

CLACKAMAS COUNTY BOARD OF COUNTY COMMISSIONERS

Study Session Worksheet

Presentation Date: October 27, 2015 **Approx. Start Time:** 1:30 **Approx Length:** 1 hour

Presentation Title: Willamette Falls Legacy Project – Intergovernmental Agreement

Department: Business & Community Services

Presenters: Gary Barth, Director, Business & Community Services

Other Invitees: Catherine Comer, Chris Storey

WHAT ACTION ARE YOU REQUESTING FROM THE BOARD?

Business & Community Services is requesting the Board to review and provide comment on the Intergovernmental Agreement (IGA) between Clackamas County, the City of Oregon City, Metro, and the State of Oregon Parks and Recreation Department with regards to the Willamette Falls Legacy Project.

EXECUTIVE SUMMARY:

Per the recitals included in the draft IGA, the land use master plan and rezoning effort is guided by four core values endorsed by the parties: public access, historic and cultural interpretation, economic redevelopment, and healthy habitat (the "Four Core Values").

On September 26, 2014 the parties entered into a Memorandum of Understanding documenting the parties' shared commitment to the Four Core Values and the design and construction of public open space(s) and parkways with unobstructed views of the Willamette River and Willamette Falls (the "River walk").

Last month, the Metro Council awarded the City and the County with a Community Planning and Development Grant (CPDG) in the amount of \$550,000, which was matched with \$450,000 in funds from the property owner, Falls Legacy, LLC and \$25,000 from the City and \$25,000 in economic development funds from the County to conduct development opportunity studies and a refined master plan of the property.

As the CPDG grant is defined and prescriptive, this draft IGA is intended to provide the governance and organizational structure needed to guide and manage this project.

This project supports the following goals as part of Performance Clackamas:

- **By 2019, 10,000 family wage jobs will be created in Clackamas County**
- **By 2019, \$500 million in new capital asset investment will be realized within Clackamas County.**

These goals were adopted by the board under Performance Clackamas — Build a Vibrant Economy.

FINANCIAL IMPLICATIONS (current year and ongoing):

The Business and Economic Development Department has currently reserved \$500,000 in economic development funds to be used for the Willamette Falls Legacy Project subject to Board direction and approval of use.

To-date, the County has contributed over \$200,000 towards the Willamette Falls Legacy Project- \$100,000 towards the Masterplan and over \$100,000 to fund lobbying efforts. These funds were from the Lottery Economic Development Fund.

The County also contributed \$25,000 towards the Metro CPDG Grant.

LEGAL/POLICY REQUIREMENTS:

There will be a requirement to legally enter into this IGA once approved by all government partners

PUBLIC/GOVERNMENTAL PARTICIPATION:

Refer to recitals in IGA

RECOMMENDATION:

Request that BCC provide feedback on IGA

ATTACHMENTS:

IGA between Oregon City, Clackamas County, Metro and State of Oregon

SUBMITTED BY:

Division Director/Head Approval _____
Department Director/Head Approval Laura Zentner, BCS Deputy Director
County Administrator Approval _____

INTERGOVERNMENTAL AGREEMENT
Willamette Falls Legacy Project

This Intergovernmental Agreement (“Agreement”) is made and entered into by and among the State of Oregon, through the Oregon Parks and Recreation Department (the “State”), Clackamas County (the “County”), the City of Oregon City (the “City”) and Metro (“Metro”) (each a “party” and collectively, the “parties”), effective as of the last date of signature below (the “Effective Date”).

RECITALS

A. In February 2011, the former Blue Heron Paper Company located at 419/427 Main Street, Oregon City, Oregon (the “Property”) entered Chapter 7 bankruptcy, resulting in the loss of skilled jobs and leaving the mill property vacant, under the control of a bankruptcy trustee.

B. The parties began investigating the Property due to its proximity to Willamette Falls, a natural, cultural and historic wonder, and conducted environmental, structural, and historical analyses to better understand the Property, including the potential for public access to Willamette Falls and future redevelopment.

C. With the cooperation and contributions of the bankruptcy trustee, the parties commenced a land use master plan and rezoning effort, guided by four core values endorsed by the parties: public access, historic and cultural interpretation, economic redevelopment, and healthy habitat (the “Four Core Values”).

D. On July 29, 2013, the governor signed Senate Bill 5506 (“SB 5506”), and on August 14, 2013, he signed Senate Bill 5533, together authorizing the sale of lottery-backed bonds to provide \$5 million for a public access project to Willamette Falls, so long as certain conditions set forth in SB 5506 were met (the “\$5M of Lottery Funds”).

E. In May 2014, Falls Legacy, LLC, a Washington limited liability company (the “Owner”) purchased the Property from the bankruptcy trustee, and submitted the land use master plan and rezone application developed by the parties to the City, which was adopted in September 2014 as Master Plan CP 14-02, Zone Change and Text Amendment ZC 14-03, and Comprehensive Plan Amendment PZ 14-01.

F. On September 26, 2014, the parties entered into a Memorandum of Understanding (the “MOU”) regarding the former Blue Heron Paper Company property, documenting the parties’ shared commitment to the Four Core Values and to design and construction of public open space(s) and parkway with unobstructed views of the Willamette River and Willamette Falls (the “Riverwalk”).

G. On December 11, 2014, Portland General Electric Company (“PGE”) donated an option to Metro to acquire an easement over PGE property adjacent to Willamette Falls (the

“PGE Option”), which PGE Option and future easement will allow design and construction of the Riverwalk, including a viewpoint of Willamette Falls on property owned by PGE (collectively, the “Riverwalk”).

H. On December 15, 2014, the Owner donated an easement to Metro, recorded in the Clackamas County Official Records as Document No. 2014-064826, to facilitate the design and construction of the Riverwalk on the Property (the “Easement”).

I. On December 29, 2014, the governor determined the conditions of SB 5506 had been met and authorized the State Treasurer to the \$5M of Lottery Funds, which funds were provided to Metro in accordance with an Intergovernmental Agreement between Metro and State (Agreement No. 7554), dated June 1, 2015 (the “\$5M IGA”).

J. On May 29, 2014, Metro issued a Notice of Intent to Award for RFP 2903 selecting the design team of Mayer/Reed, Snøhetta, and Dialogue for the Willamette Falls Riverwalk Schematic Design.

K. On August 12, 2015, the governor signed House Bill 5030 and Senate Bill 5507 approving an additional \$7.5 million for the Riverwalk.

