

AGENDA Revised

*Removed Housing Authority Consent item II. 1.

Thursday, February 15, 2018 - 10:00 AM BOARD OF COUNTY COMMISSIONERS

Beginning Board Order No. 2018-13

CALL TO ORDER

- Roll Call
- Pledge of Allegiance

I. HOUSING AUTHORITY PUBLIC HEARING *(The following item will be individually presented by County staff or other appropriate individuals. Persons appearing shall clearly identify themselves and the department or organization they represent. In addition, a synopsis of each item, together with a brief statement of the action being requested shall be made by those appearing on behalf of an agenda item)*

1. TEFRA Hearing on the Issuance of Private Activity Bonds for the Development of the Rosewood Terrace Apartment Project (Chuck Robbins, Housing Authority)

II. HOUSING AUTHORITY CONSENT AGENDA

1. *REMOVED - In the Matter of Approval to Apply for a Homeless System Diversion, Prevention and Rapid Re-Housing Grant
2. In the Matter of Approval to Execute the General Depository Agreement, HUD Form 51999
3. Resolution No. 1925 - Approval of Amendment to Resolution No. 1923 for Additional Private Activity Bonds for the Rosewood Terrace Apartment Project
4. Resolution No 1926 - Approval of Amendment to Resolution No. 1924 to update the Name of the Limited Partnership to Pedcor Investments – 2016-CLV

III. 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 meeting. Testimony is limited to three (3) minutes. Comments shall be respectful and courteous to all.)*

IV. PUBLIC HEARING *(The following items will be individually presented by County staff or other appropriate individuals. Persons appearing shall clearly identify themselves and the department or organization they represent. In addition, a synopsis of each item, together with a brief statement of the action being requested shall be made by those appearing on behalf of an agenda item.)*

NOTE: This item has been postponed until March 22, 2018.

1. ~~Board Order No. _____~~ for a Boundary Change Petition to Transfer Property from Centennial School District to North Clackamas School District (Chris Storey and Amanda Keller, County Counsel)

V. PUBLIC DISCUSSION ITEM *(The following items will be individually presented by County staff or other appropriate individuals. Citizens wishing to comment on a discussion item must fill out a blue card provided on the table outside of the hearing room prior to the beginning of the meeting.)*

Business & Community Services

1. Resolution No. _____ Approving an Amendment to the City of Wilsonville’s Year 2000 Urban Renewal Plan (Laura Zentner, BCS, Nate Boderman, County Counsel)

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 Work Sessions. 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

1. Resolution No. _____ Approval of a TEFRA Resolution Declaring Clackamas County’s Approval for the Housing Authority of Clackamas County (HACC) to Issue \$34 Million in Revenue Bonds for the Development of the Rosewood Terrace Apartments – Housing Authority

B. Department of Transportation & Development

1. Resolution No. _____ Declaring the Public Necessity and Purpose for Acquisition of Rights-of-Way and Easements for the Foster Creek (at Bakers Ferry Road) Bridge Scour Protection Project and Authorizing Negotiations and Eminent Domain Actions
2. Approval of a Federal Lands Access Program Match Agreement with Western Federal Lands Highway Division for the East Salmon River Road Surface Preservation Project
3. Approval of a Federal Lands Access Program Match Agreement with Western Federal Lands Highway Division for the Lolo Pass Road Stabilization and Surface Preservation Project
4. Approval of a Transfer of an Interest in the Clackamas Industrial Area Opportunities (CIAO) Site to the Clackamas County Development Agency

C. Elected Officials

1. Approval of Previous Business Meeting Minutes – BCC

D. County Counsel

1. Approval of Amendment No. 1 to the Settlement Agreement between the City of Gladstone and Clackamas County

E. Business & Community Services

1. Approval of a Purchase and Sale Agreement with Port Blakely US Forestry for the Exchange of Real Property

VII. DEVELOPMENT AGENCY

1. Acceptance of a Transfer of an Interest in the Clackamas Industrial Area Opportunities (CIAO) Site from Clackamas County

VIII. COUNTY ADMINISTRATOR UPDATE

IX. COMMISSIONERS COMMUNICATION

February 15, 2018

Housing Authority Board of Commissioners
Clackamas County

Members of the Board:

**TEFRA Hearing on the Issuance of Private Activity Bonds for the
Development of the Rosewood Terrace Apartment Project**

Purpose/Outcomes	A Public Hearing before the HACC Board of Commissioners to receive comments on the use of Private Activity Bonds (PAB) for the development of an affordable housing project (TEFRA Hearing)
Dollar Amount and Fiscal Impact	PAB Application for \$2,000,000 in additional bond proceeds
Funding Source(s)	Private Activity Bond - Debt Management Division of the Oregon State Treasury
Duration	40-year principal and interest amortization period
Previous Board Action	The Board discussed the TEFRA Hearing at the 2/6/18 Policy Session & previous TEFRA hearing was 1/19/17
Strategic Plan Alignment	<ul style="list-style-type: none"> • Ensure safe, healthy and secure communities • Sustainable and Affordable Housing
Contact Person	Chuck Robbins, HACC Executive Director (503) 650-5666
Contract Number	N/A

BACKGROUND:

The Housing Authority a division of the Health, Housing & Human Services Department requests a hearing on the issuance of Private Activity Bonds for the Development of the Rosewood Terrace Apartment project. As part of the bond approval process the HACC Board must hold a Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) hearing. This hearing is mandated by the IRS and 1) informs the affected governmental units of a proposal to issue bonds within their jurisdiction, and 2) and provides a reasonable opportunity for residents and interested individuals to express their views on the issuance of bonds and the nature of the improvements and project for which the bond funds will be allocated.

The TEFRA hearing must be held before the Oregon Private Activity Bond Committee will approve the Bond application. The TEFRA Hearing requires that a Public Notice be published at least 14 days prior to the hearing date. The attached notice was advertised in the Oregonian on Wednesday, January 31, 2018. As included in the Notice the Bonds will be used to finance the acquisition and construction of an apartment complex containing a total of approximately 212 dwelling units, to be known as the Rosewood Terrace Apartments, to provide housing for low-income persons, as a qualified residential rental project under Section 142(d) of the Code.

The Rosewood Terrace Apartment project includes (104) 1 Bedroom/1 Bath units, (100) 2 Bedroom/2 Bath units, and (8) 3 Bedroom/2 Bath Units. The current Fair Market Rents for a 2 Bedroom unit is \$1,242, which is less than actual market rent. This project keeps rent at \$761/Mo for 1BR/1 Bath, \$909/Mo for 2BR/2Bath, and \$1,044/Mo for 3 BR/2 Bath making it affordable to households making less than 60% of the Area Median Income. These units are required to remain affordable for a period of 60 years.

The Bond amount will not exceed \$34,000,000, including the additional \$2,000,000 being requested at this hearing.

RECOMMENDATION:

Staff recommends the HACC Board of Commissioners hold the TEFRA Hearing.

Respectfully submitted,

Richard Swift, Director
Health, Housing and Human Services

TEFRA NOTICE

NOTICE OF PUBLIC HEARING

Notice is hereby given that on February 15th, 2018, a public hearing, as required by Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), will be held by the Housing Authority of Clackamas County (the "Authority") with respect to the proposed issuance by the Authority of tax-exempt private activity revenue bonds in one or more series in an aggregate face amount not to exceed \$34,000,000 (the "Bonds"), the interest on which will be excluded from gross income of the holders for federal income tax purposes under Sections 103 and 142(d) of the Code. The proceeds of the Bonds will be used by Pedcor Investments-2016-CLV, Limited Partnership (the "Borrower") through one or more loans to the Borrower to finance a portion of the costs of acquiring and constructing a 212-unit multi-family affordable housing development expected to be initially called Rosewood Terrace Apartments and subsequently Rosewood Station Apartments (the "Development"), the occupancy of which will be restricted to individuals or households with incomes at 60% or below of area median income in accordance with Section 142(d) of the Code. The Development, which will be owned by the Borrower, will consist of six four-story buildings located at 8810 SE Otty Road in Happy Valley, Oregon.

The hearing will commence at 10:00 am, or as soon thereafter as the matter can be heard, and will be held in the Board of County Commissioners chamber on the 4th floor of 2051 Kaen Road, Oregon City, OR 97045. Interested persons wishing to express their views on the issuance of the Bonds, or on the nature and location of the Development to be in part financed with proceeds of the Bonds, may attend the public hearing in person or, prior to the time of the hearing, submit written comments to Chuck Robbins, Executive Director, Housing Authority of Clackamas County, 13900 S. Gain Street/PO Box 1510, Oregon City, OR 97045. The Authority may limit the time available for persons attending the public hearing to provide oral comments, while assuring such persons a reasonable opportunity to be heard. The Authority is committed to providing equal access to individuals with disabilities, consistent with the Americans with Disabilities Act and other state and federal laws prohibiting discrimination against individuals with disabilities. Anyone requiring an accommodation to participate in this hearing or to obtain information subject to this notice should contact the Authority, at least 24 hours prior to the time of the hearing, at (503) 655-8279.

Dated: January 31, 2018.

February 15, 2018

Housing Authority Board of Commissioners
Clackamas County

Members of the Board:

In the Matter of Approval to apply for a
Homeless System Diversion, Prevention and Rapid Re-Housing grant

Purpose/Outcomes	Approval to apply for a Homeless System Diversion, Prevention and Rapid Re-Housing Grant. The Notice of Funding Opportunity (NOFO) Program is specifically designed for and targeted to serve homeless families and prevent homelessness
Dollar Amount and Fiscal Impact	\$200,000
Funding Source	Clackamas County Social Services, from the State of Oregon Emergency Housing Account
Duration	March 1, 2018 – February 28, 2021
Previous Board Action	N/A
Strategic Plan Alignment	1. Individual and families in need are healthy and safe 2. Ensure safe, healthy & secure communities
Contact Person	Chuck Robbins, Executive Director, Housing Authority 503-650-5666
Contract No.	N/A

BACKGROUND:

The Housing Authority of Clackamas County (HACC), a Division of the Health, Housing and Human Services Department, requests approval to apply for a Notice of Funding Opportunity (NOFO) for Homeless System Diversion, Prevention and Rapid Re-Housing from Clackamas County’s Social Services Division.

The total amount of the award for a two-year grant term is \$200,000. The Housing Authority will use grant funds for salary and benefits for one (1) part-time temporary employee, Service Coordinator, over a two (2) year period, including administration and training cost.

The NOFO Program is specifically designed for and targeted to serve homeless families and prevent homelessness. The grant covers the cost of case management staff, which are costs not allowed under our current rental assistance programs. With the additional staff, HACC can directly help families coming off the streets with application fees, security deposits, pet deposits, past debts for utilities and late fees. The purpose of the grant would allow HACC to serve families coming directly off the Coordinated Housing Access (CHA) wait list, serving homeless families in Clackamas County. Currently HACC refers families to Social Services and other nonprofits in the area with the hope that families get the needed assistance. By applying for this grant, we will be able to offer the services under HACC’s roof, to prevent and end homelessness, which aligns with our mission. The goal is to serve 40 households with homeless prevention and diversion and 10 families through Rapid re-housing services.

RECOMMENDATION:

We recommend the approval to apply for the Homeless System Diversion, Prevention and Rapid Re-Housing grant and further recommend the acceptance of the award if funded; and that the Director of the Department of Health, Housing, and Human Services be authorized to sign all documents necessary to accomplish this action on behalf of the Board of Commissioners.

Respectfully submitted,

Richard Swift, Director
Health, Housing & Human Services Department

February 15, 2018

Housing Authority Board of Commissioners
Clackamas County

Members of the Board:

In the Matter of approval to execute the General Depository Agreement, HUD Form 51999

Purpose/Outcomes	Approval to execute HUD Form 51999, General Depository Agreement
Dollar Amount and Fiscal Impact	\$0
Funding Source	U.S. Department of Housing and Urban Development (HUD) No County General Funds are involved.
Duration	January 23, 2018 – until terminated
Previous Board Action	None
Strategic Plan Alignment	1. Efficient and effective services 2. Build public trust through good government
Contact Person	Chuck Robbins, Executive Director, Housing Authority 503-650-5666
Contract No.	N/A

BACKGROUND:

The Housing Authority of Clackamas County (HACC), a Division of the Health, Housing and Human Services Department, requests approval to execute a General Depository Agreement. This is a U.S. Department of Housing & Urban Development (HUD) required agreement between the Housing Authority of Clackamas County and Wells Fargo.

HACC's Annual Contributions Contract (ACC) with HUD requires HACC to deposit all program funds under an ACC in accordance with the terms of a General Depository Agreement, HUD Form 51999. The General Depository Agreement is a HUD form that is executed between HACC and Wells Fargo. The General Depository Agreement requires Wells Fargo to continuously and fully (100%) secure all deposits regardless of type that are in excess of federally insured limits, as well as set limits on the type of investments that can be made with ACC funds.

RECOMMENDATION:

We recommend the Housing Authority Board Chair sign the document necessary to execute the agreement.

Respectfully submitted,

Richard Swift, Director
Health, Housing & Human Services Department

This Agreement, entered into this 23rd day of January 2018 by and between the Housing Authority of Clackamas County (herein called the "HA"), a duly organized and existing public body corporate and politic of the county of Clackamas of the state of Oregon and Wells Fargo Bank (herein called the "Depository"), located at 350 SW Jefferson St, 3rd Floor, Portland, OR. 97201.

