of the provisions of this Sublease except the provisions for term and renewal and rental rate, which Landlord may increase commensurate with increases in operating and maintenance expenses for the Premises. Failure of Tenant to remove fixtures, furniture, furnishings, or trade fixtures that Tenant is required to remove under this Sublease shall constitute a failure to vacate to which this section shall apply if the property not removed will substantially interfere with occupancy of the Premises by another tenant or with occupancy by Landlord for any purpose including preparation for a new tenant.

16.3.2 If a month-to-month tenancy results from a holdover by Tenant under this Section 16.3, the tenancy shall be terminable at the end of any monthly rental period on written notice from Landlord given not less than 30 days prior to the termination date which shall be specified in the notice. Tenant waives any notice that would otherwise be provided by law with respect to a month-to-month tenancy.

Section 17. Miscellaneous

17.1 **Nonwaiver.** Waiver by either party of strict performance of any provision of this lease does not constitute waiver of or prejudice to the party's right to require strict performance of the same provision subsequently or of any other provision. Failure by Landlord or Tenant to enforce any right under this lease does not constitute a waiver of that right or of any other right.

17.2 **Notices.** All notices or other communications required or permitted under this lease must be in writing and must be (1) personally delivered (including by means of a professional messenger service), which notices and communications will be deemed received on receipt at the office of the addressee; (2) sent by registered or certified mail, postage prepaid, return receipt requested, which notices and communications will be deemed received three days after deposit in the

United States mail, postage prepaid; or (3) sent by overnight delivery using a nationally recognized overnight courier service, which notices and communications will be deemed received one business day after deposit with the courier.

To Tenant: Housing Authority of Portland
 Attn: Steven Rudman, Executive Director
 135 SW Ash Street
 Portland, OR 97204

To Landlord: Multnomah County Property Management
 Attn: Greg Herlean, Contracts & Property Manager
 401 N. Dixon Street
 Portland, Oregon 97227

Either party by written notice may designate a different address for purposes of this Agreement. Notice given in any manner other than the manner set forth above shall be effective when received by the party for whom it is intended.

17.3 **Succession.** Subject to the above-stated limitations on transfer of Tenant's interest, this lease shall be binding on and inure to the benefit of the parties and their respective successors and assigns.

17.4 **Interest on Rent and Other Charges.** Any rent or other payment required of Tenant by this agreement shall, if not paid within ten (10) days after it is due, bear interest at the rate of twelve percent (12%) per annum (but not in any event at a rate greater than the maximum rate of interest permitted by law) from the due date until paid. In addition, if Tenant fails to make any rent or other payment required by this agreement to be paid to Landlord within five days after it is due, Landlord may elect to impose a late charge of five cents (\$0.05) per dollar of the overdue payment to reimburse Landlord for the costs of collecting the overdue payment. Tenant shall pay the late charge upon demand by Landlord. Landlord may levy and collect a late charge in addition to all other remedies available for Tenant's default, and collection of a late charge shall not waive the breach caused by the late payment.

17.5 **Proration of Rent.** In the event of commencement or termination of this lease at a time other than the beginning or end of one of the specified rental periods, then the rent shall be prorated as of the date of commencement or termination and in the event of termination for reasons other than default, any prepaid rent shall be refunded to Tenant or paid on its account.

17.6 **Severability.** If any term or provision of this Agreement or the application to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Sublease, or the application of such term or provision to persons or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby, and each such term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

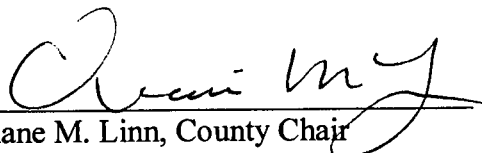
17.7 **Governing Law.** Landlord and Tenant acknowledge that this Agreement has been negotiated and entered into in the State of Oregon. The parties expressly agree that this agreement shall be governed by, interpreted under, and construed and enforced in accordance with the laws of the State of Oregon.

17.8 **Time of Essence.** Time is of the essence of the performance of each of Tenant's obligations under this lease.

Section 18 Entire Agreement

This Sublease, including any exhibits attached to it, is the final expression of and contains the entire agreement between the parties with respect to the subject matter of the agreement and supersedes all prior understandings with respect to it. This Sublease may not be modified, changed, supplemented, or terminated, nor may any obligations under it be waived, except by written instrument signed by the party to be charged or by its agent duly authorized in writing or as otherwise expressly permitted here. The parties do not intend to confer any benefit on any person, firm, or corporation other than the parties hereto.

Landlord:
MULTNOMAH COUNTY, OREGON

By: 
Diane M. Linn, County Chair

Date: 7.31.03

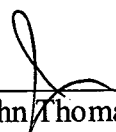
Tenant:
HOUSING AUTHORITY OF PORTLAND

By: _____
Steve Rudman, Executive Director

Date: _____

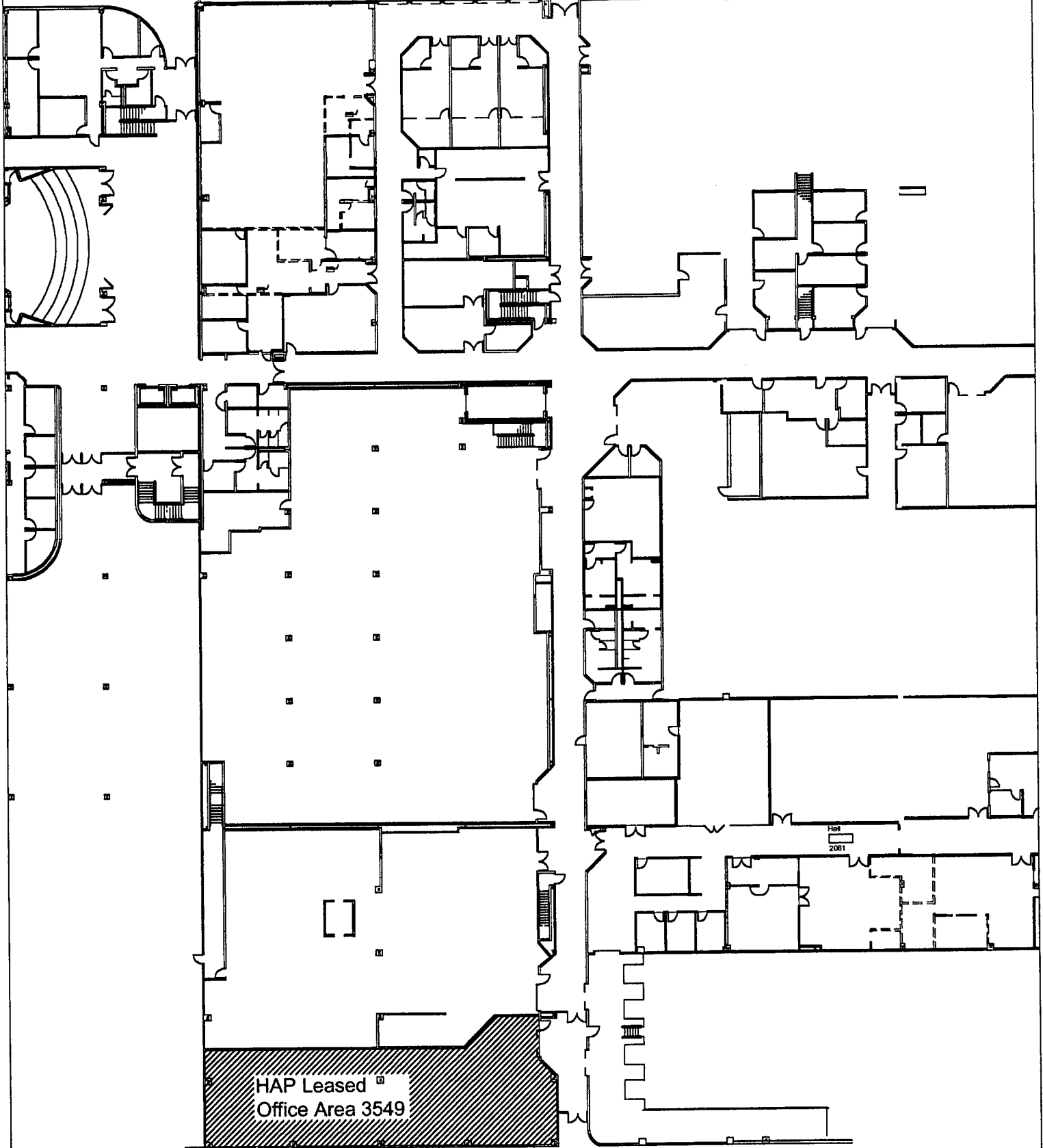
REVIEWED:

AGNES SOWLE, COUNTY ATTORNEY
FOR MULTNOMAH COUNTY, OREGON

By: 
John Thomas, Assistant County Attorney

Date: 7/30/03

Exhibit "A"
Multnomah County-HAP Sub Lease
Blanchard Building-Leased Office Area

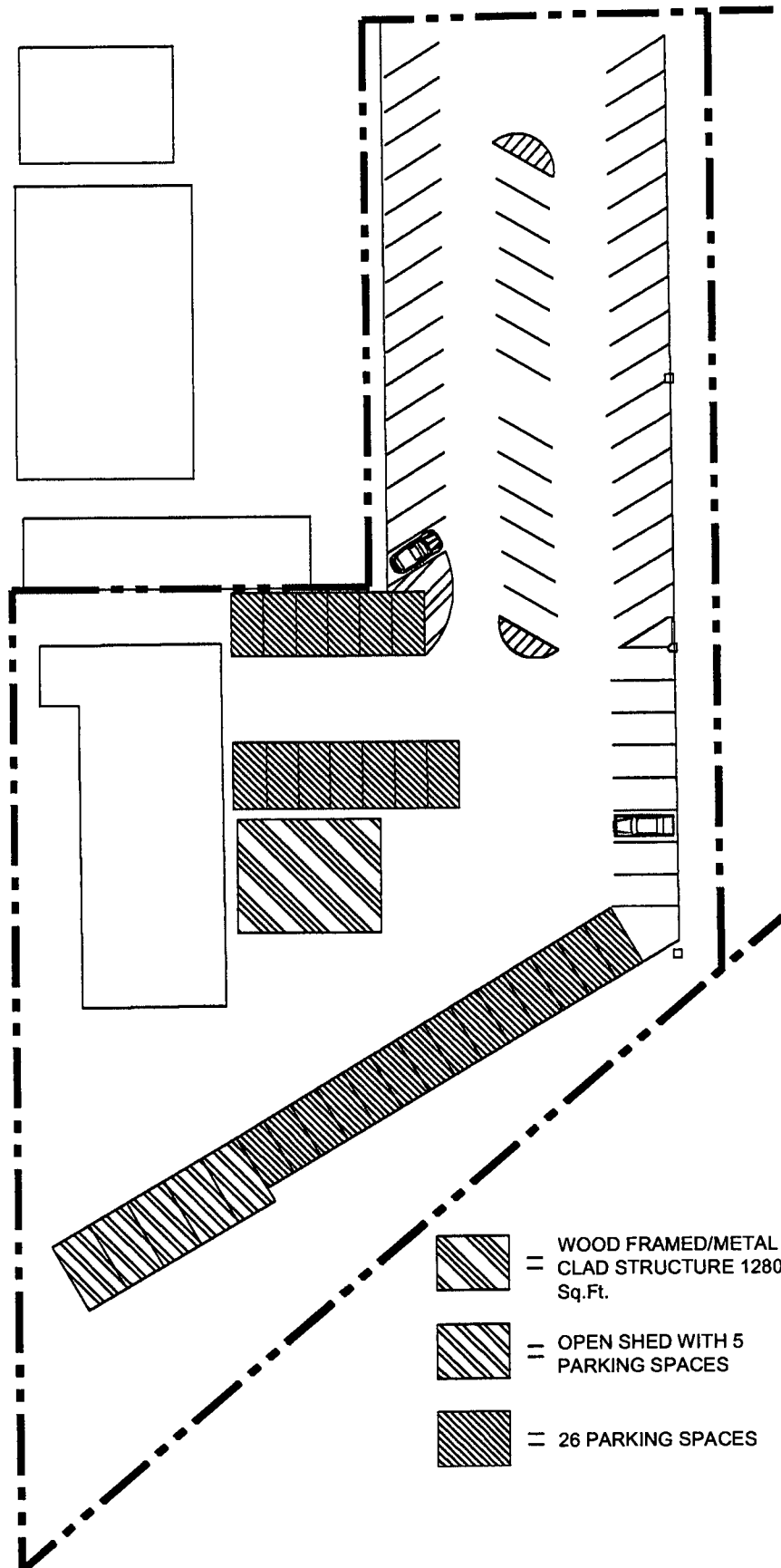


First Floor



Exhibit "B"
Multnomah County-HAP Sub Lease
Flint Street Lot

N. HANCOCK ST.






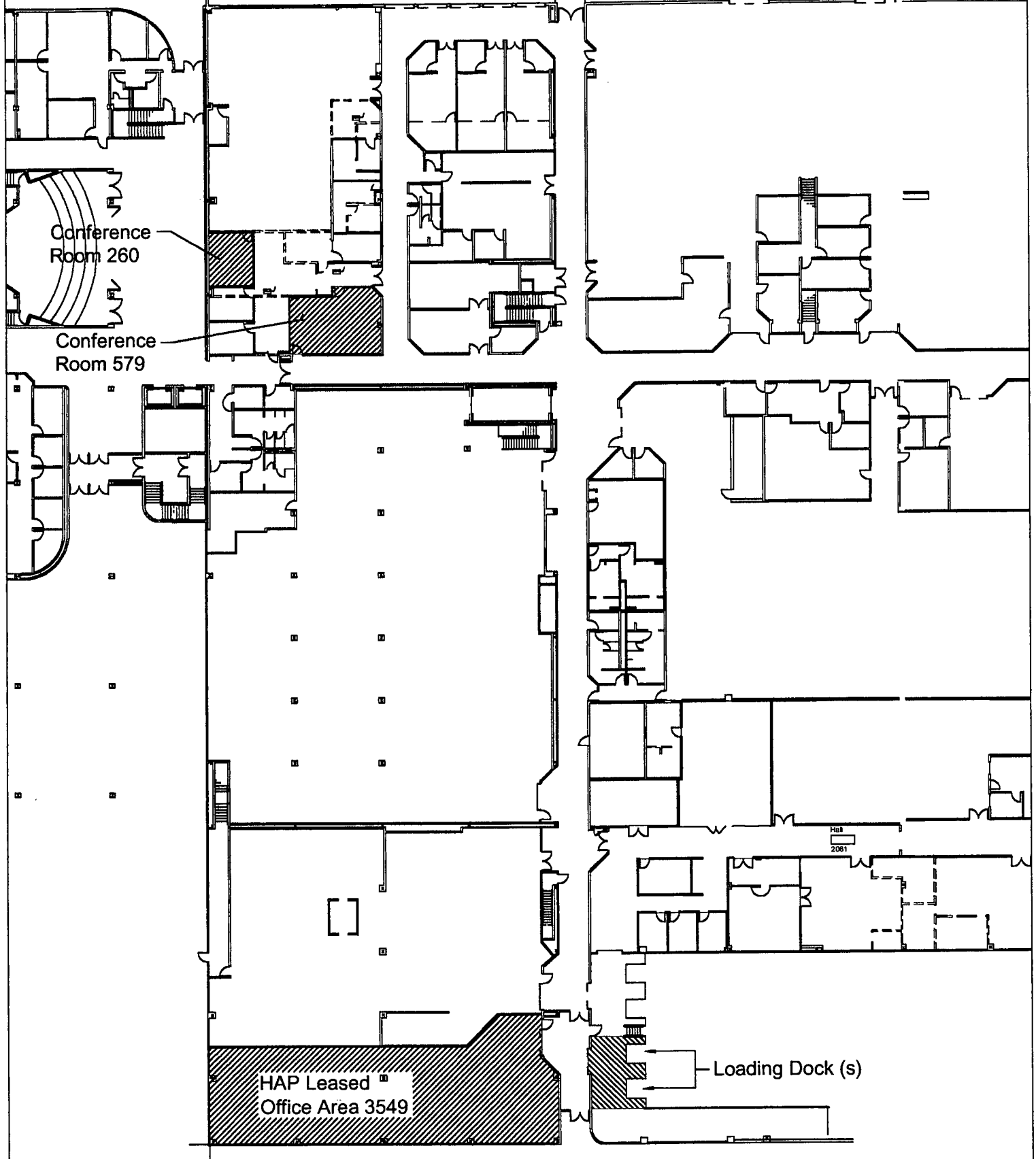
-  = WOOD FRAMED/METAL CLAD STRUCTURE 1280 Sq.Ft.
-  = OPEN SHED WITH 5 PARKING SPACES
-  = 26 PARKING SPACES



Exhibit "C"
Multnomah County-HAP Sub Lease
Loading Docks & Conference Rooms



First Floor



Exhibit "D"
Multnomah County – HAP Sub-Lease
MASTER LEASE

Real Property Agreement

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 1J AND MULTNOMAH COUNTY,
OREGON
INTERGOVERNMENTAL AGREEMENT – REAL PROPERTY**

THIS AGREEMENT entered into in accordance with ORS Chapter 190 this 8 day of JUNE, 2000, between Multnomah County, a home rule subdivision of the State of Oregon, hereinafter referred to as "County" and Multnomah County School District No. 1J, a public school district organized under the laws of the State of Oregon, hereinafter referred to as "District."

