

Exhibit A

TRANSIENT LODGING TAX AUDIT INTERGOVERNMENTAL AGREEMENT

THIS AGREEMENT entered into by and between the City of Gresham, Oregon (Gresham), Multnomah County, Oregon (Multnomah County) and the City of Portland, Oregon (Portland), is pursuant to authority of Oregon Revised Statute Chapter 190 for the purpose of Portland providing audit services related to Gresham's and Multnomah County's transient lodging tax code.

FINDINGS

- a. Each party has legislated a tax upon persons renting transient accommodations (i.e., hotels) within its boundaries. The structure and administration of each party's tax is substantially identical.
- b. Portland has a full-time position dedicated to auditing the transient lodging tax returns submitted by Portland hotels and similar establishments. The efforts of this position ensure that hotels are compliant with the applicable transient lodging tax laws.
- c. Gresham and Multnomah County have identified a need for audit services, but at this time there is not enough workload to justify adding a dedicated position. It has been determined that these services could be performed more efficiently by individuals who conduct these audits as a regular part of their job.
- d. The parties recognize a mutual benefit in establishing an agreement for Portland to provide these services on behalf of Gresham and Multnomah County.

AGREEMENT

1. Portland will perform transient lodging tax audit services on behalf of Gresham and Multnomah County during the period from July 1, 2017 to June 30, 2018 for an amount not to exceed \$7,500. It is expected that Portland will be able to complete the audits of five (5) hotels within the city limits of Gresham (which will also be within Multnomah County). Each audit will examine both the Gresham and the Multnomah County tax calculation. These audit services may also include reasonable amount of time to work with taxpayers to ensure that the transient lodging tax laws are being followed prospectively.
2. Portland will generally bill Gresham for the provision of these services at the conclusion of each audit, and this billing will be based on the actual costs incurred by Portland. This will include the hourly cost of a Senior Revenue Auditor, including benefits and overhead, and the cost of any related materials or services, including local travel reimbursement. This will also include the hourly cost of the Audit and Accounting Manager, including benefits and overhead, for the time spent reviewing the work of the Senior Revenue Auditor. Portland will track these costs and provide an accounting of the costs along with the billing to Gresham. Gresham will then bill Multnomah County

for Multnomah County's share of the costs, which will be based on the proportionate share of taxes collected during the audits.

3. Gresham will determine which hotels will be audited. Gresham will contact each hotel in advance of any audit to provide notification that Portland will be conducting an audit on behalf of Gresham and Multnomah County. After that notification, Portland will work with the hotel directly when opening and conducting the audit.
4. Upon completion of the audit, Portland will send an audit determination to the hotel with a copy to Gresham and to Multnomah County. This determination will explain any audit adjustments and notify the hotel if a payment is due or if an overpayment exists. Any payment due will be sent directly to Gresham and/or Multnomah County, based on which jurisdiction's tax was underpaid. The hotel operator will be directed to contact Portland with copy to Gresham and Multnomah County if they have questions regarding the determination.
5. If a hotel operator does not agree with the determination, they will be subject to Gresham's and Multnomah County's existing appeal process. Portland's only involvement with this process would be on an advisory basis to Gresham and Multnomah County, including the presentation of evidence at an appeal hearing, if necessary.
6. The term of this agreement shall be from the last date of signing hereof through June 30, 2018, but not to begin before July 1, 2017. It shall be valid until terminated by either party upon three months written notice. Upon termination, Portland will provide Gresham and Multnomah County with the records that are related to the audits, including hotel records, workpapers and correspondence.
7. If there is mutual agreement, the parties may extend the term of this Agreement in writing by additional one-year increments.
8. The parties agree to maintain insurance levels, or self-insurance in accordance with ORS 30.282, for the duration of this Agreement to levels necessary to protect against public body liability as specified in ORS 30.272. The parties also agree to maintain for the duration of this Agreement, Workers' Compensation Insurance for all their employees.
9. Subject to the provisions of the Oregon Constitution and the Oregon Tort Claims Act, the parties agree to indemnify, defend, and hold each party's agents, officers and employees harmless from any and all claims, demands, damages, actions, losses and expenses arising out of or in any way connected with each party's performance under this Agreement.
10. Portland, Gresham and Multnomah County each agree to abide by the provisions of ORS 192.502(18) and treat any information provided by Gresham and Multnomah County relating to a hotel operator's transient lodging tax records as confidential and not subject to public disclosure. However, Gresham and Multnomah County shall not be prohibited from publishing in the City/County annual budget or annual financial statements the amount of transient lodging tax received in any fiscal year.

CITY OF GRESHAM, OREGON

By

Erik Kvarsten, City Manager

Date:

Approved as to form:

City Attorney

For the City of Gresham, Oregon

By

David Ross, Senior Assistant City Attorney, Gresham

MULTNOMAH COUNTY, OREGON

By

Deborah Kafoury, County Chair

Date:

Approved as to form:

Multnomah County Attorney

For Multnomah County, Oregon

By

Jenny M. Madkour, County Attorney, Multnomah County

CITY OF PORTLAND, OREGON

By

Ted Wheeler, Mayor

Date:

Approved as to form:

City Attorney

For the City of Portland, Oregon

By

Ken McGair, Deputy City Attorney, Portland