

AGENDA

Thursday, December 20, 2012 - 6:00 PM
Board of County Commissioners Business Meeting

Beginning Board Order No. 2012-120

I. CALL TO ORDER

- Roll Call
- Pledge of Allegiance
- Approval of Order of Agenda

II. HOUSING AUTHORITY CONSENT AGENDA

- 1 1. Approval to Apply for a One Year Renewal Grant from the U.S. Department of Housing and Urban Development's (HUD's) Shelter Plus Care (SPC) Grant Program
- 2 2. Approval to Apply for Bonus Funds from the U.S. Department of Housing and Urban Development's (HUD's) Shelter Plus Care (SPC) Grant Program
- 3 3. Approval to Apply for a One Year Renewal from the U.S. Department of Housing and Urban Development's (HUD's) Supportive Housing Program (SHP) Grant for the Jannsen Transitional Housing Program
- 4 4. In The Matter of Writing Off Uncollectible Accounts for the Second Quarter of FY 2013
- 5 5. Approval of Resolution No. 1893: Authorizing the Execution and Delivery of Documents in Connection with the Financing, Development and Operation of the Easton Ridge Apartments
- 6 6. Approval of Resolution No. 1894: Providing for the Issuance of Revenue Bonds of the Authority in a Principal Amount of Not to Exceed \$17,000,000 for the Easton Ridge Apartments Renovation Project
- 7 7. Approval of Resolution No. 1895: Providing for the Issuance of a Revenue Bond of the Authority in a Principal Amount of Not to Exceed \$7,000,000 to Provide Bridge Financing for the Easton Ridge Apartments Renovation Project

III. PRESENTATIONS *(Following are items of interest to the citizens of the County)*

- 8 1. Sandy High School Choir Presentation
- 9 2. Presentation of the Energize Energy Efficiency Program from the Office of Sustainability (Susan Ziolko, Eben Polk)

IV. CITIZEN COMMUNICATION *(The Chair of the Board will call for statements from citizens regarding issues relating to County government. It is the intention that this portion of the agenda shall be limited to items of County business which are properly the object of Board consideration and may not be of a personal nature. Persons wishing to speak shall be allowed to do so after registering on the blue card provided on the table outside of the hearing room prior to the beginning of the hearing. Testimony is limited to three (3) minutes. Comments shall be respectful and courteous to all.)*

V. DISCUSSION ITEMS (The following items will be individually presented by County staff or other appropriate individuals. Citizens who want to comment on a discussion item may do so when called on by the Chair.)

~NO DISCUSSION ITEMS SCHEDULED

VI. CONSENT AGENDA (The following items are considered to be routine, and therefore will not be allotted individual discussion time on the agenda. Many of these items have been discussed by the Board in Study Session. The items on the Consent Agenda will be approved in one motion unless a Board member requests, before the vote on the motion, to have an item considered at its regular place on the agenda.)

A. Health, Housing & Human Services

- 10 1. Approval to Apply for a Grant Renewal from the U.S. Department of Housing and Urban Development, Supportive Housing Program, for the HOPE SHP Leasing Program to Obtain Permanent Housing and Services for the Homeless - ss
- 11 2. Approval of a Behavioral Health Services Agreement with Albertina Kerr Centers for Intensive Community-Based Services for Children, Respite Services for Children, Sub-Acute Psychiatric Services for Children and Outpatient Mental Health Services - BH
- 12 3. Approval of a Behavioral Health Services Agreement with Catholic Community Services of Western Washington for Crisis Stabilization Services for Children, Intensive Community-Based Services for Children, and Respite Services for Children - BH
- 13 4. Approval of a Professional Services Agreement with Cascadia Behavioral Healthcare for a Risk Sharing Arrangement - BH
- 14 5. Approval of a Behavioral Health Services Agreement with CODA, Inc. for Intensive Treatment and Recovery Services, Outpatient Substance Abuse Services, and Outpatient Mental Health Services - BH
- 15 6. Approval of a Behavioral Health Services Agreement with Portland DBT Program, PC for Outpatient Mental Health Services - BH
- 16 7. Board Order No. _____ Approval of Mental Health Director's Designees to Authorize a Custody Hold Under ORS 426.233 - BH
- 17 8. Approval of an Agreement between Clackamas County and Easton Ridge LLC to use HOME Program Funds to Rehabilitate an Existing Affordable Multi-Family Rental Housing Project – CD
- 18 9. Approval of an Interagency Agreement between Community Development, Clackamas County Service District No. 1 and the Clackamas County Development Agency for the Sewer Hook-up Access Grant Program - CD

B. Department of Transportation & Development

- 19 1. Approval of an Amendment to an Intergovernmental Agreement with Metro to Provide Funds for Staff Time to Plan and Implement Food Scrap Collection
- 20 2. Resolution No. _____ Approving a Selected Modification to the Transportation System Development Charge

C. Elected Officials

- 21 1. Approval of Previous Business Meeting Minutes – BCC

D. Department of Employee Services

- 22 1. Approval of the Labor Contract between Clackamas County and the Clackamas County Employees' Association
- 23 2. Approval of the Labor Contract between Clackamas County and Clackamas County Employees' Association for the Housing Authority of Clackamas County
- 24 3. Approval of the Labor Contract between Clackamas County and the Clackamas County Employees' Association for Temporary and Part-Time Employees
- 25 4. Approval of the Labor Contract between Clackamas County and AFSCME - Water Environment Services
- 26 5. Approval of the Labor Contract between Clackamas Count and AFSCME – C-Com
- 27 6. Approval of the Labor Contract between Clackamas County and AFSCME – Department of Transportation and Development

E. County Counsel

- 28 1. Approval of a Settlement Agreement *Streeter v. Clackamas County*

F. Central Communications C-COM

- 29 1. Approval of a Sub-Recipient Grant Agreement with Clackamas Radio Group (C-800) for the Portion of the Zone Controller Radio System

VII. CLACKAMAS COUNTY EXTENSION AND 4-H SERVICE DISTRICT

- 30 1. Approval of an Intergovernmental Lease Agreement between Clackamas County and the State of Oregon by and through the State Board of Higher Education on behalf of Oregon State University, North Willamette Research and Extension Center

VIII. NORTH CLACKAMAS PARKS AND RECREATION DISTRICT

- 31 1. Approval of an Amendment of Terms to the Annexation and Service Agreement between North Clackamas Parks and Recreation and the City of Happy Valley

IX. COUNTY ADMINISTRATOR UPDATE

X. COMMISSIONERS COMMUNICATION

NOTE: Regularly scheduled Business Meetings are televised and broadcast on the Clackamas County Government Channel. These programs are also accessible through the County's Internet site. DVD copies of regularly scheduled BCC Thursday Business Meetings are available for checkout at the Clackamas County Library in Oak Grove by the following Saturday. You may also order copies from any library in Clackamas County or the Clackamas County Government Channel.

<http://www.clackamas.us/bcc/business.html>

December 20, 2012

Board of Commissioners of the
Housing Authority of Clackamas County

Members of the Board:

Approval to Apply for a One Year Renewal from the U.S. Department of Housing and Urban Development's (HUD's) Shelter Plus Care (SPC) Grant Program

The Housing Authority of Clackamas County (HACC), a Division of the Health, Housing and Human Services Department, requests approval to apply for a renewal of its SPC Grant from the U.S. Department of Housing & Urban Development. The SPC Renewal Grant would provide one year of funding for the Program.

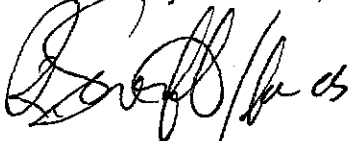
HACC and Clackamas County Behavioral Health (CCCH) work together to offer the SPC Program. SPC provides housing assistance with services. The program is for homeless people with a variety of disabilities including persons recovering from mental illness and/or addictions, persons with physical disabilities or persons with developmental or cognitive disabilities. SPC is similar to the Section 8 Housing Choice Voucher Program (HCV) in that participants receive a voucher to obtain a private apartment in the community. Participants pay 30% of their income towards rent and the SPC grant covers the remaining balance each month. An important difference from the HCV Program is that CCCH must provide care equivalent to the amount of money that HUD pays for rent each month. The SPC Program has been in existence since 2002.

This grant application is for a total amount not to exceed \$400,000. The continuation of this Program is dependent on obtaining SPC funding. The grant, if awarded, would have no effect on staffing. No County General Funds are involved.

Recommendation

HACC recommends the approval to apply for the SPC renewal grant and further recommends the acceptance of the award if funded, and that the HACC Executive Director be authorized to sign all documents necessary to accomplish this action on behalf of the Board.

Respectfully submitted,



Cindy Becker
Director

For information on this issue or copies of attachments
Please contact Mary-Rain O'Meara at (503) 655-8279

Healthy Families. Strong Communities.

December 20, 2012

Board of Commissioners of the
Housing Authority of Clackamas County

Members of the Board:

**Approval to Apply for Bonus Funds from the U.S. Department of Housing and
Urban Development's (HUD's) Shelter Plus Care (SPC) Grant Program**

The Housing Authority of Clackamas County (HACC), a Division of the Health, Housing and Human Services Department, requests approval to apply for Bonus Funds for its SPC Grant from the U.S. Department of Housing & Urban Development. The SPC Bonus Funds Grant would provide three years of funding for the Program.

HACC and Clackamas County Behavioral Health (CCCH) work together to offer the SPC Program. SPC provides housing assistance with services. The program is for homeless people with a variety of disabilities including persons recovering from mental illness and/or addictions, persons with physical disabilities or persons with developmental or cognitive disabilities. SPC is similar to the Section 8 Housing Choice Voucher Program (HCV) in that participants receive a voucher to obtain a private apartment in the community. Participants pay 30% of their income towards rent and the SPC grant covers the remaining balance each month. An important difference from the HCV Program is that CCCH must provide care equivalent to the amount of money that HUD pays for rent each month. The SPC Program has been in existence since 2002.

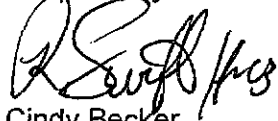
If awarded, Bonus Funds under this grant opportunity would provide up to 5 new beds for chronically homeless individuals and/or families with disabilities living in Clackamas County.

This grant application is for a total amount not to exceed \$103,282. The grant, if awarded, would have no effect on staffing. No County General Funds are involved.

Recommendation

HACC recommends the approval to apply for Bonus Funds of the SPC grant and further recommends the acceptance of the award if funded, and that the HACC Executive Director be authorized to sign all documents necessary to accomplish this action on behalf of the Board.

Respectfully submitted,



Cindy Becker
Director

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Please contact Mary-Rain O'Meara at (503) 655-8279

Healthy Families. Strong Communities.

2051 Kaen Road #239, Oregon City, OR 97045 • Phone: 503-650-5697 • Fax: 503-655-8677 • www.clackamas.us

December 20, 2012

Board of Commissioners of the
Housing Authority of Clackamas County

Members of the Board:

Approval to Apply for a One Year Renewal from the U.S. Department of Housing and Urban Development's (HUD's) Supportive Housing Program (SHP) Grant for the Jannsen Transitional Housing Program

The Housing Authority of Clackamas County (HACC) a Division of the Health, Housing and Human Services Department, requests approval to apply for a renewal of its SHP Grant from the U.S. Department of Housing & Urban Development. The SHP Grant provides one year of funding for HACC's Jannsen Transitional Housing Program (Jannsen).

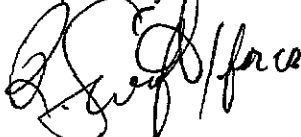
Jannsen has been in existence since 1991. Jannsen housing is owned by HACC and consists of nine, 2-bedroom units and offers housing and social services to families that would otherwise be homeless. The goal of the program is to transition families from homelessness to living independently. This goal is achieved through a team effort between HACC and Clackamas County's Social Services (CCSS). CCSS works with a team of community resource agencies to assist homeless families.

This grant application is for a total not to exceed \$71,886 SHP funds help cover maintenance of the facility, insurance, case management, and resident needs such as healthcare, education, child care, transportation, legal fees, and utilities. The continuation of this Program is dependent on obtaining SHP funding. The grant, if awarded, would have no effect on staffing. No County General Funds are involved.

Recommendation:

HACC recommends the approval to apply for the SHP grant and further recommends the acceptance of the award if funded, and that the HACC Executive Director be authorized to sign all documents necessary to accomplish this action on behalf of the Board.

Respectfully submitted,



Cindy Becker
Director

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Healthy Families. Strong Communities.

December 20, 2012

Board of Commissioners of the
Housing Authority of Clackamas County

Members of the Board:

**In The Matter of Writing Off Uncollectible Accounts for the
Second Quarter of Fiscal Year 2013**

The Housing Authority of Clackamas County (HACC), a Division of the Health, Housing and Human Services, requests the approval to write off uncollectible rents, late charges and maintenance expenses for the second quarter of fiscal year 2013 (October 1, 2012 – December 31, 2012). The uncollectible amounts are detailed on the attached worksheets.

Uncollectible amounts for the second quarter of fiscal year 2013 will be \$9,877.51 for Low Rent Public Housing, and \$520.39 for Jannsen Road Apartments. Of the total second quarter write offs, \$4,221.48 was for uncollected rents and \$6,176.42 was for maintenance repairs charged to tenants for repairs required to units before HACC could lease them to a new tenant.

The total amount proposed for transfer from Accounts Receivable to Collection Loss for the second quarter of fiscal year 2013 will be \$10,397.90. Total collection losses for fiscal year 2012 were \$54,022.81.

Recommendation

HACC recommends the approval to write off uncollectible rents, late charges and maintenance expenses and for the Executive Director to be authorized to approve the transfer of these accounts from Accounts Receivable to Collection Loss.

Respectfully submitted,



Cindy Becker
Director

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LRPH Collection Loss for the period of 10/1/2012 to 12/31/2012
 Second Quarter of Fiscal Year 2013

Unit #	SS #	Name	Rent	Sundry	Total
1040-4	xxx-xx-1437	Olga Smith	709.60	202.47	\$ 912.07
1048-7	xxx-xx-0666	Amanda Beyer	59.24	467.74	\$ 526.98
1069-5	xxx-xx-6824	Estate of Ellen Hendrickson	9.66	77.09	\$ 86.75
1083-4	xxx-xx-3024	Brittany Borgelt-Contreras	618.91	-	\$ 618.91
5508-3	xxx-xx-5758	Estate of Mariana Ghibanescu	70.06	155.20	\$ 225.26
5713-3	xxx-xx-9917	Rachel Clark	260.13	730.07	\$ 990.20
5713-3	xxx-xx-9917	Rachel Clark	201.34	RR	\$ 201.34
5801-4	xxx-xx-7485	Kari Scutti	31.55	550.50	\$ 582.05
5813-2	xxx-xx-6574	Kathleen Antillon	236.17	886.56	\$ 1,122.73
5907-5	xxx-xx-2949	Carla Jean Moore	-	140.34	\$ 140.34
7029-2	xxx-xx-9856	Crystal Kauffman	-	179.06	\$ 179.06
7030-4	xxx-xx-5349	Esthela Sanchez Estrada	934.00	1,214.59	\$ 2,148.59
8010-5	xxx-xx-7292	Melani Hunt	821.10	321.56	\$ 1,142.66
12030-2	xxx-xx-0815	Suzanne Kirk	269.72	730.85	\$ 1,000.57
Total Write-off				4,221.48	5,656.03
					9,877.51

Betty McKee
 Accounting Specialist 1 - Betty McKee

Richard Cronk
 Finance Manager - Rich Cronk

Trell Anderson
 Executive Director - Trell Anderson

JRA

Collection Loss for the period of

10/1/2012 to 12/31/2012
Second Quarter of Fiscal Year 2013

Unit #	SS #	Name	Rent	Sundry	Total
40002-9	xxx-xx-9254	Katie Cripps	-	520.39	520.39
					\$ -
					\$ -
					\$ -

Total Write-off - 520.39

Betty McKee
Accounting Specialist 1 - Betty McKee
Richard Cronk
Finance Manager - Rich Cronk
Trell Anderson
Executive Director - Trell Anderson

December 20, 2012

Board of Commissioners of the
Housing Authority of Clackamas County

Members of the Board:

Approval of Resolution No. 1893: Authorizing the Execution and Delivery of Documents in Connection with the Financing, Development and Operation of the Easton Ridge Apartments.

The Housing Authority of Clackamas County (HACC), a Division of the Health, Housing, and Human Services Department, requests approval of Resolution 1893 to authorize the execution and delivery of documents by the Authority in connection with the financing, rehabilitation, and operation of the Easton Ridge Apartments.

Easton Ridge, a 264-unit affordable housing complex, is located at SE 90th Avenue and SE Causey Avenue approximately one-quarter mile north of Clackamas Town Center. Easton Ridge was constructed in 1989 by Bowen Hunt Development, and purchased by the Housing Authority of Clackamas County in 1996. The property is sited on 8.8 acres and consists of 264 units in 11 three-story buildings and a single-story community building with an on-site property management office. The buildings are wood-frame construction with wood lap siding built on concrete slab foundations.

The building siding shows visible signs of envelope failure due to poor site drainage and moisture penetration at the exterior envelope. Initial due diligence determined a project scope of work which included:

- Replacing and upgrading the residential building envelope.
- Improving interior ventilation.
- Addressing poor site drainage.

On October 20, 2011 the HACC commissioners approved Resolution No. 1886 authorizing the Housing Authority to proceed with further due diligence, engaging an architect and construction management/ general contractor to more fully develop a Capital Improvement Plan. Resolution No. 1886 also authorized the Housing Authority to make applications for private-activity bond cap allocation, low income housing tax credits and other necessary sources of funding.

On June 21, 2012 the HACC Commissioners approved Resolution No. 1889 declaring intent to issue revenue bonds for the Easton Ridge Apartments Renovation Project which also constituted a "declaration of official intent" to reimburse expenditures for the Easton Ridge Apartments Renovation for purposes of Treasury Regulations relating to tax-exempt bonds.

Further due diligence and engagement with investors has refined the scope of work to include the following:

- Replacing the building envelope with new hardi-board siding, new windows and exterior doors.
- Installing rain screen venting behind the siding to insure air and water tightness of the buildings.
- Repairing or replacing any water damaged areas in the stairwell or deck areas.

- Upgrading interior ventilation by replacing recirculating kitchen range hoods with exterior-vented fans, and installing a whole house ventilation system with heat recovery to increase fresh air in the units while decreasing moisture build-up.
- Replacing all existing cabinetry, appliances, lighting and flooring in 100% of the kitchens.
- Replacing bathroom cabinets, fixtures, flooring and lighting in 15% of the units.
- Improving drainage and repair of any damaged or clogged storm drains.
- Making the property ADA compliant, with six newly designated units receiving upgrades as well as accessible routes at site amenities.
- Upgrades to landscaping and courtyard improvements, new site lighting, demolition of existing garages and carports, and resurfacing the parking lot areas.

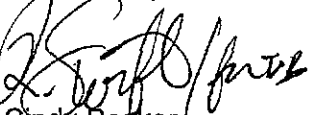
Funding sources being coordinated for the Project include tax exempt bonds (two series), low income housing tax credits, a loan from the Housing Authority, income from Project operations, HOME funds, and deferred developer fees. A new limited liability corporation called Easton Ridge LLC has been created to facilitate financing, property acquisition, and tax credit compliance.

Approval of Resolution No. 1893 will authorize the Chair of the Board and the Authority's Executive Director, and each of them acting alone, to execute and deliver, Company Documents, Second Mortgage Loan Documents, Construction Contract Documents, HOME Loan Documents, and Ancillary Documents in connection with the acquisition and rehabilitation of the Project. Resolution No. 1893 will also authorize the transfer of the real estate from HACC to the Easton Ridge LLC; and authorize the assignment of HACC's rights under the architect's contract and other development contracts and the execution, delivery and/or filing of all documents deemed necessary for federal low-income housing tax credits in connection with the Project.

Recommendation:

Staff recommends that the Board approve Resolution No.1893, Authorizing the Execution and Delivery of Documents in Connection with the Financing, Development and Operation of the Easton Ridge Apartments.

Respectfully submitted,



Cindy Becker
Director

BEFORE THE BOARD OF COMMISSIONERS
OF THE HOUSING AUTHORITY OF THE COUNTY OF CLACKAMAS, OREGON

In the Matter of the Approval of the
Authorization of the Execution and Delivery of
Documents by the Authority in Connection with
the Financing, Development and Operation of
the Easton Ridge Apartments

RESOLUTION NO.
1893

Whereas, the Housing Authority of Clackamas County (the "Authority") seeks to encourage the provision of long-term housing for low income persons residing in the Clackamas County, Oregon;

Whereas, ORS 456.120(20) authorizes the Authority to form, finance and have a nonstock interest in, and to manage or operate, limited liability companies in order to further the purposes of the Authority;

Whereas, ORS 456.065 defines "housing project" to include, among other things, "any work or undertaking . . . to provide decent, safe and sanitary urban or rural housing for persons or families of lower income";

Whereas, the Authority filed articles of organization with the Oregon Secretary of State on July 23, 2012, pursuant to which Easton Ridge LLC (the "Company") was created as an Oregon limited liability company of which the Authority is the sole member;

Whereas, the Authority intends to sell land and improvements to the Company, and the Company intends to acquire, rehabilitate and operate construct a 264-unit apartment complex known as the Easton Ridge Apartments with 11 residential buildings, a central laundry, leasing office, community room, pool and racquetball court (the "Project");

Whereas, the Company expects that 4 percent low income housing tax credits will be available for the Project;

Whereas, Enterprise Community Investment, Inc. (or one or more of its affiliates) (the "Investor Member") has offered to acquire a member interest in the Company, and the Authority's Board of Commissioners (the "Board") finds and determines that the capital contributions expected to be made by the Investor Member to the Company will be sufficient, together with other available money, to enable the Company to acquire, rehabilitate and operate the Project;

Whereas, as a condition to acquiring the Investor Member interest in the Company, the Investor Member requested that the Authority amend and restate the Company's original operating agreement and execute and deliver certain other agreements, certificates and other documents relating to the Company and the Project, which request the Board finds and determines to be reasonable;

Whereas, the Board finds and determines that the Project likely would not be developed and maintained as housing for individuals and families of low income unless the Company was formed and the Investor Member committed to make their capital contributions to the Company;

Whereas, the total cost of constructing the Project is anticipated to be \$42,000,000, which will be financed and refinanced by the Company with numerous sources of funds, including loans in the anticipated aggregate amount of \$22,310,000 of proceeds of tax-exempt bonds issued by

BEFORE THE BOARD OF COMMISSIONERS
OF THE HOUSING AUTHORITY OF THE COUNTY OF CLACKAMAS, OREGON

In the Matter of the Approval of the
Authorization of the Execution and Delivery of
Documents by the Authority in Connection with
the Financing, Development and Operation of
the Easton Ridge Apartments

RESOLUTION NO.
1893

the Authority, seller financing from the Authority in the anticipated amount of \$14,493,000, a loan of HOME funds from Clackamas County, Oregon (the "County"), in the anticipated amount of \$660,000, and capital contributions in the anticipated amount of \$8,502,000 from the Investor Member;

Whereas, the Authority retained Carlton Hart Architecture, Inc. as the Project's architect and other consultants to assist with the environmental review of the site and the design and construction of the improvements to the Project, and the Board finds and determines necessary and desirable to assign the contracts relating to the architect and such consultants to the Company;

Whereas, the Company will provide the Authority with a right of first refusal to acquire the Project at the end of the 15-year low-income housing tax credit "compliance period" for the Project;

Whereas, ORS 456.135 authorizes the Authority to delegate to one or more of its agents and employees such powers as it deems proper; NOW, THEREFORE,

BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF CLACKAMAS COUNTY, as follows:

1. Approval of Company Documents. The Authority has been presented with drafts of the following documents (the "Company Documents") in connection with the Company and the Project, which documents are on file with the Authority's Secretary:

- Letter of Intent between the Investor Member and the Authority;
- First Amended and Restated Operating Agreement between the Authority and the Investor Member;
- Development Services Agreement between the Company and the Authority;
- Company Administration Agreement between the Company and the Authority;
- Investor Services Agreement between the Company and the Investor Member;
- Right of First Refusal Agreement between the Company and the Authority;
- Transfer Agreement Property among the Company, the Investor Member, the Authority and the Investor Member's assignee; and
- Management Agreement between the Company and Quantum Residential, Inc.

The Chair of the Board, the Authority's Executive Director and their respective designees (each, an "Authorized Officer" and, collectively, the "Authorized Officers"), and each of them acting alone, are authorized and directed to execute and deliver, on behalf of the Authority (acting on its own behalf or as managing member of the Company), the Company Documents substantially in the form on file with the Authority; provided however, any Authorized Officer may approve on the Authority's behalf any further changes to the draft Company Documents (including material changes, changes to parties and changes to the title of any such document) and such Authorized Officer's signature on the final Company Documents shall be construed as the Authority's approval

BEFORE THE BOARD OF COMMISSIONERS
OF THE HOUSING AUTHORITY OF THE COUNTY OF CLACKAMAS, OREGON

In the Matter of the Approval of the
Authorization of the Execution and Delivery of
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the Financing, Development and Operation of
the Easton Ridge Apartments

RESOLUTION NO.
1893

of such changes. The Authorized Officers (and each of them acting alone) are further authorized and directed to take any other action and to execute such other documents as may be required to be taken or executed by the Authority, on behalf of itself or as managing member of the Company, under the provisions of or as necessary to carry out the transactions contemplated by the Company Documents. From and after the date the Company Documents are executed, the Authorized Officers (and each of them acting alone) are authorized and directed, without further Board approval, to take such actions on behalf of the Authority that are required to be taken by the managing member of the Company. In particular, the Authority is authorized to spend available Authority funds on the Project to satisfy any requirement of the Company Documents that the Authority contribute capital and/or make loans to the Company and to otherwise cause the Project to be completed, and initial operations thereof to commence, in the manner anticipated in the various agreements authorized by this resolution.

2. Approval of Second Mortgage Loan Documents. The Authority has been presented with drafts of the following documents (the "Second Mortgage Loan Documents") in connection with the Company and the Project, which documents are on file with the Authority's Secretary:

- Loan Agreement for Second Mortgage Loan between the Authority and the Company;
- Promissory Note from the Company; and
- *Second Trust Deed (including Fixture Filing and Assignment of Rents)* by the Company.

The Authority is authorized to loan to the Company, pursuant to the terms of the Second Mortgage Loan Documents, up to \$14,750,000 as seller financing. Such loan is intended to be in addition to the loan of bond proceeds authorized by the Board's Resolution Nos. 1894 and 1895. The Authorized Officers (and each of them acting alone) are authorized and directed to: (a) cause the Company to borrow money under the Second Mortgage Loan Documents; (b) execute and deliver, on behalf of the Authority (acting on its own behalf or as managing member of the Company), the Second Mortgage Loan Documents substantially in the form on file with the Authority; (c) execute and deliver, on behalf of the Authority (acting on its own behalf or as managing member of the Company), any other documents reasonably required to be executed by the Authority or the Company to carry out the transactions contemplated by the Second Mortgage Loan Documents, including any trust deeds, subordination agreements and other documents required in connection with the sources of funding for the Authority's loans to be made thereunder. Notwithstanding the foregoing, any Authorized Officer may approve on the Authority's behalf or the Company's behalf, as applicable, any further changes to the draft Second Mortgage Loan Documents (including material changes, changes to parties and changes to the title of any such document) and the final amount(s), if any, to be borrowed and loaned (subject to Section 12 of this resolution), and such Authorized Officer's signature on the final Second Mortgage Loan Documents shall be construed as the Authority's approval or the Company's approval, as applicable, of such changes and final loan amount(s).

BEFORE THE BOARD OF COMMISSIONERS
OF THE HOUSING AUTHORITY OF THE COUNTY OF CLACKAMAS, OREGON

In the Matter of the Approval of the
Authorization of the Execution and Delivery of
Documents by the Authority in Connection with
the Financing, Development and Operation of
the Easton Ridge Apartments

RESOLUTION NO.
1893

3. Approval of HOME Loan Documents. The Authority has been presented with drafts of the following documents (the "HOME Loan Documents") in connection with a loan from the County to the Company in the amount of \$660,000, which documents are on file with the Authority's Secretary:

- Loan Agreement between the County and the Company;
- Promissory Note from the Company;
- Trust Deed, Assignment of Rents, Security Agreement, and Fixture Filing from the Company; and
- Declaration of Land Use Restrictive Covenants from the Company.

The Authorized Officers (and each of them acting alone) are authorized and directed to: (a) cause the Company to borrow money under the HOME Loan Documents; (b) execute and deliver, on behalf of the Authority (acting as managing member of the Company), the HOME Loan Documents substantially in the form on file with the Authority; (c) execute and deliver, on behalf of the Authority (acting on its own behalf or as managing member of the Company), any other documents reasonably required to be executed by the Authority or the Company to carry out the transactions contemplated by the HOME Loan Documents, including any trust deeds, subordination agreements and other documents required in connection with the sources of funding for the County's loans to be made thereunder. Notwithstanding the foregoing, any Authorized Officer may approve on the Authority's behalf or the Company's behalf, as applicable, any further changes to the draft HOME Loan Documents (including material changes, changes to parties and changes to the title of any such document) and the final amount(s), if any, to be borrowed, and such Authorized Officer's signature on the final HOME Loan Documents shall be construed as the Authority's approval or the Company's approval, as applicable, of such changes and final loan amount(s).

4. Approval of Real Estate Transfer. The Authority is authorized to sell the Project, including the parcels of land on which the Project is located, to the Company for a minimum purchase price of \$21,130,000. The Authority is further authorized to receive no less than \$6,380,000 of such purchase price in cash and may accept a promissory note (as part of the Second Mortgage Loan Documents) in the principal amount of up to \$14,750,000 evidencing the balance of the purchase price. The Authorized Officers (and each of them acting alone) are authorized and directed to execute and deliver, on behalf of the Authority (acting on its own behalf or as managing member of the Company), a deed transferring the Project to the Company and such other agreements and documents as are necessary for the Authority to transfer the Project to the Company.

5. Construction Contract. The Authority is authorized to cause the Company to retain Walsh Construction Co. (or an affiliate thereof) (the "General Contractor") as the Project's general contractor. The Authorized Officers (and each of them acting alone) are authorized and directed to execute and deliver, on behalf of the Authority (acting as managing member of the Company) a construction contract with the General Contractor and to cause the General Contractor to post

BEFORE THE BOARD OF COMMISSIONERS
OF THE HOUSING AUTHORITY OF THE COUNTY OF CLACKAMAS, OREGON

In the Matter of the Approval of the
Authorization of the Execution and Delivery of
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the Financing, Development and Operation of
the Easton Ridge Apartments

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such bonds, or provide one or more letters of credit, and retain such insurance for the Project as such Authorized Officers (or either of them acting alone) deems to be necessary or advisable to protect the Company.

6. Assignments. The Authorized Officers (and each of them acting alone) are authorized on behalf of the Authority (acting on its own behalf or as managing member of the Company) to execute and deliver one or more instruments (i) assigning to the Company all or a portion of the Authority's rights under the architect's contract, any geotechnical consultant contracts, any preconstruction services contract, and other development contracts, as such rights pertain to the and the Project, and (ii) assigning to lenders and others the Company's interests in such contracts.

7. Tax Credit Documents. The Authorized Officers (and each of them acting alone) are authorized on behalf of the Authority (acting on its own behalf or as managing member of the Company) to execute, deliver and/or file (or cause to be delivered and/or filed) all documents deemed necessary or appropriate to allow the Company to qualify for and obtain federal low-income housing tax credits in connection with the Project including, without limitation, the filing of one or more applications with the Oregon Housing and Community Services Department, and the execution of all necessary and related documents, including without limitation letters of award, reservation agreements, regulatory agreements, declarations and restrictive covenants.

8. Section 42(m)(2)(D) Determination. On behalf of the Authority, the Board finds and determines pursuant to Section 42(m)(2)(D) of the Internal Revenue Code of 1986 (the "Code") that the amount of federal low-income housing tax credits the Company expects to derive from the Project will not exceed the amount necessary for the financial feasibility of the Project and its viability as a "qualified low income housing project" throughout the "credit period" (as such terms are defined in Section 42 of the Code). The Authorized Officers, and each of them acting alone, are authorized on behalf of the Authority to provide the Company with a letter acknowledging this determination and the basis thereof. The Board delegates to the Authorized Officers (and each of them acting alone) the authority to make similar determinations, in their discretion, on behalf of the Authority and to deliver similar letters to the Company at such times that the Authorized Officers determine to be necessary or appropriate.

9. Tax Credit Certifications. The Board delegates to the Authorized Officers (and each of them acting alone) the authority to make certifications with respect to the Project and the Company of the type described in Treasury Regulation § 1.42-8(b)(4)(i). To assist the Company in making its election under Section 42(b)(2)(A)(ii)(II) of the Code, the Authorized Officers, and each of them acting alone, may provide a letter to the Company, on the Authority's behalf, indicating any certifications made pursuant to this Section.

10. Ancillary Documents. The Authorized Officers (and each of them acting alone) are authorized on behalf of the Authority (acting on its own behalf or as managing member of the Company) to execute, deliver and/or file (or cause to be delivered and/or filed) any affidavits,

BEFORE THE BOARD OF COMMISSIONERS
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certificates, letters, government forms, documents, agreements and instruments that any such Authorized Officer determines to be necessary or desirable: (i) to give effect to this resolution; (ii) to consummate the transactions contemplated herein; and/or (iii) to further the development, financing, construction, rehabilitation and leasing of the Project. Without limiting the scope of such authorization, such documents may include lease-up and marketing agreements, company management services agreements, development agreements, construction guaranty agreements, repayment guarantees, cash pledge agreements, environmental indemnity agreements, property management agreements, architect agreements, contractor agreements, housing assistance payment contracts, irrevocable consents and appointments of attorneys for service of process.

11. Expenditures. The Authority is authorized to expend such funds (and to cause the Company to expend such funds) as are necessary to pay for all filing fees, application fees, registration fees, insurance premiums and other costs relating to the actions authorized by this resolution.

12. Amounts. Each Authorized Officer is authorized to decrease the principal amount of any loan or capital contribution authorized by this resolution by any amount, or to increase the principal amount of any such loan or capital contribution by an amount up to \$500,000 more than the maximum principal amount for the loan or capital contribution stated in this resolution. The source of funds for any such increase in the amount of a loan or capital contribution from the Authority shall be Project developer fee or other funds that may become available for the Project. The Board directs the Executive Director to report to the Board if the total amount borrowed by the Company for the Project exceeds \$38,000,000.

13. Execution of Obligations. The Board directs the Authority's Executive Director to cause the Authority to fulfill the Authority's duties and obligations under the various agreements authorized by this resolution.

14. Acting Officers Authorized. Any action required by this resolution to be taken by the Chair of the Board or the Authority's Executive Director may, in the absence of such person, be taken by the duly authorized acting Chair of the Board or acting Executive Director of the Authority, respectively.