L. On September 24, 2015, in recognition that the design of the Riverwalk must relate to the remainder of the Property to be successful, the Metro Council awarded the City and the County a Community Planning and Development Grant (the “CPDG”) in the amount of \$550,000, which was matched with \$450,000 in funds from the Owner and \$25,000 from each of the City and County to conduct development opportunity studies and a refined master plan of the Property.

M. With the award of the CPDG, the parties’ efforts now include more than the Riverwalk, working to address infrastructure and economic development needs for the entire Property (the “Willamette Falls Legacy Project,” or simply, the “Project”).

N. For a project of this magnitude, the parties recognize the need to create a decision-making and organizational structure among the public entities so that (a) the parties can deliver unified direction and messages to outside parties, (b) the Project is a model of fiscal discipline, efficiency and accountability, (c) the parties have clarity on scope, schedule and budget for all aspects of the Project, and (d) the parties can effectively collaborate with the Owner and PGE.

O. The parties acknowledge the great opportunity but also the risks of the Project, including the fact that design and construction of the Riverwalk is not fully funded, no owner of the Riverwalk has been identified, and that future public and elected officials may have perspectives on this Project not accounted for in this Agreement.

P. Under the authority of ORS 190.010 and ORS 190.110, the parties desire to enter into this Agreement to provide the governance structure needed for the Project during the next

phase of work, or over approximately the next two (2) years, on the terms and conditions set forth below.

NOW, THEREFORE, for and in consideration of the foregoing and the mutual covenants and agreements herein contained, the parties agree as follows:

AGREEMENTS

1. Term. The term of this Agreement shall commence on the Effective Date and expire two (2) years following the Effective Date, unless amended and extended by written agreement of the parties.

2. Definitions. In addition to the definitions set forth in the Recitals, above, capitalized terms used in this Agreement shall have the definitions set forth in this Section 2, below.

2.1. Economic Development Working Group. One of the Project's Working Groups, led by the County, as further described in Section 9, below.

2.2. Infrastructure Working Group. One of the Project's Working Groups, led by the City, as further described in Section 8, below.

2.3. Partners Group. The advisory governing body for the Project, comprised of two (2) elected officials and the chief administrator from each of Metro, the County and the City, and two (2) elected officials and high-level staff from the State, as set forth on the attached Exhibit A.

2.4. Project Budget. The budget for the Project compiled by the Project Manager and approved by the Partners Group showing sources and uses of all Project funds, to be updated from time to time. The Project Budget approved and authorized by the parties as of the date of this Agreement is attached as Exhibit B.

2.5. Project Milestones. Key decision points for the Project, as determined by the TAC, and including the approximately three (3) design milestones for the Riverwalk, which are as of the date of this Agreement, pre-concept design, concept design, and schematic design for a first phase.

2.6. Project Manager. Full-time staff person employed by Metro, which is Kathryn Krygier as of the date of this Agreement.

2.7. Rediscover the Falls. A nonprofit "friends" group that supports the work of the Project and the Riverwalk by engaging and educating the public, collaborating with partners, and building sponsorship and enduring commitment to the public interest in the Riverwalk.

2.8. Riverwalk Working Group. One of the Project's Working Groups, led by Metro, as further described in Section 7, below.

2.9. TAC. The Technical Advisory Committee for the Project, comprised of non-elected staff from each of the parties and that reports to the Partners Group, as described further in Section 4.3, below.

2.10. Working Groups. Groups focused on specific aspects of the Project which report to the TAC, including the Economic Development Working Group, the Riverwalk Working Group, and the Infrastructure Working Group.

2.11. Working Group Lead. The designated lead staff person for each Working Group.

3. Authority

3.1. ***Reservation of Regulatory and Legislative Authority***. Each party expressly reserves its regulatory and legislative authority with respect to the Project and the Property, including, for example, the City's regulatory authority over land use approvals, the State's authority over submerged lands, and each party's legislative authority to appropriate funds.

3.2. ***Project Budget; Appropriation of Funds***. As of the date of this Agreement, each party represents that it has appropriated the funds set forth on the Project Budget for such party and that it has authorized use of such funds in accordance with the Project Budget and this Agreement. The Project Budget may be revised from time to time by the Partners Group, within the amounts appropriated by the parties. The State agrees, and represents and warrants to Metro, that the use of the \$5M of Lottery Funds as set forth in the Project Budget attached to this Agreement is not improper under Section 4(e) the \$5M IGA.

3.3. ***Delegation of Administrative Authority***. The work of the Project and its participants is advisory, structured such that the Partners Group can make unified recommendations to each of the governing bodies of the parties. In addition, upon approval of this Agreement by a party, each party's staff and elected representatives that participate in the Project, including the Partners Group, the TAC, or on a Working Group, shall have the authority to fully participate in this Project and to make non-legislative or administrative decisions on behalf of such party as may be required in accordance with this Agreement.

3.4. ***Staff Participation***. The parties intend that staff participating in the Project and the various project groups will work on behalf of the best interests of the Project, representing not only the best interests of their employer but also of the Project itself. In that manner, staff will freely communicate and share information with other agency staff and generally support each other with respect to this Project. Notwithstanding the foregoing, finance and legal staff participating in the Project and in the various project groups represent solely their employers, as they owe a professional duty of loyalty and a fiduciary duty solely to their respective agencies.

4. Decision-Making and Governance. The Project's decision-making structure and general workflow is set forth in the organizational chart attached as Exhibit C (the "Org. Chart").

4.1. ***Role of Working Groups.***

4.1.1. The Working Groups shall review Project information in detail and provide advice and recommendations to the TAC on those matters that are within the subject matter of a particular Working Group.

4.1.2. Within each Working Group's subject area, the Working Group is charged with reviewing the following matters and recommending any necessary or desirable action to the TAC: individual contracts, scopes of work, requests for proposals or bids, budgets, contract modifications, Project Milestones, and responses to significant external opportunities or threats.

4.1.3. *De minimus* changes to scopes of work, as determined by the Project Manager, or spending within the Project Budget (including contingencies), may be made at the Working Group level, without the need for further consideration at the TAC or by the Partners Group.

4.1.4. The Working Groups shall coordinate and collaborate with PGE, the Owner, and other third parties, as applicable to the Working Groups subject area and its deliverables.

4.2. ***Role of the Working Group Leads.***

4.2.1. Each Working Group Lead shall develop his or her Working Group's work plan scope, schedule and budget, in collaboration with the Project Manager, and shall be responsible for deliverables, schedule and budget of his or her Working Group. The Working Group Lead shall also create milestones in the Working Group's scope of work and schedule to report back to the TAC and the Partners, as applicable, for review and approval.