1

BACKGROUND AND INTENT

1.1 In September, 1999, the County and District signed a Memorandum of Understanding with the intent to enter into a long term agreement for the use and occupancy of a part of the District's Blanchard Education Center by the County and for the County to manage and maintain District's motor vehicle fleet. This Agreement will provide for the terms of 99-year lease of a parcel of land and approximately 38,907 square feet in the Blanchard building and 7,400 square feet of fleet shop and garage together with additional area for a fleet repair staging area, south loading docks, gasoline fuel pumps and for employee and fleet parking, to be used for County administrative offices, shop uses and other municipal functions.

1.2 By separate agreement entered into contemporaneously with this agreement ("the Fleet Agreement"), District and County have agreed that County will provide service to District for management and maintenance of District's motor vehicle fleet on terms and conditions set forth in that agreement and have agreed to the transfer from District to County of the shop equipment and parts inventory used for maintenance of District's motor vehicles.

2

DEFINITIONS

2.1 As used in this Agreement, the following terms have the following meanings:

2.1.1 "Blanchard Premises" means the improved property which forms a portion of the Center and are described on Exhibit B attached hereto.

2.1.2 "Center" means the land and improvements known as the Blanchard Education Center located at 501 N Dixon, Portland, Oregon, the legal description of which is attached to this Agreement as Exhibit A.

2.1.3 "Flint Street Premises" means the improved property described on Exhibit C attached hereto.

2.1.4 "Leased Premises" means the land and improvements leased to the County pursuant to the terms of this Agreement consisting of the Blanchard Premises and the Flint Street Premises.

3

LEASE OF PROPERTY

3.1 District hereby leases the Leased Premises to County and County hereby leases and accepts the Leased Premises from District on the terms and conditions set forth in this Agreement.

3.2 Notwithstanding the foregoing, District shall have the right to use and occupy the buildings located on the Flint Street Premises and that portion of the grounds adjacent to such buildings as depicted on Exhibit D attached hereto (such buildings and grounds are hereafter referred to as the "Flint Street Buildings") through June 30, 2003 (or such lesser period of time as may be elected by District), upon the following terms and conditions:

3.2.1 District shall not be required to pay rent.

3.2.2 County shall not be required to pay any sum related to District's use and occupancy of the Flint Street Buildings. District shall be responsible for all costs associated with its use and occupancy of the Flint Street Buildings including but not limited to utilities, maintenance, and repair or replacement in the event of destruction except as otherwise specified in this Agreement.

3.2.3 District shall have reasonable access to and from the Flint Street Buildings over the remainder of the Flint Street Premises.

3.2.4 Except for District's right of access, County shall have the exclusive right to possession of that portion of Flint Street Premises, which is not part of the Flint Street Buildings.

3.2.5 At all times during District's occupancy, District shall maintain the Flint Street Buildings in good repair and upon expiration of the three year occupancy shall surrender the Flint Street Buildings in substantially the same condition that they are in on the date of this Agreement, normal wear and tear excepted.

3.2.6 The Flint Street Premises is leased to County in order to satisfy the requirement under the Memorandum of Understanding that District provide County with certain parking spaces. The parties agree that the parking spaces available at the Flint Street Premises and in connection with the 40 parking spaces and four loading docks located on the fleet deck at the Blanchard Premises satisfy the parking requirements under the Memorandum of Understanding. On and after June 30, 2003, or such earlier date as District vacates the Flint Street Buildings, County may redevelop the Flint Street Premises at its sole cost and expense, including the removal of improvements thereon; provided, however, that at all times at least 60 parking spaces shall remain at the Flint Street Premises.

3.3 County shall have unrestricted but not exclusive access to the areas shown on Exhibit B (BESC-First Floor/Fleet Deck MULTCO Lease Area) including the two loading docks as shown on Exhibit B at all times subject to the following:

3.3.1 District's unrestricted right to ingress and egress to the fueling area and the parking areas on the east side of the Center at all times.

3.3.2 District's unrestricted access to the compactor and the loading dock shown on Exhibit B at all times except for one-hour periods at the beginning of the County day shift and the end of the County day shift. County will provide access to these areas during the restricted times on reasonable advance notice by District.

3.3.3 County's use of the area shown on Exhibit B shall be in accordance with law including restrictions on use imposed by fire marshal or other regulatory official or agency.

4

TERM, POSSESSION, TERMINATION UPON SALE OR TRANSFER

4.1 The term of this lease shall begin on July 1, 2000. This lease shall expire on June 30, 2099, unless terminated earlier in accordance with the terms hereof.

4.2 County shall be entitled to possession of the Leased Premises (other than the Flint Street Buildings) on July 1, 2000, or such later date upon which the parties may mutually agree. District shall remove all District personal property from the Leased Premises on or before such possession date.

4.3 Notwithstanding any other provision of this Agreement, this Agreement shall terminate at District's election upon the closing of any sale or transfer of both the Center and the Flint Street Premises, to a third party ("Sale"). In such event, District shall pay County, in cash:

4.3.1 An amount equal to the sum of the appraised value of the Blanchard Premises (including tenant improvements) or \$2,480,000, whichever is greater, plus the appraised value of the Flint Street Premises including any County improvements or \$427,000, whichever is greater. The sum shall be paid at closing of the Sale.

4.3.2 County's actual costs of moving personal property from the Blanchard Premises and the Flint Street Premises as a result of the Sale. This sum shall be paid to District within 30 days of receipt of documents from County showing the costs incurred by County.

Notwithstanding any other provision of this Agreement, if District sells or transfers either or the Flint Street Premises, this Agreement shall terminate as to the sold and District shall pay to the County the sums provided in paragraph 4.3 with respect to the sold premises. In such event, County may elect to continue this Agreement with the remaining premises or terminate this Agreement. If County elects to terminate

Handwritten calculations:
\$2,907,000
\$2,907,000
\$2,907,000

the Agreement, District shall pay to County the sums provided in paragraph 4.3. If County elects to continue the Agreement as to the premises not sold, then all provisions of this Agreement relating to such premises shall continue in full force and effect.

5

RIGHT OF FIRST OPPORTUNITY AND FIRST REFUSAL

5.1 District agrees not to sell, transfer, exchange, grant an option to purchase, lease, or otherwise dispose of the Center or any portion thereof, with the exception of the warehouse areas on the L-1 level of the Center (the "Exempted Area"), without first offering the Center or portion thereof, as applicable, to County on the terms and condition set forth in this paragraph. If District receives a bona fide offer to purchase or lease the Center or portion thereof (other than the Exempted Area) which is acceptable to District, District shall give County written notice of the price, terms and conditions of the offer and a copy of the executed document containing the offer. If County fails to notify District that it exercises its right to purchase or lease within 30 days of the date of District's notice, District shall have the right to sell or lease the Center or portion thereof to the person making the offer on terms and conditions no more favorable than those stated in the offer. If County elects to exercise its right under this paragraph, County shall have 120 days from the date of its notice exercising its right under this paragraph to perform a due diligence investigation of the Center or portion thereof and to notify District in writing whether it will purchase or lease the Center or the applicable portion thereof. If County notifies District that it will not purchase or lease the Center or the applicable portion thereof, or fails to provide notice that it will purchase the Center or the applicable portion thereof within 120 days from the date of its notice to District, District shall have the right to sell or lease the Center or the applicable portion thereof to the person making the offer on terms and conditions no more favorable than those stated in the offer. If County notifies District that it will purchase or lease the Center or the applicable portion thereof, County will be obligated to purchase or lease the Center or the applicable portion thereof and the sale or lease will close within 90 days of such notice.

5.2 Prior to offering to sublease all or any portion of the Leased Premises to a third party, County shall offer the Leased Premises or portion thereof in writing to District for lease at fair market rent and terms. Prior to assigning its leasehold interest in the Blanchard Premises or the Flint Street Premises, County shall offer in writing to cancel this Agreement as it pertains to such Premises in exchange for a cash payment from District representing the fair market value of County's leasehold interest at the time of the offer. If District accepts the offer but the parties cannot agree on the fair market rent and terms, or the fair market value of the leasehold, the dispute shall be resolved in accordance with the procedures set forth in paragraph 12. If District fails to notify County within 30 days of the date of County's offer that it exercises its right under this paragraph to lease the Leased Premises or portion thereof, or cancel this Agreement, County may sublease the Leased Premises or assign its leasehold in the Blanchard Premises or the Flint Street Premises to another party; provided that District first grants its written consent thereto, but such consent shall not be unreasonably withheld. Consent to one sublease or assignment shall not relieve County from the obligations imposed under this Section 5.2 with respect to future subleases or assignments

6

PAYMENTS

6.1 County shall pay to the District within 30 days of the execution of this agreement but no later than June 30, 2000, the sum of \$3,500,000 to be allocated as follows:

6.1.1 \$427,000 as a lump sum payment for the lease of the Flint Street Premises for the term of this lease;

6.1.2 \$2,480,000 as a lump sum payment for lease of the Blanchard Premises for the term of this lease;

6.1.3 \$82,005 as a lump sum payment for equipment under the Fleet Agreement;

6.1.4 An amount equal to the value of the inventory and fuel supplies under the Fleet Agreement;

6.1.5 An amount equal to the remainder after the above allocations. In consideration of this payment under this Section 6.15, the District shall credit the County's share under Paragraph 6.2 of all Major Repairs. For the purposes of this Agreement, "Major Repairs" means any single repair activity, the cost of which is equal to or greater than \$25,000. The amount to be credited under this Section shall be increased on a monthly basis by imputed interest at the Local Government Investment Pool interest rate to the then remaining amount not yet credited.

6.2 County shall pay to District fourteen and 4/10ths percent (14.4%) of District's operation, repair and maintenance costs for the Center.

6.3 The amount of County's obligation under Section 6.2 shall be determined and paid as follows:

6.3.1 District shall notify County by January 1 of each year of the estimated operation, repair and maintenance costs of the Center and the estimated amount to be paid by County for each fiscal year beginning on such July 1. County shall pay to district one-twelfth of such estimated annual amount on the first day of each month during each fiscal year.

6.3.2 District shall, within forty five (45) days after each such fiscal year furnish to County a statement showing in reasonable detail the actual operation, repair and maintenance costs for the Center during such previous fiscal year and County's portion thereof. County shall pay to District any difference by which the actual costs exceeded the estimated costs within thirty (30) days after receipt of the statement. Any difference by which the estimated costs exceeded the actual costs shall be credited against County's payment of estimated costs for the following fiscal year.

6.3.3 The District will credit the County's share of Major Repairs with amounts received under Section 6.1.5. Prior to crediting such amounts towards Major Repairs, District shall provide County with written notice thereof, which shall include in reasonable detail the use to which the amounts will be credited.

6.4 As used in this agreement, operation, repair and maintenance costs includes the cost of management, repair, replacement and maintenance of the roof, floors, exterior walls, building systems, common areas, parking areas and landscaping, security service, janitor service, grounds keeping, power, gas, lighting, heating, air conditioning, water and other utility services, garbage collection, and casualty insurance maintained by District on the Center. As used in this paragraph, operation, repair and maintenance costs does not include District's costs for repair, replacement and maintenance of District's improvements within the exterior walls of the Center.

6.5 Any payments due to District from County not paid when due, shall bear interest at the rate of interest earned by the Local Government Investment Pool from the due date until paid. Notwithstanding any dispute between District and County, County shall make all payments when due and shall not withhold any payments pending the final resolution of the dispute. In the event of a determination that County was not liable for payments or any portion thereof, the payments, or any excess as the case may be, together with interest on those payments in excess of payments at the same rate of interest as earned by the Local Government Investment Pool, shall be credited against subsequent payments due from County to District.

7

RIGHTS AND RESPONSIBILITIES OF THE PARTIES

7.1 County shall use the Leased Premises for administrative offices, storage, vehicle parking, vehicle fueling, maintenance and repair, shop uses, and other municipal functions. In connection with the use of their respective premises, County and District shall:

7.1.1 Conform to all applicable laws and regulations of any public authority affecting the Center and the Flint Street Premises and the use thereof, and any failure of compliance by a party created through that party's fault or by reason of that party's use at the expense of the party who fails to comply;

7.1.2 Refrain from any activity that would make it impossible to insure the Center or Leased Premises against casualty, would increase the insurance rate, or would prevent District from taking advantage of any ruling of the Oregon Insurance Rating Bureau, or its successor, allowing District to obtain reduced premium rates for long-term fire insurance policies, unless the party engaging in such activity pays the additional cost of the insurance.

7.1.3 Refrain from any use that would be reasonably offensive to the other party or personnel or owners or users of neighboring premises or that would tend to create a nuisance or damage the reputation of the Center or the Leased Premises.

7.1.4 Refrain from loading the electrical system or floors beyond the point considered safe by a competent engineer or architect selected by agreement of both parties.

7.2 Title to the Center, including the land on which it is located shall remain in the name of the District.

7.3 District makes no representations concerning the Leased Premises and County accepts the Leased Premises "AS IS."

7.4 District shall not be required to construct any alterations or improvements on the Leased Premises. County shall be permitted to construct, at County's sole expense, any alterations and improvements on and in the Leased Premises that are necessary or suitable for County's use, provided that such alterations and improvements do not interfere with District's reasonable use of the Center and are first approved in writing by District, which approval shall not be unreasonably withheld. District shall cooperate with County in applying for and obtaining any governmental permits required to construct County improvements and alterations necessary or suitable for County's use. No alterations or improvements shall be permitted which would constitute a "change of occupancy" under the City of Portland building code, unless County agrees to pay the cost of all improvements and alterations required under such building code as a result thereof. Any improvements or alterations made by County to the Leased Premises shall be the property of County, provided, however, that in the event County is required as a condition imposed by the City of Portland to issuance of a building permit to make improvements to the Center which are not located on the Leased Premises, such off-site improvements shall become the sole property of District upon their installation.

7.5 County may alter or modify Center building systems, such as the heating, ventilating and air conditioning systems which serve the Leased Premises, at County's sole cost or as otherwise then agreed by the parties, with the prior written approval of District, which shall not be unreasonably withheld.

