



February 4, 2016

Board of County Commissioners
Clackamas County

Members of the Board:

Approve revisions to the
Intergovernmental Agreement between Metro and Clackamas County
for the North Milwaukie Industrial Redevelopment Plan Project.

Table with 2 columns: Category (Purpose/Outcomes, Dollar Amount and Fiscal Impact, Funding Source, Duration, Previous Board Action/Review, Strategic Plan Alignment, Contact Person, Contract No.) and Description.

BACKGROUND:

On December 10, 2015, the Board of Commissioners approved the Community Planning and Development Grant Intergovernmental Agreement (IGA) between Metro and Clackamas County.

Metro requested the following revisions to that IGA:

- 1. Clarification that the County is coordinating work on the project with the City of Milwaukie as described in the separate IGA between the County and the City of Milwaukie that was also approved by the Board of Commissioners on December 10, 2015. This clarification is underlined and highlighted in two places for the Board's reference on page one of the attached revised IGA.
2. Format change to Exhibit A, (Milestone and Deliverables Schedule for the Release of Funds) along with the insertion of the grant payment amounts. See attached revised Exhibit A.

County Counsel has approved that this revision can be placed on the consent agenda for the Board.

RECOMMENDATION:

Staff respectfully recommends that the Board of County Commissioners approve these revisions to the IGA between Metro and Clackamas County.

Respectfully submitted,

Laura Zentner, Deputy Director
Business & Community Services

**CONSTRUCTION EXCISE TAX GRANT
INTERGOVERNMENTAL AGREEMENT
Metro – Clackamas County
North Milwaukie Industrial Redevelopment Plan Project**

This Construction Excise Tax Grant Intergovernmental Agreement (“CET Grant IGA”) is effective on the last date of signature below, and is entered into by and between Metro, a metropolitan service district organized under the laws of the state of Oregon and the Metro Charter, located at 600 Northeast Grand Avenue, Portland OR, 97232 (“Metro”), and Clackamas County (“County”), located at 2051 Kaen Road, Oregon City, OR, 97045, collectively referred to as “Parties.”

WHEREAS, Metro has established a Construction Excise Tax (“CET”), Metro Code Chapter 7.04, which imposes an excise tax throughout the Metro regional jurisdiction to fund regional and local planning that is required to make land ready for development after inclusion in the Urban Growth Boundary; and

WHEREAS, the CET is collected by local jurisdictions when issuing building permits, which the local jurisdictions then remit to Metro pursuant to Construction Excise Tax Intergovernmental Agreements to Collect and Remit Tax (“CET Collection IGAs”) entered into separately between Metro and the local collecting jurisdictions; and

WHEREAS, the County has submitted a CET Grant Request (“Grant Request”) for the North Milwaukie Industrial Redevelopment Plan Project (“Project”), which will be a coordinated effort between the County and the City of Milwaukie (“City”); and

WHEREAS Metro has agreed to provide the County CET Grant funding for the Project in the amount of \$250,000, subject to the terms and conditions set forth herein, and the parties wish to set forth the funding amounts, timing, procedures and conditions for receiving grant funding from the CET fund for the Project.

NOW THEREFORE, the Parties hereto agree as follows:

1. **Metro Grant Award.** Metro shall provide CET grant funding to the County for the Project as described in the County’s CET Grant Request, attached hereto as Exhibit B and incorporated herein (“Grant Request”), in the amounts and at the milestone and deliverable dates as set forth in Exhibit A attached hereto and incorporated herein, subject to the terms and conditions in this Agreement.
2. **County Responsibilities.** The County shall perform the Project described in the Grant Request and as specified in this Agreement and in Exhibit A, subject to the terms and conditions specified in this Agreement and subject to the “funding conditions” recommended by the Metro Chief Operating Officer and adopted by the Metro Council in Resolution No. 15-4640. The County shall coordinate work on the Project with the City as described in the separate Intergovernmental Agreement between the County and the City, which sets forth the responsibilities of each local government regarding the Project. The County shall obtain all applicable permits and licenses from local, state or federal agencies or governing bodies related to the Project, and the County shall use the CET funds it receives under this Agreement only for the purposes specified in the Grant Request and to achieve the deliverables and/or milestones set forth in Exhibit A.
3. **Payment Procedures.** Within 30 days after the completion of each deliverable/milestone as set forth in Exhibit A, the County shall submit to Metro an invoice describing in detail its expenditures as may be needed to satisfy fiscal requirements. Within 30 days of receiving the County’s invoice and supporting documents,