4.2.2. Each Working Group Lead shall work with the Project Manager to ensure that Project decisions described in Section 4.1.2, above, are considered at the TAC and that any matters for which there is no consensus at the Working Group level are also considered by the TAC.

4.2.3. Each Working Group Lead shall compile and report expenditures for its Working Group to the Project Manager to ensure expenditures match the Project Budget approved by the Partners. Each party shall report all Project expenditures made by such party to the appropriate Working Group Lead.

4.2.4. Each Working Group lead shall be responsible for understanding and considering the Owner and PGE's interests in the outcomes of the work of his or her Working Group, and promptly communicating with the Project Manager issues and opportunities as they arise.

4.3. ***Role of the TAC.***

4.3.1. The TAC meets weekly, or as otherwise agreed upon by the TAC, and shall keep minutes documenting its consideration and approval of any items. Items requiring

TAC approval shall be emailed to the TAC at least two (2) business days in advance of the TAC meeting so that any party can be sure to send a representative when that party desires to weigh in on a Project decision.

4.3.2. A party may send as many representatives to attend TAC meetings as such party deems necessary or desirable. It is expected that each party will send at least one (1) representative to each TAC meeting, or participate by telephone.

4.3.3. The TAC shall consider for approval all matters considered at the Working Group level (as set forth in Section 4.1.2, above), as well as decisions whether to recommend future intergovernmental agreements among the parties and decisions to pursue grant or funding opportunities.

4.3.4. Decisions of the TAC will be noted in the minutes for the TAC meeting. Should a TAC member disagree with a TAC decision, he or she may express such disagreement at the TAC meeting. If the TAC is unable to resolve the issue, the TAC member may elect to put it on the agenda for consideration at the next Partners Group meeting (as further described in Section 4.7, below).

4.3.5. The TAC shall prepare the agenda of the Partners Group.

4.3.6. Members of the TAC shall have the responsibility to communicate with their representatives on the Partners Group in between Partners Group meetings, to ensure each party is apprised of Project direction.

4.3.7. Any member of the TAC can call an emergency meeting of the TAC by notification to the Project Manager, who will use best efforts to schedule a meeting as soon as practical. Parties shall use best efforts to participate in emergency meetings of the TAC.

4.4. ***Role of Partners Group.***

4.4.1. The Partners Group meets quarterly, or as otherwise agreed upon by the Partners Group or the TAC, and shall keep minutes. Without objection from any member of the Partners Group at a Partners Group meeting, matters considered by the Partners Group will be deemed approved and so noted in the minutes. The Partners Group is considered a public body in accordance with Oregon Public Meeting Law, providing recommendations and advice to each of the parties' governing bodies.

4.4.2. The Partners Group sets policy direction for the Project, approving Project Milestones, the Project Budget on a quarterly basis, direction in response to significant threats or opportunities (as determined by the TAC), future intergovernmental agreements among the parties (to be approved by each party's governing body, if required), and any material trade-offs among the Four Core Values. In addition, the Partners Group shall consider decisions that lack consensus at the TAC if added to the Partners Group agenda by a member of the TAC (as described in Section 4.3.4, above).

4.4.3. Members of the Partners Group shall communicate with their respective agency or government to the extent required to ensure each party is apprised of

Project direction and to ensure any legislative decisions required are brought to a party's governing body as necessary.

4.5. ***Role of the Project Manager.*** The Project Manager has day-to-day management authority of the Project consistent with the approvals provided by the Partners Group and the TAC, and consistent with the Project Budget. The Project Manager shall track the Project Budget and provide reporting on the Project Budget to the TAC and the Partners Group.

4.6. ***Consensus.*** Decision-making for the Project and at each level of the Org. Chart shall be by consensus. Consensus is defined as the point where all parties agree on an option with which they are willing to move forward, and includes the opportunity for a party to express reservations or dissent while nevertheless agreeing to allow the Project to move forward. Each party, by signing onto this Agreement, commits its confidences to the Project's decision-making structure, recognizing this Project structure and the collaboration it represents among the parties as the Project's best chance for success.

4.7. ***Protocols for Disagreement.***

4.7.1. If there is no consensus at the Working Group level, the decision will be considered at the next TAC meeting.

4.7.2. If there is no consensus at the TAC level, a member of the TAC can elect within three (3) days of the TAC meeting, to place the decision on the next Partners Group meeting agenda. This will ensure that decisions made at the TAC level can be relied upon to move the Project forward.

4.7.3. If there is no consensus at the Partners Group, the Partners Group will provide direction and recommendations to the TAC for further discussion and consideration.

4.7.4. If disagreement remains after further consideration by the TAC, the decision will be considered again at the next Partners Group meeting where the members of the Partners Group shall strive to make a decision to keep the Project moving forward. At this stage of disagreement, on matters that are critical to long-term operations and maintenance of the Riverwalk, parties that are identified as a future owner in accordance with Section 5.6, below, shall be given deference.

4.7.5. If the need for a decision is urgent, the Project Manager may set emergency meetings of both the TAC and the Partners Group. The parties shall use best efforts to attend any emergency meetings.

5. General Obligations the Parties Regarding the Project Work.

5.1. ***Reporting Expenditures.*** Parties shall report all expenditures to the Working Group Leads, including copies of invoices and any reasonable supporting documentation.

5.2. ***Contracts.*** Parties shall notify the Project Manager of all draft contracts related to the Project. If requested by the Project Manager, a party shall provide copies of the

draft contract and scope of work to the applicable Working Group Lead and the Project Manager, with reasonable opportunity for comment and review. If requested by the Project Manager, prior to executing a contract related to the Project, a party shall have obtained approval from the applicable Working Group and the TAC of the contract's scope, schedule, budget, workplan, and deliverables.

5.3. **Participation.** The parties shall participate meaningfully in all Project groups.

5.4. **Staff Contributions; Tracking of Staff Time.** The parties shall provide key contributions of staff to lead and/or participate in the work of the TAC and the Working Groups, as set forth in the attached Exhibit D. Each party shall track staff time for match, and report staff time spent on the Project to the Project Manager, as requested by the Project Manager.

5.5. **Staff Leads.** At the request of the Project Manager or a Working Group Lead, a party may agree to lead a portion of the work of the TAC or a Working Group. Parties that agree to lead any portion of the work of the TAC or a Working Group will report back to the Project Manager or Working Group Lead, as applicable, on the status of the work and seek support of material decisions.

5.6. **Future Riverwalk Owner.** The parties shall identify an owner or owners of the Riverwalk by March 2016. The prospective owner(s) will be considered "identified" when they have committed to the Partners Group to seek to (a) construct the Riverwalk, and (b) take responsibility for future operations and maintenance and security of the Riverwalk. A party's commitment to ownership to the Partners Group should be in the form of a resolution adopted by the party's governing body.

