

City of Brookings

MEETING AGENDA

CITY COUNCIL

Monday, February 26, 2018, 7:00pm

City Hall Council Chambers, 898 Elk Drive, Brookings, OR 97415

The City Council will meet in Executive Session at 6:30 PM, in the City Manager's office, under the authority of ORS 192.660 (2)(d) "To conduct deliberations with persons designated by the governing body to carry on labor negotiations."

CITY COUNCIL

A. Call to Order

B. Pledge of Allegiance

C. Roll Call

D. Ceremonies

1. Introduction of new employees

E. Oral Requests and Communications from the audience

1. Public Comments on non-agenda items – 5 minute limit per person.*

F. Staff Reports

1. Chetco Bar Fire Grant Agreement [City Recorder, Pg. 3]
 - a. Email approving the Grant [City Recorder, Pg. 4]
2. Harbor Sanitary District Committee [City Manager, Pg. 6]
3. Fireworks Funding [City Recorder, Pg. 7]
 - a. TOT Funding [Pg. 8]
4. Elmo Williams Day Funding [City Recorder, Pg. 9]
 - a. Event Funding Application [Pg. 10]
5. Wild River Mushroom Festival Evaluation [City Recorder, Pg. 11]
 - a. Event Evaluation [Pg. 12]

G. Consent Calendar

1. Approve Council minutes for February 12, 2018 [Pg. 15]
2. Approve Special Council minutes for February 20, 2018 [Pg. 19]
3. Accept Planning Commission minutes for October 3, 2017 [Pg. 20]
4. Accept TPAC minutes for January 18, 2018 [Pg. 21]
5. Receive monthly financial report for January 2018 [Pg. 22]

H. Remarks from Mayor and Councilors

1. Reports from Council Liaisons

I. Adjournment

*Obtain Public Comment Forms and view the agenda and packet information on-line at www.brookings.or.us, at City Hall and at the local library. Return completed Public

Comment Forms to the City Recorder before the start of meeting or during regular business hours.


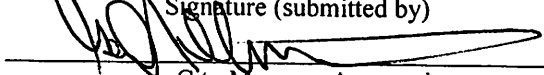
All public meetings are held in accessible locations. Auxiliary aids will be provided upon request with at least 72 hours advance notification. Please contact 469-1102 if you have any questions regarding this notice.

CITY OF BROOKINGS

COUNCIL AGENDA REPORT

Meeting Date: February 26, 2018

Originating Dept: Management
Analyst


Signature (submitted by)

City Manager Approval


Subject: Chetco Bar Fire Economic Impact Grant Agreement

Recommended Motion:

Motion to authorize the City Manager to execute the Chetco Bar Fire Economic Impact Analysis and Recovery Plan Grant Contract with U.S. Economic Development Administration (EDA)

Financial Impact:

\$5,000 in in-kind contribution (staffing).

Reviewed by Finance & Human Resources Director: 

Background/Discussion:

Staff was notified on February 8, 2018 that the City has been awarded an EDA grant totaling \$100,000 (\$50,000 through Federal funding (\$60,000 was requested), \$40,000 through State funding and \$10,000 from the City) for the Chetco Bar Fire Economic Impact Analysis and Recovery Plan.

The City's \$10,000 portion will be funded through \$5,000 from Travel Oregon and \$5,000 in in-kind staff time, staffing being provided by the City Manager and the City Recorder/Management Analyst.

As recipient, the City has 30 days to electronically sign the acceptance of the grant award.

These funds will be used to evaluate the short and long term economic impacts of the 191,000-acre Chetco Bar Fire on the City of Brookings community, assessing the economic damage from loss of merchantable timber, fish spawning habitat (commercial and recreational fishing), tourism and in-migration sectors of the economic base. It will also identify measures and investments that would enhance economic recovery.

Strategic partners on this project include Curry County, South Coast Lumber Company, South Coast Development Council, Coos Curry Douglas Business Development Corporation, South Coast Fishermen, and Oregon Coast Visitors Association.

Attachment(s):

- a. Email notification of award

Teri Davis

Subject: FW: Notification of EDA Award - ED18SEA3030002

From: GrantsOnline.QandA@noaa.gov
Sent: Thursday, February 8, 2018 9:04 AM
To: gmilliman@brookings.or.us
Cc: rmos@eda.gov
Subject: Notification of EDA Award - ED18SEA3030002

Congratulations, you are the recipient of EDA Award Number ED18SEA3030002.

Workflow Comments: None

This award approved by the Grants Officer constitutes an obligation of Federal funding. By electronically signing, the Recipient agrees to comply with the Award provisions checked on the award document. If not electronically signed without modification by the Recipient within 30 days of receipt, the Grants Officer may unilaterally terminate this Award. The Grants Online web site can be accessed at:
<https://grantsonline.rdc.noaa.gov>.

Name of Recipient Authorized Representative with task to accept award: Gary Milliman. Although the offer of award is made to this person, any Authorized Representative in your organization can reassign the task to "Accept" this award through "Task Management" under the "Inbox".

Additional Information about your award is given below:

CFDA Number: 11.303
Award File Period: 01/22/2018 - 01/21/2019
Program Office: Technical Assistance SRO (TA-SRO)
Program Officer: Raul Ramos
Phone: 206-220-7699
Email: rmos@eda.gov
Total Federal Funding: \$50,000.00
Total Non Federal Funding: \$50,000.00
Organization Name: BROOKINGS, CITY OF
Project Title: Chetco Bar Fire Economic Impact Analysis and Recovery Plan
Name of Principal Investigator/Project Director (PI/PD) as identified in the negotiated application: None Identified

❖ After award acceptance, the PI/PD(s) must be associated with this award by your Recipient System Administrator. This will provide them with access to the award for requesting award actions and submitting project progress reports. The Recipient System Administrator that you identify during acceptance will receive a task to "Manage Award Users".

Your Username is your first initial followed by your last name (and possibly followed by a 2-digit number). ***For security reasons you will not receive another email with password information.*** If you are a new Grants Online user and do not have your password, or need to create an account, please email the Grants Online Help Desk during working hours at GrantsOnline.HelpDesk@noaa.gov and provide your name and phone number for a return call. If you experience any problem in reaching the Grants Online web site, please contact the Help

Desk immediately. The Grants Online Help Desk is open from 8:00 AM to 6:00 PM Eastern Time, Monday through Friday. You can call the Help Desk at 301-444-2112 or toll free at 1-877-662-2478. Email requests can be sent to grantsonline.helpdesk@noaa.gov at any time and are answered within one business day. Remember, for security reasons, the Help Desk cannot send your password by email.

Newly assigned or expired passwords will force a password reset after login. If you are a first-time Grants Online user, please click on the Account Management tab and change your security question/answer.

We HIGHLY encourage you to review the Grants Online Grantee Quick Reference Guide and Grantee User Manuals available at http://www.corporateservices.noaa.gov/grantsonline/gol_training.html.

Thank you,

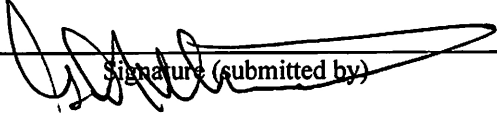
The Grants Online Program Management Office.

CITY OF BROOKINGS

COUNCIL AGENDA REPORT

Meeting Date: February 26, 2018

Originating Dept: City Manager


Signature (submitted by)

City Manager Approval

Subject: Appointment of City Representatives to Harbor Sanitary District City/District Coordinating Committee

Recommended Motion:

Motion to designate Mayor Jake Pieper and Finance/HR Director Janell Howard as City representatives to the City/District Coordinating Committee with the Harbor Sanitary District.

Financial Impact:

None.

Background/Discussion:

The Intergovernmental Agreement between the City and Harbor Sanitary District provides for the appointment of a City/District Coordinating Committee comprised of four members, two designated by the governing body of the respective City/District. The functions of the Committee include the review of the annual proposed City Wastewater Treatment Plant Budget, interagency sewage rate proposals developed by the parties, possible amendments to the Intergovernmental Agreement and to make recommendations to the respective governing bodies.


The City Manager has conferred with Mayor Pieper concerning this matter and recommends that the Mayor and Finance/HR Director be designated as the City representatives.

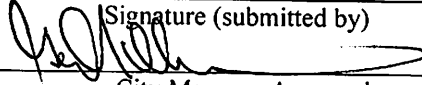
CITY OF BROOKINGS

COUNCIL AGENDA REPORT

Meeting Date: February 26, 2018

Originating Dept: Mayor Pieper



Signature (submitted by)


City Manager Approval


Subject: Fireworks Contribution

Recommended Motion:

Motion to authorize payment of \$1,000 to the Fun'd the Fourth fundraising effort for the July Fourth 2018 fireworks event at the Port of Brookings Harbor, with funds to be allocated from Transient Occupancy Tax revenue.

Financial Impact:

\$1,000 allocation from Transient Occupancy Tax revenue.

Reviewed by Finance & Human Resources Director: 

Background/Discussion:

The Fun'd the Fourth Committee submitted a request to the Tourism Promotion Advisory Committee (TPAC) for a \$1,000 City contribution to the "Fun'd the 4th" fundraising campaign to help fund the annual Fourth of July fireworks show. According to the request, the group's goal is to raise \$26,000 for the event.

TPAC met and discussed the request at its meeting of February 8, voting 3-1 to deny the request due to the event not meeting the group's funding criteria. Mayor Pieper had indicated at the January 22, 2018 Council meeting, regardless of the TPAC decision, he wanted the item to return to Council for action.

The City contributed \$2,000 to the event in 2017 and has used TOT revenue for this purpose for the last four years.

Attachment(s):

- a. TOT Funding Request

Event Title: FOURTH OF JULY FIREWORKS Amount Requested \$ 1000.00

Event Description: FIREWORK CELEBRATION AT SPORHAUEN BEACH

Event Date/s: WEDNESDAY, JULY 4, 2018

Location: So Je Hy, Sporhaugen Beach Location secured? Yes ☒ No ☐

Event Goals: \$26,000.00 to pay for display & expenses.