Witnesseth:

Whereas, the Department of Housing and Urban Development (herein called "HUD") has entered into one or more contracts (herein called the "Contract" with the HA for the purpose of providing financial assistance to develop and operate lower income housing projects, as authorized by the United States Housing Act of 1937, as amended (42 USC 1437, et seq.); and

Whereas, under the terms of the Contract the HA is required to select as depositories of its funds, financial institutions whose deposits or accounts are insured by the Federal Deposit Insurance Corporation (FDIC) or the National Credit Union Share Insurance Fund (NCUSIF) as long as this Agreement is in force and effect.

Now Therefore, in consideration of the mutual covenants hereinafter set forth, the parties hereto agree as follows:

1. The deposits and accounts of the Depository shall continue to be insured by the FDIC Corporation or NCUSIF.
2. All monies deposited by the HA with the Depository shall be credited to the HA in a separate interest bearing deposit or interest bearing accounts, designated 3547918999 checking; 3293267096 money market; 6275442009 development;

Accounts" (herein the "Accounts"). Any portion of HA Funds not insured by a Federal insurance organization shall be fully (100%) and continuously collateralized with specific and identifiable U.S. Government or Agency securities prescribed by HUD in a notice. Collateralization is required on a daily basis at the end of the business day. Such securities shall be pledged and set aside in accordance with applicable law or Federal regulations. The HA shall have possession of the securities (or the HA will take possession of the securities) or an independent custodian (or an independent third party) holds the securities on behalf of the HA as a bailee (evidenced by safe keeping receipt and a written bailment for hire contract) and will be maintained for the full term of deposit. The Depository may substitute other securities as collateral to equal or increase the value. If the HA is an agency of an Indian tribe, the collateral shall be in United States bonds and otherwise as may be prescribed for public funds by the United States Secretary of the Treasury.

3. Except as stated in Paragraph 5, the Depository shall honor any (a) check or other order to pay from the Accounts, or (b) directive to purchase investment securities with monies from the Accounts or to sell securities, if such order or directive is in writing and signed on behalf of the HA by an officer or member designated by resolution of the Board of Directors of the HA to have such authority. To assist the Depository in its obligation, the HA shall furnish the Depository with a certified copy of the resolution.

4. Any securities received from the HA or purchased by the Depository with monies from the Accounts shall be considered to be a part of the Accounts and shall be held by the Depository in safe-keeping for the HA until sold. Interest on such securities and the proceeds from the sale thereof shall be deposited in the Account upon receipt.

5. If the Depository receives written notice from HUD that no withdrawals by the HA from the Accounts are to be permitted, the Depository shall not honor any check or other order to pay from the Accounts or directive to purchase or sell securities, or permit any withdrawals by the HA from said Accounts until the Depository is authorized to do so by written notice from HUD.

6. The Depository is not obligated to be familiar, and shall not be charged, with knowledge of the provisions of the Contract, and shall be under no duty to investigate or determine whether any action taken by either the HA or HUD in respect of the Accounts are consistent with or are authorized by the Contract or whether either HA or HUD is in default under the provisions of the Contract. The Depository shall be fully justified in accepting and acting on, without investigation, any certificate or notice furnished to it pursuant to the provisions of this Agreement and which the Depository shall in good faith believe to have been duly authorized and executed on behalf of the party in whose name the same purports to have been made or executed.

7. The rights and duties of the Depository under this Agreement shall not be transferred or assigned by the Depository without the prior written approval of the HA and HUD. This Agreement may be terminated by either party hereto upon thirty days' written notice to the other party, and HUD. The rights and duties of the Depository

hereunder shall not be transferred or assigned nor shall this Agreement be terminated during any period in which the Depository is required to refuse to permit withdrawals from the Accounts as provided in Paragraph 5.

8. HUD is intended to be a third party beneficiary of this Agreement and may sue to enforce its provisions and to recover damages for failure to carry out its terms.

9. The Depository shall provide the HA with remote, electronic access to the Accounts for the purpose of monitoring the crediting or depositing of any monies in the Accounts.

10. The provisions of this Agreement may not be modified by either Party without the prior written approval of HUD.

11. **Strike this paragraph if inapplicable:** Previous General Depository or Savings Depository Agreements, if any, entered into between the Depository and the HA are hereby terminated and all monies and securities of the HA on deposit with or held by the Depositories pursuant to the terms of said Agreement shall continue to be held for account of the HA pursuant to and in accordance with the provisions of this Agreement.

12. ~~For use only in certain States that have statutes that prohibit HAs from implementing paragraph 2. Strike this paragraph if paragraph 2 applies:~~

~~At no time shall the HA Funds in the Accounts be permitted to exceed the amount insured by Federal deposit insurance (herein the "Insured Amount"). At any such time as the amount of funds in the Accounts reach the Insured Amount, whether by the accrual of interest or otherwise, the Depository shall promptly, as directed by the HA, and in an amount sufficient to limit the funds in the Accounts to the Insured Amount, either: (a) remit payment to the HA or, (b) on behalf of the HA, purchase securities approved for investment by the HA. Such securities shall not be considered to be a part of the Account pursuant to Paragraph 4 hereof but shall be held by the Depository as custodian or trustee for the HA in a separate account established for that purpose by the Depository (herein the "Securities Account"). The Securities Account shall be designated _____, Income or other proceeds from securities held in the Securities Account shall, as directed by the HA, upon receipt, be paid to or on behalf of the HA; provided, however, that such proceeds shall, to the extent consistent otherwise with the provisions of this Paragraph, be deposited in the Accounts. If the Depository receives written notice from HUD pursuant to Paragraph 5 hereof that no withdrawals by the HA from the Accounts are to be permitted, the Depository shall not honor any directive from the HA to sell securities, or permit any withdraws by the HA, from the Securities Account until the Depository is authorized to do so by written notice from HUD. During the pendency of such restrictions on the Accounts and the Securities Account, the Depository, except as directed in writing by HUD, shall not remit any payment to the HA for the purpose of limiting the amount of funds in the Account to the Insured Amount but shall instead purchase securities approved for investment by the HA and hold such securities in the Securities Account.~~

13. Notice required under the terms and conditions of this agreement shall be deemed to have been given when it made by:

Executive Director, on behalf of Housing Authority of Clackamas County
Title Organization PHA)

Dennis Loo, Vice President, on behalf of Wells Fargo Bank
Title Organization (Depository)

Portland Field Office, Public Housing Director, on behalf of HUD
Title Organization (HUD)

Notice shall be made in writing. Notice may be delivered in person, by United States Postal Service mail, by receipted commercial mail delivery, by facsimile machine or other electronic means that clearly identifies the sender as one of the persons so authorized in this paragraph. Notice shall be considered immediate if delivered not later than 2:00 p.m. local bank time. Notice received by 2:00 p.m. local bank time shall be implemented by the Depository by 5:00 p.m. on the business day on which the notice was deemed received by the Depository's designee referenced above. Notice delivered after 2:00 p.m. local bank time shall be considered received and effective at the opening of the following business day. Business day means every day except Saturdays, Sundays and federal holidays.

In Witness Whereof, the HA and the Depository have caused this Agreement to be executed in their respective names and their respective seal to be impressed hereon and attested as of the date and year first above written.

Housing Authority of Clackamas County

HA
(SEAL)

ATTEST:

By _____
Chairman

Secretary

Wells Fargo Bank

Depository

By _____
(SEAL)

ATTEST:

Dan Joo, Vice President

February 15, 2018

Housing Authority Board of County Commissioners
Clackamas County

Members of the Board:

**Resolution No. 1925 - Approval of Amendment to Resolution No. 1923 for Additional
Private Activity Bonds for the Rosewood Terrace Apartment Project**

Purpose/Outcomes	Approval of the issuance of \$2 Million in Additional Private Activity Bonds for the construction of a 212 unit affordable housing project on Otty Road called Rosewood Terrace Apartments
Dollar Amount and Fiscal Impact	\$34,000,000
Funding Source(s)	Private Activity Bond - Debt Management Division of the Oregon State Treasury
Duration	40-year principal and interest amortization period
Previous Board Action	The Board approved Resolution No. 1923 for \$32,000,000 at the November 22, 2017 Business Meeting
Strategic Plan Alignment	<ul style="list-style-type: none"> • Ensure safe, healthy and secure communities • Sustainable and Affordable Housing
Contact Person	Chuck Robbins, HACC Executive Director (503) 650-5666
Contract Number	N/A

BACKGROUND:

The Clackamas County Housing Authority (HACC) a Division of the Health, Housing & Human Services Department requests the approval of Resolution No 1925 to proceed with the application for an additional \$2,000,000 in Private Activity Bond revenue from the State of Oregon for the construction of the Rosewood Terrace Apartment project.

This Amending Resolution authorizes HACC to sell and issue its Multifamily Housing Revenue Bonds (Rosewood Terrace Apartments Project), Series 2017 and Multifamily Housing Subordinate Revenue Bonds (Rosewood Terrace Apartments Project), Series 20178 in an aggregate principal amount of not more than \$34,000,000. This total includes the original \$32,000,000 authorized by the Board, and an additional \$2,000,000 of 2018 volume cap. The proceeds will be used to construct a multifamily affordable housing complex at 8810 & 8850 Otty Road in Happy Valley. The project will consist of (6) 4-story, wood framed structures with an elevator servicing each building. It is centrally located with easy access to services and within short walking distance of the MAX Green Line as well as several TriMet bus stops.

This project is being developed by Pedcor Inc. and will consist of 212 units of affordable rental housing located at 8810 & 8850 Otty Road in Happy Valley. The development includes (112) 1 Bedroom/1 Bath units, (92) 2 Bedroom/2 Bath units, and (8) 3 Bedroom/2 Bath Units. With 2

BR/2 Bath units renting for over \$1,330/month in the metro area, this project would hold rents to \$761/Mo for 1 BR/ Bath, \$909/Mo for 2BR/2Bath, and \$1,044/Mo for 3 BR/2 Bath making it affordable to households making less than 60% of the Area Median Income.

These units are required to remain affordable for a period of 60 years.

The financing structure of this project imposes minimal risk to the County and HACC because the developer is responsible for: 1) Guaranteeing completion of construction and achieving stabilization (e.g. lease up, minimum revenue targets and debt coverage ratio); and 2) Bond financing will be insured by the U.S. Department of Housing and Urban Development's (HUD) 221(d)(4) loan guarantee program. Therefore in the event of a default, debt service payments will be made by HUD. Because these are revenue bonds there is no recourse to the County in the event of a default.

With the approval of County Counsel, HACC has contracted with Hawkins, Delafield & Wood LLP, as independent Bond Counsel for this project. This Amending Resolution has been reviewed and approved by Bond Counsel.

RECOMMENDATION:

Staff recommends the Board approve the Amendment to Resolution No. 1923.

Respectfully submitted,

Richard Swift, Director
Health, Housing and Human Services

In the Matter of Amending the Bond
Authorization for the Rosewood Terrace
Apartments Project

RESOLUTION NO. 1925

WHEREAS, the Housing Authority of Clackamas County (“Authority”) and the Board of County Commissioners of Clackamas County (“Board”) have previously taken several actions in connection with the authorization of up to \$32,000,000 of tax-exempt, multifamily housing revenue bonds for an affordable housing project that is currently known as the Rosewood Terrace Apartments Project (the “Project”); and

WHEREAS, to qualify the Project for federal low income housing tax credits at least fifty percent of the Project costs must be financed with tax-exempt bonds, and \$32 million of tax-exempt bonds barely provides fifty percent of the expected total cost of the Project; and

WHEREAS, the developer of the Project has requested the Authority to increase the authorized amount of tax-exempt bond financing by \$2 million, to help insure that at least fifty percent of the Project costs are financed with tax-exempt bonds; and

WHEREAS, after publication of notice and a public hearing, the Board of County Commissioners of Clackamas County reapproved or is expected to reapprove the issuance of tax-exempt private activity revenue bonds in one or more series for the Project, including an additional \$2,000,000 of such bonds based on the allocation of the volume cap referenced in the following recital, under Section 147(f) of the Internal Revenue Code of 1986, as amended, in an aggregate face amount not to exceed \$34,000,000; and

WHEREAS, on January 24, 2018, the State of Oregon Private Activity Bond Committee made an additional \$2,000,000 allocation of private activity bond volume cap to the Authority for the Project; and,

WHEREAS, it is now desirable for the Authority to authorize an additional \$2,000,000 of tax-exempt private activity revenue bonds for the Project;

NOW, THEREFORE, BE IT RESOLVED BY THE AUTHORITY

Section 1. Amendment to Resolution No. 1923. Resolution No. 1923, which authorized up to \$32,000,000 of tax-exempt, multifamily housing revenue bonds for the Project, and all related prior actions of the Authority, are hereby amended to authorize the Authority to issue an additional \$2,000,000 of tax-exempt private activity revenue bonds for the Project.

Section 1 of Resolution No. 1923 is hereby amended to read as follows:

“The Authority is hereby authorized to sell and issue its Multifamily Housing Revenue Bonds (collectively, the “Bonds”) in an aggregate principal amount that shall not exceed \$34,000,000, and to apply the proceeds of the Bonds to finance the project currently known as

the Rosewood Terrace Apartments Project (the "Project") and pay costs related to the Project and the Bonds as contemplated by the Principal Documents."