5.7. **Finance Oversight Subcommittee.** The parties shall create a finance oversight subcommittee of the TAC made up of at least one member from each party. The finance oversight subcommittee shall oversee the Project Budget and expenditures of the Project. The subcommittee will design a financial reporting format and meet with the Project Manager and Working Group Leads quarterly to review reports. [*add names*]

6. **Work of the TAC.**

6.1. **General.** The following subsections set forth roles and responsibilities regarding the work of the TAC, as of the date of this Agreement and may change from time to time upon approval of the TAC.

6.2. **Project Administration.** Metro will lead and manage the overall administration of the TAC and coordination among the Working Groups. It will create TAC agendas and meeting notes, and coordinate the Partners Group meetings. Metro's work will also include tracking the Project scope, schedule, Project Budget, and expenditures.

6.3. **Strategic Communications.** Metro will lead the social media strategy, newsletters, and provide coordination of public engagement with the Working Groups, create materials needed for funding requests, among other things.

6.4. **Public Engagement.** Metro will lead the public engagement efforts in close coordination with the City. The City shall continue to update the Project website.

6.5. **Funding Strategy.** Metro will lead a fundraising and finance strategy for the Project. This work will coordinate opportunities with Rediscover the Falls and the work of the Working Groups. For lobbying, the County will lead federal efforts and Metro and the State's Regional Solutions office will coordinate State efforts.

6.6. **Private Parties.** Metro will lead negotiations with the Owner and PGE. The parties shall refrain from communicating directly with the Owner or PGE without Metro's coordination and input in advance, except with respect to tours (see Section 6.9, below).

6.7. **Tribal Involvement.** The State of Oregon through State Parks will take the lead to create a process for government to government tribal consultation about involvement in the Willamette Falls Legacy Project and interpretation of the Riverwalk. The State, Metro, the County and the City will coordinate additional tribal involvement, as necessary.

6.8. **Coordination with State Agencies.** The State, through the Regional Solutions office, will lead communication, coordination, and involvement of State Parks and all other state agencies in the Project, especially with regard to required permits for the Riverwalk and state funding.

6.9. **Site Access and Tours.** The City will manage all site access and site tours through the Owner and PGE, and will update the TAC regarding tours on a weekly basis.

6.10. **Implementation strategies.** Metro will lead efforts to deliver key decisions and workplans associated with the work of the TAC for future phases of the Project, taking into account such things as governance, Riverwalk ownership, fundraising, and financing.

7. Work of the Riverwalk Working Group.

7.1. **General.** The following subsections set forth roles and responsibilities regarding the Riverwalk Working Group, as of the date of the IGA and may change from time to time upon approval of the TAC.

7.2. **Riverwalk Working Group Lead.** Metro will provide a staff person to manage and coordinate all of the scopes of work and consultant contracts related to the Riverwalk. The Riverwalk Working Group Lead, in coordination with the Infrastructure Working Group Lead and Economic Development Working Group Lead, will create a project management plan for all the Riverwalk work.

7.3. *Deliverables.*

7.3.1. *Design.* Metro will lead the design efforts to create a comprehensive design and cost estimate for the Riverwalk. It will include a phasing plan and a proposal for construction of a first phase of work. Also included in design are programming, conceptual interpretation plan, interim uses and costs, visitor parking, necessary infrastructure, survey work and a permitting analysis.

7.3.2. *Operations and Maintenance Strategy.* The City will lead the efforts to create an implementation plan with funding sources and uses for ongoing operations and maintenance of the Riverwalk. This work will be coordinated with the finance plan to be created by the Infrastructure Working Group, as described in Section 8.3.2, below.

7.3.3. *Cultural Landscape/Cultural Resource Report.* The City will lead the work to create an illustrated chronology/site history. The historic era plans will depict site elements as they existed during a particular era in time as evident through the historic materials that have been compiled, reviewed and analyzed. Among other things, this work will be used to create a conceptual interpretive plan for the Riverwalk.

8. Work of the Infrastructure Working Group.

8.1. *General.* The following subsections set forth roles and responsibilities regarding the Infrastructure Working Group, as of the date of the IGA and may change from time to time upon approval of the TAC.

8.2. *Infrastructure Working Group Lead.* The City will provide a staff person to manage and coordinate all of the scopes of work and consultant contracts related to the Infrastructure Working Group. The Infrastructure Working Group Lead, in coordination with the Working Group, will create a project management plan for all the infrastructure work.

8.3. *Deliverables.*

8.3.1. *Development Feasibility.* The City will lead the work to understand physical and financial feasibility of the Project in the near- and long-term and create a comprehensive infrastructure and urban design plan, including costs and phasing for near-term and full build-out of the non-Riverwalk portion of the Property. Work will include, but not be limited to, streets, utilities, open spaces, and a transportation and parking plan, and will result in a refined land use plan application.

8.3.2. *Finance Plan.* The City will lead the efforts to create a plan with funding sources and uses for development-related infrastructure. This work will be coordinated with the finance and implementation plan to be created by the Riverwalk Working Group, as described in Section 7.3.2, above.

8.3.3. *Brownfields.* Metro will lead the effort to create a public/private brownfield remediation plan and implement the work, if feasible.

9. Work of the Economic Development Working Group.

9.1. *General.* The following subsections set forth roles and responsibilities regarding the Economic Development Working Group, as of the date of the IGA and may change from time to time upon approval of the TAC.

9.2. *Economic Development Working Group Lead.* The County will provide a staff person or consultant to manage and coordinate the scopes of work and consultant contracts related to the Economic Development Working Group. The Economic Development Working Group Lead, in coordination with the Infrastructure Working Group Lead, will create a project management plan for the Economic Development work.

9.3. Deliverables.

9.3.1. *Market Analysis.* The County will lead the work to perform a market analysis of the Property, focusing on informing on-site development in the near-term and accounting for the future potential of the site. In addition, the County will be the lead public agency to identify types of anchor tenants desired in Clackamas County.

9.3.2. *Economic Impact Study and Catalytic Value Report Update.* In order to explain the public's investment in the Project, the County will lead the work to complete an updated economic and fiscal impact study for full build-out of the Property to account for phasing and off-site impact for the near and long-term.

10. Communication Protocols.

10.1. All publicity and strategic communications for the Project will be coordinated through the TAC so that the parties can deliver unified direction and messages to outside parties.