Please explain how this event will be sustained after the first year:

LAST YEAR WAS A 3 MONTH PUSH TO MEET OUR DEADLINE. WANTED BETTER PLANNING FOR THIS YEAR.

Sponsors/Investors: B-H Visitor & Tour Center, Chetco Activity Center, Chetco Brewing Co. Lucky 7 Casino, Curry Coastal Pkwy.

Income			Expenses		
Fees Collected	\$ 26,000	from donations	Facility/Venue Costs	\$ 20,000	fireworks
Admissions	\$	& button sales	Insurance	\$ 1,000	
Concessions	\$		Advertising	\$ 2,000	
	\$		Supplies	\$ 1,000	
	\$		Security	\$ 2,000	
	\$			\$	
TOTAL	\$ 26,000.		TOTAL	\$ 26,000	

Methodology for evaluating events success in terms of bringing visitors to the Brookings area:

THIS EVENT HAS ALWAYS BEEN A HUGE DRAW TO OUR AREA. OUR GROUP IS WORKING TOWARD NIGHT

DISPLAY ONLY. OPENING THE OPPORTUNITY OF ANOTHER GROUP TO DO A DAYTIME EVENT WITH CAPTIVE VISITORS.

Contact Person: BARBARA CIARAMELLA Phone: 541-661-2117

Organization: FUN'D THE FOURTH Address: PO BOX 2012 @ GMAIL.COM
16358 LOWER HARBOR RD

If more space is required please attach additional pages PO BOX 1103
BROOKINGS, OR 97415



(EXAMPLE: MUSIC FESTIVAL, CHAMBER EVENT, CAROUSEL GROUP, ETC)

CITY OF BROOKINGS

COUNCIL AGENDA REPORT

Meeting Date: February 26, 2018

Originating Dept: City Recorder


Signature (submitted by)

City Manager Approval

Subject: Transient Occupancy Tax (TOT) Fund Allocation for Elmo Williams Day.

Recommended Motion:

As recommended by the Tourism Promotion Advisory Committee (TPAC): Motion to allocate \$1,000 to the Elmo Williams Day Committee for the Elmo Williams Day event.

Financial Impact:

\$1,000 allocated from TOT revenues set-aside for tourism promotion.

Background/Discussion:

The Elmo Williams Day Committee submitted a request for \$2,000 in funding assistance for its event scheduled for April 29, 2018. The organizers state that the funds will be used for promotional items such as posters, flyers, pins, and t-shirts.

This matter was considered by the Tourism Promotion Advisory Committee (TPAC) at their meeting of February 8, 2018. At that meeting, TPAC discussed whether the event fully met its funding criteria and then unanimously recommended granting a reduced amount of \$1,000 in TOT funding to the Elmo Williams Day event.

Attachment(s):

- a. Event Funding Application

SUBMITTED: JAN. 31, 2018

Event Title: THE ELMO WILLIAMS DAY Amount Requested \$2000
 TIME: HIGH NOON AT THE CAPELLA, LOCAL THEATRE VFW
 Event Description: THE EVENT WILL BE TO HONOR ELMO WILLIAMS BIRTHDAY. MOVIES, DISPLAYS AT VARIOUS VENUES WILL TAKE PLACE
 Event Date/s: SUNDAY, APRIL 29, 2018 FROM HIGH NOON TO SIX PM
 Location: CAPELLA BY THE SEA AT AZALEA Location secured? Yes ☒ No ☐
 Event Goals: TO HONOR ONE OF THE GREATEST MOVIE ICONS TO KEEP THE LIFE OF ELMO WILLIAMS REMEMBERED AND LETTING BROOKINGS AND OUTSIDERS KNOW ALL ABOUT
 Please explain how this event will be sustained after the first year: ELMO WILLIAMS AND CONTRIBUTION TO AZALEA SINCE THE CITY OF BROOKINGS CITY COUNSELORS HAVE PROCLAIMED THE FOURTH SUNDAY OF APRIL, IT WILL TAKE PLACE FOREVER.
 Sponsors/Investors: CAROLYN MILLIMAN, CITY OF BROOKINGS, MARILYN HART, TOM + DAVE JONES, LOR GODDARD, CURTIS WOHLGEMUT AND MANY OTHERS

Budget

Income			Expenses		
Fees Collected	\$	—	Facility/Venue Costs	\$	0
Admissions	\$	—	Insurance	\$	0
Concessions	\$	—	Advertising	\$	#
	\$		Supplies	\$	2,000
	\$			\$	
	\$			\$	
	\$			\$	
TOTAL	\$	0	TOTAL	\$	2000

NEWSPAPER ARTICLES
POSTERS FLYERS, ETC.
PINS
T-SHIRTS
DONATIONS

Methodology for evaluating events success in terms of bringing visitors to the Brookings area: BY ADVERTIZING, IT IS HOPED (Emphasizing that Elmo was Director, Film maker) etc. THAT OUT OF TOWN VISITORS WILL COME. WORD OF MOUTH BY COMMITTEE MEMBERS WILL ATTRACT OUT OF TOWNERS

Contact Person: CAROLYN MILLIMAN Phone: (541) 412-7479
 Organization: THE ELMO WILLIAMS DAY COMMITTEE Address: 1090 PARKVIEW DR.

If more space is required please attach additional pages BROOKINGS, OR



Ms. Carolyn Milliman
1090 Parkview Dr
Brookings, OR 97415



Ms. Carolyn Milliman
1090 Parkview Dr
Brookings, OR 97415



Ms. Carolyn Milliman
1090 Parkview Dr
Brookings, OR 97415

97415

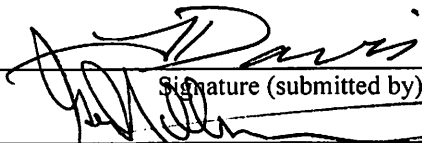
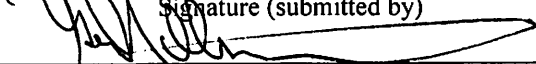
Exhibit B

CITY OF BROOKINGS

COUNCIL AGENDA REPORT

Meeting Date: February 26, 2018

Originating Dept: City Recorder


Signature (submitted by)

City Manager Approval

Subject:

Wild Rivers Mushroom Festival Event Evaluation

Recommended Motion:

Motion to accept the Wild Rivers Mushroom Festival Event Evaluation report.

Financial Impact:

Funding was already allocated for this project.

Background/Discussion:

At the May 8, 2017 City Council meeting, Council authorized a grant to the Wild Rivers Mushroom Festival event organizers in the amount of \$2,000 in Transient Occupancy Tax (TOT) funding for event start-up costs, including promotional items, insurance, venue rental, etc.

The event organizers have provided an event evaluation report to the Tourism Promotion Advisory Committee.

The organizers estimate that over 1500 people attended the event. They estimate 20 percent of participants were from outside the area. The organizers show a profit of just over \$1,900 which will be used as seed money for the 2018 event; however, they anticipate needing to return again for TOT funding for one more year.

Attachment(s):

- a. Event Evaluation



City of Brookings

898 Elk Drive, Brookings, OR 97415
(541) 469-1102 Fax (541) 469-3650

Tourism Promotion Special Event Program

Event Evaluation Report Form

Within three (3) months of completing the event, the following information must be provided and returned to Lauri in Visitor Center.

Event Title: Wild Rivers Mushroom Festival Completion Date: Nov. 4, 2017
Contact Person: Kathleen Dickson Phone: 541-661-1385
Amount
Awarded \$2,000

1. How was the funding used? (Examples: "Purchase flyers - \$___," or "Purchase advertising in [name of publication] - \$___." Detailed receipts are not required).

See attached

2. How many people attended the event (participation/spectators)? Approximately how many of these were from outside Curry County? Include results as defined in Applicant's proposed methodology.

See attached

Note: Failure to submit this report to the City within the allotted time (three months from approved event completion) will eliminate your organization from future consideration for funding under this program.

Signed: [Signature] Dated: 1-15-18

Organization: Wild Rivers Mushroom Club

**City of Brookings
Tourism Promotion Special Event Program**

Event Evaluation Report: Wild Rivers Mushroom Festival, Nov. 4, 2017

Event Title: Wild Rivers Mushroom Festival
Contact Person: Kathleen Dickson
Amount Awarded: \$2,000.00

Completion Date: Nov. 4, 2017
Phone: 541-661-1385

1. **How was the funding used:** Attached is a copy of our festival budget. Basically, the Wild Rivers Mushroom Club used the TPAC grant of \$2,000 to pay for the first few months of expenses: posters, liability insurance, rent for two venues, the cost of festival "swag" (water bottles), banners, and some miscellaneous expenses. Money raised during the festival – from the raffle, silent auction, water bottle sales, and food sales – covered expenses that were incurred on the day of the festival, and the net balance (\$1,918.27) will be carried forward to the 2018 Festival.
2. **How many people attended the event:** Over 1500 people signed in at the two doors on the day of the event. Based on our sign in sheets, 80% of the attendees were local; 20% could be considered "visitors". Of the people who signed in and indicated where they were from, here is the breakdown:

1. Brookings-Harbor	472
2. Del Norte County	196 (and 12 were from over 50 miles away)
3. Other Curry County	95 (and 16 were from over 50 miles away)
4. Other California	22
5. Other Oregon	99
6. Other States	30
3. **On a side note:** while there is no easy way to estimate how many of our Facebook followers were from out of the area, it is worth noting that, of the 745 people invited via Facebook, 589 responded with a "yes" or at least a "maybe".
4. **On another side note:** We also received a grant for \$620.00 from the Oregon Coast Visitors Association (OCVA) to pay for a radio promotion in Humboldt County, so that we could extend our advertising reach down into the Bay Area, which is where our speaker was from.
5. Rebecca Marcus, Content Manager for the local nonprofit, Wild Rivers Connect (www.wildriversconnect.org), wrote an article about the Wild Rivers Mushroom Festival that I think you'd enjoy reading, so I'm including the link for it here: [First Wild Rivers Mushroom Festival a Triumph: How Volunteers Made the Difference](#)

Thank you SO much for your support!



