

DAN JOHNSON

DIRECTOR

DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT

DEVELOPMENT SERVICES BUILDING 150 BEAVERCREEK ROAD OREGON CITY, OR 97045

April 24, 2025

BCC Agenda Date/Item: \_\_\_\_\_

Board of County Commissioners Acting as the Development Agency Board Clackamas County

> Approval of an Intergovernmental Agreement with the North Clackamas Parks and Recreation District for property acquisition and development costs of a new park located at SE 70th Avenue and SE Monroe Street. Agreement Value is \$4,875,000 for 15 years. Funding is through North Clackamas Revitalization Area Urban Renewal Funds. No County General Funds are involved.

Previous Board	March 11, 2025 – Board of	of Directors Executive Se	ssion
Action/Review			
Performance	2. Grow a vibrant econom		
Clackamas	3. Build a strong infrastructure		
	4. Ensure safe, healthy and secure communities		
Counsel Review	Yes, JM- 4/10/25	Procurement Review	No
Contact Person	Ken Itel	Contact Phone	503-742-4324

**EXECUTIVE SUMMARY**: The North Clackamas Parks and Recreation District (NCPRD) and the Clackamas County Development Agency (CCDA) are partnering to purchase and develop a parcel located at the intersection of SE 70<sup>th</sup> Avenue and SE Monroe Street (see Property Map) as a future park. The property is one of a few remaining large parcels in a densely developed area and fills a gap in NCPRD service in a high priority location based on the draft 2025 NCPRD System Plan. The project will also support adjacent housing development and public infrastructure improvements.

Purchase of the park parcel and infrastructure development to support housing both meet important goals of the North Clackamas Revitalization Area (NCRA) urban renewal plan and Design Plan. The Design Plan was created by a committee of residents and other stakeholders within the NCRA during creation of the urban renewal district. One goal is the provision of public parks and open space. The NCRA is one of the most park deficient neighborhoods in the Clackamas County urban area. The parcel offered for purchase was specifically identified as a potential park with the NCRA Design Plan.

The development and redevelopment of housing and commercial property is also a significant goal of the NCRA Plan. Purchase of the park parcel and contribution to infrastructure improvements will promote the redevelopment of a former commercial nursery site with approximately 125 units of new housing in the district and

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result in street, curb, sidewalk and public utility improvements, which are also goals of the NCRA plan. Coordination and integration with CCDA-funded construction of utility upgrades, and bicycle and pedestrian improvements currently under way on SE Monroe Street, which borders the north edge of the property, will also be enhanced.

The NCRA Design Plan recommends using program funds to acquire and develop parks and open spaces that are accessible and provide meaningful recreation opportunities to Plan area residents and also recommends using program funds to assist private developers to build new housing or renovate existing housing in the program area. Program funds may assist with reducing the cost of land for housing development, reducing pre-development costs, gap financing for developers to make housing development feasible and construction of utilities and other off-site improvements to improve the feasibility of housing development.

Through the Intergovernmental Agreement CCDA will reimburse NCPRD for \$375,000 of the property purchase, provide \$500,000 for preparation of a conceptual site plan, and contribute a minimum of \$4,000,000 for the first phase of park development.

**RECOMMENDATION:** Staff recommends approval of an Intergovernmental Agreement between NCPRD and CCDA for property acquisition and development of a future park at SE 70th Avenue and SE Monroe Street for \$4,875,000.

#### **ATTACHMENTS:**

- 1. Property Map
- 2. 70<sup>th</sup> and Monroe Project IGA

Respectfully submitted,

Dan Johnson

Dan Johnson, Director Department of Transportation & Development

#### NORTH CLACKAMAS PARKS AND RECREATION DISTRICT FUNDING AGREEMENT

This Agreement is entered into and is effective as of this 24th day of April, 2025 by and between Clackamas County Development Agency, the Urban Renewal Agency of Clackamas County, Oregon (the "Agency"), and North Clackamas Parks and Recreation District, a county service district formed pursuant to ORS Chapter 451 (the "District"). The Agency and the District hereby agree as follows:

#### **RECITALS**:

A. The Agency administers the North Clackamas Revitalization Area (NCRA) Development Plan (the "Plan") pursuant to ORS Chapter 457. The Plan was duly adopted and approved by the Board of County Commissioners on May 25, 2006, and most recently amended on July 3, 2008.