7.6 County may install lighting and signage on the exterior and interior of the Center outside the Leased Premises appropriate to County's usage of the Property and may make other changes to the exterior of the Center, all with District's prior written approval, which approval shall not be unreasonably withheld.

7.7 Upon termination of this Agreement for any reason, County shall (a) remove all of its personal property from the Leased Premises; (b) quit and surrender the Leased Premises to District broom clean. Upon termination, County shall have the right, but not the obligation to remove any County improvements from the Leased Premises. All such removals shall be accomplished in a good and workmanlike manner so as not to damage the structural integrity or utility components of the Leased Premises or the Center. Any damage to the Center caused by the removal shall be repaired by County at its sole cost and expense.

7.8 Repair and maintenance shall be allocated as follows:

7.8.1 District shall be responsible for all repair and maintenance of the Center as set forth in Article 6. The level of repair and maintenance of the Leased Premises shall be of a reasonable level for the uses allowed in this Agreement. District shall have reasonable access to and through the Leased Premises for repair and maintenance or to provide the services described in paragraph 7.10. District shall provide County with a minimum of 24 hour notice of the need to access the Leased Premises except in the case of emergency

7.8.2 County shall maintain the interior of the Blanchard Premises in a neat, clean, and safe condition. County shall be solely responsible for repairs to the Leased Premises necessitated by the actions of its employees, agents, contractors, and invitees.

7.8.3 Additionally, after District has vacated the Flint Street Buildings, County shall have sole responsibility for the condition of the Flint Street Premises and shall indemnify, hold harmless, and defend District from any and all claims resulting or relating to the condition of the Flint Street Premises. At its election, County may demolish and remove the improvements at the Flint Street Premises, provided that County complies with all legal requirements related thereto. In the event County constructs new improvements on the Flint Street Premises, County shall have sole responsibility for all aspects of ownership of such improvements, including, without limitation, maintenance, repair, compliance with law, insurance, taxes (if any), and utilities.

7.9 Each year by May 1, District shall provide County repair work which District plans to perform at the Center in the amount that County can budget for its share of those items for which it is responsible. Any maintenance or repair work in such notice shall not relieve County of its obligation to pay its share thereof under Section 6.2.

*7.9 may not be
consistent with
6.3.1* and
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due
to

7.10 District shall furnish all building standard utilities and services to the Center and Blanchard Premises during the term of this lease and to the Flint Street Premises while District occupies the same, including security service, janitor service, grounds keeping, power, gas, lighting, heating, air conditioning, water, other utility services, and garbage collection. The level of such utilities and services shall be of a reasonable level for the uses allowed in this Agreement at all times and shall not be less than that of the Center outside the Leased Premises. If County shall require any such services beyond the building standard and a reasonable level for the uses allowed in this Agreement, District shall provide such additional services at the sole expense of County. District shall have no liability for any interruption in utilities and County shall not be entitled to any offset unless interruption is caused by the negligence of District. After District no longer occupies the Flint Street Buildings, County shall be solely responsible for all such services delivered to the Flint Street Premises.

7.11 Neither party shall cause or permit any Hazardous Substance to be spilled, leaked, disposed of, or otherwise released on or under the Leased Premises. Either party may use or otherwise handle on the Leased Premises only those Hazardous Substances typically used in the prudent and safe conduct of the uses specified in Section 7.1. Either party may store such Hazardous Substances at the Center or on the Leased Premises only in quantities necessary to satisfy that party's reasonably anticipated needs. Both parties shall comply with all Environmental Laws and exercise the highest degree of care in the use, handling, and storage of Hazardous Substances and shall take all practicable measures to minimize the quantity and toxicity of Hazardous Substances used, handled, or stored on the Leased Premises. Upon the expiration or termination of this Lease, County shall remove all Hazardous Substances from the Leased Premises. The term Environmental Law shall mean any federal, state, or local statute, regulation, or ordinance or any judicial or other governmental order pertaining to the protection of health, safety or the environment. The

term Hazardous Substance shall mean any hazardous, toxic, infectious or radioactive substance, waste, and material as defined or listed by any Environmental Law and shall include, without limitation, petroleum oil and its fractions.

7.12 Eminent Domain.

7.12.1 If a portion of the Leased Premises is condemned and Section 7.12.2 does not apply, the lease shall continue on the following terms:

(1) District shall be entitled to all of the proceeds of the condemnation.

(2) District shall proceed as soon as reasonably possible to make such repairs and alterations to the Leased Premises as are necessary to restore the remaining Leased Premises to a condition as comparable as reasonably practicable to that existing at the time of the condemnation. During the period of restoration, County's obligation to pay operation, repair and maintenance costs shall be reduced to the extent the Blanchard Premises cannot reasonably be used by the County for the purposes stated in this agreement.

(3) The condemnation proceeds shall be applied by the District as follows: first, to reimburse the District for its legal expenses and other costs incurred in recovering the proceeds; second, to the cost of restoration as set forth in subparagraph (2) above (if the cost of such restoration exceeds the remaining available proceeds, the difference shall be treated as repair costs under Section 6.2); and, third, to the parties in proportion to the value of their respective interests in the condemned premises.

7.12.2 If a condemning authority takes all of the Leased Premises, this lease shall automatically terminate effective as of the date the condemning authority takes possession. If a condemning authority takes all of the Blanchard Premises or all of the Flint Street Premises or a portion of either premises sufficient to render the remaining Leased Premises unsuitable for any of the uses that County was then making of such Leased Premises, then County may elect to terminate this lease as of the date that the condemning authority takes possession of the premises. In the event of a termination under this section, District shall be reimbursed for its legal and other costs incurred in recovering the condemnation proceeds and the parties shall be entitled to share in the remaining condemnation proceeds in proportion to the values of their respective interests in such premises.

7.12.3 Sale of all or part of the Leased Premises to a purchaser with the power of eminent domain in the face of a threat or probability of the exercise of the power shall be treated for the purposes of this Section 7.12 as a taking by condemnation.

7.13 Liens.

7.13.1 Except with respect to activities for which District is responsible, County shall pay as due all claims for work done on and for services rendered or material furnished to the Leased Premises, and shall keep the Leased Premises free from any liens. If County fails to pay any such claims or to discharge any lien, District may do

so and collect the cost as additional rent. Any amount so added shall bear interest at the rate of 12% per annum from the date expended by District and shall be payable on demand. Such action by District shall not constitute a waiver of any right or remedy which District may have on account of County's default.

7.13.2 County may withhold payment of any claim in connection with a good-faith dispute over the obligation to pay, as long as District's property interests are not jeopardized. If a lien is filed as a result of nonpayment, County shall, within ten days after knowledge of the filing, secure the discharge of the lien or deposit with District cash or sufficient corporate surety bond or other surety satisfactory to District in an amount sufficient to discharge the lien plus any costs, attorney fees, and other charges that could accrue as a result of a foreclosure or sale under the lien.

8

DEFAULT AND REMEDIES

8.1 If County shall (a) fail to pay operation, repair and maintenance costs payable hereunder when due; or (b) fail to keep any other term, covenant, or condition herein; or (c) abandon or vacate the Leased Premises without consent of District; or (d) County's interest in the Agreement, the Leased Premises or any part thereof is assigned, encumbered, subleased or otherwise transferred without the prior written consent of District, either voluntarily or by operation of law; then, in any of such events, County shall be deemed to be in default.

8.2 If County, after written notice, fails to remedy any default within 60 days, or if the remedy requires more than 60 days, fails to begin and diligently pursue remedy of the default within 60 days, District may, at its option, without any further demand terminate this Agreement immediately upon giving written notice of such termination to County and upon such notice may re-enter the Leased Premises and eject all persons in possession therefrom. Any re-entry shall be allowed by County without hindrance, and District shall not be liable in damages for any such re-entry or be guilty of trespass. District may also pursue any other remedies available to it under applicable law by reason of County's default. County shall not be entitled to any refund of prepaid rent upon termination under this Section 8.2.

8.3 If District, after written notice, fails to remedy any default within 60 days, or if the remedy requires more than 60 days, fails to begin and diligently pursue remedy of the default within 60 days, County may terminate this Agreement immediately upon giving written notice of such termination to District. County may also pursue any other remedies available to it under applicable law by reason of District's default.

9

INSURANCE

9.1 District shall maintain all-risk property insurance with a self-insured retention of \$1,000,000 on the Center and, during District's occupancy of the Flint Street Buildings, on the Flint Street Buildings. County at its sole expense and discretion may insure County's personal property and County's tenant improvements located on the Leased Premises. After District no longer occupies the Flint Street Buildings, the entire risk of loss to the Flint Street

Buildings or, if County constructs a new building on the Flint Street Premises, the entire risk of loss to such new building, shall be the sole and exclusive responsibility of County.

9.2 It is understood that District and County are both self-insured public bodies in the State of Oregon. If either party ceases to be self-insured, such party shall so notify the other party's risk manager in writing as soon as is practicable. In that event, the party ceasing to be self-insured ("Insuring Party") shall maintain worker's compensation insurance, commercial general liability insurance, property damage insurance and automobile liability insurance with respect to its use of and activities at the Center. The insurance shall name the other party ("Insured Party") and its officials and employees as additional insureds. The Insuring Party shall provide the Insured Party with evidence of such insurance.

9.3 Except as may be required by Section 9.4, the insurance referred to in Section 9.2 shall provide coverage for not less than \$200,000 for personal injury to each person, \$500,000 for each occurrence, and \$50,000 for occurrences involving property damage.

9.4 The limits of the insurance required by paragraph 9.3 shall be changed by a percentage equal to the percentage of any change in the maximum limit of liability imposed on political subdivisions of the State of Oregon during the term of this Agreement.

10

INDEMNIFICATION

10.1 Subject to the limits in the Tort Claims Act, ORS 30.265 *et seq.* and the Oregon Constitution, District agrees to defend, indemnify and save harmless County, its officers, agents, and employees from and against all claims, actions and liabilities, and all expenses incidental to the investigation and defense thereof, including attorney fees, arising out of or as a result of damage or injuries to persons (including death) or property in connection with District's use of those portions of the Center not subject to this Agreement or any condition of the Center not subject to this agreement except to the extent caused by County's negligence or breach of a covenant under this lease.

10.2 Subject to the limits in the Tort Claims Act, ORS 30.265 *et seq.* and the Oregon Constitution, County agrees to defend, indemnify and save harmless District, its officers, agents, and employees from and against all claims, actions and liabilities, and all expenses incidental to the investigation and defense thereof, including attorney fees, arising out of or as a result of damage or injuries to persons (including death) or property in connection with County's use of the Leased Premises or any condition of the Leased Premises, except to the extent caused by District's negligence or breach of a covenant under this lease.

11

CASUALTY DAMAGE AND SUBROGATION

11.1 If the Blanchard Premises or the Center is damaged by fire or other casualty during the term of this lease or if the Flint Street Buildings are damaged by fire or other casualty during District's occupancy thereof, the parties shall have the following rights and responsibilities:

11.1.1 Unless District gives the notice provided for in paragraph 11.1.2, District shall repair all damage to the Center and the Blanchard Premises with all reasonable dispatch and without unnecessary interference with County's use of the Blanchard Premises. If the Blanchard Premises require repair, District shall promptly notify County of the estimated time required to complete the repairs. During the period of any repair, County's obligation to pay operation, repair and maintenance costs shall be reduced to the extent the Blanchard Premises cannot reasonably be used by County for the purposes stated in this Agreement.

11.1.2 District may elect not to repair the Blanchard Premises or the Center and terminate this Agreement with respect to the Blanchard Premises or the Flint Street Premises by notice to County within 45 days of the date of the fire or casualty. If the District so elects, District shall pay to County the applicable sum described in paragraph 4.3.1 within 60 days of such election and shall pay County the sum described in paragraph 4.3.2 within 30 days or receipt of the documents required to be provided in that paragraph.

11.1.3 If the District fails to notify the County within 60 days of any damage to the Flint Street Buildings that it will repair the damage to the buildings, then District's right to occupy the Flint Street Buildings under Section 3.2 shall be terminated and District shall have no further rights with respect to the Flint Street Buildings and no further obligations with respect to such buildings. All repairs to the Flint Street Buildings during the period of occupancy of the Flint Street Buildings by District shall be at District expense.

11.2 Neither party shall be liable to the other for loss arising out of damage to or destruction of all or any portion of the Leased Premises or the Center or the contents thereof, when such loss is caused by any of the perils included within an all-risk property insurance policy. All claims of one party against the other for any and all such loss are hereby waived. Such absence of liability shall exist whether or not the damage is caused by negligence of either party or by any of their respective officers, employees, agents or guests. Except for the allocation of insurance proceeds provided for in paragraph 11.1.2, each party shall look solely to its respective insurance carriers for reimbursement of any such loss. The insurance carriers for each party shall not be entitled to subrogation under any circumstance.

12 DISPUTE RESOLUTION

12.1 If a dispute arises concerning this Agreement, County and District agree that the dispute shall initially be submitted to mediation. The mediator will be selected by mutual agreement, and will be compensated equally by both parties. If the parties fail to agree on a mediator within ten days of notice by either party of a request for mediation, a mediator shall be appointed by the presiding judge of the Multnomah County Circuit Court upon the request of either party.

12.2 Any dispute under this Agreement not resolved by mediation shall be resolved in accordance with this paragraph. An arbitrator will be selected by mutual agreement, and will be compensated equally by both parties. If the parties fail to agree on an arbitrator within ten

days of notice by either party of a request for arbitration, each party shall submit to the presiding judge of the Multnomah County Circuit Court a list of three proposed arbitrators and the presiding judge shall appoint an arbitrator from among those proposed. Reasonable discovery shall be allowed in the arbitration. Each party shall bear its own costs and attorney fees in connection with the arbitration.

13

MISCELLANEOUS

13.1 County shall not assign its interest in this Agreement or a part thereof, let the Leased Premises or any portion thereof or permit use or occupancy of the Leased Premises or any portion thereof by other than County, its agents and employees, without first obtaining the written consent of District, which consent shall not be unreasonably withheld.

13.2 District, for the proper maintenance of the Leased Premises within the Center, the rendering of good service and providing of safety, order, and cleanliness, may make and enforce building regulations appropriate for such purposes, but not in enlargement of or inconsistent with the terms, covenants and material conditions of this Agreement.

13.3 No waiver of any breach of any covenant, term, or condition of this Agreement shall be effective unless in writing. No waiver of any breach shall be a waiver of any other breach.

13.4 This Agreement may be modified only by endorsement in writing attached to this Agreement, dated and signed by the parties. The parties shall not be bound by any oral or written statement of any servant, agent, or employee purporting to modify this Agreement.

13.5 Neither party shall not be deemed in default for the nonperformance or for any interruption or delay in performance of any of the terms, covenants, and conditions of this Agreement if due to any labor dispute, strike, lockout, civil commotion, or like operation, invasion, rebellion, hostilities, military or usurped power, sabotage, governmental regulations or controls, legal injunction, inability to obtain labor, services or materials, or act of God or other cause beyond the reasonable control of a party.

13.6 District covenants and agrees that, so long as this Agreement remains in effect with respect to any portion of the Leased Premises, it will not use such portion of the Leased Premises, nor take any other action (nor permit any person under its control to take any other action) with respect to such portion of the Leased Premises that would cause the interest on the County's Full Faith and Credit Obligation Financing Series 2000, dated April 1, 2000, issued to finance the acquisition of the Leased Premises, to become taxable to the holders of the Obligations under Section 103 of the Internal Revenue Code of 1986, as amended. The foregoing covenant shall not restrict in any manner the District's activities on any portion of the Center other than that portion of the Center which constitutes the Leased Premises. Additionally, the foregoing covenant shall not restrict in any manner the District's right to terminate this Agreement in accordance with its terms.