Kathleen Dickson, President
Wild Rivers Mushroom Club

January 16, 2018

Wild Rivers Mushroom Club
Wild Rivers Mushroom Festival 2017 – Budget

Nov 10 – 2017 – current

<u>Date</u>	<u>Revenue</u>	<u>Cash</u>	<u>In-Kind</u>	<u>total</u>	<u>rcvd</u>
Jul 24	TPAC Committee Grant (City of Brookings)	\$2,000.00		\$2,000.00	✓
Oct 10	OCVA advertising grant (paid directly to Lost Coast Comm.)		\$620.00	\$620.00	✓
Oct 23	Vendor spaces (5 pd @ \$20/ea – deposited 10/23)	\$100.00		\$100.00	✓
Nov 04	Vendor spaces (1 @ \$10, 1 @ \$40 – cash pd @ festival)	\$50.00		\$50.00	✓
Nov 04	Water bottles – sales @ festival (11 @ \$10/ea)	\$110.00		\$110.00	✓
Nov 04	Raffle ticket sales (total donation value: \$990.60)	\$620.00		\$620.00	✓
Nov 04	Auction bids (total donation value: \$2587.53)	\$1,445.00		\$1,445.00	✓
Nov 04	Food proceeds	\$481.00		\$481.00	✓
Dec 26	Grange deposit refund	\$75.00		\$75.00	✓
	Total Revenue	\$4,881.00	\$620.00	\$5,501.00	
	<u>Expenses</u>	<u>Cash</u>	<u>In-Kind</u>	<u>total</u>	<u>pd</u>
Aug 06	Posters (100 color copies)	\$25.00		\$25.00	✓
Aug 06	David Arora Mushroom Posters x 3	\$56.55		\$56.55	✓
Sep 05	Frame Arora Posters x 3; scan logo for water bottles	\$65.15		\$65.15	✓
Sep 09	Venue (Chetco Grange #765 rent & deposit)	\$240.00		\$240.00	✓
Sep 10	Laminate Arora Posters x 3	\$82.20		\$82.20	✓
Sep 10	Speaker Venue (Chetco Activity Center, 11/4, afternoon)	\$50.00		\$50.00	✓
Sep 21	Campbell Risk Management-liability insurance	\$321.00		\$321.00	✓
Oct 08	Water bottles – 72	\$278.32		\$278.32	✓
Oct 08	One-day Temp Food License – CCH	\$60.00		\$60.00	✓
Oct 21	Lost Coast Outpost advertising campaign (radio & web)		\$620.00	\$620.00	✓
Oct 13	Posters (2 nd batch of 100)	\$25.00		\$25.00	✓
Oct 13	Banners x 4	\$118.97		\$118.97	✓
Oct 27	Expenses: paper & ID table supplies, food supplies, misc.	\$149.03		\$149.03	✓
Nov 04	Honorarium: Dennis desJardin, speaker	\$500.00		\$500.00	✓
Nov 09	Expenses: Raffle/Auction (including \$80 dinner gift card)	\$105.37		\$105.37	✓
Nov 09	Expenses: Food Service (food, supplies, water)	\$175.24		\$175.24	✓
Nov 09	Thank you ad in Pilot (3 col. X 8 in.)	\$229.20		\$229.20	✓
Nov 12	Expenses: dinner tickets, printer ink, misc office expenses	\$436.70		\$436.70	✓
Nov 12	Refund to raffle winner for broken item	\$40.00		\$40.00	✓
Dec 31	Bank fees (Sept. 15 th only)	\$5.00		\$5.00	✓
	Total Expenses	\$2,962.73	\$620.00	\$3,582.73	

Final Net Profit

\$1,918.27

City of Brookings

CITY COUNCIL MEETING MINUTES

City Hall Council Chambers, 898 Elk Drive, Brookings, OR 97415

Monday, February 12, 2018

Call to Order

Mayor Pieper called the meeting to order at 7:00 PM.

Roll Call

Council present: Mayor Jake Pieper, Councilors Bill Hamilton, Brent Hodges, Roger Thompson and Dennis Triglia present; a quorum present.

Staff present: City Manager Gary Milliman, City Attorney Martha Rice, Parks and Planning Manager Tony Baron, Finance & Human Resources Director Janell Howard, City Recorder Teri Davis, and Administrative Aide Rita Ritz.

Media Present: Jane Stebbins from the Curry Pilot present

Others Present: Approximately seven audience members.

Ordinances

Ordinance 18-O-772, Amending Title 2, Administration and Personnel, of Brookings Municipal Code in its Entirety

City Manager Milliman presented the staff report.

Dave Carlson of 1223 Barclay addressed Council regarding clarification of the edits to section 2.05.170, Conflicts of Interest. City Attorney Rice explained the edit applies only to meeting declarations, not necessary by staff, but staff is still, in fact, required to adhere to Oregon Government Ethics Commission rules.

Councilor Hamilton moved, Councilor Triglia seconded and Council voted unanimously to read Ordinance 18-O-772 for the first time by title only.

Mayor Pieper read the ordinance by title only.

Councilor Triglia moved, Councilor Hamilton seconded and Council voted unanimously to read Ordinance 18-O-772 for the second time by title only.

Mayor Pieper read the ordinance by title only.

Councilor Thompson moved, Councilor Hamilton seconded and Council voted unanimously to adopt Ordinance 18-O-772, amending Title 2, Administration and Personnel, of Brookings Municipal Code in its entirety.

Oral Requests and Communications from the audience

1. Azam Azaditabar-Carlson of 1223 Barclay addressed Council regarding the removal of trees in Azalea Park.

2. Mitchell Valentine of 608 Railroad St. addressed Council regarding the Railroad Street Beautification project as it affects his property. A map showing the property in question was entered into record.

Staff Reports

Spring Infrastructure Projects

City Manager Milliman presented the staff report.

Councilor Triglia moved, Councilor Hodges seconded and Council voted unanimously to authorize a change order to the contract with Tidewater Construction for the 2017-18 Street Improvement Project to add resurfacing of Spruce Drive (the loop) from the alley west of Linden to Linden, various segments of Old County Road between Pacific and Hassett, various segments of 7th Street between Hassett and the cemetery entrance, 5th Street between Barbra and Ransom and 6th Street between Jasmine and Ransom, and to remove Spruce Drive between Alder and the alley west of Linden, with a cost not to exceed \$228,000 and utilizing the same quantity bids as approved in the original contract.

Councilor Triglia moved, Councilor Hodges seconded and Council voted unanimously to authorize the City Manager to solicit bids for the installation of 800 lineal feet of eight-inch water main on Spruce Drive and the separation of five sewer laterals at various locations on Spruce Drive, with funding for the water project to be allocated from the Water System Replacement Fund and funding for the sewer project allocated from the Sewer system Replacement Fund.

Contract for Water and Wastewater Treatment Services

City Manager Milliman presented the staff report.

Shilen Patel representing Veolia Water North America – West LLC addressed Council in opposition to the contracting with CH2M. A letter of opposition was entered into record.

Treatment Plant Operator Mark Haglund, who was unable to attend the meeting, also a submitted a letter of comment regarding the contracting. It is entered into record.

Councilor Hodges moved, Councilor Hamilton seconded and Council voted unanimously to schedule a special City Council meeting for February 20, 2018, to consider a contract with CH2M for water and wastewater treatment services.

Salmon Run Drinking Water System Upgrade

Parks and Planning Manager Baron presented the staff report.

Councilor Hodges moved, Councilor Triglia seconded and Council voted unanimously to authorize the City Manager to direct staff to purchase and install a new ultraviolet filtration system at the Salmon Run Golf Course drinking water well.

Rogue River Siskiyou National Forest Fee Proposal

City Manager Milliman presented the staff report.

Councilor Triglia moved, Councilor Thompson seconded and Council voted unanimously to authorize the Mayor to sign a letter to the U.S. Forest Service commenting on the proposal to increase user fees in the Rogue River Siskiyou National Forest with a specific request that fee increases be delayed until 2020.

Legal Services Agreement

City Manager Milliman presented the staff report.

Councilor Hodges moved, Councilor Thompson seconded and Council voted unanimously to authorize the Mayor to execute a Legal Services Agreement with Black and Rice LLP.

Employee Compensation Plan

City Manager Milliman presented the staff report.

Teresa Lawson of 820 Brookhaven Drive addressed Council reading from a prepared statement in opposition to the compensation plan. The prepared statement has been entered into record.

Councilor Triglia advised that he had objection to bullet points #2, 3, and 7.

Councilor Hodges had objections to a similar set of the bullet points as well.

Councilor Hamilton requested the item be brought back to Workshop.

Mayor Pieper noted he was okay with the plan as presented.

Council discussed several options with regard to taking action on the item.

Mayor Pieper moved to amend the City of Brookings Management Compensation Plan as recommended by the City Manager in the Council Agenda Report dated February 12, 2018. The motion died for lack of second.

Councilor Hodges moved, Councilor Triglia seconded and Council voted 3-2, with Mayor Pieper and Councilor Hamilton voting 'nay', to accept bullet points #1, 4, 5, and 6, and amending the Management Compensation Plan accordingly.

Wild Rivers Coast Foundation for Dance Event Evaluation

City Recorder Davis presented the staff report.

Councilor Thompson moved, Councilor Hamilton seconded and Council voted unanimously to accept the Wild Rivers Coast Foundation for Dance (Nutcracker Ballet) Event Evaluation report.

Coast Christmas Event Evaluation

City Recorder Davis presented the staff report.

Councilor Triglia moved, Councilor Hodges seconded and Council voted unanimously to accept the Coastal Christmas Event Evaluation report.

Consent Calendar

1. Approve Council minutes for January 22, 2018
2. Accept TPAC minutes for November 16, 2017
3. Accept TPAC minutes for December 21, 2017
4. Accept Parks & Rec minutes for October 26, 2017

Councilor Thompson moved, Councilor Hamilton seconded and Council voted unanimously to approve the Consent Calendar.