15. Effective Date. This resolution shall be in full force and effect from and after its adoption and approval.

BEFORE THE BOARD OF COMMISSIONERS
OF THE HOUSING AUTHORITY OF THE COUNTY OF CLACKAMAS, OREGON

In the Matter of the Approval of the
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16. Ratification and Confirmation. Any actions of the Authority or its officers prior to the date hereof and consistent with the terms of this resolution (including, without limitation, the formation of the Company) are ratified and confirmed.

DATED this 20th day of December, 2012.

BOARD OF COMMISSIONERS OF THE HOUSING
AUTHORITY OF CLACKAMAS COUNTY, OREGON

Chair

Recording Secretary

BEFORE THE BOARD OF COMMISSIONERS
OF THE HOUSING AUTHORITY OF THE COUNTY OF CLACKAMAS, OREGON

In the Matter of the Approval of the
Authorization of the Execution and Delivery of
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the Financing, Development and Operation of
the Easton Ridge Apartments

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CERTIFICATE

I, the undersigned, the duly chosen, qualified and acting Executive Director and Secretary of the Housing Authority of Clackamas County (the "Authority") and keeper of the records of the Authority, CERTIFY:

1. That the attached Resolution No. 1893 (the "Resolution") is a true and correct copy of the resolution of the Authority's Board of Commissioners, as adopted at a meeting of the Board held on the 20th day of December, 2012, and duly recorded in the Authority's minute books.

2. That such meeting was duly convened and held in all respects in accordance with law, and, to the extent required by law, due and proper notice of such meeting was given; that a quorum was present throughout the meeting and a majority of the members of the Authority's Board of Commissioners present at the meeting voted in the proper manner for the adoption of the Resolution; that all other requirements and proceedings incident to the proper adoption of the Resolution have been duly fulfilled, carried out and otherwise observed, and that I am authorized to execute this Certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this 20th day of December, 2012.

HOUSING AUTHORITY OF CLACKAMAS COUNTY

Executive Director and Secretary

COPY

December 20, 2012

Board of Commissioners of the
Housing Authority of Clackamas County

Members of the Board:

Approval of Resolution No. 1894: Providing for the Issuance of Revenue Bonds of the Authority in a Principal Amount of Not to Exceed \$17,000,000 for the Easton Ridge Apartments Renovation Project

The Housing Authority of Clackamas County (HACC), a Division of the Health, Housing, and Human Services Department, requests approval of Resolution No. 1894 providing for the issuance of revenue bonds of the Authority in the aggregate principal amount of not to exceed \$17,000,000, the proceeds of which will be lent to Easton Ridge LLC, an Oregon Limited Liability company of which the Authority is the sole managing member.

Easton Ridge Apartments, a 264-unit affordable housing complex, is located at SE 90th Avenue and SE Causey Avenue approximately one-quarter mile north of Clackamas Town Center. Easton Ridge was constructed in 1989 by Bowen Hunt Development, and purchased by the Housing Authority of Clackamas County in 1996. The property is sited on 8.8 acres and consists of 264 units in 11 three-story buildings and a single-story community building with an on-site property management office. The buildings are wood-frame construction with wood lap siding built on concrete slab foundations.

The building siding shows visible signs of envelope failure due to poor site drainage and moisture penetration at the exterior envelope. Initial due diligence determined a project scope of work which includes:

- Replacing and upgrading the residential building envelope,
- Improving interior ventilation, and
- Addressing poor site drainage.

On June 21, 2012 the HACC Commissioners approved Resolution No. 1889 declaring intent to issue revenue bonds for the Easton Ridge Apartments Renovation Project which also constituted a "declaration of official intent" to reimburse expenditures for the Easton Ridge Apartments Renovation for purposes of Treasury Regulations relating to tax-exempt bonds.

Further due diligence and engagement with investors has refined the scope of work to include the following:

- Replacing the building envelope with new hardi-board siding, new windows and exterior doors.
- Installing rain screen venting behind the siding to insure air and water tightness of the buildings.
- Repairing or replacing any water damaged areas in the stairwell or deck areas.
- Upgrading interior ventilation by replacing recirculating kitchen range hoods with exterior-vented fans, and installing a whole house ventilation system with heat recovery to increase fresh air in the units while decreasing moisture build-up.
- Replacing all existing cabinetry, appliances, lighting and flooring in 100% of the kitchens.

Healthy Families. Strong Communities.

- Replacing bathroom cabinets, fixtures, flooring and lighting in 15% of the units.
- Improving drainage and repair of any damaged or clogged storm drains.
- Making the property ADA compliant, with six newly designated units receiving upgrades as well as accessible routes at site amenities.
- Upgrades to landscaping and courtyard improvements, new site lighting, demolition of existing garages and carports, and resurfacing the parking lot areas.

Funding sources being coordinated for the Project include tax exempt bonds (two series), low income housing tax credits, a loan from the Housing Authority, income from Project operations, HOME funds, and deferred developer fees. A new limited liability corporation called Easton Ridge LLC has been created to facilitate financing, property acquisition, and tax credit compliance.


Approval of Resolution No. 1894 will authorize the issuance and public offer and sale of revenue bonds of HACC and the use of proceeds of the sale of those bonds to make a loan to Easton Ridge LLC. The loan will provide a portion of the funds with which Easton Ridge LLC will acquire and rehabilitate the Easton Ridge Apartments. Pursuant to the terms of a Loan Agreement to be entered into by HACC and Easton Ridge LLC, Easton Ridge LLC will be required to repay the loan in amounts, and at times, sufficient to pay debt service on the revenue bonds.

Resolution No. 1894 includes approval of the forms of that loan agreement, as well as other agreements relating to the issuance and sale of the revenue bonds including a regulatory agreement, a continuing disclosure agreement, a contingent loan agreement with the County and a trust indenture relating to the bonds. Approval of Resolution No. 1894 will authorize the execution and delivery of the bonds and all related agreements and authorize the Executive Director of the Authority to accept an offer from Wedbush Securities to purchase the bonds. Further, pursuant to Resolution No. 1894, HACC will adopt post-issuance compliance policies and procedures for tax-exempt bonds issued by the Authority.

Recommendation:

Staff recommends that the Board approve Resolution No.1894, Providing for the Issuance of Revenue Bonds in a Principal Amount of Not to Exceed \$17,000,000 for the Easton Ridge Apartments Renovation Project.

Respectfully submitted,


Cindy Becker
Director

For information on this issue or copies of attachments
Please contact Mary-Rain O'Meara at 503-655-8279

BEFORE THE BOARD OF COMMISSIONERS
OF THE HOUSING AUTHORITY OF THE COUNTY OF CLACKAMAS, OREGON

In the Matter of the Authorization of the Issuance of Revenue Bonds of the Authority in the Aggregate Principal Amount of Not to Exceed \$17,000,000, the Sale of the Bonds, and the Loan of the Proceeds of the Bonds to Easton Ridge LLC to Provide a Portion of the Financing for the Acquisition and Rehabilitation of Easton Ridge Apartments

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WHEREAS, the Housing Authority of Clackamas County (the "Authority") seeks to encourage the provision of long-term housing for persons and families of lower income residing in the Clackamas County, Oregon (the "County"); and

WHEREAS, Easton Ridge LLC, an Oregon limited liability company of which the Authority is the sole managing member (the "Borrower"), has applied to the Authority for financial assistance in the principal amount of up to \$17,000,000 for the purpose of providing part of the funds with which to acquire and rehabilitate a 264-unit apartment complex known as the Easton Ridge Apartments to provide housing for persons and families of lower income within the County (the "Project"); and

WHEREAS, the Project will be used by the Borrower to provide housing for persons and families of lower income, and no more than an insubstantial portion of the proceeds of the Bonds (defined below) will be used in connection with the financing of any portion of the Project to be used by the Borrower for any other purpose; and

WHEREAS, ORS 456.065 defines "housing project" to include, among other things, "any work or undertaking . . . to provide decent, safe and sanitary urban or rural housing for persons or families of lower income"; and

WHEREAS, ORS 456.120(18) provides that a housing authority may, among other things and if certain conditions are met, "loan money to an individual, partnership, corporation or other association to finance, plan, undertake, construct, acquire or operate a housing project"; and

WHEREAS, ORS 456.055 and 456.175 provide that a housing authority may issue bonds, notes, interim certificates, debentures or other obligations for any of its corporate purposes; and

WHEREAS, the Board of Commissioners of the Authority deems it necessary and advisable and in the best interest of the Authority to issue the revenue bonds described herein (the "Bonds"), the proceeds of which will be lent to the Borrower for the purposes described herein; and

WHEREAS, it is anticipated that the County will enter into a Contingent Loan Agreement to provide credit enhancement for the Bonds; and

WHEREAS, it is anticipated that Wedbush Securities will offer to purchase the Bonds on the terms set forth in this resolution; and

WHEREAS, the Authority desires to adopt post-issuance compliance policies and procedures for tax-exempt bonds and other tax-advantaged bonds issued by the Authority;

BEFORE THE BOARD OF COMMISSIONERS
OF THE HOUSING AUTHORITY OF THE COUNTY OF CLACKAMAS, OREGON

In the Matter of the Authorization of the Issuance of Revenue Bonds of the Authority in the Aggregate Principal Amount of Not to Exceed \$17,000,000, the Sale of the Bonds, and the Loan of the Proceeds of the Bonds to Easton Ridge LLC to Provide a Portion of the Financing for the Acquisition and Rehabilitation of Easton Ridge Apartments

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NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF CLACKAMAS COUNTY, as follows:

Section 1. Definitions. As used in this resolution, the following words have the following meanings:

"Authority" means the Housing Authority of Clackamas County, a public corporation duly organized and existing under and by virtue of the laws of the State of Oregon.

"Board" means the Board of Commissioners of the Authority.

"Bond" or "Bonds" means one or more of the Multifamily Housing Revenue Bonds, Series 2013A (Easton Ridge Apartments Project), of the Authority, issued pursuant to, under the authority of and for the purposes provided in this resolution and the Indenture.

"Bond Registrar" means the entity serving as registrar, authenticating agent and paying agent under the Indenture, initially the Trustee.

"Borrower" means Easton Ridge LLC, an Oregon limited liability company of which the Authority is the sole managing member.

"Code" means the Internal Revenue Code of 1986, as amended.

"Contingent Loan Agreement" means the Contingent Loan Agreement between the County and the Authority relating to the Bonds.

"Continuing Disclosure Agreement" means the Continuing Disclosure Agreement between the Borrower and U.S. Bank National Association, as Dissemination Agent, relating to the Bonds, including any supplements or amendments thereto.

"County" means Clackamas County, Oregon.

"General Revenues" means all revenues of the Authority from any source (other than Loan Payments), but only to the extent that those revenues are available to pay debt service on the Bonds, or to repay loans from the County pursuant to the Contingent Loan Agreement, and are not otherwise obligated by law, regulation, contract, covenant, trust deed or otherwise (including restrictions relating to funds made available to the Authority under the U.S. Housing Act of 1937), to another particular purpose.

"Indenture" means the Trust Indenture between the Authority and the Trustee relating to the Bonds, including any supplements or amendments thereto made in conformity herewith and therewith.

"Loan" means the loan to be made by the Authority to the Borrower of the proceeds of the Bonds to finance the Project.

"Loan Agreement" means the Loan Agreement by and between the Authority and the Borrower, relating to the repayment of the Loan by the Borrower, and including any supplements or amendments thereto made in conformity herewith and therewith.

"Loan Payments" means the payments of principal of and premium, if any, and interest on the Loan pursuant to the Loan Agreement.

"Project" means, depending on the context (1) the acquisition and rehabilitation of the multifamily housing complex located in Clackamas County, Oregon, known as the Easton Ridge Apartments, or (2) the Easton Ridge Apartments.

BEFORE THE BOARD OF COMMISSIONERS
OF THE HOUSING AUTHORITY OF THE COUNTY OF CLACKAMAS, OREGON

In the Matter of the Authorization of the Issuance of Revenue Bonds of the Authority in the Aggregate Principal Amount of Not to Exceed \$17,000,000, the Sale of the Bonds, and the Loan of the Proceeds of the Bonds to Easton Ridge LLC to Provide a Portion of the Financing for the Acquisition and Rehabilitation of Easton Ridge Apartments

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"Regulatory Agreement" means the Regulatory Agreement executed by the Borrower for the benefit of the Authority governing the use of the Project, and including any supplements or amendments thereto made in conformity herewith or therewith.

"Trust Deed" means the Trust Deed (Including Fixture Filing and Assignment of Rents) encumbering the Project under which the Borrower is the grantor and the Trustee and the County are the beneficiaries, including any supplements or amendments thereto made in conformity herewith and therewith.

"Trustee" means the entity serving as trustee under the Indenture, initially U.S. Bank National Association.

All other capitalized terms used but not defined herein shall have the meanings assigned to them in the Indenture.

Section 2. Authorization of Bonds and Application of Proceeds. The Authority shall issue the Bonds for the purpose of making the Loan to the Borrower to provide a portion of the funds required to finance the Project, fund a reserve for the Bonds and pay costs of issuing the Bonds. Such Bond financing is declared and determined to be important for feasibility of the Project. All proceeds of the Bonds shall be lent to the Borrower for those purposes, and shall be deposited with the Trustee, all as provided in the Indenture. The Board finds that it is in the best interest of the Authority to issue the Bonds for the purposes set forth in this resolution.

Section 3. Description of Bonds. The Bonds shall be issued in registered form in the aggregate principal amount of not to exceed \$17,000,000. The Bonds shall be dated such date, shall be in such denominations, shall bear interest payable on such dates and at such rates (which rates will result in a weighted average interest rate not to exceed 5.0% per annum), shall mature at such times and in such amounts, shall have such prepayment or redemption provisions and shall have such other provisions consistent with the purposes of this resolution as are set forth in the Indenture, which document is incorporated herein by this reference.

Section 4. Security for the Bonds. The Bonds shall be secured by the Loan Payments and all other payments received from the Borrower for the purpose of paying debt service on the Bonds under the terms of the Loan Agreement. Under the Loan Agreement, the Authority has assigned to the Trustee the right to collect all Loan Payments received from the Borrower thereunder on behalf of the registered owners of the Bonds. Payment of the Bonds shall be further supported by the Contingent Loan Agreement, as defined and set forth in the Indenture, and by a pledge of the General Revenues of the Authority as described below. The Bonds also shall be secured by the Trust Deed.

The Bonds shall be special, nonrecourse obligations of the Authority payable solely from Loan Payments and amounts held by the Trustee under the Indenture, including proceeds of loans made by the County pursuant to the Contingent Loan Agreement and the General Revenues of the Authority.

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In the Matter of the Authorization of the Issuance of Revenue Bonds of the Authority in the Aggregate Principal Amount of Not to Exceed \$17,000,000, the Sale of the Bonds, and the Loan of the Proceeds of the Bonds to Easton Ridge LLC to Provide a Portion of the Financing for the Acquisition and Rehabilitation of Easton Ridge Apartments

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The Authority reserves without limitation the right to issue other obligations, the principal of and interest on which are to be paid from the General Revenues on a parity of lien with the Bonds. At its option, the Authority may pledge any revenues that comprise a portion of the General Revenues to the payment of other obligations, such payments to have priority over the payments to be made on the Bonds with respect to that portion of the General Revenues so pledged.

The Bonds shall not be a debt of the County, the State of Oregon or any political subdivision thereof, and the Bonds shall so state on their face. None of the County, the State of Oregon or any political subdivision thereof (except the Authority, solely from the sources identified herein and in the Indenture) shall be liable for payment of the Bonds nor in any event shall principal of, premium, if any, on and interest on the Bonds be payable out of any funds or assets other than those pledged to that purpose by the Authority herein and in the Indenture. The Authority has no taxing power.

Except to the extent of the pledge of the General Revenues of the Authority, neither the Authority nor any of the Commissioners, officers or employees of the Authority shall be personally liable for the payment of the Bonds.

The obligations of the Authority under the Contingent Loan Agreement shall be secured by the Trust Deed.

Section 5. Form and Execution of Bonds. The Bonds shall be in a form consistent with the provisions of this resolution, the Indenture and state law and shall bear the manual or facsimile signatures of the Chair of the Board and Executive Director of the Authority.

The Bonds shall be authenticated by the Bond Registrar as set forth in the Indenture. No Bonds shall be valid for any purpose until so authenticated. The authorized signing of a Certificate of Authentication shall be conclusive evidence that the Bond so authenticated has been duly executed, authenticated and delivered and is entitled to the benefits of this resolution.

Section 6. Preservation of Tax Exemption for Interest on Bonds. Subject to the second paragraph of this section, the Authority covenants that it will take all actions necessary to prevent interest on the Bonds from being included in gross income for federal income tax purposes, and it will neither take any action nor make or permit any use of proceeds of the Bonds or other funds of the Authority treated as proceeds of the Bonds at any time during the term of the Bonds which would cause interest on the Bonds to be included in gross income for federal income tax purposes.

The Borrower has agreed or will agree in the Loan Agreement to reimburse the Authority for all costs to the Authority of its compliance with the covenants contained in this section, and the Authority shall not be required to expend any funds, other than such reimbursement or other money received under the terms of the Loan Agreement, in so complying.

Section 7. Authorization of Bond Documents and Execution Thereof. The Board approves the Loan Agreement, the Indenture, the Regulatory Agreement, the Contingent Loan Agreement and the Continuing Disclosure Agreement substantially in the forms on file with the Executive Director of the Authority, with such changes as the Executive Director of the Authority

BEFORE THE BOARD OF COMMISSIONERS
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In the Matter of the Authorization of the Issuance of Revenue Bonds of the Authority in the Aggregate Principal Amount of Not to Exceed \$17,000,000, the Sale of the Bonds, and the Loan of the Proceeds of the Bonds to Easton Ridge LLC to Provide a Portion of the Financing for the Acquisition and Rehabilitation of Easton Ridge Apartments

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shall deem necessary or appropriate, and appoints U.S. Bank National Association as Trustee, Bond Registrar and Dissemination Agent for the Bonds. The Board authorizes and approves the execution and delivery of, and the performance by the Authority of its obligations contained in, the Bonds, the Loan Agreement, the Indenture, the Contingent Loan Agreement and this resolution and consummation by the Authority of all other transactions contemplated by this resolution in connection with the issuance of the Bonds. The Executive Director of the Authority is authorized and directed to execute and to do everything necessary for the issuance, execution and delivery of the Bonds, including the "deeming final" of the preliminary official statement for the Bonds for the sole purpose of the Bond purchaser's compliance with Securities and Exchange Commission Rule 15c2-12(b)(1), and to execute and deliver, on behalf of the Authority in its own behalf and as managing member of the Borrower, as applicable, the Indenture, the Loan Agreement, the Regulatory Agreement, the Continuing Disclosure Agreement, the Trust Deed, the Continuing Disclosure Agreement and any other documents reasonably required to be executed by the Authority or the Borrower in connection with the issuance of the Bonds and to ensure the proper use and application of the proceeds of the Bonds.

Section 8. Authorization of Purchase Contract. It is anticipated that Wedbush Securities will present a purchase contract (the "Bond Purchase Contract"), substantially in the form on file with the Executive Director of the Authority, to the Authority offering to purchase the Bonds under the terms and conditions provided herein and therein. The Board finds that entering into such a Bond Purchase Contract is in the best interest of the Authority and the Borrower, and therefore authorizes the Executive Director of the Authority to accept the offer contained in the Bond Purchase Contract and to execute the Bond Purchase Contract on behalf of the Authority and the Borrower.

The Bonds will be prepared at the Authority's expense and will be delivered to the purchaser of the Bonds, with the approving legal opinion of Foster Pepper PLLC, municipal bond counsel of Seattle, Washington.

The proper Authority officials are authorized and directed to do everything necessary for the prompt delivery of the Bonds to the purchaser thereof and for the proper application and use of the proceeds of the sale thereof.

Section 9. Adoption of Post Issuance Compliance Policies and Procedures. The post-issuance compliance policies and procedures (the "Compliance Policy") for tax-exempt bonds and other tax-advantaged bonds in the form on file with the Executive Director of the Authority and incorporated herein by reference is hereby adopted.

Section 10. Acting Officers Authorized. Any action required by this resolution to be taken by the Chair of the Board or Executive Director of the Authority may in the absence of such person be taken by the duly authorized acting Chair of the Board or acting Executive Director of the Authority, respectively.

BEFORE THE BOARD OF COMMISSIONERS
OF THE HOUSING AUTHORITY OF THE COUNTY OF CLACKAMAS, OREGON

In the Matter of the Authorization of the Issuance of Revenue Bonds of the Authority in the Aggregate Principal Amount of Not to Exceed \$17,000,000, the Sale of the Bonds, and the Loan of the Proceeds of the Bonds to Easton Ridge LLC to Provide a Portion of the Financing for the Acquisition and Rehabilitation of Easton Ridge Apartments

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Section 11. Ratification and Confirmation. Any actions of the Authority or its officers prior to the date hereof and consistent with the terms of this resolution are ratified and confirmed.

Section 12. Effective Date. This resolution shall be in full force and effect from and after its adoption and approval.

DATED this 20th day of December, 2012.

BOARD OF COMMISSIONERS OF THE HOUSING
AUTHORITY OF CLACKAMAS COUNTY, OREGON

Chair

Recording Secretary

BEFORE THE BOARD OF COMMISSIONERS
OF THE HOUSING AUTHORITY OF THE COUNTY OF CLACKAMAS, OREGON

In the Matter of the Authorization of the Issuance of Revenue Bonds of the Authority in the Aggregate Principal Amount of Not to Exceed \$17,000,000, the Sale of the Bonds, and the Loan of the Proceeds of the Bonds to Easton Ridge LLC to Provide a Portion of the Financing for the Acquisition and Rehabilitation of Easton Ridge Apartments

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CERTIFICATE

I, the undersigned, the duly chosen, qualified and acting Executive Director and Secretary of the Housing Authority of Clackamas County (the "Authority") and keeper of the records of the Authority, CERTIFY:

1. That the attached Resolution No. 1894 (the "Resolution") is a true and correct copy of the resolution of the Authority's Board of Commissioners, as adopted at a meeting of the Board held on the 20th day of December, 2012, and duly recorded in the Authority's minute books.
2. That such meeting was duly convened and held in all respects in accordance with law, and, to the extent required by law, due and proper notice of such meeting was given; that a quorum was present throughout the meeting and a majority of the members of the Authority's Board of Commissioners present at the meeting voted in the proper manner for the adoption of the Resolution; that all other requirements and proceedings incident to the proper adoption of the Resolution have been duly fulfilled, carried out and otherwise observed, and that I am authorized to execute this Certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this 20th day of December, 2012.

HOUSING AUTHORITY OF CLACKAMAS COUNTY

Executive Director and Secretary

December 20, 2012

Board of Commissioners of the
Housing Authority of Clackamas County

Members of the Board:

Approval of Resolution No. 1895: Providing for the Issuance of a Revenue Bond of the Authority in a Principal Amount of Not to Exceed \$7,000,000 to Provide Bridge Financing for the Easton Ridge Apartments Renovation Project

The Housing Authority of Clackamas County (HACC) requests approval of Resolution No. 1895 providing for the issuance of revenue bonds of the Authority in the aggregate principal amount of not to exceed \$7,000,000, the proceeds of which will be lent to Easton Ridge LLC, an Oregon Limited Liability company of which the Authority is the sole managing member.

Easton Ridge, a 264-unit affordable housing complex, is located at SE 90th Avenue and SE Causey Avenue approximately one-quarter mile north of Clackamas Town Center. Easton Ridge was constructed in 1989 by Bowen Hunt Development, and purchased by the Housing Authority of Clackamas County in 1996. The property is sited on 8.8 acres and consists of 264 units in 11 three-story buildings and a single-story community building with an on-site property management office. The buildings are wood-frame construction with wood lap siding built on concrete slab foundations.

The building siding shows visible signs of envelope failure due to poor site drainage and moisture penetration at the exterior envelope. Initial due diligence determined a project scope of work which included:

- Replacing and upgrading the residential building envelope.
- Improving interior ventilation.
- Addressing poor site drainage.

On October 20, 2011 the HACC Commissioners approved Resolution No. 1886 authorizing the Housing Authority to proceed with further due diligence, engaging an architect and construction management/ general contractor to more fully develop a Capital Improvement Plan. Resolution No. 1886 also authorized the Housing Authority to make applications for private-activity bond cap allocation, low income housing tax credits and other necessary sources of funding.

On June 21, 2012 the HACC Commissioners approved Resolution No. 1889 declaring intent to issue revenue bonds for the Easton Ridge Apartments Renovation Project which also constituted a "declaration of official intent" to reimburse expenditures for the Easton Ridge Apartments Renovation for purposes of Treasury Regulations relating to tax-exempt bonds.

Further due diligence and engagement with investors has refined the scope of work to include the following:

- Replacing the building envelope with new hardi-board siding, new windows and exterior doors.
- Installing rain screen venting behind the siding to insure air and water tightness of the buildings.
- Repairing or replacing any water damaged areas in the stairwell or deck areas.

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- Upgrading interior ventilation by replacing recirculating kitchen range hoods with exterior-vented fans, and installing a whole house ventilation system with heat recovery to increase fresh air in the units while decreasing moisture build-up.
- Replacing all existing cabinetry, appliances, lighting and flooring in 100% of the kitchens.
- Replacing bathroom cabinets, fixtures, flooring and lighting in 15% of the units.
- Improving drainage and repair of any damaged or clogged storm drains.
- Making the property ADA compliant, with six newly designated units receiving upgrades as well as accessible routes at site amenities.
- Upgrades to landscaping and courtyard improvements, new site lighting, demolition of existing garages and carports, and resurfacing the parking lot areas.

Funding sources being coordinated for the Project include tax exempt bonds (two series), low income housing tax credits, a loan from the Housing Authority, income from Project operations, HOME funds, and deferred developer fees. A new limited liability corporation called Easton Ridge LLC has been created to facilitate financing, property acquisition, and tax credit compliance.

It is anticipated that Enterprise Community Loan Fund will offer to purchase a revenue bond of HACC in a principal amount not to exceed \$7,000,000 upon the terms set forth in the Resolution No. 1895 and a term sheet dated December 6, 2012, as it may be amended or supplemented. Approval of Resolution No. 1895 will authorize the issuance and sale of the bond and the use of proceeds of the sale of the bond to make a loan to Easton Ridge LLC. The loan will provide bridge financing to permit Easton Ridge LLC to acquire and rehabilitate the Easton Ridge Apartments.

Pursuant to the terms of a Loan Agreement to be entered into by HACC and Easton Ridge LLC, Easton Ridge LLC will be required to repay the loan in amounts, and at times, sufficient to pay debt service on the revenue bonds. It is anticipated that the principal of the bond will be paid from the post-stabilization payment to be received from the tax-credit investor. Approval of Resolution No. 1895 will provide the Executive Director of HACC with discretionary authority to determine the terms of the bond within the parameters set forth in Resolution No. 1985, and will authorize the execution and delivery of the bond and all related agreements.

Recommendation:

Staff recommends that the Board approve Resolution No.1895, Providing for the Issuance of a Revenue Bond of the Authority in a Principal Amount of Not to Exceed \$7,000,000 to Provide Bridge Financing for the Easton Ridge Apartments Renovation Project.

Respectfully submitted,



Cindy Becker
Director

<p>For information on this issue or copies of attachments Please contact Mary-Rain O'Meara at 503-655-8279</p>
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BEFORE THE BOARD OF COMMISSIONERS
OF THE HOUSING AUTHORITY OF THE COUNTY OF CLACKAMAS, OREGON

In the Matter of the Authorization of the Issuance of Revenue Bonds of the Authority in the Aggregate Principal Amount of Not to Exceed \$7,000,000, the Sale of the Bonds, and the Loan of the Proceeds of the Bonds to Easton Ridge LLC to Provide a Portion of the Financing for the Acquisition and Rehabilitation of Easton Ridge Apartments

RESOLUTION NO.
1895

WHEREAS, the Housing Authority of Clackamas County (the "Authority") seeks to encourage the provision of long-term housing for persons and families of lower income residing in Clackamas County, Oregon (the "County"); and

WHEREAS, Easton Ridge LLC, an Oregon limited liability company of which the Authority is the sole managing member (the "Borrower"), has applied to the Authority for financial assistance in the principal amount of up to \$7,000,000 for the purpose of providing part of the funds with which to acquire and rehabilitate a 264-unit apartment complex known as the Easton Ridge Apartments to provide housing for persons and families of lower income within the County (the "Project"); and

WHEREAS, the Project will be used by the Borrower to provide housing for persons and families of lower income, and no more than an insubstantial portion of the proceeds of the Bond (defined below) will be used in connection with the financing of any portion of the Project to be used by the Borrower for any other purpose; and

WHEREAS, ORS 456.065 defines "housing project" to include, among other things, "any work or undertaking . . . to provide decent, safe and sanitary urban or rural housing for persons or families of lower income"; and

WHEREAS, ORS 456.120(18) provides that a housing authority may, among other things and if certain conditions are met, "loan money to an individual, partnership, corporation or other association to finance, plan, undertake, construct, acquire or operate a housing project"; and

WHEREAS, ORS 456.055 and 456.175 provide that a housing authority may issue bonds, notes, interim certificates, debentures or other obligations for any of its corporate purposes; and

WHEREAS, ORS 456.135 provides that a housing authority may delegate to one or more of its agents or employees such powers or duties as it deems proper; and

WHEREAS, the Board of Commissioners of the Authority deems it necessary and advisable and in the best interest of the Authority to issue the revenue bond described herein (the "Bond"), the proceeds of which will be lent to the Borrower for the purposes described herein; and

WHEREAS, it is anticipated that Enterprise Community Loan Fund, Inc. will offer to purchase the Bond on the terms set forth in this resolution;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF CLACKAMAS COUNTY, as follows:

BEFORE THE BOARD OF COMMISSIONERS
OF THE HOUSING AUTHORITY OF THE COUNTY OF CLACKAMAS, OREGON

In the Matter of the Authorization of the Issuance of Revenue Bonds of the Authority in the Aggregate Principal Amount of Not to Exceed \$7,000,000, the Sale of the Bonds, and the Loan of the Proceeds of the Bonds to Easton Ridge LLC to Provide a Portion of the Financing for the Acquisition and Rehabilitation of Easton Ridge Apartments

RESOLUTION NO.
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Section 1. Definitions. As used in this resolution, the following words have the following meanings:

"Authority" means the Housing Authority of Clackamas County, a public corporation duly organized and existing under and by virtue of the laws of the State of Oregon.

"Board" means the Board of Commissioners of the Authority.

"Bond" means the Multifamily Housing Revenue Bond, Series 2013B (Easton Ridge Apartments Project) of the Authority, issued pursuant to, under the authority of and for the purposes provided in this resolution.

"Bond Registrar" means the Executive Director of the Authority.

"Borrower" means Easton Ridge LLC, an Oregon limited liability company of which the Authority is the sole managing member.

"Code" means the Internal Revenue Code of 1986, as amended.

"County" means Clackamas County, Oregon.

"General Revenues" means all revenues of the Authority from any source (other than Loan Payments), but only to the extent that those revenues are available to pay obligations of the Authority under the Guaranty Agreement (as hereinafter defined), and are not otherwise obligated by law, regulation, contract, covenant, trust deed or otherwise (including restrictions relating to funds made available to the Authority under the U.S. Housing Act of 1937), to another particular purpose.

"Guaranty Agreement" means one or more guaranty agreements made by the Authority pertaining to the Bond and/or the Project, including any supplements or amendments thereto made in conformity herewith and therewith.

"Loan" means the loan to be made by the Authority to the Borrower of the proceeds of the Bond to finance the Project.

"Loan Agreement" means the loan agreement by and between the Authority and the Borrower, relating to the repayment of the Loan by the Borrower, and including any supplements or amendments thereto made in conformity herewith and therewith.

"Loan Payments" means the payments of principal of and premium, if any, and interest on the Loan pursuant to the Loan Agreement.

"Note" means the promissory note evidencing the Loan.

"Project" means, depending on the context (1) the acquisition and rehabilitation of the multifamily housing complex located in Clackamas County, Oregon, known as the Easton Ridge Apartments, or (2) the Easton Ridge Apartments.

"Purchaser" means Enterprise Community Loan Fund, Inc., as registered owner of the Bond.

"Regulatory Agreement" means the Regulatory Agreement executed by the Borrower for the benefit of the Authority governing the use of the Project, and including any supplements or amendments thereto made in conformity herewith or therewith.

BEFORE THE BOARD OF COMMISSIONERS
OF THE HOUSING AUTHORITY OF THE COUNTY OF CLACKAMAS, OREGON

In the Matter of the Authorization of the Issuance of Revenue Bonds of the Authority in the Aggregate Principal Amount of Not to Exceed \$7,000,000, the Sale of the Bonds, and the Loan of the Proceeds of the Bonds to Easton Ridge LLC to Provide a Portion of the Financing for the Acquisition and Rehabilitation of Easton Ridge Apartments

RESOLUTION NO.
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“Security Documents” means, collectively, the Loan Agreement, the Guaranty Agreement, the Note, the Trust Deed and all other documents required by the Purchaser to provide security for the Bond or the Loan.

“Term Sheet” means the term sheet dated December 6, 2012, prepared by the Purchaser setting forth certain terms under which the Purchaser may purchase the Bond, as it may be amended and supplemented, and any commitment letter issued pursuant to or supplemental thereto.

“Trust Deed” means the trust deed encumbering the Project, securing the repayment of the Loan, including any supplements or amendments thereto made in conformity herewith and therewith.

Section 2. Authorization of Bond and Application of Proceeds. The Authority shall issue the Bond for the purpose of making the Loan to the Borrower to provide a portion of the funds required to finance the Project and pay costs of issuing the Bond. Such Bond financing is declared and determined to be important for feasibility of the Project. All proceeds of the Bond shall be lent to the Borrower for those purposes. The Board finds that it is in the best interest of the Authority to issue the Bond for the purposes set forth in this resolution.

Section 3. Description of Bond. The Bond shall be called the Multifamily Housing Revenue Bond, Series 2013B (Easton Ridge Apartments Project), of the Authority. The Executive Director of the Authority is authorized and directed to determine the final terms of the Bond, with such additional terms and covenants as he deems advisable, within the following parameters:

- a. *Principal Amount.* The principal amount of the Bond shall not exceed \$7,000,000.
- b. *Date.* The Bond shall be dated its date of delivery, which date shall be no later than December 31, 2013.
- c. *Interest Rate.* The Bond shall bear interest at a fixed or variable rate per annum from its date or from the most recent interest payment date for which interest has been paid or duly provided for, whichever is later. The Executive Director is authorized and directed to select and approve the interest rate option for the Bond he deems most advantageous to the Authority and the Borrower from those options set forth in the Term Sheet.
- d. *Payment Dates.* Interest only on the Bond shall be payable monthly. Principal of the Bond, together with any accrued and unpaid interest thereon, shall be due and payable on the maturity date.
- e. *Maturity Date.* The Bond shall mature on the date that is 24 months from its date of delivery.

