

SHERWOOD CITY COUNCIL MEETING MINUTES
22560 SW Pine St., Sherwood, Or
November 3, 2015

WORK SESSION

1. **CALL TO ORDER:** Council President Robinson called the meeting to order at 5:35 pm.
2. **COUNCIL PRESENT:** Council President Sally Robinson, Councilors Linda Henderson, Jennifer Kuiper, Jennifer Harris, Renee Brouse and Dan King. Mayor Krisanna Clark was absent.
3. **STAFF PRESENT:** City Manager Joe Gall, Assistant City Manager Tom Pessemier, City Attorney Josh Soper, Community Development Director Julia Hajduk, and City Recorder Sylvia Murphy.
4. **TOPICS:**

A. Trimet New Route, Line 97 Alternatives

Community Development Director Julia Hajduk provided a handout to the Council (see record, Exhibit A). Julia informed the Council the exhibit had an error in the bus stop locations. Discussion followed regarding current Trimet bus routes for lines 97, 93 and 94. The Council discussed current bus stops, bus layover locations, and park & ride locations. Staff to schedule a future Council meeting with Tom Mills from Trimet to answer Council questions and discuss alternate routes in detail.

B. Transient Tax Options

City Attorney Josh Soper presented information to the Council on Transient Lodging Tax (see record, Exhibit B). Josh explained the following:

A Transient Lodging Tax (TLT) is also known as a transient occupancy tax, transient room tax, or a hotel tax. It is paid by hotel guests as a percentage added to their room rate and is collected by hotel operators and remitted to the government imposing the tax, less a "collection reimbursement charge" to cover the costs of collecting the tax. He said the state has a statewide 1% TLT, but that is different from this TLT. He said local governments (counties and cities) can also impose TLTs.

Josh explained state laws and said this is governed by ORS 320.345, which sets a minimum 5% collection reimbursement charge. He said it requires that revenue from all TLTs imposed after July 1, 2003 be used as follows: Minimum 70% for tourism-related purposes and a maximum 30% to City/County general funds. He explained tourism related purposes included spending on tourism promotion and tourism related facilities, where a substantial purpose is to draw visitors who either travel 50 miles or more or spend the night in a community other than their community of residence. He said preexisting TLTs are grandfathered with regard to the use of restrictions.

Josh explained the Washington County Code and said the County has a partially grandfathered TLT at 9%, County Code Chapter 3.08, which applies throughout the County, including inside cities. He said it has been raised since 2003, but only the additional amounts are subject to the 70% for-tourism rule. He said the County Code allows for sharing the revenue with cities if a City agrees not to impose its own

TLT via an IGA with the County, then the County will remit to the City a percentage of its tax revenue from hotels located within the City. He said Sherwood and County entered into an IGA in 2001 and the rate at that time was 7%. He said the City can terminate the IGA with 30 days written notice. He informed the Council the cities of Beaverton, Hillsboro, Tualatin, Tigard and Forest Grove all have TLT IGAs with the County. He explained a table showing the total County TLT per City and the cities shares.

Josh explained the City has two options:

Option 1: Continue under the revenue sharing agreement with Washington County (and amend the IGA to the new 9% rate)

- Under Option 1:
- The County controls how the tourism-dedicated dollars are spent
- The City doesn't have to do much—the County administers the program and remits the funds owed to the City

Option 2: Terminate the IGA and impose a City TLT

- Under Option 2 (City Tax):
- The City's TLT would be in addition to the County's (hotel guests would pay both)
- But, the City would only receive revenue from its own TLT; the County would no longer share a portion of its TLT revenue with the City
- 70% of net of the City's TLT would need to be spent on tourism, but the City would control how it was spent
- The remaining 30% could be put in the general fund
- The City would need to administer its own TLT program

Discussion followed and Josh explained possible scenarios for each option as well as pros and cons. The Council consensus was in favor of Option 1 and staff will work on preparing an amended IGA for Council consideration.

C. Review of City Recorder Performance Evaluation Criteria

City Attorney Soper presented current performance evaluation criteria for the City Recorder adopted in 2009 (see record, Exhibit C). He informed the Council changes to the criteria would need to be adopted by the Council via resolution. Discussion followed regarding evaluation procedures for the City Recorder to be consistent with the process recently conducted for the City Managers performance evaluation, including receiving feedback from the senior management group. The Council did not request changes to the evaluation criteria adopted in 2009.

5. ADJOURN:

Council President Robinson adjourned the work session at 6:34 pm.

Submitted by:



Sylvia Murphy, MMC, City Recorder



Krisanna Clark, Mayor