B. The District is an entity organized for the purpose of providing parks and recreational facilities and programs to residents in North Clackamas County and the surrounding area.

C. Goals of the Plan include funding acquisition and development of parks and open spaces to provide meaningful recreational opportunities and assisting non-profit and private developers to build new or substantially renovate for-sale or rental housing in the NCRA.

D. In September 2024 the District and Agency were approached by a private developer with a proposal to allow the District to acquire a parcel in the NCRA for future park development, in conjunction with Agency assistance in funding infrastructure improvements for a proposed housing development.

E. The District intends to acquire the parcel for park development and the Agency is willing to provide funding assistance for park development and for infrastructure improvements to support the park and housing development.

F. The District has requested that the Agency provide funding of \$4,875,000 to support the acquisition, design and construction of a new park facility (the "Project"). In exchange for such funding, the District is willing to develop, construct, maintain and operate the Project in accordance with the terms and conditions of this Agreement and to use the Project in conformity with the Plan and applicable law.

G. The Agency is willing to allocate funds to the District for the purpose of assisting in the acquisition, design development and construction of the Project. In exchange for such funding, the District is willing to develop, construct, maintain and operate the Project in accordance with the terms and conditions of this Agreement and to use the Project in conformity with the Plan and applicable law.

## AGREEMENT:

### Section 1: District Property Improvements

A. Within two (2) years of the effective date of this agreement, the District agrees to select and contract with a consultant to prepare Phase 1 design and construction related documents consistent with the Project Description, **Exhibit "A"**. The plans, drawings and other documents as may be required for the Project shall be submitted to the appropriate governmental bodies for the purpose of compliance with all codes, regulations, and other requirements for the construction of the project.

B. Within five (5) years of the effective date of this Agreement, the District agrees to develop and construct Phase 1 of the Project substantially as provided in the Project Description, **Exhibit "A"**. The Project shall be in full compliance with requirements of the Plan, the Land Development Code of Clackamas County and all other applicable laws.

C. During the term of this Agreement, the Agency will cooperate with the District in its efforts to develop the Project, including the review, approval, execution and/or delivery of documents in a timely manner to allow the District to submit documents to governmental bodies in accordance with this Section 1.

# Section 2: <u>Operation of Completed Facilities; Use of Proceeds</u>

A. Upon completion of the Project, the District or its successors agrees to maintain and operate the Project or cause it to be operated to provide or support year-round park and recreation services for the District. The District shall maintain and operate the completed Project for the purpose stated herein for at least ten (10) years from the date of substantial completion of the Project.

B. At all times the District or its successors shall own, and have all ownership responsibility and duties regarding the Project. Such ownership is subject to the terms of this agreement.

### Section 3: <u>Funding</u>

A. In consideration of the obligations undertaken by the District pursuant to this Agreement, the Agency agrees to allocate \$375,000 for acquisition of the parcel (the "Acquisition Funds"), and \$500,000 for conceptual level design and phasing strategy development and a minimum of \$4,000,000 for construction (the "Design and Construction Funds") for the purposes discussed above and subject to the terms and conditions provided herein.

B. In the event the Agency Funds are not used for the purpose expressly provided in Section 1 and 2 of this Agreement, or where the District has defaulted under this Agreement, the Agency may require the District to reimburse all or part of such, as provided below in Section 4C.

C. The District acknowledges that the Plan allows for the Agency to fund design and construction costs for a new District park facility but additional Agency funds may be limited and are only a portion of what is needed to complete the improvements. The District anticipates

additional funds, if necessary to complete the Project, will be available from sources other than the Agency. The District represents and warrants that it will diligently pursue, and will continue to pursue the funding sources required to be made available for the timely development of the Project.

### Section 4: <u>Disbursement of Funds; Security for Performance</u>

A. The Plan specifically authorizes the Agency to make funds available to fund the development and construction of the Project, described herein. Pursuant to specific direction from the Board, the Agency shall make the Agency Funds available to the District for development and construction of the Project from the allocated funds as more specifically described in Section 3A of this Agreement, and as authorized by ORS Chapter 457.

- B. On or before the closing date of the acquisition of the park parcel, the Agency shall transfer the Acquisition Funds to the District.
- C. Within 30 days of the Effective Date of a design or construction contract for the Project, the Agency shall transfer the required Design and Construction Funds to the District. The Agency and District contemplate the possibility of more than one contract to construct the Project as described in Exhibit A.