Section 4. Bond Register; Registration and Transfer of Bond. The Bond shall be issued only in registered form as to both principal and interest and shall be recorded on books or records maintained for the Bond by the Bond Registrar (the “Bond Register”). The Executive Director of

BEFORE THE BOARD OF COMMISSIONERS

OF THE HOUSING AUTHORITY OF THE COUNTY OF CLACKAMAS, OREGON

In the Matter of the Authorization of the Issuance of Revenue Bonds of the Authority in the Aggregate Principal Amount of Not to Exceed \$7,000,000, the Sale of the Bonds, and the Loan of the Proceeds of the Bonds to Easton Ridge LLC to Provide a Portion of the Financing for the Acquisition and Rehabilitation of Easton Ridge Apartments

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the Authority shall serve as Bond Registrar for the Bond. The Bond Register shall contain the names and mailing address of the Registered Owner of the Bond. The Bond Registrar is authorized, on behalf of the Authority, to authenticate and deliver the Bond in accordance with the provisions of the Bond and this resolution, to serve as the Authority's paying agent for the Bond and to carry out all of the Bond Registrar's powers and duties under this resolution.

The Bond may not be transferred by the Purchaser without the prior written consent of the Authority, except that the Purchaser may assign or transfer the Bond to a successor to the business and assets of the Purchaser or to an affiliate of the Purchaser upon completion and delivery to the Authority of the assignment form and certificate of transferee attached to the Bond. Any transfer shall be without cost to the Registered Owner or transferee, except for governmental charges imposed on any such transfer or exchange. The Bond Registrar shall not be obligated to exchange or transfer any Bond during the five days before any interest payment date, prepayment date or the maturity date.

Section 5. Payment of Bond. Both principal of and interest on the Bond shall be payable in lawful money of the United States of America and shall be paid by check mailed to arrive on or before each payment date, or in immediately available funds delivered on or before each payment date, to the Registered Owner at the address appearing on the Bond Register on the date payment is mailed or delivered. Upon the final payment of the principal of and interest on the Bond, the Bond shall be destroyed or cancelled in accordance with law.

Section 6. Security for the Bond. The Bond shall be a special, nonrecourse obligation of the Authority payable solely from Loan Payments, and shall be secured by the Security Documents.

The Authority pledges its General Revenues to the payment of its obligations under the Guaranty Agreement, subject to release in accordance with the terms thereof.

The Authority reserves without limitation the right to issue other obligations, the principal of and interest on which are to be paid from the General Revenues on a parity of lien with obligations of the Authority under the Guaranty Agreement. At its option, the Authority may pledge any revenues that comprise a portion of the General Revenues to the payment of other obligations, such payments to have priority over the payments to be made under the Guaranty Agreement with respect to that portion of the General Revenues so pledged.

The Bond shall not be a debt of the County, the State of Oregon or any political subdivision thereof, and the Bond shall so state on its face. None of the County, the State of Oregon or any political subdivision thereof (except the Authority, solely from the sources identified herein and in the Security Documents) shall be liable for payment of the Bond nor in any event shall principal of, premium, if any, on and interest on the Bond be payable out of any funds or assets other than those pledged to that purpose by the Authority herein and in the Security Documents. The Authority has no taxing power.

BEFORE THE BOARD OF COMMISSIONERS
OF THE HOUSING AUTHORITY OF THE COUNTY OF CLACKAMAS, OREGON

In the Matter of the Authorization of the Issuance of Revenue Bonds of the Authority in the Aggregate Principal Amount of Not to Exceed \$7,000,000, the Sale of the Bonds, and the Loan of the Proceeds of the Bonds to Easton Ridge LLC to Provide a Portion of the Financing for the Acquisition and Rehabilitation of Easton Ridge Apartments

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Except to the extent of the pledge of the General Revenues of the Authority to the payment of certain Security Documents to which it is a party, neither the Authority nor any of the Commissioners, officers or employees of the Authority shall be personally liable for the payment of the Bond.

Section 7. Form and Execution of Bond. The Bond shall be in a form consistent with the provisions of this resolution and state law, shall bear the manual or facsimile signatures of the Chair of the Board and Executive Director of the Authority and shall be impressed with the seal of the Authority or shall bear a facsimile thereof.

Only a Bond bearing a Certificate of Authentication in the following form, manually signed by the Bond Registrar, shall be valid or obligatory for any purpose or entitled to the benefits of this resolution:

CERTIFICATE OF AUTHENTICATION

This Bond is the fully registered Housing Authority of the City of Clackamas County Multifamily Housing Revenue Bond, Series 2013B (Easton Ridge Apartments Project), described in the Bond Resolution.

[specimen]
Executive Director of the Authority, Bond Registrar

The authorized signing of a Certificate of Authentication shall be conclusive evidence that the Bond so authenticated has been duly executed, authenticated and delivered and is entitled to the benefits of this resolution.

If any officer whose facsimile signature appears on the Bond ceases to be an officer of the Authority authorized to sign bonds before the Bond bearing his or her facsimile signature is authenticated or delivered by the Bond Registrar or issued by the Authority, the Bond nevertheless may be authenticated, issued and delivered and, when authenticated, issued and delivered, shall be binding on the Authority as though that person had continued to be an officer of the Authority authorized to sign bonds. The Bond also may be signed on behalf of the Authority by any person who, on the actual date of signing of the Bond, is an officer of the Authority authorized to sign bonds, although he or she did not hold the required office on the date of issuance of the Bond

Section 8. Preservation of Tax Exemption for Interest on Bond. Subject to the second paragraph of this section, the Authority covenants that it will take all actions necessary to prevent interest on the Bond from being included in gross income for federal income tax purposes, and it will neither take any action nor make or permit any use of proceeds of the Bond or other funds of the Authority treated as proceeds of the Bond at any time during the term of the Bond which would cause interest on the Bond to be included in gross income for federal income tax purposes. The Authority also covenants that, to the extent arbitrage rebate requirements of Section 148 of the Code are applicable to the Bond, it will take all actions necessary to comply (or to be treated as having complied) with those requirements in connection with the Bond, including the calculation

BEFORE THE BOARD OF COMMISSIONERS
OF THE HOUSING AUTHORITY OF THE COUNTY OF CLACKAMAS, OREGON

In the Matter of the Authorization of the Issuance of Revenue Bonds of the Authority in the Aggregate Principal Amount of Not to Exceed \$7,000,000, the Sale of the Bonds, and the Loan of the Proceeds of the Bonds to Easton Ridge LLC to Provide a Portion of the Financing for the Acquisition and Rehabilitation of Easton Ridge Apartments

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and payment of any penalties that the Authority has elected to pay as an alternative to calculating rebatable arbitrage, and the payment of any other penalties if required under Section 148 of the Code to prevent interest on the Bond from being included in gross income for federal income tax purposes (but only from amounts received by the Authority from the Borrower for those purposes).

The Loan Agreement shall require the Borrower to reimburse the Authority for all costs to the Authority of its compliance with the covenants contained in this section, and the Authority shall not be required to expend any funds, other than such reimbursement or other money received under the terms of the Loan Agreement, in so complying.

Section 9. Approval of Sale of the Bond to the Purchaser. It is anticipated that the Purchaser will offer to purchase the Bond under the terms and conditions contained in this resolution and in the Term Sheet. The Board finds that such offer is in the best interest of the Authority, and therefore approves the offer to purchase the Bond under the terms and conditions in this resolution and in the Term Sheet.

The Bond will be delivered to the Purchaser with the approving legal opinion of Foster Pepper PLLC, municipal bond counsel regarding the Bond.

Section 10. Authorization of Documents and Execution Thereof by the Authority. The Board authorizes and approves the execution and delivery of, and the performance by the Authority of its obligations contained in, the Bond, the Regulatory Agreement, the Security Documents to which it is a party and this resolution and the consummation by the Authority of all other transactions contemplated by this resolution in connection with the issuance of the Bond. The Executive Director is hereby further authorized to execute and deliver the Bond, Regulatory Agreement and the Security Documents and to take any other action on behalf of the Authority that he deems necessary and advisable to accomplish the issuance of the Bond, to consummate the transactions contemplated by the Bond, the Regulatory Agreement and the Security Documents, to complete the Project and and to give effect to these resolutions and the transactions contemplated herein.

Section 11. Authorization of Borrower Documents and Execution Thereof by the Board. The Board authorizes and approves the execution and delivery of, and the performance by the Borrower of its obligations contained in the Regulatory Agreement, the Security Documents to which it is a party and the consummation by the Borrower of all other transactions contemplated by this resolution in connection with the issuance of the Bond. The Executive Director on behalf of the Authority as managing member of the Borrower is hereby further authorized to execute and deliver the Regulatory Agreement and the Security Documents to which the Borrower is a party and to take any other action that he deems necessary and advisable to accomplish the issuance of the Bond, to consummate the transactions contemplated by the Bond, the Regulatory Agreement and the Security Documents, to complete the Project and to give effect to these resolutions and the transactions contemplated herein.

BEFORE THE BOARD OF COMMISSIONERS
OF THE HOUSING AUTHORITY OF THE COUNTY OF CLACKAMAS, OREGON

In the Matter of the Authorization of the Issuance of Revenue Bonds of the Authority in the Aggregate Principal Amount of Not to Exceed \$7,000,000, the Sale of the Bonds, and the Loan of the Proceeds of the Bonds to Easton Ridge LLC to Provide a Portion of the Financing for the Acquisition and Rehabilitation of Easton Ridge Apartments

RESOLUTION NO.
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Section 12. Authorization of Future Acts. The Board further authorizes and directs the Executive Director, and all other proper officers, agents, attorneys and employees of Authority, on its own behalf and as managing member of the Borrower, to carry out, or cause to be carried out, all obligations of the Authority and the Borrower under the Bond, the Regulatory Agreement and the Security Agreement, including, without limitation, the execution and delivery of the certificates and opinions and the payment of expenses incurred or to be incurred by the Authority or the Borrower in connection with the Project and the issuance of the Bond; and to perform or cause to be performed such other acts as they shall consider necessary or advisable in connection with the issuance, sale and delivery of the Bond, the loan of the proceeds of the Bond to Borrower by the Authority and to ensure the proper use and application of the proceeds of the Bond, or in order to give effect to these resolutions and the transactions contemplated herein.

Section 13. Acting Officers Authorized. Any action required by this resolution to be taken by the Chair of the Board or Executive Director of the Authority may in the absence of such person be taken by the duly authorized acting Chair of the Board or acting Executive Director of the Authority, respectively.

Section 14. Ratification and Confirmation. Any actions of the Authority or its officers prior to the date hereof and consistent with the terms of this resolution are ratified and confirmed.

Section 15. Effective Date. This resolution shall be in full force and effect from and after its adoption and approval.

DATED this 20th day of December, 2012.

BOARD OF COMMISSIONERS OF THE HOUSING
AUTHORITY OF CLACKAMAS COUNTY, OREGON

Chair

Recording Secretary

BEFORE THE BOARD OF COMMISSIONERS
OF THE HOUSING AUTHORITY OF THE COUNTY OF CLACKAMAS, OREGON

In the Matter of the Authorization of the Issuance of Revenue Bonds of the Authority in the Aggregate Principal Amount of Not to Exceed \$7,000,000, the Sale of the Bonds, and the Loan of the Proceeds of the Bonds to Easton Ridge LLC to Provide a Portion of the Financing for the Acquisition and Rehabilitation of Easton Ridge Apartments

RESOLUTION NO.
1895

CERTIFICATE

I, the undersigned, the duly chosen, qualified and acting Executive Director and Secretary of the Housing Authority of Clackamas County (the "Authority") and keeper of the records of the Authority, CERTIFY:

1. That the attached Resolution No. 1895 (the "Resolution") is a true and correct copy of the resolution of the Authority's Board of Commissioners, as adopted at a meeting of the Board held on the 20th day of December, 2012, and duly recorded in the Authority's minute books.

2. That such meeting was duly convened and held in all respects in accordance with law, and, to the extent required by law, due and proper notice of such meeting was given; that a quorum was present throughout the meeting and a majority of the members of the Authority's Board of Commissioners present at the meeting voted in the proper manner for the adoption of the Resolution; that all other requirements and proceedings incident to the proper adoption of the Resolution have been duly fulfilled, carried out and otherwise observed, and that I am authorized to execute this Certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this 20th day of December, 2012.

HOUSING AUTHORITY OF CLACKAMAS COUNTY

Executive Director and Secretary




Campbell M. Gilmour
Director

DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT

DEVELOPMENT SERVICES BUILDING

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December 20, 2012

Board of County Commissioners
Clackamas County

Members of the Board:

**Presentation on Results in the Community of
Implementation of the ENERGIZE Energy Efficiency Program**

Between 2010 and 2012 Clackamas County has been connecting residents and businesses with resources for energy efficiency. The county program, ENERGIZE, has lowered the cost of ownership, improved comfort, and created savings that significantly exceed up-front investments, while keeping more money in the local economy and creating jobs.

Clackamas County, unlike most other jurisdictions, committed a majority of its Energy Efficiency and Conservation Block Grant (EECBG) to residents and businesses: more than 60 percent of the \$3.1 million grant. These investments have a net economic benefit in energy savings alone, but also create jobs that can't be outsourced, help people meet their needs, and reduce reliance on fossil fuels—a great example of triple bottom line approaches.

Four ENERGIZE activities comprise the community-facing investments in reducing energy waste. Three of the activities provided small rebates to help lower citizens' costs. We minimized administration by aligning with Energy Trust of Oregon's existing programs. We provided:

- Rebates to help 1312 existing households to add insulation and seal leaks in homes, of which, 542 were low-income households.
- Rebates for 124 businesses to improve lighting or heating and cooling, administered by partnership with the Department of Business and Community Services.
- Rebates for 135 new homes that were constructed to be more energy efficient than code requires.
- A founding role in Clean Energy Works Oregon, an innovative non-profit that is making deeper energy efficiency upgrades possible for hundreds more homeowners in the County, and many more state wide.

Total benefits include energy savings enough to power 288 homes for a year, support or creation of more than 70 jobs and \$6.2 million in local economic activity, and an annual energy savings of approximately \$343,000.

Sincerely,

Eben Polk
Sr. Sustainability Analyst

For information on this issue or copies of attachments please contact Michael Piper at (503) 742-4470.

December 20, 2012

Board of Commissioners
Clackamas County

Members of the Board:

**Approval to Apply for a Grant Renewal from the U.S. Department of
Housing and Urban Development, Supportive Housing Program, for the HOPE SHP
Leasing Program to Obtain Permanent Housing and Services for the Homeless**

The Social Services Division of the Department of Health, Housing & Human Services requests the approval to apply for a grant renewal from the U.S. Department of Housing and Urban Development, Supportive Housing Program (SHP) for the HOPE SHP Leasing Program to obtain permanent housing and services for the homeless.

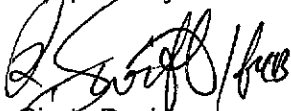
This program provides supportive services, case management and housing assistance primarily to chronically homeless individuals. These funds provide the Social Services Division resources to procure permanent housing through the payment of deposits and rental assistance. Up to 16 households will be assisted annually.

Total amount of the grant award is \$214,202 for a one-year period, beginning on July 1, 2013 with options for renewal. The grant requires a 25% match or in-kind contribution which is met through Emergency Housing Account (EHA) state funds and in-kind services from area providers. No County General Funds are involved.

Recommendation:

We recommend the approval to apply for this grant and further recommend the acceptance of the award if funded, and that Cindy Becker is authorized to sign all documents necessary to accomplish this action on behalf of the Board of Commissioners.

Respectfully submitted,



Cindy Becker
Director

For information on this issue or copies of attachments
Please contact Brenda Durbin # 503-655-8641

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COPY

11
Cindy Becker
Director

December 20, 2012

Board of Commissioners
Clackamas County

Members of the Board:

**Approval of a Behavioral Health Services Agreement with
Albertina Kerr Centers for
Intensive Community-Based Services for Children, Respite Services for Children,
Sub-Acute Psychiatric Services for Children and Outpatient Mental Health Services**

Clackamas County Behavioral Health Division (CCBHD) of the Health, Housing and Human Services Department (H3S) requests the approval of a renewal Behavioral Health Services Agreement with Albertina Kerr Centers for Intensive Community-Based Services for Children, Respite Services for Children, Sub-Acute Psychiatric Services for Children, and Outpatient Mental Health Services.

Through this agreement, CCBHD subcontracts services for people who are Oregon Health Plan (OHP) members capitated to Clackamas County. The previous agreement was reviewed by the Board of County Commissioners and approved on October 22, 2011.

Payment is based on current Medicaid rates. The agreement does not contain an upper limit; expenditures are controlled by CCBHD staff who pre-authorize and monitor services on an on-going basis.

This agreement will be funded with Oregon Health Authority funds received through Health Share Oregon. No County General Funds are involved. County Counsel has reviewed and approved this agreement as part of the H3S contract standardization project. It is effective January 1, 2013 and terminates on December 31, 2013.

Recommendation

We recommend approval of this agreement and that Cindy Becker be authorized to sign on behalf of the Board of County Commissioners.

Respectfully submitted,



Cindy Becker
Director

For information on this issue or copies of attachments,
please contact Emily M. Zwetzig at (503)742-5318.

Healthy Families. Strong Communities.

BEHAVIORAL HEALTH SERVICES AGREEMENT

This Behavioral Health Services Agreement is between Clackamas County acting by and through its Health, Housing and Human Services Department, Behavioral Health Division, hereinafter called "COUNTY" and ALBERTINA KERR CENTERS, hereinafter called "CONTRACTOR".

AGREEMENT

1.0 Engagement

COUNTY hereby engages CONTRACTOR to provide services as described in Exhibit B, Scope of Work, attached hereto and incorporated herein. This agreement sets forth the terms under which CONTRACTOR will contract with COUNTY to provide mental health services to Oregon Health Plan Medicaid recipients enrolled with Health Share of Oregon / Clackamas and residents of Clackamas County who are eligible for services as uninsured, indigent individuals.

2.0 Term

Services provided under the terms of this agreement shall commence upon the **January 1, 2013**. This agreement shall terminate **December 31, 2013** unless terminated by one or both parties as provided for in paragraph 6.0 below. This agreement may be renewed annually and amended by mutual written consent of both parties.

3.0 Compensation and Fiscal Records

3.1 Compensation. COUNTY shall compensate CONTRACTOR as specified in Exhibit C, Compensation and Payment, for satisfactorily performing contracted services. The payment shall be full compensation for work performed, for services rendered, and for all labor, materials, supplies, equipment, mileage, and incidentals necessary to perform the work and services.

3.2 Withholding of Contract Payments. Notwithstanding any other payment provision of this agreement, should CONTRACTOR fail to perform or document the performance of contracted services, COUNTY shall immediately withhold payments hereunder. Such withholding payment for cause may continue until CONTRACTOR performs required services or establishes to COUNTY'S satisfaction that such failure arose out of causes beyond the control, and without the fault or negligence, of CONTRACTOR.

3.3 Financial Records. CONTRACTOR and its subcontractors shall maintain complete and legible financial records pertinent to authorized Covered Services delivered and payments received. Such records shall be maintained in accordance with Generally Accepted Accounting Principles and/or other applicable accounting guidelines such as outlined in Office of Management and Budget circulars A-87, A-122 and A-133. Financial records and supporting documents shall be retained for at least five (5) years after final payment is made under this agreement or until all pending matters are resolved, whichever period is longer. If an audit of financial records discloses that payments to CONTRACTOR were in excess of the amount to which CONTRACTOR was entitled, CONTRACTOR shall repay the amount of the excess to COUNTY.

4.0 Manner of Performance

4.1 Compliance with Applicable Laws and Regulations, and Special Federal Requirements. CONTRACTOR shall comply with all Federal, State and local laws, rules and regulations applicable to work performed under this agreement, including, but not limited to, all applicable Federal and State civil rights and rehabilitation statutes, rules and regulations, and as listed in Exhibit F, Compliance with Applicable Law, attached hereto and incorporated herein. CONTRACTOR shall comply with OAR 410-120-1380, which establishes the requirements for compliance with Section 4751 of Omnibus Budget Reconciliation Act (OBRA) 1991 and ORS 127.649, Patient Self-Determination Act.

4.2 Subcontracts. CONTRACTOR shall not enter into any subcontracts for any of the work scheduled under this agreement without obtaining prior written approval from COUNTY. CONTRACTOR shall not be relieved of any of CONTRACTOR's obligations hereunder by virtue of any such subcontract, and shall remain directly responsible for compliance with all the terms of this agreement.

4.3 Independent Contractor. CONTRACTOR certifies that it is an independent contractor and not an employee or agent of County, State or Federal government. Responsibility for all taxes, assessments, and any other charges imposed upon employers shall be the solely the responsibility of CONTRACTOR.

4.4 Workers' Compensation. CONTRACTOR certifies that it is an insured employer for purposes of the Oregon Workers' Compensation law and maintains workers' compensation insurance as required by ORS 656.017, or qualifies for an exemption under ORS 656.126. CONTRACTOR shall maintain employer's liability insurance with limits of \$500,000 each accident, \$500,000 disease each employee, and \$500,000 each policy limit.

5.0 General Conditions

5.1 Indemnification. CONTRACTOR agrees to indemnify, save, hold harmless, and defend COUNTY, its officers, commissioners and employees from and against all claims and actions, and all expenses incidental to the investigation and defense thereof, arising out of actions, suits, claims or demand attributable in whole or in part to the acts or omissions of CONTRACTOR, and CONTRACTOR's officers, agents, and employees, in performance of this agreement.

CONTRACTOR shall defend, save, hold harmless and indemnify the State of Oregon, OHA and their officers, agents and employees from and against all claims, suits, actions, damages, liabilities, costs and expenses of whatsoever nature resulting from, arising out of, or relating to the activities or omissions of CONTRACTOR, or its agents or employees under this agreement.

If CONTRACTOR is a public body, CONTRACTOR's liability under this agreement is subject to the limitations of the Oregon Tort Claims Act.

5.2 Insurance. During the term of this agreement, CONTRACTOR shall maintain in force at its own expense each insurance noted below:

5.2.1 Commercial General Liability

Required by COUNTY Not required by COUNTY

CONTRACTOR shall obtain, at CONTRACTOR's expense, and keep in effect during the term of this agreement, Commercial General Liability Insurance covering bodily injury and property damage on an "occurrence" form in the amount of not less than \$1,000,000 per occurrence/ \$2,000,000 general aggregate for the protection of COUNTY, its officers, commissioners, and employees. This coverage shall include Contractual Liability insurance for the indemnity provided under this agreement. This policy(s) shall be primary insurance as respects to the COUNTY. Any insurance or self-insurance maintained by COUNTY shall be excess and shall not contribute it.

5.2.2 Commercial Automobile Liability

Required by COUNTY Not required by COUNTY

CONTRACTOR shall also obtain at CONTRACTOR's expense, and keep in effect during the term of the agreement, "Symbol 1" Commercial Automobile Liability coverage including coverage for all owned, hired, and non-owned vehicles. The combined single limit per occurrence shall not be less than \$1,000,000.

5.2.3 Professional Liability

Required by COUNTY Not required by COUNTY

CONTRACTOR agrees to furnish COUNTY evidence of professional liability insurance in the amount of not less than \$1,000,000 combined single limit per occurrence/\$2,000,000 general annual aggregate for malpractice or errors and omissions coverage for the protection of COUNTY, its officers, commissioners and employees against liability for damages because of personal injury, bodily injury, death, or damage to property, including loss of use thereof, and damages because of negligent acts, errors and omissions in any way related to this agreement. COUNTY, at its option, may require a complete copy of the above policy.

5.2.4 Tail Coverage. If liability insurance is arranged on a "claims made" basis, "tail" coverage will be required at the completion of this contract for a duration of thirty-six (36) months or the maximum time period the CONTRACTOR'S insurer will provide "tail" coverage as subscribed, or continuous "claims made" liability coverage for thirty-six (36) months following the contract completion. Continuous "claims made" coverage will be acceptable in lieu of "tail" coverage, provided it's retroactive date is on or before the effective date of this contract.

5.2.5 Additional Insurance Provisions. All required insurance other than Professional Liability, Workers' Compensation, and Personal Automobile Liability insurance shall include "Clackamas County, its agents, officers, and employees" as an additional insured.

5.2.6 Notice of Cancellation. There shall be no cancellation, material change, exhaustion of aggregate limits or intent not to renew insurance coverage without 60 days written notice to the COUNTY. Any failure to comply with this provision will not affect the insurance coverage provided to COUNTY. The 60 days notice of cancellation provision shall be physically endorsed on to the policy.

5.2.7 Insurance Carrier Rating. Coverages provided by CONTRACTOR must be underwritten by an insurance company deemed acceptable by COUNTY. Insurance coverage shall be provided by companies admitted to do business in Oregon or, in the alternative, rated A- or better by Best's Insurance Rating. COUNTY reserves the right to reject all or any insurance carrier(s) with an unacceptable financial rating.

5.2.8 Certificates of Insurance. As evidence of the insurance coverage required by this agreement, CONTRACTOR shall furnish a Certificate of Insurance to COUNTY. No agreement shall be in effect until required certificates have been received, approved and accepted by COUNTY. The certificate will specify that all insurance-related provisions within the agreement have been complied with. A renewal certificate will be sent to COUNTY 10 days prior to coverage expiring.

5.2.9 Independent Contractor Status. The service or services to be rendered under this agreement are those of an independent contractor. CONTRACTOR is not an officer, employee or agent of COUNTY as those terms are used in ORS 30.265.

5.2.10 Primary Coverage Clarification. CONTRACTOR's coverage will be primary in the event of a loss.

5.2.11 Cross Liability Clause. A cross-liability clause or separation of insureds condition will be included in all general liability, professional liability, and errors and omissions policies required by the agreement.

5.3 Governing Law; Consent to Jurisdiction. This agreement shall be governed by and construed in accordance with the laws of the State of Oregon. Any claim, action, or suit between COUNTY and CONTRACTOR that arises out of or relates to performance under this agreement shall be brought and conducted solely and exclusively within the Circuit Court for Clackamas County, State of Oregon. Provided,

Albertina Kerr Centers

however, that if any such claim, action or suit may be brought only in a federal forum, it shall be brought and conducted solely and exclusively within the United States District Court for the District of Oregon. CONTRACTOR by execution of this agreement consents to the in personam jurisdiction of said courts.

5.4 Amendments. The terms of this agreement shall not be waived, altered, modified, supplemented, or amended, in any manner whatsoever, except by written instrument signed by CONTRACTOR and COUNTY.

5.5 Severability. If any term or provision of this agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms or provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the agreement did not contain the particular term or provision held to be invalid.

5.6 Waiver. The failure of either party to enforce any provision of this agreement shall not constitute a waiver of that or any other provision.

5.7 Future Support. COUNTY makes no commitment of future support and assumes no obligation for future support for the activity contracted herein except as set forth in this agreement.

5.8 Oregon Constitutional Limitations. This agreement is expressly subject to the debt limitation of Oregon counties set forth in Article XI, Section 10 of the Oregon Constitution, and is contingent upon funds being appropriated therefore. Any provisions herein, which would conflict with such law, are deemed inoperative to that extent.

5.9 Public Contracting Requirements. Pursuant to the requirements of ORS 279B-020 and ORS 279B.220 through 279B.335 and Article XI, Section 10, of the Oregon Constitution, the following terms and conditions are made a part of this agreement:

5.9.1 CONTRACTOR shall:

- a. Make payments promptly, as due, to all persons supplying to CONTRACTOR labor or materials for the performance of the work provided for in this agreement.
- b. Pay all contributions or amounts due the Industrial Accident Fund from such CONTRACTOR or subcontractor incurred in performance of this agreement.
- c. Not permit any lien or claim to be filed or prosecuted against Clackamas County on account of any labor or material furnished.
- d. Pay to the Department of Revenue all sums withheld from employees pursuant to ORS 316.167.

5.9.2 If CONTRACTOR fails, neglects, or refuses to make prompt payment of any claim for labor or services furnished to CONTRACTOR or a subcontractor by any person in connection with this agreement as such claim becomes due, the proper officer representing Clackamas County may pay such claim to the person furnishing the labor or services and charge the amount of the payment against funds due or to become due CONTRACTOR by reason of this agreement.

5.9.3 CONTRACTOR shall pay employees at least time and a half for all overtime work performed under this agreement in excess of 40 hours in any one week, except for individuals under personal services contracts who are excluded under ORS 653.010 to 653.261 and the Fair Labor Standards Act of 1938 (29 U.S.C. 201 to 209) from receiving overtime.

5.9.4 CONTRACTOR shall promptly, as due, make payment to any person or partnership, association, or corporation furnishing medical, surgical, and hospital care or other needed care and attention incident to sickness and injury, to the employees of CONTRACTOR, of all sums that CONTRACTOR agrees to pay for the services and all monies and sums that CONTRACTOR

Albertina Kerr Centers

collected or deducted from the wages of its employees pursuant to any law, contract or agreement for the purpose of providing or paying for such services.

5.10 Integration. This agreement contains the entire agreement between COUNTY and CONTRACTOR and supersedes all prior written or oral discussions or agreements.

5.11 Federal Grant Requirements. CONTRACTOR shall comply with all applicable Federal Grant Requirements pursuant to 45 CFR Parts 74, 80, 84, 91, and 95.

5.12 Disclosure. CONTRACTOR shall comply with all disclosure requirements of 42 CFR 1002.3(a); 42 CFR 422 Subpart (B); and 42 CFR 457.900(a)(2).

5.13 Advance Directives. CONTRACTOR shall maintain written notices and procedures respecting Advance Directives in compliance with 42 USC Section 1396.(a)(57) and (w), 42 CFR 431.107(b)(4), and 42 CFR 431.107(b)(1) & (2); and 42 CFR Subpart I.

CONTRACTOR shall comply with 42 CFR Part 422.128 for maintaining written policies and procedures for Advance Directives. This includes compliance with OAR 410-120-1380 which establishes, among other requirements the requirements for compliance with Section 4751 of the Omnibus Budget Reconciliation Act of 1991 (OBRA) and ORS 127.649, Patient Self-Determination Act.

6.0 Termination

6.1 Termination Without Cause. This agreement may be terminated by mutual consent of both parties, or by either party upon ninety (90) business days notice, in writing and delivered by certified mail or in person.

6.2 Termination With Cause. COUNTY may terminate this agreement effective upon delivery of written notice to CONTRACTOR, or at such later date as may be established by COUNTY, under any of the following conditions:

6.2.1 The terms of the OHP Medicaid Demonstration Project are modified, changed or interpreted in such a way that the services are no longer allowable or appropriate for purchase under this agreement or are no longer eligible for the funding authorized by this agreement.

6.2.2 The termination, suspension or expiration of the Health Share of Oregon Participating Agreement.

6.2.3 COUNTY funding from Federal, State, or other sources is not obtained and continued at levels sufficient to allow for purchase of the indicated quantity of services. Alternatively, the parties may agree to modify the agreement to accommodate a reduction in funding.

6.2.4 COUNTY has evidence that CONTRACTOR has endangered or is endangering the health or safety of clients, staff or the public. CONTRACTOR shall ensure the orderly and reasonable transfer of care in progress with clients and shall work with COUNTY staff to accomplish same.

6.2.5 The lapse, relinquishment, suspension, expiration, cancellation or termination of any required license, certification or qualification of CONTRACTOR, or the lapse, relinquishment, suspension, expiration, cancellation or termination of CONTRACTOR's insurance as required in this agreement.

6.2.6 CONTRACTOR's filing for protection under United States Bankruptcy Code, the appointment of a receiver to manage CONTRACTOR's affairs, or the judicial declaration that CONTRACTOR is insolvent.

6.2.7 If CONTRACTOR fails to perform any of the other provisions of this agreement, or fails to pursue the work of this agreement in accordance with its terms, and after receipt of written notice from COUNTY, fails to correct such failures within ten (10) business days or such longer period as COUNTY may authorize.

6.3 Notice of Default. COUNTY may also issue written notice of default (including breach of contract) to CONTRACTOR and terminate the whole or any part of this agreement if CONTRACTOR substantially fails to perform the following specific provisions: Exhibit D(2)(A) Licenses and, Certification; Exhibit D(2)(C) Quality Assurance and Utilization Review; and Exhibit D(3) Recordkeeping and Reporting. The rights and remedies of COUNTY related to defaults (including breach of contract) by CONTRACTOR shall not be exclusive and are in addition to any other rights and remedies provided by law or under this agreement.

6.4 Transition. Any such termination of this agreement shall be without prejudice to any obligations or liabilities of either party already accrued prior to such termination. CONTRACTOR and COUNTY shall continue to perform all duties and obligations under this agreement with respect to clients under care of CONTRACTOR to the date of termination.

7.0 Notices

Any notice under this agreement shall be deemed received the earlier of the time of delivery of two (2) business days after mailing certified and postage prepaid through the U.S. Postal Service addressed as follows:

If to CONTRACTOR:

Albertina Kerr Centers
424 NW 22nd
Portland, OR 64232

If to COUNTY:

Clackamas County Behavioral Health Division
2051 Kaen Road, # 367
Oregon City, OR 97045

This agreement consists of seven (7) sections plus the following attachments, which by this reference are incorporated herein:

Exhibit A	Definitions
Exhibit B	Compensation and Payment
Exhibit C	Scope of Work
Exhibit D	Performance Standards
Exhibit E	Fraud and Abuse
Exhibit F	Compliance with Applicable Law

CONTRACTOR

By: _____

Christopher Krenk, CEO
12/6/12

Date

424 NW 22nd

Street Address

Portland, Oregon 97232

City / State / Zip

(503)239-8101 / (503)239-8106

Phone

/ Fax

CLACKAMAS COUNTY

Commissioner: Charlotte Lehan, Chair

Commissioner: Jim Bernard

Commissioner: Jamie Damon

Commissioner: Ann Lininger

Commissioner: Paul Savas

Signing on Behalf of the Board:

Cindy Becker, Director

Health, Housing, and Human Services Department

Date

December 20, 2012

Board of Commissioners
Clackamas County

Members of the Board:

**Approval of a Behavioral Health Services Agreement with
Catholic Community Services of Western Washington for
Crisis Stabilization Services for Children, Intensive Community-Based Services for Children,
and Respite Services for Children**

Clackamas County Behavioral Health Division (CCBHD) of the Health, Housing and Human Services Department (H3S) requests the approval of a renewal Behavioral Health Services Agreement with Catholic Community Services of Western Washington for Crisis Stabilization Services for Children, Intensive Community-Based Services for Children, and Respite Services for Children.

Through this agreement, CCBHD subcontracts services for people who are Oregon Health Plan (OHP) members capitated to Clackamas County. The previous agreement was reviewed by the Board of County Commissioners and approved on January 19, 2012.

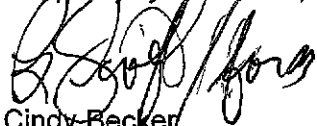
Payment is based on current Medicaid rates. The agreement does not contain an upper limit; expenditures are controlled by CCBHD staff who pre-authorize and monitor services on an on-going basis.

This agreement will be funded with Oregon Health Authority funds received through Health Share Oregon. No County General Funds are involved. County Counsel has reviewed and approved this agreement as part of the H3S contract standardization project. It is effective January 1, 2013 and terminates on December 31, 2013.

Recommendation

We recommend approval of this agreement and that Cindy Becker be authorized to sign on behalf of the Board of County Commissioners.

Respectfully submitted,



Cindy Becker
Director

For information on this issue or copies of attachments,
please contact Emily M. Zwetzig at (503)742-5318.

