

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

Study Session Worksheet

Presentation Date: June 14, 2011 **Time:** 1:30 p.m. **Length:** 30 minutes

Presentation Title: Oregon Department of Transportation: Immediate Opportunity Fund

Department: Development Agency

Presenters: Dan Johnson; Development Agency Manager

Cindy Hagen; Business and Economic Development

Scot Sideras; Legal Counsel, Senior

POLICY QUESTION

N/A

ISSUE & BACKGROUND

In 2007, years of effort by Oregon Iron Works (OIW) culminated in formation of United Streetcar, a subsidiary of OIW and the only manufacturer of the modern street car in the United States. Formation of this subsidiary initiated a regional search to locate United Streetcar's future manufacturing site, a facility resulting in up to \$10,000,000 in private investment, creating up to 100 new family wage jobs, and an economic boost to numerous businesses in the area benefiting from local sourcing.

In May of 2009 the Clackamas County Board of County Commissioners secured the commitment of United Streetcar to manufacture the streetcars at OIW's facility in Clackamas County. The terms of the agreement were set out in the Statement of Reciprocal Commitment (SRC) dated May 6, 2009. Included in the SRC was a commitment from Clackamas County to attempt to secure additional infrastructure funding from Oregon Department of Transportation (ODOT) which would assist with constructing needed improvements benefiting Oregon Iron Works, United Streetcar, and businesses throughout the Clackamas Industrial Area.

The Oregon Traffic Commission has since awarded Clackamas County a \$1,000,000 grant from the Immediate Opportunity Fund, a fund established by ODOT to support economic development in Oregon through the construction and improvement of roadways. The matter now before the Board is the decision whether to enter into an agreement with ODOT accepting the terms of the grant. If accepted, Clackamas County will use the grant to support construction of the Highway 212 to Lawnfield Road Connector. A copy of the project plan is attached. This capital construction project will not only provide alternative access to Clackamas County's

industrial area, but also support vital portions of the future Sunrise Highway project scheduled for construction in 2013.

A copy of the Immediate Opportunity Fund Agreement, (IOFA), the agreement between ODOT and Clackamas County committing ODOT to payment and Clackamas County to the appropriate use of the funds, is attached. It should be noted, as the IOFA primary purpose is to promote job growth there are provisions within the agreement to reach certain job creation milestones. If the Board of County Commissioners authorizes approval of the IOFA, staff will work closely with OIW/United Streetcar to author a subsequent agreement conveying any job creation obligations required by ODOT from Clackamas County to OIW/United Streetcar.

QUESTION(S) PRESENTED FOR CONSIDERATION

Should this matter be advanced to a Business Meeting for the purpose of authorizing the Chair to execute the Immediate Opportunity Fund Agreement with the Oregon Department of Transportation?

OPTIONS AVAILABLE

1. Direct staff to proceed to a Business Meeting for the purpose of authorizing the Chair to sign the IOFA, as well as the subsequent agreement with OIW/United Streetcar transferring the job creation obligations; or

2. Direct staff to return with further discussion of the Highway 212 to Lawnfield Road Connector, and the details of the transfer of the job creation obligations to OIW/United Streetcar

RECOMMENDATIONS

Staff respectfully recommends that the Board authorize the taking of this matter to a Business Meeting for the purpose of authorizing the Chair to sign all necessary documents to secure the ODOT Immediate Opportunity Funds and execute all subsequent documents to transfer the job creation obligations from Clackamas County.

SCHEDULE FOR STUDY SESSION

Division Director/Head Approval _____

Department Director/Head Approval _____

County Administrator Approval _____

For information on this issue, please contact Dan Johnson @ 503-742-4325 or danjoh@co.clackamas.or.us