D. In the event the District is determined by a court of competent jurisdiction or other mutually-agreed upon mediator to be in default of its obligations under either Section 1 or Section 2 of this Agreement, then the Agency shall be entitled to recover from the District or its successors or assigns up to the full amount of the funds directed to the District in connection with the Project. Amounts recoverable under this subsection shall be determined by evaluating the scope of the default and the default's effect on the Plan's goal. If the Agency intends to recover funds under this subsection, the Agency shall provide the District with reasonable written notice of the default as well as a reasonable opportunity for the District to cure and/or explain such default.

### Section 5: <u>Termination</u>

So long as there is no outstanding event of default, this Agreement shall terminate fifteen (15) years from the date of the execution of this Agreement, or ten (10) years from the date of substantial completion of the Project, whichever is sooner.

### Section 6: <u>Indemnification</u>

- A. Subject to the tort limitations in the Oregon Tort Claims Act and Oregon Constitution, Agency agrees to indemnify, save harmless and defend the District, its officers, Board of Directors, agents and employees from and against all costs, losses, damages, claims or actions and all expenses incidental to the investigation and defense thereof (excluding legal and other professional fees) arising out of or based upon damages or injuries to persons or property caused by the negligent or willful acts, of Agency or Agency's officers, owners, employees, agents, or its subcontractors or anyone over which Agency has a right to control related to this Agreement
- B. Subject to the tort limitations in the Oregon Tort Claims Act and the Oregon Constitution, District agrees to indemnify, save harmless and defend Agency, its officers, commissioners, agents and employees from and against all costs, losses, damages, claims

or actions and all expenses incidental to the investigation and defense thereof (excluding legal and other professional fees) arising out of or based upon damages or injuries to persons or property caused by the negligent or willful acts, of the District or the District's officers, owners, employees, agents, or its subcontractors or anyone over which the District has a right to control, related to this Agreement.

### Section 7: <u>Nonliability of Officials and Employees</u>

No official or employee of the Agency shall be personally liable to the District for any obligation under the terms of this Agreement. No official or employee of the District shall be personally liable to the Agency for any obligation under the terms of this Agreement.

# Section 8: <u>Nonwaiver of Government Rights</u>

This Agreement is no way intended to limit, restrict or modify the rights of Clackamas County or any other governmental agency to exercise ordinary police powers over the Project.

# Section 9: <u>General Provisions</u>

A. **Prior Agreements**. This instrument is the entire, final and complete Agreement of the parties pertaining to the rights and obligations of the parties with respect to the Project and supersedes and replaces all written and oral agreements heretofore made or existing by and between the parties or their representatives in connection therewith. Neither party shall be bound by any promises, representations or agreements except as are herein expressly set forth.

B. **Notices**. Any notice required or permitted under this Agreement shall be in writing and shall be given and actually delivered in person or deemed delivered 48 hours after having been deposited in the United States Mail as certified mail addressed to the addresses set forth below:

- to: North Clackamas Parks and Recreation District Attn: Director 3811 SE Concord Road Milwaukie, Oregon 97267
- to: Clackamas County Development Agency Attn: Agency Manager 150 Beavercreek Road Oregon City, Oregon 97045

or as addressed in such other way in respect to either party, as that party may from time to time designate in writing dispatched as provided in this Section.

C: **Amendments**. This Agreement may be amended, modified or extended only by written instrument executed by both parties.

D: **Governing Law**. This Agreement shall be construed in accordance with and governed by the laws of the State of Oregon, without giving effect to the conflict of law provisions thereof.

E: **Binding Effect**. Covenants, conditions and terms of this Agreement shall extend to and be binding upon and inure to the benefit of the successors and assigns of the parties hereto.

F: **Execution and Counterparts**. This Agreement may be executed in any number of counterparts each of which counterparts, when so executed and delivered, shall be deemed to be an original and all of which counterparts, taken together, shall constitute but one and the same Agreement.

H: **Non-Assignment**. This Agreement may not be assigned in whole or in part without the prior written consent of Agency, which may withhold its consent in its sole discretion.

I: **Subleasing**. The Project may not be subleased without prior written consent of Agency, which may withhold its consent in its sole discretion. The Agency shall consent to a sublease of a portion of the Project where the proposes use subject to the sublease is accessory to, or otherwise customarily provided in connection with, similar fire district facilities, and a sublease of a portion of the Project would not otherwise violate the Plan

J: **Severability**. If any provision of this Agreement is found to be unconstitutional, illegal or unenforceable, this Agreement nevertheless shall remain in full force and effect and the offending provision shall be stricken. The Court or other authorized body finding such provision unconstitutional, illegal or unenforceable shall construe this Agreement without such provision to give effect to the maximum extent possible the intentions of the parties.