BEHAVIORAL HEALTH SERVICES AGREEMENT

This Behavioral Health Services Agreement is between Clackamas County acting by and through its Health, Housing and Human Services Department, Behavioral Health Division, hereinafter called "COUNTY" and CATHOLIC COMMUNITY SERVICES OF WESTERN WASHINGTON, hereinafter called "CONTRACTOR".

AGREEMENT

1.0 Engagement

COUNTY hereby engages CONTRACTOR to provide services as described in Exhibit B, Scope of Work, attached hereto and incorporated herein. This agreement sets forth the terms under which CONTRACTOR will contract with COUNTY to provide mental health services to Oregon Health Plan Medicaid recipients enrolled with Health Share of Oregon / Clackamas and residents of Clackamas County who are eligible for services as uninsured, indigent individuals.

2.0 Term

Services provided under the terms of this agreement shall commence upon the **January 1, 2013**. This agreement shall terminate **December 31, 2013** unless terminated by one or both parties as provided for in paragraph 6.0 below. This agreement may be renewed annually and amended by mutual written consent of both parties.

3.0 Compensation and Fiscal Records

3.1 Compensation. COUNTY shall compensate CONTRACTOR as specified in Exhibit C, Compensation and Payment, for satisfactorily performing contracted services. The payment shall be full compensation for work performed, for services rendered, and for all labor, materials, supplies, equipment, mileage, and incidentals necessary to perform the work and services.

3.2 Withholding of Contract Payments. Notwithstanding any other payment provision of this agreement, should CONTRACTOR fail to perform or document the performance of contracted services, COUNTY shall immediately withhold payments hereunder. Such withholding payment for cause may continue until CONTRACTOR performs required services or establishes to COUNTY'S satisfaction that such failure arose out of causes beyond the control, and without the fault or negligence, of CONTRACTOR.

3.3 Financial Records. CONTRACTOR and its subcontractors shall maintain complete and legible financial records pertinent to authorized Covered Services delivered and payments received. Such records shall be maintained in accordance with Generally Accepted Accounting Principles and/or other applicable accounting guidelines such as outlined in Office of Management and Budget circulars A-87, A-122 and A-133. Financial records and supporting documents shall be retained for at least five (5) years after final payment is made under this agreement or until all pending matters are resolved, whichever period is longer. If an audit of financial records discloses that payments to CONTRACTOR were in excess of the amount to which CONTRACTOR was entitled, CONTRACTOR shall repay the amount of the excess to COUNTY.

4.0 Manner of Performance

4.1 Compliance with Applicable Laws and Regulations, and Special Federal Requirements. CONTRACTOR shall comply with all Federal, State and local laws, rules and regulations applicable to work performed under this agreement, including, but not limited to, all applicable Federal and State civil rights and rehabilitation statutes, rules and regulations, and as listed in Exhibit F, Compliance with Applicable Law, attached hereto and incorporated herein. CONTRACTOR shall comply with OAR 410-120-1380, which establishes the requirements for compliance with Section 4751 of Omnibus Budget Reconciliation Act (OBRA) 1991 and ORS 127.649, Patient Self-Determination Act.

Catholic Community Services of Western Washington

4.2 Subcontracts. CONTRACTOR shall not enter into any subcontracts for any of the work scheduled under this agreement without obtaining prior written approval from COUNTY. CONTRACTOR shall not be relieved of any of CONTRACTOR's obligations hereunder by virtue of any such subcontract, and shall remain directly responsible for compliance with all the terms of this agreement.

4.3 Independent Contractor. CONTRACTOR certifies that it is an independent contractor and not an employee or agent of County, State or Federal government. Responsibility for all taxes, assessments, and any other charges imposed upon employers shall be the solely the responsibility of CONTRACTOR.

4.4 Workers' Compensation. CONTRACTOR certifies that it is an insured employer for purposes of the Oregon Workers' Compensation law and maintains workers' compensation insurance as required by ORS 656.017, or qualifies for an exemption under ORS 656.126. CONTRACTOR shall maintain employer's liability insurance with limits of \$500,000 each accident, \$500,000 disease each employee, and \$500,000 each policy limit.

5.0 General Conditions

5.1 Indemnification. CONTRACTOR agrees to indemnify, save, hold harmless, and defend COUNTY, its officers, commissioners and employees from and against all claims and actions, and all expenses incidental to the investigation and defense thereof, arising out of actions, suits, claims or demand attributable in whole or in part to the acts or omissions of CONTRACTOR, and CONTRACTOR's officers, agents, and employees, in performance of this agreement.

CONTRACTOR shall defend, save, hold harmless and indemnify the State of Oregon, OHA and their officers, agents and employees from and against all claims, suits, actions, damages, liabilities, costs and expenses of whatsoever nature resulting from, arising out of, or relating to the activities or omissions of CONTRACTOR, or its agents or employees under this agreement.

If CONTRACTOR is a public body, CONTRACTOR's liability under this agreement is subject to the limitations of the Oregon Tort Claims Act.

5.2 Insurance. During the term of this agreement, CONTRACTOR shall maintain in force at its own expense each insurance noted below:

5.2.1 Commercial General Liability

Required by COUNTY Not required by COUNTY

CONTRACTOR shall obtain, at CONTRACTOR's expense, and keep in effect during the term of this agreement, Commercial General Liability Insurance covering bodily injury and property damage on an "occurrence" form in the amount of not less than \$2,000,000 per occurrence/ \$4,000,000 general aggregate for the protection of COUNTY, its officers, commissioners, and employees. This coverage shall include Contractual Liability insurance for the indemnity provided under this agreement. This policy(s) shall be primary insurance as respects to the COUNTY. Any insurance or self-insurance maintained by COUNTY shall be excess and shall not contribute it.

5.2.2 Commercial Automobile Liability

Required by COUNTY Not required by COUNTY

CONTRACTOR shall also obtain at CONTRACTOR's expense, and keep in effect during the term of the agreement, "Symbol 1" Commercial Automobile Liability coverage including coverage for all owned, hired, and non-owned vehicles. The combined single limit per occurrence shall not be less than \$2,000,000.

5.2.3 Professional Liability

Required by COUNTY

Not required by COUNTY

CONTRACTOR agrees to furnish COUNTY evidence of professional liability insurance in the amount of not less than \$2,000,000 combined single limit per occurrence/\$4,000,000 general annual aggregate for malpractice or errors and omissions coverage for the protection of COUNTY, its officers, commissioners and employees against liability for damages because of personal injury, bodily injury, death, or damage to property, including loss of use thereof, and damages because of negligent acts, errors and omissions in any way related to this agreement. COUNTY, at its option, may require a complete copy of the above policy.

5.2.4 Tail Coverage. If liability insurance is arranged on a "claims made" basis, "tail" coverage will be required at the completion of this contract for a duration of thirty-six (36) months or the maximum time period the CONTRACTOR'S insurer will provide "tail" coverage as subscribed, or continuous "claims made" liability coverage for thirty-six (36) months following the contract completion. Continuous "claims made" coverage will be acceptable in lieu of "tail" coverage provided its retroactive date is on or before the effective date of this contract.

5.2.5 Additional Insurance Provisions. All required insurance other than Professional Liability, Workers' Compensation, and Personal Automobile Liability insurance shall include "Clackamas County, its agents, officers, and employees" as an additional insured.

5.2.6 Notice of Cancellation. There shall be no cancellation, material change, exhaustion of aggregate limits or intent not to renew insurance coverage without 60 days written notice to the COUNTY. Any failure to comply with this provision will not affect the insurance coverage provided to COUNTY. The 60 days notice of cancellation provision shall be physically endorsed on to the policy.

5.2.7 Insurance Carrier Rating. Coverages provided by CONTRACTOR must be underwritten by an insurance company deemed acceptable by COUNTY. Insurance coverage shall be provided by companies admitted to do business in Oregon or, in the alternative, rated A- or better by Best's Insurance Rating. COUNTY reserves the right to reject all or any insurance carrier(s) with an unacceptable financial rating.

5.2.8 Certificates of Insurance. As evidence of the insurance coverage required by this agreement, CONTRACTOR shall furnish a Certificate of Insurance to COUNTY. No agreement shall be in effect until required certificates have been received, approved and accepted by COUNTY. The certificate will specify that all insurance-related provisions within the agreement have been complied with. A renewal certificate will be sent to COUNTY 10 days prior to coverage expiring.

5.2.9 Independent Contractor Status. The service or services to be rendered under this agreement are those of an independent contractor. CONTRACTOR is not an officer, employee or agent of COUNTY as those terms are used in ORS 30.265.

5.2.10 Primary Coverage Clarification. CONTRACTOR's coverage will be primary in the event of a loss.

5.2.11 Cross Liability Clause. A cross-liability clause or separation of insureds condition will be included in all general liability, professional liability, and errors and omissions policies required by the agreement.

5.3 Governing Law; Consent to Jurisdiction. This agreement shall be governed by and construed in accordance with the laws of the State of Oregon. Any claim, action, or suit between COUNTY and CONTRACTOR that arises out of or relates to performance under this agreement shall be brought and conducted solely and exclusively within the Circuit Court for Clackamas County, State of Oregon. Provided,

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however, that if any such claim, action or suit may be brought only in a federal forum, it shall be brought and conducted solely and exclusively within the United States District Court for the District of Oregon. CONTRACTOR by execution of this agreement consents to the in personam jurisdiction of said courts.

5.4 Amendments. The terms of this agreement shall not be waived, altered, modified, supplemented, or amended, in any manner whatsoever, except by written instrument signed by CONTRACTOR and COUNTY.

5.5 Severability. If any term or provision of this agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms or provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the agreement did not contain the particular term or provision held to be invalid.

5.6 Waiver. The failure of either party to enforce any provision of this agreement shall not constitute a waiver of that or any other provision.

5.7 Future Support. COUNTY makes no commitment of future support and assumes no obligation for future support for the activity contracted herein except as set forth in this agreement.

5.8 Oregon Constitutional Limitations. This agreement is expressly subject to the debt limitation of Oregon counties set forth in Article XI, Section 10 of the Oregon Constitution, and is contingent upon funds being appropriated therefore. Any provisions herein, which would conflict with such law, are deemed inoperative to that extent.

5.9 Public Contracting Requirements. Pursuant to the requirements of ORS 279B-020 and ORS 279B.220 through 279B.335 and Article XI, Section 10, of the Oregon Constitution, the following terms and conditions are made a part of this agreement:

5.9.1 CONTRACTOR shall:

- a. Make payments promptly, as due, to all persons supplying to CONTRACTOR labor or materials for the performance of the work provided for in this agreement.
- b. Pay all contributions or amounts due the Industrial Accident Fund from such CONTRACTOR or subcontractor incurred in performance of this agreement.
- c. Not permit any lien or claim to be filed or prosecuted against Clackamas County on account of any labor or material furnished.
- d. Pay to the Department of Revenue all sums withheld from employees pursuant to ORS 316.167.

5.9.2 If CONTRACTOR fails, neglects, or refuses to make prompt payment of any claim for labor or services furnished to CONTRACTOR or a subcontractor by any person in connection with this agreement as such claim becomes due, the proper officer representing Clackamas County may pay such claim to the person furnishing the labor or services and charge the amount of the payment against funds due or to become due CONTRACTOR by reason of this agreement.

5.9.3 CONTRACTOR shall pay employees at least time and a half for all overtime work performed under this agreement in excess of 40 hours in any one week, except for individuals under personal services contracts who are excluded under ORS 653.010 to 653.261 and the Fair Labor Standards Act of 1938 (29 U.S.C. 201 to 209) from receiving overtime.

5.9.4 CONTRACTOR shall promptly, as due, make payment to any person or partnership, association, or corporation furnishing medical, surgical, and hospital care or other needed care and attention incident to sickness and injury, to the employees of CONTRACTOR, of all sums that CONTRACTOR agrees to pay for the services and all monies and sums that CONTRACTOR

Catholic Community Services of Western Washington

collected or deducted from the wages of its employees pursuant to any law, contract or agreement for the purpose of providing or paying for such services.

5.10 Integration. This agreement contains the entire agreement between COUNTY and CONTRACTOR and supersedes all prior written or oral discussions or agreements.

5.11 Federal Grant Requirements. CONTRACTOR shall comply with all applicable Federal Grant Requirements pursuant to 45 CFR Parts 74, 80, 84, 91, and 95.

5.12 Disclosure. CONTRACTOR shall comply with all disclosure requirements of 42 CFR 1002.3(a); 42 CFR 422 Subpart (B); and 42 CFR 457.900(a)(2).

5.13 Advance Directives. CONTRACTOR shall maintain written notices and procedures respecting Advance Directives in compliance with 42 USC Section 1396.(a)(57) and (w), 42 CFR 431.107(b)(4), and 42 CFR 431.107(b)(1) & (2); and 42 CFR Subpart I.

CONTRACTOR shall comply with 42 CFR Part 422.128 for maintaining written policies and procedures for Advance Directives. This includes compliance with OAR 410-120-1380 which establishes, among other requirements the requirements for compliance with Section 4751 of the Omnibus Budget Reconciliation Act of 1991 (OBRA) and ORS 127.649, Patient Self-Determination Act.

6.0 Termination

6.1 Termination Without Cause. This agreement may be terminated by mutual consent of both parties, or by either party upon ninety (90) business days notice, in writing and delivered by certified mail or in person.

6.2 Termination With Cause. COUNTY may terminate this agreement effective upon delivery of written notice to CONTRACTOR, or at such later date as may be established by COUNTY, under any of the following conditions:

6.2.1 The terms of the OHP Medicaid Demonstration Project are modified, changed or interpreted in such a way that the services are no longer allowable or appropriate for purchase under this agreement or are no longer eligible for the funding authorized by this agreement.

6.2.2 The termination, suspension or expiration of the Health Share of Oregon Participating Agreement.

6.2.3 COUNTY funding from Federal, State, or other sources is not obtained and continued at levels sufficient to allow for purchase of the indicated quantity of services. Alternatively, the parties may agree to modify the agreement to accommodate a reduction in funding.

6.2.4 COUNTY has evidence that CONTRACTOR has endangered or is endangering the health or safety of clients, staff or the public. CONTRACTOR shall ensure the orderly and reasonable transfer of care in progress with clients and shall work with COUNTY staff to accomplish same.

6.2.5 The lapse, relinquishment, suspension, expiration, cancellation or termination of any required license, certification or qualification of CONTRACTOR, or the lapse, relinquishment, suspension, expiration, cancellation or termination of CONTRACTOR's insurance as required in this agreement.

6.2.6 CONTRACTOR's filing for protection under United States Bankruptcy Code, the appointment of a receiver to manage CONTRACTOR's affairs, or the judicial declaration that CONTRACTOR is insolvent.

6.2.7 If CONTRACTOR fails to perform any of the other provisions of this agreement, or fails to pursue the work of this agreement in accordance with its terms, and after receipt of written notice from COUNTY, fails to correct such failures within ten (10) business days or such longer period as COUNTY may authorize.

6.3 Notice of Default. COUNTY may also issue written notice of default (including breach of contract) to CONTRACTOR and terminate the whole or any part of this agreement if CONTRACTOR substantially fails to perform the following specific provisions: Exhibit D(2)(A) Licenses and, Certification; Exhibit D(2)(C) Quality Assurance and Utilization Review; and Exhibit D(3) Recordkeeping and Reporting. The rights and remedies of COUNTY related to defaults (including breach of contract) by CONTRACTOR shall not be exclusive and are in addition to any other rights and remedies provided by law or under this agreement.

6.4 Transition. Any such termination of this agreement shall be without prejudice to any obligations or liabilities of either party already accrued prior to such termination. CONTRACTOR and COUNTY shall continue to perform all duties and obligations under this agreement with respect to clients under care of CONTRACTOR to the date of termination.

7.0 Notices

Any notice under this agreement shall be deemed received the earlier of the time of delivery of two (2) business days after mailing certified and postage prepaid through the U.S. Postal Service addressed as follows:

If to CONTRACTOR:

Catholic Community Service of
Western Washington
5410 N 44th Street
Tacoma, WA 98407-3799

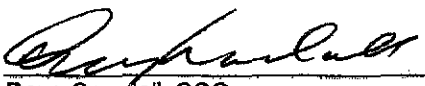
If to COUNTY:

Clackamas County Behavioral Health Division
2051 Kaen Road, # 367
Oregon City, OR 97045

This agreement consists of seven (7) sections plus the following attachments, which by this reference are incorporated herein:

Exhibit A	Definitions
Exhibit B	Compensation and Payment
Exhibit C	Scope of Work
Exhibit D	Performance Standards
Exhibit E	Fraud and Abuse
Exhibit F	Compliance with Applicable Law

CONTRACTOR

By: 
Doug Crandall, COO
12/4/12
Date
5410 N 44th Street
Street Address
Tacoma, WA 98407-3799
City / State / Zip
(503)758-8222 / (503)943-4994
Phone / Fax

CLACKAMAS COUNTY

Commissioner: Charlotte Lehan, Chair
Commissioner: Jim Bernard
Commissioner: Jamie Damon
Commissioner: Ann Liningier
Commissioner: Paul Savas

Signing on Behalf of the Board:

Cindy Becker, Director
Health, Housing, and Human Services Department

December 20, 2012

Board of Commissioners
Clackamas County

Members of the Board:

**Approval of a Professional Services Agreement with
Cascadia Behavioral Healthcare for a Risk Sharing Arrangement**

Clackamas County Behavioral Health Division of the Health, Housing & Human Services Department requests the approval of a Professional Services Agreement with Cascadia Behavioral Healthcare for a Risk Sharing Arrangement.

This agreement provides funding for costs related to closing the Roethe Road Residential Treatment Home on February 28, 2013. The agreement has not been previously reviewed by the board.

The total amount of this agreement is \$250,000 and is paid for with state funds. No County General Funds are involved. The agreement is part of a negotiation with the Oregon Health Authority, Addictions and Mental Health Division and Cascadia regarding the closure of the Roethe Road facility. County Counsel has reviewed and approved this agreement as part of the H3S contract standardization project. The agreement is effective November 1, 2012 and terminates June 30, 2013. The agreement is retroactive due to negotiations with the contractor regarding the need of the program.

Recommendation

We recommend the approval of this agreement and that Cindy Becker be authorized to sign on behalf of the Board of County Commissioners.

Respectfully submitted,



Cindy Becker
Director

For information on this issue or copies of attachments,
please contact Emily M. Zwetzig at (503) 742-5318.

PROFESSIONAL SERVICES AGREEMENT

This Professional Services Agreement is between Clackamas County acting by and through its Health, Housing and Human Services Department, Behavioral Health Division, hereinafter called "COUNTY" and CASCADIA BEHAVIORAL HEALTHCARE, hereinafter called "CONTRACTOR".

AGREEMENT

1.0 Engagement

COUNTY hereby engages CONTRACTOR in regard to the following:

Roethe Road Residential Treatment Home Closing – Risk Sharing Arrangement

The residential services at the Roethe Road Residential Treatment Home (RTH) are scheduled to terminate February 28, 2013. COUNTY agrees to pay CONTRACTOR for client vacancies created by the closure of the facility.

2.0 Term

Services provided under the terms of this agreement shall commence **November 1, 2012**. This agreement shall terminate **June 30, 2013** unless terminated earlier by one or both parties as provided for in paragraph 6.0.

3.0 Compensation and Fiscal Records

3.1 Compensation. COUNTY shall compensate CONTRACTOR for satisfactorily performing contracted services as specified in paragraph 1.0 as follows

Total payment to CONTRACTOR shall not exceed \$250,000.

Payment shall be full compensation for work performed, for services rendered, and for all labor, materials, supplies, equipment, travel expenses, mileage, and incidentals necessary to perform the work and services.

3.2 Method of Payment. To receive payment, CONTRACTOR shall submit invoices as follows:

CONTRACTOR shall invoice COUNTY for vacancies at Roethe Road RTH created by the transition to close the Roethe Road RTH. Invoices shall include the month the vacancy is claimed, client name and client rate at the time of the vacancy. Individual vacancies may be claimed each month from the initial vacancy date through February 28, 2013.

The invoice shall include the total amount due for the month. Submit invoices to:

Clackamas County Behavioral Health Division
Attn: Deborah Friedman
2051 Kaen Road, # 367
Oregon City, Oregon 97045

Within thirty (30) days after receipt of the bill, provided COUNTY has approved the service specified on the invoice, COUNTY shall pay the amount requested to CONTRACTOR.

3.3 Withholding of Contract Payments. Notwithstanding any other payment provision of this agreement, should CONTRACTOR fail to perform or document the performance of contracted services, COUNTY shall immediately withhold payments hereunder. Such withholding payment for cause may continue until CONTRACTOR performs required services or establishes to COUNTY'S satisfaction that such failure arose out of causes beyond the control, and without the fault or negligence, of CONTRACTOR.

3.4 Financial Records. CONTRACTOR shall maintain complete and legible financial records pertinent to payments received. Such records shall be maintained in accordance with Generally Accepted Accounting Principles. Financial records shall be retained for at least five (5) years after final payment is made under this agreement or until all pending matters are resolved, whichever period is longer. If an audit of financial records discloses that payments to CONTRACTOR were in excess of the amount to which CONTRACTOR was entitled, CONTRACTOR shall repay the amount of the excess to COUNTY.

3.4.1 CONTRACTOR shall maintain up-to-date accounting records that accurately reflect all revenue by source, all expenses by object of expense, and all assets, liabilities and equities consistent with Generally Accepted Accounting Principles and Oregon Administrative Rules. CONTRACTOR shall make reports and fiscal data generated under and for this agreement available to COUNTY upon request.

3.4.2 COUNTY shall conduct a fiscal compliance review of CONTRACTOR as part of compliance monitoring of this agreement. CONTRACTOR agrees to provide, upon reasonable notice, access to all financial books, documents, papers and records of CONTRACTOR which are pertinent to this agreement to ensure appropriate expenditure of funds under this agreement. COUNTY shall monitor compliance with COUNTY's financial reporting and accounting requirements.

3.4.3 CONTRACTOR may be subject to audit requirements. CONTRACTOR agrees that audits must be conducted by Certified Public Accountants who satisfy the independence requirement outlined in the rules of the American Institute of Certified Public Accountants (Rule 101 of the AICPA Code of Professional Conduct), the Oregon State Board of Accountancy, the independence rules contained within Governmental Auditing Standards (1994 Revision), and rules promulgated by other federal, state and local government agencies with jurisdiction over CONTRACTOR.

3.4.4 CONTRACTOR shall establish and maintain systematic written procedures to assure timely and appropriate resolution of review or audit findings and recommendations. CONTRACTOR shall make such procedures and documentation of resolution of audit findings available to COUNTY upon request.

4.0 Manner of Performance

4.1 Compliance with Applicable Laws and Regulations, and Special Federal Requirements. CONTRACTOR shall comply with all Federal and State regulations and laws, Oregon Administrative Rules, local laws and ordinances applicable to work performed under this agreement, including, but not limited to, all applicable Federal and State civil rights and rehabilitation statutes, rules and regulations, and as listed in Exhibit B, Performance Standards, attached hereto and incorporated herein.

4.2 Subcontracts. CONTRACTOR shall not enter into any subcontracts for any of the work scheduled under this agreement.

4.3 Independent Contractor. CONTRACTOR certifies that it is an independent contractor and not an employee or agent of Clackamas County, State of Oregon or Federal government. CONTRACTOR is not an officer, employee or agent of Clackamas County as those terms are used in ORS 30.265. Responsibility for all taxes, assessments, and any other charges imposed upon employers shall be the solely the responsibility of CONTRACTOR.

5.0 General Conditions

5.1 Indemnification. CONTRACTOR agrees to indemnify, save, hold harmless, and defend COUNTY, its officers, commissioners and employees from and against all claims and actions, and all expenses incidental to the investigation and defense thereof, arising out of actions, suits, claims or demand attributable in whole or in part to the acts or omissions of CONTRACTOR, and CONTRACTOR's officers, agents, and employees, in performance of this agreement.

If CONTRACTOR is a public body, CONTRACTOR's liability under this agreement is subject to the limitations of the Oregon Tort Claims Act.

5.2 Insurance. During the term of this agreement, CONTRACTOR shall maintain in force at its own expense each insurance noted below:

5.2.1 Commercial General Liability

Required by COUNTY Not required by COUNTY

CONTRACTOR shall obtain, at CONTRACTOR's expense, and keep in effect during the term of this agreement, Commercial General Liability Insurance covering bodily injury and property damage on an "occurrence" form in the amount of not less than \$1,000,000 per occurrence/ \$2,000,000 general aggregate for the protection of COUNTY, its officers, commissioners, and employees. This coverage shall include Contractual Liability insurance for the indemnity provided under this agreement. This policy(s) shall be primary insurance as respects to the COUNTY. Any insurance or self-insurance maintained by COUNTY shall be excess and shall not contribute it.

5.2.2 Commercial Automobile Liability

Required by COUNTY Not required by COUNTY

CONTRACTOR shall obtain at CONTRACTOR's expense, and keep in effect during the term of the agreement, "Symbol 1" Commercial Automobile Liability coverage including coverage for all owned, hired, and non-owned vehicles. The combined single limit per occurrence shall not be less than \$1,000,000.

5.2.3 Professional Liability

Required by COUNTY Not required by COUNTY

CONTRACTOR agrees to furnish COUNTY evidence of professional liability insurance in the amount of not less than \$1,000,000 combined single limit per occurrence/\$2,000,000 general annual aggregate for malpractice or errors and omissions coverage for the protection of COUNTY, its officers, commissioners and employees against liability for damages because of personal injury, bodily injury, death, or damage to property, including loss of use thereof, and damages because of negligent acts, errors and omissions in any way related to this agreement. COUNTY, at its option, may require a complete copy of the above policy.

5.2.4 Tail Coverage. If liability insurance is arranged on a "claims made" basis, "tail" coverage will be required at the completion of this contract for a duration of thirty-six (36) months or the maximum time period the CONTRACTOR'S insurer will provide "tail" coverage as subscribed, or continuous "claims made" liability coverage for thirty-six (36) months following the contract completion. Continuous "claims made" coverage will be acceptable in lieu of "tail" coverage, provided it's retroactive date is on or before the effective date of this contract.

5.2.5 Additional Insurance Provisions. All required insurance other than Professional Liability, Workers' Compensation, and Personal Automobile Liability insurance shall include "Clackamas County, its agents, officers, and employees" as an additional insured.

5.2.6 Notice of Cancellation. There shall be no cancellation, material change, exhaustion of aggregate limits or intent not to renew insurance coverage without 60 days written notice to the COUNTY. Any failure to comply with this provision will not affect the insurance coverage provided to COUNTY. The 60 days notice of cancellation provision shall be physically endorsed on to the policy.

5.2.7 Insurance Carrier Rating. Coverages provided by CONTRACTOR must be underwritten by an insurance company deemed acceptable by COUNTY. Insurance coverage shall be provided by companies admitted to do business in Oregon or, in the alternative, rated A- or better by Best's

Insurance Rating. COUNTY reserves the right to reject all or any insurance carrier(s) with an unacceptable financial rating.

5.2.8 Certificates of Insurance. As evidence of the insurance coverage required by this agreement, CONTRACTOR shall furnish a Certificate of Insurance to COUNTY. No agreement shall be in effect until required certificates have been received, approved and accepted by COUNTY. A renewal certificate will be sent to COUNTY ten days prior to coverage expiring.

5.2.9 Primary Coverage Clarification. CONTRACTOR's coverage will be primary in the event of a loss.

5.2.10 Cross Liability Clause. A cross-liability clause or separation of insureds condition will be included in all general liability, professional liability, and errors and omissions policies required by the agreement.

5.3 Governing Law; Consent to Jurisdiction. This agreement shall be governed by and construed in accordance with the laws of the State of Oregon. Any claim, action, or suit between COUNTY and CONTRACTOR that arises out of or relates to performance under this agreement shall be brought and conducted solely and exclusively within the Circuit Court for Clackamas County, State of Oregon. Provided, however, that if any such claim, action or suit may be brought only in a federal forum, it shall be brought and conducted solely and exclusively within the United States District Court for the District of Oregon. CONTRACTOR by execution of this agreement consents to the in personam jurisdiction of said courts.

5.4 Amendments. The terms of this agreement shall not be waived, altered, modified, supplemented, or amended, in any manner whatsoever, except by written instrument signed by CONTRACTOR and COUNTY.

5.5 Severability. If any term or provision of this agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms or provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the agreement did not contain the particular term or provision held to be invalid.

5.6 Waiver. The failure of either party to enforce any provision of this agreement shall not constitute a waiver of that or any other provision.

5.7 Future Support. COUNTY makes no commitment of future support and assumes no obligation for future support for the activity contracted herein except as set forth in this agreement.

5.8 Oregon Public Contracting Requirements. Pursuant to the requirements of Oregon law, the following terms and conditions are made a part of this agreement:

5.8.1 Workers' Compensation. All subject employers working under this agreement must either maintain workers' compensation insurance as required by ORS 656.017, or qualify for an exemption under ORS 656.126. CONTRACTOR shall maintain employer's liability insurance with limits of \$500,000 each accident, \$500,000 disease each employee, and \$500,000 each policy limit.

5.8.2 Oregon Constitutional Limitations. This agreement is expressly subject to the debt limitation of Oregon counties set forth in Article XI, Section 10 of the Oregon Constitution, and is contingent upon funds being appropriated therefore. Any provisions herein, which would conflict with such law, are deemed inoperative to that extent.

5.8.3 Oregon Public Contracting Conditions. Pursuant to the terms of ORS 279B.220, CONTRACTOR shall:

- a. Make payments promptly, as due, to all persons supplying to CONTRACTOR labor or materials for the performance of the work provided for in this agreement.

- b. Pay all contributions or amounts due the Industrial Accident Fund from such CONTRACTOR or subcontractor incurred in performance of this agreement.
- c. Not permit any lien or claim to be filed or prosecuted against Clackamas County on account of any labor or material furnished.
- d. Pay to the Department of Revenue all sums withheld from employees pursuant to ORS 316.167.

5.8.4 CONTRACTOR shall pay employees for work in accordance with ORS 279B.020 and ORS 279B.235, which is incorporated herein by this reference.

5.8.5 As required by ORS 279B.230, CONTRACTOR shall promptly, as due, make payment to any person or partnership, association, or corporation furnishing medical, surgical, and hospital care or other needed care and attention incident to sickness and injury, to the employees of CONTRACTOR, of all sums that CONTRACTOR agrees to pay for the services and all monies and sums that CONTRACTOR collected or deducted from the wages of its employees pursuant to any law, contract or agreement for the purpose of providing or paying for such services.

5.9 Integration. This agreement contains the entire agreement between COUNTY and CONTRACTOR and supersedes all prior written or oral discussions or agreements.

6.0 Termination

6.1 Termination Without Cause. This agreement may be terminated by mutual consent of both parties, or by either party upon thirty (30) business days notice, in writing and delivered by certified mail or in person.

6.2 Termination With Cause. COUNTY, by written notice of default (including breach of contract) to CONTRACTOR, may terminate this agreement effective upon delivery of written notice to CONTRACTOR, or at such later date as may be established by COUNTY, under any of the following conditions:

- a. If COUNTY funding from Federal, State, or other sources is not obtained and continued at levels sufficient to allow for purchase of the indicated quantity of services, the contract may be modified to accommodate a reduction in funds.
- b. If Federal or State regulations or guidelines are modified, changed, or interpreted in such a way that the services are no longer allowable or appropriate for purchase under this contract or are no longer eligible for the funding authorized by this agreement.
- c. If any license or certificate required by law or regulation to be held by CONTRACTOR to provide the services required by this agreement is for any reason denied, revoked, or not renewed.
- d. If CONTRACTOR fails to provide services, outcomes, reports as specified by COUNTY in this agreement.
- e. If CONTRACTOR fails to perform any of the other provisions of this contract, or so fails to pursue the work as to endanger performance of this contract in accordance with its terms, and after receipt of written notice from COUNTY, fails to correct such failures within 10 days or such longer period as COUNTY may authorize.

6.2.1 If CONTRACTOR fails to perform any of the provisions of this agreement, or so fails to pursue the work as to endanger performance of this contract in accordance with its terms, and after receipt of written notice from COUNTY fails to correct such failures within 10 days or such longer period as COUNTY may authorize.

6.3 Transition. Any such termination of this agreement shall be without prejudice to any obligations or liabilities of either party already accrued prior to such termination. CONTRACTOR and COUNTY shall

continue to perform all duties and obligations under this agreement with respect to individuals under care of CONTRACTOR to the date of termination.

7.0 Notices

Any notice under this agreement shall be deemed received the earlier of the time of delivery of two (2) business days after mailing certified and postage prepaid through the U.S. Postal Service addressed as follows:

If to CONTRACTOR:

Cascadia Behavioral Healthcare
PO Box 8459
Portland, OR 97207

If to COUNTY:

Clackamas County Behavioral Health Division
2051 Kaen Road, # 367
Oregon City, OR 97045

This agreement consists of seven (7) sections.

IN WITNESS WHEREOF, the parties hereto have caused this contract to be executed by their duly authorized officers.

CASCADIA BEHAVIORAL HEALTHCARE

By:


Derald Walker, CEO/President
12/10/2012

Date
PO Box 8459
Street Address
Portland, Oregon 97207
City / State / Zip
(503)777-2278 / (503)652-6277
Phone / Fax

CLACKAMAS COUNTY

Commissioner: Charlotte Lehan, Chair
Commissioner: Jim Bernard
Commissioner: Jamie Damon
Commissioner: Ann Lininger
Commissioner: Paul Savas

Signing on Behalf of the Board:

Cindy Becker, Director
Health, Housing and Human Service Department

Date

S:\Admin\CONTRACTS\BEHAVIORAL HEALTH\Expense\Cascadia Behavioral Healthcare\Roethe Road-Risk Sharing Arrangement\2013-02-28PSAcontract.docx

December 20, 2012

Board of Commissioners
Clackamas County

Members of the Board:

**Approval of a Behavioral Health Services Agreement with
CODA, Inc. for Intensive Treatment and Recovery Services,
Outpatient Substance Abuse Services, and Outpatient Mental Health Services**

Clackamas County Behavioral Health Division (CCBHD) of the Health, Housing and Human Services Department (H3S) requests the approval of a renewal Behavioral Health Services Agreement with CODA, Inc. for Intensive Treatment and Recovery Services, Outpatient Substance Abuse Services, and Outpatient Mental Health Services.

Through this agreement, CCBHD subcontracts services for people who are Oregon Health Plan (OHP) members capitated to Clackamas County. The previous agreement was reviewed by the Board of County Commissioners and approved on March 8, 2012.

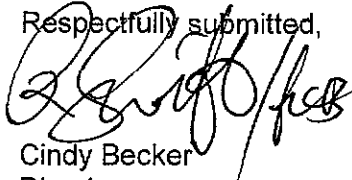
Payment is based on current Medicaid rates. The agreement does not contain an upper limit; expenditures are controlled by CCBHD staff who pre-authorize and monitor services on an on-going basis.

This agreement will be funded with Oregon Health Authority funds received through Health Share Oregon. No County General Funds are involved. County Counsel has reviewed and approved this agreement as part of the H3S contract standardization project. It is effective January 1, 2013 and terminates on December 31, 2013.