Remarks from Mayor and Councilors

Councilor Hodges commented on the unexpected passing of Planning Commission member Hedda Markham, noting she will be missed.

Adjournment

Councilor Thompson moved, Councilor Hamilton seconded, and Mayor Pieper adjourned the meeting at 8:49 p.m.

Respectfully submitted:

ATTESTED:
this _____ day of _____ 2018:

Jake Pieper, Mayor

Teri Davis, City Recorder

City of Brookings

SPECIAL CITY COUNCIL MEETING MINUTES

City Hall Council Chambers, 898 Elk Drive, Brookings, OR 97415

Monday, February 20, 2018

Call to Order

Mayor Pieper called the meeting to order at 7:00 PM.

Roll Call

Council present: Mayor Jake Pieper, Councilors Bill Hamilton, Brent Hodges, and Dennis Triglia present; Councilor Roger Thompson absent; a quorum present.

Staff present: City Manager Gary Milliman, Finance & Human Resources Director Janell Howard, and City Recorder Teri Davis.

Media Present: No media present

Others Present: Three audience members.

Oral Requests and Communications from the audience

There was no one present requesting to address Council

Staff Reports

Contract for Treatment Services with CH2M

City Manager Milliman presented the staff report.

Council discussed various specifics about the contract and the administration thereof. Councilors indicated a high level of satisfaction with the outcome.

Councilor Triglia moved, Councilor Hodges seconded and Council voted unanimously to authorize the City Manager to execute an Agreement for Operations, Maintenance and Management Services for treatment services with CH2M Hill Engineers, Inc. effective March 12, 2018, and for a 63.5 month term.

Remarks from Mayor and Councilors

Councilor Hamilton remarked that the decision process reminded him of his days of being a baseball umpire. Always a winner and a loser.

Mayor Pieper requested staff to provide a history of the School Resource Officer at an upcoming Workshop, to include financial aspect, length of service, etc.

Adjournment

Councilor Triglia moved, Councilor Hodges seconded, and Mayor Pieper adjourned the meeting at 7:31 p.m.

Respectfully submitted:

ATTESTED:

this _____ day of _____ 2018:

Jake Pieper, Mayor

Teri Davis, City Recorder

BROOKINGS PLANNING COMMISSION MINUTES

October 3, 2017

The regular meeting of the Brookings Planning Commission was called to order by Vice-Chair Gerald Wulkowicz at 7:00 P.M. in the Council Chambers at the Brookings City Hall on the above date.

Commissioners Present: Loren Rings, Cheryl McMahan, Gerry Wulkowicz, Skip Hunter, Tim Hartzell, Hedda Markham

Staff Present: Community Planner - Mark Schexnayder; Administrator - Lauri Ziemer

Others Present: 1 audience member

PUBLIC HEARINGS

Public hearing procedures were addressed by Vice-Chair Gerald Wulkowicz.

- Vice-Chair Wulkowicz opened the quasi-judicial hearing regarding File No. CUP-4-17

File Description: In the matter of the File No. CUP-4-17, a request for approval of a Conditional Use Permit to operate a Short Term Rental facility at 405 Buena Vista Loop, a 0.20 acre parcel located on Assessor's Map No. 41-13-08-BB; Tax Lot 104. The applicant/owner is Dennis Roscher. The criteria used to decide this matter are found in Section 17.124.170 – Short-term rentals, Chapter 17.136 - Conditional Uses, and Section 17.20.040(Q) Single-Family Residential (R-1-6) Conditional uses of the Brookings Municipal Code (BMC). This is a Quasi-judicial hearing and the Planning Commission will make a decision on the matter.

There was no ex parte contact or conflict of interest declared. There was no objection to the jurisdiction of the Planning Commission to hear the matter. The public hearing was opened at 7:03 P.M. Community Planner Schexnayder reviewed the staff report.

Justin Goodwin, 867 Jody Lane, Brookings, OR 97415 stated he was the applicant's representative.

No participant requested additional time to submit materials and the representative did not request additional time for written rebuttal. The public hearing was closed at 7:13 P.M.

The Commission deliberated on the matter. By a 6-0 vote (Motion: McMahan, 2nd Markham) the Planning Commission approved File No. CUP-4-17 as presented.

Vice-Chair Wulkowicz made a motion to approve the final order as presented, which was seconded by Commissioner McMahan. The final order was approved by unanimous vote.

APPROVAL of MINUTES

By a 6-0 vote (motion: McMahan, 2nd Rings) the Planning Commission approved the minutes of the September 5, 2017 Planning Commission meeting.

STAFF REPORT

Staff reported that the City of Brookings has not received any county referrals since May 2017.

ADJOURNMENT

Meeting adjourned at 7:18 P.M.

Respectfully submitted,



Cheryl McMahan, Acting Chair, Brookings Planning Commission
Approved at the 2/6/2018 meeting

TOURISM PROMOTION ADVISORY COMMITTEE (TPAC) MINUTES
Thursday – January 18, 2018

CALL TO ORDER

Meeting called to order at 4:00 PM

1. ROLL CALL

Present: Committee members Angi Christian, Candice Michel, Tim Patterson, Dane Tippman, and Skip Watwood.

Also present: Staff Committee Liaison Teri Davis

2. APPROVAL OF MINUTES –

a. Motion made by Tim Patterson to approve the minutes of December 21, 2017, motion seconded by Dane Tippman and Committee voted; the motion carried unanimously.

3. Public Comment – There was no one present to address the Committee on non-agenda items.

4. ACTION ITEMS

a. Fireworks funding request

- Committee discussed that the request for funding for the annual fireworks had gone directly to City Council without input from TPAC.
- The Committee desires that Council table the item and return it to TPAC for recommendation.

No formal motion was made.

5. INFORMATIONAL ITEMS

a. Wild Rivers Coast Foundation for Dance Evaluation

- Committee reviewed the evaluation

b. Coastal Christmas Evaluation

- Committee reviewed the evaluation

c. Recent Council Actions

- Teri Davis informed that Council approved the Pistol River Wave Bash funding. She advised that no changes to TPAC procedures was made by Council at the January workshop.

d. Budget Status – Committee reviewed the budget status

e. Internet Hit Info – Committee reviewed internet hits document provided

f. Brookings Harbor High School Video Status – committee discussed the status of the video

7. SCHEDULE NEXT MEETING – Next meeting scheduled for February 8, 2018.

8. ADJOURNMENT – with no further business before the Committee, meeting adjourned at 4:27 pm.

Respectfully submitted,



Skip Watwood, Chair

(approved at February 8, 2018 meeting)

CITY OF BROOKINGS
FUND SUMMARY
FOR THE 7 MONTHS ENDING JANUARY 31, 2018

GENERAL FUND

	BUDGET	PERIOD ACTUAL	YTD ACTUAL	REMAINING BUDGET	PCNT
<u>REVENUE</u>					
TAXES	2,914,282.00	121,144.43	2,590,330.05	323,951.95	88.9
LICENSES AND PERMITS	110,900.00	6,822.14	70,979.44	39,920.56	64.0
INTERGOVERNMENTAL	227,300.00	8,853.96	66,834.17	160,465.83	29.4
CHARGES FOR SERVICES	165,000.00	7,029.21	104,739.50	60,260.50	63.5
OTHER REVENUE	171,000.00	21,604.55	113,375.50	57,624.50	66.3
TRANSFERS IN	488,587.00	.00	.00	488,587.00	.0
	<u>4,077,069.00</u>	<u>165,454.29</u>	<u>2,946,258.66</u>	<u>1,130,810.34</u>	<u>72.3</u>
<u>EXPENDITURES</u>					
JUDICIAL:					
PERSONAL SERVICES	24,561.00	2,022.84	13,707.42	10,853.58	55.8
MATERIAL AND SERVICES	11,850.00	580.74	4,739.34	7,110.66	40.0
CAPITAL OUTLAY	.00	.00	.00	.00	.0
	<u>36,411.00</u>	<u>2,603.58</u>	<u>18,446.76</u>	<u>17,964.24</u>	<u>50.7</u>
LEGISLATIVE/ADMINISTRATION:					
PERSONAL SERVICES	194,864.00	17,571.26	129,225.28	65,738.72	66.3
MATERIAL AND SERVICES	98,400.00	9,172.03	81,971.78	16,428.22	83.3
CAPITAL OUTLAY	.00	.00	.00	.00	.0
	<u>293,364.00</u>	<u>26,743.29</u>	<u>211,197.06</u>	<u>82,166.94</u>	<u>72.0</u>
POLICE:					
PERSONAL SERVICES	2,114,007.00	168,974.33	1,158,226.94	955,780.06	54.8
MATERIAL AND SERVICES	170,800.00	5,375.15	96,366.21	74,433.79	56.4
CAPITAL OUTLAY	.00	.00	14,306.93	(14,306.93)	.0
DEBT SERVICE	55,150.00	.00	20,374.46	34,775.54	36.9
TRANSFERS OUT	.00	.00	.00	.00	.0
	<u>2,339,957.00</u>	<u>174,349.48</u>	<u>1,289,274.54</u>	<u>1,050,682.46</u>	<u>55.1</u>
FIRE:					
PERSONAL SERVICES	187,554.00	16,087.86	103,600.79	83,953.21	55.2
MATERIAL AND SERVICES	103,000.00	3,606.30	45,771.75	57,228.25	44.4
CAPITAL OUTLAY	.00	.00	.00	.00	.0
DEBT SERVICE	45,519.00	.00	38,047.96	7,471.04	83.6
TRANSFERS OUT	.00	.00	.00	.00	.0
	<u>336,073.00</u>	<u>19,694.16</u>	<u>187,420.50</u>	<u>148,652.50</u>	<u>55.8</u>