In the Matter of Amending the Bond
Authorization for the Rosewood Terrace
Apartments Project.

RESOLUTION NO. 1925
(Cont'd)

Section 3(A) of Resolution No. 1923 is hereby amended to read as follows:

"A. Establish the final, aggregate principal amount of each series of the Bonds, and the method of determining interest rates, maturities, and other terms of each series of the Bonds."

Section 3(B) of Resolution No. 1923 is hereby amended to read as follows:

"B. Finalize the terms of, and execute and deliver the Principal Documents. Before executing and delivering the Principal Documents the Director may, after consulting with bond counsel and County Counsel, make changes to those documents that are desirable to (i) allow Bond proceeds to be drawn before GNMA certificates are issued, if the drawn proceeds are held in a construction fund agreement that secures Bonds: or, (ii) accommodate requests of the Developer or other parties to the financing of the Project, so long those changes do not change the security for the Bonds as described in Section 2 of this Resolution and Order."

The name of the owner in Resolution No. 1923 is now expected to be "Pedcor Investments-2016-CLV" rather than "Pedcor Investments-2017-LCV."

Except as specifically amended by this resolution, Resolution No. 1923 remains unchanged.

DATED THIS 15th DAY OF FEBRUARY, 2018.

BOARD OF COMMISSIONERS FOR THE HOUSING AUTHORITY OF CLACKAMAS COUNTY

Chair

Recording Secretary

February 15, 2018

Housing Authority Board of County Commissioners
Clackamas County

Members of the Board:

**Resolution No 1926 - Approval of Amendment to Resolution No. 1924 to update the
Name of the Limited Partnership to Pedcor Investments – 2016-CLV**

Purpose/Outcomes	Approve Amending Resolution #1924 authorizing the update of the name “Pedcor Investments – 2017-LCV, Limited Partnership”, an Oregon limited partnership, which will now be expected to be called “Pedcor Investments – 2016-CLV”, Limited Partnership, an Oregon limited partnership (“Pedcor”)
Dollar Amount and Fiscal Impact	None
Funding Source(s)	None
Duration	40-year principal and interest amortization period
Previous Board Action	The Board approved Resolution #1924 Authorizing the Execution, Acknowledgement and Delivery of Transaction Documents for the Rosewood Terrace Apartments Project on November 22, 2017
Strategic Plan Alignment	<ul style="list-style-type: none"> • Ensure safe, healthy and secure communities • Sustainable and Affordable Housing
Contact Person	Chuck Robbins, HACC Executive Director (503) 650-5666
Contract Number	N/A

BACKGROUND:

The Housing Authority of the Health, Housing & Human Services Department request the Approval of Amendment to Resolution No. 1924 to update the Name of the Limited Partnership to Pedcor Investments – 2016-CLV. This Amending Resolution authorizes the update of the name “Pedcor Investments – 2017-LCV, Limited Partnership”, an Oregon limited partnership, which will now be expected to be called “Pedcor Investments – 2016-CLV”, Limited Partnership, an Oregon limited partnership (“Pedcor”). This amendment is necessary to ensure continuity of the name of the Limited Partnership throughout the project documents.

This project is being developed by Pedcor Inc. and will consist of 212 units of affordable rental housing located at 8810 & 8850 Otty Road in Happy Valley. The project will consist of (6) 4-story, wood framed structures with an elevator servicing each building. It is centrally located with easy access to services and within short walking distance of the MAX Green Line as well as several TriMet bus stops. The development includes (112) 1 Bedroom/1 Bath units, (92) 2 Bedroom/2 Bath units, and (8) 3 Bedroom/2 Bath Units. With 2 BR/2 Bath units renting for over

\$1,330/month in the metro area, this project would hold rents to \$761/Mo for 1 BR/ Bath, \$909/Mo for 2BR/2Bath, and \$1,044/Mo for 3 BR/2 Bath making it affordable to households making less than 60% of the Area Median Income.

These units are required to remain affordable for a period of 60 years. With the approval of County Counsel, HACC has contracted with Robert J. Sullivan, P.C. as independent Tax Credit/Real Estate Counsel for this project. This Amending Resolution has been reviewed and approved by outside Tax Credit/Real Estate Counsel.

RECOMMENDATION:

Staff recommends the Board approve the Amending Resolution to Resolution 1924.

Respectfully submitted,

Richard Swift, Director
Health, Housing and Human Services Department

In the Matter of Amending Resolution No.
1924 to update the Name of the Limited
Partnership to Pedcor Investments – 2016-
CLV

RESOLUTION NO. 1926

WHEREAS, on December 15, 2016 the Authority approved a non-binding Memorandum of Understanding with Pedcor Investments (the “Developer”) relating to the development, financing, construction and operation, with participation by the Authority, in the Rosewood Terrace Apartments now expected to be called the Rosewood Station Apartments (the “Project”); and,

WHEREAS, the Developer formed Rosewood Terrace Housing Company, LLC, an Indiana limited liability company (the “General Partner”) to act as the general partner of Pedcor Investments – 2016-CLV, Limited Partnership, an Oregon limited partnership; and,

WHEREAS, the Authority formed HACC Rosewood Station, LLC, an Oregon limited liability company (“HACC Rosewood”) to act as a member of the General Partner pursuant to an Amended and Restated Operating Agreement of the General Partner (the “Operating Agreement”);

WHEREAS, the Housing Authority of Clackamas County (“Authority”) adopted Resolution No. 1924 on November 22, 2017 authorizing the Authority to act as the sole member of HACC Rosewood Station, LLC, an Oregon limited liability company (“HACC Rosewood”); and

WHEREAS, the Authority acting on behalf of HACC Rosewood in its role as a member of the General Partner was authorized to execute and deliver the Amended and Restated Partnership Agreement for the Pedcor Investments – 2017-LCV, Limited Partnership, an Oregon limited partnership, which is now expected to be called Pedcor Investments – 2016-CLV, Limited Partnership, an Oregon limited partnership (“Pedcor”); and

WHEREAS, the Authority was authorized to be admitted as a special limited partner of Pedcor Investments – 2017-LCV, Limited Partnership which will now be Pedcor Investments – 2016-CLV, Limited Partnership pursuant to an Amended and Restated Agreement of Limited Partnership of Pedcor (the “Partnership Agreement”) ; and,

WHEREAS, the Authority needs to execute and deliver the Partnership Agreement; and

WHEREAS, the Authority committed to loan \$1,605,000 of Public Housing Disposition funds to Pedcor Investments – 2017-LCV, Limited Partnership which will now be Pedcor Investments – 2016-CLV, Limited Partnership, that will be evidenced by a Loan Agreement, Loan Declaration of Land Use Restrictive Covenants, Promissory Note, and Trust Deed, Assignment of Rents, Security Agreement, and Fixture Filing(the “Disposition Loan”).

In the Matter of Amending Resolution No.
1924 to update the Name of the Limited
Partnership to Pedcor Investments – 2016-
CLV

RESOLUTION NO. 1926
(Cont'd)

NOW, THEREFORE, BE IT RESOLVED BY THE AUTHORITY

Section 1. Amendment to Resolution No. 1924. Resolution No. 1924 is hereby amended to authorize the Authority:

- (i) acting on its own behalf or as a member of the General Partner to execute the Amended and Restated Agreement of Limited Partnership for Pedcor Investments – 2016-CLV, Limited Partnership, an Oregon limited partnership (“Pedcor”);
- (ii) to advance the Disposition Loan to Pedcor; and
- (iii) execute, acknowledge when required and deliver the Transaction Documents listed on Exhibit A of Resolution 1924 to and/or with Pedcor.

Except as specifically amended by this resolution, Resolution No. 1924 remains unchanged.

DATED THIS 15th DAY OF FEBRUARY, 2018.

BOARD OF COMMISSIONERS FOR THE HOUSING AUTHORITY OF CLACKAMAS COUNTY

Chair

Recording Secretary



OFFICE OF COUNTY COUNSEL

PUBLIC SERVICES BUILDING
 2051 KAEN ROAD OREGON CITY, OR 97045

February 15, 2018

Board of County Commissioners
 Clackamas County

Members of the Board:

Stephen L. Madkour
 County Counsel

Kathleen Rastetter
Chris Storey
Scott C. Ciecko
Alexander Gordon
Amanda Keller
Nathan K. Boderman
Christina Thacker
Shawn Lillegren
Jeffrey D. Munns
 Assistants

Boundary Change Petition to Transfer Property from Centennial School
District to North Clackamas School District

Purpose/Outcomes	Conduct Public Hearing/Approve Order
Dollar Amount and Fiscal Impact	None
Funding Source	Not Applicable
Duration	Permanent
Previous Board Action	None
Strategic Plan Alignment	Build Public Trust Through Good Government, hold transparent and clear public processes regarding jurisdictional boundaries
Contact Person	Chris Storey, Assistant County Counsel Amanda Keller, Assistant County Counsel
Contract No.	Not Applicable

BACKGROUND:

The County Board is charged with making boundary change decisions for many types of special districts within the County. Oregon Revised Statutes (“ORS”) Chapter 330 gives the responsibility to the Board to process petitions to change school district boundaries.

Clackamas County received a petition to shift an area (the “Petition Area”) that is currently within Centennial School District 28J (“Centennial”) to North Clackamas School District 12 (“NCSD”). The petition was originally submitted on November 13th, 2017 and rejected for lack of sufficiently valid signatures. It was resubmitted and deemed complete and timely on December 18th, 2017. A copy of the original submittal letter, legal and map of the proposed transfer area, and a sample petition signature page is attached.

This petition has been submitted pursuant to Oregon Revised Statutes (“ORS”) Chapter 330.090(3). This statutory provision allows for the modification of school district boundaries upon petition of at least five hundred voters in the affected districts. That threshold was reviewed and deemed met by the Clackamas County Clerk in December – the Clerk’s certification is also attached. This boundary change was not proposed or vetted by either school district.

ORS 330.090 states in relevant part:

330.090 Mergers. (3) Subject to the provisions of ORS 330.092 to 330.101, the district boundary board on the request of the district school boards of the affected districts or on petition of five percent or 500 electors of each affected district, whichever is less, shall merge smaller districts into larger districts or change the boundaries of common or union high school districts. *[emphasis added]*

As the Board will note from the statute, there does not appear to be any discretion in the question of whether or not to allow the boundary change to go forward. The process is purely administrative from the perspective of the Board and County administration of the issue.

With respect to the manner of the boundary hearing, it is set forth in ORS 330.107, which states in relevant part:

330.107 Time for boundary board action; extension. The district boundary board shall complete all action on a request or petition for boundary change or a merger required under ORS 330.101 within 100 days of the date of receipt of the request or petition if the boundary change or merger requested or petitioned lies totally within the jurisdiction of that board. If the boundary change or merger requested or petitioned requires ratification of an adjacent boundary board as in ORS 330.095 (3), an additional 60 days may be utilized for action of the second boundary board...

The Board has until March 27th, 2018 to take action with respect to the petition, and Multnomah County will have an additional 60 days from then to also act on the petition since Centennial is partially in Multnomah County. The Board has received a request from Centennial to defer taking action on the petition to allow additional time to consider the matter.

There is no appeal of the order once made final. However, the initial action is not the final action needed to implement the statute. As set forth in ORS 330.101, a final action on the boundary change petition cannot be taken until all boundary boards (County Board of Commissioners, in this case) have had an opportunity to consider. The statute states in relevant part:

330.101 Notice; order; remonstrance; election. (1)... If no remonstrance petition on the change or merger is submitted requiring an election as provided in subsection (2) of this section, the board shall issue an order that the change or merger shall become effective as provided in ORS 330.103. The remonstrance petition is subject to ORS 332.118. However, the boundary board shall not issue an order until all affected boundary boards have had opportunity to consider the proposed change or merger. *[emphasis added]*

(2) If a remonstrance petition on a proposed change or merger signed by at least five percent or at least 500, whichever is less, of the electors of a school district affected by the proposed change or merger is filed with the district boundary board within 20 days after the date of the order to effect the proposed change or merger, and when all district boundary boards have acted on the change or merger as provided in ORS 330.095 (3), the board shall submit the question of the proposed change or merger to the electors of each affected school district from which a remonstrance petition was filed, with the district boundary board acting as the district elections authority on behalf of the school districts. Separate elections shall be held in sequence in the districts from which remonstrance petitions have been filed, commencing with the least populous district and progressing in order of population to the most populous district. If the majority of votes in each election favor the change or merger, an election shall be held in the next most populous district...

Therefore, the process would be for the Board to consider the matter at a hearing as required by statute, adopt a preliminary order (see attached draft) effecting the change conditional on action by Multnomah County, and refer the matter to the Multnomah County Board of County Commissioners for additional consideration. Once Multnomah County has acted to enter a final order, Clackamas County would then enter a final order as required, which would be the date from which remonstrances must be received by would be calculated.

RECOMMENDATION:

Based on the attached petition and statute, staff recommends adoption of a preliminary order changing the boundary of Centennial and North Clackamas school districts and referring the matter to Multnomah County for additional consideration.