and subject to the terms and conditions in this Agreement, Metro shall reimburse the County for its eligible expenditures for the applicable deliverable as set forth in Exhibit A. Metro shall send CET payments to:

Clackamas County
Business & Community Services Department
Attention: Business & Economic Development
150 Beaver Creek Rd.
Oregon City, OR 97045

4. Funding Provisions.

(a) CET Funds. Metro's funding commitment set forth in this Agreement shall be fulfilled solely through the programming of CET funds; no other funds or revenues of Metro shall be used to satisfy or pay any CET Grant funding commitments. The parties recognize and agree that if the CET is ever held to be unenforceable or invalid, or if a court orders that CET funds may no longer be collected or disbursed, that this Agreement shall terminate as of the effective date of that court order, and that Metro shall not be liable in any way for funding any further CET grant amounts beyond those already disbursed to the County as of the effective date of the court order. In such case the County shall not be liable to Metro for completing any further Project deliverables as of the date of the court order.

(b) Waiver. The parties hereby waive and release one another for and from any and all claims, liabilities, or damages of any kind relating to this Agreement or the CET.

5. Project Records. The County shall maintain all records and documentation relating to the expenditure of CET Grant funds disbursed by Metro under this Agreement. The County shall provide Metro with such information and documentation as Metro requires for implementation of the CET grant process. The County shall establish and maintain books, records, documents, and other evidence in accordance with generally accepted accounting principles, in sufficient detail to permit Metro or its auditor to verify how the CET Grant funds were expended. Metro and its auditor shall have access to the books, documents, papers and records of the County that are directly related to this Agreement, the CET grant moneys provided hereunder, or the Project for the purpose of making audits and examinations.

6. Audits, Inspections and Retention of Records. Metro and its representatives shall have full access to and the right to examine, during normal business hours and as often as they deem necessary, all County records with respect to all matters covered by this Agreement and Exhibit A. Such representatives shall be permitted to audit, examine, and make excerpts or transcripts from such records, and to make audits of all contracts, invoices, materials, payrolls and other matters covered by this Agreement. All documents, papers, time sheets, accounting records, and other materials pertaining to costs incurred in connection with the project shall be retained by the County and all of their contractors for three years from the date of completion of the project, or expiration of the Agreement, whichever is later, to facilitate any audits or inspection.

7. Term. This Agreement shall be effective on the date it is executed by both parties, and shall be in effect until all deliverables/milestones have been achieved, all required documentation has been delivered, and all payments have been made as set forth in Exhibit A, unless terminated earlier pursuant to this Agreement.

8. Amendment. This CET Grant IGA may be amended only by mutual written agreement of the Parties.

9. Other Agreements. This CET Grant IGA does not affect or alter any other agreements between Metro and the County.

10. Authority. County and Metro each warrant and represent that each has the full power and authority to enter into and perform this Agreement in accordance with its terms; that all requisite action has been taken by the County and Metro to authorize the execution of this Agreement; and that the person signing this Agreement has full power and authority to sign for the County or Metro, respectively.