10.2. Each party commits to working within the Project channels and the structure set forth in this Agreement, especially with respect to any potential conflicts, disagreements, external events, or pressures. The parties shall consult with each other first, prior to outreach to third parties, at emergency TAC or Partners Group meetings, as necessary.

10.3. The parties commit to attendance at emergency meetings.

11. Miscellaneous.

11.1. *Waiver of Liability.* Each party assumes all risks arising out of such party's participation in the Project, including with respect to the condition of the Property, and no party shall be liable to another for such risks, except to the extent caused by a party's gross negligence or willful misconduct.

11.2. *Indemnity.* Each party shall hold harmless and indemnify the other parties, and their agents and employees, against any and all liability, settlements, loss, costs, and expenses in connection with any action, suit, or claim arising out of the indemnifying party's

work and actions under this Agreement within the maximum liability limits set forth under the Oregon Tort Claims Act and Oregon Constitution.

11.3. **Termination.** A party may terminate this Agreement at any time as to such party with thirty (30) days prior written notice to the other parties, if the terminating party believes, or has reason to believe, that funding sufficient to comply with this Agreement will not be made available to the terminating party by the terminating party's governing body. Any termination of this Agreement shall not prejudice any rights or obligations accrued to the parties prior to termination.

11.4. **Laws of Oregon; Compliance with Laws.** The laws of the State of Oregon shall govern this Agreement, and the parties agree to submit to the jurisdiction of the courts of the State of Oregon. All activities of a party under this Agreement shall be in compliance with all applicable laws, statutes, ordinances, rules, regulations, and requirements of any governmental authority, including all applicable provisions of ORS chapters 279A, 279B, and 279C.

11.5. **Maintenance of Records.** The parties shall maintain all fiscal records relating to this Agreement in accordance with generally accepted accounting principles. In addition, the parties shall maintain any other records pertinent to this Agreement in such a manner as to clearly document their performance. Each party acknowledges and agrees that it shall retain such documents for a period of three (3) years after termination of this Agreement, or such longer period as may be required by applicable law. In the event of any audit, controversy, or litigation arising out of or related to this Agreement, the parties shall retain such documents until the conclusion thereof.

11.6. **Relationship of Parties.** Each of the parties hereto is deemed an independent contractor for purposes of this Agreement. No representative, agent, employee, or contractor of one party shall be deemed to be an employee, agent or contractor of any other party for any purpose. Nothing herein is intended, nor may it be construed, to create among the parties any relationship of principal and agent, partnership, joint venture, or any similar relationship, and each party hereby disclaims any such relationship.

11.7. **Preservation of Privileges; Public Records.** The parties acknowledge and agree that a primary purpose of this Agreement is to encourage frank communication and close collaboration among the parties for the maximum benefit of the Project, preliminary to any final action by the parties' governing bodies. The parties will disclose and transmit information to one another regarding possible direction for the Project and possible real estate transaction(s) with the Owner or third parties. The parties intend to preserve all rights under Oregon Public Records law, including, without limitation, exemptions related to internal advisory communications under ORS 192.502(1) and related to sharing of information regarding a potential real property negotiation under ORS 192.502(9)(a), the disclosure of which is restricted under ORS 192.660(2)(e). The parties intend by this section to protect from disclosure all Project information exchanged between any parties, or between any party and a consultant hired by a party for the Project, to the greatest extent permitted by law, regarding less whether the exchange occurred before execution of this Agreement and regardless of whether the writing or the document is marked "Confidential."

11.8. **No Third-Party Beneficiary.** This Agreement is between the parties and creates no third-party beneficiaries. Nothing in this Agreement gives or will be construed to give or provide any benefit, direct, indirect, or otherwise to third parties unless third persons are expressly described as intended to be beneficiaries of its terms.

11.9. **Assignment.** No party may assign this Agreement, in whole or in part, or any right or obligation hereunder, without the prior written approval of the other parties.

11.10. **Entire Agreement; Prior Agreements.** This Agreement constitutes the entire agreement among the parties on the subject matter hereof and supersedes all prior or contemporaneous written or oral understandings, representations, or communications of every kind. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Agreement. To the extent this Agreement contradicts the MOU, this Agreement governs.

11.11. **Modification; Waiver.** No course of dealing between the parties and no usage of trade will be relevant to supplement any term used in this Agreement. No waiver, consent, modification, or change of terms of this Agreement will bind any party unless in writing and signed by the Parties. The failure of a party to enforce any provision of this Agreement will not constitute a waiver by a party of that or any other provision.

11.12. **Authority.** The representatives signing on behalf of the parties certify they are duly authorized by the party for whom they sign to make this Agreement.

11.13. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which will be an original, but all of which will constitute one and the same instrument.

[Remainder of page blank; signatures on next page.]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

CITY OF OREGON CITY

METRO

Name: _____
Title: _____
Date: _____

Name: _____
Title: _____
Date: _____

CLACKAMAS COUNTY

STATE OF OREGON, through its Parks
and Recreation Department

Name: _____
Title: _____
Date: _____

Name: _____
Title: _____
Date: _____

Exhibit A

Partners Group

State

Alan Olsen, State Senator
Brent Barton, State Representative
Bobby Lee, Metro Region Coordinator, Regional Solutions
MG Devereux, Deputy Director, Oregon State Parks

Metro

Tom Hughes, Metro Council President
Carlotta Collette, Metro Councilor
Martha Bennett, Metro Chief Operating Officer

Clackamas County

Martha Schrader, County Commissioner
Tootie Smith, County Commission
Don Krupp, County Administrator

Oregon City

Dan Holladay, Mayor
Carol Pauli, Commissioner
David Frasher, City Manager

**WILLAMETTE FALLS LEGACY PROJECT
PREVIOUS PLANNING EFFORTS 2011 - 2014**

SOURCES	USES			
	Due Diligence	Site Investigations	Master Planning	TOTAL
State				
SHPO	\$5,000			\$5,000
Subtotal				\$5,000
Metro				
Non-Grant Funds	\$61,331	\$643,571		\$704,902
Partnership Contribution			\$100,000	\$100,000
Subtotal				\$804,902
Oregon City				
Partnership Contribution	\$25,000	\$100,000		\$125,000
CET Grant			\$300,000	\$300,000
Subtotal				\$425,000
Clackamas County				
Partnership Contribution			\$100,000	\$100,000
Subtotal				\$100,000
Private				
Trustee Contribution		\$10,000	\$50,000	\$60,000
Subtotal				\$60,000
Federal				
EPA Brownfields Grant		\$65,000		\$65,000
Subtotal				\$65,000
Grand Total	\$91,331	\$818,571	\$550,000	\$1,459,902