Respectfully submitted,



Chris Storey
Assistant County Counsel

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

In the Matter of Preliminarily
Approving Boundary Change
Petition with Respect to
Centennial School District 28J
And North Clackamas School
District 12



ORDER NO. 2018-_____

WHEREAS, this matter coming before the Board at this time, and it appearing that pursuant to ORS 330.090(3) that petitions to change the boundaries of school districts are submitted to the Board for process and public hearing; and

WHEREAS, it further appearing that this Board is charged with implementing this petition for a boundary change pursuant to ORS Chapters 330; and

WHEREAS, it further appearing that that the petition has been deemed sufficient by the County Clerk as set forth in Exhibit A; and

WHEREAS, it further appearing that the area to shift from the Centennial School District 28J (“Centennial”) to North Clackamas School District 12 (“NCSD”) is described by petitioners with the legal description attached hereto as Exhibit B and the map attached hereto as Exhibit C (the “Petition Area”); and

WHEREAS, it further appearing that this matter came before the Board for public hearing on February 15, 2018 as required by statute; and

WHEREAS, it further appearing that the Board of County Commissioners of Multnomah County is required to hold a second hearing as required by ORS 330 with respect to the petition;

NOW THEREFORE, IT IS HEREBY ORDERED that that the Boundary Change Petition to shift the Petition Area from Centennial to NCSD (as described in Exhibit B and depicted on Exhibit C) is preliminarily approved as required by statute, that the petition is referred to Multnomah County for additional consideration, and staff is directed to schedule a hearing after consideration by Multnomah County for entry of a final order effectuating the boundary changes contemplated by the petition.

ADOPTED this 15th day of February, 2018.

BOARD OF COUNTY COMMISSIONERS

Chair

Recording Secretary

EXHIBIT A



**CLACKAMAS
COUNTY**

Office of the County Clerk

SHERRY HALL
CLERK

1710 Red Salls Ct, Ste 100
OREGON CITY, OR 97045

STATE OF OREGON

COUNTY OF CLACKAMAS



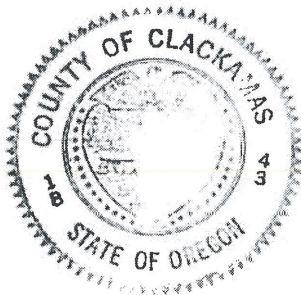
ss.

Petitioner: Kelli Warner

Petition : Petition for Proposed Change (8/8/2017)

I, SHERRY HALL, Clerk of the County of Clackamas, hereby certify that I have compared the signatures of the petition referenced, with the signatures of said electors as they appear on the registration cards in my office, and from such information as I have been able to obtain, I believe that the signatures numbering 23 are genuine for qualified electors residing in North Clackamas School District and the signatures numbering 75 for qualified electors residing in Centennial School District.

There were 509 signatures for qualified electors residing in North Clackamas School District and 523 signatures for qualified electors residing in Centennial School District from the combined two submittals.



Dated: December 18, 2017

SHERRY HALL
COUNTY CLERK

Signed: _____

Andrew Jones, Elections Manager

BOARD OF PROPERTY TAX APPEALS
1710 Red Salls Ct
OREGON CITY, OR 97045

ELECTIONS DIVISION
1710 Red Salls Ct
OREGON CITY, OR 97045

RECORDING DIVISION
1710 Red Salls Ct
OREGON CITY, OR 97045

RECORDS MANAGEMENT DIVISION
1720 Red Salls Ct
OREGON CITY, OR 97045

EXHIBIT A

County: CLACKAMAS User Name : Jones, Andrew	Petition Sample Statistics Report	Date : 12/18/2017 1:56:17 PM
Number :3-2017-SD-28J/12 Title :Petition for Proposed Change (Centennial SD 28J)		

SUBMITTAL : Submittal 2		
Total Samples : 1	Total Signatures : 80	Total Pages : 13
Accepted Signatures : 75	Rejected Signatures : 5	Remaining Signatures : 0

SAMPLE : 1		
Sample Size :	Remaining Signatures : 0	
Accepted Signatures : 75	Rejected Signatures : 5	

Reason	Total
Valid Signature	75

Reason	Total
Signatures Do Not Match	1
Printed Signature	1
Not in Sample	3

CERTIFIED COPY OF THE ORIGINAL
SHERRY HALL, COUNTY CLERK

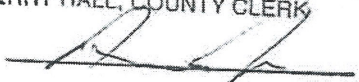
BY: 

EXHIBIT A

Original signatures and mailing addresses of the petitioners and the names of the school districts
in which they reside.

EXHIBIT A

Signature Sheet | Local Petition for Proposed Change (ORS 330.095)

① It is against the law to sign a petition more than one time. Signers of this page must be active registered voters of the jurisdiction at the time of signing.

SOME circulators **NO** circulators for this petition are being paid.

To the District Boundary Boards of Clackamas and Multnomah Counties:

We, the undersigned voters, request that the boundaries of Centennial School District 28J and North Clackamas School District 12 be changed by adding the tract of land within Centennial School District 28J described on the reverse of this sheet to North Clackamas School District 12. A full and correct description of the proposed change was made available for review and I have not previously signed a petition sheet for this measure.

① Initial any changes the circulator makes to your printed name, residence address, or date you signed the petition.

Signature	Date Signed mm/dd/yy	Printed Name	Address Number, Street, City, ZIP	School District
1. <i>Wanda Milner</i>	8/31/17	Wanda Milner	1110 SE 77th Ave 97222	North Clackamas 12
2. <i>Bonnie Webb</i>	8/31/17	Bonnie Webb	7742 SE Heather Ct	North Clackamas 12
3. <i>Tom Mott</i>	8/31/17	Tom Mott	7726 SE Heather Ct	North Clackamas 12
4. <i>Alice Mott</i>	8/31/17	Alice Mott	7726 SE Heather Ct	North Clackamas 12
5. <i>Emily Siskin</i>	8-31-17	Emily Siskin	7851 SE Thompson Rd 97222	North Clackamas 12
6. <i>Emily Siskin</i>	8-31-17	Emily Siskin	7851 SE Thompson Rd 97222	North Clackamas 12
7. <i>John Talbot</i>	8-31-17	John Talbot	7909 SE Thompson Rd	North Clackamas 12
8. <i>John Talbot</i>	8-31-17	John Talbot	7909 SE Thompson Rd	North Clackamas 12
9. <i>John Talbot</i>	8-31-17	John Talbot	7909 SE Thompson Rd	North Clackamas 12
10. <i>Kristine Searle</i>	8-31-17	Kristine Searle	11088 SE 78th Ct. Milwaukie OR 97222	North Clackamas 12

Circulator Certification This certification must be completed by the circulator and additional signatures should not be collected on this sheet once the certification has been signed and dated!

I hereby certify that I witnessed the signing of the signature sheet by each individual whose signature appears on the signature sheet, and I believe each person is a voter qualified to sign the petition (ORS 255.135). I also hereby certify that compensation I received, if any, was not based on the number of signatures obtained for this petition.

Stefan Howerton

Circulator Signature

08/31/17

Date Signed mm/dd/yy

1

Sheet Number

Stefan Howerton

Printed Name of Circulator

2348 SE Salmon St. Portland OR 97214

Circulator's Address street, city, zip code

Completed by
chief petitioner

EXHIBIT B



AKS ENGINEERING & FORESTRY, LLC
12965 SW Herman Road, Suite 100, Tualatin, OR 97062
P: (503) 563-6151 F: (503) 563-6152

AKS Job #6183

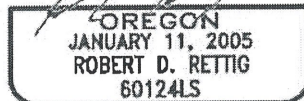
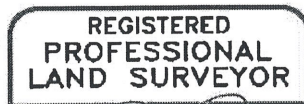
OFFICES IN: TUALATIN, OR - VANCOUVER, WA - SALEM-KEIZER, OR

A tract of land, and portions of right-of-way, located in the Southeast One-Quarter of Section 25, Township 1 South, Range 2 East, and the Southeast One-Quarter and Southwest One-Quarter of Section 30, Township 1 South, Range 3 East, Willamette Meridian, City of Happy Valley and Clackamas County, Oregon, and being more particularly described as follows:

Beginning at the northwesterly corner of the plat "Pioneer Highlands", Plat No. 4426, Clackamas County Plat Records; thence along the northerly line of said plat, Easterly 1341 feet, more or less, to the westerly right-of-way line of SE Vradenburg Road; thence along said westerly right-of-way line and east line of the northeast one-quarter of the southeast one-quarter of said Section 25, Southerly 993 feet, more or less, to the southerly line of Partition Plat No. 1990-096; thence along said southerly line, Easterly 1286 feet, more or less, to the south one-sixteenth corner common to Section 25 and Section 30; thence along north line of the southwest one-quarter of the southwest one-quarter of said Section 30, Easterly 1480 feet, more or less, to the westerly line of the plat "Grand View Meadows", Plat No. 4492, Clackamas County Plat Records; thence along said westerly line, Northerly 323 feet, more or less, to the northerly line of said plat; thence along said northerly line, Easterly 1346 feet, more or less, to the westerly right-of-way line of SE 172nd Avenue; thence Northeasterly 110 feet, more or less, to the easterly right-of-way line of SE 172nd Avenue; thence along northerly line of Document Number 2006-119589 and the northerly line of Document Number 2011-069023, Easterly 1295 feet, more or less, to the easterly line of said Document Number 2011-069023; thence along said easterly line, Southerly 19 feet, more or less, to the northerly line of Document Number 2010-016038; thence along said northerly line and the northerly line of Document Number 2010-063872, Easterly 1087 feet, more or less, to the westerly right-of-way line of SE Foster Road; thence along said westerly right-of-way line, Southeasterly 1738 feet, more or less, to the south line of said Section 30; thence along said south line, Westerly 75 feet, more or less, to the North Clackamas School District (NCSD) line; thence continuing along said south line and said NCSD line, Westerly 5484 feet, more or less, to the south line of said Section 25; thence along said south line, Westerly 2604 feet, more or less, to the north-south one-quarter section line of said Section 25; thence along said north-south line, Northerly 2293 feet, more or less, to the Point of Beginning.

The above described tract of land contains 305.26 acres, more or less.

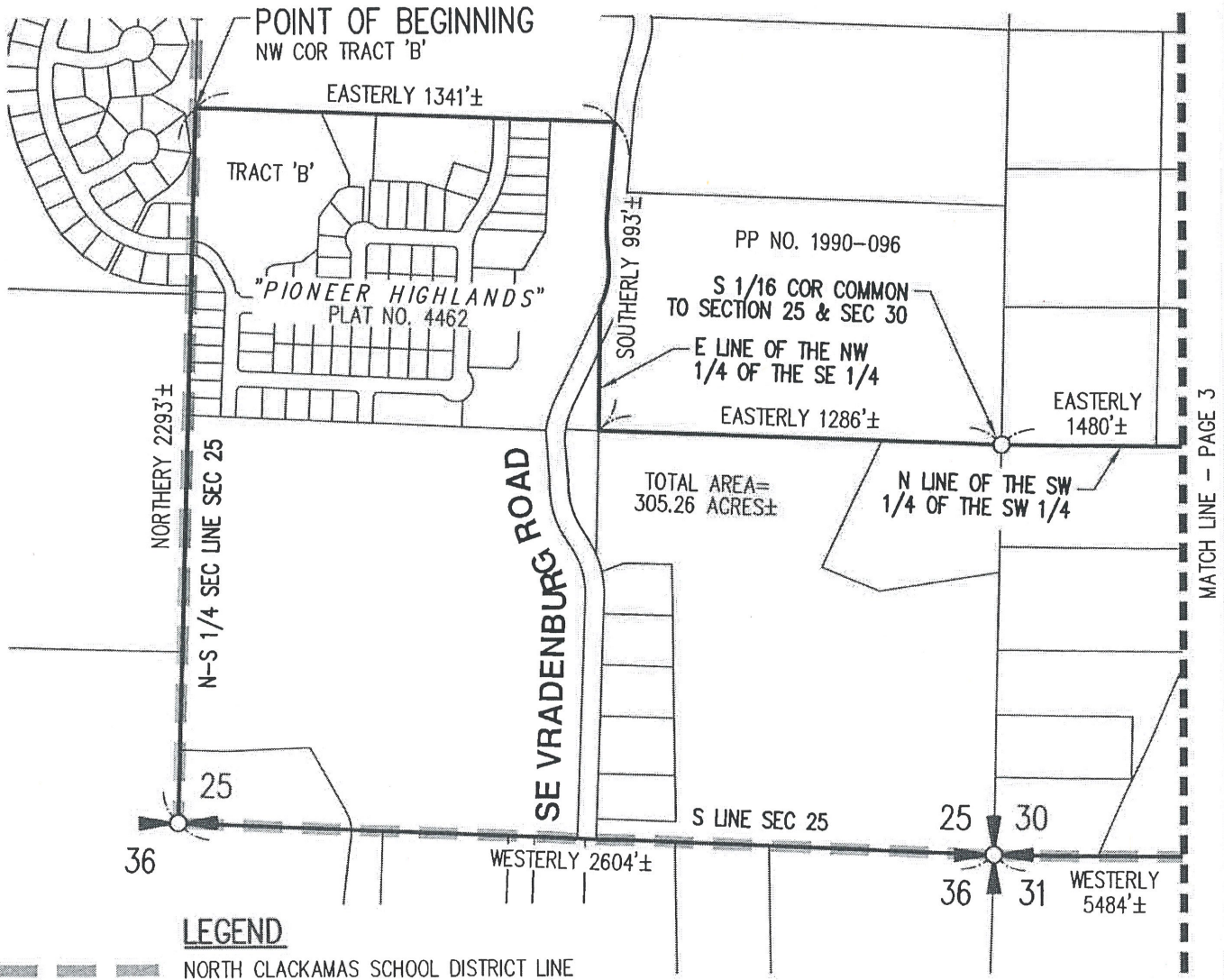
8/2/2017



RENEWS: 12/31/18

EXHIBIT C

A TRACT OF LAND, AND PORTIONS OF RIGHT-OF-WAY,
 LOCATED IN THE SOUTHEAST 1/4 OF SECTION 25,
 TOWNSHIP 1 SOUTH, RANGE 2 EAST, AND THE SOUTHEAST 1/4 AND
 SOUTHWEST 1/4 OF SECTION 30, TOWNSHIP 1 SOUTH, RANGE 3 EAST,
 WILLAMETTE MERIDIAN, CITY OF HAPPY VALLEY AND CLACKAMAS COUNTY, OREGON