Recommendation

We recommend approval of this agreement and that Cindy Becker be authorized to sign on behalf of the Board of County Commissioners.

Respectfully submitted,


Cindy Becker
Director

For information on this issue or copies of attachments,
please contact Emily M. Zwetzig at (503)742-5318.

BEHAVIORAL HEALTH SERVICES AGREEMENT

This Behavioral Health Services Agreement is between Clackamas County acting by and through its Health, Housing and Human Services Department, Behavioral Health Division, hereinafter called "COUNTY" and CODA, INC., hereinafter called "CONTRACTOR".

AGREEMENT

1.0 Engagement

COUNTY hereby engages CONTRACTOR to provide services as described in Exhibit B, Scope of Work, attached hereto and incorporated herein. This agreement sets forth the terms under which CONTRACTOR will contract with COUNTY to provide behavioral health services to Oregon Health Plan Medicaid recipients enrolled with Health Share of Oregon/Clackamas and residents of Clackamas County who are eligible for services as uninsured, indigent individuals.

2.0 Term

Services provided under the terms of this agreement shall commence upon the **January 1, 2013**. This agreement shall terminate **December 31, 2013** unless terminated by one or both parties as provided for below. This agreement may be renewed annually and amended by mutual written consent of both parties.

3.0 Compensation and Fiscal Records

3.1 Compensation. COUNTY shall compensate CONTRACTOR as specified in Exhibit C, Compensation and Payment, for satisfactorily performing contracted services. The payment shall be full compensation for work performed, for services rendered, and for all labor, materials, supplies, equipment, mileage, and incidentals necessary to perform the work and services.

3.2 Withholding of Contract Payments. Notwithstanding any other payment provision of this agreement, should CONTRACTOR fail to perform or document the performance of contracted services, COUNTY shall immediately withhold payments hereunder. Such withholding payment for cause may continue until CONTRACTOR performs required services or establishes to COUNTY'S satisfaction that such failure arose out of causes beyond the control, and without the fault or negligence, of CONTRACTOR.

3.3 Financial Records. CONTRACTOR and its subcontractors shall maintain complete and legible financial records pertinent to authorized Covered Services delivered and payments received. Such records shall be maintained in accordance with Generally Accepted Accounting Principles and/or other applicable accounting guidelines such as outlined in Office of Management and Budget circulars A-87, A-122 and A-133. Financial records and supporting documents shall be retained for at least five (5) years after final payment is made under this agreement or until all pending matters are resolved, whichever period is longer. If an audit of financial records discloses that payments to CONTRACTOR were in excess of the amount to which CONTRACTOR was entitled, CONTRACTOR shall repay the amount of the excess to COUNTY.

4.0 Manner of Performance

4.1 Compliance with Applicable Laws and Regulations, and Special Federal Requirements. CONTRACTOR shall comply with all Federal, State and local laws, rules and regulations applicable to work performed under this agreement, including, but not limited to, all applicable Federal and State civil rights and rehabilitation statutes, rules and regulations, and as listed in Exhibit F, Compliance with Applicable Law, attached hereto and incorporated herein. CONTRACTOR shall comply with OAR 410-120-1380, which establishes the requirements for compliance with Section 4751 of Omnibus Budget Reconciliation Act (OBRA) 1991 and ORS 127.649, Patient Self-Determination Act.

4.2 Subcontracts. CONTRACTOR shall not enter into any subcontracts for any of the work scheduled under this agreement without obtaining prior written approval from COUNTY. CONTRACTOR shall not be

CODA, Inc.

relieved of any of CONTRACTOR's obligations hereunder by virtue of any such subcontract, and shall remain directly responsible for compliance with all the terms of this agreement.

4.3 Independent Contractor. CONTRACTOR certifies that it is an independent contractor and not an employee or agent of County, State or Federal government. Responsibility for all taxes, assessments, and any other charges imposed upon employers shall be the solely the responsibility of CONTRACTOR.

4.4 Workers' Compensation. CONTRACTOR certifies that it is an insured employer for purposes of the Oregon Workers' Compensation law and maintains workers' compensation insurance as required by ORS 656.017, or qualifies for an exemption under ORS 656.126. CONTRACTOR shall maintain employer's liability insurance with limits of \$500,000 each accident, \$500,000 disease each employee, and \$500,000 each policy limit.

5.0 General Conditions

5.1 Indemnification. CONTRACTOR agrees to indemnify, save, hold harmless, and defend COUNTY, its officers, commissioners and employees from and against all claims and actions, and all expenses incidental to the investigation and defense thereof, arising out of actions, suits, claims or demand attributable in whole or in part to the acts or omissions of CONTRACTOR, and CONTRACTOR's officers, agents, and employees, in performance of this agreement.

CONTRACTOR shall defend, save, hold harmless and indemnify the State of Oregon, OHA and their officers, agents and employees from and against all claims, suits, actions, damages, liabilities, costs and expenses of whatsoever nature resulting from, arising out of, or relating to the activities or omissions of CONTRACTOR, or its agents or employees under this agreement.

If CONTRACTOR is a public body, CONTRACTOR's liability under this agreement is subject to the limitations of the Oregon Tort Claims Act.

5.2 Insurance. During the term of this agreement, CONTRACTOR shall maintain in force at its own expense each insurance noted below:

5.2.1 Commercial General Liability

Required by COUNTY Not required by COUNTY

CONTRACTOR shall obtain, at CONTRACTOR's expense, and keep in effect during the term of this agreement, Commercial General Liability Insurance covering bodily injury and property damage on an "occurrence" form in the amount of not less than \$2,000,000 per occurrence/ \$4,000,000 general aggregate for the protection of COUNTY, its officers, commissioners, and employees. This coverage shall include Contractual Liability insurance for the indemnity provided under this agreement. This policy(s) shall be primary insurance as respects to the COUNTY. Any insurance or self-insurance maintained by COUNTY shall be excess and shall not contribute it.

5.2.2 Commercial Automobile Liability

Required by COUNTY Not required by COUNTY

CONTRACTOR shall also obtain at CONTRACTOR's expense, and keep in effect during the term of the agreement, "Symbol 1" Commercial Automobile Liability coverage including coverage for all owned, hired, and non-owned vehicles. The combined single limit per occurrence shall not be less than \$2,000,000.

5.2.3 Professional Liability

Required by COUNTY

Not required by COUNTY

CONTRACTOR agrees to furnish COUNTY evidence of professional liability insurance in the amount of not less than \$2,000,000 combined single limit per occurrence/\$4,000,000 general annual aggregate for malpractice or errors and omissions coverage for the protection of COUNTY, its officers, commissioners and employees against liability for damages because of personal injury, bodily injury, death, or damage to property, including loss of use thereof, and damages because of negligent acts, errors and omissions in any way related to this agreement. COUNTY, at its option, may require a complete copy of the above policy.

5.2.4 Additional Insurance Provisions. All required insurance other than Professional Liability, Workers' Compensation, and Personal Automobile Liability insurance shall include "Clackamas County, its agents, officers, and employees" as an additional insured.

5.2.5 Notice of Cancellation. There shall be no cancellation, material change, exhaustion of aggregate limits or intent not to renew insurance coverage without 60 days written notice to the COUNTY. Any failure to comply with this provision will not affect the insurance coverage provided to COUNTY. The 60 days notice of cancellation provision shall be physically endorsed on to the policy.

5.2.6 Insurance Carrier Rating. Coverages provided by CONTRACTOR must be underwritten by an insurance company deemed acceptable by COUNTY. Insurance coverage shall be provided by companies admitted to do business in Oregon or, in the alternative, rated A- or better by Best's Insurance Rating. COUNTY reserves the right to reject all or any insurance carrier(s) with an unacceptable financial rating.

5.2.7 Certificates of Insurance. As evidence of the insurance coverage required by this agreement, CONTRACTOR shall furnish a Certificate of Insurance to COUNTY. No agreement shall be in effect until required certificates have been received, approved and accepted by COUNTY. A renewal certificate will be sent to COUNTY 10 days prior to coverage expiring.

5.2.8 Independent Contractor Status. The service or services to be rendered under this agreement are those of an independent contractor. CONTRACTOR is not an officer, employee or agent of COUNTY as those terms are used in ORS 30.265.

5.2.9 Primary Coverage Clarification. CONTRACTOR's coverage will be primary in the event of a loss.

5.2.10 Cross Liability Clause. A cross-liability clause or separation of insureds condition will be included in all general liability, professional liability, and errors and omissions policies required by the agreement.

5.3 Governing Law; Consent to Jurisdiction. This agreement shall be governed by and construed in accordance with the laws of the State of Oregon. Any claim, action, or suit between COUNTY and CONTRACTOR that arises out of or relates to performance under this agreement shall be brought and conducted solely and exclusively within the Circuit Court for Clackamas County, State of Oregon. Provided, however, that if any such claim, action or suit may be brought only in a federal forum, it shall be brought and conducted solely and exclusively within the United States District Court for the District of Oregon. CONTRACTOR by execution of this agreement consents to the in personam jurisdiction of said courts.

5.4 Amendments. The terms of this agreement shall not be waived, altered, modified, supplemented, or amended, in any manner whatsoever, except by written instrument signed by CONTRACTOR and COUNTY.

5.5 Severability. If any term or provision of this agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms or provisions shall not

CODA, Inc.

be affected, and the rights and obligations of the parties shall be construed and enforced as if the agreement did not contain the particular term or provision held to be invalid.

5.6 Waiver. The failure of either party to enforce any provision of this agreement shall not constitute a waiver of that or any other provision.

5.7 Future Support. COUNTY makes no commitment of future support and assumes no obligation for future support for the activity contracted herein except as set forth in this agreement.

5.8 Oregon Constitutional Limitations. This agreement is expressly subject to the debt limitation of Oregon counties set forth in Article XI, Section 10 of the Oregon Constitution, and is contingent upon funds being appropriated therefore. Any provisions herein, which would conflict with such law, are deemed inoperative to that extent.

5.9 Public Contracting Requirements. Pursuant to the requirements of ORS 279B-020 and ORS 279B.220 through 279B.335 and Article XI, Section 10, of the Oregon Constitution, the following terms and conditions are made a part of this agreement:

5.9.1 CONTRACTOR shall:

- a. Make payments promptly, as due, to all persons supplying to CONTRACTOR labor or materials for the performance of the work provided for in this agreement.
- b. Pay all contributions or amounts due the Industrial Accident Fund from such CONTRACTOR or subcontractor incurred in performance of this agreement.
- c. Not permit any lien or claim to be filed or prosecuted against Clackamas County on account of any labor or material furnished.
- d. Pay to the Department of Revenue all sums withheld from employees pursuant to ORS 316.167.

5.9.2 If CONTRACTOR fails, neglects, or refuses to make prompt payment of any claim for labor or services furnished to CONTRACTOR or a subcontractor by any person in connection with this agreement as such claim becomes due, the proper officer representing Clackamas County may pay such claim to the person furnishing the labor or services and charge the amount of the payment against funds due or to become due CONTRACTOR by reason of this agreement.

5.9.3 CONTRACTOR shall pay employees at least time and a half for all overtime work performed under this agreement in excess of 40 hours in any one week, except for individuals under personal services contracts who are excluded under ORS 653.010 to 653.261 and the Fair Labor Standards Act of 1938 (29 U.S.C. 201 to 209) from receiving overtime.

5.9.4 CONTRACTOR shall promptly, as due, make payment to any person or partnership, association, or corporation furnishing medical, surgical, and hospital care or other needed care and attention incident to sickness and injury, to the employees of CONTRACTOR, of all sums that CONTRACTOR agrees to pay for the services and all monies and sums that CONTRACTOR collected or deducted from the wages of its employees pursuant to any law, contract or agreement for the purpose of providing or paying for such services.

5.10 Integration. This agreement contains the entire agreement between COUNTY and CONTRACTOR and supersedes all prior written or oral discussions or agreements.

5.11 Federal Grant Requirements. CONTRACTOR shall comply with all applicable Federal Grant Requirements pursuant to 45 CFR Parts 74, 80, 84, 91, and 95.

5.12 Disclosure. CONTRACTOR shall comply with all disclosure requirements of 42 CFR 1002.3(a); 42 CFR 422 Subpart (B); and 42 CFR 457.900(a)(2).

5.13 Advance Directives. CONTRACTOR shall maintain written notices and procedures respecting Advance Directives in compliance with 42 USC Section 1396.(a)(57) and (w), 42 CFR 431.107(b)(4), and 42 CFR 431.107(b)(1) & (2); and 42 CFR Subpart I.

CONTRACTOR shall comply with 42 CFR Part 422.128 for maintaining written policies and procedures for Advance Directives. This includes compliance with OAR 410-120-1380 which establishes, among other requirements the requirements for compliance with Section 4751 of the Omnibus Budget Reconciliation Act of 1991 (OBRA) and ORS 127.649, Patient Self-Determination Act.

6.0 Termination

6.1 Termination Without Cause. This agreement may be terminated by mutual consent of both parties, or by either party upon ninety (90) business days notice, in writing and delivered by certified mail or in person.

6.2 Termination With Cause. COUNTY may terminate this agreement effective upon delivery of written notice to CONTRACTOR, or at such later date as may be established by COUNTY, under any of the following conditions:

6.2.1 The terms of the OHP Medicaid Demonstration Project are modified, changed or interpreted in such a way that the services are no longer allowable or appropriate for purchase under this agreement or are no longer eligible for the funding authorized by this agreement.

6.2.2 The termination, suspension or expiration of the Health Share of Oregon Participating Agreement.

6.2.3 COUNTY funding from Federal, State, or other sources is not obtained and continued at levels sufficient to allow for purchase of the indicated quantity of services. Alternatively, the parties may agree to modify the agreement to accommodate a reduction in funding.

6.2.4 COUNTY has evidence that CONTRACTOR has endangered or is endangering the health or safety of clients, staff or the public. CONTRACTOR shall ensure the orderly and reasonable transfer of care in progress with clients and shall work with COUNTY staff to accomplish same.

6.2.5 The lapse, relinquishment, suspension, expiration, cancellation or termination of any required license, certification or qualification of CONTRACTOR, or the lapse, relinquishment, suspension, expiration, cancellation or termination of CONTRACTOR's insurance as required in this agreement.

6.2.6 CONTRACTOR's filing for protection under United States Bankruptcy Code, the appointment of a receiver to manage CONTRACTOR's affairs, or the judicial declaration that CONTRACTOR is insolvent.

6.2.7 If CONTRACTOR fails to perform any of the other provisions of this agreement, or fails to pursue the work of this agreement in accordance with its terms, and after receipt of written notice from COUNTY, fails to correct such failures within ten (10) business days or such longer period as COUNTY may authorize.

6.3 Notice of Default. COUNTY may also issue written notice of default (including breach of contract) to CONTRACTOR and terminate the whole or any part of this agreement if CONTRACTOR substantially fails to perform the following specific provisions: Exhibit D(2)(A) Licenses and, Certification; Exhibit D(2)(C) Quality Assurance and Utilization Review; and Exhibit D(3) Recordkeeping and Reporting. The rights and remedies of COUNTY related to defaults (including breach of contract) by CONTRACTOR shall not be exclusive and are in addition to any other rights and remedies provided by law or under this agreement.

6.4 Transition. Any such termination of this agreement shall be without prejudice to any obligations or liabilities of either party already accrued prior to such termination. CONTRACTOR and COUNTY shall continue to perform all duties and obligations under this agreement with respect to clients under care of CONTRACTOR to the date of termination.

7.0 Notices

Any notice under this agreement shall be deemed received the earlier of the time of delivery of two (2) business days after mailing certified and postage prepaid through the U.S. Postal Service addressed as follows:

If to CONTRACTOR:

CODA, Inc.
1027 E Burnside Street
Portland, OR 97214

If to COUNTY:

Clackamas County Behavioral Health Division
2051 Kaen Road, # 367
Oregon City, OR 97045

This agreement consists of seven (7) sections plus the following attachments, which by this reference are incorporated herein:

Exhibit A	Definitions
Exhibit B	Scope of Work
Exhibit C	Compensation and Payment
Exhibit D	Performance Standards
Exhibit E	Fraud and Abuse
Exhibit F	Compliance with Applicable Law

CODA, INC.

By: 

Tim Harnett, Executive Director

Date

12/11/12
1027 E Burnside Street

Street Address

Portland, OR 97214

City / State / Zip

(503)239-8400 / (503)239-8406

Phone

/ Fax

CLACKAMAS COUNTY

Commissioner: Charlotte Lehan, Chair

Commissioner: Jim Bernard

Commissioner: Jamie Damon

Commissioner: Ann Lininger

Commissioner: Paul Savas

Signing on Behalf of the Board:

Cindy Becker, Director

Health, Housing, and Human Services Department

Date

COPY

15
Cindy Becker
Director

December 13, 2012

Board of Commissioners
Clackamas County

Members of the Board:

**Approval of a Behavioral Health Services Agreement with
Portland DBT Program, PC for
Outpatient Mental Health Services**

Clackamas County Behavioral Health Division (CCBHD) of the Health, Housing and Human Services Department (H3S) requests the approval of a renewal Behavioral Health Services Agreement with Portland DBT Program, PC for Outpatient Mental Health Services.

Through this agreement, CCBHD subcontracts services for people who are Oregon Health Plan (OHP) members capitated to Clackamas County. The previous agreement was reviewed by the Board of County Commissioners and approved on January 19, 2012.

Payment is based on current Medicaid rates. The agreement does not contain an upper limit; expenditures are controlled by CCBHD staff who pre-authorize and monitor services on an on-going basis.

This agreement will be funded with Oregon Health Authority funds received through Health Share Oregon. No County General Funds are involved. County Counsel has reviewed and approved this agreement as part of the H3S contract standardization project. It is effective January 1, 2013 and terminates on December 31, 2013.

Recommendation

We recommend approval of this agreement and that Cindy Becker be authorized to sign on behalf of the Board of County Commissioners.

Respectfully submitted,


Cindy Becker
Director

For information on this issue or copies of attachments,
please contact Emily M. Zwetzig at (503)742-5318.

Healthy Families. Strong Communities.

2051 Kaen Road #239, Oregon City, OR 97045 • Phone: 503-650-5697 • Fax: 503-655-8677 • www.clackamas.us

BEHAVIORAL HEALTH SERVICES AGREEMENT

This Behavioral Health Services Agreement is between Clackamas County acting by and through its Health, Housing and Human Services Department, Behavioral Health Division, hereinafter called "COUNTY" and PORTLAND DBT PROGRAM, PC, hereinafter called "CONTRACTOR".

AGREEMENT

1.0 Engagement

COUNTY hereby engages CONTRACTOR to provide services as described in Exhibit B, Scope of Work, attached hereto and incorporated herein. This agreement sets forth the terms under which CONTRACTOR will contract with COUNTY to provide mental health services to Oregon Health Plan Medicaid recipients enrolled with Health Share of Oregon / Clackamas and residents of Clackamas County who are eligible for services as uninsured, indigent individuals.

2.0 Term

Services provided under the terms of this agreement shall commence upon the **January 1, 2013**. This agreement shall terminate **December 31, 2013** unless terminated by one or both parties as provided for in paragraph 6.0 below. This agreement may be renewed annually and amended by mutual written consent of both parties.

3.0 Compensation and Fiscal Records

3.1 Compensation. COUNTY shall compensate CONTRACTOR as specified in Exhibit C, Compensation and Payment, for satisfactorily performing contracted services. The payment shall be full compensation for work performed, for services rendered, and for all labor, materials, supplies, equipment, mileage, and incidentals necessary to perform the work and services.

3.2 Withholding of Contract Payments. Notwithstanding any other payment provision of this agreement, should CONTRACTOR fail to perform or document the performance of contracted services, COUNTY shall immediately withhold payments hereunder. Such withholding payment for cause may continue until CONTRACTOR performs required services or establishes to COUNTY'S satisfaction that such failure arose out of causes beyond the control, and without the fault or negligence, of CONTRACTOR.

3.3 Financial Records. CONTRACTOR and its subcontractors shall maintain complete and legible financial records pertinent to authorized Covered Services delivered and payments received. Such records shall be maintained in accordance with Generally Accepted Accounting Principles and/or other applicable accounting guidelines such as outlined in Office of Management and Budget circulars A-87, A-122 and A-133. Financial records and supporting documents shall be retained for at least five (5) years after final payment is made under this agreement or until all pending matters are resolved, whichever period is longer. If an audit of financial records discloses that payments to CONTRACTOR were in excess of the amount to which CONTRACTOR was entitled, CONTRACTOR shall repay the amount of the excess to COUNTY.

4.0 Manner of Performance

4.1 Compliance with Applicable Laws and Regulations, and Special Federal Requirements. CONTRACTOR shall comply with all Federal, State and local laws, rules and regulations applicable to work performed under this agreement, including, but not limited to, all applicable Federal and State civil rights and rehabilitation statutes, rules and regulations, and as listed in Exhibit F, Compliance with Applicable Law, attached hereto and incorporated herein. CONTRACTOR shall comply with OAR 410-120-1380, which establishes the requirements for compliance with Section 4751 of Omnibus Budget Reconciliation Act (OBRA) 1991 and ORS 127.649, Patient Self-Determination Act.

4.2 Subcontracts. CONTRACTOR shall not enter into any subcontracts for any of the work scheduled under this agreement without obtaining prior written approval from COUNTY. CONTRACTOR shall not be relieved of any of CONTRACTOR's obligations hereunder by virtue of any such subcontract, and shall remain directly responsible for compliance with all the terms of this agreement.

4.3 Independent Contractor. CONTRACTOR certifies that it is an independent contractor and not an employee or agent of County, State or Federal government. Responsibility for all taxes, assessments, and any other charges imposed upon employers shall be the solely the responsibility of CONTRACTOR.

4.4 Workers' Compensation. CONTRACTOR certifies that it is an insured employer for purposes of the Oregon Workers' Compensation law and maintains workers' compensation insurance as required by ORS 656.017, or qualifies for an exemption under ORS 656.126. CONTRACTOR shall maintain employer's liability insurance with limits of \$500,000 each accident, \$500,000 disease each employee, and \$500,000 each policy limit.

5.0 General Conditions

5.1 Indemnification. CONTRACTOR agrees to indemnify, save, hold harmless, and defend COUNTY, its officers, commissioners and employees from and against all claims and actions, and all expenses incidental to the investigation and defense thereof, arising out of actions, suits, claims or demand attributable in whole or in part to the acts or omissions of CONTRACTOR, and CONTRACTOR's officers, agents, and employees, in performance of this agreement.

CONTRACTOR shall defend, save, hold harmless and indemnify the State of Oregon, OHA and their officers, agents and employees from and against all claims, suits, actions, damages, liabilities, costs and expenses of whatsoever nature resulting from, arising out of, or relating to the activities or omissions of CONTRACTOR, or its agents or employees under this agreement.

If CONTRACTOR is a public body, CONTRACTOR's liability under this agreement is subject to the limitations of the Oregon Tort Claims Act.

5.2 Insurance. During the term of this agreement, CONTRACTOR shall maintain in force at its own expense each insurance noted below:

5.2.1 Commercial General Liability

Required by COUNTY Not required by COUNTY

CONTRACTOR shall obtain, at CONTRACTOR's expense, and keep in effect during the term of this agreement, Commercial General Liability Insurance covering bodily injury and property damage on an "occurrence" form in the amount of not less than \$2,000,000 per occurrence/\$4,000,000 general aggregate for the protection of COUNTY, its officers, commissioners, and employees. This coverage shall include Contractual Liability insurance for the indemnity provided under this agreement. This policy(s) shall be primary insurance as respects to the COUNTY. Any insurance or self-insurance maintained by COUNTY shall be excess and shall not contribute it.

5.2.2 Commercial Automobile Liability

Required by COUNTY Not required by COUNTY

CONTRACTOR shall also obtain at CONTRACTOR's expense, and keep in effect during the term of the agreement, "Symbol 1" Commercial Automobile Liability coverage including coverage for all owned, hired, and non-owned vehicles. The combined single limit per occurrence shall not be less than \$2,000,000.

5.2.3 Professional Liability

Required by COUNTY Not required by COUNTY

CONTRACTOR agrees to furnish COUNTY evidence of professional liability insurance in the amount of not less than \$2,000,000 combined single limit per occurrence/\$4,000,000 general annual aggregate for malpractice or errors and omissions coverage for the protection of COUNTY, its officers, commissioners and employees against liability for damages because of personal injury, bodily injury, death, or damage to property, including loss of use thereof, and damages because of negligent acts, errors and omissions in any way related to this agreement. COUNTY, at its option, may require a complete copy of the above policy.

5.2.4 Tail Coverage. If liability insurance is arranged on a "claims made" basis, "tail" coverage will be required at the completion of this contract for a duration of thirty-six (36) months or the maximum time period the CONTRACTOR'S insurer will provide "tail" coverage as subscribed, or continuous "claims made" liability coverage for thirty-six (36) months following the contract completion. Continuous "claims made" coverage will be acceptable in lieu of "tail" coverage provided its retroactive date is on or before the effective date of this contract.

5.2.5 Additional Insurance Provisions. All required insurance other than Professional Liability, Workers' Compensation, and Personal Automobile Liability insurance shall include "Clackamas County, its agents, officers, and employees" as an additional insured.

5.2.6 Notice of Cancellation. There shall be no cancellation, material change, exhaustion of aggregate limits or intent not to renew insurance coverage without 60 days written notice to the COUNTY. Any failure to comply with this provision will not affect the insurance coverage provided to COUNTY. The 60 days notice of cancellation provision shall be physically endorsed on to the policy.

5.2.7 Insurance Carrier Rating. Coverages provided by CONTRACTOR must be underwritten by an insurance company deemed acceptable by COUNTY. Insurance coverage shall be provided by companies admitted to do business in Oregon or, in the alternative, rated A- or better by Best's Insurance Rating. COUNTY reserves the right to reject all or any insurance carrier(s) with an unacceptable financial rating.

5.2.8 Certificates of Insurance. As evidence of the insurance coverage required by this agreement, CONTRACTOR shall furnish a Certificate of Insurance to COUNTY. No agreement shall be in effect until required certificates have been received, approved and accepted by COUNTY. The certificate will specify that all insurance-related provisions within the agreement have been complied with. A renewal certificate will be sent to COUNTY 10 days prior to coverage expiring.

5.2.9 Independent Contractor Status. The service or services to be rendered under this agreement are those of an independent contractor. CONTRACTOR is not an officer, employee or agent of COUNTY as those terms are used in ORS 30.265.

5.2.10 Primary Coverage Clarification. CONTRACTOR's coverage will be primary in the event of a loss.

5.2.11 Cross Liability Clause. A cross-liability clause or separation of insureds condition will be included in all general liability, professional liability, and errors and omissions policies required by the agreement.

5.3 Governing Law; Consent to Jurisdiction. This agreement shall be governed by and construed in accordance with the laws of the State of Oregon. Any claim, action, or suit between COUNTY and CONTRACTOR that arises out of or relates to performance under this agreement shall be brought and conducted solely and exclusively within the Circuit Court for Clackamas County, State of Oregon. Provided,

however, that if any such claim, action or suit may be brought only in a federal forum, it shall be brought and conducted solely and exclusively within the United States District Court for the District of Oregon. CONTRACTOR by execution of this agreement consents to the in personam jurisdiction of said courts.

5.4 Amendments. The terms of this agreement shall not be waived, altered, modified, supplemented, or amended, in any manner whatsoever, except by written instrument signed by CONTRACTOR and COUNTY.

5.5 Severability. If any term or provision of this agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms or provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the agreement did not contain the particular term or provision held to be invalid.

5.6 Waiver. The failure of either party to enforce any provision of this agreement shall not constitute a waiver of that or any other provision.

5.7 Future Support. COUNTY makes no commitment of future support and assumes no obligation for future support for the activity contracted herein except as set forth in this agreement.

5.8 Oregon Constitutional Limitations. This agreement is expressly subject to the debt limitation of Oregon counties set forth in Article XI, Section 10 of the Oregon Constitution, and is contingent upon funds being appropriated therefore. Any provisions herein, which would conflict with such law, are deemed inoperative to that extent.

5.9 Public Contracting Requirements. Pursuant to the requirements of ORS 279B-020 and ORS 279B.220 through 279B.335 and Article XI, Section 10, of the Oregon Constitution, the following terms and conditions are made a part of this agreement:

5.9.1 CONTRACTOR shall:

- a. Make payments promptly, as due, to all persons supplying to CONTRACTOR labor or materials for the performance of the work provided for in this agreement.
- b. Pay all contributions or amounts due the Industrial Accident Fund from such CONTRACTOR or subcontractor incurred in performance of this agreement.
- c. Not permit any lien or claim to be filed or prosecuted against Clackamas County on account of any labor or material furnished.
- d. Pay to the Department of Revenue all sums withheld from employees pursuant to ORS 316.167.

5.9.2 If CONTRACTOR fails, neglects, or refuses to make prompt payment of any claim for labor or services furnished to CONTRACTOR or a subcontractor by any person in connection with this agreement as such claim becomes due, the proper officer representing Clackamas County may pay such claim to the person furnishing the labor or services and charge the amount of the payment against funds due or to become due CONTRACTOR by reason of this agreement.

5.9.3 CONTRACTOR shall pay employees at least time and a half for all overtime work performed under this agreement in excess of 40 hours in any one week, except for individuals under personal services contracts who are excluded under ORS 653.010 to 653.261 and the Fair Labor Standards Act of 1938 (29 U.S.C. 201 to 209) from receiving overtime.

5.9.4 CONTRACTOR shall promptly, as due, make payment to any person or partnership, association, or corporation furnishing medical, surgical, and hospital care or other needed care and attention incident to sickness and injury, to the employees of CONTRACTOR, of all sums that CONTRACTOR agrees to pay for the services and all monies and sums that CONTRACTOR

collected or deducted from the wages of its employees pursuant to any law, contract or agreement for the purpose of providing or paying for such services.

5.10 Integration. This agreement contains the entire agreement between COUNTY and CONTRACTOR and supersedes all prior written or oral discussions or agreements.

5.11 Federal Grant Requirements. CONTRACTOR shall comply with all applicable Federal Grant Requirements pursuant to 45 CFR Parts 74, 80, 84, 91, and 95.

5.12 Disclosure. CONTRACTOR shall comply with all disclosure requirements of 42 CFR 1002.3(a); 42 CFR 422 Subpart (B); and 42 CFR 457.900(a)(2).

5.13 Advance Directives. CONTRACTOR shall maintain written notices and procedures respecting Advance Directives in compliance with 42 USC Section 1396.(a)(57) and (w), 42 CFR 431.107(b)(4), and 42 CFR 431.107(b)(1) & (2); and 42 CFR Subpart I.

CONTRACTOR shall comply with 42 CFR Part 422.128 for maintaining written policies and procedures for Advance Directives. This includes compliance with OAR 410-120-1380 which establishes, among other requirements the requirements for compliance with Section 4751 of the Omnibus Budget Reconciliation Act of 1991 (OBRA) and ORS 127.649, Patient Self-Determination Act.

6.0 Termination

6.1 Termination Without Cause. This agreement may be terminated by mutual consent of both parties, or by either party upon ninety (90) business days notice, in writing and delivered by certified mail or in person.

6.2 Termination With Cause. COUNTY may terminate this agreement effective upon delivery of written notice to CONTRACTOR, or at such later date as may be established by COUNTY, under any of the following conditions:

6.2.1 The terms of the OHP Medicaid Demonstration Project are modified, changed or interpreted in such a way that the services are no longer allowable or appropriate for purchase under this agreement or are no longer eligible for the funding authorized by this agreement.

6.2.2 The termination, suspension or expiration of the Health Share of Oregon Participating Agreement.

6.2.3 COUNTY funding from Federal, State, or other sources is not obtained and continued at levels sufficient to allow for purchase of the indicated quantity of services. Alternatively, the parties may agree to modify the agreement to accommodate a reduction in funding.

6.2.4 COUNTY has evidence that CONTRACTOR has endangered or is endangering the health or safety of clients, staff or the public. CONTRACTOR shall ensure the orderly and reasonable transfer of care in progress with clients and shall work with COUNTY staff to accomplish same.

6.2.5 The lapse, relinquishment, suspension, expiration, cancellation or termination of any required license, certification or qualification of CONTRACTOR, or the lapse, relinquishment, suspension, expiration, cancellation or termination of CONTRACTOR's insurance as required in this agreement.

6.2.6 CONTRACTOR's filing for protection under United States Bankruptcy Code, the appointment of a receiver to manage CONTRACTOR's affairs, or the judicial declaration that CONTRACTOR is insolvent.

6.2.7 If CONTRACTOR fails to perform any of the other provisions of this agreement, or fails to pursue the work of this agreement in accordance with its terms, and after receipt of written notice from COUNTY, fails to correct such failures within ten (10) business days or such longer period as COUNTY may authorize.

6.3 Notice of Default. COUNTY may also issue written notice of default (including breach of contract) to CONTRACTOR and terminate the whole or any part of this agreement if CONTRACTOR substantially fails to perform the following specific provisions: Exhibit D(2)(A) Licenses and Certification; Exhibit D(2)(C) Quality Assurance and Utilization Review; and Exhibit D(3) Recordkeeping and Reporting. The rights and remedies of COUNTY related to defaults (including breach of contract) by CONTRACTOR shall not be exclusive and are in addition to any other rights and remedies provided by law or under this agreement.

6.4 Transition. Any such termination of this agreement shall be without prejudice to any obligations or liabilities of either party already accrued prior to such termination. CONTRACTOR and COUNTY shall continue to perform all duties and obligations under this agreement with respect to clients under care of CONTRACTOR to the date of termination.

7.0 Notices

Any notice under this agreement shall be deemed received the earlier of the time of delivery of two (2) business days after mailing certified and postage prepaid through the U.S. Postal Service addressed as follows:

If to CONTRACTOR:

Portland DBT Program, PC
5200 SW Macadam Avenue
Portland, OR 97239

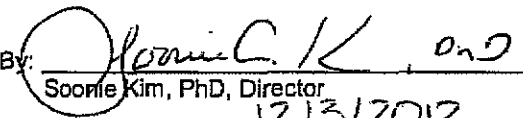
If to COUNTY:

Clackamas County Behavioral Health Division
2051 Kaen Road, # 367
Oregon City, OR 97045

This agreement consists of seven (7) sections plus the following attachments, which by this reference are incorporated herein:

Exhibit A	Definitions
Exhibit B	Compensation and Payment
Exhibit C	Scope of Work
Exhibit D	Performance Standards
Exhibit E	Fraud and Abuse
Exhibit F	Compliance with Applicable Law

PORTLAND DBT PROGRAM, PC

By: 
Soorin Kim, PhD, Director
12/31/2012

Date
5200 SW Macadam Avenue, Suite 580
Street Address
Portland, Oregon 97239
City / State / Zip
(503)231-7854 / (503)231-8153
Phone / Fax

CLACKAMAS COUNTY

Commissioner: Charlotte Lehan, Chair
Commissioner: Jim Bernard
Commissioner: Jamie Damon
Commissioner: Ann Lininger
Commissioner: Paul Savas

Signing on Behalf of the Board:

Cindy Becker, Director
Health, Housing, and Human Services Department

Date

S:\Admin\CONTRACTS\BEHAVIORAL HEALTH\Expense\Portland DBT Program, PC\2013-12-31BHSAcontract.docx

Portland DBT Program, PC

December 20, 2012

Board of County Commissioners
Clackamas County

Members of the Board:

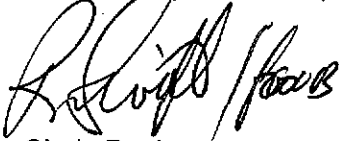
**Board Order # _____ Approval of Mental Health Director's
Designees to Authorize a Custody Hold Under ORS 426.233**

The Behavioral Health Division of the Health, Housing & Human Services Department requests the approval of the Designations of Amber Mulvey, MSW, Jacqueline Curry, MSW, Helene Lichtman, LPC, with LifeWorks NW, Sarah Tomlin, LCSW, with Columbia Care Services, and Tiffany Rosenberger, LPC, with Cascadia, by the Clackamas County Behavioral Health Director as additional designees authorized under ORS 426.233 (copy attached) to direct a peace officer to take a person into custody and remove the person to a hospital or non-hospital facility approved by the Oregon Mental Health and Developmental Disability Services Division.