13.7 All exhibits which are referenced and attached to in this Agreement, are hereby incorporated by reference.

13.8 Notice between the parties shall be in writing, effective when personally delivered to the recipient's address specified below or, if mailed, effective forty-eight (48) hours following mailing, postage prepaid, to the recipient's address specified below or such address as wither party may specify by notice to the other:

If to County: Multnomah County
 Facilities & Property Management
 2505 SE 11th Avenue
 Portland, Oregon 97202

With copy to:

Multnomah County Attorney
1120 SW Fifth Avenue Suite 1530
Portland, Oregon 97204

If to District: Portland Public Schools
 Facilities and Asset Management Director
 501 N. Dixon Street
 Portland, Oregon 97227

With copy to:

Portland Public Schools
General Counsel
501 N. Dixon Street
Portland, Oregon 97227

13.9 This Agreement together with the Fleet Agreement constitutes the entire agreement between the parties. No waiver, consent, modification or change in terms of this Agreement shall bind either party unless it is in writing and signed by both parties. Such waiver, consent, modification or change, if made, shall be effective only in the specific instance and for the specific purpose given. There are no understandings, agreements or representations, oral or written, not specified herein regarding this Agreement. Each the County and the District, by the signature of its authorized representative, hereby

acknowledges that such party has read this Agreement, understands it, and agrees to be bound by its terms and conditions.

Multnomah County School District No. 1J

By: [Signature]
Deputy Clerk

Date: JUN 08 2000

APPROVED AS TO FORM

[Signature]
Attorney for School District No. 1
Multnomah County, Oregon

Multnomah County

By: [Signature]
Beverly Stein, County Chair

Date: May 25, 2000

Reviewed:

Thomas Sponsler, County Attorney

By: [Signature]
John Thomas, Assistant County Attorney

APPROVED MULTNOMAH COUNTY
BOARD OF COMMISSIONERS
AGENDA # R-5 DATE 5/25/00
DEB BOGSTAD
BOARD CLERK

**REAL PROPERTY AGREEMENT
EXHIBIT A**

DESCRIPTION OF THE BLANCHARD EDUCATION CENTER AND DRAWING

Block 97, Albina

Lots 1 – 4 and 9 – 12, Block 16, Elizabeth Irving's Addition to the City of East Portland.

Block 18, Elizabeth Irving's Addition to the City of East Portland.

Block 3, Delmer Shaver's 2nd Addition.

Lots 1 and 2, Block 2 including part in vacated street, Delmer Shaver's 2nd Addition.

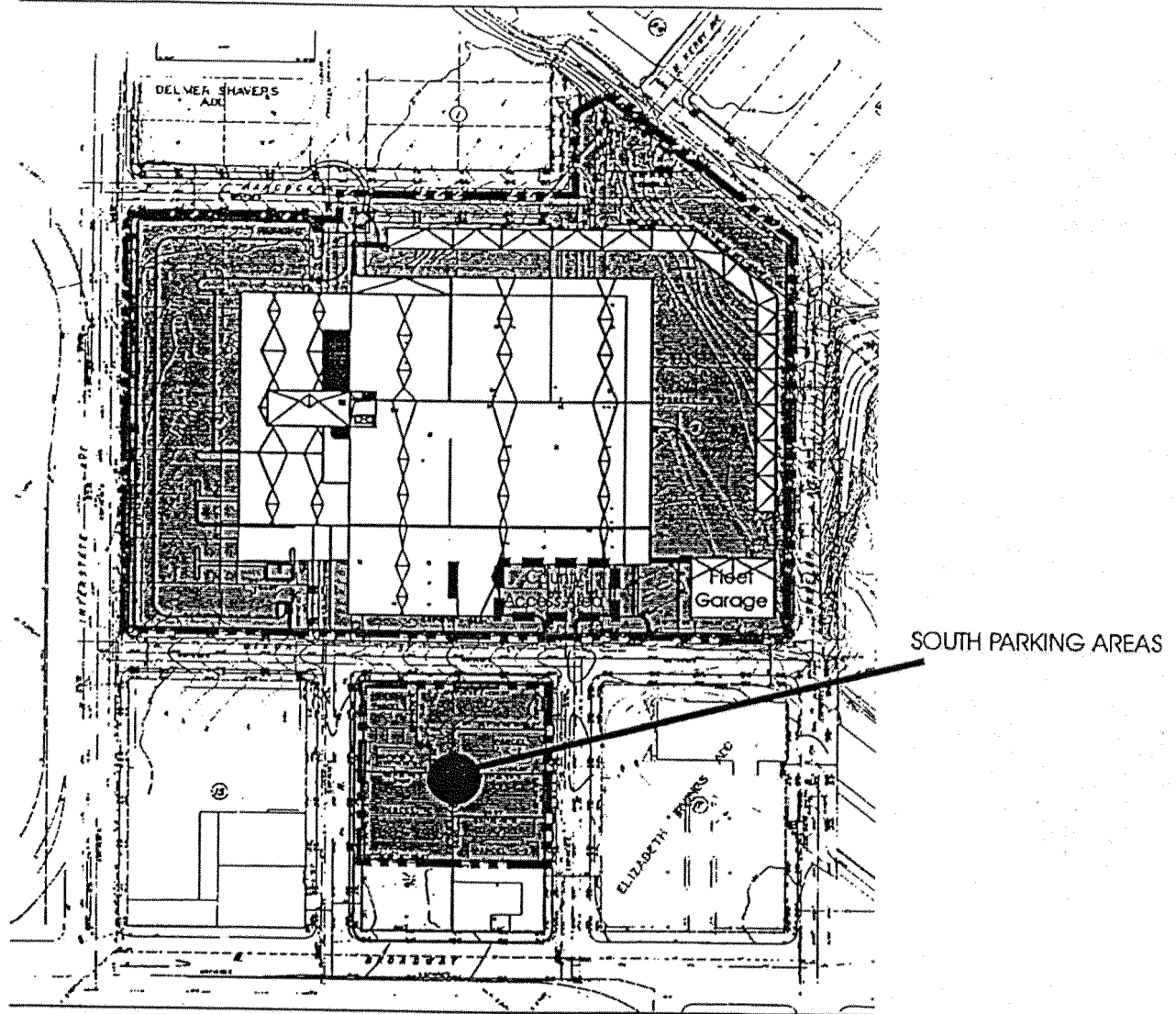
Block 19, Irving's Harbor View.

A tract of land located on the southwest ¼ of Section 27, Township 1 North, Range 1 East of the Willamette Meridian, Multnomah County, Oregon, said tract being a portion of North Hancock Street and North Ross Avenue as now vacated by the City of Portland Ordinance No. 142516, said tract being more particularly described as follows:

Beginning at the intersection of the center line of said North Hancock Street and North Ross Avenue; thence South 51°14'00" West, along the center line of North Hancock Street, 38.10 feet; thence North 00°06'15" East 60.76 feet to the center line of said North Ross Avenue; thence South 38°43'45" East, 47.31 feet to the point of beginning.

A tract containing 901 square feet, more or less.

Real Property Agreement
Exhibit A
Legal Description for the "Blanchard Education Center" and Drawing



BESC FACILITY SITE

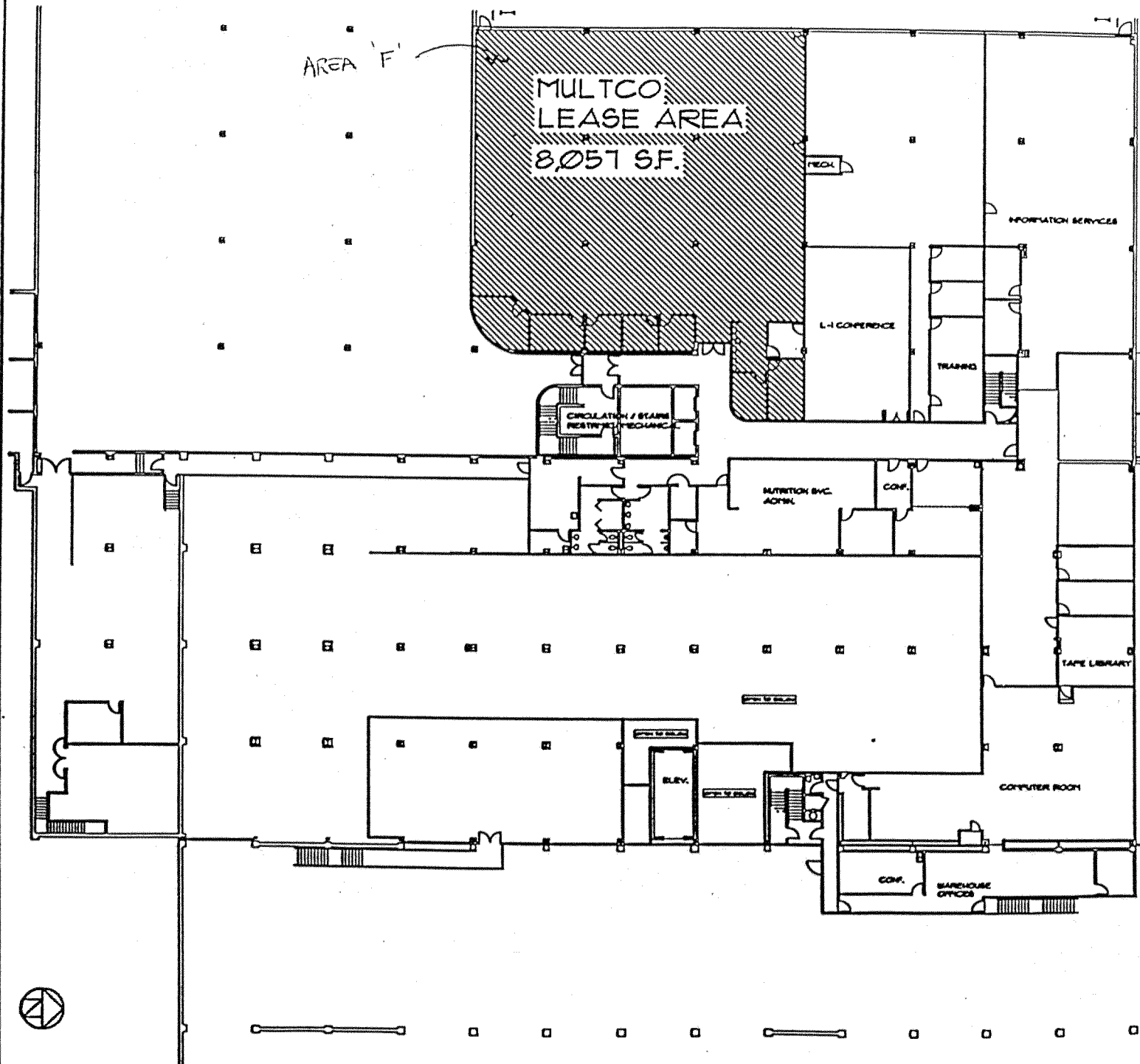
All of Blocks 18 and 19, Irvings Harbor View Addition plus Blocks 2 and 3 of Delmer Shavers Second Addition, plus Block 18 of Elizabeth Irvings Addition, plus Lots 1,3,9,10 and part of Lots 11 and 12 of Block 16 Elizabeth Irvings Addition. Bounded by: North Interstate and Wheeler Ave., N. Hancock St. and N. Dixon St.

Q.S. 2829, 2830

INCLUDING SOUTH PARKING AREAS

Lots 1,2,3,4,9,10,11.&12 of Block 16
Elizabeth Irvings Addition, bounded by
N Dixon, N Benton and N Ross Streets
Quarter Section 2830 Portland Oregon

EXHIBIT B
DESCRIPTION OF BLANCHARD PREMISES



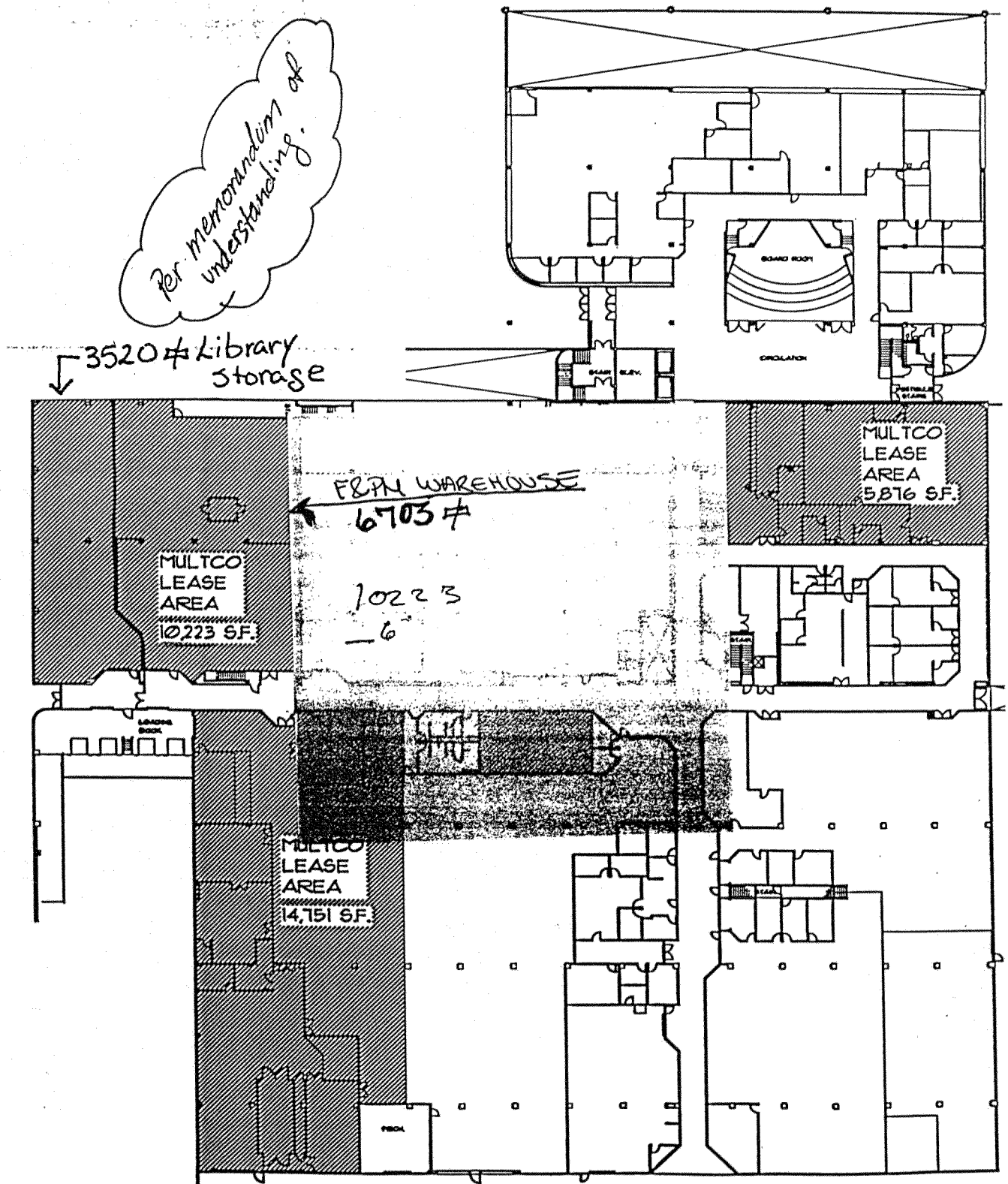
BESC - L-1 LEVEL

MULTNOMAH COUNTY LEASE AREA

470000

N.T.S.