LEGEND

--- NORTH CLACKAMAS SCHOOL DISTRICT LINE

8/2/2017

REGISTERED
 PROFESSIONAL
 LAND SURVEYOR

Robert D. Rettig

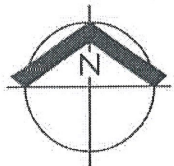
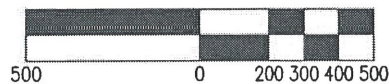
JANUARY 11, 2005
 ROBERT D. RETTIG
 60124LS

RENEWS: 12/31/18

PREPARED FOR

THE HOLT GROUP, INC.
 P. O. BOX 61426
 VANCOUVER, WA 98666

SCALE: 1" = 500 FEET



NORTH CLACKAMAS SCHOOL DISTRICT
 BOUNDARY CHANGE

AKS ENGINEERING & FORESTRY, LLC
 12965 SW HERMAN RD, STE 100
 TUALATIN, OR 97062
 P: 503.563.6151 F: 503.563.6152 aks-eng.com

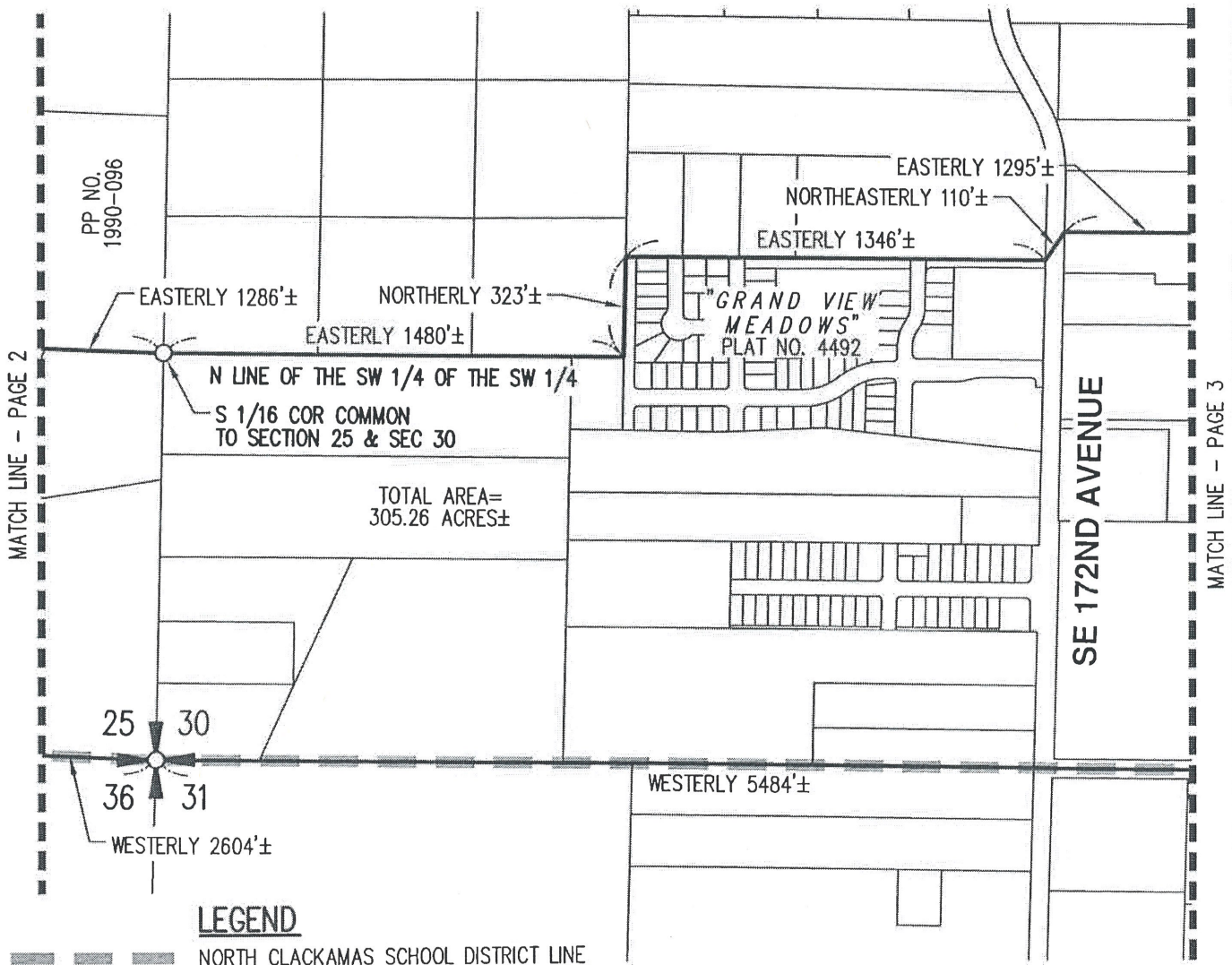


EXHIBIT
 C

DRWN: WCB
 CHKD: RDR
 AKS JOB:
 6183

EXHIBIT C

A TRACT OF LAND, AND PORTIONS OF RIGHT-OF-WAY,
 LOCATED IN THE SOUTHEAST 1/4 OF SECTION 25,
 TOWNSHIP 1 SOUTH, RANGE 2 EAST, AND THE SOUTHEAST 1/4 AND
 SOUTHWEST 1/4 OF SECTION 30, TOWNSHIP 1 SOUTH, RANGE 3 EAST,
 WILLAMETTE MERIDIAN, CITY OF HAPPY VALLEY AND CLACKAMAS COUNTY, OREGON

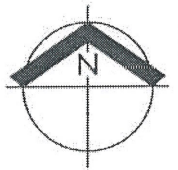


8/2/2017
 REGISTERED
 PROFESSIONAL
 LAND SURVEYOR

[Signature]
 JANUARY 11, 2005
 ROBERT D. RETTIG
 60124LS
 RENEWS: 12/31/18

PREPARED FOR
 THE HOLT GROUP, INC.
 P. O. BOX 61426
 VANCOUVER, WA 98666

SCALE: 1" = 500 FEET



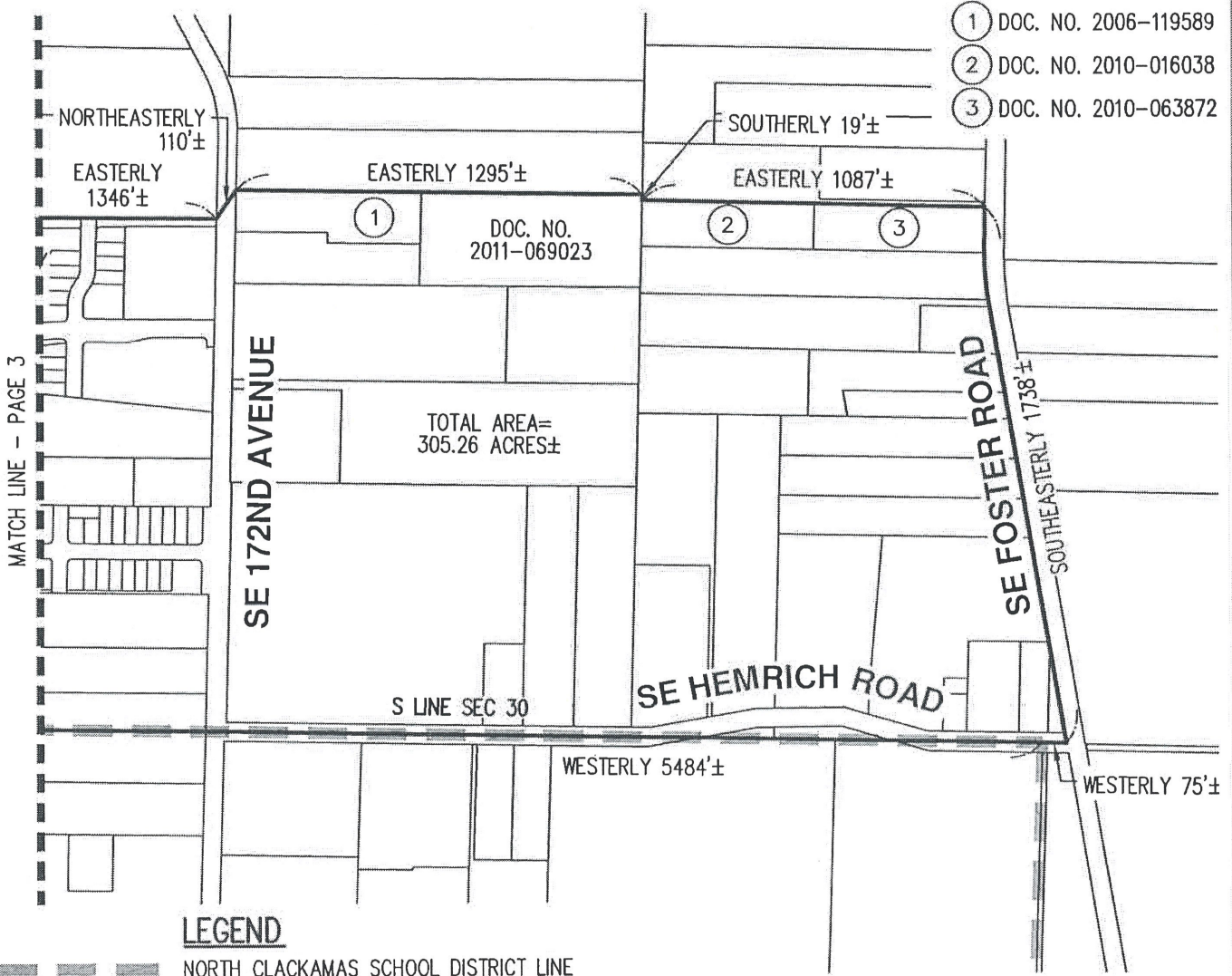
NORTH CLACKAMAS SCHOOL DISTRICT BOUNDARY CHANGE		EXHIBIT C
AKS ENGINEERING & FORESTRY, LLC 12965 SW HERMAN RD, STE 100 TUALATIN, OR 97062 P: 503.563.6151 F: 503.563.6152 aks-eng.com		DRWN: WCB CHKD: RDR AKS JOB: 6183



EXHIBIT C

A TRACT OF LAND, AND PORTIONS OF RIGHT-OF-WAY,
 LOCATED IN THE SOUTHEAST 1/4 OF SECTION 25,
 TOWNSHIP 1 SOUTH, RANGE 2 EAST, AND THE SOUTHEAST 1/4 AND
 SOUTHWEST 1/4 OF SECTION 30, TOWNSHIP 1 SOUTH, RANGE 3 EAST,
 WILLAMETTE MERIDIAN, CITY OF HAPPY VALLEY AND CLACKAMAS COUNTY, OREGON

- ① DOC. NO. 2006-119589
- ② DOC. NO. 2010-016038
- ③ DOC. NO. 2010-063872



8/2/2017

REGISTERED
PROFESSIONAL
LAND SURVEYOR

RDR

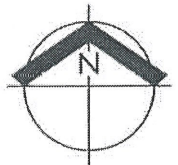
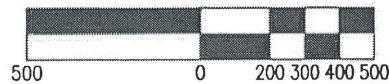
JANUARY 11, 2005
ROBERT D. RETTIG
60124LS

RENEWS: 12/31/18

PREPARED FOR

THE HOLT GROUP, INC.
P. O. BOX 61426
VANCOUVER, WA 98666

SCALE: 1" = 500 FEET



NORTH CLACKAMAS SCHOOL DISTRICT BOUNDARY CHANGE	EXHIBIT C
AKS ENGINEERING & FORESTRY, LLC 12965 SW HERMAN RD, STE 100 TUALATIN, OR 97062 P: 503.563.6151 F: 503.563.6152 aks-eng.com	DRWN: WCB CHKD: RDR AKS JOB: 6183





February 15, 2018

Board of County Commissioners
 Clackamas County

Members of the Board:

**Approval of a Resolution Approving an Amendment to the
City of Wilsonville’s Year 2000 Urban Renewal Plan**

Purpose/Outcomes	Approval of a Resolution Approving the City’s Urban Renewal (UR) Plan Amendment, in particular two issues needing concurrence: <ol style="list-style-type: none"> 1. Maximum Indebtedness increase 2. Continuation of alternative revenue sharing program Approval of a Resolution Approving the City’s UR Plan Amendment as there are unincorporated Clackamas County properties in the Year 2000 Urban Renewal Area.
Dollar Amount and Fiscal Impact	\$2.6 Million in foregone tax revenue over the proposed 3-year extension period.
Funding Source	Property Taxes
Duration	Urban Renewal Plan Amendment - UR plan extended through 2023.
Previous Board Action	None
Strategic Plan Alignment	<ol style="list-style-type: none"> 1. Build public trust through good government 2. Grow a Vibrant Economy
Contact Person	Laura Zentner, BCS Interim Director 503-742-4351 Nathan Boderman, County Counsel 503-655-8364

URBAN RENEWAL BACKGROUND:

Following is a brief overview of how urban renewal districts work. The County or governmental entity designates an area that needs improvement for continued economic growth. The tax valuation of the area is “frozen” at that point and debt is taken out to fund improvements in that specific area. Then, as time goes forward and values increase, the increases in tax collections are used to pay back the debt on the project. After a number of years have passed and the debt is paid off, the urban renewal area is terminated. Then the tax rolls are restored from their lower frozen values up to their new higher values. The added taxes being collected can be paid back into the normal tax stream along with all other taxes. The important point to this concept is that the only taxes that are “lost” in this process are the new incremental taxes. The County would never “lose” or have tax revenues go down, but would only “lose” or forego the increase in the taxes during the term of the “freeze” while the improvement debt is being paid off.