WILLAMETTE FALLS LEGACY PROJECT SOURCES AND USES

SOME EXPENDITURES NEED TO BE APPROVED BY LOCAL JURISDICTIONS

SOURCES	TOTALS	14/15 EXPENDITURES	14/15 REMAINING	FISCAL YEAR FUNDING AVAILABILITY									
				2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	
STATE													
Lottery Bonds 1	\$5,000,000	\$0	\$5,000,000	\$280,000	\$280,000								
Lottery Bonds 2	\$7,500,000	\$0	\$0			\$7,500,000							
SHPO	\$40,000	\$20,000	\$20,000	\$20,000		\$20,000							
Subtotal	\$12,540,000	\$20,000	\$5,020,000	\$300,000	\$280,000	\$7,520,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
METRO													
Natural Areas Bond	\$5,000,000	\$127,612	\$4,872,388	\$409,780	\$404,779								
RISE	\$85,000	\$1,000	\$84,000	\$84,000									
Parks and Nature	\$80,000	\$0	\$80,000	\$80,000									
CCTD Tourism Grant	\$100,000	\$46,379	\$53,621	\$53,621									
Subtotal	\$5,265,000	\$174,991	\$5,090,009	\$627,401	\$404,779	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CLACKAMAS COUNTY													
Ec Dev Lottery Funds	\$900,000	\$25,000	\$875,000	\$125,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Ec Dev Budget	\$100,000	\$0	\$100,000	\$52,650	\$52,650								
Federal Lobbying	\$80,000	\$80,000	\$0	\$0	\$0								
Subtotal	\$1,080,000	\$105,000	\$975,000	\$177,650	\$152,650	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
OREGON CITY													
CPDG Grant	\$550,000	\$0	\$550,000	\$275,000	\$275,000								
NA Local Share	\$340,581	\$0	\$340,581	\$340,581									
WFLP/Community Development	\$990,000	\$40,000	\$950,000	\$155,000	\$50,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Urban Renewal/Ec Dev	\$75,000	\$25,000	\$50,000	\$25,000	\$50,000								
General Fund	\$60,000	\$40,000	\$20,000	\$20,000									
Bike/Ped SDC's	\$60,000	\$0	\$60,000			\$60,000							
Parks SDC's	\$340,000	\$0	\$340,000	\$340,000									
Streets SDC's	\$35,000	\$0	\$35,000			\$35,000							
Subtotal	\$2,450,581	\$105,000	\$2,345,581	\$1,155,581	\$375,000	\$195,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
FALLS LEGACY LLC													
CPDG Grant Match	\$450,000	\$0	\$450,000	\$225,000	\$225,000								
Schematic Design Contribution	\$900,000	\$0	\$900,000	\$200,000	\$200,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000			
Archaeology	\$5,000	\$0	\$5,000	\$5,000									
Subtotal	\$1,355,000	\$0	\$1,355,000	\$430,000	\$425,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$0	\$0	\$0
FEDERAL													
Subtotal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DONORS													
Subtotal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Grand Total	\$22,690,581	\$404,991	\$22,285,590	\$2,690,632	\$1,637,429	\$7,915,000	\$300,000	\$300,000	\$300,000	\$300,000	\$200,000	\$200,000	\$0