EXHIBIT B DESCRIPTION OF BLANCHARD PREMISES



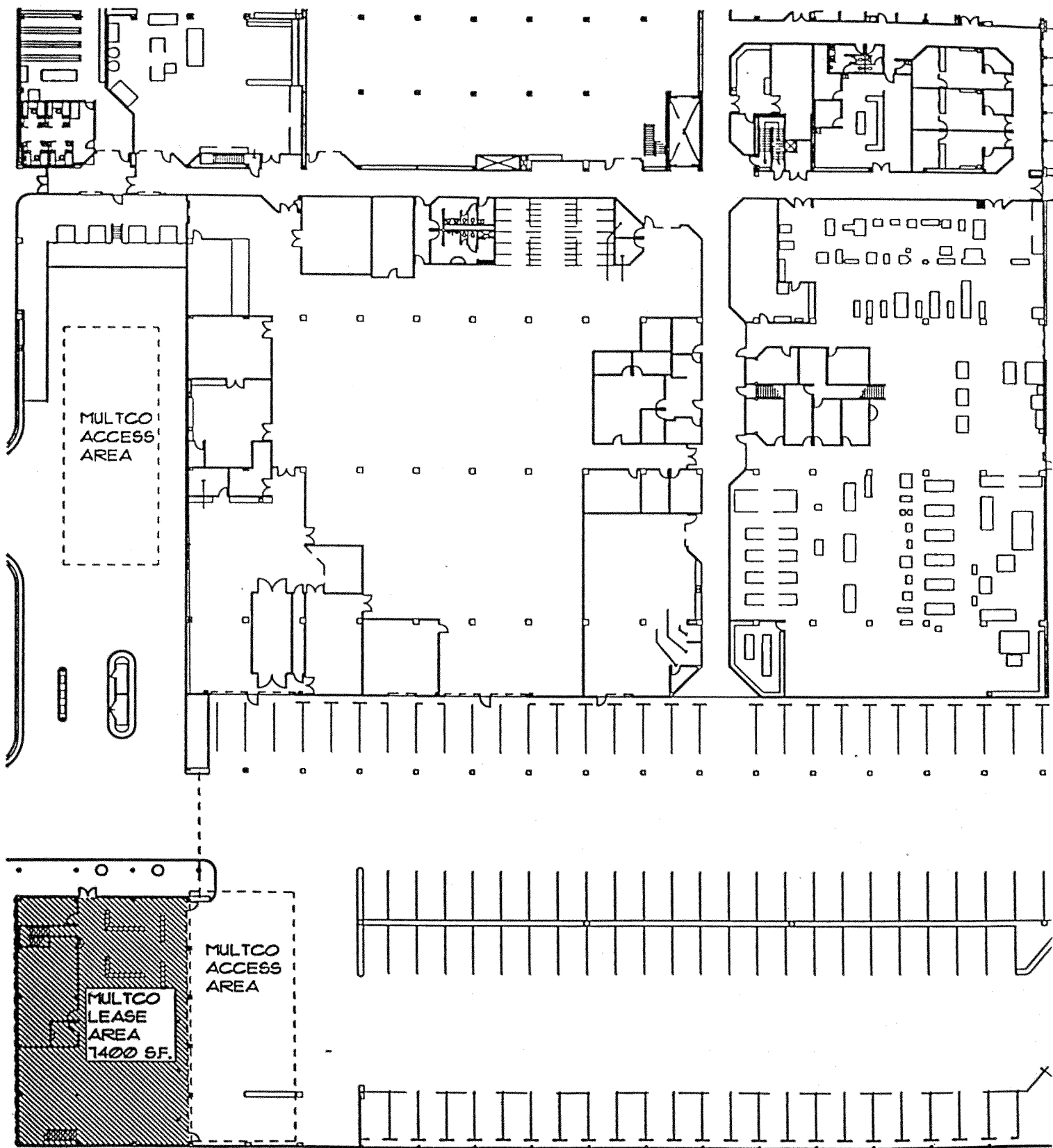
BESC - 1st FLOOR

MULTNOMAH COUNTY LEASE AREA

47,000

N.T.S.

EXHIBIT B

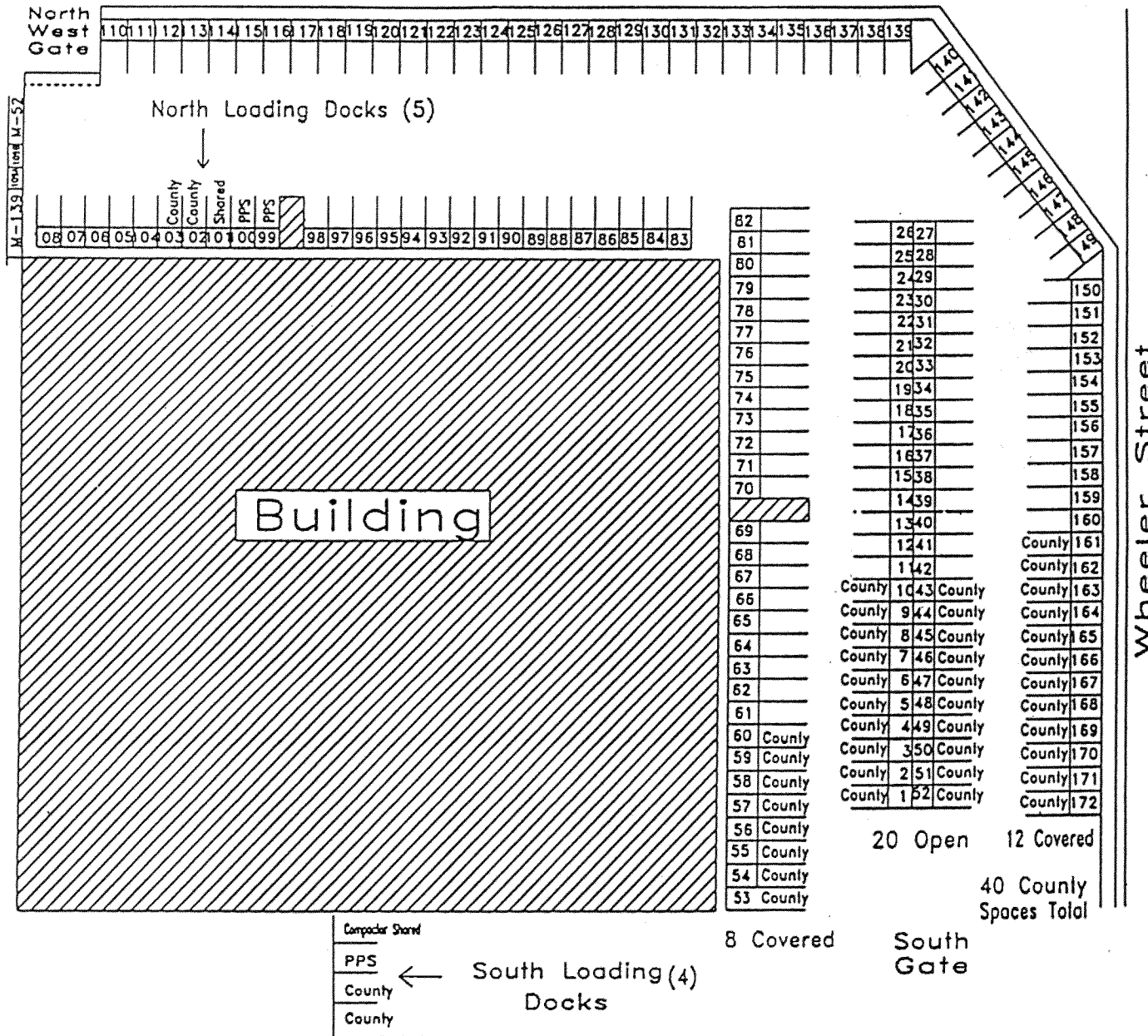


BESC-FIRST FLOOR/FLEET DECK
MULTCO LEASE AREA

PPS Fleet Deck Parking-County Reserved Parking as Shown

EXHIBIT B PARKING AND LOADING DOCKS RESERVED FOR COUNTY USE AT BLANCHARD PREMISES

Interstate Avenue

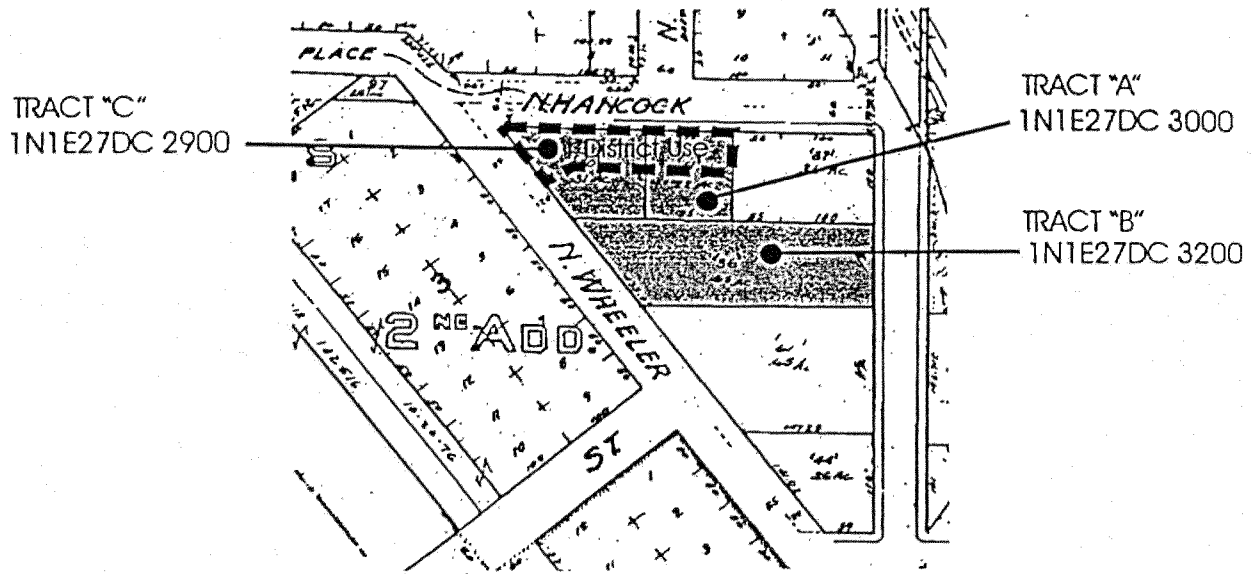


REAL PROPERTY AGREEMENT
EXHIBIT C

LEGAL DESCRIPTION FOR THE "FLINT STREET PREMISES" AND DRAWING

Tax Lot 3200 0.67 Acres Section 27 1N 1E
Tax Lot 3000 0.22 Acres Section 27 1N 1E
Tax Lot 2900 0.31 Acres Section 27 1N 1E

Real Property Agreement
Exhibit C
Legal Description for the "Flint Street Premises" and Drawing



BESC FLINT STREET LOTS

Lots 36, 50 & 51 S.E. ¼ Section 27 1N 1E
Delmer Shavers 2nd Addition, bounded by
N Hancock, N Wheeler and N Flint Streets
Quarter Section 2830 Multnomah County
Portland Oregon

TRACT "A"- A tract in Section 27, Township 1 North, Range 1 East of the Willamette Meridian, in the City of Portland, County of Multnomah, and State of Oregon, described as follows:
Beginning at a point on the South line of North Hancock Street, 155 feet West of the West line of North Flint Street; thence West along said South line 95 feet; thence South 100 feet; thence East 95 feet; thence North 100 feet to the point of Beginning.

TRACT "B"- A tract in Section 27, Township 1 North, Range 1 East of the Willamette Meridian, in the City of Portland, County of Multnomah, and State of Oregon, described as follows:
Beginning at a point on the West line of North Flint Street, which is 100 feet South of the intersection of said West line with the South line of North Hancock Street; thence West, parallel with said South street line 339.26 feet to the Northeastery line of North Wheeler Avenue; thence Southwestery along said Northeastery line 124.22 feet to the Southwest corner of Parcel "C" conveyed to Williamsen & Bled, Incorporated, by deed recorded February 6, 1956 in Deed Book 1768, Page 52; thence East along the South line of said Williamsen & Bled tract 261.51 feet to the West line of North Flint Street; thence North along said West street line 96.74 feet to the point of beginning.

TRACT "C"- A tract in Section 27, Township 1 North, Range 1 East of the Willamette Meridian, in the City of Portland, County of Multnomah, and State of Oregon, described as follows:
Beginning at a point on the South line of North Hancock Street, 250 feet West of the West line of North Flint Street; thence South 100 feet; thence West 89.26 feet, more or less, to the Northeastery line of North Wheeler Avenue; thence Northwestery along said Northeastery line to the South line of North Hancock Street; thence East to the point of beginning.

Real Property Agreement
Exhibit C
Legal Description for the "Flint Street Premises" and Drawing

N. HANCOCK ST.

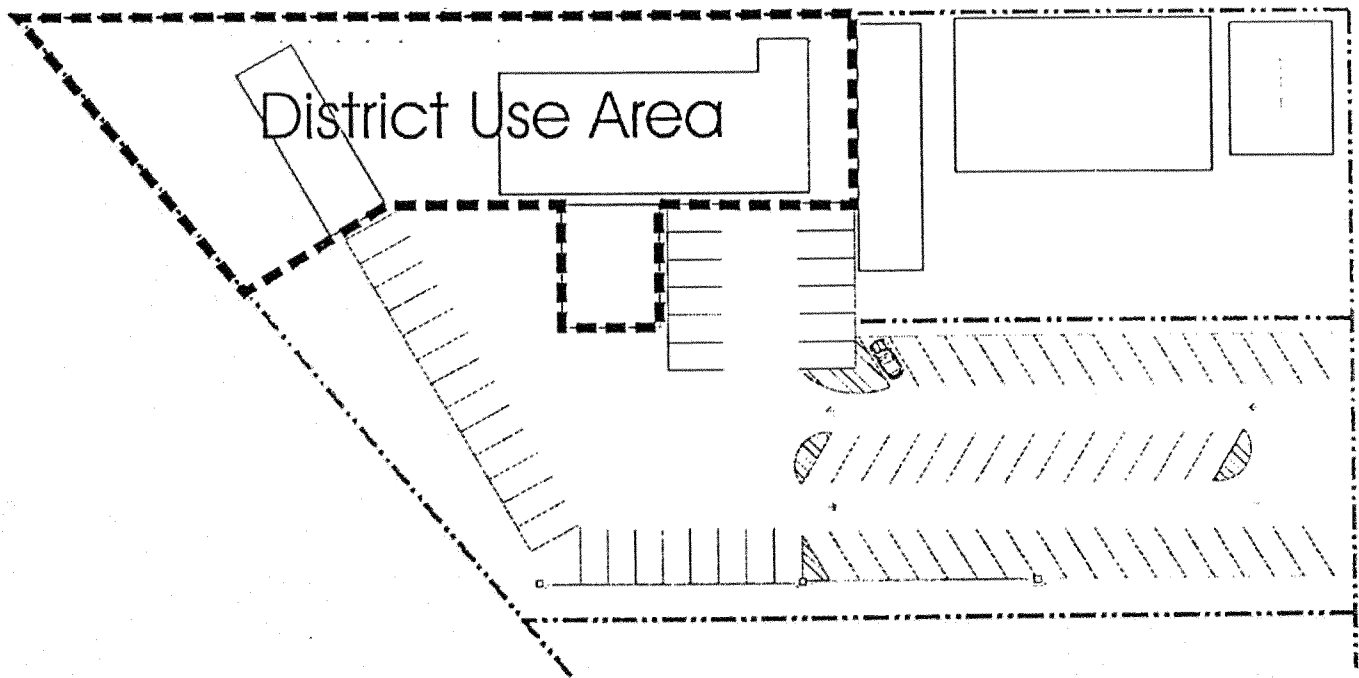


EXHIBIT "C"



Department of Environmental Services
MULTNOMAH COUNTY OREGON

Facilities and Property Management
2505 S.E. 11th Avenue, 3rd Floor
Portland, Oregon 97202
(503) 988-3322 phone
(503) 988-5082 fax

January 3, 2001

RECEIVED

JAN 04 2001

Pamela Brown, Director
Facilities and Asset Management
Portland Public Schools
501 N. Dixon Street
P.O. Box 3107
Portland, Oregon 97208-3107

DIRECTOR OF
FACILITIES &
ASSET MANAGEMENT

Subject: JUNE 8, 2000 REAL PROPERTY AGREEMENT
SPACE LEASE FROM DISTRICT TO COUNTY

Dear Pam:

Thank you for your December 27, 2000 letter regarding the payment by Multnomah County of its share of the operation, maintenance and repair costs of the Blanchard facility for fiscal years 2001 and 2002.