THE REQUEST:

The City of Wilsonville has proposed an amendment to the City’s Year 2000 Urban Renewal Plan that would increase the maximum indebtedness by approximately \$14 Million and extend the life of the Urban Renewal Plan by 3 years to 2023. The new project would fix the “Boeckman Road Dip” and fund construction of a new

bridge over Boeckman Creek. This project would also increase safety of travel for all modes of transportation and facilitate future development in the Frog Pond area.

Since the proposed increase in the Maximum Indebtedness exceeds the City's authority under Oregon Revised Statute, the City must obtain "concurrence" in order to make changes or amend an UR District Plan. The State requires that 75% of the taxing districts representing the permanent rate levy in that urban renewal area consent to the amendment. The County is a major player in that plan, so the City must have "concurrence" (permission) from the County in order to proceed.

As a part of this Urban Renewal Amendment, the City is requesting that the County consent to a continuation of the alternative Revenue Sharing Agreement that the City is using for this specific urban renewal area as set forth in the City's Resolution 156. As stated in the materials provided by the City of Wilsonville, the impacts to the underlying taxing districts under the alternative revenue sharing and the revenue sharing formula required in statute are virtually the same under either scenario.

In addition, a portion of the urban renewal plan area extends beyond the boundaries of the City of Wilsonville into Clackamas County. While state law requires the City of Wilsonville to approve the plan amendment, because the plan amendment affects land outside of city limits, ORS 457.105 requires that the County approve the amendment as well.

As required by ORS 457, the City of Wilsonville has prepared and provided to the County the Year 2000 Urban Renewal Plan amendment along with reports which contains background information and project details. The amendment and reports have been attached to the proposed resolution.

ATTACHMENTS:

1. Clackamas County Taxing District Letter Amendment
2. Attachment A – Urban Renewal Plan 11th Amendment
3. Attachment B – Urban Renewal Plan 11th Amendment

RECOMMENDATION:

Staff recommends that the Board approve the attached resolution.

Respectfully submitted,

Laura Zentner, CPA
Interim Director
Business and Community Services

A Resolution to Approve an
Amendment to the City of
Wilsonville's Year 2000
Urban Renewal Plan

RESOLUTION NO.

WHEREAS, the City of Wilsonville has proposed an amendment to the City's Year 2000 Urban Renewal Plan to identify a new project on Boeckman Road; and

WHEREAS, the City, pursuant to the requirements of ORS 457, has prepared and provided to the County, the Year 2000 Urban Renewal Plan amendment along with a report which contains background information and project details; and

WHEREAS, the Plan amendment and report are attached hereto as Attachments A and B respectively; and

WHEREAS, a portion of the urban renewal plan area extends beyond the boundaries of the City of Wilsonville into Clackamas County; and

WHEREAS, the City of Wilsonville has therefore sought the County's approval of the urban renewal plan amendment as required by ORS 457.105; and

WHEREAS, the City of Wilsonville passed Resolution No. 156 on June 18, 2007 directing staff to limit tax increment proceeds in the Year 2000 Urban Renewal Plan to \$4,000,000 per year; and

WHEREAS, the County supports the alternative revenue sharing policy set forth in Resolution No. 156 and wishes to see it continue to apply to future tax increment collections in the Year 2000 Urban Renewal Area.

NOW, THEREFORE, the Clackamas County Board of Commissioners do hereby resolve:

1. That the amendment to the City's Year 2000 Urban Renewal Plan, as described and set forth in Attachments A and B, attached hereto, is hereby approved in accordance with ORS 457.105; and
2. That the County Administrator shall take all steps necessary to implement this Resolution, including, but not limited to sending a copy of this Resolution to the City of Wilsonville, as required by ORS 457.125; and
3. That this Resolution shall take effect upon adoption.

DATED this 8th day of February, 2018.

BOARD OF COUNTY COMMISSIONERS

Chair

Recording Secretary



Date: January 9, 2017

Re: Proposed Year 2000 Urban Renewal Plan Amendment

The Wilsonville City Council is considering adoption of an ordinance to amend the Year 2000 Urban Renewal Plan (Plan) to add a project and increase the maximum indebtedness.

To adopt an urban renewal plan amendment, the City is legally required to send the proposed plan amendment to representatives of overlapping taxing districts. The City Council is required to respond specifically to any written recommendations of the districts. This letter officially transmits to the Clackamas County Taxing District the proposed Year 2000 Urban Renewal Plan Eleventh Amendment.

The Wilsonville City Council is scheduled to have a public hearing on the proposed Year 2000 Urban Renewal Plan Amendment on February 22, 2018. They are tentatively scheduled to vote on the proposed Year 2000 Urban Renewal Plan Amendment on at their March 5 meeting. Both meetings are at the City Hall, at 7:00 p.m.

Background

At their March 20, 2017 meeting, the Wilsonville City Council was briefed on the Boeckman Road project, which will cost approximately \$14 million and is located within the Year 2000 Plan Urban Renewal Area (Area) boundary. To sufficiently fund the project through urban renewal, a substantial amendment is required. The City presented the issue of a potential Year 2000 Plan amendment to the Wilsonville Urban Renewal Task Force at its April 24, 2017 meeting. The Task Force unanimously recommended that the Year 2000 plan be amended to include the Boeckman Road project. The Wilsonville Urban Renewal Agency met on December 4, 2017 and voted unanimously to send the proposed amendment out for public review.

Proposal

The Year 2000 Urban Renewal Area, shown in the attached map, consists of approximately 454 acres of land, including rights-of-way.

The following are the key issues in the proposed Amendment:

- This is a substantial amendment to the Year 2000 Plan.
- A new project will be added to the Plan: the Boeckman Dip Bridge. This project will construct a bridge across Boeckman Creek that will improve the safety of Boeckman Road for all modes of transportation and will help facilitate the future development in the Frog Pond area, an area that will add significant new value to the tax rolls.
- The “maximum indebtedness” provides a limit on the amount of funds that may be spent on project, programs, and administration of an urban renewal plan. As a part of the Year 2000 Plan Amendment, the maximum indebtedness will be increased by \$14,509,101 to a total of \$107,196,524.
- The amount of the proposed increase in maximum indebtedness exceeds the authority in Oregon Revised Statutes (ORS) 457 for the Wilsonville City Council to approve on their own. Thus, the City must obtain concurrence (approval by taxing districts that represent 75% of the permanent rate levy) to increase the maximum indebtedness by this amount.
- The proposed amendment would result in the Year 2000 Plan becoming subject to "revenue sharing" provisions of Oregon Revised Statutes (ORS). However, the City of Wilsonville already "underlevies" annual tax increment revenue for the Year 2000 Plan, through a self-imposed cap of \$4 million in annual tax increment revenue. The City's current approach results in more revenue being shared with overlapping taxing districts than the required statutory formula for revenue sharing. However, as the City's approach is different from the sharing requirements of ORS, the taxing districts will need to concur to continue the existing voluntary sharing program.
- The Plan, if amended, is projected to result in the continued collection of tax increment revenue through FYE 2023.

We have enclosed a sample resolution for your review and adoption should you decide to support this amendment. The City Council will need a copy of this adopted resolution, should you agree to these changes to the Year 2000 Urban Renewal Plan.

Impact on Taxing Jurisdictions

The impact of tax increment financing on overlapping taxing districts consists primarily of the property tax revenues foregone on permanent rate levies as applied to the growth in assessed value in the Area. The City has projected estimated impacts on the taxing jurisdictions through fiscal year (FYE) 2023, after which point in time the City anticipates terminating the Year 2000 Plan and the collection of tax increment revenue. The remainder of this section describes the key takeaways for the Clackamas County Taxing District.

Impact on permanent rate levy

The proposed amendment would result in a decrease in Clackamas County Taxing District's permanent rate property tax collections. This is attributable to the length of time that the URA

collects tax increment revenue to pay off the Plan’s maximum indebtedness. Without the amendment, the URA expects to pay off the Plan’s maximum indebtedness in FYE 2020. If the Plan is amended, the URA expects to pay off the Plan’s maximum indebtedness in FYE 2023.

Exhibit 1 shows the impact to the Clackamas County Taxing District permanent rate collections, with and without the proposed urban renewal amendment. If the plan is amended, total revenue for the Clackamas County Taxing District would be about \$2.6 million less than if the Plan was not amended.

Exhibit 1. Impact to Clackamas County Taxing District, With and Without Amendment

FYE	Impact to District, if <u>not</u> Amended	Impact to District, if Amended	Impact of Amendment
2018	\$ (705,856)	\$ (705,856)	\$ -
2019	\$ (749,252)	\$ (749,252)	\$ -
2020	\$ (254,030)	\$ (749,252)	\$ (495,222)
2021	\$ -	\$ (756,258)	\$ (756,258)
2022	\$ -	\$ (756,258)	\$ (756,258)
2023	\$ -	\$ (600,860)	\$ (600,860)
Total	\$ (1,709,138)	\$ (4,317,736)	\$ (2,608,598)

Source: Tiberius Solutions

Impacts from revenue sharing

The proposed substantial amendment will result in the Plan becoming subject to revenue sharing requirements in state statutes. The amount of revenue sharing required by ORS is dependent upon the ratio of annual tax increment revenues to the original frozen base value of the Plan. No revenue sharing is required until annual tax increment revenues exceed 10% of the original maximum indebtedness. For the Year 2000 Plan, the original maximum indebtedness was \$53,851,923. This means that mandatory revenue sharing would begin when tax increment revenues exceed \$5,385,192.

However, the City of Wilsonville already "underlevies" annual tax increment revenue for the Year 2000 Plan, through a self-imposed cap of \$4 million in annual tax increment revenue. Given the City’s current policy, the URA would never achieve the level of annual tax increment revenue that would trigger the revenue sharing provisions of ORS. Thus, the district is effectively engaging in a method of revenue sharing that is more generous to affected taxing districts than the system required by ORS.

Exhibit 2 shows the impact of the Year 2000 Plan on the Clackamas County Taxing District permanent rate levy, comparing two different scenarios: (1) with the City’s existing revenue sharing policy (a \$4m cap in TIF revenue for the URA) versus (2) the statutory revenue sharing formula. Both scenarios result in essentially the same aggregate impact to the Clackamas County Taxing District through FYE 2026. However, the \$4M cap results in smaller annual

impacts for a longer period of time.¹ Note that property tax bills have already been determined for FYE 2018, which is why there is no difference between the two scenarios for the current fiscal year.

Exhibit 2. Impact of Amendment with Existing Revenue Sharing Policy vs. Statutory Revenue Sharing Requirement

FYE	Impact to District, if Amended, with \$4m Cap	Impact to District, if Amended, with Statutory Revenue Sharing	Additional Gain or Loss to District if \$4m Cap is Removed
2018	\$ (705,856)	\$ (705,856)	\$ -
2019	\$ (749,252)	\$ (977,301)	\$ (228,049)
2020	\$ (749,252)	\$ (1,010,397)	\$ (261,145)
2021	\$ (756,258)	\$ (1,028,575)	\$ (272,317)
2022	\$ (756,258)	\$ (590,167)	\$ 166,091
2023	\$ (600,860)	\$ -	\$ 600,860
Total	\$ (4,317,736)	\$ (4,312,296)	\$ 5,440

Source: Tiberius Solutions

Tax revenues after termination of tax increment

Upon termination of the URA, all revenue will be distributed to overlapping taxing districts. ORS requires the Report to the Plan Amendment identify the tax revenues for affected taxing districts in the year after the termination of the URA. These numbers are shown in

¹ The total cumulative tax increment revenue collected by the City is the same in both revenue sharing scenarios. However, the total impacts to the overlapping taxing districts are slightly different. This is due to the presence of a general obligation (GO) bond through FYE 2020. This results in the City's existing policy having a slightly increased impact on taxing districts than the statutory formula, because the City's policy results in a larger portion of revenue collected after the GO bond expires. This difference for the Clackamas County Taxing District is \$5,540.

