

## INFORMAL WORK SESSION MINUTES

November 19, 2007

9:30 a.m.

Room 32, Courthouse

PRESENT: Commissioners Kathy George and Mary P. Stern, Commissioner Leslie Lewis being excused for a Radio Project meeting.

Staff: John M. Gray, Jr., County Counsel; and Mike Brandt, Planning Director.

Guests: See attached sign-in sheet.

Topic: Implementation of Construction Excise Tax, SB 1036

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Mary called the meeting to order.

John Gray reviewed Senate Bill 1036. He said that the county feels it should be the entity to collect the tax for construction in unincorporated areas in order to provide the best customer service, but the 1% cap for fees will not cover the county's cost, so the county will be asking the legislature to increase the cap to a reasonable amount. Mary pointed out that the Planning Department is a fee-based department and receives no general funds from the county. She added that the county would have a better sense of the actual costs once the tax goes into effect. Mike said that it makes the most sense to collect the tax at the county or city offices that issue the building permits and school districts will need to have intergovernmental agreements with the cities in their district as well as the county in order to have them collect the tax.

John G stated that the county would like to have a standard intergovernmental agreement with those school districts electing to implement the tax. He said that he has prepared a draft agreement, which he sent via e-mail to all who attended the meeting on November 8, 2007 and the lawyers for school districts that he knows. He stated that he had received comments from Jerry Hart, the lawyer for McMinnville School District, and is agreeable to two of the changes suggested. He said that he will talk to Jerry about the third suggestion. He said that the agreements need to be in place before the county can begin collecting taxes and estimated that sometime in January would be the soonest that the county would be ready. Mary explained that there are changes that need to be made to the Planning Department's antiquated computer system.

Mary stated that Mike had suggested that the school districts put together a public relations campaign to show the benefits of the tax in order to placate citizens and make the process easier on staff. Wayne Lowry stated that he had worked for Washington County until about four weeks ago and its school districts will be coming up with some consistent information for the county to hand out. He said that Washington County is trying to make the process easier on staff by adopting uniform intergovernmental agreements and encouraging the school districts not to implement additional exemptions.

Mary stated that all school districts in Washington County have agreed to implement the

tax and to charge the maximum amount in order to have consistency throughout the county. Mike encouraged school districts in Yamhill County to do the same. Maryalice Russell stated that McMinnville School District may elect to do incremental increases over time until the maximum fee is reached, based on input received from local business owners.

John G stated that detached garages and other outbuildings on residentially-zoned land should be considered as residential uses, but an argument could be made against that.

He stated that he would send out the revised agreement to everyone today or tomorrow and interested districts could authorize the agreement and return it to him for Board approval.

The meeting adjourned at 9:49 a.m.

Anne Britt  
Secretary



BOARD OF COUNTY COMMISSIONERS

Attendance Roll for meeting records

Meeting: Informal  Formal  Work Session  Date 11/19/07

PLEASE PRINT Name	PLEASE PRINT Complete Address Title	PLEASE PRINT Subject City or School District
Sue Hollis	City Manager	Dayton
GARY NEUSCHWANGER		McMinnville
David Harner	Director of Facilities	McMinnville School
Marylin Russell	Supt	M SID
Wayne Lowry	Director of Finance Steno Schools	CHERWOOD SD.
Janbunn	Business Manager	Dayton SD
Janelle Beers	Superintendent	Dayton SD

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