The timing of possession and estimate of the County's use of its leased space in FY01 appear correct and payments of the County's share of the estimated operation, maintenance and repair cost will be scheduled accordingly.

The schedule for the FY01 and FY02 payments will call for the following monthly payments: \$24,678 from March 2001 through June 2001; \$15,262 from July 2001 through June 2002.

Very truly yours,

Robert Oberst
Property Management Supervisor
Facilities and Property Management Division

c: Wayne George
Steve Raimo

File EXHIBIT!



PORTLAND PUBLIC SCHOOLS

501 North Dixon Street / Portland, Oregon 97227
 Mailing Address: P.O. Box 3107 / Portland, Oregon 97208-3107
 Telephone: (503) 916-3401 • FAX: (503) 916-3161

Pamela J. Brown
 Director

FACILITIES and ASSET MANAGEMENT

December 27, 2000

Mr. Robert Oberst, Property Management Supervisor
 Facilities and Property Management Division
 Multnomah County Oregon
 2505 SE 11th Avenue, 3rd Floor
 Portland, Oregon 97202

Dear Mr. Oberst:

Estimated cost for the operation, maintenance, repair, and related costs and overhead of the Blanchard Education Service Center (BESC) for the fiscal year 2001-02 is \$1,271,816. According to our intergovernmental agreement, the County's share will be 14.4% or \$183,142. Based on these estimates, the County's monthly payment beginning July 1, 2001 will be \$15,262. (Please note that utility costs will need to be adjusted at the end of the year to reflect the additional cost from the heat pumps that the County plans to install in part of its space.)

The County has taken only partial possession of its leased space as of this date: the fleet garage since July 1, 2000 and the storage-shop areas on L-1 for library and furniture storage since November 1, 2000. The anticipated start date for the County's tenant improvements for the remaining space is February 15. Based on these dates of possession, PPS estimates that the County's total percent of use of its leased space in FY 2000-01 will be:

<u>Area</u>	<u>Square Ft.</u>	<u>Adjusted % of Total Space</u>	
Fleet Garage	7,400	16.0%	7/1/00 to 6/30/01; 16% of total space
Library and Furniture Storage	10,233	14.7%	11/1/00 to 6/30/01; 22.1% of total space adjusted to 14.7% for eight months use
Remainder	28,674	23.2%	2/15/01 to 6/30/01; 61.9% of total space adjusted to 23.2% for 4 ½ months use
<u>Total Percent of Use FY 2000-01</u>		<u>53.9%</u>	

Based on estimated percent of use in this fiscal year, the County share of BESC costs will be 53.9% of 14.4% (7.76%) of the estimated annual costs or \$98,713. This would be a monthly cost beginning March 1 (four monthly payments) of \$24,678 for FY 2000-01.

Please call me or Kerry Hampton at (503) 916-2000x4411, if you have questions. We are looking forward to the completion of your tenant improvements and the County's move-in this spring.

Sincerely,

Pamela J. Brown

Cc: Kerry Hampton
 Jim Scherzinger



Department of Environmental Services
MULTNOMAH COUNTY OREGON

Facilities and Property Management
2505 S.E. 11th Avenue, 3rd Floor
Portland, Oregon 97202
(503) 988-3322 phone
(503) 988-5082 fax

December 4, 2000

Pamela Brown, Director
Facilities and Asset Management
Portland Public Schools
501 N. Dixon Street
P.O. Box 3107
Portland, Oregon 97208-3107

Subject: JUNE 8, 2000 REAL PROPERTY AGREEMENT
SPACE LEASE FROM DISTRICT TO COUNTY

Dear Pam:

Sections 6.2 and 6.3 of the County's lease of Blanchard Education Center space from the District provides for payment by the County to the District of 14.4% of the operation, maintenance and repair costs of the Center.

The District is to notify the County by January 1 of each year of the estimated costs for the ensuing fiscal year commencing on July 1 and the County is to pay one-twelfth of such costs each month. Since the Agreement was not executed until June 2000, the estimate was not provided for the fiscal year commencing July 1, 2000 and no payments have been made of estimated costs.

The space had not been vacated by the District by July 1, 2000, thus possession was apparently not available to the County on that date. The District has since vacated the space leased to the County and the County has commenced activities in the space to improve it for use under the Agreement. Occupancy by the County is presently anticipated to begin near April 1, 2001.

It would probably be appropriate at this time for the District to provide the estimated operation, maintenance and repair costs of the Center for the current fiscal year and that the correct date of possession be agreed upon in accordance with Section 4.2 of the Agreement. This would allow the County to prepare its FY02 budget for these costs and to begin making the monthly payments of the estimated costs when due.

The notice of estimated operation, maintenance and repair costs should be directed to my office at the address shown in the Agreement (2505 SE 11th Avenue, Portland OR 97202). Please call me at 503-988-3851, if we need to discuss this before the estimated costs are to be provided.

Very truly yours,

A handwritten signature in black ink, appearing to read "Bob O", with a horizontal line extending to the left.

Robert Oberst
Property Management Supervisor
Facilities and Property Management Division

c: Wayne George
Steve Raimo

AGENDA PLACEMENT REQUEST

BUD MOD #:

Board Clerk Use Only:

Meeting Date: July 31, 2003

Agenda Item #: R-15

Est. Start Time: 11:15 AM

Date Submitted: 07/22/03

Requested Date: July 31, 2003

Time Requested: 5 minutes

Department: DBCS

Division: Facilities & Property Mgmt

Contact/s: Doug Butler, Lynn Dinger

Phone: 503 988-3322

Ext.: 24443

I/O Address: 274/F&PM

Presenters: Doug Butler, Lynn Dinger

Agenda Title: RESOLUTION Approving a Lease of the Peninsula Building and Purchase Option to the Housing Authority of Portland

NOTE: If Ordinance, Resolution, Order or Proclamation, provide exact title. For all other submissions, provide clearly written title.

1. What action are you requesting from the Board? What is the department/agency recommendation?

The Department of Business Services requests this Resolution be considered under an "expedited process" and allow an exception to the normal Agenda Placement Request timeline. An exception is requested because: 1) the process for preparing and negotiating this lease has been extensive; 2) the date for the Housing Authority of Portland to vacate their current space is less than nine weeks away (September 30th); and 3) HAP will require at least 60 days to make needed improvements and to move into this space.

This Agenda Placement Request, the Resolution, and the prepared Lease are being submitted to the Agenda Review Team via e-mail requesting an exception to the normal Agenda Placement Request timeline and an expedited review process.

The Department of Business Services, Facilities and Property Management Division, recommends adoption of the Resolution.

2. Please provide sufficient background information for the Board and the public to understand this issue.

There have been significant reductions in County funds available for programs, including the Department of Community Justice, (DCJ). DCJ states that due to their extensive budget reductions from county, state, and federal sources, they will lose \$1.2 million and 36.75 FTE in Adult Community Justice.

DCJ has determined that the severely reduced program can no longer operate at multiple locations, and it is in the community's best interest to close the North Portland Peninsula Building office and move the remaining PPO's and their caseloads to the North Field Office. DCJ vacated the Peninsula Building on June 30, 2003.

DCJ has no plans to reoccupy this facility and Facilities and Property Management has not identified any other County agency or program interested in occupying this facility. Therefore, the building will stand vacant and should be designated as surplus

By Resolution 02-032, the Chair directed FPM to develop disposition strategies for other surplus properties, and FPM used the goals and criteria of Resolution 02-032 to develop a strategy for the Peninsula Building.

The Housing Authority of Portland, HAP, must vacate its buildings in Columbia Villa to make way for development of the New Columbia Villa project and has stated its commitment to lease the Peninsula Building from Multnomah County for up to five (5) years with an option to purchase the building during the first three years of the lease. It is in the County's and public's interest to lease the Peninsula Building to HAP for five years with an option for HAP to purchase the building during the first three years of the lease.

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

A lease to HAP will provide lease revenues each year sufficient to cover Debt Service costs. In a lease, HAP will pay for O&M costs (except roofing) and, therefore, the County will avoid nearly all facility costs. The lease provides for HAP to pay approximately \$73,000 in base rent in the first year of the lease and increasing amounts for subsequent years. The facility is expected to be revenue/cost neutral.

With an option to purchase during the first three years of the lease, if HAP purchases the Peninsula Building, the County will receive appraised value for the property at the time of the sale.

NOTE: If a Budget Modification or a Contingency Request attach a Budget Modification Expense & Revenues Worksheet and/or a Budget Modification Personnel Worksheet.

If a budget modification, explain:

No Budget Modification is included or requested as part of this Resolution.

If a contingency request, explain:

No Contingency Request is included as part of this Resolution.

If grant application/notice of intent, explain:

No Grant application or notice of intent is included or anticipated as part of this Resolution.

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

Passage of this Resolution is recommended by the County Attorney to provide a process for the Board to approve this real property lease and purchase option agreement at this time and authorize the Chair to execute the lease now and the option to purchase separately at any time during the first three years of the lease.

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

None needed.

Required Signatures:



Department/Agency Director:

Date: 07/22/03

Budget Analyst

By:

Date:

Dept/Countywide HR

By:

Date:

BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

RESOLUTION NO. _____

APPROVING A LEASE OF THE PENINSULA BUILDING AND PURCHASE OPTION TO HOUSING
AUTHORITY OF PORTLAND

The Multnomah County Board of Commissioners Finds:

- a. The County is confronting difficult financial times and the County Board has been forced to make major reductions in budgets for County Departments and Programs.
- b. Due to the extensive budget reductions, the Department of Community Justice severely reduced its programs operating in the North Portland Peninsula Building and no longer finds it cost effective to maintain a presence at this site and vacated the Peninsula Building on June 30, 2003.
- c. The Department of Community Justice has no plans to reoccupy this facility, and the Facilities and Property Management Division has not identified any other County agency or program which has stated an interest in occupying this facility.
- d. The Peninsula Building, owned by Multnomah County, located at 7220 North Lombard Street, Portland, Oregon, and legally described as Lots 1,2,3, & 4 of Block 4 of South St Johns Addition, is not needed for any County purposes and is surplus.
- e. The Housing Authority of Portland, (HAP), must vacate its buildings in Columbia Villa to make way for development of the New Columbia Villa project and has stated its commitment to lease the Peninsula Building from Multnomah County with an option to purchase the building in the future for a price to be determined by appraisal.
- f. The County is interested in supporting the HAP program and it is in the public's interest to lease the Peninsula Building to HAP for up to five years and to grant HAP an option to purchase this real property during the first three years of the lease.

The Multnomah County Board of Commissioners Resolves:

1. The Board approves the lease of the Peninsula Building and purchase option to Housing Authority of Portland. The Chair is directed to execute all documents necessary to complete the transaction.

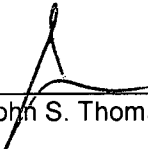
ADOPTED this 31st day of July, 2003.

BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

Diane M. Linn, Chair

REVIEWED:

AGNES SOWLE, COUNTY ATTORNEY
FOR MULTNOMAH COUNTY, OREGON

By  _____
John S. Thomas, Assistant County Attorney

BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

RESOLUTION NO. 03-114

Approving a Lease of the Peninsula Building and Purchase Option to the Housing Authority of Portland

The Multnomah County Board of Commissioners Finds:

- a. The County is confronting difficult financial times and the County Board has been forced to make major reductions in budgets for County Departments and Programs.
- b. Due to the extensive budget reductions, the Department of Community Justice severely reduced its programs operating in the North Portland Peninsula Building and no longer finds it cost effective to maintain a presence at this site and vacated the Peninsula Building on June 30, 2003.
- c. The Department of Community Justice has no plans to reoccupy this facility, and the Facilities and Property Management Division has not identified any other County agency or program which has stated an interest in occupying this facility.
- d. The Peninsula Building, owned by Multnomah County, located at 7220 North Lombard Street, Portland, Oregon, and legally described as Lots 1, 2, 3, & 4 of Block 4 of South St Johns Addition, is not needed for any County purposes and is surplus.
- e. The Housing Authority of Portland, (HAP), must vacate its buildings in Columbia Villa to make way for development of the New Columbia Villa project and has stated its commitment to lease the Peninsula Building from Multnomah County with an option to purchase the building in the future for a price to be determined by appraisal.
- f. The County is interested in supporting the HAP program and it is in the public's interest to lease the Peninsula Building to HAP for up to five years and to grant HAP an option to purchase this real property during the first three years of the lease.

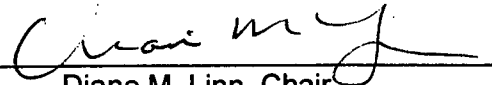
The Multnomah County Board of Commissioners Resolves:

1. The Board approves the lease of the Peninsula Building and purchase option to Housing Authority of Portland. The Chair is directed to execute all documents necessary to complete the transaction.

ADOPTED this 31st day of July, 2003.

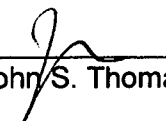


BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON



Diane M. Linn, Chair

AGNES SOWLE, COUNTY ATTORNEY
FOR MULTNOMAH COUNTY, OREGON

By  _____
John S. Thomas, Assistant County Attorney

LEASE AND PURCHASE OPTION AGREEMENT

Date: _____

Between: Multnomah County, Oregon ("Landlord")
Facilities and Property Management
401 N. Dixon Street 97227

And: Housing Authority of Portland ("Tenant")
135 SW Ash Street
Portland Oregon 97204

Landlord leases to Tenant and Tenant leases from Landlord the property described in Exhibit 1 of this Agreement (the "Premises") and further grants to Tenant the option to purchase such property on the terms and conditions stated below:

Section 1. Occupancy

1.1 Original Term. The term of this Lease and Purchase Option Agreement ("Agreement") shall commence August 4, 2003 and continue through August 3, 2006.

1.2 Renewal Option. If the Tenant is not in default at the time this option is exercised or at the time the renewal term is to commence, Tenant shall have a renewal option for two (2) one year options, as follows:

1.2.1 The renewal term shall commence on the day following expiration of the previous term.

1.2.2 The option may be exercised by written notice to Landlord given not less than one hundred twenty (120) days prior to the last day of the current term. The giving of such notice shall be sufficient to make the Agreement binding for the renewal term without further act of the parties.

1.2.3 The terms and conditions of the Agreement for the renewal term shall be identical with the original term except for rent and except that after the second renewal period, Tenant will no longer have any option to renew this Sublease. Rent for each year of the renewal term shall be the greater of (a) the monthly rental during the last month of the previous year, or (b) the monthly rental during the last month of the previous year increased by a percentage equal to the percentage change in the Consumer Price Index published by the United States Bureau of Labor Statistics of the United States Department of Labor, U.S. City Average, All Items and Major Group Figures for All Urban Consumers (1982-84 = 100). If such index is no longer published, the nearest comparable data on changes in the

cost of living shall be used.

Section 2. Rent.