Recommendation

Staff recommends the Board approve the attached Board Order of Amber Mulvey, MSW, Jacqueline Curry, MSW, Helene Lichtman, LPC, with LifeWorks NW, Sarah Tomlin, LCSW, with Columbia Care Services, and Tiffany Rosenberger, LPC, with Cascadia, as additional qualified mental health professionals authorized to direct a peace officer to take a person into custody under ORS 426.233.

Respectfully submitted,



Cindy Becker
Director

For more information on this issue or copies of attachments,
please contact Teri Beemer at 503 655-8356

**BEFORE THE BOARD OF COUNTY COMMISSIONERS
OF CLACKAMAS COUNTY, STATE OF OREGON**

In the Matter of the Designations of
Amber Mulvey, MSW, Jacqueline Curry,
MSW, Helene Lichtman, LPC, with
LifeWorks NW, Sarah Tomlin, LCSW,
with Columbia Care Services, and Tiffany
Rosenberger, LPC, with Cascadia as
Mental Health Director Designees to
Direct Peace Officer Custody Holds



ORDER NO.

This matter coming on at this time to be heard, and it appearing to this Board that Cindy Becker, Director of Health, Housing & Human Services Department, has recommended to this Board the approval of Amber Mulvey, MSW, Jacqueline Curry, MSW, Helene Lichtman, LPC, with LifeWorks NW, Sarah Tomlin, LCSW, with Columbia Care Services, and Tiffany Rosenberger, LPC, with Cascadia as additional designees of the Behavioral Health Division Director, authorized under ORS 426.233 to direct a peace officer to take a person into custody and remove the person to a hospital or non-hospital facility approved by the Oregon Mental Health and Developmental Disability Services Division, and

This Board finds that it would be in the best interest of Clackamas County to approve said designations,

IT IS THEREFORE HEREBY ORDERED that Clackamas County approve the designations of Amber Mulvey, MSW, Jacqueline Curry, MSW, Helene Lichtman, LPC, with LifeWorks NW, Sarah Tomlin, LCSW, with Columbia Care Services, and Tiffany Rosenberger, LPC, with Cascadia, as qualified mental health professionals authorized to direct a peace officer to take a person into custody under ORS 426.233.

ADOPTED this 20 day of December, 2012.

BOARD OF COUNTY COMMISSIONERS

Chair

Recording Secretary

426.233 Authority of community mental health program director and of other persons; costs of transportation. (1)(a) A community mental health program director operating under ORS 430.610 to 430.695 or a designee thereof, under authorization of a county governing body, may take one of the actions listed in paragraph (b) of this subsection when the community mental health program director or designee has probable cause to believe a person:

(A) Is dangerous to self or to any other person and is in need of immediate care, custody or treatment for mental illness; or

(B)(i) Is a mentally ill person placed on conditional release under ORS 426.125, outpatient commitment under ORS 426.127 or trial visit under ORS 426.273; and

(ii) Is dangerous to self or to any other person or is unable to provide for basic personal needs and is not receiving the care that is necessary for health and safety and is in need of immediate care, custody or treatment for mental illness.

(b) The community mental health program director or designee under the circumstances set out in paragraph (a) of this subsection may:

(A) Notify a peace officer to take the person into custody and direct the officer to remove the person to a hospital or nonhospital facility approved by the Oregon Health Authority;

(B) Authorize involuntary admission of, or, if already admitted, cause to be involuntarily retained in a nonhospital facility approved by the authority, a person approved for care or treatment at a nonhospital facility by a physician under ORS 426.232;

(C) Notify a person authorized under subsection (3) of this section to take the person into custody and direct the authorized person to remove the person in custody to a hospital or nonhospital facility approved by the authority;

(D) Direct a person authorized under subsection (3) of this section to transport a person in custody from a hospital or a nonhospital facility approved by the authority to another hospital or nonhospital facility approved by the authority as provided under ORS 426.235; or

(E) Direct a person authorized under subsection (3) of this section to transport a person in custody from a facility approved by the authority to another facility approved by the authority as provided under ORS 426.060.

(2) A designee under subsection (1) of this section must be recommended by the community mental health program director, meet the standards established by rule of the authority and be approved by the county governing body before assuming the authority permitted under subsection (1) of this section.

(3) The county governing body may, upon recommendation by the community mental health program director, authorize any person to provide custody and secure transportation services for a person in custody under ORS 426.228. In authorizing a person under this subsection, the county governing body shall grant the person the authority to do the following:

(a) Accept custody from a peace officer of a person in custody under ORS 426.228;

(b) Take custody of a person upon notification by the community mental health program director under the provisions of this section;

(c) Remove a person in custody to an approved hospital or nonhospital facility as directed by the community mental health program director;

(d) Transfer a person in custody to another person authorized under this subsection or a peace officer;

(e) Transfer a person in custody from a hospital or nonhospital facility to another hospital facility or nonhospital facility when directed to do so by the community mental health program director; and

(f) Retain a person in custody at the approved hospital or nonhospital facility until a physician makes a determination under ORS 426.232.

(4) A person authorized under subsection (3) of this section must be recommended by the community mental health program director, meet the standards established by rule of the authority and be approved by the governing body before assuming the authority granted under this section.

(5) The costs of transporting a person as authorized under ORS 426.060, 426.228 or 426.235 by a person authorized under subsection (3) of this section shall be the responsibility of the county whose peace officer or community mental health program director directs the authorized person to take custody of a person and to transport the person to a facility approved by the authority, but the county shall not be responsible for costs that exceed the amount provided by the state for that transportation. A person authorized to act under subsection (3) of this section shall charge the cost of emergency medical transportation to, and collect that cost from, the person, third party payers or otherwise legally responsible persons or agencies in the same manner that costs for the transportation of other persons are charged and collected. [1993 c.484 §5; 1997 c.531 §5; 2009 c.595 §405]

December 20, 2012

Board of Commissioners
Clackamas County

Members of the Board:

**Approval of an Agreement between Clackamas County
and Easton Ridge LLC to use HOME Program Funds to
Rehabilitate an Existing Affordable Multi-family Rental Housing Project**

The Community Development Division of the Health, Housing & Human Services Department requests approval of an agreement with Easton Ridge LLC, an Oregon limited liability company, to use federal HOME Investment Partnership Program (HOME) funds to rehabilitate the Easton Ridge Apartments located at 9009 SE Causey Avenue in Happy Valley.

Sited on 8.8 acres, the project consists of 264 one- and two-bedroom units in 11 three-story buildings and a single-story community building with a property management office. The apartments were constructed in 1989 and purchased by Housing Authority of Clackamas County (HACC) in 1996. The renovation work will preserve the useful life of the project. The proposed scope of work includes improvements in these key areas: site drainage, exterior envelopes, interior ventilation, kitchens and some bathrooms.

HACC formed the Easton Ridge LLC to act as the new ownership entity under financing structure which involves the sale of tax exempt bonds and federal low income housing tax credits. HACC is the managing member of Easton Ridge LLC.

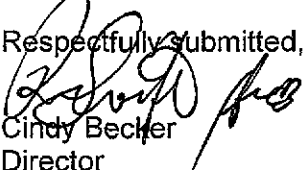
HOME funds in the amount of \$660,000 will be in the form of a low-interest deferred-payment loan. The loan terms are being structured to fit the requirements of the tax credit program. The HOME funds represent four percent of project's \$42 million total development cost.

The HOME funds will be used for HOME-eligible costs. The HOME Loan Agreement will not be executed until the required amendment to the 2012 Action Plan of the Consolidated Plan is completed. No HOME funds will be disbursed before the owner has closed on the bond and low income housing tax credit financing. Seven units will be designated as HOME-assisted units with an initial HUD-required 15-year period of affordability.

County Counsel approved this agreement on December 6, 2012. No general fund dollars are involved in this project.

Recommendation

We recommend approval of this Agreement and that Cindy Becker be authorized to sign all related documents on behalf of the Board of County Commissioners.

Respectfully submitted,

Cindy Becker
Director

For more information on this issue or copies of attachments
please contact Gloria Lewton at 503-655-8591.

LOAN AGREEMENT

CLACKAMAS COUNTY HOME PROGRAM

Name of Project: EASTON RIDGE APARTMENTS

This Loan Agreement ("**Agreement**") is entered into between Easton Ridge LLC an Oregon Limited Liability Company ("**Owner**"), and Clackamas County ("**County**"), a political subdivision of the State of Oregon and a Participating Jurisdiction under the HOME Program.

This Agreement includes the following attachments:

- | | |
|-----------------------------|--|
| A. Legal Description | E. HOME Affordability Requirements |
| B. Sources and Uses | F. Affirmative Marketing and MBE/WBE Outreach Requirements |
| C. Schedule of Tasks | G. Project Completion documentation |
| D. HOME Match Contributions | H. Scope of Work |

The parties, in consideration of the mutual promises and obligations set forth below, agree as follows:

1. **DEFINITIONS.** Capitalized terms in this Agreement and in the other Loan Documents have the following definitions:
- a. **Annual Income.** Annual income as defined at 24 CFR 5.609.
 - b. **Affordability Requirements.** The Affordability Requirements refer to the restrictions on rents and tenant incomes set forth in Section 11 below.
 - c. **HOME-Assisted Units or HOME Unit.** HOME-Assisted Units (HOME units) are those units in the Project which were partially or totally rehabilitated, constructed, or otherwise assisted with the use of HOME Funds. The HOME-Assisted Units are designated in Section 4 below.
 - d. **HOME Funds.** HOME Funds means the total amount of HOME Program dollars being provided by the County to the Project under this Agreement. See Section 2 below.
 - e. **HOME Program and HOME Regulations.** The federal HOME Investment Partnership Program (HOME Program) is authorized under Title II of the Cranston-Gonzalez National Affordable Housing Act of 1990. HUD's regulations and requirements for the HOME Program are located in 24 CFR Part 92. Should anything in this Agreement or the other Loan Documents conflict with the HOME regulations, the HOME regulations shall prevail.
 - f. **HUD.** The United States Department of Housing and Urban Development
 - g. **Loan Documents.** The Loan Documents are this Agreement, the Promissory Note, the Trust Deed, and the Declaration of Land Use Restrictive Covenants, all of which are incorporated into this Agreement by reference.
 - h. **Low-Income and Very Low-Income.** A Low-Income household is one whose total income does not exceed 80% of the County's median income. A Very Low-Income household is one whose total income does not exceed 50% of the County's median income.
 - i. **Median Income.** Median Income means the median income for Clackamas County, adjusted for family size, as published by HUD, from time to time.
 - j. **Owner** includes the current Owner and any subsequent Project owner, subject to the County consenting to any transfer under Section 29 below.
 - k. **Period of Affordability.** See Section 9 below.
 - l. **Project.** The project involves the rehabilitation of a 264-unit multi-family rental project located at 9009 SE Causey Avenue, Happy Valley, Oregon 97086. The Project, commonly known as the Easton Ridge Apartments, is an existing affordable multi-family rental housing project. The legal description for the property is set forth in **Attachment A**. The Scope of Work is identified in **Attachment H**.
 - m. **Project Completion Date.** The later of the date when (a) all work has been completed, (b) the final HOME drawdown has been disbursed to the Project, and (c) the County has entered the project completion information into HUD's disbursement and information system.

2. **HOME REGULATIONS**

The Owner agrees to comply with the HOME regulations and with the other requirements of the Loan Documents.

3. HOME FUNDS; LOAN TERMS

- a. **Amount and Purpose:** County shall loan HOME funds in the amount of **\$660,000.00** to the **Owner** for the **Project**.
- b. **Loan Terms:**
 - i. The HOME Funds will be provided as a **1% interest deferred payment loan**.
 - ii. The loan must be repaid in full upon the earlier of **40 years** from the Project Completion Date; the sale, assignment or other transfer of title to the Property without the County's consent; or the date Owner or its agents or subcontractors is otherwise in default under any of the Loan Documents (including but not limited to the failure to meet the Affordability Requirements of Section 11 below). Exceptions: A sale pursuant to the Housing Authority of Clackamas County's buyout option and right of first refusal will not cause the Loan to be due and payable. A transfer or assignment of a limited partner's interest in Owner shall not cause the Loan to be due and payable.
- c. **Loan Documents:** The loan shall be evidenced by this Agreement, a Promissory Note, a Trust Deed, and a Declaration of Land Use Restrictive Covenants, all of which together are incorporated by reference into this Agreement and are referred to collectively as the "**Loan Documents**."
- d. **Recording Requirement:** The Owner agrees to record the Trust Deed and the Declaration of Land Use Restrictive Covenants, promptly after signing.
- e. The loan shall begin to accrue interest on the Project Completion Date.

4. Payment of Obligation.

- a. Payments of principal and interest shall be made until the loan is paid in full. All payments on the loan shall be applied first to the interest due on the loan and then the remaining amount shall be applied to the principal. No late fees will be charged.
- b. Payments shall be made at such place as County may designate in writing and shall be in the manner and amount as is described in the Promissory Note between the parties relating to this project.

5. HOME-ASSISTED UNITS AND SPECIAL NEEDS UNITS

- a. **HOME-Assisted Units.** Seven units in the project are HOME-Assisted Units, as follows:

Bedroom Size	TOTAL UNITS	Low-Home Units	High Home Units	Total HOME-Assisted
1-bedroom / 1-bath:	159	1	2	3
2-bedroom / 1-bath:	48	1	1	2
2-bedroom / 2-bath:	57	1	1	2
TOTALS	264	3	4	7

- b. The HOME-Assisted Units are designated as **floating** HOME units as defined at 24 CFR 92.252.
- c. See Section 11 below and **Attachment E** for rent and income limits for the HOME-Assisted Units.

6. SOURCES AND USES OF FUNDS; SCHEDULE OF TASKS

- a. The sources and uses of funds for the Project are set forth in **Attachment B**. Owner certifies that: (i) the sources of funds are sufficient to fund the project in full, and (ii) HOME funds shall only be used for HOME-eligible costs (see 24 CFR 92.206 and 92.214).
- b. The Schedule of Tasks to be undertaken in order to complete the Project is set forth in **Attachment C**.

7. PROPERTY STANDARDS

- a. Upon completion, the Project must meet all of the applicable Property Standards of:
 - i. 24 CFR 92.251 and the County's; and
 - ii. Clackamas County Community Development Housing Rehabilitation Program Rehabilitation Standards for the 2012-2013 Program Year.
- b. County staff inspections to assure compliance with the applicable Property Standards listed above:

- i. Before the scope of work is finalized and the rehabilitation work begins, County staff will inspect the project and review the proposed scope of work, the specifications and the drawings to assure that the work will bring the project into compliance with the applicable Property Standards.
- ii. Upon completion of construction, County staff will inspect to assure that the Project meets all of the applicable Property Standards.
- c. Throughout the Period of Affordability, the Project must be maintained so that it continues to meet the property standards set forth in 24 CFR 92.251.

8. MATCH REQUIREMENT

Attachment D documents the Project-related eligible sources of matching contributions as allowed by 24 CFR 92.218 through 92.222.

9. ENVIRONMENTAL REVIEW

- a. The environmental effects of each activity carried out with HOME funds must be assessed in accordance with the provisions of the National Environmental Policy Act of 1969 (NEPA) and the related authorities in 24 CFR Parts 50 and 58.
- b. The County is responsible for environmental review, decision-making, and action for each activity that it carries out with HOME funds, in accordance with 24 CFR part 58. The County will not commit any HOME funds toward construction of the Project before completion of the environmental review and approval of the request for release of funds and related certification, except as authorized by 24 CFR Part 58.
- c. HOME Funds cannot be used for acquisition or construction in identified special flood hazard areas unless the Project is subject to the mandatory purchase of flood insurance as required by Section 102(a) of the Flood Disaster Protection Act of 1973.
- d. In the event that changes or modifications to the approved HOME activities are necessary, the Owner must, prior to any additional commitment or expenditure of funds, submit all necessary supplemental environmental review information and data to the County for the purpose of updating the environmental review record.

10. PERIOD OF AFFORDABILITY

- a. **The INITIAL Period of Affordability is the HUD-required Period of Affordability. It shall be 15 years,** without regard to the term of the loan or the transfer of ownership, except as noted in subsection d below. **The INITIAL Period of Affordability begins on the Project Completion Date.**
- b. **The EXTENDED Period of Affordability begins at the end of the INITIAL Period of Affordability and continues until such time as the loan is paid in full.**
- c. Unless specified otherwise, the Period of Affordability includes both the INITIAL and the EXTENDED Periods of Affordability.
- d. **Termination of Period of Affordability.** In accordance with 24 CFR 92.252(e), the Period of Affordability may be terminated upon foreclosure or transfer in lieu of foreclosure, but shall be revived according to the original terms if during the original Period of Affordability, the owner of record before the foreclosure or deed in lieu of foreclosure, or any entity that includes the former owner or those with whom the former owner has or had family or business ties, obtains an ownership interest in the project or property.

11. AFFORDABILITY REQUIREMENTS (RENTS AND TENANT INCOMES)

- a. To ensure compliance with the HOME "Program Rule", at initial occupancy all of the HOME-Assisted Units must be rented to tenants whose incomes at the time of the tenant's initial occupancy, are less than or equal to 60% of the median income.
- b. **Low-HOME Units.** If the number of HOME-Assisted Units is 5 or more, at least 20% of the HOME-Assisted Units must be occupied initially and throughout the Period of Affordability by tenants, who at the time of their initial occupancy are very-low-income tenants and the initial rents for those units must not exceed the Low HOME rents shown in **Attachment E**. These rents are subject to periodic adjustment by HUD. If the unit receives federal or state project-based rental assistance, the Low-HOME rent shall not exceed the allowable rent under the rental assistance program.
- c. **High-HOME Units.** After initial occupancy as indicated in paragraph (a) above, the remaining HOME-Assisted Units must be rented during the Period of Affordability to tenants, who at the time of their initial

occupancy are low-income tenants and the initial rents for these units must not exceed the High HOME rents shown in **Attachment E**. These rents are subject to periodic adjustments by HUD.

d. Increases in Tenant's Income.

i. Low-HOME rent units

1. If the income of a tenant in a Low-HOME rent unit rises above 50% of median income, but does not exceed 80% of median income, then the next available HOME-Assisted Unit (for fixed-unit projects) or the next available comparable unit (for floating-unit projects) must be rented to a very-low-income tenant. The unit occupied by the tenant whose income increased becomes a High-HOME unit and the High-HOME rent must be charged, provided that in no event shall the rent of a tenant of a HOME-Assisted Unit that has been allocated federal low-income housing tax credits ("LIHTC") increase beyond the maximum applicable LIHTC rent for such unit.
2. The rent for the unit occupied by the tenant whose income has increased above 80% of median income will be set in accordance with subparagraph iii below.

ii. High-HOME rent units

1. The income of a tenant in a High-HOME rent unit can increase to 80% of median income with no change in the status as a HOME-Assisted Unit or in the tenant's rent.
2. If the income of a tenant in a High-HOME rent unit rises above 80% of median income, then the next available HOME-Assisted Unit (for fixed-unit projects) or the next available comparable unit (for floating-unit projects) must be rented to a tenant whose income does not exceed 80% of median income.
3. The rent for the unit occupied by the tenant whose income has increased above 80% of median income will be set in accordance with subparagraph iii below.

iii. Over-income Tenants: In accordance with 24 CFR 92.252(i), a tenant who no longer qualifies as a low-income household must pay as rent 30 percent of the household's adjusted gross income, except that:

1. In no event shall the tenant of a HOME-Assisted Unit that has been allocated federal low-income housing tax credits ("LIHTC") be charged rent in excess of the maximum applicable LIHTC rent for such unit.
2. If the HOME-Assisted Unit is a floating unit, a tenant who no longer qualifies as a low-income household is not required to pay as rent an amount that exceeds the market rent for a comparable unassisted unit in the neighborhood.

e. Certification and Recertification of Tenant Income: The Owner must certify each tenant's household income, and must recertify such income annually in accordance with HOME regulations.

12. TENANT SELECTION CRITERIA; LEASE REQUIREMENTS

- a. The Owner must adopt written tenant selection policies and criteria for the HOME-Assisted Units, which must be approved by the County. The criteria must be consistent with the purpose of providing housing for very-low-income and low-income households, must be reasonably related to program eligibility and the applicant's ability to perform the lease obligations, must provide for the selection of tenants from a written waiting list in the chronological order of their application, insofar as practicable, and must give prompt written notification to any rejected applicant of the grounds for any rejection.
- b. Tenants must be offered renewable lease agreements with an initial duration of at least one year, unless a shorter time period is mutually agreed upon by the tenant and the landlord.
- c. In compliance with 24 CFR 92.252(d), the owner cannot discriminate against rental assistance subsidy holders.
- d. Tenant leases may not contain any of the following provisions:
 - i. Agreement by the tenant to be sued or to have a judgment entered in favor of Owner;
 - ii. Except as allowed by Oregon law, agreement by the tenant to allow Owner to take, hold, or sell personal property of household members without notice to the tenant and a court decision on the rights of the parties.
 - iii. Agreement by the tenant not to hold Owner liable for any action or failure to act.

-
- iv. Agreement by the tenant that Owner may institute a lawsuit without notice to the tenant.
 - v. Agreement by the tenant that Owner may evict tenant without instituting court proceedings in which the tenant has the opportunity to present a defense, or before a court decision on the rights of the parties.
 - vi. Agreement by the tenant to waive any right to a trial by jury, to waive the tenant's right to appeal, or otherwise challenge in court, a court decision in connection with the lease;
 - vii. Agreement by the tenant to pay attorney fees or costs even if the tenant wins in a court proceeding against the Owner. The tenant may however be obligated to pay costs and attorney fees if the tenant loses.
- e. The Owner may not terminate the tenancy or refuse to renew the tenant's lease except for serious or repeated violation of the terms of the lease, for violation of law, for completion of the tenancy period for transitional housing, or for other good cause. To terminate or refuse to renew tenancy, Owner must serve written notice on the tenant specifying the grounds for the eviction at least 30 days before the termination of the tenancy.

13. INDEMNIFICATION AND INSURANCE

Owner agrees to indemnify, defend and hold harmless the County and its officers, agents and employees against all liability, loss and costs arising from actions, suits, claims or demands, except when due to the County's sole negligence or intentional misconduct, arising from performance of this agreement.

Owner shall maintain all-risk property insurance in the amount of the full replacement value of the Project, commercial general liability insurance in the minimum amount of \$ 1,000,000.00, and Rent Loss insurance in an amount equal to 6 months rental income. Owner shall provide County proof of insurance in the required amounts upon execution of this loan document, and again upon request of the County. Owner shall give county no less than 30 days notice if there is a cancellation, nonrenewal or material change of Owner's insurance. See paragraph 1.12 of the Trust Deed for additional insurance requirements.

14. EVENTS OF DEFAULT

An event of default under the Loan Documents includes, but is not limited to, the following; provided that the party declaring a default has first provided to the other party 30 days written notice specifying the alleged default and giving such other party the opportunity to cure the alleged default during that 30 day period, or during such longer period as is agreed to by the non-defaulting party in writing.

- a. Securing all Funding. The Owner must secure all fund sources identified in Attachment B within 12 months from the Effective Date identified in Section 31.
- b. Availability of the Project's HOME-assisted housing units. Within 36 months from the Effective Date identified in Section 32, the HOME-Assisted Units funded under this Agreement must be available for occupancy.
- c. Noncompliance with the Affordability Requirements at any time during the term of this Loan.

15. REMEDIES FOR DEFAULT

- a. In the event of default, either party may pursue any legal or equitable remedy available to it. Without limiting the foregoing, County may (i) declare the entire amount of the Loan due and payable at once, or (ii) extend the Period of Affordability for a period equal to the length of the period during which noncompliance with the Affordability Requirements existed.
- b. The County and any tenant or applicant who meets the income limitation applicable under 24 CFR 92 (whether prospective, present or former occupant) shall be entitled, for any breach of the provisions hereof, and in addition to all other remedies provided by law or in equity, to enforce specific performance by the Owner of its obligations under this Agreement in state court.

16. AFFIRMATIVE MARKETING

If the Project contains five or more HOME-Assisted Units, the Owner must implement and follow the adopted Affirmative Marketing Plan of the County, Attachment F. The Owner must maintain records evidencing compliance with the Plan.

17. MINORITY/WOMEN'S BUSINESS

In accordance with Executive Orders 11625 and 12432 (concerning Minority Business Enterprise), and 12138 (concerning Women's Business Enterprise), the County has adopted procedures and requirements for HOME projects for the purpose of encouraging the use of minority and women's business enterprises. The Owner certifies that it will follow and implement the adopted procedures and requirements in **Attachment F**.

18. NON-DISCRIMINATION

- a. The Owner must comply with all applicable federal, state, and local laws prohibiting discrimination on the basis of age, sex, marital status, familial status, religion, race, creed, color, sexual orientation, nationality, the presence of any sensory, mental or physical handicap, or other protected class. These requirements apply to both employment opportunities and the provision of housing and are specified in
 - i. Title VI of the Civil Rights Act of 1964, as amended (42 U.S.C. 200d et seq.);
 - ii. Title VI; Civil Rights Act of 1968, Title VIII, as amended;
 - iii. Equal Employment Opportunity, Executive Order 11246, as amended;
 - iv. Section 3 of the Housing and Urban Development Act of 1968;
 - v. Section 504 of the Rehabilitation Act of 1973;
 - vi. The Fair Housing Act of 1988 (42 U.S.C. 3601-3620);
 - vii. Equal Opportunity in Housing (Executive Order 11063, as amended by Executive Order 12259);
 - viii. Age Discrimination Act of 1975, as amended (42 U.S.C. 6101); and
 - ix. Americans with Disabilities Act of 1990 (42 U.S.C. 12131; 47 U.S.C. 155, 201, 218, and 225).
- b. The Owner must maintain data on the extent to which each racial and ethnic group and single-headed household (by gender of head of household) have applied for and rented the HOME-Assisted Units.

19. DISBURSEMENT OF FUNDS

- a. The Owner agrees to request funds under this Agreement only when they are needed for payment of specific allowable costs and only in amounts needed to pay such costs.
- b. The payment request must be accompanied by source documentation for actual expenses.
- c. The County shall verify requested amounts for satisfactory completion prior to payment. Payments shall be based upon work completed and approved by the County.
- d. Five percent (5%) of HOME funds will be withheld until the Owner provides the County with the documentation outlined in **Attachment G**.
- e. County will not disburse any HOME funds until (a) all the Loan Documents are signed, and (b) the Trust Deed and Declaration of Land Use Restrictive Covenants are recorded.

20. CONTRACTOR DEBARMENT AND SUSPENSION

In order to comply with the requirements of 24 CFR Part 24, the Owner must obtain a certification guaranteeing that no participants in lower tier covered transactions, having to do with the Project financed in whole or in part by the HOME Funds, are currently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in federal projects.

21. SECTION 3 REQUIREMENTS

Section 3 of the Housing and Urban Development Act of 1968, as amended, applies to:

- Projects for which HUD's share of the project cost exceeds \$200,000; and

- Contracts and subcontracts awarded on projects for which HUD's share of project costs exceeds \$200,000, and the contract or subcontract exceeds \$100,000.

Section 3 requires that to the greatest extent feasible opportunities for training and employment in connection with planning and carrying out the Project be given to low-income residents of the project area, and contracts for work in connection with the Project be awarded to business concerns, including but not limited to individuals for firms doing business in the field of planning, consulting, design, architecture, building construction, rehabilitation, maintenance, or repair, which are located in or owned in substantial part by persons residing in the project area.

22. LEAD BASED PAINT

For all units in the Project (not just HOME-Assisted Units) and for common areas, the Owner must comply with the HUD Lead-Based Paint Regulations (24 CFR Part 35 and 24 CFR 982.401(j)) issued pursuant to the Lead-Based Paint Poisoning Prevention Act (42 USC Sections 4831 et. seq.) requiring prohibition of the use of lead-based paint whenever HOME Funds are used directly or indirectly for construction, rehabilitation, or modernization of residential structures; elimination of immediate lead-based paint hazards in residential structures; and notification of the hazards of lead-based paint poisoning to purchasers and tenants of residential structures constructed prior to 1978.

23. DISPLACEMENT, RELOCATION, ACQUISITION, AND REPLACEMENT

The Owner must comply with all the regulations and laws regarding displacement, relocation, acquisition and replacement of housing, including those contained in 24 CFR 92.353 and the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC 4601-4655).

24. CONFLICT OF INTEREST

Unless an exception is granted by the County pursuant to 24 CFR 92.356(f)(2), no developer, owner or sponsor of the Project, or officer, employee, agent or consultant of the owner, developer or sponsor, may occupy a HOME-Assisted Unit in the Project. This section does not apply to an employee or agent who occupies a HOME-Assisted Unit as the project manager or maintenance worker.

25. FAITH BASED ACTIVITIES

- a. Organizations that are directly funded under the HOME program may not engage in inherently religious activities, such as worship, religious instruction, or proselytizing as part of the assistance funded under this part. If an organization conducts such activities, the activities must be offered separately, in time or location, from the assistance funded under this part, and participation must be voluntary for the beneficiaries of the assistance provided.
- b. An organization that participates in the HOME program shall not, in providing program assistance, discriminate against a program beneficiary, or prospective program beneficiary, on the basis of religion or religious belief.
- c. HOME funds may not be used for the acquisition, construction, or rehabilitation of structures to the extent that those structures are used for inherently religious activities. HOME funds may be used for the acquisition, construction, or rehabilitation of structures only to the extent that those structures are used for conducting eligible activities under this part.

26. RECORDS

- a. The Owner must keep such records as are necessary to demonstrate compliance with all parts of this Agreement, including but not limited to the affordability requirements, tenant lease provisions, property standards, affirmative marketing, anti-discrimination, Section 3, MBE/WBE, environmental review, relocation/displacement/property acquisition, labor requirements, lead-based paint, conflict of interest, debarment and suspension and intergovernmental review.
- b. Owner must annually provide tenant eligibility records to the County.
- c. Record Retention Periods. Owner must maintain records pertaining to each tenant in a HOME-Assisted Unit, including income verifications, project rents and project inspections for at least the most recent five year period, until five years after the Period of Affordability has expired.
- d. Access to Records. HUD, the Comptroller General of the U.S., the County, and any of their representatives, have the right of access to any pertinent books, documents, papers or other records, in

order to make audits, examinations, excerpts or transcripts, or otherwise determine compliance with HOME regulations.

27. MONITORING

- a. When the Project is completed, the county staff will make an on-site visit to monitor compliance with the HOME property standards and rent and occupancy standards.
- b. The County will monitor the performance of the Owner to assure compliance with the requirements of this Agreement. During the INITIAL Period of Affordability, the monitoring will be conducted **in compliance with 24 CFR 92.504(d)**.
- c. Any duly authorized representative of the Secretary of HUD or the Comptroller General of the United States or the County shall at all reasonable times have access to and the right to inspect, copy audit, and examine all books, records and other documents relating directly to the Owner's receipt and disbursement of the HOME Funds, as well as access to the Project. Upon request, the Owner must assist the County by serving notice to affected tenants, as required under Oregon Law.

28. WAIVER

Failure by either party to enforce any right under this Agreement shall not be deemed to be a waiver of that right or of any other right.

29. SUCCESSORS AND ASSIGNS

This Agreement shall be binding on and inure to the benefit of the heirs, successors, and assigns of each party, provided that written consent is obtained from the other party.

30. AUTHORITY TO SIGN

Each party signing this Agreement, and the other Loan Documents, represents that it has full power and authority to enter into this Agreement, and the persons signing this Agreement for such party, if such party is not an individual, have full power and authority to sign for such party and to bind it to this Agreement, and to sell, transfer and convey all right, title, and interest in and to the Property in accordance with the Loan Documents. No further consent of any partner, shareholder, creditor, investor, judicial or administrative body, governmental authority, or other party is required.

31. EFFECTIVE DATE

The Effective Date of this Agreement is the date it is signed by all parties.

PROJECT OWNER:

Easton Ridge LLC

By: The Housing Authority of Clackamas County, its
Managing Member

By: Trell Anderson, its Executive Director

By:

CLACKAMAS COUNTY

Commissioner Charlotte Lehan, Chair

Commissioner Jim Bernard

Commissioner Jamie Damon

Commissioner Ann Liningier

Commissioner Paul Savas

Signing on Behalf of BCC:

(signature)

Printed Name: Trell Anderson
Title: Executive Director
Phone: 503-655-8267
Fax: 503-655-8676
Federal ID#

Date

(signature)

Printed Name: Cindy Becker
Title: Director, Health Housing and Human Services

Date

Attachment A. Legal Description

Lot 7, and a portion of Lot 8 of CAUSEY'S SUBURBAN TRACT NO. 1, a tract of land situated in the Southeast one-quarter of the Northwest one-quarter of Section 33, in Township 1 South, Range 2 East of the Willamette Meridian, in the County of Clackamas and State of Oregon, being more particularly described as follows:

Beginning at the Southwest corner of Lot 7 and of said CAUSEY'S SUBURBAN TRACT NO. 1, and running thence North 1° 04' 00" West tracing the Westerly line of said Lot 7, a distance of 711.74 feet to the Northwest corner thereof; thence tracing the Northerly line of said Lot 7 and continuing along the Northerly line of Lot 8 of said CAUSEY'S SUBURBAN TRACT NO. 1, North 90° 00' 00" East, 439.10 feet to the Westerly line of Parcel I as described in Deed to the State of Oregon by and through its State Highway Commission recorded January 28, 1972, Recorder's Fee No. 72-002300, Clackamas County Records; thence tracing said Westerly line South 14° 48' 03" East, 575.23 feet to the Easterly line of said Lot 8; thence tracing said Easterly line South 01° 04' 00" East, 73.10 feet to the Northeast corner of Parcel II in said State of Oregon Deed; thence South 49° 19' 22" West, 116.82 feet to the South line of said Lot 8 at a point which is 90 feet West of the Southeast corner of said Lot 8; thence tracing the Southerly line of said Lot 8 and continuing along the Southerly line of said Lot 7, South 89° 15' 49" West, 485.60 feet to the point of beginning.

