



DAN JOHNSON
DIRECTOR

DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT
DEVELOPMENT SERVICES BUILDING
150 BEAVERCREEK ROAD OREGON CITY, OR 97045

February 1, 2024

BCC Agenda Date/Item: _____

Board of County Commissioners
Sitting/Acting as Development Agency Board
Clackamas County

Approval of Resolution for a Clackamas County Development Agency
Supplemental Budget (Greater than Ten Percent) For Fiscal Year 2023-2024.
Total Value is \$1,000,000. Funding is through Tax Increment Financing.
No County General Funds are involved.

Previous Board Action/Review	Budget Adoption: June 22, 2023 Request for Consent: January 30, 2024		
Performance Clackamas	Build public trust through good government		
Counsel Review	Yes: HH – 1-16-24	Procurement Review	No
Contact Person	David Queener, Development Agency Program Coordinator	Contact Phone	503.742.4322

EXECUTIVE SUMMARY:

Each fiscal year it is necessary to reduce or allocate additional sources of revenue and appropriate additional expenditures to more accurately meet the changing requirements of the operating departments. The attached resolution reflects such changes requested by departments in keeping with a legally accurate budget.

Historically, the Development Agency has had a large capital construction budget in the Clackamas Town Center district. There are very few projects remaining to be completed in this district and all known projects were accounted for and budgeted in FY 23-24. However, on September 16, 2023, one of the Agency's properties was set on fire and significantly damaged a building. Due to the level of destruction, the building became unsafe. In addition, while there was known asbestos in isolated areas of the building, the fire spread the asbestos throughout,

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thus making all of the material contaminated. This significantly increased the amount of material that needed to be abated than what was previously anticipated. An emergency amendment to an existing contract needed to be executed in order to perform the hazardous material abatement and fire debris removal. These were not anticipated costs at the time of budgeting.

This was an unplanned expense at the time of budgeting last year and there is now a need to move funds from Contingency into Capital to make sure enough funds are appropriated to cover this additional cost, as well as other expenses previously budgeted. The proposed transfer is authorized under ORS 294.463.

The effect of this resolution is an increase in appropriations of \$1,000,000.

Fund 450 - Clackamas Town Center Development Area Fund

Resources	Original	Change	Revised	Requirements	Original	Change	Revised
Beginning Fund Balance	986,827	-	986,827	Materials and Services	237,964	-	237,964
All Other Revenue Resources	2,007,500	-	2,007,500	Capital Outlay	740,500	1,000,000	1,740,500
Charges, Fees, License, Permits, Fines, Assessments	75,000	-	75,000	Contingency	2,090,863	(1,000,000)	1,090,863
Federal, State, Local, All Other Gifts & Donations	-	-	-	Unappropriated Ending Fund Balance	-	-	-
Other Interfund Transfers	-	-	-				
Revised Total Fund Resources			3,069,327	Revised Total Fund Requirements			3,069,327

Comments: The Clackamas Town Center Development Area Fund is reducing contingency and budgeting an increase in Capital Outlay to allow for unanticipated expenses at the time of the FY 23/24 budget preparation, including a property fire mitigation and clean up.

These changes are in compliance with ORS 294.471(1)(a) which allows for governing body approval of supplemental budget where there is an occurrence or condition that is not ascertained when preparing the original budget or a previous supplemental budget for the current year or current budget period and that requires a change in financial planning, and ORS 294.471(1)(b) which permits a local government to make a supplemental budget where there is a pressing necessity that could not reasonably be foreseen when preparing the original budget or a previous supplemental budget for the current year or current budget period and that requires prompt action. Change for items that differ more than ten percent of the qualifying expenditures of the budget funds being adjusted require a hearing pursuant to ORS 294.473. The required notices have been published.

RECOMMENDATION:

Staff respectfully recommends the Board hold the required public hearing and consider adoption of the attached Resolution Order in keeping with a legally accurate budget.

Respectfully submitted,

Dan Johnson

Dan Johnson, Director
Department of Transportation and Development

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

In the Matter of Providing Authorization
Regarding Adoption of a Supplemental
Budget for Items that Differ More Than
10 Percent and Making Appropriations
for Fiscal Year 2023-24



Resolution No. _____
Page 1 of 2

WHEREAS, during the fiscal year changes in appropriated expenditures may become necessary and appropriations may need to be increased, decreased or transferred from one appropriation category to another;

WHEREAS, ORS 294.463(1) allows transfers of appropriations be made within a fund when they are authorized by ordinance or resolution of the governing body of a municipal corporation;

WHEREAS, ORS 294.471(1)(a) permits a municipal corporation to make a supplemental budget where there is an occurrence or condition that is not ascertained when preparing the original budget or a previous supplemental budget for the current year or current budget period and that requires a change in financial planning;

WHEREAS, ORS 294.471(1)(b) permits a municipal corporation to make a supplemental budget where there is a pressing necessity that could not have been reasonably foreseen when preparing the original budget or a previous supplemental budget for the current year or current budget period and that requires prompt action;

WHEREAS, at the time of developing the Development Agency budget for FY 2023-2024, capital project expenses were anticipated for known projects. However, on September 16, 2023, one of the Agency's properties was set on fire, significantly damaging an existing building. An emergency amendment to an existing contract needed to be executed in order to address abatement of discovered hazardous material and disposal of fire debris. These were not anticipated costs at the time of budgeting, so funds need to be transferred from one category to another within the budgeted fund and authority granted to appropriate those reallocated funds;

WHEREAS, the Development Agency proposes to transfer dollars currently in Contingency into the Capital within the Clackamas Town Center Area Operating Fund 450;

WHEREAS, the occurrences and conditions identified above were not ascertained when preparing the original budget or a previous supplemental budget for the current year or current budget period and therefore requires a change in financial planning;

WHEREAS, the occurrences and conditions identified above represent a pressing necessity that could not have been reasonably foreseen when preparing the original budget or a previous supplemental budget for the current year or current budget period and that requires prompt action;

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WHEREAS, a supplemental budget for the period of July 1, 2023 through June 30, 2024, inclusive, has been prepared, published and submitted to the taxpayers as provided by statute;

WHEREAS; a public hearing to discuss the supplemental budget was held before the Board of County Commissioners on February 1, 2024;

WHEREAS; the fund being adjusted is:

- Fund 450 - Clackamas Town Center Development Area Fund

It further appearing that it is in the best interest of the County to approve this change in appropriations for the period of July 1, 2023 through June 30, 2024.

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS THAT:

Pursuant to its authority under OR 294.471 and ORS 294.473, the supplemental budget be adopted and appropriations established as shown in the attached Exhibit A which by this reference is made a part of this Resolution.

DATED this _____ day of February, 2024.

CLACKAMAS COUNTY BOARD OF COMMISSIONERS
Acting as the Governing Body of the
Clackamas County Development Agency

Chair

Recording Secretary

EXHIBIT A

February 1, 2024

SUMMARY OF PROPOSED BUDGET CHANGES

AMOUNTS SHOWN ARE REVISED TOTALS IN THOSE FUNDS BEING MODIFIED

Item

1 Fund 450 - Clackamas Town Center Development Area Fund

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