

## ORDINANCE No. 183570

\*Authorize an Intergovernmental Agreement with Lake Oswego School District and any other school district within the jurisdiction of the City of Portland and Permit Service Area to collect and remit a Construction Excise Tax (Ordinance)

The City of Portland Ordains:

Section 1. The Council finds:

1. On September 27, 2007, the 2007 Legislature passed Senate Bill 1036, which authorizes School Districts, as defined in ORS 330.005, to impose construction excise taxes (CET) to fund capital improvements to school facilities.
2. Sections 2 and 5 of Senate Bill 1036 provide that the CET imposed by a School District may be collected and remitted pursuant to a written intergovernmental agreement with each local government, local service district or special government body.
3. Section 5 also requires School Districts prior to imposing the CET to enter into an intergovernmental agreement with each local government, local service district or special government body. In addition, Section 6 of Senate Bill 1036 requires School Districts to develop and adopt a long-term facilities plan for making capital improvements prior to imposing the CET.
4. The Bureau of Development Services (BDS) has been delegated responsibility by the State of Oregon for administering and enforcing the building inspection program in the City of Portland and Permit Service Area, and thus will be responsible for collecting the CET and remitting it to School Districts.
5. BDS currently have signed Intergovernmental Agreements with other school districts and have been collecting and remitting the CET since January 2008.
6. Lake Oswego School District has requested an Intergovernmental Agreement (IGA) in order to establish certain procedures needed to collect and remit the CET.
7. At request of the Lake Oswego School District, if a person refuses or fails to pay the CET when due, BDS will not issue the building permit.
8. Because each school district within BDS's service area is able to choose the date that they begin collecting the CET, each IGA with each School District may have a different effective date.

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NOW, THEREFORE, the Council directs:

- a. BDS is hereby authorized to enter into an intergovernmental agreement with the Lake Oswego School District and any other school district within the jurisdiction of the City of Portland and Permit Service Area in a form substantially in accordance with the agreement attached as Exhibit A, and to make any amendments to that agreement as may become necessary.

Section 2. The Council declares that an emergency exists because the Lake Oswego School District will begin collecting the CET on April 1, 2010; therefore, this ordinance shall be in full force and effect from and after its passage by Council.

Passed by the Council: MAR 03 2010

Commissioner Randy Leonard  
Prepared by: Denise Kleim/jl, BDS  
Date Prepared: March 3, 2010

**LaVonne Griffin-Valade**  
Auditor of the City of Portland

By



Deputy

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<p><b>INTRODUCED BY</b> Commissioner/Auditor: <b>Commissioner Randy Leonard</b></p> <p><b>COMMISSIONER APPROVAL</b></p> <p>Mayor—Finance and Administration - Adams</p> <p>Position 1/Utilities - Fritz</p> <p>Position 2/Works - Fish</p> <p>Position 3/Affairs - Saltzman</p> <p>Position 4/Safety - Leonard <i>Randy Leonard</i></p> <p><b>BUREAU APPROVAL</b></p> <p>Bureau: Bureau of Development Services Bureau Head: Paul L. Scarlett <i>P. Scarlett</i></p> <p>Prepared by: Leanne Torgerson Date Prepared: 2/22/10</p> <p>Financial Impact Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/> Not Required <input type="checkbox"/></p> <p>Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>Council Meeting Date <b>3/3/10</b></p> <p><b>City Attorney Approval</b></p>	<p>CLERK USE: DATE FILED <b>FEB 26 2010</b></p> <p style="text-align: center;">LaVonne Griffin-Valade Auditor of the City of Portland</p> <p>By: <i>[Signature]</i> Deputy</p> <p><b>ACTION TAKEN:</b></p>
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<b>AGENDA</b>
<p><b>TIME CERTAIN</b> <input type="checkbox"/></p> <p><b>Start time:</b></p> <p><b>Total amount of time needed:</b> (for presentation, testimony and discussion)</p>
<p><b>CONSENT</b> <input checked="" type="checkbox"/></p>
<p><b>REGULAR</b> <input type="checkbox"/></p> <p><b>Total amount of time needed:</b> (for presentation, testimony and discussion)</p>

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:		
		YEAS	NAYS
1. Fritz	1. Fritz	✓	
2. Fish	2. Fish	✓	
3. Saltzman	3. Saltzman	✓	
4. Leonard	4. Leonard	✓	
Adams	Adams	✓	