Preliminary Title

December 20, 2012

Board of County Commissioners
Clackamas County, Oregon

Members of the Board:

**Approval of an Interagency Agreement between Community Development,
Clackamas County Service District No.1 and the Clackamas County
Development Agency for the Sewer Hook-up Access Grant Program**

The Community Development Division of the Health, Housing & Human Services Department requests the approval of an Interagency Agreement with the Clackamas County Service District No.1 and the Clackamas County Development Agency for the Sewer Hook-Up Access Grant Program (SHUAGP).

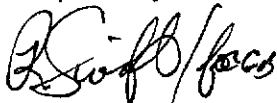
The program is designed to assist low-moderate income homeowners by providing funds to connect to the new sewer system in the public-right-of-way in the North Clackamas Revitalization Area (NCRA). Community Development staff assists the residents with contract management between the parties. The work includes decommissioning existing cesspools and septic systems; and connecting to the new sanitary sewer system. It is anticipated that 30 homes will be serviced by this program.

The Community Development Division has allocated \$205,000 dollars of Community Development Block Grant (CDBG) Funds for this program. The Development Agency will provide the balance of funds for the program. No County General Fund dollars are involved in this project. County Counsel reviewed this agreement on November 13, 2012.

Recommendation:

We recommend approval of the attached construction contract and that Cindy Becker be authorized to sign on behalf of the Board of County Commissioners.

Respectfully submitted,



Cindy Becker
Director

For information on this issue or copies of attachments
Please contact Steve Kelly, # 503-650-5665

Healthy Families. Strong Communities.

2051 Kaen Road #239, Oregon City, OR 97045 • Phone: 503-650-5697 • Fax: 503-655-8677 • www.clackamas.us

INTERAGENCY AGREEMENT

Between

**CLACKAMAS COUNTY HEALTH, HOUSING & HUMAN SERVICES DEPARTMENT
COMMUNITY DEVELOPMENT DIVISION, CLACKAMAS COUNTY SERVICE
DISTRICT NO. 1**

And

CLACKAMAS COUNTY DEVELOPMENT AGENCY

I. PURPOSE

A. This Agreement provides the basis for a cooperative working relationship between the Clackamas County Community Development Division, herein referred to as CDD, Clackamas County Service District No. 1, herein referred to as CCSD#1, and Clackamas County Development Agency, herein referred to as CCDA, to utilize available Community Development Block Grant (CDBG) and Development Agency funds for a Sewer Hook-Up Grant Program in the North Clackamas Revitalization Area (NCRA). This Project would continue a residential sanitary sewer improvements program in the CCSD#1 service areas of the NCRA. The residential homeowner's would directly enter into a contract for work with a general contractor, from CDD's Select Bidders List. The Project decommissions cesspools and septic systems and facilitates connections to the new sewer improvements in the Public Right-of-Way. The service area for the project is limited to the area included on the Map as Exhibit B. This is hereinafter referred to as the PROGRAM.

B. The PROGRAM is an eligible housing activity under the CDBG national objective to benefit homeowners that qualify as low-and moderate-income levels. The PROGRAM is designed to income qualify each household as provided in a descriptive narrative as attached in Exhibit A.

II. SCOPE OF WORK AND COOPERATION

A. CCDA Responsibilities:

- 1.** CCDA shall provide all necessary supervisory and administrative support to assist CDD with the completion of the PROGRAM.
- 2.** CCDA shall assist the CDD in performing any appropriate community information activities.
- 3.** CCDA shall provide all other necessary information and services under its control.
- 4.** CCDA shall complete and submit the Project Match Funds Report, see ATTACHMENT A. This report will be required for 2012 and 2014 fiscal years (July 1, 2012 to June 30, 2013, and July 1, 2014 to June 30, 2015).

B. CCSD#1 Responsibilities:

1. CCSD#1 shall provide all necessary supervisory, technical and administrative support to assist CDD with the completion of the PROGRAM.
2. CCSD#1 shall assist the CDD in responding to potential applicants' questions, verifying property address and ownership, and performing appropriate community information and outreach.
3. CCSD#1 shall provide all other necessary information and services under its control.

C. CDD Responsibilities:

1. CDD shall apply CDBG funds for design and construction of the PROGRAM.
2. CDD will assist CCSD#1 and CCDA in preparing bid documents to comply with CDBG regulations.
3. CDD shall conduct an environmental assessment of the PROGRAM as required by applicable federal regulations 24 CFR 570.604.
4. CDD shall only use Contractors from the Select Bidders List for the PROGRAM. This list was created from a Request For Qualifications process and shall be maintained by CDD.
5. CDD will appropriately bid and contract for construction of the PROGRAM and, with the advice of CCSD#1 and CCDA, will approve changes, modifications, or amendments as necessary to serve the public interest.
6. CDD shall assign personnel the following duties:
 1. Complete an Initial Property Inspection;
 2. Prepare Loan Documents;
 3. Approve Loans for qualified applicants.
7. CDD will assign a Rehab Advisor the following duties
 1. Bid the Projects;
 2. Be the liaison between Homeowner and General Contractor to sign, start and complete the Construction Contract;
 3. Work with Homeowner regarding Customer Services issues;
 4. Award the Projects after Homeowner selects General Contractor from Select Bidders List of which shall be the lowest responsive/ responsible bidder;
 5. Hire the lowest General Contractor from Select Bidders List;
 6. Conduct a Pre-Construction Meeting for the Projects;
 7. Issue the Notice to Proceed to General Contractor;
 8. Conduct Inspections as needed, as well as a Final Inspection with Property Owner(s);

CDD/ CCDA/ CCSD#1 Interagency Agreement
North Clackamas Revitalization Area Street Improvements PROGRAM – Phase II (#53234)

9. Process Pay Request using CDBG funds and CCDA funds;
 10. Relinquish payment of funds to the General Contractor upon complete of the work and sign-off of the permit assigned to the subject property with a successful inspection of the work and approval by CCDA.
8. CDD will assign a Project Coordinator the following duties:
1. Oversee and track CDBG PROGRAM Budget;
 2. Update CCDA regarding level of CDBG PROGRAM Budget;
 3. Inform CCDA when CDD funds are exhausted for the PROGRAM.
9. CDD agrees to provide and administer available CDBG funds granted by the U.S. Department of Housing and Urban Development (HUD) to finance the PROGRAM.

D. Joint Responsibilities

1. CDD, CCSD#1 and CCDA shall jointly review all necessary documents (i.e. letter mailings, customer-client and general contractor contracts) submittals, materials for the PROGRAM.
2. Upon execution of this Agreement CDD, CCSD#1 and CCDA will, at the earliest mutually convenient time, jointly determine the scope of the improvements to be made, a schedule for implementation of the PROGRAM.
3. In the event not all planned improvements can be made with available funds CDD, CCSD#1 and CCDA will jointly determine the priority of the improvements.

III. PROJECT BUDGET

- A. CCDA agrees to be responsible for payment to CDD matching funds totaling the greater of:
- (a) Twenty percent (20%) of the total cost of the PROGRAM including associated fees with the sanitary sewer work, construction cost, and construction oversight, or
 - (b) All costs for construction and fees which exceed available CDBG funds budgeted for the PROGRAM.
- B. CDD will apply CDBG funds in the amount not to exceed **\$75,000** in FY 2012-13 and **\$130,000** in FY 2014-15. FY 2012-13 is July 1, 2012 to June 30, 2013 and FY 2014-15 is July 1, 2014 to June 30, 2015. The obligations of the CDD are expressly subject to CDD receiving funds from HUD for this project, and in no event shall CDD's financial contribution exceed the amount finally granted, released and approved by HUD for this project.
- C. Upon receipt of written notification from CDD, CCDA shall provide payment within thirty (30) consecutive calendar days for the Project Number of 05570-53234 to CDD through the following COUNTY office:

Attn: Toni Hessevick
Public Services Building-Department of Finance

2051 Kaen Road, Fourth Fl.
Oregon City, OR 97045

IV. PROGRAM SCHEDULE

Per 24 CFR 570.902 all parties hereby agree to make all reasonable efforts to utilize available CDBG funds to complete the improvements to be implemented under the terms of this Agreement during the designated construction seasons, FY 2012-13 and 2014-15.

V. LIAISON RESPONSIBILITY

Steve Kelly and Robert Morris will act as liaison from CDD for this PROGRAM. Kenneth IteI will act as liaison from CCDA. Kathy Frasier will act as liaison from CCSD#1.

VI. SPECIAL REQUIREMENTS

A. Assignment and Subcontracting

Neither party to this Agreement shall assign any portion of work which is a part of this Agreement without the approval of the other party.

B. Conflict of Interest

1. Interest of Officers, Employees, or Agents - No officer, employee, or agent of CDD, CCSD#1 or CCDA who exercises any functions or responsibilities in connection with the planning and execution of activities under the CDBG Program, or any other person who exercises any functions or responsibilities in connection with the Program during their tenure or for one year thereafter, shall obtain a personal or financial interest in or benefit from this Agreement, or any contract, subcontract or agreement arising therefrom, either for themselves or for persons with whom they have family or business ties without appropriate prior HUD waiver; and CCDA as well as CCSD#1 shall take appropriate steps to assure compliance.
2. Interest of Certain Federal Officials - No member of or delegate to the Congress of the United States and no Resident Commissioner shall be admitted to any share or part of this Agreement or to any benefit that may arise hereunder.

C. Program Benefit

The parties agree to implement the PROGRAM to give maximum feasible benefit to low and moderate income families and individuals.

D. Non Discrimination

CCSD #1 and CCDA shall comply with Federal, State, and local laws prohibiting discrimination on the basis of age, sex, marital status, race, creed, color, national origin, or the presence of any mental or physical handicap. These requirements are specified in ORS Chapter 659; Section 109 of the Housing and Community Development Act of 1974; Civil Rights Act of 1964, Title VII; Fair Housing Amendments Act of 1988; Executive Order 11063; Executive Order 11246; Section 3 of the Housing and Urban Development Act of 1968; all as amended; and the regulations promulgated thereunder.

E. Availability of Funds

This Agreement is expressly subject to the debt limitation of the Oregon Constitution, and is contingent upon funds being appropriated therefor. Any provisions herein which would conflict with law are deemed inoperative to that extent. Obligations of CDD are also expressly subject to the County receiving funds from HUD for this PROGRAM and in no event shall CDD's financial contribution exceed the amount finally granted, released and approved by HUD for this PROGRAM.

F. Other Federal Requirements

Other federal requirements which the parties agree to comply with include but are not limited to:

1. Procurement requirements which apply to professional services and construction contracts and are contained in 24 CFR Part 85 (the "Common Rule");
2. Citizen participation and CDBG application submission requirements contained in 24 CFR 570.301-305;
3. HUD labor standards provisions.

G. Non-Substitution for Local Funding

The CDBG funding made available under this Agreement shall not be utilized by CCDA to reduce substantially the amount of local financial support for drainage improvement activities below the level of such support prior to the availability of funds under this Agreement.

H. Public Information

CDD, CCSD#1 and CCDA shall cooperate in public information efforts, such as contacts with neighborhood or consumer advocacy organizations, press releases, etc. In all news releases and other public notices relating to activities under this Agreement, CCDA shall include information identifying the source of funds as the Clackamas County CDBG program.

I. Evaluation

CCDA and CCSD#1 agree to participate with CDD in any evaluation PROGRAM or performance report, as designed by CDD or the appropriate Federal department, and to make available all information required by any such evaluation process.

J. Audits and Inspections

CCDA will insure that CDD, the Secretary of HUD, the Comptroller General of the United States, or any of their duly authorized representatives shall have access to all books, accounts, records, reports, files, and other papers or property pertaining to the funds provided under this Agreement for the purpose of making surveys, audits, examinations, excerpts and transcripts.

K. Retention of Records

Records relating to this PROGRAM shall be retained for a period of four (4) years after termination of this Agreement.

L. Citizen Participation

CCDA and CCSD#1 shall maintain records including narratives or other documentation describing the process used to inform citizens concerning the PROGRAM.

M. Acquisition/Relocation

If completion of the PROGRAM requires acquisition of any real property the parties agree to comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 as amended.

VII. AMENDMENTS

This Agreement may be amended at any time with the concurrence of both parties. Amendments become part of this Agreement only after the written amendment has been signed by both parties and the County Chief Executive Officer.

VIII. TERM OF AGREEMENT

- A. This Agreement becomes effective when it is signed by both parties.
- B. The term of this Agreement is a period beginning when it becomes effective and ending upon expenditure of all CDBG funds.
- C. This Agreement may be suspended or terminated prior to the expiration of its term by:
 - 1. Written notice provided by CDD in accordance with 24 CFR 85.43 resulting from material failure by CCDA to comply with any term of this Agreement, or;
 - 2. Mutual agreement by CCDA and CDD in accordance with 24 CFR 85.44.
- D. Upon completion of improvements or upon termination of this Agreement, any unexpended balances of CCDA funds shall remain with CCDA and any unexpended balances of CDBG funds shall remain with CDD.

Clackamas County Service District No. 1



Michael S. Kuenzi, Director

12/6/12

Date

Clackamas County Development Agency

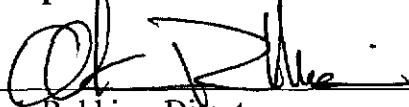


Barbara Cartmill, Agency Manager
Don Johnson

12/10/2012

Date

Clackamas County Community Development Division



Chuck Robbins, Director

12/11/12

Date



DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT

DEVELOPMENT SERVICES BUILDING
150 BEAVERCREEK ROAD | OREGON CITY, OR 97045

December 20, 2012

Board of Commissioners
Clackamas County

Members of the Board:

Approval of an Amendment to an Intergovernmental Agreement with Metro to provide funds for staff time to plan and implement food scrap collection

ISSUE & BACKGROUND

On June 7, 2012 the Board approved an amendment to an Intergovernmental Agreement with Metro for performing activities required of our adopted Solid Waste Management Plan. The original amendment allowed the receipt of \$20,000 specifically for staff time to plan and implement food scrap collection programs throughout the County. These funds are expended.

Metro recently made an additional \$40,000 available to the County to continue developing a food scrap collection program. The temporary staff position will terminate when these funds expire and no county funds will be used for this position.

County Counsel has reviewed and approved the attached Intergovernmental Agreement.

RECOMMENDATION

Staff respectfully recommends to the Board of County Commissioners approval of this amendment to our Intergovernmental Agreement with METRO.

Sincerely,

A handwritten signature in black ink that reads "Scott Caufield".

Scott Caufield
Building Codes Division
Office of Sustainability

For information on this issue or copies of attachments please contact Rick Winterhalter at (503) 742-4466



600 NE Grand Ave.
Portland, OR 97232-2736
(503) 797-1700

Intergovernmental Agreement

Metro Contract No. 931696

THIS AGREEMENT, entered into under the provisions of ORS Chapter 190, is between Metro, a metropolitan service district organized under the laws of the State of Oregon and the Metro Charter, located at 600 NE Grand Avenue, Portland, Oregon 97232-2736, and CLACKAMAS COUNTY, hereinafter referred to as "County", whose address is 150 Beaver Creek Road, Oregon City, Oregon 97045.

In exchange for the promises and other valuable consideration set forth below, the parties agree as follows:

1. Purpose. The purpose of this Agreement is to establish the responsibilities of the parties in the development and implementation of permanent food scrap collection programs for the business sector within the boundaries of Clackamas County.

2. Term. This Agreement shall be effective on the date of the last signature and shall remain in effect through June 30, 2013 unless earlier terminated in conformance with this Agreement. Costs for this project may be incurred from date of last contract signature.

3. Services Provided and Deliverables. County and Metro shall perform the services described in the attached Scope of Work, which is made part of this Agreement by reference, and otherwise fully comply with the provisions in the attached Scope of Work.

4. Payment. Metro shall pay County FORTY THOUSAND AND NO/100THS DOLLARS (\$40,000.00) in the manner and at the time designated in the Scope of Work.

5. Insurance. County agrees to maintain insurance levels, or self-insurance in accordance with ORS 30.282, for the duration of this Agreement to levels necessary to protect against public body liability as specified in ORS 30.272. County also agrees to maintain for the duration of this Agreement, Workers' Compensation Insurance coverage for all its employees as a self-insured employer, as provided by ORS chapter 656, or disability coverage under its Disability, Retirement and Death Benefits Plan.

6. Indemnification. Subject to the provisions of the Oregon Constitution and Oregon Tort Claims Act, County shall indemnify, defend, and hold Metro and Metro's agents, employees, and



600 NE Grand Ave.
Portland, OR 97232-2736
(503) 797-1700

Intergovernmental Agreement

elected officials harmless from any and all claims, demands, damages, actions, losses, and expenses, including attorney fees, arising out of or in any way connected with, County's performance under this Agreement.

7. Termination. This Agreement may be terminated by either party without cause upon giving 90 days written notice of intent to terminate. This Agreement may be terminated with less than 90 days notice if a party is in default of the terms of this Agreement. In the case of a default, the party alleging the default shall give the other party at least 30 days written notice of the alleged default, with opportunity to cure within the 30-day period. Termination shall be without prejudice to any obligations or liabilities of either party already accrued prior to such termination.

8. State Law Constraints. Both parties shall comply with the public contracting provisions of ORS chapter 279A, B & C and to the extent those provisions apply, they are incorporated into this Agreement by reference. Specifically, it is a condition of this Contract that all employers working under this Agreement are subject employers that will comply with ORS 656.017.

9. Notices. Legal notice provided under this Agreement shall be delivered personally or by certified mail to the following individuals:

For County:

Rick Winterhalter
Clackamas County
150 Beaver Creek Rd.
Oregon City, OR 97045

For Metro:

Office of Metro Attorney
Metro
600 NE Grand Avenue
Portland, OR 97232-2736

Informal coordination of this Agreement will be conducted by the following designated Project Managers:

For County:

Rick Winterhalter
Clackamas County
150 Beaver Creek Rd.
Oregon City, OR 97045
(503) 742-4466

For Metro:

Jennifer Erickson
Metro
600 NE Grand Ave.
Portland, OR 97232
(503) 797-1647



600 NE Grand Ave.
Portland, OR 97232-2736
(503) 797-1700

Intergovernmental Agreement

County may change the above- designated Project Manager by written notice to Metro. Metro may change the above-designated Project Manager by written notice to County.

10. Assignment. This Agreement is binding on each party, its successors, assigns, and legal representatives and may not, under any condition, be assigned or transferred by either party without prior written approval by the other party.

11. Integration. This writing contains the entire Agreement between the parties, and may only be amended by written instrument, signed by both parties.

12. Severability. If any portion of this Agreement is found to be illegal or unenforceable, this Agreement nevertheless shall remain in full force and effect and the offending provision shall be stricken.

This Agreement is dated as of the last signature date below.

CLACKAMAS COUNTY

METRO

By: _____

By: _____

Print name and title

Print name and title

Date

Date

Intergovernmental Agreement

- A) Term: Signature through June 30, 2013.
- B) Conditions: Funding provided through this Agreement shall be used solely for the personnel costs associated with development and implementation of permanent food scrap collection programs for the business sector within the boundaries of Clackamas County. Grant funds may be used to hire additional FTE dedicated 100% to food scraps program development and implementation and may not be used to pay for existing staff.
- C) County Responsibilities:

County shall implement the following work plan:

Outreach Strategy Goals:

1. Recruit food generators to participate in Clackamas *We Compost* Program which includes donating edible food whenever possible.
2. Focus outreach on large food waste generators including full service restaurants, grocery stores, food production facilities and large institutions.
3. Work with the region to develop consistent messaging and encourage restaurant suppliers to provide only acceptable compostable products.
4. Increase the number of business willing to join the program as haulers and reload facilities begin to start accepting food scraps.

Program Outcomes

The cities of Lake Oswego, West Linn and Canby have created a separate rate for food scrap collection service. Recruitment of businesses following the goals above will focus in these areas. Unincorporated Clackamas County, the City of Milwaukie and City of Wilsonville will roll out a program as businesses request service at the garbage rate. The service standards for Unincorporated Clackamas County will continue to follow existing Administrative Regulations for Franchisees. Cities are responsible for setting their own rates and service standard requirements. These areas are the urban core of Clackamas County, containing the majority of food waste being generated.

Given the history of the work done in the past four months, staff has set a goal of setting up 10 businesses per month with the additional grant funds provided. Grocery stores, assisted living facilities and full service restaurants will be the target sectors to reach this goal.

Intergovernmental Agreement

City	Number of Food Generators	Currently Participating
Canby	65	1
West Linn	56	6
Lake Oswego	125	13
Unincorporated/Happy Valley	225	2
Milwaukie	170	2

Phase One: October 2012-March 2013 (Hours – 1,040)

Focus area: Canby, continued work in West Linn.

Goal: Launch *We Compost* Program for the City of Canby supporting a strong commitment to community and the diversity within the city.

Deliverables:

- Send out letters to food generators informing them of the new service.
- Cold call all food generators (65) to solicit and close collection opportunities.
- In partnership with the Canby Chamber, host a Compost Workshop to launch the program in Canby. Research will begin on providing a second workshop in Spanish for employees and business owners.
- Work with large generators as a flagship (business to business) for the program. Local grocery store and Willamette Country Club have partnered to help with program launch.
- Work with Canby Disposal on a feedback loop to track generators that are contaminating compost feedstock and monthly tonnage reporting.
- Continue to follow up with leads in West Linn and promote those businesses that are participating.

Focus Area: Lake Oswego

Goal: Continue working with Allied Waste and City Sustainability Manager on recruiting additional businesses to participate in *We Compost* Program.

Deliverables:

- Develop and submit ads and articles to local media and Chamber.
- Work with Graymor Properties to set up "A" St. Station which has upscale full service restaurants.
- Work with multijurisdictional chain restaurants on Kruse Way/I-5 corridor.
- Continue encouraging participation by downtown smaller-generator businesses.
- Work with Allied Waste to track tons collected.

Lake Oswego School District: The City requires the franchisee to provide collection services at reduced rates and the school district is striving to maximize waste reduction efforts. The County will be providing staff to assist with the development of lunch time collection programs to ensure message consistency throughout the County. Staff will work with County Health Department to support more "no thank you" tables so produce can be given to other children instead of being disposed.

Intergovernmental Agreement

Phase Two: April – June 2013 (Hours – 520)

Focus area: Clackamas Town Center, Sunnyside Road and N. 82nd Ave.

Goal: Work with early food scraps program adopters to fill a route for Waste Management (WM), Sunset Garbage and Kahut Waste.

Deliverables:

- Staff will work with WM to expand a route in the 82nd Ave./Sunnyside area. This will allow staff to begin working with Kaiser Hospital to introduce *We Compost* to their employees.
- Focus setting up grocery stores and full service restaurants located on 82nd Ave.
- Focus on cluster of full service restaurants on Sunnyside Rd.

Clackamas Town Center: Monitor the Town Center's internal management efforts to allow food scrap collection once existing internal garbage and recycling issues are resolved.

Program Administration: All Phases

Program Monitoring

Continue to monitor existing accounts generated in Phases 1 and 2 to ensure clean feedstock of compostable material. Research additional messaging regarding compostable service ware to ensure food generators understand the pros and cons of products they are purchasing and promote use of durables.

Oregon Food Bank (OFB) partnership

Work with OFB's Food Resource Developer on food generators within the County tied to OFB's national accounts to encourage composting for the food not suitable for donation. Staff will continue to lead with "Donate the Best, Compost the Rest" in outreach efforts.

Program Tracking

Staff is working with BRWG to ensure compost accounts are tracked in RAWIS including accounts set up, service levels, use of compostable bags / service ware and other comments related to the account. A spreadsheet has been created to track internal collection containers distributed. Track tonnage for each city and hauler.

Program Administration in all Phases

- Continue to develop partnerships with local food donation organizations in order to directly connect businesses with nearby pantries.
- Continually assess material quality at established accounts.
- Develop a monitoring protocol to be used by franchisees.
- Translate existing training materials to provide employees with English as a second language the greatest opportunity to contribute to the program's success.
- Research options for non-traditional training opportunities for employees. Review work done by City of Gresham and Beaverton.
- Write articles and advertisements for local media outlets, i.e. City/County newsletters/websites and neighborhood publications.
- Report monthly to Metro describing program activities and any timeline adjustments.

Intergovernmental Agreement

Equity and Involvement of Minority Organizations

Canby will be one of the primary areas of focus for Organics outreach in the Spring. Although the same resources will be available to all customers, the focus will be on providing outreach in Canby due to the city's diverse population.

Through participation in the Diversity Leadership Council, existing relationships within the county will be tapped to help build an equitable organics outreach campaign in Canby. Special attention to a community-based outreach effort will begin by meeting with local Hispanic leaders and the Canby Center to develop a plan to encourage participation in the *We Compost* Program. The intent is to further grow a network of connections with individuals and community groups that can help inform how to effectively reach Hispanic workers and business owners as well as help spread the word about the new organics program.

In addition to the workshop that will be hosted at the Willamette Country Club, a similar event at an alternative location such as the Canby Center will be offered in Spanish. For day-to-day outreach, in addition to bilingual educational materials, one-on-one assistance in Spanish will also be provided. For Hispanic owned or operated businesses, accounts needing site visits in Spanish to get organics service up and running will be noted. For those businesses needing Spanish-speakers to help train workers, that service will be offered.

Reporting

- Report monthly to Metro describing program activities and any timeline adjustments.
- Provide Metro with a comprehensive mid-term progress report no later than March 1, 2013.

D) Metro Responsibilities.

Metro shall:

1. Provide assistance to the County as needed to develop, execute, monitor and evaluate the services provided through this agreement.

E) Budget and Terms of Payment:

1. Upon signature, Metro shall pay County \$20,000. Upon completion of a satisfactory mid-term report, Metro shall pay County the remaining \$20,000. Metro reserves the right to request all or some of the funds be returned should satisfactory progress not be demonstrated. County's billing invoices shall include the Metro contract number, County name, remittance address, invoice date, invoice number, and invoice amount. County's billing invoices shall be sent to Metro Accounts Payable, 600 NE Grand Avenue, Portland, OR 97232-2736 or metroaccountspayable@oregonmetro.gov. The Metro contract number shall be referenced in the email subject line. County's billing invoices for goods and services through June 30 shall be submitted to Metro by July 15. Payment shall be made by Metro on a Net 30 day basis upon approval of County's invoice.



20

CAMPBELL M. GILMOUR
DIRECTOR

DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT

DEVELOPMENT SERVICES BUILDING

150 BEAVERCREEK ROAD | OREGON CITY, OR 97045

December 20, 2012

Board of County Commissioners
Clackamas County

Members of the Board:

**Approval of a Modification to the Happy Valley Joint Area
Transportation System Development Charge**

New and expanding developments rely on improvements made to County roads through the capital improvement program. The Transportation System Development Charge ("TSDC") is a one-time charge that spreads the cost of increased capacity road projects to these developments based on the number of vehicle trips the project is forecast to generate.

The Board has the ability to modify the TSDC on certain classes of development when warranted by public policy considerations. The attached Resolution declares the Board's modification of the TSDC for mixed use development in the Happy Valley Joint Area when that development exceeds two million square feet in area, is completed within four years, and creates annual property tax revenue at completion that meets or exceeds four million dollars.

Public policy considerations that support this modification are the creation of jobs and private investment in an area where an adjustment to the TSDC will facilitate catalytic development.

Recommendation

Staff respectfully recommends the Board of Commissioners approve the proposed modification to the Transportation System Development Charge as set out in the attached Resolution to promote public policy objectives identified as important by the Commissioners during the Executive Session held December 11, 2012.

Sincerely,

Handwritten signature of Cam Gilmour in black ink.

Cam Gilmour
Director, Department of Transportation and Development

For information on this issue or copies of attachments
please contact Diedre Landon at 503-742-4411 or DLandon@co.clackamas.or.us

**BEFORE THE BOARD OF COUNTY COMMISSIONERS
OF CLACKAMAS COUNTY, STATE OF OREGON**

A RESOLUTION OF THE CLACKAMAS
COUNTY BOARD OF COUNTY
COMMISSIONERS AS TO TRANSPORTATION
SYSTEM DEVELOPMENT CHARGES FOR
CERTAIN CLASSES OF DEVELOPMENT

RESOLUTION NO. _____
(page 1 of 2)

WHEREAS, it has been demonstrated that certain types of mixed use development can create jobs, promote property values, and increase livability;

WHEREAS, certain types of mixed use development are able to achieve these goals in a manner compatible with applicable zoning standards and transportation system requirements;

WHEREAS, the type of development, its location, scale, and other considerations are important in determining the amount of Transportation System Development Charges;

NOW, THEREFORE; BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS THAT:

Section 1: Pursuant to Section 11.03.010(B) of the Clackamas County Code, the Board declares that it will choose to impose a Transportation System Development Charge that is less than the maximum allowed by law on certain classes of development in order to promote important public policy considerations.

Section 2: That in order to qualify for the modification for certain classes of development types set out in Section 1 the development must meet all the following characteristics:

A. The development must be in the Transportation System Development Charge area jointly administered by the County and the City of Happy Valley;

B. The project must consist entirely of new development, no part of which was completed or under construction prior to January 1, 2013;

C. The total area of the new development must equal or exceed two million square feet;

D. The new development must be of mixed use involving components of office, retail, and housing and related uses, with not less than 600,000 square feet of office, 400,000 square feet of retail, and 600 housing units; and

E. The new development must result in an annual average property tax revenue at build out of at least four million dollars.

Section 3: Development meeting each and every one of the requirements set out above shall be able to claim a modification in the Transportation System Development Charge for the first 750,000 square feet of development.

**BEFORE THE BOARD OF COUNTY COMMISSIONERS
OF CLACKAMAS COUNTY, STATE OF OREGON**

A RESOLUTION OF THE CLACKAMAS
COUNTY BOARD OF COUNTY
COMMISSIONERS AS TO TRANSPORTATION
SYSTEM DEVELOPMENT CHARGES FOR
CERTAIN CLASSES OF DEVELOPMENT



RESOLUTION NO. _____
(page 2 of 2)

Section 4: The ability to claim this modification of the Transportation System Development Charge shall last no longer than two years from the effective date of this Resolution. If a developer has received permit approval and commenced construction of a minimum of 200,000 square feet of the office or retail components of the project, the modification may be automatically extended one additional calendar year. Additional extensions may proceed in calendar year increments for subsequent permits granted and commencement of new construction for each additional increment of 200,000 square feet of mixed use development, up to 750,000 square feet of new development.

No extension shall be granted for any period beyond four years from the date of concurrence by the City of Happy Valley on any modification to the Transportation System Development Charge.

Section 5: Upon the satisfaction of Sections 1 through 4 above the Transportation System Development Charge that would otherwise be imposed by Chapter 11.03 of the Clackamas County Code shall be reduced to the charge set out in the attached table (Exhibit A).

Section 6: Effective Date. The modification to the Transportation System Development Charge set out in this Resolution shall become effective upon concurrence by the City of Happy Valley, and shall have a duration no longer than the four years set out in Section 4 above.

DATED this 20th day of December, 2012.

CLACKAMAS COUNTY BOARD OF COMMISSIONERS

Chair

Recording Secretary

ITE LAND USE CODE/CATEGORY	ITE TRIP RATE	COST PER ITE TRIP	SDC AMOUNT	
BUSINESS & COMMERCIAL CONT.				
825 Shopping Center 400,000 - 499,999 gsf	42.02	\$76.14	\$3,199.20	/T.G.L.S.F.
826 Shopping Center 500,000-599,999 gsf	38.65	\$86.66	\$3,349.44	/T.G.L.S.F.
827 Shopping Center 1,000,000 - 1,200,000 sf	32.09	\$75.40	\$2,419.73	/T.G.L.S.F.
828 Shopping Center Over 1,200,000 gsf	30.69	\$68.64	\$2,106.70	/T.G.L.S.F.
831 Quality Restaurant	95.99	\$72.19	\$6,929.21	/T.G.S.F.
832 High Turnover, Sit-Down Restaurant	177.87	\$36.02	\$6,407.30	/T.G.S.F.
833 Fast Food Restaurant	786.22	\$18.01	\$14,156.76	/T.G.S.F.
841 New Car Sales	47.91	\$55.14	\$2,641.99	/T.G.S.F.
844 Service Station	174.71	\$43.50	\$7,599.89	/fuel position
850 Supermarket	125.50	\$54.02	\$6,779.30	/T.G.S.F.
851 Convenience Market	737.99	\$16.16	\$11,925.03	/T.G.S.F.
870 Apparel	3.33	\$55.14	\$183.63	/T.G.S.F.
890 Furniture Store	4.34	\$55.14	\$239.33	/T.G.S.F.
911 Bank/Savings: Walk-In	140.61	\$95.66	\$13,451.28	/T.G.S.F.
912 Bank/Savings: Drive-In	265.21	\$95.66	\$25,370.98	/T.G.S.F.
OFFICE				
630 Clinic	23.79	\$141.38	\$3,363.41	/T.G.S.F.
711 General Office Under 100,000 gsf	16.58	\$141.38	\$2,344.07	/T.G.S.F.
712 General Office 100,000 - 199,999 gsf	14.03	\$141.38	\$1,983.55	/T.G.S.F.
713 General Office 200,000 gsf and over	11.85	\$141.38	\$1,675.35	/T.G.S.F.
720 Medical Office Bldg	34.17	\$141.38	\$4,830.93	/T.G.S.F.
730 Government Office Bldg	68.93	\$141.38	\$9,745.28	/T.G.S.F.
731 State DMV Office	166.02	\$141.38	\$23,471.80	/T.G.S.F.
732 U.S. Post Office	87.12	\$141.38	\$12,316.97	/T.G.S.F.
760 Research Center	77.70	\$141.38	\$1,088.62	/T.G.S.F.
770 Business Park	14.37	\$141.38	\$2,031.62	/T.G.S.F.
INDUSTRIAL				
110 General Light Industrial	6.97	\$141.38	\$985.41	/T.G.S.F.
120 General Heavy Industrial	1.50	\$141.38	\$212.07	/T.G.S.F.
130 Industrial Park	6.97	\$141.38	\$985.41	/T.G.S.F.
140 Manufacturing	3.85	\$141.38	\$544.31	/T.G.S.F.
150 Warehouse	4.88	\$141.38	\$689.93	/T.G.S.F.
151 Mini-Warehouse	2.61	\$141.38	\$369.00	/T.G.S.F.
170 Utilities	1.06	\$141.38	\$149.86	/employee
860 Wholesale	6.73	\$141.38	\$951.48	/T.G.S.F.

