

CLACKAMAS COUNTY BOARD OF COUNTY COMMISSIONERS
Acting as the Board of the North Clackamas Parks and Recreation District

Study Session Worksheet

Presentation Date: 1/19/2016 **Approx. Start Time:** 2:30 p.m. **Approx Length:** 15 minutes

Presentation Title: Clackamas Town Center (“CTC”) Urban Renewal District: Direct Investment Partnering between NCPRD and Development Agency

Department: Business and Community Services – North Clackamas Parks and Recreation District (NCPRD)

Presenters: Gary Barth, Director, Business and Community Services
Laura Zentner, Deputy Director, Business and Community Services

Other Invitees: Barbara Cartmill, Director, Department of Transportation and Development
Dave Queener, Development Agency

WHAT ACTION ARE YOU REQUESTING FROM THE BOARD?

Staff is seeking Board concurrence on advancement of ***Direct Investment Plan*** partnering opportunities between NCPRD and the Development Agency.

EXECUTIVE SUMMARY:

NCPRD and the Development Agency have been in discussions to assess partnership opportunities within the Clackamas Town Center Urban Renewal District. These discussions are more formally entitled the ***Direct Investment Plan*** and relate to the distribution of \$1.5 million in Urban Renewal funds from the Development Agency to NCPRD.

The discussions have been focused on meeting two primary objectives:

- The project must be beneficial to the needs of the particular District (in this case NCPRD)
- The project must be contained within the Clackamas Town Center Urban Renewal Plan area.

Discussions have been underway since 2013 and are now being advanced to the Board for consideration.

With discussions on NCPRD funding and governance resolved for the immediate future, staff from the Development Agency and NCPRD have researched several options for the use of the urban renewal dollars. While the Urban Renewal Plan provides great flexibility regarding the provision of park site development throughout the plan area within NCPRD, staff has concluded that it would be most prudent and best for the citizens of the District to use the funds to assist with paying the debt issued to build the North Clackamas Aquatic Park.

The original debt was issued in 1993. The debt was refunded in May 2000 by the issuance of \$8,560,000 in Limited Tax Revenue Refunding Bonds and then refunded again in January 2010 by the issuance of Full Faith and Credit Refunding bonds in the amount of \$5,660,000. The current principal owing on the debt is approximately \$4,045,000, has interest rates that range between 2 – 4% and is currently scheduled to be paid off in March, 2025. The debt is callable in February 2020. There are several approaches to how the District uses these proceeds towards debt repayment. Therefore, NCPRD staff will return to the Board at a later date for further discussion and to present the various options.

The Urban Renewal Plan and state statute allow the urban renewal agency to pay debt service to assist in meeting the needs called out in the current plan. Therefore, if the Board concurs with this course of action, NCPRD staff will work with Development Agency staff to draft an Intergovernmental Agreement (“IGA”) for future consideration by the Board.

FINANCIAL IMPLICATIONS (current year and ongoing):

Is this item in your current budget? YES NO

Note: The receipt of these funds does not require an amendment to the NCPRD budget. However, the expenditure of these funds would require a supplemental budget.

What is the cost? No cost in FY 15/16

What is the funding source? Urban Renewal Funds - \$1,500,000

STRATEGIC PLAN ALIGNMENT:

- How does this item align with your Department’s Strategic Business Plan goals?
- How does this item align with the County’s Performance Clackamas goals?

A partnership with the Development Agency to receive urban renewal funding to pay debt related to the North Clackamas Aquatic Park is consistent with the Performance Clackamas strategic priority to ensure a safe, healthy and secure community.

LEGAL/POLICY REQUIREMENTS:

County Counsel has been a part of the discussions to date and will draft any future agreements for Board consideration.

PUBLIC/GOVERNMENTAL PARTICIPATION:

NCPRD Staff has had ongoing discussions with the Development Agency staff throughout the process of identifying partnership opportunities.

OPTIONS:

Consideration #1: How should NCPRD use the Urban Renewal funds received through the Direct Investment Plan partnership?

1. Direct District and Agency staff to move forward with Direct Investment Plan partnership opportunities around Debt Service assistance in the form of an Intergovernmental Agreement for future consideration by the District Board.
2. Direct District and Agency staff to assess other partnership opportunities, subject to District Board direction.
3. Direct District and Agency staff to discontinue discussions on partnership opportunities at this time.

RECOMMENDATION: Staff respectfully recommends, that the North Clackamas Parks and Recreation District Board:

Direct District and Agency staff to advance Direct Investment Plan partnership opportunities around Debt Service assistance in the form of an Intergovernmental Agreement for future consideration by the District Board. (Recommendation #1)

ATTACHMENTS:

Attachment A: NCPRD 2010 Full Faith and Credit Refunding Debt – payment schedule

SUBMITTED BY:

Division Director/Head Approval _____

Department Director/Head Approval _____

County Administrator Approval _____

For information on this issue or copies of attachments, please contact Laura Zentner@503.742.4351