WILLAMETTE FALLS LEGACY PROJECT SOURCES AND USES
FY 2015-2016 THROUGH FY 2016-2017

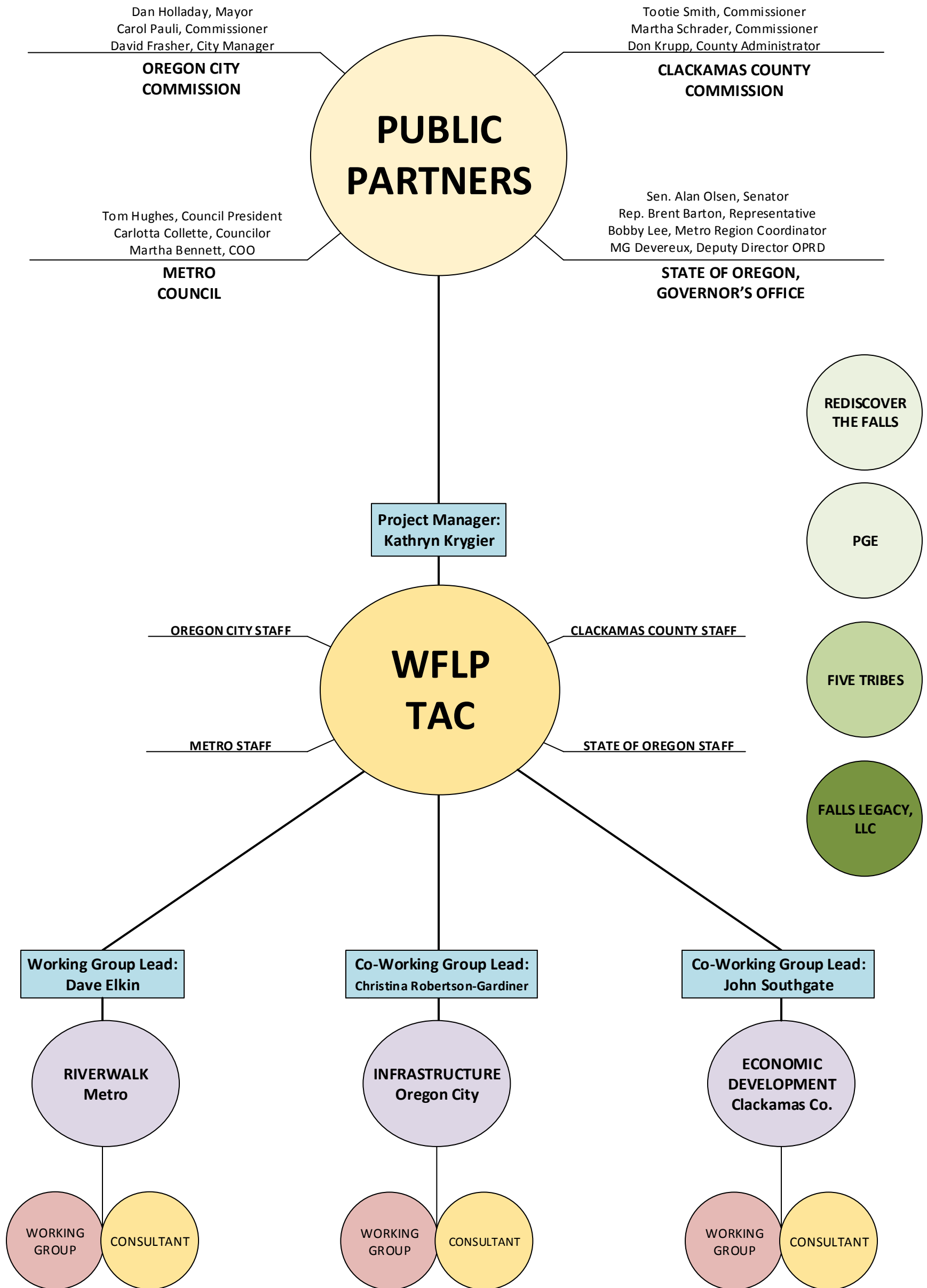
USES Contracts or Work Scopes	Totals	SOURCES																														
		State				Metro						Clackamas County				Oregon City										Falls Legacy LLC						
		Lottery Bonds ²		SHPO		Pks Nat carryover ²	NA Bond ^{2,3}		RISE ²		Tourism Grant ²	Ec Dev Lottery Funds ³		Ec Dev Budget		CPDG Grant		NA Local Share ²	WFLP/Comm. Dev.			Urban Renewal/ED		General Fund		Park SDCs	CPDG Grant Match		FLL Schematic Design ²		Archaeology	
		15-16	16-17	15-16	16-17		15-16	16-17	14-15	15-16		16-17	15-16	16-17	15-16	16-17	15-16		16-17	15-16	14-15	15-16	16-17	15-16	16-17		15-16	16-17	15-16	16-17		15-16
WFLP																																
Friends Group	\$74,000							\$24,000												\$25,000	\$25,000											
Implementation Strategy	\$0																															
Federal Lobbying	\$0																															
Project Administration	\$0																															
Communications	\$38,321																															
Miscellaneous	\$0																															
Metro Staffing ¹	\$344,000						\$172,000	\$172,000																								
Unallocated Funds/Contingency	\$50,000									\$50,000																						
Subtotal	\$506,321	\$0	\$0	\$0	\$0	\$0	\$172,000	\$172,000	\$24,000	\$50,000	\$0	\$38,321	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$25,000	\$25,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
RIVERWALK																																
Schematic Design	\$1,200,581	\$195,000	\$195,000				\$40,000	\$40,000										\$330,581											\$200,000	\$200,000		
Habitat / Hydraulics Design	\$180,000					\$64,441	\$57,780	\$57,779																								
Topographic Survey	\$25,000						\$15,000	\$10,000																								
Rare and native plant ID	\$3,559					\$3,559																										
Restoration case studies	\$12,000					\$12,000																										
Communications	\$75,300						\$30,000	\$30,000				\$15,300																				
Third Party Cost Estimating	\$80,000						\$40,000	\$40,000																								
Miscellaneous	\$30,000						\$15,000	\$15,000																								
Cultural Landscape Report	\$110,000																		\$40,000	\$50,000					\$20,000							
Finance Plan	\$75,000																			\$50,000		\$25,000										
Parks Staff Contract ¹	\$275,000																			\$25,000							\$250,000					
Unallocated Funds/Contingency	\$400,002	\$85,000	\$85,000				\$40,000	\$40,000										\$10,000					\$50,000			\$90,000						
Subtotal	\$2,466,442	\$280,000	\$280,000	\$0	\$0	\$80,000	\$237,780	\$232,779	\$0	\$0	\$0	\$15,300	\$0	\$0	\$0	\$0	\$0	\$340,581	\$40,000	\$125,000	\$0	\$25,000	\$50,000	\$20,000	\$0	\$340,000	\$0	\$200,000	\$200,000	\$0		
INFRASTRUCTURE																																
Archaeology	\$30,000			\$20,000																\$5,000										\$5,000		
CPDG Work	\$225,000																			\$100,000	\$100,000											
UD, Infrastructure & Phasing	\$0																															
Development Feasibility	\$0																															
Transportation & Parking Plan	\$0																															
Finance Plan	\$0																															
Community Engagement	\$0																															
Brownfield Remediation	\$10,000									\$10,000																						
OC Staffing ¹	\$150,000																			\$75,000	\$75,000											
Unallocated Funds/Contingency	\$225,000																										\$115,000	\$110,000				
Subtotal	\$640,000	\$0	\$0	\$20,000	\$0	\$0	\$0	\$0	\$0	\$10,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$175,000	\$175,000	\$0	\$0	\$5,000	\$25,000	\$0	\$0	\$0	\$0	\$0	\$0	\$5,000		
ECONOMIC DEVELOPMENT																																
CPDG Work	\$225,000																															
Ec Dev. Strategy	\$0																															
Economic Impact Study, Finance Plan	\$0																															
Ec Dev. Staff Contract ¹	\$105,300																															
Unallocated Funds/Contingency	\$425,000																										\$110,000	\$115,000				
Subtotal	\$755,300	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$125,000	\$100,000	\$105,300	\$0	\$100,000	\$100,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$110,000	\$115,000	\$0	\$0	\$0	
Grand Total	\$4,368,061	\$280,000	\$280,000	\$20,000	\$0	\$80,000	\$409,780	\$404,779	\$24,000	\$60,000	\$0	\$53,621	\$125,000	\$100,000	\$105,300	\$0	\$275,000	\$275,000	\$340,581	\$40,000	\$155,000	\$50,000	\$25,000	\$50,000	\$20,000	\$0	\$340,000	\$225,000	\$225,000	\$200,000	\$200,000	\$5,000

¹ Only staffing funds from above sources included; other staffing funds from agencies (eg.: general funds) will be tracked separately

