

RESOLUTION ACCEPTING CHANGES TO THE INTERGOVERNMENTAL AGREEMENT BETWEEN MULTNOMAH COUNTY AND THE CITIES OF GRESHAM, FAIRVIEW, WOOD VILLAGE AND TROUTDALE FOR THE PURPOSE OF SHARING MULTNOMAH COUNTY BUSINESS INCOME TAX REVENUE AND AUTHORIZING THE MAYOR TO ENTER INTO THE AGREEMENT.

WHEREAS, by Resolution No. 154, dated July 12, 1977, the City Council authorized the execution of an intergovernmental agreement between the cities of Troutdale, Gresham, Fairview and Wood Village and Multnomah County for the purpose of sharing Multnomah County business income tax revenues; and

WHEREAS, the intergovernmental agreement was amended and such amended agreement superseding the 1977 agreement was executed by the Mayor on July 13, 1988; and

WHEREAS, Multnomah County has made changes to the 1988 agreement that are technical and are a result of the change of administration from the Oregon Department of Revenue to the City of Portland, and adoption of the new business income tax code; and

WHEREAS, the technical related changes or amendments to the intergovernmental agreement (IGA) include:

2.1 (was 1 under old IGA)

1. Modified to account for the new Multnomah County Code (MCC) 5.60 BIT code. Old code was MCC 5.70.
2. Added a description of the old MCC code 5.70.045(A) which was the .6% language. This is to clarify that distribution agreement was on the first .6% BIT revenue only.
3. Changed cash receipts to net cash receipts to allow Multnomah County to account for administrative expenses in their budget and changed Oregon Department of Revenue to City of Portland. Distribution formula will be calculated in the same manner as it currently is being calculated.
4. Deleted reference to first year distribution. This is no longer applicable.

2.3 (was 3)

1. Changed cash payment to net cash payments to allow Multnomah County to account for administrative expenses in their budget and changed Oregon Department of Revenue to City of Portland.

2.4 (was 4)

1. Changed Oregon Department of Revenue to City of Portland.

2.5 (was 5)

1. Modified to account for the new Multnomah County Code (MCC) 5.60 BIT code. Old code was MCC 5.70.
2. Added a description of the old MCC code 5.70.045 (A) which was the .6% language.
3. Changed Oregon Department of Revenue to City of Portland.

2.6 (was 6)

1. Deleted reference to lawsuit. This is no longer applicable.

2.8 (was 8)

1. Modified to account for the new Multnomah County Code (MCC) 5.60 BIT code. Old code was MCC 5.70.

2.10 (was 10)

1. Change Oregon Department of Revenue to City of Portland.

WHEREAS, such changes will not impact the distribution formula or method of payment.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TROUTDALE

That the changes or amendments to the IGA are accepted and that the Mayor is authorized and directed to execute the Agreement on behalf of the City with the changes or amendments as incorporated in the Agreement.

YEAS: 6
NAYS: 0
ABSTAINED: 0


Paul Thalmer, Mayor

Dated: 6-15-98

ATTEST:


George Martinez, City Recorder

Adopted: 6-9-98

Multnomah County, Oregon
City of Gresham, City of Troutdale, City of Fairview and City of Wood Village

Multnomah County Business Income Tax
Intergovernmental Agreement

THIS AGREEMENT entered into by and between Multnomah County, Oregon, hereinafter "County", and the City of Gresham, City of Troutdale, City of Fairview and City of Wood Village, hereinafter "Cities", is pursuant to authority of ORS Chapter 190 and is dated May 7, 1998.

WITNESSETH, the parties hereto recite the following reasons for entering into this agreement:

- 1.1 The County and Cities entered into a Business Income Agreement Tax Agreement adopted by the County on July 14, 1988.
- 1.2 On June 24, 1993, the County adopted Ordinance 768 consolidating the Multnomah County Business Income Tax Law, Multnomah County Code (MCC) 5.60 and the City of Portland Business License Law.
- 1.3 Under an Intergovernmental Agreement, the City of Portland Bureau of Licenses administers the collection of the Business Income Tax receipts.
- 1.4 The County wishes to record the City of Portland Bureau of Licenses administration fees as expenditures in its annual budget but has historically received and recorded the net business income tax receipts as revenues.

NOW THEREFORE, in consideration of the mutual promises contained herein and as authorized by ORS 190.010 to 190.030, the parties agree as follows:

- 2.1 The County shall allocate to the Cities an aggregate amount of 25% of the net business income tax cash receipts received from the City of Portland collected on the first 0.6 of one percent of the business income tax rate under authority of Multnomah County Code (MCC) 5.60.500. This amount is defined as the Cities' Collective Share. The Cities' Collective Share shall be paid out of the County's net cash receipts from the Business Income Tax receipts received from the City of Portland Bureau of Licenses in any fiscal year.
- 2.2 The County shall apportion the Cities Collective Share into two equal subparts:
 - 2.2.1 One subpart shall be apportioned among the Cities in percentages equal to the quotient of the most recent total certified population for each City, as shown by the latest published supplement then maintained by the Portland State University Center for Population and Census Research, divided by the total of such certified population in all Cities.
 - 2.2.2 The second subpart shall be apportioned among the Cities in percentages equal to the quotient of the most recent total assessed valuation for each city, as shown by the latest data then maintained by the Multnomah County Division of Assessment and Taxation, divided by the total of such assessed valuation in all Cities.