Metro

Clackamas County

By: _____
Martha Bennett

By: _____

Title: Metro Chief Operating Officer

Title: _____

Date: _____

Date: _____

Approved as to Form:

Approved as to Form:

By: _____
Alison R. Kean

By: _____

Title: Metro Attorney

Title: County Attorney

Date: _____

Date: _____

Attachments:

- Exhibit A – Milestones and Deliverables Schedule
- Exhibit B – County’s Grant Request

Exhibit A

IGA for Community Planning and Development Grants funded with CET Clackamas County and City of Milwaukie for the North Milwaukie Industrial Area (NMIA) Plan

Milestone and Deliverables Schedule for Release of Funds

Milestone	Deliverable	Date Due*	Grant Payment
1	Execution of Grant IGAs a) Signed IGA between City of Milwaukie and Clackamas County b) Signed IGA between Metro and Clackamas County	12/10/2015	\$ 12,500
2	Establish Project Management Team, Advisory Committees, and Consultant(s) a) Kick-off meeting to discuss roles (City/County) b) Identify roles and designate committees: i. Project Management Team (PMT) ii. Project Advisory Committee (PAC) iii. Technical Advisory Committee (TAC) c) Develop detailed scope of work (SOW) d) Executed contract with selected consultant(s). I. Request For Proposals (RFP). II. Selection of consultant team. III. Convene PMT meeting with consultant and prepare final SOW, contracts, identify performance measures, et al. IV. Execute contract with consultants. e) Hire a Resource and Economic Development specialist (per city of Milwaukie job classification) to serve as the project manager for this project.***	<u>03/31/2016</u>	\$ 0
3	Completion of Existing Conditions Analysis a) An Existing Conditions report that includes, but is not limited to, the following elements: i. A compilation of existing plans, land use maps, and planning codes; ii. An analysis of GIS data addressing land use, transportation and natural features.	<u>06/30/2016</u>	\$ 0

	<ul style="list-style-type: none"> iii. An analysis of demographic and economic data including US Census, local market, QCEW, and Hoovers data. iv. Costar reports for absorption and vacancy across industry groups. Maps by industry type, employment size, constraints and other representative data layers. v. A constraints and opportunities analysis. <p>b) Project management oversight***</p>		
4	<p>Approval of Public Involvement/Public Outreach Plan by PAC/TAC</p> <p>a) A public involvement plan that includes the following:</p> <ul style="list-style-type: none"> i. List of stakeholders, businesses, property owners, institutional and government agencies, area residents, and other interested parties impacted by this project. ii. A robust, equitable, and inclusive outreach strategy including, but not limited to: online surveys, one-on-one meetings with major stakeholders, focus group meetings, public presentations, social media outreach and website communications and updates. iii. Timeline for implementation. iv. Project management oversight*** 	<u>06/30/2016</u>	\$ 35,000
5	<p>Completion of Market Study and Economic Feasibility Analysis</p> <p>a) A Market Study and Economic Feasibility report that includes the following:</p> <ul style="list-style-type: none"> i. Demographic and economic research to determine the supply and demand of financial viability of uses on the properties in the study area. ii. Identified possible anchor tenants. iii. Identified uses for sites within the study area including near-, mid- and long-term uses; catalytic uses; and interim uses. iv. Assumptions and recommendations that have been ground-truthed through discussions with local, regional and national developers and end-user tenants. 	<u>08/30/2016</u>	\$ 35,000

6	<p>Approval of Draft Framework Plan by PAC and TAC:</p> <p>a) A draft framework plan approved by the PAC and TAC that includes the following elements:</p> <ul style="list-style-type: none"> i. Eco-Industrial District Vision: Establishes the vision, principles, and standards needed for development of an eco-industrial district ii. Land Use Assessment: Identifies opportunity sites and alternative land uses; Integrates the Tacoma Station Area Plan as appropriate; Identifies public open space and natural features to be protected iii. Transportation: Identifies needed improvements to streets, transit, pedestrian ways, and bikeways; Identifies gaps in the active transportation network and implementation steps; Explores and incorporate transportation demand management approaches - Develops a parking plan for the district. iv. Infrastructure: Identifies and plan infrastructure (water, sewer, storm drainage) necessary to support the development of the district and consistent with the objectives of the principles for an eco-industrial district v. Phasing plan for infrastructure improvements <p>b) Project management oversight***</p>	11/30/2016	\$ 75,000
7	<p>Mid-term Progress Report</p> <p>a) Written progress report to Metro***.</p>	11/30/2016	\$ 0
8	<p>Completion of Development Feasibility Analysis:</p> <p>a) A development feasibility analysis that includes the following:</p> <ul style="list-style-type: none"> i. matching potential uses with existing and new buildings and performing a financial feasibility analysis; the feasibility will be based on development costs and economic viability in the near, mid, and long term. ii. Identified financial sources and uses. iii. List of draft Framework Plan refinements and actions necessary for implementation based on the feasibility analysis and focus group meetings with development experts. <p>b) Project management oversight***</p>	01/31/2017	\$ 37,500