During the first year of the lease, rent shall be the sum of six thousand ninety one dollars (\$6,091) per month. Rent shall be payable on the first day of each month in advance at the address for Landlord stated above or at such place as may be designated by Landlord. Rent for each subsequent year shall be the greater of (a) the monthly rental during the last month of the previous year or (b) the monthly rental during the last month of the previous year increased by a percentage equal to the percentage change in the Consumer Price Index published by the United States Bureau of Labor Statistics of the United States Department of Labor, U.S. City Average, All Items and Major Group Figures for All Urban Consumers (1982-84 = 100). If such index is no longer published, the nearest comparable data on changes in the cost of living shall be used.

Section 3. Use of the Premises

3.1 Permitted Use. The Premises shall be used for offices, a warehouse and parking. The Premises may not be used for any other purpose without the consent of Landlord, which consent shall not be unreasonably withheld or delayed.

3.2 Restrictions on Use. In connection with the use of the Premises, Tenant shall:

(1) Comply with all applicable laws, ordinances, and regulations of any public authority that affect the Premises and use of the Premises and correct at Tenant's own expense any failure of compliance created by Tenant's fault or by reason of Tenant's use, but Tenant is not required to make any structural changes to effect such compliance.

(2) Refrain from any use or activity that would make it impossible to insure the Premises against casualty, would increase the insurance rate, or would prevent Landlord from taking advantage of any ruling of the Oregon Insurance Rating Bureau, or its successor, allowing Landlord to obtain reduced premium rates for long-term fire insurance policies, unless Tenant pays the additional cost of the insurance.

(3) Refrain from any use or activity that would be reasonably offensive to other tenants or owners or users of neighboring premises or that would tend to create a nuisance or damage the reputation of the premises.

(4) Refrain from loading the electrical system or floors beyond the point considered safe by a competent engineer or architect selected by Landlord.

(5) Refrain from making any marks on or attaching any sign, insignia, antenna, aerial, or other device to the exterior or interior walls, windows, or roof of the premises without the prior written consent of Landlord, which shall not be unreasonably withheld.

3.3 Hazardous Substances. Tenant shall not cause or permit any hazardous substance to be spilled, leaked, disposed of, or otherwise released on or under the Premises. Tenant may use or otherwise handle on the Premises only those hazardous substances typically used or sold in the prudent and safe operation of the permitted uses specified in Section 3.1. Tenant may store such hazardous substances on the Premises only in quantities necessary to satisfy Tenant's reasonably anticipated needs. Tenant shall comply with all environmental laws and exercise the highest degree of care in the use, handling, and storage of hazardous substances and shall take all practicable measures to minimize the quantity and toxicity of hazardous substances used, handled, or stored on the Premises. Upon the expiration or termination of this Agreement, unless Tenant exercises its purchase option under Section 16, Tenant shall remove all hazardous substances from the Premises. The term "environmental law" means any federal or state statute or regulation, any local ordinance or regulation, or any judicial or other governmental order pertaining to the protection of health, safety or the environment. The term "hazardous substance" means any hazardous, toxic, infectious or radioactive substance, waste, and material as defined or listed by any environmental law and shall include, without limitation, petroleum oil and its fractions.

Section 4. Repairs and Maintenance

4.1 Maintenance and Repair of Premises. Responsibilities for repair and maintenance of the Premises shall be as follows:

- (1) Tenant shall perform all necessary maintenance and repairs to the structure, foundation, exterior walls, doors and windows, elevators, emergency lighting, fire extinguishers provided by Landlord, sidewalks and parking areas. Tenant shall maintain the Premises in a hazard free condition and shall repair or replace, if necessary and at Tenant's sole expense, the heating, air conditioning, plumbing, electrical, and lighting systems in the Premises, including obtaining any permits and inspections required by Code enforcement authorities. Tenant shall keep the Premises, improvements, grounds, and landscaping in good repair and appearance. Tenant shall be repair and replace carpets as necessary and shall furnish, install and replace all exterior and interior lighting bulbs, ballasts and fluorescent tubes.
- (2) Landlord shall perform all necessary maintenance and repairs to the roof of the premises.
- (3) Tenant shall take good care of the interior of the Premises and, unless Tenant exercises the purchase option under Section 16, shall, at the expiration of the term of this Agreement, surrender the Premises in as good condition as it was in at the commencement of this Agreement, excepting only reasonable wear, permitted alterations, and damage by fire or other casualty.

4.2 Tenant's Obligations. The following shall be the responsibility of Tenant:

- (1) Any repairs necessitated by the negligence of Tenant, its agents, employees, and invitees, except as provided in Section 6.3 dealing with waiver of subrogation, but including repairs

that would otherwise be the responsibility of Landlord under Section 4.1 of this Agreement. At the Landlord's discretion, the repairs may be made by Landlord at Tenant's expense.

(2) Any repairs or alterations required to comply with laws and regulations as required in Section 3.2(1).

(3) All other repairs to the Premises that Landlord is not required to make under Section 4.

4.3 Landlord's Interference with Tenant. In performing any repairs, replacements, alterations, or other work on or around the Premises, Landlord shall not cause unreasonable interference with use of the Premises by Tenant. Tenant shall have neither right to an abatement of rent nor any claim against Landlord for any inconvenience or disturbance resulting from activities reasonably conducted by Landlord.

4.4 Inspection of Premises. Landlord shall have the right to enter and inspect the Premises at any reasonable time or times to determine the necessity of repair. Whether or not such inspection is made, the duty of Landlord to make repairs shall not mature until a reasonable time after Landlord has received from Tenant written notice of any repairs that are required. In addition, unless Tenant has submitted an exercise notice to Landlord under section 17.2.1 of this Agreement, Landlord has the right, at any time during the last two months of the term of this Agreement, to place and maintain upon the Premises notices for leasing or selling of the Premises.

Section 5. Alterations

5.1 Alterations Restricted. Tenant shall make no improvements or alterations on the Premises of any kind without the prior written consent of Landlord. Tenant may make such alterations, subject to Landlord's approval and at Tenant's sole expense. All alterations shall be made in a good and workmanlike manner, and in compliance with applicable laws and building codes.

5.2 Ownership and Removal of Alterations. All improvements and alterations to the Premises shall be the property of Landlord when installed unless the Landlord's written consent specifically provides otherwise. Such improvements and alterations shall, at Landlord's option, be removed by Tenant and the premises restored to the condition it was in prior to the improvement or alteration unless the Landlord's written consent specifically provides otherwise.

Section 6. Insurance

6.1 Insurance Required of Landlord. Landlord shall keep the Premises insured at Landlord's expense against fire and other risks covered by a standard fire insurance policy with an endorsement for extended coverage. Tenant shall bear the expense of any insurance covering the property of Tenant on the Premises against such risks, but is not required to provide such insurance.

6.2 Insurance Required of Tenant. Tenant shall provide at its expense on or before the commencement date of this Agreement and shall keep in force during the term of the Agreement,

naming Landlord as insured, a commercial general liability insurance policy or such successor comparable form of coverage written on a "claims made basis," including, without limitation, blanket contractual liability coverage, broad form property damage, independent contractor's coverage, and personal injury coverage, protecting Landlord and Tenant against liability occasioned by any covered occurrence on or about the Premises. Such policy shall be written by a good and solvent insurance company licensed to do business in the State of Oregon and shall provide coverage limits of not less than One Million Dollars (\$1,000,000) combined single limit per occurrence for bodily or personal injury (including death) and property damage combined, subject to a commercially reasonable deductible. Prior to the time such insurance is first required to be carried by Tenant and thereafter, Tenant agrees to deliver to Landlord a certificate evidencing such insurance coverage. The certificate shall contain an endorsement that such insurance may not be canceled except upon ten (10) days' prior written notice to Landlord.

6.3 Waiver of Subrogation. Neither party shall be liable to the other or to the other's successors or assigns for any loss or damage caused by fire or any of the risks enumerated in a standard fire insurance policy with an extended coverage endorsement, and in the event of insured loss, neither party's insurance company shall have a subrogated claim against the other. This waiver of subrogation shall be valid only if the insurance policies in question of both parties expressly permit waiver of subrogation or if the insurance companies agree in writing that such a waiver will not affect coverage under the policies.

Section 7. Taxes

7.1 Property Taxes. Tenant shall pay as due all taxes on the Premises. If Tenant intends to seek exemption from real property taxes Tenant shall apply for exemption through Multnomah County Assessment and Taxation pursuant to ORS 307.112.

7.2 Special Assessments. If an assessment for a public improvement is made against the Premises, Landlord may elect to cause such assessment to be paid in installments as allowed by law. If Landlord so elects, all of the installments payable during the term of this Agreement shall be treated the same as general real property taxes for purposes of Section 7.1.

7.3 Contest of Taxes. Tenant shall be permitted to contest the amount of any tax or assessment as long as such contest is conducted in a manner that does not cause any risk that Landlord's interest in the Premises will be foreclosed for nonpayment. Landlord shall cooperate in any reasonable manner with such contest by Tenant.

7.4 Proration of Taxes. Tenant's share of real property taxes and assessments for the years in which this Agreement commences or terminates shall be prorated based on the portion of the tax year that this Agreement is in effect.

Section 8. Payment of Utilities.

Tenant shall pay when due all charges for services and utilities incurred in connection

with the use, occupancy, operation and maintenance of the Premises, including but not limited to charges for water, gas, electricity, sewage disposal, power, heating and cooling, telephone and janitorial services.

Section 9. Damage and Destruction

9.1 Partial Damage. If the Premises are partly damaged and Section 9.2 does not apply, the Premises shall be repaired by Landlord at Landlord's expense. Repairs shall be accomplished with all reasonable dispatch subject to interruptions and delays from labor disputes and matters beyond the control of Landlord. The repairs shall be performed in accordance with the provisions of Section 4.3.

9.2 Destruction. If the Premises or the structure are destroyed or damaged such that the cost of repair exceeds fifty five percent (55%) of the value of the structure before the damage, either party may elect to terminate this Agreement as of the date of the damage or destruction by providing written notice to the other party not more than forty five (45) days following the date of damage. In such event, all rights and obligations of the parties shall cease as of the date of the notice, or such other date as may be specified in the notice. If neither party elects to terminate, Landlord shall proceed to restore the Premises to substantially the same condition it was in immediately prior to the damage or destruction. Work shall be commenced as soon as reasonably possible and thereafter shall proceed without interruption except for work stoppages resulting from labor disputes and other matters beyond Landlord's control.

9.3 Rent Abatement. Rent shall be abated during the repair of any damage to the extent the premises are not reasonably usable by Tenant for purposes of this Agreement, except that rent shall not be abated when the damage is the result of the actions or negligence of Tenant.

9.4 Damage Late in Term. If damage or destruction to which Section 9.2 would apply occurs during the term of this Agreement, Tenant may elect to terminate this Agreement by written notice to Landlord given within thirty (30) days after the date of the damage. Such termination shall have the same effect as termination by Landlord under Section 9.2.

Section 10. Condemnation

If all or a portion of the Premises are condemned, this Agreement shall terminate on the effective date of the condemnation. In the event of such termination, Tenant shall have no claim to any condemnation proceeds and shall have no claim against Landlord except that rent shall be prorated to the date of termination. Nothing in this paragraph shall limit Tenant's right to claim and receive relocation or other benefits directly from the condemning authority.

Section 11. Liability and Indemnity

11.1 Liens (1) Except with respect to activities for which Landlord is responsible,

Tenant shall pay as due all claims for work done on and for services rendered or material furnished to the Premises, and shall keep the Premises free from any liens. If Tenant fails to pay any such claims or to discharge any lien, Landlord may do so and collect the cost as additional rent. Any amount so added shall bear interest at the rate of twelve percent (12%) per annum from the date expended by Landlord and shall be payable on demand. Such action by Landlord shall not constitute a waiver of any right or remedy which Landlord may have on account of Tenant's default.

(2) Tenant may withhold payment of any claim in connection with a good-faith dispute over the obligation to pay provided the Landlord's property interests are not jeopardized. If a lien is filed as a result of nonpayment, Tenant shall, within ten (10) days after knowledge of the filing, secure the discharge of the lien or deposit with Landlord cash or sufficient corporate surety bond or other surety satisfactory to Landlord in an amount sufficient to discharge the lien plus any costs, attorney fees, and other charges that could accrue as a result of a foreclosure or sale under the lien.

11.2 Indemnification. Tenant shall indemnify and defend Landlord from any claim, loss, or liability arising from or related to any negligent activity of Tenant on the Premises or any condition of the Premises in the possession or under the control of Tenant. Landlord shall have no liability to Tenant for any injury, loss, or damage caused by third parties, or by any condition of the Premises except to the extent caused by Landlord's negligence or breach of duty under this Agreement.

Section 12. Quiet Enjoyment.

Landlord warrants that it is the owner of the Premises and has the right to lease them. Landlord will defend Tenant's right to quiet enjoyment of the Premises from the lawful claims of all persons during the term of this Agreement.

Section 13. Assignment and Subletting

13.1 Assignment of Interest in Lease. No part of the Premises may be assigned, mortgaged, or subleased, nor may a right to use any portion of the property be conferred on any third person by any means without the prior written consent of Landlord, which consent may not be unreasonably withheld or delayed. This provision shall apply to all transfers by operation of law. Consent in one instance does not constitute consent in any other instance unless Landlord expressly so states in writing. In determining whether to consent to an assignment or sublease, Landlord may consider the following factors: financial ability of assignee or sublessee and whether use of the Premises is similar to the use permitted under Section 3.1 of this Agreement.

13.2 Assignment of Interest in Purchase Option. The option to purchase under Section 17 of this Agreement may not be assigned or mortgaged.

Section 14. Default

The following events constitute default on this Agreement:

14.1 Default in Rent. Failure of Tenant to pay any rent or other charge within fifteen (15) days after written notice that the rent or other charge is due.

14.2 Default in Other Covenants. Failure of Tenant to comply with any term or condition or fulfill any obligation of the lease, other than the payment of rent or other charges, within twenty (20) days after written notice by Landlord that specifies with reasonable particularity the nature of the default. If the default is of such a nature that it cannot be completely remedied within the twenty (20) day period, the Tenant is deemed to be in compliance with this section if Tenant begins to correct the default within the twenty (20) day period and thereafter proceeds with reasonable diligence and in good faith to effect the remedy as soon as practicable.

14.3 Insolvency. The following constitute default on this Agreement by Tenant:

- (1) Insolvency of Tenant;
- (2) An assignment by Tenant for the benefit of creditors;
- (3) Filing by Tenant of a voluntary petition in bankruptcy;
- (4) An adjudication that Tenant is bankrupt or the appointment of a receiver of the properties of Tenant;
- (5) The filing of any involuntary petition of bankruptcy and failure of Tenant to secure a dismissal of the petition within thirty (30) days after filing;
- (6) Attachment of or the levying of execution on the leasehold interest and failure of Tenant to secure discharge of the attachment or release of the levy of execution within ten (10) days.

14.4 Default by Assignee. If any interest in the Premises has been assigned by Tenant, the events of default specified in section 14.3 apply to the party to whom the rights of Tenant under this Agreement have been assigned.

Section 15. Remedies on Default.

In the event of default by Tenant, this Agreement may be terminated at the option of Landlord by written notice to Tenant. Whether or not the Agreement is terminated by Landlord, Landlord is entitled to pursue any remedies available to Landlord under applicable law.

Section 16. Surrender at Expiration

16.1 Condition of Premises. Upon expiration of the term of this Agreement or earlier termination on default, Tenant shall deliver all keys to Landlord and surrender the Premises broom clean and in the same condition as it was in at commencement of the Agreement. Alterations constructed by Tenant with permission from Landlord shall not be removed or restored to the original condition unless the terms of permission for the alteration so require.

Depreciation and wear from ordinary use for the purpose for which the Premises are leased are excepted but repairs for which Tenant is responsible must be completed prior to surrender. Tenant's obligations under this section are subordinate to the provisions of Section 9 relating to destruction.