Exhibit 3 below. These are estimates only; changes in the economy may impact the projections.

Exhibit 3. Tax Revenues After Termination of Tax Increment Financing

Taxing District	Type	Tax Rate	Tax Revenue in FYE 2024 (year after termination)				Total
			From Frozen Base	From Excess Value (Used)	From Excess Value (Not Used)		
					Value (Not Used)	Value (Used)	
General Government							
Clackamas County	Permanent	2.4042	\$ 105,996	\$ 617,788	\$ 605,364	\$ 1,329,148	
City of Wilsonville	Permanent	2.5206	\$ 111,128	\$ 647,699	\$ 634,673	\$ 1,393,500	
County Extension & 4-H	Permanent	0.0500	\$ 2,204	\$ 12,848	\$ 12,590	\$ 27,642	
County Library	Permanent	0.3974	\$ 17,520	\$ 102,117	\$ 100,063	\$ 219,700	
County Soil Conservation	Permanent	0.0500	\$ 2,204	\$ 12,848	\$ 12,590	\$ 27,642	
FD64 TVF&R	Permanent	1.5252	\$ 67,243	\$ 391,919	\$ 384,037	\$ 843,199	
Port of Portland	Permanent	0.0701	\$ 3,091	\$ 18,013	\$ 17,651	\$ 38,755	
Road District 15 Wilsonville	Permanent	0.0000	\$ -	\$ -	\$ -	\$ -	
Srv 2 Metro	Permanent	0.0966	\$ 4,259	\$ 24,823	\$ 24,323	\$ 53,405	
Vector Control	Permanent	0.0065	\$ 287	\$ 1,670	\$ 1,637	\$ 3,594	
<i>Subtotal</i>		7.1206	\$ 313,932	\$ 1,829,725	\$ 1,792,928	\$ 3,936,585	
Education							
West Linn-Wilsonville School District	Permanent	4.8684	\$ 214,637	\$ 1,250,994	\$ 1,225,836	\$ 2,691,467	
Clackamas Community College	Permanent	0.5582	\$ 24,610	\$ 143,436	\$ 140,552	\$ 308,598	
Clackamas ESD	Permanent	0.3687	\$ 16,255	\$ 94,742	\$ 92,837	\$ 203,834	
<i>Subtotal</i>		5.7953	\$ 255,502	\$ 1,489,172	\$ 1,459,225	\$ 3,203,899	
Total		12.9159	\$ 569,434	\$ 3,318,897	\$ 3,252,153	\$ 7,140,484	

Source: Tiberius Solutions

Summary of impacts

The key takeaways regarding the impact of the proposed Amendment to the Clackamas County Taxing District are summarized below:

- The amendment will extend the life of the URA by three years to generate sufficient funding for the Boeckman Dip Bridge project. This project will improve the safety of Boeckman Road for all modes of transportation and will help facilitate the future development in the Frog Pond area, that will add significant new value to the tax rolls.
- The three-year extension of the URA will have a negative impact on permanent rate levy tax collections, resulting in approximately \$2.6 million in additional foregone revenue from the Clackamas County Taxing District.
- Although the City is seeking concurrence for approval of an alternative approach to revenue sharing, the City’s existing policy to cap tax increment collections at \$4M per year results in a lower annual impact to the Clackamas County Taxing District than the statutory formula for revenue sharing.

Process for Review

The process for final review of the Amendment and Report include the following steps:

Dec. 11-15, 2017	Send formal notice to taxing jurisdictions
Dec. 13, 2017	Planning Commission hearing
Jan. 2018	Presentation to and approval consideration by Clackamas County Commission
Dec./Jan., 2017-18	Notice to property owners
Feb. 22, 2018	Wilsonville City Council public hearing
March 5, 2018	Tentatively scheduled Wilsonville City Council vote

The draft Year 2000 Urban Renewal Plan Amendment and Report are enclosed with this letter. If you would like to provide written comments, the Wilsonville City Council will respond to them. Please provide any written comments by February 22, 2018. For more information, please contact Jordan Vance, Economic Development Manager at 503-570-1539 vance@ci.wilsonville.or.us.

Sincerely,

Bryan Cosgrove
City Manager
City of Wilsonville
29799 SW Town Center Loop E
Wilsonville, Oregon 97070

Attachments:

- A: Year 2000 Urban Renewal Plan Amendment
- B: Report on the Year 2000 Urban Renewal Plan Amendment
- C: Draft Resolution
- D: Urban Renewal Area Map

Year 2000 Urban Renewal Plan 11th Amendment

Substantial Amendment

The following changes are made to the Year 2000 Urban renewal Plan. Deletions are shown in ~~crossout~~ and additions are shown in *unbolded italics*.

SECTION 404 – Consistency of City’s Comprehensive Plan

Transportation:

The Eleventh Amendment is in conformance with the Transportation section of the Comprehensive Plan as the project to be added to the Plan is a transportation project to allow for a more safe and efficient transportation system.

SECTION 405 – Consistency with Economic Development Policy

The Eleventh Amendment is in conformance with the Economic Development Policy as the project to be added to the Plan is a transportation project to allow for a safer and more efficient transportation system, allowing for continued growth on employment land and improved transportation access for the residential sector to support employment by providing housing opportunities.

SECTION 600 – URBAN RENEWAL ACTIVITIES

601 Urban Renewal Projects and Improvement Activities

A) Roads, Including Utility Work Indicated:

(14)) Boeckman Dip Bridge: The City of Wilsonville (City) recently completed master planning the 175-acre Frog Pond West area that will include improvements to a section of Boeckman Road over Boeckman Creek; the Boeckman Creek canyon is designated SROZ. Currently, this is a decades-old rural road constructed on an embankment with vertical grades that fail to comply with AASHTO (American Association of State Highway and Transportation Officials) design criteria. The road is substandard for urban use and presents safety concerns for all travel modes. The embankment blocks both salmonid and wildlife passage. The roadway lacks bike lanes and a north-side sidewalk, and the “dip” forces emergency services to slow in this area. The City’s Transportation System Plan (TSP) designates the road as a Minor Arterial; the currently planned project will address all of the shortcomings mentioned above and provide an important connection for vehicles, pedestrians and bicyclists to all residential and employment areas east and west of Boeckman Creek and the new Meridian Creek Middle School. Sewer, water, and stormwater utilities will be upgraded or relocated as needed.

602 Acquisition of Real Property

E) Property Which May Be Acquired by Plan Amendment: The Agency has identified the following properties for acquisition pursuant to Section 602 of the Plan:

3) *Portions of the following tax lots may be acquired for additional right-of-way or easements concerning the Boeckman Dip Project (see attached PART TWO EXHIBITS – YEAR 2000 PLAN Exhibit 8).*

- 31W12D 03200
- 31W12D 03300
- 31W12D 02700
- 31W12D 02600
- 31W13AB15505
- 31W13B 00100
- 31W13B 00200
- 31W13B 00301
- 31W13B 02402

SECTION 700 – FINANCING OF URBAN RENEWAL INDEBTEDNESS

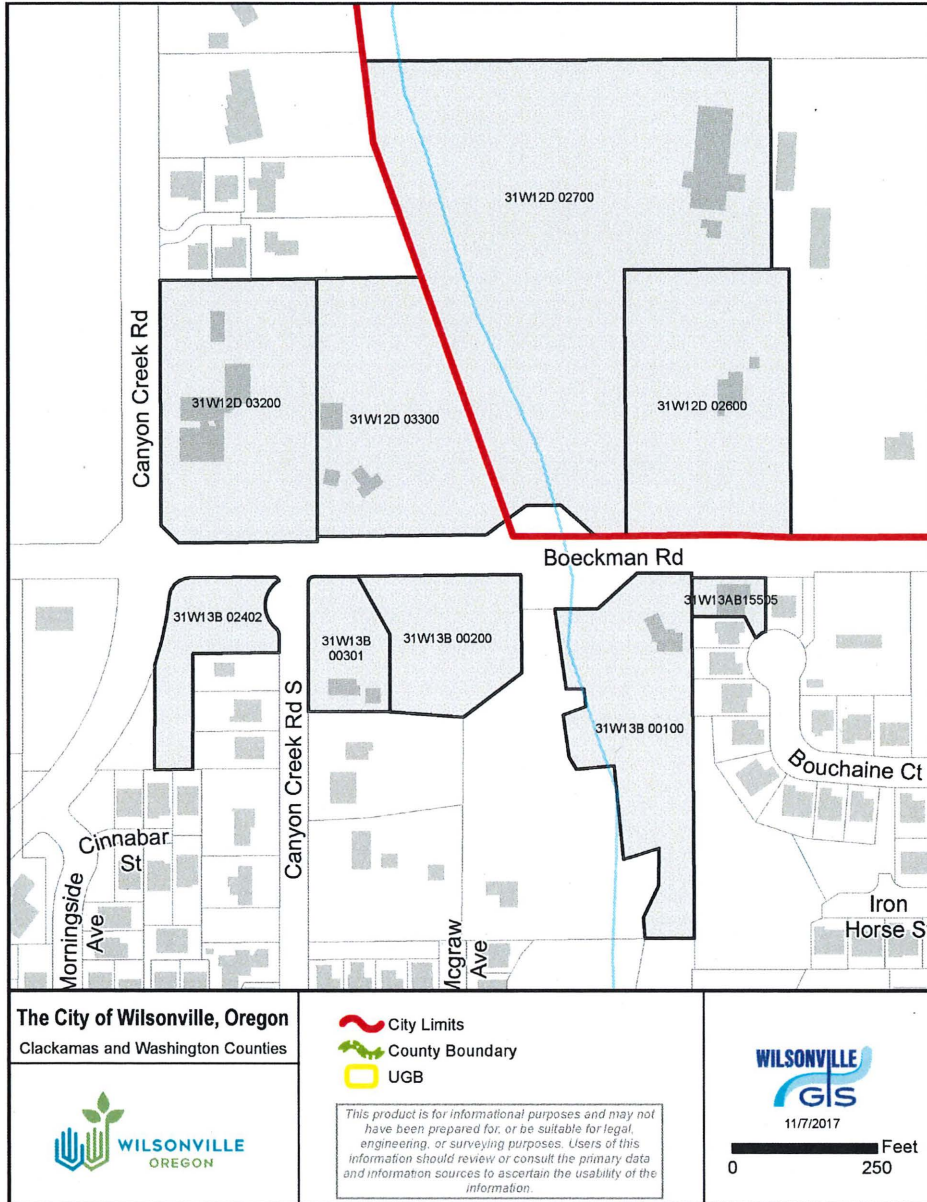
705 *Maximum Amount of Indebtedness* – The maximum amount of indebtedness that may be issued or incurred under the Plan is increased from ~~\$53,851,923.00~~–~~\$92,687,423.00~~ by ~~\$38,835,500.00~~ *\$14,509,101* to a new total of ~~\$92,687,423~~–~~\$107,196,524~~. This is based upon good faith estimates of the scope and costs of projects in the Plan and the schedule for their completion as completion dates were anticipated as of ~~March 1, 2007~~ *October 1, 2017*. The estimates included, but were not limited to, increases in costs due to reasonably anticipated inflation. This amount is the principal of such indebtedness and does not included interest or indebtedness incurred to refund or refinance existing indebtedness. (*Amended by Ordinance No. 498 – June 15, 1998 and Amended by Ordinance No. 639 – August 20, 2007 and Amended by Ordinance No. _____ on _____.*)