2.3 The County shall distribute to each City the amounts apportioned to it pursuant to paragraph 2. Distributions shall be made by the 15th of the month following the County's receipt of net cash payments of business income tax revenue from the City of Portland Bureau of Licenses.

2.4 It is agreed that no allocations, apportionments or distributions shall be made in any fiscal year until the County receives payments of business income tax revenues from the City of Portland Bureau of Licenses.

2.5 The County shall be responsible for all auditing and related functions in connection with the required allocations, apportionments and distributions.

2.5.1 With each payment made to each City, the County shall provide information including the gross amount received from the City of Portland Bureau of Licenses from the tax received under Section 2.1, the entire amount deducted for the City of Portland Bureau of Licenses administration, any other amounts deducted before distribution to cities and the reason for any other deduction, such as refunds and interest, and the total amount distributed to the Cities to date for the fiscal year.

2.5.2 Within 10 days of receipt of each annual audit, the County shall provide each City with a certification from the County Finance Division of the total amount of business income tax revenue from Section 2.1 and the amount anticipated to be distributed to each City.

2.5.3 The County shall provide each City with a quarterly written projection of the total business income tax revenue and the amount anticipated to be distributed to each City.

2.6 This agreement shall take effect upon execution by the parties' duly authorized representatives. This agreement shall renew automatically on July 1 of each succeeding year as to all parties unless one of the following provisions applies:

2.6.1 If the County's business income tax is repealed, this agreement shall automatically terminate as of the effective date of the repeal.

2.6.2 If the County wishes to maintain its business income tax but terminate this revenue sharing agreement, the County may terminate this agreement effective on July 1 of any year by giving not less than two years written notice to each City.

2.6.3 If any City enacts a city business income tax, notice of the enactment shall be mailed to County within 10 days. The County may terminate this agreement with respect to that City, effective not less than one year after enactment of the tax by the City.

2.6.4 Any City may terminate its participation in this agreement upon six months' written notice to each of the parties.

2.7 The Cities declare it is the intention of their governing bodies as of the date of this agreement not to impose city business income taxes. The County declares it is the intention of its governing body as of the date of this agreement not to repeal its business income tax. The parties recognize that such expressions of intent are limited because future or present governing bodies are required by law to retain discretion over all matters.

2.8 The County agrees to give the Cities at least 60 days written notice prior to the first reading of any ordinance amending MCC 5.60.500 of the business income tax. If the County proposes an ordinance to reduce the rate established by MCC 5.60.500 below 0.6 of one percent of the net income and two or more Cities file written objections prior to the first reading of such ordinance, the reduced rate shall take effect on July 1 not less than two years after the ordinance is adopted.

2.9 The parties shall comply with all applicable laws in connection with this agreement.

2.10 No party may assign its rights or obligations under this agreement, except that the County may assign by written contract to the City of Portland Bureau of Licenses its obligation in connection with allocation, apportionment, distribution, and auditing and related functions. No such assignment may effect any rights of the Cities without their written concurrence.

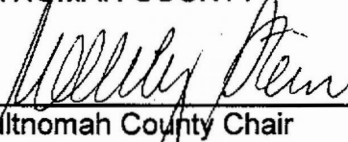
2.11 This agreement supercedes all other Business Income Tax Agreements between the parties.

2.12 This agreement may be amended only upon the written concurrence of all the parties.

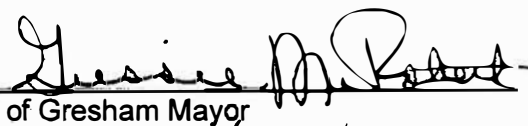
IN WITNESS WHEREOF, the authorized representatives of the County and Cities, as parties hereto, acting pursuant to the authority granted to them,

HEREBY AGREED:


MULTNOMAH COUNTY

By 
Multnomah County Chair


Date signed: May 7, 1998

By 
City of Gresham Mayor

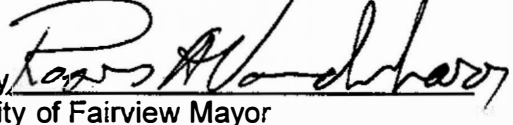
Date signed: 7/24/98

By 
City of Troutdale Mayor


Date signed: 6-15-98

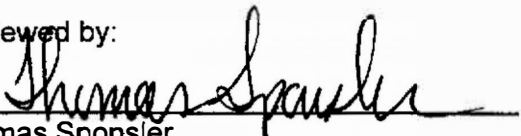
By 
City of Wood Village Mayor

Date signed: 6-24-98

By 
City of Fairview Mayor

Date signed: 5/18/98

Approved as to Form:

Gresham City Attorney

Reviewed by:

Thomas Sponsler
County Counsel for Multnomah County