CITY OF BROOKINGS
FUND SUMMARY
FOR THE 7 MONTHS ENDING JANUARY 31, 2018

GENERAL FUND

	BUDGET	PERIOD ACTUAL	YTD ACTUAL	REMAINING BUDGET	PCNT
PLANNING AND BUILDING:					
PERSONAL SERVICES	174,119.00	9,467.49	89,437.30	84,681.70	51.4
MATERIAL AND SERVICES	90,800.00	1,264.77	8,609.34	82,190.66	9.5
CAPITAL OUTLAY	.00	.00	.00	.00	.0
TRANSFERS OUT	.00	.00	.00	.00	.0
	<u>264,919.00</u>	<u>10,732.26</u>	<u>98,046.64</u>	<u>166,872.36</u>	<u>37.0</u>
PARKS & RECREATION:					
PERSONAL SERVICES	246,173.00	19,026.48	128,749.11	117,423.89	52.3
MATERIAL AND SERVICES	87,200.00	5,600.20	58,040.37	29,159.63	66.6
CAPITAL OUTLAY	.00	.00	1,044.00	(1,044.00)	.0
DEBT SERVICE	49,000.00	4,031.88	28,223.16	20,776.84	57.6
TRANSFERS OUT	.00	.00	.00	.00	.0
	<u>382,373.00</u>	<u>28,658.56</u>	<u>216,056.64</u>	<u>166,316.36</u>	<u>56.5</u>
FINANCE AND HUMAN RESOURCES:					
PERSONAL SERVICES	194,630.00	16,765.60	110,351.28	84,278.72	56.7
MATERIAL AND SERVICES	33,700.00	479.95	18,966.31	14,733.69	56.3
CAPITAL OUTLAY	.00	.00	.00	.00	.0
	<u>228,330.00</u>	<u>17,245.55</u>	<u>129,317.59</u>	<u>99,012.41</u>	<u>56.6</u>
SWIMMING POOL:					
PERSONAL SERVICES	61,112.00	.00	51,286.17	9,825.83	83.9
MATERIAL AND SERVICES	43,000.00	910.30	14,717.58	28,282.42	34.2
CAPITAL OUTLAY	.00	.00	.00	.00	.0
	<u>104,112.00</u>	<u>910.30</u>	<u>66,003.75</u>	<u>38,108.25</u>	<u>63.4</u>
NON-DEPARTMENTAL:					
MATERIAL AND SERVICES	145,500.00	5,325.31	52,454.91	93,045.09	36.1
CAPITAL OUTLAY	.00	.00	.00	.00	.0
TRANSFERS OUT	243,500.00	.00	.00	243,500.00	.0
CONTINGENCIES AND RESERVES	652,530.00	.00	.00	652,530.00	.0
	<u>1,041,530.00</u>	<u>5,325.31</u>	<u>52,454.91</u>	<u>989,075.09</u>	<u>5.0</u>
	<u>5,027,069.00</u>	<u>286,262.49</u>	<u>2,268,218.39</u>	<u>2,758,850.61</u>	<u>45.1</u>
	<u>(950,000.00)</u>	<u>(120,808.20)</u>	<u>678,040.27</u>	<u>(1,628,040.27)</u>	<u>71.4</u>

CITY OF BROOKINGS
FUND SUMMARY
FOR THE 7 MONTHS ENDING JANUARY 31, 2018

STREET FUND

	BUDGET	PERIOD ACTUAL	YTD ACTUAL	REMAINING BUDGET	PCNT
<u>REVENUE</u>					
INTERGOVERNMENTAL	485,000.00	34,638.61	202,656.60	282,343.40	41.8
OTHER REVENUE	13,650.00	4,725.00	7,746.26	5,903.74	56.8
TRANSFER IN	.00	.00	.00	.00	.0
	<u>498,650.00</u>	<u>39,363.61</u>	<u>210,402.86</u>	<u>288,247.14</u>	<u>42.2</u>
<u>EXPENDITURES</u>					
EXPENDITURES:					
PERSONAL SERVICES	205,515.00	12,309.96	110,703.24	94,811.76	53.9
MATERIAL AND SERVICES	205,000.00	15,308.11	99,386.47	105,613.53	48.5
CAPITAL OUTLAY	107,000.00	.00	.00	107,000.00	.0
DEBT SERVICE	27,583.00	360.11	2,521.03	25,061.97	9.1
TRANSFERS OUT	31,582.00	.00	.00	31,582.00	.0
CONTINGENCIES AND RESERVES	121,970.00	.00	.00	121,970.00	.0
	<u>698,650.00</u>	<u>27,978.18</u>	<u>212,610.74</u>	<u>486,039.26</u>	<u>30.4</u>
	<u>698,650.00</u>	<u>27,978.18</u>	<u>212,610.74</u>	<u>486,039.26</u>	<u>30.4</u>
	<u>(200,000.00)</u>	<u>11,385.43</u>	<u>(2,207.88)</u>	<u>(197,792.12)</u>	<u>(1.1)</u>

CITY OF BROOKINGS
FUND SUMMARY
FOR THE 7 MONTHS ENDING JANUARY 31, 2018

WATER FUND

	BUDGET	PERIOD ACTUAL	YTD ACTUAL	REMAINING BUDGET	PCNT
<u>REVENUE</u>					
SOURCE 03	.00	.00	.00	.00	.0
CHARGES FOR SERVICES	1,637,000.00	121,176.00	996,958.32	640,041.68	60.9
OTHER INCOME	54,500.00	2,365.00	35,087.32	19,412.68	64.4
TRANSFERS IN	.00	.00	.00	.00	.0
	<u>1,691,500.00</u>	<u>123,541.00</u>	<u>1,032,045.64</u>	<u>659,454.36</u>	<u>61.0</u>
<u>EXPENDITURES</u>					
WATER DISTRIBUTION:					
PERSONAL SERVICES	361,597.00	22,069.43	186,064.44	175,532.56	51.5
MATERIAL AND SERVICES	197,500.00	12,507.44	123,368.36	74,131.64	62.5
CAPITAL OUTLAY	50,000.00	.00	24,454.63	25,545.37	48.9
DEBT SERVICE	14,900.00	398.40	2,788.73	12,111.27	18.7
	<u>623,997.00</u>	<u>34,975.27</u>	<u>336,676.16</u>	<u>287,320.84</u>	<u>54.0</u>
WATER TREATMENT:					
PERSONAL SERVICES	311,891.00	23,275.96	174,517.38	137,373.62	56.0
MATERIAL AND SERVICES	242,000.00	25,536.29	131,081.61	110,918.39	54.2
CAPITAL OUTLAY	20,500.00	.00	2,384.49	18,115.51	11.6
DEBT SERVICE	14,900.00	398.40	2,788.73	12,111.27	18.7
TRANSFERS OUT	589,386.00	.00	.00	589,386.00	.0
CONTINGENCIES AND RESERVES	178,826.00	.00	.00	178,826.00	.0
	<u>1,357,503.00</u>	<u>49,210.65</u>	<u>310,772.21</u>	<u>1,046,730.79</u>	<u>22.9</u>
DEPARTMENT 24:					
CAPITAL OUTLAY	.00	.00	.00	.00	.0
	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.0</u>
	<u>1,981,500.00</u>	<u>84,185.92</u>	<u>647,448.37</u>	<u>1,334,051.63</u>	<u>32.7</u>
	<u>(290,000.00)</u>	<u>39,355.08</u>	<u>384,597.27</u>	<u>(674,597.27)</u>	<u>132.6</u>

CITY OF BROOKINGS
FUND SUMMARY
FOR THE 7 MONTHS ENDING JANUARY 31, 2018

WASTEWATER FUND

	BUDGET	PERIOD ACTUAL	YTD ACTUAL	REMAINING BUDGET	PCNT
<u>REVENUE</u>					
SOURCE 03	(4,500.00)	.00	.00	(4,500.00)	.0
CHARGES FOR SERVICES	3,129,300.00	249,875.89	1,833,284.15	1,296,015.85	58.6
OTHER REVENUE	10,000.00	.00	5,714.54	4,285.46	57.2
TRANSFER IN	.00	.00	.00	.00	.0
	<u>3,134,800.00</u>	<u>249,875.89</u>	<u>1,838,998.69</u>	<u>1,295,801.31</u>	<u>58.7</u>
<u>EXPENDITURES</u>					
WASTEWATER COLLECTION:					
PERSONAL SERVICES	528,144.00	34,872.97	290,391.08	237,752.92	55.0
MATERIAL AND SERVICES	243,700.00	15,104.08	79,047.67	164,652.33	32.4
CAPITAL OUTLAY	15,000.00	.00	2,384.49	12,615.51	15.9
DEBT SERVICE	14,900.00	398.40	2,788.74	12,111.26	18.7
TRANSFERS OUT	149,966.00	.00	.00	149,966.00	.0
	<u>951,710.00</u>	<u>50,375.45</u>	<u>374,611.98</u>	<u>577,098.02</u>	<u>39.4</u>
WASTEWATER TREATMENT:					
PERSONAL SERVICES	536,014.00	42,128.32	291,242.38	244,771.62	54.3
MATERIAL AND SERVICES	582,300.00	58,592.95	272,564.37	309,735.63	46.8
CAPITAL OUTLAY	10,000.00	.00	2,384.49	7,615.51	23.8
DEBT SERVICE	14,900.00	398.40	2,788.74	12,111.26	18.7
TRANSFERS OUT	1,230,044.00	.00	.00	1,230,044.00	.0
CONTINGENCIES AND RESERVES	314,332.00	.00	.00	314,332.00	.0
	<u>2,687,590.00</u>	<u>101,119.67</u>	<u>568,979.98</u>	<u>2,118,610.02</u>	<u>21.2</u>
	<u>3,639,300.00</u>	<u>151,495.12</u>	<u>943,591.96</u>	<u>2,695,708.04</u>	<u>25.9</u>
	<u>(504,500.00)</u>	<u>98,380.77</u>	<u>895,406.73</u>	<u>(1,399,906.73)</u>	<u>177.5</u>