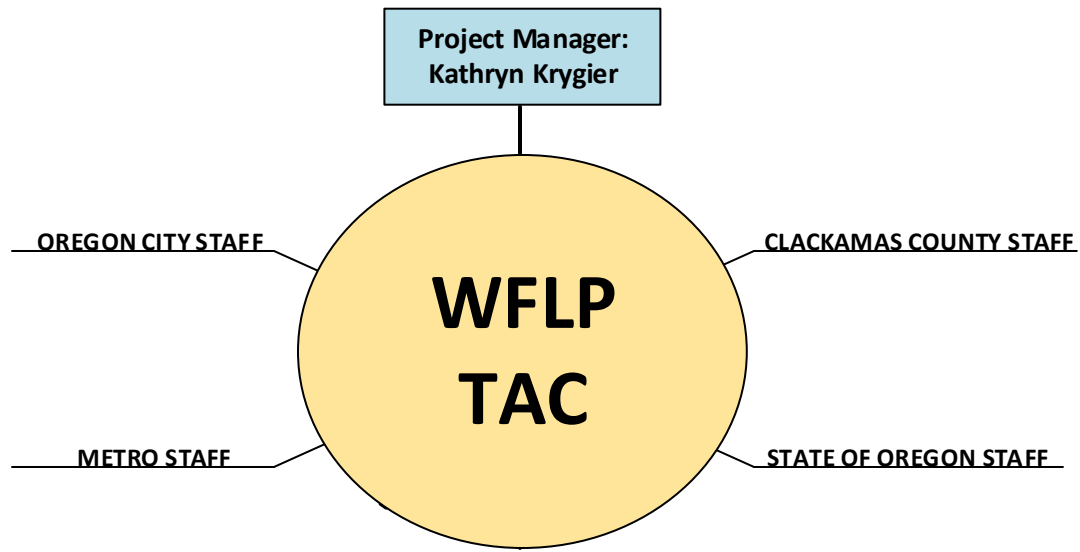
² Sources housed at Metro

³ Amount assumed for FY 16-17; pending approval from respective agency, if necessary

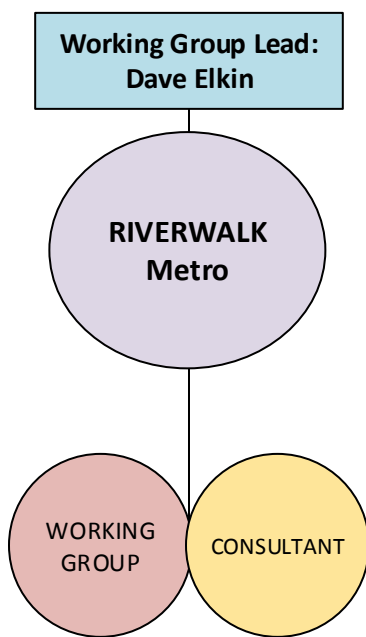
WFLP ORGANIZATIONAL CHART



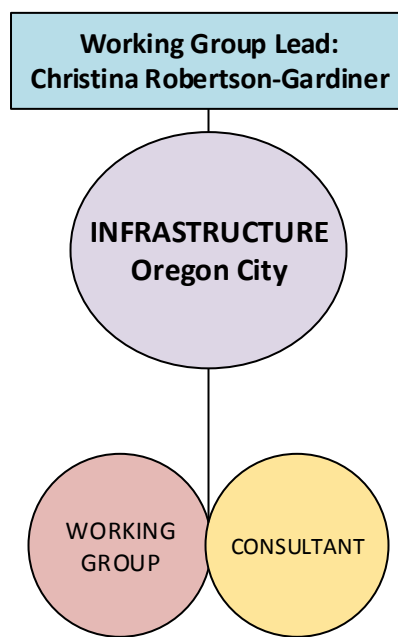
WFLP TAC AND WORKGROUP TASKS



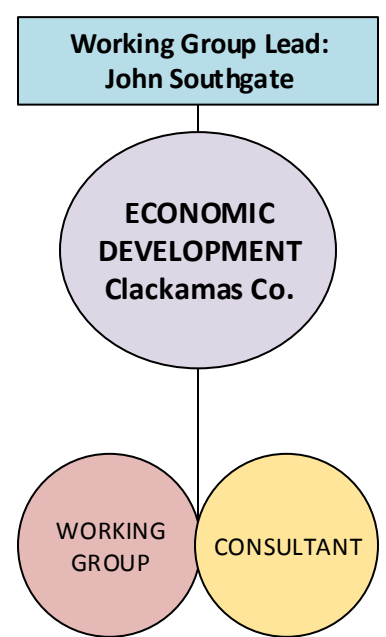
- **WFLP Scope, Budget & Costs** - Metro
- **Coordinate Partners** - Metro
- **Lead and Manage TAC** - Metro
- **Coordinate State Agencies** - State
- **Site Access** - Oregon City
- **Administration and Tours** - Metro
- **Budget Oversight Committee** - All Parties
- **Finance & Funding Strategy** - Metro
- **State Lobbying** - Metro
- **Federal Lobbying** - Clackamas County
- **Strategic Communications** - Metro
- **Public Engagement** - Metro
- **Tribal Involvement** - State
- **Private Partner Relationship** - Metro
- **Rediscover the Falls Relationship** - Metro
- **PGE Relationship** - Metro



- **Schematic Design & Cost** - Metro
 - Interim Use & Cost
 - RW Phasing Plan & Cost
 - Visitor Parking
 - Necessary Infrastructure
- **O&M Strategy** - Oregon City
- **Cultural Landscape Resource Report** - Oregon City



- **Development Feasibility** - Oregon City
- **Finance Plan** - Oregon City



- **Market Analysis** - Clackamas County
- **Economic Impact Study/Update of Catalytic Value Report** - Clackamas County
- **Brownfields** - Metro

Willamette Falls Legacy Project
Proposed Staffing Commitments for FY 15-16 and FY 16-17

EXHIBIT D

Oregon City Key Staff	FTE	Primary Responsibility
Tony Konkol	0.1	TAC
Christina Robertson-Gardiner	0.88	Infrastructure Working Group Lead
Kelly Reid	1	Riverwalk Working Group
TOTALS	1.98	

Clackamas County Key Staff	FTE	Primary Responsibility
Gary Barth	0.1	Economic Development Working Group
Catherine Comer	0.15	Economic Development Working Group
Lorraine Gonzales	0.05	Riverwalk Working Group
Amanda D'Souza	0.8	Economic Development Working Group
John Southgate	0.25	ED Working Group Lead
TOTALS	1.35	

Metro Key Staff	FTE	Primary Responsibility
Noah Siegel*	0.2	TAC
Kathryn Krygier*	0.8	TAC
Hillary Wilton*	0.2	Private Partners Rep. for Public/Negotiations
Hope Whitney	0.12	Metro Legal
Dave Elkin	1	Riverwalk Working Group Lead
Brian Vaughn	0.1	Riverwalk Working Group
Ellen Wyoming/Comm.	0.5	Communications/Public Engagement
Beth Cohen	0.3	Rediscover the Falls
Frankie Lewington*	0.5	TAC
TOTALS	3.72	

State of Oregon Key Staff	FTE	Primary Responsibility
Bobby Lee	0.1	TAC
MG Devereux	0.1	TAC
Jennifer Donnelly	0.1	Riverwalk Working Group
Janet Hillock	0.1	Infrastructure Working Group
Mitchell Gee	0.1	Economic Development Working Group
TOTALS	0.5	

Grand Total	7.55
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*Paid out of the Metro Natural Areas Bond