9	<p>Draft Implementation Strategy Approved by PAC and TAC</p> <p>a) A draft development/economic development action plan that outlines the programs and financing options to implement the draft framework plan. This plan will include the following:</p> <ul style="list-style-type: none"> i. Opportunities for public/private partnerships to encourage implementation. ii. Estimated costs for transportation and infrastructure improvements outlined in the framework plan. <p>b) A draft funding strategy for public improvements that considers the use of urban renewal and tax increment financing.</p> <p>c) Project management oversight***</p>	03/31/2017	\$ 25,000
10	<p>Milwaukie Planning Commission and City Council Review of the Framework Plan and Implementation Strategy</p> <p>a) A series of outreach events with the public and advisory committees to determine the refinements needed to the framework plan and the implementation strategy (the two components of the NMIA Plan).</p> <p>b) Refinements of the Framework Plan and the Implementation Strategy based on outreach events.</p> <p>c) City of Milwaukie Planning Commission and City Council comments.</p>	06/01/2017	\$ 12,500
11	<p>NMIA Plan Adopted by City of Milwaukie City Council</p> <p>a) Ordinance or resolution that adopts NMIA Plan.</p>	06/30/2017	\$ 12,500
12	Final Progress Report***	06/30/2017	\$ 5,000
TOTAL REIMBURSABLE AMOUNT			\$250,000**

*If the Grant contained any Funding Conditions, Grantee shall demonstrate satisfaction with those conditions at the applicable milestone or deliverable due dates. Conditions related to financing and transportation choices shall be met in Milestones 4 & 5 respectively.

* Due dates are intended by the parties to be hard estimates of expected milestone completion dates. If the County anticipates that a due date cannot be met due to circumstances beyond its control, it shall inform Metro in writing no later than ten (10) days prior to the due date set forth above and provide a revised

estimated due date; and Metro and the County shall mutually agree upon a revision to the milestone due dates set forth in this Agreement.

NOTE: **Clackamas County Match:** \$75,000 (cash) + \$56,375 (in-kind) = **\$131,375**
City of Milwaukie Match: \$10,000 (cash) + \$55,090 (in-kind) = **\$ 65,090**

***Resource and Economic Development Specialist duties: Manages assigned contracts and development projects to achieve goals within available resources. Reviews progress of contracts and grants and holds contractors accountable for terms of contracts. Coordinates and oversees development and planning projects. Assists in the development of short and long range plans; gathers, interprets and prepares data for studies, reports and recommendations; coordinates activities with other departments, agencies and contractors as necessary. Researches grant programs and prepares grant applications. Oversees and administers grants. Assures that assigned projects are performed within budget; monitors contracts to ensure accountability for quality work products, service delivery, and cost controls. Gathers and analyzes data. Develops information and considers available solutions or alternate methods of proceeding; organizes and documents findings of studies and prepares recommendations for implementation of new systems procedures or organizational changes. Makes presentations to boards, commissions, civic groups and the general public as assigned. Prepares and delivers speeches, presentations, resolutions, ordinances, contracts, administrative policies etc., or drafts of such as necessary. Prepares a variety of studies, reports and related information for decision-making purposes. Conducts research, analysis, and prepares recommendations regarding proposals for programs, grants, services, budget, equipment etc.