CITY OF BROOKINGS
FUND SUMMARY
FOR THE 7 MONTHS ENDING JANUARY 31, 2018

URBAN RENEWAL AGENCY FUND

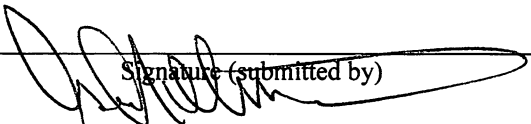
	BUDGET	PERIOD ACTUAL	YTD ACTUAL	REMAINING BUDGET	PCNT
<u>REVENUE</u>					
TAXES	534,592.00	19,504.93	516,551.16	18,040.84	96.6
INTERGOVERNMENTAL	.00	.00	.00	.00	.0
OTHER REVENUE	3,000.00	1.17	2,404.85	595.15	80.2
	<u>537,592.00</u>	<u>19,506.10</u>	<u>518,956.01</u>	<u>18,635.99</u>	<u>96.5</u>
<u>EXPENDITURES</u>					
GENERAL:					
PERSONAL SERVICES	.00	.00	.00	.00	.0
MATERIAL AND SERVICES	35,000.00	1,000.00	3,165.00	31,835.00	9.0
CAPITAL OUTLAY	391,853.00	.00	.00	391,853.00	.0
DEBT SERVICE	.00	.00	.00	.00	.0
TRANSFERS OUT	450,739.00	.00	.00	450,739.00	.0
CONTINGENCIES AND RESERVES	.00	.00	.00	.00	.0
	<u>877,592.00</u>	<u>1,000.00</u>	<u>3,165.00</u>	<u>874,427.00</u>	<u>.4</u>
DEPARTMENT 20:					
CAPITAL OUTLAY	.00	.00	.00	.00	.0
	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.0</u>
DEPARTMENT 22:					
MATERIAL AND SERVICES	.00	.00	.00	.00	.0
DEBT SERVICE	.00	.00	.00	.00	.0
	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.0</u>
DEPARTMENT 24:					
CONTINGENCIES AND RESERVES	.00	.00	.00	.00	.0
	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.0</u>
	<u>877,592.00</u>	<u>1,000.00</u>	<u>3,165.00</u>	<u>874,427.00</u>	<u>.4</u>
	<u>(340,000.00)</u>	<u>18,506.10</u>	<u>515,791.01</u>	<u>(855,791.01)</u>	<u>151.7</u>

CITY OF BROOKINGS

COUNCIL AGENDA REPORT

Meeting Date: February 26, 2018

Originating Dept: City Manager


Signature (submitted by)

City Manager Approval

Subject: Support Letter for House Bill 4007

Recommended Motion:

- 1) Motion to add Letter of Support for House Bill 4007 to the City Council agenda as an urgency matter as the City wishes to consider support for the Bill prior to a vote by the Legislature in the 2018 short session.
- 2) Motion to authorize the Mayor to execute a support letter for HB 4007 regarding first time home buyer savings accounts and raising document fees.

Financial Impact:

Minimal impact on fees paid by City for recording real property documents.

Reviewed by Finance & Human Resources Director: _____

Background/Discussion:

Mayor Pieper has requested that this matter be added to the agenda. Staff received an email late Friday from local resident Connie Hunter requesting a support letter for House Bill 4007.

HB4007 permits individuals to create a first-time home buyer savings account with financial institutions to pay or reimburse the account holder's eligible costs for first-time purchase of single family residence. It allows subtraction from account holder's federal taxable income of amounts contributed to first-time home buyer savings account during each tax year. It exempts from taxation the amount of interest and other income earned on the account; establishes amount and time limitations on subtractions and exemptions from taxable income; provides that withdrawals for purposes other than approved purposes are taxable income to the account holder. As introduced, the new program would apply to tax years beginning on or after January 1, 2019, and before January 1, 2025; this was amended to 2027 in the House Revenue Committee on Thursday.

As introduced, the Bill also increases amount of fees charged and collected by county clerks to record or file certain real property documents and transferred to Housing and Community Services Department accounts for housing-related programs from \$20 to \$75. This amount was reduced in the House Revenue Committee to \$60.

The Council will first need to vote to add this item to the agenda.

Attached is a copy of the Bill, Legislative Summary, financial analysis and a letter from the Clackamas County Board of Commissioners.

The League of Oregon Cities supports the Bill. The Bill passed out of the House Committee on Human Services and Housing on a 5-4 vote and the House Revenue Committee on a 5-4 vote, and is now being considered by the Ways and Means Committee. The Committee file indicates that they received seven letters in support of the Bill and no letters of opposition. Attached is one of those letters.

Attachment(s):

- a. HB 4007 and related materials.

A-Engrossed House Bill 4007

Ordered by the House February 19
Including House Amendments dated February 19

Introduced and printed pursuant to House Rule 12.00. Presession filed (at the request of House Interim Committee on Human Services and Housing)

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.

Permits individual to create first-time home buyer savings account with financial institution to pay or reimburse account holder's eligible costs for first-time purchase of single family residence.

Allows subtraction from account holder's federal taxable income of amounts contributed to first-time home buyer savings account during each tax year. Exempts from taxation amount of interest and other income earned on account. Establishes amount and time limitations on subtractions and exemptions from taxable income. Provides that withdrawals for purposes other than approved purposes are taxable income to account holder.

Applies to tax years beginning on or after January 1, 2019, and before January 1, 2025.

Increases amount of fees charged and collected by county clerks to record or file certain real property documents and transferred to Housing and Community Services Department accounts for housing-related programs. Exempts county tax collectors from paying certain fees.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

Relating to housing; creating new provisions; amending ORS 205.323, 306.815 and 458.655; prescribing an effective date; and providing for revenue raising that requires approval by a three-fifths majority.

Be It Enacted by the People of the State of Oregon:

SECTION 1. The Legislative Assembly finds that saving for a down payment and closing costs for the purchase of a first home is challenging in the present economy. The first-time home buyer savings account program will provide opportunities for Oregon residents to save funds for first-time home ownership and will provide Oregonians with meaningful incentives to save for the purchase of a first home.

SECTION 2. As used in sections 1 to 10 of this 2018 Act:

(1) "Account holder" means a first-time home buyer who establishes a first-time home buyer savings account.

(2) "Allowable closing costs" means disbursements listed in a settlement statement for the purchase of a single family residence by an account holder.

(3) "Eligible costs" means the down payment and allowable closing costs for the purchase of a single family residence by an account holder.

(4) "Financial institution" means a bank, a trust company, a commercial bank, a national bank, a savings bank, a savings and loan, a thrift institution, a credit union, an insurance company, a mutual fund, an investment firm or a similar entity authorized to do business in this state.

(5) "First-time home buyer" means an individual who is a resident of this state and has

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.

1 not owned or purchased, either individually or jointly, a single family residence during a pe-
2 riod of three years prior to the date of the purchase of a single family residence.

3 (6) "First-time home buyer savings account" or "account" means an account established
4 as a first-time home buyer savings account by written agreement between an account holder
5 and a financial institution and that the account holder designates as a first-time home buyer
6 savings account on the account holder's Oregon income tax return for the purpose of paying
7 or reimbursing eligible costs for the purchase of a single family residence in this state by the
8 account holder.

9 (7) "Resident of this state" has the meaning given that term in ORS 316.027.

10 (8) "Settlement statement" means the statement of receipts and disbursements for a
11 transaction related to real estate, including a statement prescribed under the Real Estate
12 Settlement Procedures Act of 1974, 12 U.S.C. 2601 et seq., and regulations thereunder.

13 (9) "Single family residence" means a residence intended for occupation by a single family
14 unit that is owned and occupied by an account holder as the account holder's principal resi-
15 dence. "Single family residence" includes a manufactured home, residential trailer, mobile
16 home or condominium unit.

17 (10) "Taxable income" has the meaning given that term in ORS 316.022.

18 **SECTION 3.** (1) An individual may create a first-time home buyer savings account with
19 a financial institution to be used to pay or reimburse the account holder's eligible costs re-
20 lated to the purchase of a single family residence by entering into a first-time home buyer
21 savings account agreement with the financial institution.

22 (2) An individual may jointly own a first-time home buyer savings account with another
23 person if the joint account holders are both first-time home buyers and file a joint income
24 tax return.

25 (3) An individual may not be the account holder of more than one first-time home buyer
26 savings account.

27 (4) Only cash may be contributed to a first-time home buyer savings account. Subject to
28 the limitations of section 4 (4) of this 2018 Act, persons other than the account holder may
29 contribute funds to a first-time home buyer savings account. There is no limitation on the
30 amount of contributions that may be made to or retained in a first-time home buyer savings
31 account.

32 (5) The account holder may not use funds held in a first-time home buyer savings ac-
33 count to pay expenses of administering the account, except that the financial institution that
34 administers the account may deduct a service fee from the account.

35 (6) An account holder may withdraw all or part of the funds from a first-time home buyer
36 savings account and deposit the funds in a new first-time home buyer savings account held
37 by a different financial institution or the same financial institution.

38 (7) No financial institution is required to offer first-time home buyer savings accounts
39 to customers of the institution.

40 **SECTION 4.** (1) Subject to section 6 of this 2018 Act, and in addition to the other mod-
41 ifications to federal taxable income contained in ORS chapter 316, there shall be subtracted
42 from federal taxable income the amount of funds contributed to an account holder's first-
43 time home buyer savings account established under sections 1 to 10 of this 2018 Act during
44 the tax year, not to exceed \$5,000 for an account holder who files an individual income tax
45 return or \$10,000 for joint account holders who file a joint income tax return.

(2) Funds contributed to a first-time home buyer savings account and earnings, including interest and other income, on the principal in the account during the tax year are exempt from taxation until withdrawn by the taxpayer, subject to subsection (3) of this section.

(3) An account holder may claim the subtraction and exemption under subsections (1) and (2) of this section:

(a) For a period not to exceed 10 years;

(b) For an aggregate total amount of principal and earnings not to exceed \$50,000 during the 10-year period; and

(c) Only if the principal and earnings of the account remain in the account until a withdrawal is made for eligible costs related to the purchase of a single family residence by the account holder except as provided in section 3 (6) of this 2018 Act.

(4) A person other than the account holder who deposits funds in a first-time home buyer savings account is not entitled to the subtraction and exemption provided for in this section.

SECTION 5. Sections 6 and 7 of this 2018 Act are added to and made a part of ORS chapter 316.