K: **Waiver**. The Agency and District shall not be deemed to have waived any breach of this Agreement by the other party except by an express waiver in writing. An express written waiver as to one breach shall not be deemed a waiver of any other breach not expressly identified, even though the other breach be of the same nature as that waived.

L. **No Attorney Fees.** In the event any arbitration, action or proceeding, including any bankruptcy proceeding, is instituted to enforce any term of this Agreement, each party shall be responsible for its own attorneys' fees and expenses.

IN WITNESS WHEREOF, the Agency and the District have executed this Agreement as of the date first above written.

"AGENCY"

BOARD OF COUNTY COMMISSIONERS acting as the governing body of the Clackamas County Development Agency

Ву: \_\_\_\_\_

Chair

Ву: \_\_\_\_\_

Recording Secretary

"DISTRICT"

BOARD OF COUNTY COMMISSIONERS acting as the governing body of the North Clackamas Parks & Recreation District

Ву: \_\_\_\_\_

Chair

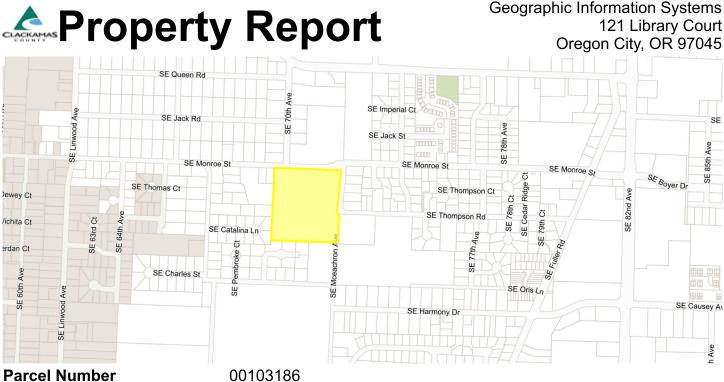
By: \_\_\_\_\_

Recording Secretary

# EXHIBIT A

### **PROJECT DESCRIPTION**

NCPRD will acquire an approximately 9.69-acre parcel on the south side of SE Monroe Street between SE 70<sup>th</sup> Avenue and SE 72<sup>nd</sup> Avenue. Park development will occur in multiple phases. Within two years of the acquisition, NCPRD and CCDA intend to contract with a consultant to develop a conceptual design plan and phasing strategy for park development. The phasing strategy will identify the elements to be included and define the areas of the site to be developed in each phase. Within 5 years NCPRD and CCDA intend to complete the design and initiate construction for the first phase of park improvements.



Parcel Number Tax Payer Site Address Mailing Address

Tax Lot Number Land Value **Building Value Total Value Bedrooms Bathrooms** Living Area Assessed Acres Assessed Value Year Built Sale Date Sale Amount Sale Type **Document Number** Land Class **Building Class** Neighborhood **Taxcode Districts Urban Growth Boundary FEMA** Zonina **Fire District** 

KOIDA PETER T CO-TRUSTEE undefined 10606 SE 70TH AVE, MILWAUKIE, OR 97222 12E32BA04900 \$1,708,850.00 \$404,400.00 \$2,113,250.00 N/A N/A N/A 9.85 \$173,441.00 N/A 04/19/2024 \$0.00 S 2024-014170 541 N/A Milwaukie Unincorporated 012230 Metro UGB Area Of Minimal Flood Hazard

R10: 9.41 acres

Clackamas RFPD #1

3/19/25, 2:54 PM	Property Report	
Park District	North Clackamas Park District	
Park District Zone	Zone 1	
School District	North Clackamas	
Sewer District	undefined	
Water District	Clackamas River Water	
Community Planning Organization	Southgate	
Garbage And Recycling Service	Waste Management of Oregon	
City	Unincorporated Clackamas County	

This map and all other information have been compiled for preliminary and/or general purposes only. This information is not intended to be complete for purposes of determining land use restrictions, zoning, title, parcel size, or suitability of any property for a specific use. Users are cautioned to field verify all information before making decisions. Generated: Wed, 19 Mar 2025 21:54:07 GMT