Exhibit A

CLACKAMAS COUNTY
TRANSPORTATION SYSTEMS DEVELOPMENT CHARGE PROGRAM

ITE	LAND USE CODE/CATEGORY	ITE TRIP RATE	COST PER ITE TRIP	SDC AMOUNT
RESIDENTIAL				
210	Single Family Detached	9.55	\$133.40	\$1,273.98 /unit
220	Multi Family Attached	6.47	\$133.40	\$863.11 /unit
230	Residential Condominium	5.86	\$133.40	\$781.73 /unit
240	Manufactured Housing	4.81	\$133.40	\$641.66 /unit
260	Recreational Home/Condo	3.16	\$133.40	\$421.55 /unit
INSTITUTIONAL				
030	Truck Terminals	9.86	\$141.38	\$1,394.00 /T.G.S.F.*
410	Park	7.58	\$147.57	\$1,118.59 /prkg sp
416	RV Park	74.38	\$147.57	\$10,976.32 /acre
420	Marina	2.96	\$147.57	\$436.81 /berth
430	Golf Course	37.59	\$147.57	\$5,547.19 /hole
443	Movie Theater	1.76	\$147.57	\$259.72 /seat
492	Racquet Club	17.14	\$147.57	\$2,529.36 /T.G.S.F.
501	Military Base	1.78	\$141.38	\$251.66 /emloyee
510	Preschool	4.65	\$53.23	\$247.50 /student
520	Elementary School	1.09	\$53.23	\$58.02 /student
530	High School	1.38	\$53.23	\$73.45 /student
540	Junior/Community College	1.33	\$99.58	\$132.44 /student
550	University	2.37	\$99.58	\$236.01 /student
560	Church	9.32	\$147.57	\$1,375.36 /T.G.S.F.
565	Day Care Center	4.65	\$53.23	\$247.50 /student
590	Library	45.50	\$147.57	\$6,714.47 /T.G.S.F.
610	Hospital	16.78	\$141.38	\$2,372.35 /T.G.S.F.
620	Nursing Home	2.60	\$141.38	\$367.59 /bed
652	Elderly Assisted Living	2.15	\$133.40	\$286.81 /unit
BUSINESS & COMMERCIAL				
310	Hotel/Motel	8.70	\$84.48	\$734.96 /unit
812	Bldg Materials/Lumber	30.56	\$55.14	\$1,685.23 /T.G.S.F.
814	Specialty Retail Center	40.67	\$55.14	\$2,242.75 /T.G.L.S.F.**
815	Discount Stores	57.06	\$55.14	\$3,146.57 /T.G.L.S.F.
816	Hardware/Paint Stores	51.29	\$55.14	\$2,828.38 /T.G.S.F.
817	Nursery-Retail	36.08	\$55.14	\$1,989.63 /T.G.S.F.
820	Shopping Center under 50,000 gsf	167.59	\$55.14	\$9,241.74 /T.G.L.S.F.
821	Shopping Center 50,000 - 99,999 gsf	91.65	\$52.89	\$4,847.52 /T.G.L.S.F.
822	Shopping Center 100,000 - 199,999 gsf	70.67	\$66.40	\$4,692.58 /T.G.L.S.F.
823	Shopping Center 200,000 - 299,999 gsf	54.50	\$67.53	\$3,680.27 /T.G.L.S.F.
924	Shopping Center 300,000 - 499,999 gsf	46.81	\$74.28	\$3,476.94 /T.G.L.S.F.

* Thousand Gross Square Feet

** Thousand Gross Leasable Square Feet



DEPARTMENT OF EMPLOYEE SERVICES

PUBLIC SERVICES BUILDING
2051 KAEN ROAD | OREGON CITY, OR 97045

December 12, 2012

Board of County Commissioners
Clackamas County

Members of the Board:

**APPROVAL OF THE LABOR CONTRACT BETWEEN CLACKAMAS COUNTY
AND THE CLACKAMAS COUNTY EMPLOYEES' ASSOCIATION**

Negotiations have concluded with the Clackamas County Employees' Association. The union membership has voted to ratify the contract for the 2012-13, 2013-14 and 2014-15 fiscal years. The contract is attached with signatures from the union's negotiating team and the County's chief negotiator.

We request that the Board of County Commissioners approve the attached contract at their meeting on Thursday, December 20, 2012.

The significant wage, benefit and language highlights follow:

The parties negotiated a two (2%) cost of living adjustment for FY 2012 – 13. The Consumer Price Index for the fiscal year was 3.3%. For FY 2013-14, a cost of living adjustment with a minimum of 2% and a maximum of 4.5% and for FY 2014-15, a cost of living adjustment with a minimum increase of 2% and a maximum of 4.5%, equal to the increase in the US Consumer Price Index (CPI-W for Portland-Salem, OR-WA).

In addition, effective July 1, 2013, employees will move from steps with annual merit increases of 5% to salary ranges with annual merit increases of 3.5%

Effective July 1, 2012 the County will contribute an amount equivalent to 95% of the monthly composite premium for each medical plan up to a maximum of \$1185.33. Effective January 1, 2013 the County will contribute an amount equivalent to 95% of the monthly composite premium for each medical plan up to a maximum of \$1258.47, an increase of 6.1%. Effective January 1, 2014 and January 1, 2015 the amount the County will be required to contribute will be capped at 5% of the county contribution rate. This is a change from the current cap which is 8%.

Language modifications were also made to the collective bargaining agreement through negotiated agreements between Clackamas County and Clackamas County Employees' Association. These include: clarifying that performance improvement plans are not discipline, eliminating the requirement for mutual agreement on limited term positions, incorporating language on the role of union representatives in investigatory meetings, among other things.

RECOMMENDATION

It is recommended that the Board of the County Commissioners approve the attached contract for the Clackamas County Employees' Association for 2012 - 2015.


Nancy Drury, DES Director

Attachments: 2012 – 2015 Employees Association Agreement

For more information on this issue or copies of attachments, please contact Mark Stotik
at 503-655-8292



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NANCY DRURY
DIRECTOR

DEPARTMENT OF EMPLOYEE SERVICES

PUBLIC SERVICES BUILDING
2051 KAEN ROAD | OREGON CITY, OR 97045

December 12, 2012

Board of Commissioners of the
Housing Authority of Clackamas County

Members of the Board:

**APPROVAL OF THE LABOR CONTRACT BETWEEN THE HOUSING AUTHORITY
OF THE COUNTY OF CLACKAMAS AND THE
CLACKAMAS COUNTY EMPLOYEES' ASSOCIATION**

The Housing Authority of Clackamas County, a Division of the Department of Housing, Health, and Human Services, requests approval of a Labor Contract between the Housing Authority of the County of Clackamas and the Clackamas County Employees Association. The union membership has voted to ratify the contract for the 2012-13, 2013-14 and 2014-15 fiscal years. The contract is attached with signatures from the union's negotiating team and the County's chief negotiator.

We request that the Board of County Commissioners approve the attached contract at their meeting on Thursday, December 20, 2012.

The significant wage, benefit and language highlights follow:

The parties negotiated a two (2%) cost of living adjustment for FY 2012 – 13. The Consumer Price Index for the fiscal year was 3.3%. For FY 2013-14, a cost of living adjustment with a minimum of 2% and a maximum of 4.5% and for FY 2014-15, a cost of living adjustment with a minimum increase of 2% and a maximum of 4.5%, equal to the increase in the US Consumer Price Index (CPI-W for Portland-Salem, OR-WA).

In addition, effective July 1, 2013, employees will move from steps with annual merit increases of 5% to salary ranges with annual merit increases of 3.5%

Effective July 1, 2012 the County will contribute an amount equivalent to 95% of the monthly composite premium for each medical plan up to a maximum of \$1185.33. Effective January 1, 2013 the County will contribute an amount equivalent to 95% of the monthly composite premium for each medical plan up to a maximum of \$1258.47, an increase of 6.1%. Effective January 1, 2014 and January 1, 2015 the amount the County will be required to contribute will be capped at 5% of the county contribution rate. This is a change from the current cap which is 8%.

S:\Personnel\Board Order\STAFF REPORT\EAHA Contract 2012 - 2015.docx

Language modifications were also made to the collective bargaining agreement through negotiated agreements between Clackamas County and Clackamas County Employees' Association. These include: clarifying that performance improvement plans are not discipline, incorporating language on the role of union representatives in investigatory meetings, among other things

RECOMMENDATION

It is recommended that the Board of the Housing Authority for Clackamas County approve the attached contract for the Clackamas County Employees' Association (Housing Authority) for 2012-2015.

Respectfully submitted,


Nancy Drury
Director of Employee Services

Attachments: 2012-2015 Employees Association/Housing Authority Contract

For more information on this issue or copies of attachments, please contact Mark Stotik
at 503-655-8292



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NANCY DRURY
DIRECTOR

DEPARTMENT OF EMPLOYEE SERVICES

PUBLIC SERVICES BUILDING
2051 KAEN ROAD | OREGON CITY, OR 97045

December 12, 2012

Board of County Commissioners
Clackamas County

Members of the Board:

**APPROVAL OF THE LABOR CONTRACT BETWEEN CLACKAMAS COUNTY
AND THE CLACKAMAS COUNTY
EMPLOYEES' ASSOCIATION – TEMPORARIES AND PART-TIME**

Negotiations have concluded with the Clackamas County Employees' Association for Temporary and Part-Time employees. The union membership has voted to ratify the contract for the 2012-13, 2013-14, and 2014-2015 fiscal years. The contract is attached with signatures from the Union and County negotiating teams.

We request that the Board of County Commissioners approve the attached contract at their meeting on Thursday, December 20, 2012.

The significant wage, benefit and language highlights follow:


The parties negotiated a two (2%) cost of living adjustment for FY 2012 – 13. The Consumer Price Index for the fiscal year was 3.3%. For FY 2013-14, a cost of living adjustment with a minimum of 2% and a maximum of 4.5% and for FY 2014-15, a cost of living adjustment with a minimum increase of 2% and a maximum of 4.5%, equal to the increase in the US Consumer Price Index (CPI-W for Portland-Salem, OR-WA).

In addition, effective July 1, 2013, employees will move to merit increase of 3.5% and moving from steps to salary ranges as applicable.

Language modifications were made to the collective bargaining agreement through negotiated agreements between the County and the Employees' Association. These include: updating the language regarding the Juvenile Department.

RECOMMENDATION

We recommend the approval of the attached contract for the Clackamas County Employees' Association Temporary and Part-Time Employees for 2012-2015.


Nancy Drury,
Director of Employee Services

Attachments: 2012-2015 Employees Association Part-Time/Temporary Contract

For more information on this issue or copies of attachments, please contact Mark Stotik
at 503-655-8292



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NANCY DRURY
DIRECTOR

DEPARTMENT OF EMPLOYEE SERVICES

PUBLIC SERVICES BUILDING
2051 KAEN ROAD | OREGON CITY, OR 97045

December 17, 2012

Clackamas County Board of County Commissioners

Members of the Board:

**APPROVAL OF THE LABOR CONTRACT BETWEEN CLACKAMAS COUNTY
AND
AFSCME – WATER ENVIRONMENT SERVICES (AFSCME-WES)**

Negotiations have concluded with the AFSCME-WES which represents the Water Environment Services union employees. The union membership has voted to ratify the contract for the 2012-13, 2013-14 and 2014-15 fiscal years. The contract is attached with signatures from the union's negotiating team and the County's chief negotiator.

We request that the Board of County Commissioners approve the attached contract at their meeting on December 20, 2012.

The significant wage, benefit and language highlights follow:

The parties negotiated a two (2%) cost of living adjustment for FY 2012 – 13. The Consumer Price Index for the fiscal year was 3.3%. For FY 2013-14, a cost of living adjustment with a minimum of 2% and a maximum of 4.5% and for FY 2014-15, a cost of living adjustment with a minimum increase of 2% and a maximum of 4.5%, equal to the increase in the US Consumer Price Index (CPI-W for Portland-Salem, OR-WA).

In addition, effective July 1, 2013, employees will move from steps with annual merit increases of 5% to salary ranges with annual merit increases of 3.5%

Effective July 1, 2012 the County will contribute an amount equivalent to 95% of the monthly composite premium for each medical plan up to a maximum of \$1185.33. Effective January 1, 2013 the County will contribute an amount equivalent to 95% of the monthly composite premium for each medical plan up to a maximum of \$1258.47, an increase of 6.1%. Effective January 1, 2014 and January 1, 2015 the amount the County will be required to contribute will be capped at 5% of the county contribution rate. This is a change from the current cap which is 8%.

Language modifications were made to the collective bargaining agreement through negotiated agreements between Clackamas County and AFSCME-WES. These include an updated process for call-in.

RECOMMENDATION

It is recommended that the Clackamas County Board of County Commissioners approve the attached contract for the AFSCME-WES for 2012-2015.


Nancy Drury, DES Director

Attachments: 2012 – 2015 WES Contract

For more information on this issue or copies of attachments, please contact Mark Stotik
at 503-655-8292



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NANCY DRURY
DIRECTOR

DEPARTMENT OF EMPLOYEE SERVICES

PUBLIC SERVICES BUILDING
2051 KAEN ROAD | OREGON CITY, OR 97045

December 17, 2012

Clackamas County Board of County Commissioners

Members of the Board:

**APPROVAL OF THE LABOR CONTRACT BETWEEN CLACKAMAS COUNTY
AND
AFSCME – C-COM**

Negotiations have concluded with the AFSCME-CCOM which represents the CCOM union employees. The union membership has voted to ratify the contract for the 2012-13, 2013-14 and 2014-15 fiscal years. The contract is attached with signatures from the union's negotiating team and the County's chief negotiator.

We request that the Board of County Commissioners approve the attached contract at their meeting on December 20, 2012.

The significant wage, benefit and language highlights follow:

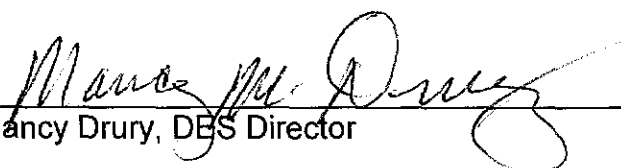
The parties negotiated a 3.6% cost of living adjustment for FY 2012 – 13. The Consumer Price Index for the fiscal year was 3.6%. For FY 2013-14, a cost of living adjustment with a minimum of 2% and a maximum of 4.5% and for FY 2014-15, a cost of living adjustment with a minimum increase of 2% and a maximum of 4.5%, equal to the increase in the US Consumer Price Index (CPI-W for Portland-Salem, OR-WA).

Effective July 1, 2012 the County will contribute an amount equivalent to 95% of the monthly composite premium for each medical plan up to a maximum of \$1185.33. Effective January 1, 2013 the County will contribute an amount equivalent to 95% of the monthly composite premium for each medical plan up to a maximum of \$1258.47, an increase of 6.1%. Effective

January 1, 2014 and January 1, 2015 the amount the County will be required to contribute will be capped at 5% of the county contribution rate. This is a change from the current cap which is 8%.

RECOMMENDATION

It is recommended that the Clackamas County Board of County Commissioners approve the attached contract for the AFSCME-CCOM for 2012-2015.


Nancy Drury, DES Director

Attachments: 2012 – 2015 CCOM Contract

For more information on this issue or copies of attachments, please contact Mark Stotik
at 503-655-8292



DEPARTMENT OF EMPLOYEE SERVICES

PUBLIC SERVICES BUILDING
2051 KAEN ROAD | OREGON CITY, OR 97045

December 17, 2012
Clackamas County Board of County Commissioners

Members of the Board:

**APPROVAL OF THE LABOR CONTRACT BETWEEN CLACKAMAS COUNTY
AND
AFSCME – DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT (AFSCME-DTD)**

Negotiations have concluded with the AFSCME-DTD which represents the Department of Transportation and Development union employees. The union membership has voted to ratify the contract for the 2012-13, 2013-14 and 2014-15 fiscal years. The contract is attached with signatures from the union's negotiating team and the County's chief negotiator and negotiating team members.

We request that the Board of County Commissioners approve the attached contract at their meeting on December 20, 2012.

The significant wage, benefit and language highlights follow:

The parties negotiated a two (2%) cost of living adjustment for FY 2012 – 13. The Consumer Price Index for the fiscal year was 3.3%. For FY 2013-14, a cost of living adjustment with a minimum of 2% and a maximum of 4.5% and for FY 2014-15, a cost of living adjustment with a minimum increase of 2% and a maximum of 4.5%, equal to the increase in the US Consumer Price Index (CPI-W for Portland-Salem, OR-WA).

In addition, effective July 1, 2013, employees will move from steps with annual merit increases of 5% to salary ranges with annual merit increases of 3.5%

Effective July 1, 2012 the County will contribute an amount equivalent to 95% of the monthly composite premium for each medical plan up to a maximum of \$1185.33. Effective January 1, 2013 the County will contribute an amount equivalent to 95% of the monthly composite premium for each medical plan up to a maximum of \$1258.47, an increase of 6.1%. Effective January 1, 2014 and January 1, 2015 the amount the County will be required to contribute will be capped at 5% of the county contribution rate. This is a change from the current cap which is 8%.

Language modifications were made to the collective bargaining agreement through negotiated agreements between Clackamas County and AFSCME-DTD. These include clarifications on emergency call outs.

RECOMMENDATION

It is recommended that the Clackamas County Board of County Commissioners approve the attached contract for the AFSCME-DTD for 2012-2015.


Nancy Drury, DES Director

Attachment: 2012-2015 DTD Contract

For more information on this issue or copies of attachments, please contact Mark Stotik at 503-655-8292



OFFICE OF COUNTY COUNSEL

PUBLIC SERVICES BUILDING

2051 KAEN ROAD OREGON CITY, OR 97045

Stephen L. Madkour
County Counsel

David W. Anderson
Kimberley Ybarra
Kathleen Rastetter
Scot A. Sideras
Chris Storey
Scott C. Ciecko
Alexander Gordon
Rhett C. Tatum
Assistants

December 20, 2012

Board of Commissioners
Clackamas County

Members of the Board:

Settlement of *Streeter v. Clackamas County*

Pursuant to section 4.10 of the County's Risk Management Policy, formal approval by the Board of County Commissioners is required in settlements of \$100,000 or more.

Recommendation:

County Counsel respectfully requests Board authorization to settle the case of *Streeter v. Clackamas County* for the amount of \$120,000.

Sincerely,

Stephen L. Madkour
County Counsel



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BOB COZZIE
DIRECTOR

DEPARTMENT OF COMMUNICATIONS

COMMUNICATIONS AND EMERGENCY OPERATIONS CENTER
2200 KAEN ROAD | OREGON CITY, OR 97045

December 20, 2012

Board of County Commissioners
Clackamas County

Members of the Board:

Approving Sub-Recipient Grant Agreement with Clackamas Radio Group (C-800) for portion of Zone Controller (radio system)

Clackamas County Communications (C-COM) applied for funding through the Secure Rural Schools and Community Self-Determination Act, Title III, to assist with purchasing a Zone Controller which operates the public safety radio system in Clackamas and Washington Counties.

The Zone Controller is similar to a larger computer server which manages how the radio system operates within both counties. The Zone Controller manages four "Prime Sites" which cover geographical areas. One of these prime sites covers East Clackamas County which includes parts of the Hwy 26 Corridor and the Mt. Hood National Forrest. The funds obtained under the Title III grant will help ensure continued emergency communications in parts of the Mt. Hood National Forrest which supports the missions of Search and Rescue and Wild Land Firefighting operations.

The total cost for replacing the Zone Controller was \$2,624,892. The C-800 radio group, which is comprised of Public Safety Agencies including Clackamas County Sheriff's Office and Health Department, owns the part of the radio system covering Clackamas County. A Sub-Recipient agreement is needed with C-800 to allow the County to reimburse \$376,429.96 to the C-800 Radio Group. These funds will be used for the portion of the Zone Controller that operates the East Clackamas County Prime Site.

The total amount for this agreement is \$376,429.96. No County General Fund dollars are requested and the remainder of the costs for the Zone Controller and ongoing maintenance costs will be absorbed by C-800 Radio Group and Washington County Consolidated Communications Agency (WCCCA).

RECOMMENDATION:

Staff respectfully requests approval of the attached Sub-Recipient Grant Agreement #13-003.

Sincerely,

Robert Cozzie
C-COM Director

For information on this issue or copies of attachments
Please contact Mark Spross at 503-655-8882



Extension Service North Willamette Research & Extension Center
Oregon State University, 15210 NE Miley Road, Aurora, Oregon 97002-9543
T 503-678-1264 | F 503-678-5986 | <http://oregonstate.edu/dept/NWREC/>

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December 20, 2012

Board of County Commissioners
Clackamas County

Members of the Board:

Approval of an Intergovernmental Lease between Clackamas County and the State of Oregon by and through the State Board of Higher Education on behalf of Oregon State University, North Willamette Research and Extension Center

North Willamette Research and Extension Center (NWREC) via the State of Oregon, Oregon State University currently has a long-standing intergovernmental lease agreement (lease) that ended September 1, 2012 and has been informally extended in writing to allow time for a review and update of the lease agreement for a new term of 10 years. NWREC is Oregon's largest experimental farm; it serves seven counties in Oregon and SW Washington. Activities of NWREC range from experimental agriculture – including crops and pest management – to education of local and would-be farmers and foresters.

This lease renewal has a term of 10 years and includes updated language clarifying the uses of the land NWREC leases from Clackamas County. The Board of County Commissioners reviewed these minor changes in a work session on Tuesday, December 11, 2012 and requested that this item be placed on the consent agenda for the December 20, 2012 Board business meeting. County Counsel has reviewed and approved the updated lease document.

RECOMMENDATION:

Staff respectfully recommends the Board approve the renewed Intergovernmental Lease Agreement between Clackamas County and the State of Oregon by and through the State Board of Higher Education on behalf of Oregon State University, North Willamette Research and Extension Center. Your favorable consideration is requested.

Sincerely,

Michael C. Bondi, Director—North Willamette Research and Extension Center

For information on this issue or copies of attachments, please contact Laurel Butman at 503-655-8893.

INTERGOVERNMENTAL LEASE AGREEMENT

Between Clackamas County
And
The State of Oregon Acting
By and Through the State Board of Higher Education
On Behalf of
Oregon State University, North Willamette Research and Extension Center

Clackamas County and the State of Oregon, acting by and through the State Board of Higher Education on behalf of Oregon State University, North Willamette Research and Extension Center, enter into this agreement pursuant to the authority granted in Oregon Revised Statutes Chapter 190, in order to provide Oregon State University with suitable land in Clackamas County for agricultural research.

PARTIES

Clackamas County ("Lessor") is a political subdivision of the State of Oregon, organized and existing under the laws and Constitution of the State of Oregon.

The State of Oregon acting by and through the State Board of Higher Education on behalf of Oregon State University, North Willamette Research and Extension Center ("Lessee") is an agency of the State of Oregon.

RECITALS

1. OSU desires to conduct agricultural research in Clackamas County.
2. OSU cannot conduct said research without provision of land in Clackamas County.
3. County is willing and able to provide OSU with suitable land known as the North Willamette Experiment Station in consideration of the benefit that said research will bring to County.

It is hereby agreed:

1. Lessor hereby leases to Lessee the real property described in Deed Book 543, Page 211; Deed Book 632, Page 359; Deed Book 661, Page 125; and Deed Book 681, Page 833, as recorded in the records of Clackamas County (the "Premises"), as follows:
Part of the South half of the Northeast quarter, and part of the North half of the Southeast quarter of Section 25 in T.3.S.R.1. West of the W.M., described as: Beginning at a point 3.50 chains South of the quarter section corner on the East line of said Section 25; thence West 40 chains; thence North 12.95 chains; thence East 40 chains; thence South to the place of beginning.

Subject to:

- A. The rights of the public in and to that portion lying within the boundaries of public roads.

- B. An easement created by instrument, including the terms and provisions thereof, recorded July 15, 1957 in Deed Book 528 page 70 in favor of Portland General Electric company.

A portion of the Robert A. Armstrong and wife Farm situated in Section 25, T.3 S., R.1 W. of the Willamette Meridian, Clackamas County, State of Oregon, being more particularly described as follows:

Beginning 3.5 chains south of the one-quarter section corner on the East boundary of said Section 25; thence West 40 chains to the one-quarter section line running North and South through the center of said Section 25; thence North 3.5 chains to the center of said Section; thence West along the East and West one-quarter section line, 20 chains to the Northeast corner of the Northwest quarter of the Southwest quarter; thence South along the one-sixteenth section line 635, 41 feet to a point; thence East, parallel to the East and West one-quarter section line of said section 2294.0 feet to a point; thence South parallel with the East section line of said Section 653.59 feet to a point; thence East parallel to the East and West one-quarter section line of said section 1666.0 feet to the East section line of said section; thence North along the East section line 1089.0 feet to the place beginning. Containing 70 acres, more or less. Also a road as described in Book 378, page 534, records of Deeds, Clackamas County, Oregon.

Beginning at the Northeast corner of the Northwest quarter of the Southwest quarter of Section 25, T. 3 S., R. 1 W.; thence South along the one-sixteenth section line 636.41 feet to the true point of beginning; thence continuing South along the one-sixteenth section line 150 feet to a point; thence East parallel to the East and West one-quarter section line of said section, 2294 feet to a point; thence North parallel with the East section line of said section, 150 feet; thence West 2294 feet to the point of beginning.

Beginning at the Northeast corner of the Northwest quarter of the Southwest quarter of Section 25, T. 3. S., R. 1. W. of the W.M. thence South along the one-sixteenth section line 786.41 feet to the true point of beginning; thence East parallel with the East-West one quarter section line of said section 2294 feet; thence South parallel with the East section line of said section 553.59 feet; thence West parallel with the East-West one quarter section line of said section 2294 feet; thence North 553.59 feet to the true point of beginning.

2. Lessor shall deliver the Premises to Lessee free of other tenants and of conflicting claims.
3. Lessee shall use the Premises solely to carry on and conduct agricultural research and experimental work, and all other lawful activities incident and necessary to such work. For the purposes of this agreement, crop rotation practices and allowing the land to lie fallow are considered agricultural research and experimental work.
4. The term of this Lease shall be from September 1, 2012 through August 31, 2022.
5. So long as the Premises are used in conformance with this Lease, and Lessee is not in default thereof, Lessee may peaceably and quietly hold and enjoy the Premises without interference by any third party.

6. Lessee may place fixtures, partitions, personal property, structures, and the like on the Premises and may make improvements and alterations at its own expense. Lessee may remove such items at any time during the term of this Lease and may, but shall not be required to, remove such items at the end of the Lease term.
7. Lessee is responsible for the utilities and services furnished to the Premises. Lessee shall pay all charges for utilities consumed and services furnished.
8. Each party shall hold and save harmless the other party, its officers, agents, and employees from damages arising out of its tortious acts, or those of its officers, agents and employees acting within the scope of their employment and duties in performance of this Lease, subject to the limitations and conditions of the Oregon Tort Claims Act, ORS 30.260 through 30.300, and the Oregon Constitution, Article XI, Section 7 and Section 10.
9. Neither Lessor nor Lessee shall be liable to the other for loss arising out of damage to or destruction of the leased Premises or the facility or the content thereof, when such loss is caused by any of the perils which are or could be included within or insured against by a standard form of fire insurance with extended coverage. Said absence of liability shall exist whether or not the damage or destruction is caused by the negligence of either Lessor or Lessee or by any of their respective agents, servants or employees. Lessee shall carry fire insurance with extended coverage, covering the market value of all improvements in which the Lessor has an interest, for the entire term of this Lease and shall look to its insurance carrier for reimbursement of any covered loss.
10. Lessee shall pay no rent for occupation of the land and buildings under this Lease as long as the premises are used for agricultural research and related activities, and the experiment station continues to benefit the public. If sufficient funds are not provided in the legislatively approved budget of Lessee to permit Lessee in the exercise of its reasonable administrative discretion to continue this Lease, or if the agency occupying the premises is abolished, Lessee may terminate this Lease without further liability by giving Lessor not less than 90 days' prior written notice. In determining the availability of funds for this Lease, Lessee may use the budget adopted for it by the Joint Ways and Means Committee of the Oregon Legislative Assembly.
11. If Lessee ceases for a period of two consecutive years or more to utilize any portion of the Premises for experimental or research purposes then this agreement shall terminate and the Premises shall automatically revert to Lessor without any action on Lessor's part. In this case, Lessor may, at Lessor's option, retake that portion of the premises.
12. If this Lease terminates pursuant to paragraphs 11 or 12 herein or for any other reason, or Lessee breaches any terms of this Lease, then the premises shall immediately revert to the County, and Lessee shall remove from the Premises all personal property, fixtures, or structures for which it has paid which it wishes to so remove, within six months after the effective date of termination.
13. No person shall, on the grounds of race, color, creed, national origin, sex, handicap, or age, suffer discrimination in the performance of this Lease or in employment by Lessor or Lessee in connection therewith.

14. Lessee will not suffer or permit any strip or waste of said premises and will at Lessee's own expense pay for all changes, alterations or additions to said premises and will not permit any lien to be attached to said premises.
15. Lessee shall use the Premises only for tax-exempt purposes.
16. Lessee will not assign, transfer, pledge, hypothecate or otherwise encumber or dispose of this Lease or the estate created in this Lease or any interest in any portion of the same, or prevent any other person or persons, company or corporations to occupy the Premises without first obtaining Lessor's written consent. This Lease is personal to Lessee for the purpose of experimental work. If the premises are used for any other purpose or by any other person, then payment of cash rent will be required, and this Lease shall be renegotiated accordingly.
17. Lessor shall not be required to pay any expenses whatsoever in connection with the occupation or operation of the Premises.
18. Notices between the parties shall be in writing, effective when personally delivered to the address specified, or if mailed, effective 48 hours following mailing to the address specified.

LESSOR

Board of County Commissioners
2051 Kaen Road
Oregon City, OR 97045
Phone: (503) 655-8581

LESSEE

Oregon State University
North Willamette Branch Extension Center
15210 NE Miley Road
Aurora, OR 97002
Phone: (503) 678-1264

With a copy to:

Oregon State University
Real Property Department
100 Cascade Hall
Corvallis OR 97331

19. This Lease supersedes and cancels any prior lease between Lessor and Lessee.
20. If any portion of this Lease is held to be illegal, invalid or unenforceable under present or future law effective during the term of this Lease, the remainder of this Lease shall not be affected thereby.
21. All other provisions herein notwithstanding, this Lease may be terminated by either party upon 90 days' written notice to the other party. Lessee agrees that it is not entitled to and shall not seek compensation on damages in any form from Lessor relating to Lessor's exercise of its right to terminate pursuant to this paragraph.
22. Lessee, at Lessee's expense, shall comply with all laws, rules, orders, ordinances, directions, regulations, and requirements of federal, state, county, and municipal authorities applicable to Lessee's use of the Property, and with all recorded covenants, conditions and restrictions, regardless of when they become effective. These include, without limitation, any required alteration of the Property because of Lessee's specific use, and all applicable federal, state, local laws, regulations, or ordinances pertaining to air and water quality, Hazardous Materials as

defined in Paragraph 26 below, waste disposal, air emissions and other environmental matters, and all zoning and other land use matters.

23. Lessee shall not cause or permit any Hazardous Material to be brought upon, kept, or used in or about the Premises by Lessee, Lessee's agents or employees, unless such Hazardous Material is both necessary to Lessee's agricultural experimentation on the Premises and kept, used and stored in a manner that complies with all laws regulating any such Hazardous Materials.
24. In addition to the indemnifications set forth in Paragraphs 9 and 10, and also subject to the limitations and conditions of the Oregon Tort Claims Act, ORS 30.260 through 30.300, and the Oregon Constitution, Article XI, Section 7, Lessee shall indemnify and hold Lessor harmless from claims, judgments, liabilities, or losses (including diminution in value of the Premises, damages for the loss or restriction on use or rent of the Premises and damages arising from adverse impact on marketing of the Premises) that arise during or after the lease term due to contamination by Hazardous Materials as a result of Lessee's use or activities or of Lessee's agents.

If the presence of any Hazardous Material on the Premises caused or permitted by Lessee or Lessee's agents results in any contamination of the Premises, Lessee shall promptly take all actions at Lessee's sole expense as are necessary to return the Premises to the condition existing prior to the release of any Hazardous Material onto the Premises, provided that Lessor's approval of such action shall first be obtained, and approval shall not be unreasonably withheld, as long as such actions would not potentially have any material adverse long-term or short-term effect on the Premises. The foregoing indemnity shall survive the expiration or earlier termination of this Lease.

25. As used in this Lease, the term *Hazardous Material* means any hazardous or toxic substance, material, or waste, including, but not limited to, those substances, materials, and wastes listed in the United States Department of Transportation Hazardous Materials Table (49 CFR §172.101), or by the United States Environmental Protection Agency as hazardous substances (40 CFR pt 302) and amendments thereto, petroleum products, or other such substances, materials, and wastes that are or become regulated under any applicable local, state, or federal law.
26. Lessee has constructed a well on the Premises, with Lessor's consent. Lessee agrees to accept all responsibilities associated with well ownership under Oregon Revised Statutes and any rules promulgated by the Oregon Water Resources Department, including, but not limited to:
 - a. Maintaining the well in a condition where it is not a threat to public health or safety, a source of contamination, or a waste of the groundwater resource.
 - b. Securely covering the well to prevent any foreign substance from entering the well.
 - c. Equipping the well with an access port or airline so that static water level information can be determined at any time.
 - d. Protecting the well casing from damage and meeting minimum extension requirements.
 - e. Ensuring that if the well is abandoned, it is done by a licensed and bonded well constructor or a landowner with a valid permit and bond, and in accordance with state rules.

Lessee agrees to fully indemnify Lessor for any failure to perform the duties of well ownership arising under any Oregon law or rule currently existing, or hereafter enacted, during the term of this Lease.

STATE OF OREGON, acting by and through the State Board of Higher Education on Behalf of Oregon State University, North Willamette Research and Extension Center

CLACKAMAS COUNTY, by its Board of County Commissioners

By: _____
Name: Nicole Neuschwander
Title: Real Property Manager
OSU Real Property
100 Cascade Hall
Oregon State University
Corvallis, OR 97331

By: _____
Chair: Charlotte Lehan

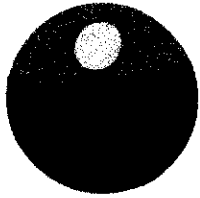
Date: _____

Date: _____

Attest: _____

Approved as to Form:

County Counsel



**NORTH CLACKAMAS
PARKS & RECREATION DISTRICT**

Administration

150 Beaver Creek Rd.
Oregon City, OR 97045
503.742.4348 phone 503.742.4349 fax
ncprd.com

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December 20, 2012

Board of Commissioners acting as the Board of Directors for NCPRD
Clackamas County

Members of the Board:

**Approval of an Amendment of Term to the Annexation and Service Agreement (IGA)
Between North Clackamas Parks and Recreation District and the City of Happy Valley**

The Board of County Commissioners, acting as the governing body of the North Clackamas Parks and Recreation District (BCC), and the City of Happy Valley (City), signed an Annexation and Service Agreement (IGA) on August 25, 2005, for the operation, management and administration of parks, recreational facilities and programs within the city by the NCPRD.

The District is currently updating its district-wide park and recreation system master plan to update and evaluate park and recreation needs and service provision methods throughout the District. The City and District desire additional time to complete the master plan and consider the optimal method of delivery for the described services, before updating the contents of the IGA. The attached amendment extends the term of the IGA through September 30, 2013. With the exception of the time extension, the remainder of the existing agreement remains in full force and effect.

County Counsel has reviewed and approved the attached amendment. The City of Happy Valley has also approved and signed the amendment.

RECOMMENDATION:

NCPRD staff respectfully requests the Board approve and sign the amendment of term to the IGA with the City of Happy Valley for park and recreation services.

Sincerely,

Gary Barth
Director

For information on this issue or copies of attachments, please contact Michelle Healy at 503-742-4356