SECTION 6. (1) The limits applicable to a subtraction from federal taxable income and an exemption allowed under section 4 of this 2018 Act are:

(a) \$10,000 if reported on a joint income tax return, or \$5,000 for all others, if the federal adjusted gross income of the taxpayer for the tax year is less than \$149,000 or, if reported on other than a joint return, less than \$104,000.

(b) \$8,000 if reported on a joint income tax return, or \$4,000 for all others, if the federal adjusted gross income of the taxpayer for the tax year is \$149,000 or more and less than \$158,000 or, if reported on other than a joint return, \$104,000 or more and less than \$111,000.

(c) \$6,000 if reported on a joint income tax return, or \$3,000 for all others, if the federal adjusted gross income of the taxpayer for the tax year is \$158,000 or more and less than \$167,000 or, if reported on other than a joint return, \$111,000 or more and less than \$117,000.

(d) \$4,000 if reported on a joint income tax return, or \$2,000 for all others, if the federal adjusted gross income of the taxpayer for the tax year is \$167,000 or more and less than \$176,000 or, if reported on other than a joint return, \$117,000 or more and less than \$123,000.

(e) \$2,000 if reported on a joint income tax return, or \$1,000 for all others, if the federal adjusted gross income of the taxpayer for the tax year is \$176,000 or more and less than \$187,000 or, if reported on other than a joint return, \$123,000 or more and less than \$131,000.

(2) If the federal adjusted gross income of the taxpayer for the tax year is \$187,000 or more if reported on a joint income tax return, or \$131,000 or more if reported on other than a joint income tax return, the limit is zero and the taxpayer is not allowed a subtraction from federal taxable income or an exemption under section 4 of this 2018 Act.

(3) The Department of Revenue by rule may adjust the limits applicable in the current tax year to the subtractions and exemptions specified in subsection (1) of this section so that the limits reflect the percentage change in the U.S. City Average Consumer Price Index, as published by the Bureau of Labor Statistics of the United States Department of Labor, during the tax year.

SECTION 7. (1) There shall be added to federal taxable income the amount of funds a taxpayer withdraws from a first-time home buyer savings account established under section 3 of this 2018 Act, if:

(a) Those funds were used for a purpose other than eligible costs as defined in section 2

1 of this 2018 Act;

2 (b) In this tax year or a previous tax year, those funds were subtracted or exempted from
3 federal taxable income under section 4 of this 2018 Act; and

4 (c) Those funds were not deposited into another first-time home buyer savings account
5 held by the taxpayer.

6 (2) There shall be added to federal taxable income the amount of funds a taxpayer holds
7 in a first-time home buyer savings account not expended on eligible costs by December 31
8 of the last year of the 10-year period described under section 4 (3) of this 2018 Act if in a
9 previous tax year those funds were subtracted or exempted from federal taxable income un-
10 der section 4 of this 2018 Act.

11 SECTION 8. The Department of Revenue shall create a means for designating the sub-
12 traction to which an account holder is entitled under sections 4 and 6 of this 2018 Act in the
13 individual state income tax return form required to be filed under ORS chapter 316.

14 SECTION 9. (1) On or before January 31 of each year, a financial institution at which an
15 account holder has created a first-time home buyer savings account shall provide to the ac-
16 count holder a certificate containing the following information:

17 (a) The date when the account was created;

18 (b) The name of the account holder;

19 (c) The amount of funds contributed to the account during the tax year;

20 (d) The amount of funds withdrawn from the account during the tax year; and

21 (e) Any other information as required by rules adopted by the Department of Revenue.

22 (2) A financial institution is not required to:

23 (a) Track the use of moneys withdrawn from a first-time home buyer savings account;

24 or

25 (b) Allocate funds in a first-time home buyer savings account among joint account hold-
26 ers.

27 (3) A financial institution is not responsible or liable for:

28 (a) Determining or ensuring that an account satisfies the requirements to be a first-time
29 home buyer savings account;

30 (b) Determining or ensuring that funds in a first-time home buyer savings account are
31 used for eligible costs; or

32 (c) Reporting or remitting taxes or penalties related to the use of a first-time home buyer
33 savings account.

34 (4) Upon being furnished proof of the death of the account holder and such other infor-
35 mation required by the contract governing the first-time home buyer savings account, a fi-
36 nancial institution shall distribute the principal and accumulated interest or other income
37 in the first-time home buyer savings account in accordance with the terms of the contract
38 governing the account.

39 SECTION 10. The Department of Revenue may adopt rules to implement and administer
40 sections 1 to 10 of this 2018 Act.

41 SECTION 11. (1) Sections 1 to 10 of this 2018 Act apply to tax years beginning on or after
42 January 1, 2019, and before January 1, 2025.

43 (2) Notwithstanding subsection (1) of this section, funds contributed to a first-time home
44 buyer savings account established under sections 1 to 10 of this 2018 Act before January 1,
45 2025, shall continue to be exempt from taxation for the period and on the terms for which

1 the exemption was granted under sections 1 to 10 of this 2018 Act.

2 **SECTION 12.** ORS 205.323 is amended to read:

3 205.323. (1) In addition to and not in lieu of the fees charged and collected under ORS 205.320
4 and other fees, the county clerk shall charge and collect the following fees for the recording or fil-
5 ing of any instrument described in ORS 205.130:

6 (a) A fee of \$1, to be credited as provided in subsection (4)(a) of this section;

7 (b) A fee of \$10, to be credited as provided in subsection (4)(b) of this section; and

8 (c) A fee of [~~\$20~~] **\$75**, to be credited as provided in subsection (4)(c) of this section.

9 (2) Subsection (1) of this section does not apply to the recording or filing of the following:

10 (a) Instruments that are otherwise exempt from recording or filing fees under any provision of
11 law;

12 (b) Any satisfaction of judgment or certificate of satisfaction of judgment; or

13 (c) Internal county government instruments not otherwise charged a recording or filing fee.

14 (3) Subsection (1)(c) of this section does not apply to the recording or filing of:

15 (a) Instruments required under ORS 517.210 to maintain mining claims;

16 (b) Warrants issued by the Employment Department pursuant to ORS 657.396, 657.642 and
17 657.646; or

18 (c) A certified copy of a judgment, a lien record abstract as described in ORS 18.170 or a sat-
19 isfaction of a judgment, including a judgment noticed by recordation of a lien record abstract.

20 (4) Of the amounts charged and collected under this section:

21 (a) The recording or filing fee charged and collected under subsection (1)(a) of this section must
22 be deposited and credited to the Oregon Land Information System Fund established under ORS
23 306.132.

24 (b) The recording or filing fee charged and collected under subsection (1)(b) of this section shall
25 be credited as follows:

26 (A) Five percent of the fee must be credited for the benefit of the county;

27 (B) Five percent of the fee must be credited for the benefit of the county clerk for the purposes
28 described in ORS 205.320 (2); and

29 (C) 90 percent of the fee must be credited to and deposited in the County Assessment and Tax-
30 ation Fund created under ORS 294.187.

31 (c) The recording or filing fee charged and collected under subsection (1)(c) of this section must
32 be credited to and deposited in the County Assessment and Taxation Fund created under ORS
33 294.187.

34 (5) The Department of Revenue [~~is~~] **and county tax collectors** are exempt from paying the fee
35 under subsection (1)(c) of this section.

36 **SECTION 13.** ORS 306.815 is amended to read:

37 306.815. (1) A city, county, district or other political subdivision or municipal corporation of this
38 state shall not impose, by ordinance or other law, a tax or fee upon the transfer of a fee estate in
39 real property, or measured by the consideration paid or received upon transfer of a fee estate in real
40 property.

41 (2) A tax or fee upon the transfer of a fee estate in real property does not include any fee or
42 charge that becomes due or payable at the time of transfer of a fee estate in real property, unless
43 that fee or charge is imposed upon the right, privilege or act of transferring title to real property.

44 (3) Subsection (1) of this section does not apply to any fee established under ORS 203.148.

45 (4) Subsection (1) of this section does not apply to any tax if the ordinance or other law im-

1 posing the tax is in effect and operative on March 31, 1997.

2 (5) Subsection (1) of this section does not apply to any tax or fee that is imposed upon the
3 transfer of a fee estate in real property if the fee that is imposed under ORS 205.323, for the re-
4 cording or filing of the instrument conveying the real property being transferred, is less than [\$32]
5 **\$107.**

6 **SECTION 14.** ORS 458.655 is amended to read:

7 458.655. (1) The Home Ownership Assistance Account shall be administered by the Housing and
8 Community Services Department to expand this state's supply of homeownership housing for [*low*
9 *and very low income*] families and individuals **who the Oregon Housing Stability Council deter-**
10 **mines, based on information from the United States Department of Housing and Urban De-**
11 **velopment, have income that is not more than 100 percent of median family income**, including,
12 but not limited to, persons over 65 years of age, persons with disabilities, minorities, veterans and
13 farmworkers. An amount equal to 25 percent of moneys deposited in the account pursuant to ORS
14 294.187 is dedicated for expenditure to expand this state's supply of homeownership housing for low
15 and very low income veterans and families of veterans. The [*Oregon Housing Stability*] council shall
16 have a policy of distributing funds statewide while concentrating funds in those areas of this state
17 with the greatest need, as determined by the council, for low and very low income homeownership
18 housing. However, the council's policy of distributing funds may differ from the distribution policy
19 for the Housing Development and Guarantee Account.

20 (2) Funds in the Home Ownership Assistance Account shall be granted to organizations that
21 both sponsor and manage low income homeownership programs, including lease-to-own programs, for
22 the construction of new homeownership housing or for the acquisition or rehabilitation of existing
23 structures for homeownership housing for persons of low or very low income, or both.

24 (3) The council shall develop a policy for disbursing grants for any or all of the following pur-
25 poses:

26 (a) To aid low income homeownership programs, including program administration, in purchas-
27 ing land, providing assistance with down payment costs, or providing homeownership training and
28 qualification services or any combination thereof. Funds in the Home Ownership Assistance Account
29 may not be used by an organization to pay for its general operations or to pay for more than 25
30 percent of construction or rehabilitation costs.

