

MINUTES  
CITY OF FAIRVIEW  
CITY COUNCIL WORK SESSION

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JUNE 7, 2006 – 7:00PM

I. ROLL CALL/CALL TO ORDER Mayor Weatherby called the meeting to order at 5:45PM.

PRESENT: Mayor Mike Weatherby  
Councilor Steve Owen  
Councilor Barbara Jones  
Councilor Darrell Cornelius  
Councilor Jim Raze  
Councilor Ken Quinby  
Councilor Larry Cooper

STAFF : Jan Wellman, City Administrator  
Laura Zentner, Finance Director  
Tammy Shannon, IT Tech

A. DISCUSSION CONCERNING THE CONSTRUCTION EXCISE TAX IGA BETWEEN METRO AND THE CITY OF FAIRVIEW

Finance Director Laura Zentner provided Council with a brief background regarding the Construction Excise Tax as follows:

- Metro expanded their urban growth boundary by 20,000 acres and, as of March 1, 2006, approximately 6,000 acres remained as unplanned due to lack of funding.
- In 2005, Metro convened a group of representatives from local jurisdictions to provide recommendations as to how to fund the planning for the remaining 6,000, acres and the Construction Excise Tax idea was developed.
- The Construction Excise Tax was passed by Metro and is due to take effect on July 1, 2006.
- The tax of .12% on the value of construction improvements is expected to generate \$6.3 million dollars and is anticipated to be in effect approximately 3 years. As soon as the \$6.3 million dollars is raised, the tax will be rescinded. The tax will not apply to improvements valued less than \$100,000 dollars or to improvements in excess of \$10 million dollars.
- The City of Fairview would be paid a one-time \$2,500 start up fee by Metro to cover costs associated with implementing the collection program. The City would also receive 5% of the .12% tax collected to cover ongoing costs associated with the program.

Director Zentner stated that each jurisdiction within Metro was being asked to pass a Resolution and Intergovernmental Agreement that would allow the City to serve as the collection mechanism for the Excise tax.

Council members discussed that if Fairview did not participate as a collection mechanism, citizens would have to make an additional trip to Metro to pay this tax. Council consensus was that although no one liked the actual tax, it would provide better service to the citizens by having Fairview participate in collecting the tax for Metro.

B. PROPOSED PAYDAY LOANS ORDINANCE

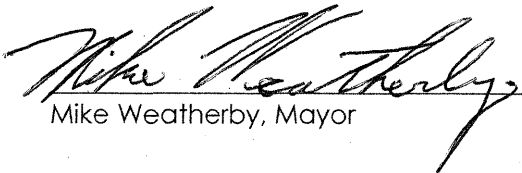
Finance Director Laura Zentner provided Council with a brief background regarding the Payday Loans Ordinance as follows:

- The Oregon Legislature recently passed House Bill 1105, effective July 1, 2007, which would limit the fees and interest rates charged by Payday Loan Companies.
- The City of Portland recently passed a Payday Loan Ordinance along with the cities of Gresham, Troutdale and Wood Village.
- The cities of Gresham, Troutdale and Wood Village have contracted with the City of Portland through an Intergovernmental Agreement to administer compliance of their Payday Loan Ordinances.
- The City currently has no Payday Loan Ordinance and does not have any Payday Loan Companies located in Fairview.

Mayor Weatherby asked for Council's input regarding whether or not a Payday Loan Ordinance should be enacted in Fairview.

After discussion by the Council, it was decided that there was no compelling reason to enact a Payday Loan Ordinance at the present time, as Fairview currently has no Payday Loan Companies. Council directed staff to revisit the issue should any Payday Loan Companies choose to apply for a Business License in Fairview.

The meeting adjourned at 6:25pm.



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Mike Weatherby, Mayor



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Jan C. Wellman, City Recorder

June 23, 2006  
Date of Signing