16.2 Fixtures.

16.2.1 All fixtures placed upon the Premises during the term of this Agreement, other than Tenant's trade fixtures, shall, at Landlord's option, become the property of Landlord. Tenant shall remove any or all fixtures that remain the property of Tenant and shall repair any physical damage resulting from the removal. If Tenant fails to remove such fixtures, Landlord may do so and charge the cost to Tenant with interest at the legal rate from the date of expenditure.

16.2.2 Prior to expiration or other termination of this Agreement, Tenant shall remove all furnishings, furniture, and trade fixtures that remain Tenant's property. Failure to remove such property constitutes abandonment of the property and Landlord may retain the property and all rights of Tenant with respect to the property shall cease. If Landlord elects not to retain the property, Landlord may, by written notice provided to Tenant within twenty (20) days after removal was required, hold Tenant to its obligation of removal. If Landlord requires Tenant to remove the property, Landlord may effect removal and place the property in public storage for Tenant's account. Tenant shall be liable to Landlord for the cost of removal, transportation to storage, and storage, with interest at the legal rate on all such expenses from the date of expenditure by Landlord.

16.3 Holdover

16.3.1 If Tenant does not vacate the Premises at the time required, Landlord shall have the option to treat Tenant as a tenant from month to month, subject to all of the provisions of this Agreement except the provisions for term and at a rental rate equal to the rent last paid by Tenant during the original term. Failure of Tenant to remove fixtures, furniture, furnishings, or trade fixtures that Tenant is required to remove under this Agreement constitutes a failure to vacate to which this section applies if the property not removed will substantially interfere with occupancy of the Premises by another tenant or with occupancy by Landlord for any purpose including preparation for a new tenant.

16.3.2 If a month-to-month tenancy results from a holdover by Tenant under this Section 16.3, the tenancy shall be terminable at the end of any monthly rental period on written notice from Landlord given not less than ten (10) days prior to the termination date which shall be specified in the notice. Tenant waives any notice that would otherwise be provided by law with respect to a month-to-month tenancy.

Section 17. Option to Purchase Premises

17.1 Grant of Option. Landlord grants to Tenant the sole and exclusive option to purchase the Premises in the manner and for a price determined pursuant to this Agreement.

17.2 Exercise of Option

17.2.1 Exercise of Option. This option may be exercised, if at all, by written notice (the "exercise notice") given by Tenant to Landlord not less than one hundred twenty (120) days prior to the expiration of the original term of this Sublease. The exercise notice shall state that Tenant has elected to exercise this option. The option may be exercised only with respect to the entirety of the Premises, and nothing contained herein shall be construed as permitting Tenant to purchase less than all of the Premises pursuant to this option. Upon exercise of the option, Tenant shall be obligated to purchase the Premises from Landlord, and Landlord shall be obligated to sell the Premises to Tenant, at a price and in the manner set forth herein.

17.2.2 Failure to Exercise Option. If Tenant fails for any reason to exercise this option in the manner set forth herein, Tenant shall have no further claim against or interest in the Premises. In the event of the failure to exercise the option, Tenant shall provide Landlord with any instruments that Landlord reasonably may deem necessary for the purpose of removing from the public record any cloud on title to the Premises which is attributable to the grant or existence of this option.

17.3 Purchase Price

17.3.1 Purchase Price. The purchase price for the Premises shall be established by an appraisal conducted within three months of the closing date. Tenant is responsible for paying for the appraisal.

17.3.2 Selection of Appraiser. Landlord and Tenant each shall develop a list of three appraisers and the parties shall jointly select an appraiser from the combined lists. If the parties are unable to mutually agree upon an appraiser from the combined lists, the parties shall submit the lists to the Presiding Judge of Multnomah County for selection of an appraiser. The selection of an appraiser by the Presiding Judge is final and binding upon Landlord and Tenant.

17.3.3 Payment Due Upon Closing. Tenant shall pay the entire balance of the purchase price in cash at closing.

17.4 Remedies

17.4.1 Tenant. After Tenant submits the exercise notice to Landlord under Section 17.2.1, if Landlord breaches any term or provision of the purchase option, then Tenant, as its exclusive remedy and in lieu of any other relief, may either (1) rescind the exercise notice, or (2) tender performance of the purchase option obligations of Tenant and specifically enforce all such obligations of Landlord. Except as noted in Section 17.4.3 and any specific remedies reserved elsewhere in this Agreement, Tenant waives the right to pursue any remedy in law or equity against Landlord other than the remedies specified herein, including any action for damages, in the event of a default by Landlord.

17.4.2 Landlord. After Tenant submits the exercise notice to Landlord under section 17.2.1, if Tenant breaches any term or provision of the purchase option, then Landlord, as its

exclusive remedy and in lieu of any other relief, shall be entitled to reject the exercise notice and is relieved of all obligations under the purchase option provisions of this Agreement. Landlord acknowledges (1) the adequacy of this exclusive remedy and (2) that this limitation of remedies is an essential part of this Agreement from the perspective of Tenant. Except as noted in Section 17.4.3 and any specific remedies reserved elsewhere in this Agreement, Landlord expressly waives the right to pursue any other right or remedy in law or equity other than the remedy specified above, including the right of specific performance and the right to sue for damages, in the event of a default by Tenant on the Tenant's obligations under the purchase option provisions of this Agreement. Tenant and Landlord have established the foregoing remedy in favor of Landlord because of the difficulty and inconvenience of ascertaining the actual damages Landlord may suffer as a result of a breach of this Agreement by Tenant.

17.4.3 Other Remedies. The limitations on remedies set forth in this section shall not preclude either party from seeking or obtaining injunctive relief or from seeking recovery against the other under any contractual indemnity set forth herein or for causing physical damage or injury to persons or Premises.

17.5 Title

Within 15 days following receipt of the notice of exercise under Section 17.2.1, Landlord shall deliver to Tenant, at Landlord's expense, a preliminary title report covering the Premises. The title report shall be issued by a title company selected by Landlord. The title report shall be accompanied by legible copies of all plats and exceptions to title referenced in the report. Within 45 days of receiving the title report and the exceptions documents, Tenant shall give written notice to Landlord of the exceptions of record that Tenant requires Landlord to remove at or before closing. If Tenant fails to give Landlord the notice of such exceptions, then Tenant is deemed to have approved the title report. Landlord shall have 10 days following receipt of the notice of unacceptable exceptions to give written reply to Tenant of those unacceptable exceptions that Landlord concludes, in good faith, that Landlord cannot or will not remove at or before closing. Landlord does not have any obligation to institute litigation or spend any sum of money to cure or remove any exceptions, provided, however, that Landlord is obligated to remove, at or before closing, any exception created or suffered to be created by Landlord that is security for payment of a sum of money including mortgages, deeds of trust, tax liens, contractor's liens, and judgment liens. Landlord agrees to remove all unacceptable exceptions not referenced in Landlord's written reply. If one or more of the unacceptable exceptions cannot be removed at or before closing and Landlord so states in its reply, then Tenant may exercise any of the following rights by giving written notice to Landlord within 15 days of receiving Landlord's reply: (1) Tenant may terminate the purchase option; (2) Tenant may accept title to the Premises subject to the unacceptable exceptions; or (3) Tenant may attempt to cure the unacceptable exceptions or any of them without cost or liability to Landlord. Landlord is obligated to cooperate with Tenant's efforts to cure any unacceptable exceptions and to join in the execution of any curative instruments that will operate to remove such unacceptable exceptions. The rights of Tenant under this section are not deemed waived by giving the exercise notice. Exceptions that are shown on the title report and to which Tenant does not object or to which Tenant agrees, in writing, to waive objection, are referred herein to as "permitted exceptions."

Landlord shall not cause, permit, or suffer any matter to be recorded with respect to the Premises during the term of this Agreement, except for such matters as may be required by law or that Tenant approves, in writing and at its sole discretion, before recordation.

17.6 Closing

17.6.1 Time and Place. Closing of the sale and purchase of the Premises shall occur on a date selected by Tenant, but in all events the closing shall occur within 30 days after the date that the parties receive a final appraisal from the appraiser. The escrow for the closing shall be established at the office of the title company selected by Landlord.

17.6.2 Closing Obligations. On the closing date, Landlord and Tenant shall deposit the following documents and funds in escrow, and the Title Company shall close escrow in accordance with the instructions of Landlord and Tenant.

17.6.3 Landlord Obligations. Landlord shall deposit the following:

- (1) The conveyance document described in Section 17.7, properly executed and acknowledged;
- (2) A properly executed affidavit certifying that Landlord is not a foreign person, trust, partnership, or corporation in compliance with the requirements of IRC §1445;
- (3) Original counterparts or legible photocopies of all documents, feasibility studies, surveys, engineering reports, and other items of a similar nature in the possession of Landlord that relate to the Premises;
- (4) Such documents as Tenant or the Title Company may require to evidence the authority of Landlord to consummate this transaction; and
- (5) Such other documents and funds, including (without limitation) escrow instructions, as may be required of Landlord to close the sale in accordance with this Agreement.

17.6.4 Tenant Obligations. Tenant shall deposit the following:

- (1) The cash payment specified in Section 17.3.3;
- (2) Such documents as Landlord or the title company may require to evidence the authority of Tenant to consummate the transaction contemplated; and
- (3) Such other documents and funds, including without limitation escrow instructions as may be required of Tenant to close the sale and purchase of the Premises in accordance with this Agreement.

17.6.5 Taxes, Prorates, Costs and Expenses. Real premises taxes for the current tax year and other usual items shall be prorated as of the closing date. The Landlord shall pay for the standard coverage title insurance policy and one-half of all escrow fees and costs. The Tenant shall pay recording charges and one-half of all escrow fees and costs. All other costs and expenses shall be allocated between the Tenant and the Landlord in accordance with the customary practice in Multnomah County, Oregon.

17.6.6 Title Insurance Policy. As soon as practicable after closing, and in any event no later than 15 days after the closing date, Landlord shall cause the title company to issue an ALTA

policy of title insurance in the amount of the purchase price, standard form, insuring fee simple title to the Premises vested in Tenant, subject only to the permitted exceptions.

17.7 Conveyance. At the closing, Landlord shall execute, acknowledge, and deliver to Tenant a statutory bargain and sale deed conveying the Premises to Tenant.

17.8 Possession. Tenant shall be entitled to exclusive possession of the Premises on and after the closing date.

17.9 Premises Sold "AS IS." Tenant represents that Landlord and Landlord's agents have made no representations, warranties, or other Agreements concerning matters relating to the Premises; that Landlord and Landlord's agents have made no Agreement or promise to alter, repair, or improve the Premises; and that Tenant takes the Premises in the condition, known or unknown, existing at the time of the exercise notice, "AS IS."

17.10 Risk of Loss. If, after the Tenant has submitted the exercise notice to Landlord but before the closing date, all or part of the Premises is damaged by fire or by any other cause of any nature or if all or any portion of the Premises is taken by condemnation, or if any such condemnation is threatened, Landlord shall give Tenant written notice of such event. Tenant may rescind the exercise notice by giving written notice to Landlord within 15 days after receipt by Tenant of written notice from Landlord of such casualty or condemnation. If Tenant does not elect to terminate the exercise notice, then the premises shall be conveyed according to the terms of this Agreement and all interest of Landlord in insurance proceeds, if any, or any condemnation award payable to Landlord on account of such casualty or condemnation shall be assigned to Tenant at closing.

Section 18. Miscellaneous

18.1 Nonwaiver. Waiver by either party of strict performance of any provision of this Agreement does not constitute waiver of or prejudice to the party's right to require strict performance of the same provision subsequently or of any other provision. Failure by Landlord or Tenant to enforce any right under this Agreement does not constitute a waiver of that right or of any other right.

18.2 Notices. All notices or other communications required or permitted under this Agreement must be in writing and must be (1) personally delivered (including by means of a professional messenger service), which notices and communications will be deemed received on receipt at the office of the addressee; (2) sent by registered or certified mail, postage prepaid, return receipt requested, which notices and communications will be deemed received three days after deposit in the United States mail, postage prepaid; or (3) sent by overnight delivery using a nationally recognized overnight courier service, which notices and communications will be deemed received one business day after deposit with the courier.

To Tenant: Housing Authority of Portland
Attn: Steven Rudman, Executive Director
135 SW Ash Street
Portland, OR 97204

To Owner: Multnomah County Property Management
Attn: Mr. Greg Herlean, Manager
401 N. Dixon Street
Portland, Oregon 97227

Either party may by written notice designate a different address for purposes of this Agreement. Notice given in any manner other than the manner set forth above shall be effective when received by the party for whom it is intended.

18.3 Succession. Subject to any limitations on transfer of Tenant's interest state in this Agreement, this Agreement shall be binding on and inure to the benefit of the parties and their respective successors and assigns.

18.4 Interest on Rent and Other Charges. Any rent or other payment required of Tenant by this Agreement shall, if not paid within ten (10) days after it is due, bear interest at the rate of twelve percent (12%) per annum (but not in any event at a rate greater than the maximum rate of interest permitted by law) from the due date until paid. In addition, if Tenant fails to make any rent or other payment required by this Agreement to be paid to Landlord within five days after it is due, Landlord may elect to impose a late charge of five cents (\$0.05) per dollar of the overdue payment to reimburse Landlord for the costs of collecting the overdue payment. Tenant shall pay the late charge upon demand by Landlord. Landlord may levy and collect a late charge in addition to all other remedies available for Tenant's default, and collection of a late charge shall not waive the breach caused by the late payment.

18.5 Proration of Rent. In the event of commencement or termination of this Agreement at a time other than the beginning or end of one of the specified rental periods, then the rent shall be prorated as of the date of commencement or termination and in the event of termination for reasons other than default, any prepaid rent shall be refunded to Tenant or paid on its account.

18.6 Covenants of Owner. During the term of this Agreement, Landlord shall not sell, contract to sell, assign, lease, or otherwise transfer the Premises or any part of it, nor grant an option to any third party to acquire all or any portion of it except subject to the terms of this Agreement.

18.7 Severability. If any term or provision of this Agreement or the application to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby, and each such

term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

18.8 Governing Law. Landlord and Tenant acknowledge that this Agreement has been negotiated and entered into in the State of Oregon. The parties expressly agree that this Agreement shall be governed by, interpreted under, and construed and enforced in accordance with the laws of the State of Oregon.

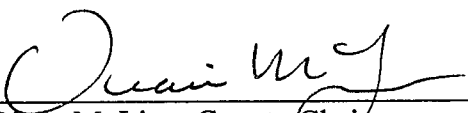
18.9 Time of Essence. Time is of the essence of the performance of each of Tenant's obligations under this Agreement.

Section 19 Entire Agreement

This Lease Option Agreement, including any exhibits attached to it, is the final expression of and contains the entire Agreement between the parties with respect to the subject matter of the Agreement and supersedes all prior understandings with respect to it. This Lease Option Agreement may not be modified, changed, supplemented, or terminated, nor may any obligations under it be waived, except by written instrument signed by the party to be charged or by its agent duly authorized in writing or as otherwise expressly permitted here. The parties do not intend to confer any benefit on any person, firm, or corporation other than the parties hereto.

Landlord:

MULTNOMAH COUNTY, OREGON

By: 
Diane M. Linn, County Chair

Date: 7.31.03

Tenant:


HOUSING AUTHORITY OF PORTLAND

By: _____
Steve Rudman, Executive Director

Date: _____

REVIEWED:

AGNES SOWLE, COUNTY ATTORNEY
FOR MULTNOMAH COUNTY, OREGON

By: 
John Thomas, Assistant County Attorney

Date: 7/30/03

Exhibit "1"

Multnomah County-HAP Lease Peninsula Building Legal Description

Legal Description for the Property:

**South St Johns; Lot 1 & 2 Block 4
South St Johns; Lot 3 & 4 Block 4
SW ¼ NW ¼ SECTION 7 T.1N R 1E WM**