31 (b) To match public and private moneys available from other sources for purposes of the pro-
32 vision of low or very low income homeownership housing.

33 (c) To administer the Home Ownership Assistance Account as provided for in the legislatively
34 approved budget, as that term is defined in ORS 291.002, for the **Housing and Community Services**
35 **Department.**

36 (4) The council, in developing policy under subsection (3) of this section, shall give preference
37 in making grants to those entities that propose to:

38 (a) Provide the greatest number of low and very low income homeownership housing units con-
39 structed, acquired or rehabilitated for the amount of account money expended by matching account
40 funds with other grant, loan or eligible in-kind contributions;

41 (b) Ensure the longest use for the units as low or very low income homeownership housing units,
42 such as by including some form of equity recapture, land trust or shared equity provisions, as de-
43 termined by the council;

44 (c) Include social services for occupants and proposed occupants of the proposed housing[,] in-
45 cluding, but not limited to, programs that address home health care, mental health care, alcohol and

1 drug treatment and post-treatment care, child care, homeownership training, mortgage qualification
2 service, credit repair and case management; and

3 (d) Support a comprehensive strategy to reverse the decreasing rates of homeownership among
4 minorities, giving priority to activities that support adopted comprehensive community plans that
5 incorporate recognized best practices or demonstrate proven success in increasing homeownership
6 for minorities.

7 **SECTION 15.** The amendments to ORS 458.655 by section 14 of this 2018 Act apply to
8 moneys deposited in the Home Ownership Assistance Account on or after July 1, 2018.

9 **SECTION 16.** This 2018 Act takes effect on the 91st day after the date on which the 2018
10 regular session of the Seventy-ninth Legislative Assembly adjourns sine die.

11

HB 4007 A STAFF MEASURE SUMMARY

House Committee On Human Services and Housing

Action Date: 02/15/18

Action: Do pass with amendments
and be referred to Revenue by prior reference. (Printed A-Eng.)

Vote: 5-4-0-0

Yeas: 5 - Gorsek, Keny-Guyer, Meek, Piluso, Sanchez

Nays: 4 - Nearman, Noble, Olson, Stark

Fiscal: Fiscal impact issued

Revenue: Revenue impact issued

Prepared By: Cassandra Soucy, LPRO Analyst

WHAT THE MEASURE DOES:

Permits individual to create first-time home buyer savings account within financial institution and increases the document recording fee for affordable housing from \$20 to \$75.

Allows individual to create a first-time home buyer savings account within a financial institution to pay or reimburse eligible costs to purchase a single family residence. Establishes limitations on subtractions and exemptions from taxable income. Applies to tax years beginning on or after January 1, 2019 and before January 1, 2025.

Increases the document recording fee for certain real property documents from \$20 to \$75 to be used for housing-related programs at the Housing and Community Services Department. Changes income definition for the Home Ownership Assistance Account to income not more than 100 percent of median family income. Establishes an effective date of July 1, 2018.

ISSUES DISCUSSED:

- Need for and difficulties obtaining affordable housing
- Use of the document recording fee for communities and veterans
- Concerns about affordable housing fee with document recording
- Resources used to improve homeownership
- Overview of first-time home buyer savings account

EFFECT OF AMENDMENT:

Changes definition of "first-time home buyer savings account". Establishes ability for individual to enter into first-time home buyer savings account agreements with a financial institution. Specifies no financial institution is required to offer first-time home buyer savings accounts to customers. Removes exemption from taxation for provision allowing money to be withdrawn from a first-time home buyer savings account to pay or reimburse account holder's eligible costs related to purchase of single family residence. Removes provision of including money not expended by the last year of the ten-year period within an account holder's taxable income. Changes the limits applicable to a subtraction from federal taxable income specified by annual gross income and filing status. Allows Department of Revenue to adjust limits based on the percentage change in the U.S. City Average Consumer Price Index. Requires certain funds be added to federal taxable income if used for purposes other than eligible costs, if those funds were subtracted or exempt in the current or previous tax year, and the funds were not deposited into another first-time home buyer savings account held by another taxpayer.

Includes the Oregon Housing Stability Council in determining supply of homeownership for families and individuals who have income not more than 100 percent of median family income. Changes effective date for Home Ownership Assistance Account amendments to July 1, 2018.

BACKGROUND:

This Summary has not been adopted or officially endorsed by action of the committee.

HB 4007 A STAFF MEASURE SUMMARY

Currently, there are five states in the country that have implemented first-time home buyer savings account programs: Montana, Virginia, Colorado, New York, and Mississippi. All of these programs have similar requirements to use the funds for costs associated with first-time home purchases. Oregon Housing and Community Services provides homeownership programs assisting first-time homebuyers through securing loans, accessing homeownership education, and homeownership counseling.

Document recording is a duty of county clerks required under Oregon law for certain real property records including but not limited to deeds, mortgages, and contracts affecting the title to real property. Currently, the document recording fee for affordable housing is set at \$20. Funds from the document recording fee are dispersed to Oregon Housing and Community Services (OHCS) to implement three housing programs – the General Housing Account Program (76 percent), Home Ownership Assistance Program (14 percent), and Emergency Housing Account (10 percent). Within each program, 25 percent of the funds deposited are dedicated to fund veterans housing assistance. In 2017, OHCS received and distributed over \$15 million through these programs.

House Bill 4007-A allows individuals to establish a first-time home buyer savings account and increases the document recording fee for affordable housing from \$20 to \$75.

**REVENUE IMPACT OF
PROPOSED LEGISLATION
79th Oregon Legislative Assembly
2018 Regular Session
Legislative Revenue Office**

Bill Number: HB 4007 - B
Revenue Area: Income Taxes
Economist: Kyle Easton
Date: 2/23/2018

*Only Impacts on Original or Engrossed
Versions are Considered Official*

Measure Description:

Allows individual to create a first-time home buyer savings account within a financial institution to pay or reimburse eligible costs to purchase a single-family residence. Allows subtraction from federal taxable income, amount equal to funds contributed to an account holder's first-time home buyer savings account. Limits subtraction amount during a tax year to \$5,000 for single and \$10,000 for joint filers with limitation phasing out as federal adjusted gross income increases. Exempts interest and other income earnings of account from taxation. Limits subtraction and exemption for period not to exceed 10 years and limits aggregate total amount of principal and earnings to not exceed \$50,000. Establishes limitations on qualified withdrawals from account. Applies to tax years beginning on or after January 1, 2019 and before January 1, 2027.

Revenue Impact (in \$Millions):

	Biennium		
	2017-19	2019-21	2021-23
General Fund	\$0	-\$4.2	-\$6.2

Impact Explanation:

Impact estimate reflects potential reduction in Oregon tax liability resulting from first-time homebuyer's creating first-time homebuyer savings account, subtracting deposits into such accounts and excluding earnings on the account from taxable income. To qualify for a subtraction from Oregon taxable income, a potential first-time homebuyer is required to designate and establish a first-time home buyer savings account with a financial institution. A subtraction is allowed in an amount equal to the funds contributed to the account (subject to specified limits) whereas earnings on the principal in the account are exempt from taxation. The contributions qualifying for a subtraction are not required to be contributed by the account holder. For example, a joint filer could subtract up to \$10,000 per tax year, which translates into potential reduction in Oregon tax liability of \$900 per tax year, up to the \$50,000 aggregate tax benefit limit on the account.

As there is no requirement on the amount of time funds must stay in an account, a taxpayer may contribute to an account and shortly thereafter, withdraw the funds for use in a qualifying home purchase. This dynamic allows a potential tax benefit to nearly all first-time homebuyers depending upon the homebuyer's adjusted gross income and existing Oregon tax liability. For this reason, the potential impact on revenue will depend upon the number of first-time homebuyers that fulfill the administrative requirements of establishing an account. This in turn will depend heavily upon knowledge of the program, outreach from the realtor community and participation by financial institutions.

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The revenue impact estimates were made assuming that 10-15% of first-time home buyers will utilize the program for at least one single tax year. This participation percentage is based upon participation in Montana's first-time homebuyer savings account program. In recent years, first-time homebuyers have accounted for about 20,000 home purchases annually.

Creates, Extends, or Expands Tax Expenditure: Yes ☒ No ☐

The policy purpose of this measure is to provide an opportunity for Oregon residents to save funds for first-time home ownership and to provide Oregonians with a meaningful incentive to save for the purchase of a first home.



February 7, 2018

**Clackamas County Board of Commissioners
Policy Position
HB 4007: Regarding the document recording fee**

Clackamas County supports HB 4007: The Board of County Commissioners supports HB 4007, which increases the document recording fee to \$75.

While Clackamas County utilizes several resources and programs to successfully prevent or end a family's homelessness, resources are not sufficient to meet the demand. Document recording fees support essential housing programs like the Emergency Housing Account (EHA), the Home Ownership Assistance Program, and the General Housing Account. This broad funding approach strategically supports housing on many levels, but also requires robust funding to accomplish this successfully.

Housing Needs in Clackamas County:

- 2,233 individuals were identified during the 2017 Homeless Point in Time Count.
- Of those, 1,165 were homeless children attending public schools in Clackamas County.
- 96 families have requested emergency shelters since September 1, 2017 – in the last 5 months – using the County's Coordinated Housing Access Line.
- 22% of County residents experience severe rent burden, meaning they spend more than 50% of their income on rent.
- 128 homeless veterans live in Clackamas County.

Clackamas County Social Services receives 6.5% of the statewide allocation of the Emergency Housing Account. The County uses this flexible source of funds to end homelessness for individuals and families through rent assistance, rapid rehousing, case management, and shelter diversion activities. But as our numbers show, the need is great and more resources are needed.

A \$55 increase to the existing document recording fee is a bold step towards addressing a crisis in Oregon, and supports programs that truly improve the lives of Oregonians and Clackamas County residents.

We urge a "yes" vote for HB 4007.

Please contact Chris Lyons at clyons@clackamas.us for more information.