

**POLK COUNTY BOARD OF COMMISSIONERS**  
**TUESDAY MEETING MINUTES**  
**FEBRUARY 3, 2015**

1. At 9:02 a.m., Commissioner Ainsworth declared the Tuesday meeting of the Polk County Board of Commissioners in session. Commissioner Wheeler and Commission Pope were present.

2. **MINUTES**                   **COMMISSIONER WHEELER MOVED, COMMISSIONER POPE SECONDED TO APPROVE THE MINUTES OF JANUARY 27, 2015.**

**MOTION PASSED UNANIMOUSLY.**

3. **ANNEXATIONS** – Doug Schmidt, Assessor, explained that there is a public hearing on the agenda for tomorrow to consider annexation for six properties. Five of those properties are outside of West Salem, and it was recently discovered that the Salem Suburban & Rural Fire Protection District does not cover them. When this was discovered, the District sent out letters to the 47 property owners, and only 5 annexation requests have been submitted. The Salem Fire Department have vowed to respond to fires at these properties, and the property owners would be liable for the full cost to fight the fire. Doug Schmidt explained that the Salem Suburban and Rural Fire Protection District has the authority to annex all of these properties into their area by blanket resolution, however, the District Chair has not responded to this request by Doug, and so the individual property owners have to petition for the annexation.
4. **APPRAISER TRAINING** – Doug Schmidt explained that the appraiser training offered by the Department of Revenue for the last several years has continued to decline in quality. For this reason, Doug has signed his staff up for a one-year trial for assessment classes offered through the International Association of Assessment Officers to see if these classes will be beneficial for staff development. These classes will increase the Assessor's training budget, but is a necessity.
5. **ODOT RIGHT-OF-WAY AGREEMENT** – Todd Whitaker, Public Works Director, explained that there is a right-of-way agreement on the consent calendar for tomorrow. This is part of the Doaks Ferry Rd. Realignment project. As part of the original IGA with ODOT for this project, it was required to have a separate right-of-way agreement, which this fulfills.
6. **NON-LISTED ITEMS** (Pursuant to ORS 192.640, the Board of Commissioners considered the below identified non-listed items.)
  - a. **UTILITY INTANGIBLE APPRAISALS** – Doug Schmidt explained that he is expecting a new bill to be submitted to the legislature regarding intangibles for utility properties. When the Department of Revenue appraises utility companies, they include all business value, while counties can only appraise bricks and mortar. This has created a push back by companies who don't feel that they should have to pay the higher value in property taxes. Currently in Polk County, there is \$165 million in assessed value in utility property. If the way of valuing utility properties changes, this value could drop by \$50-\$65 million, equating to an \$85,000 -\$110,000 revenue loss to the County.
  - b. **MARIJUANA DISCUSSION** – Doug Schmidt was notified by the Department of Revenue that since Measure 91 does not distinguish land use components on grow operations, it is being considered for marijuana farms to be able to qualify for farm use special assessment. Doug is awaiting a final decision from the Oregon Department of Agriculture. Commissioner Pope attended a meeting last night at the viticulture center hosted by the Oregon Liquor Control Commission to gather input on drafting rules for the legalization of marijuana. Most of the producers of medical and recreational marijuana agree that medical and recreation should not be in the same facility or using the same grow sites. There is also a large concern with the taxation aspect of the grow operations and how the Department of Revenue is going to collect taxes on the 'honor system' since this is a largely cash business.

Morgan Smith explained that he has been in discussions about what should be done at the County level now to prepare for the legalization process, but there is not much that can be done. The OLCC rules will not be in place for another year and applications for grow sites will not start being accepted until next January. Morgan Smith also discussed how the medical marijuana laws fit in. There is no taxation on the sale of medical marijuana, but there is a card required and users have to be registered with the state. The County's moratorium on medical marijuana expires in May, and Morgan is hesitant for the County to put regulations on medical marijuana when recreational marijuana will be legal. Austin McGuigan, Community Development Director, recommended the Board wait to see how other counties move forward with medical and recreational marijuana regulations before deciding how to proceed.

Commissioner Ainsworth adjourned the meeting at 10:03 am.

Minutes: Heather Merrill

Approved: February 10, 2015