PART TWO

EXHIBITS – YEAR 2000 PLAN

8. Potential Parcels to be Acquired for Boeckman Dip Project (portions of these parcels)

EXHIBIT 8



Report Accompanying the Year 2000 Urban Renewal Plan 11th Amendment

DRAFT REPORT DATE – OCTOBER 30, 2017

Adopted by the City of Wilsonville

DATE

Ordinance No. ____

The Year 2000 Urban Renewal Area

Consultant Team

Elaine Howard Consulting, LLC

Elaine Howard
Scott Vanden Bos

Tiberius Solutions LLC

Nick Popenuk
Ali Danko
Rob Wyman

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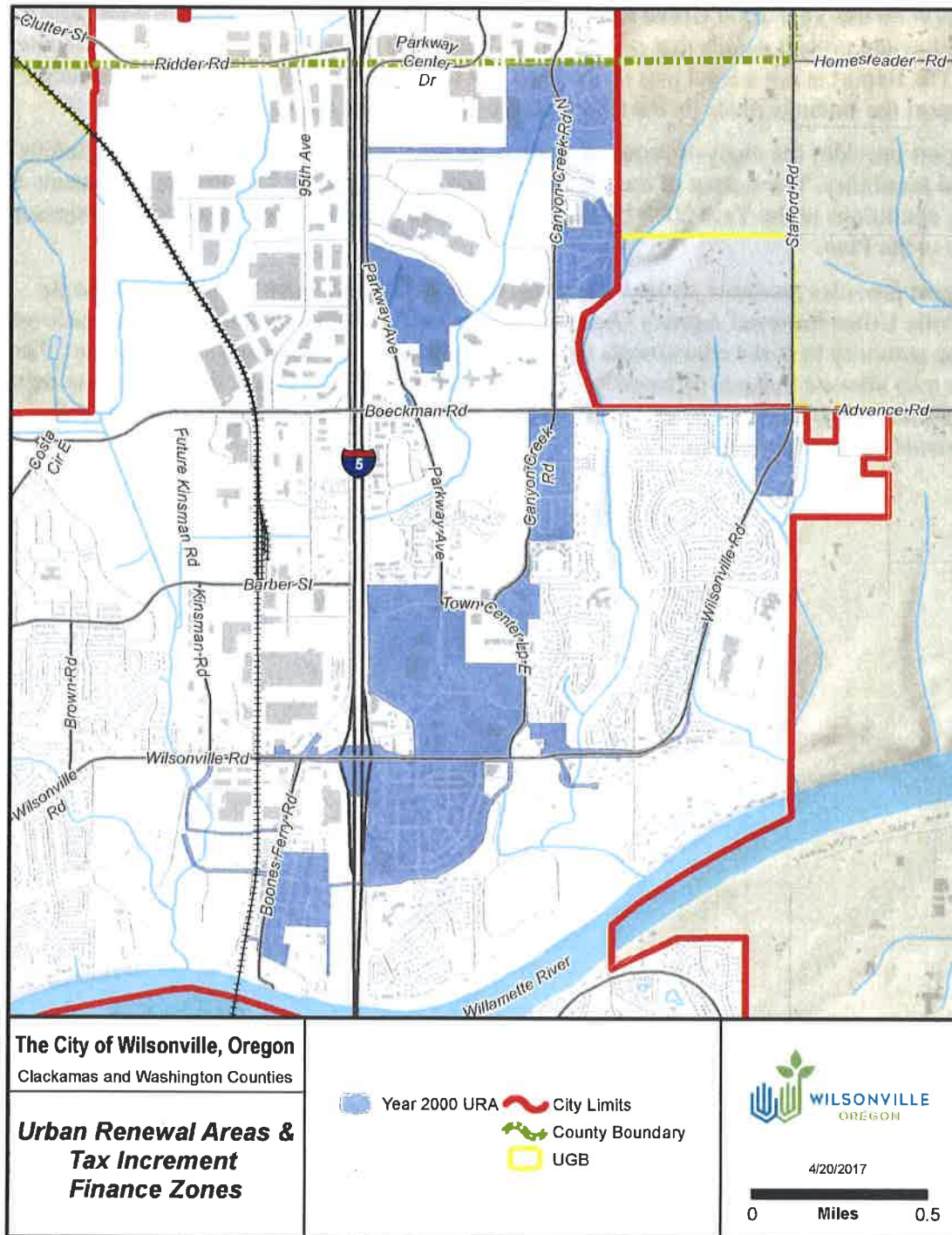
I. INTRODUCTION

The Report on the Year 2000 Urban Renewal Plan Amendment (Report) contains background information and project details that pertain to the Year 2000 Urban Renewal Plan Amendment (Plan). The Report is not a legal part of the Plan, but is intended to provide public information and support the findings made by the City Council as part of the approval of the Plan.

The Report provides the analysis required to meet the standards of ORS 457.085(3), including financial feasibility. The format of the Report is based on this statute. The Report documents the existing conditions in the Year 2000 Urban Renewal Area (Area) as they relate to the proposed projects in the Plan.

The Report provides guidance on how the urban renewal plan might be implemented. As the Wilsonville Urban Renewal Agency (Agency) reviews revenues and potential projects each year, it has the authority to make adjustments to the implementation assumptions in this Report. The Agency may allocate budgets differently, adjust the timing of the projects, decide to incur debt at different timeframes than projected in this Report, and make other changes as allowed in the amendments section of the Plan.

Figure 1 – The Year 2000 Urban Renewal Plan Area Boundary



Source: City of Wilsonville GIS

II. EXISTING PHYSICAL, SOCIAL, AND ECONOMIC CONDITIONS AND IMPACTS ON MUNICIPAL SERVICES

This section of the Report describes existing conditions within The Year 2000 Urban Renewal Area and documents the occurrence of “blighted areas,” as defined by ORS 457.010(1).

A. Physical Conditions

1. Land Use

The Area measures 454.0 total acres in size, encompassing 325.89 acres included in 657 individual parcels, and an additional 128.11 acres in public rights-of-way. An analysis of FYE 2016-2017 property classification data from the Clackamas County Department of Assessment and Taxation database was used to determine the land use designation of parcels in the Area. By acreage, “Commercial land, improved” accounts for the largest land use within the area (34.22%). This is followed by “Multi-family improved” (21.9%), and “Residential improved” (20.22%). The total land uses in the Area, by acreage and number of parcels, are shown in Table 1.

Table 1 – Existing Land Use in Area

Land Use	Parcels	Acreage	% of Acreage
Commercial land, improved	58	111.52	34.22%
Multi-Family, improved	10	71.38	21.90%
Residential land, improved	436	65.88	20.22%
Industrial land, improved	3	25.03	7.68%
Industrial State appraised	2	18.68	5.73%
Commercial land, vacant	12	14.27	4.38%
Residential land, vacant	57	8.73	2.68%
Residential, condominium	73	4.41	1.35%
Tract land, vacant	1	3.60	1.10%
Industrial land, vacant	3	1.82	0.56%
Tract land, improved	1	0.53	0.16%
Multi-Family, vacant	1	0.05	0.02%
Total	657	325.89	100.00%

Source: Compiled by Tiberius Solutions LLC with data from the Clackamas County Department of Assessment and Taxation (FYE 2017)

2. Zoning Designations

As illustrated in Table 2, the most prevalent zoning designation (27.82%) of the Area by acreage is “Planned Development Commercial Town Center”. The second most prevalent zoning designation is “Planned Development Residential-6”, representing 20.82% of the Area.

Table 2 – Existing Zoning Designations

Zoning	Parcels	Acreage	% of Acreage
Planned Development Commercial Town Center	33	90.65	27.82%
Planned Development Residential-6	40	67.84	20.82%
Planned Development Industrial	57	60.34	18.52%
Planned Development Residential-5	213	28.36	8.70%
Planned Development Residential-3	175	25.96	7.97%
Planned Development Commercial	32	25.83	7.93%
Residential Agriculture Holding - Residential	83	19.50	5.98%
Residential	13	3.92	1.20%
Planned Development Residential-4	6	2.56	0.79%
Residential Agriculture Holding - Public	2	0.55	0.17%
Residential Agriculture-Holding	3	0.38	0.12%
Total	657	325.89	100.00%

Source: Compiled by Tiberius Solutions LLC with data from the Clackamas County Department of Assessment and Taxation (FYE 2017) and then cross-referenced with City of Wilsonville data.

3. Comprehensive Plan Designations

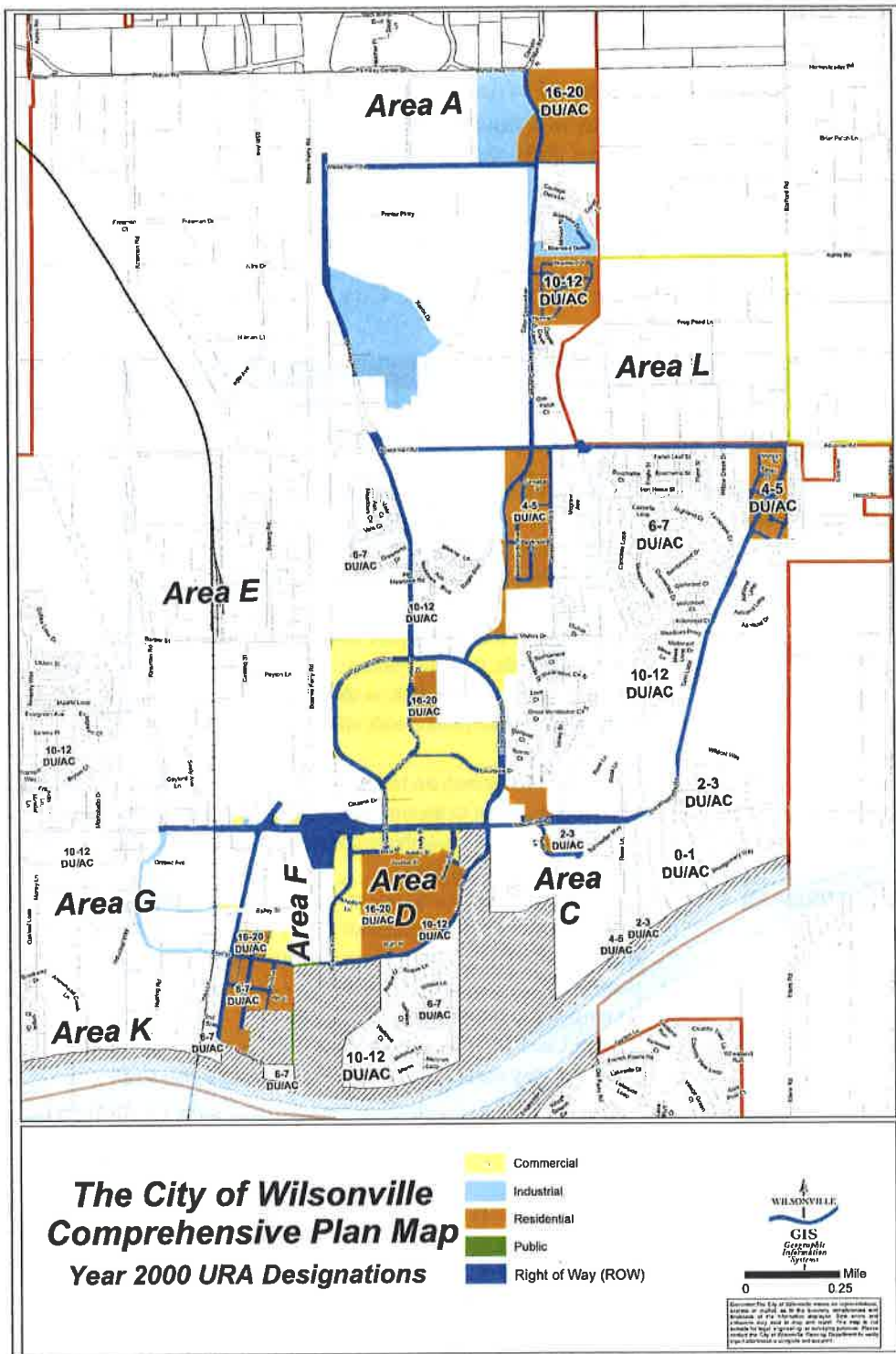
As illustrated in Table 3, the most prevalent comprehensive plan designation (45.58%) of the Area by acreage is “Residential”. The second most prevalent comprehensive plan designation is “Commercial”, representing 35.74% of the Area.

Table 3 – Existing Comprehensive Plan Designations

Comprehensive Plan Designation	Parcels	Acreage	% of Acreage
Residential	533	148.53	45.58%
Commercial	65	116.47	35.74%
Industrial	57	60.34	18.52%
Public	2	0.55	0.17%
Total	657	325.89	100.00%

Source: Compiled by Tiberius Solutions LLC data from the Clackamas County Department of Assessment and Taxation (FYE 2017) and then cross-referenced with City of Wilsonville data.

Figure 2 – Area Comprehensive Plan Designations



Source: City of Wilsonville There are two public designated parcels in the Area, however, they are so small they do not show up on the map.

B. Infrastructure

This section identifies the existing conditions in the Area to assist in establishing blight. There are projects listed in several City of Wilsonville infrastructure master plans that relate to these existing conditions. **This does not mean that all of these projects are included in the Plan.** The specific projects that are included in the Plan are listed in Sections IV and V of this Report.

1. Transportation

The following are capital projects in the Area from the City of Wilsonville Transportation Systems Plan:

Project ID	Project Name	Project Description	Cost
SI-04	Wilsonville Road/Town Center Loop West Intersection Improvements	Widen the north leg of the intersection and install a second southbound right-turn lane (dual lanes).	\$500,000
BW-08	Town Center Loop Pedestrian, Bicycle, and Transit Improvements	Create more direct connections between destinations within Town Center area, improve accessibility to civic uses and transit stops, retrofit sidewalks with curb ramps, highlight crosswalks with colored pavement, and construct similar treatments that support pedestrian, bicycle, and transit access and circulations; also construct shared-use path along Town Center Loop West from Wilsonville Road to Parkway Avenue and restripe Town Center Loop East from Wilsonville Road to Parkway Avenue to a three-lane cross-section with bike facilities	\$500,000
BW-09	Town Center Loop Bike/Pedestrian Bridge	Construct bike/pedestrian bridge over I-5 approximately aligned with Barber Street to improve connectivity of Town Center area with businesses and neighborhoods on west side of I-5; include aesthetic design treatments	\$4,000,000
UU-01	Boeckman Road Dip Improvements	Upgrade at vertical curve east of Canyon Creek Road to meet applicable cross-section standards (i.e., 3 lanes with bike lanes, sidewalks, and transit stop improvements); options should also be considered to make connections to the regional trail system and to remove the culvert and install a bridge	\$12,220,000
LT-P4	Canyon Creek Trail	Shared Use Path from Canyon Creek Park to Boeckman Creek Trail providing connectivity to the neighborhoods to the south	\$200,000

2. Water

The following are capital projects in the Area from the City of Wilsonville's Water Master Plan:

Project ID	Description	Total Estimated Cost
168	10-inch Loop (Appts E. of Canyon Creek/Burns)	\$41,000
169	8-inch Loop between Vlahos and Canyon Creek	\$42,000
260	10-inch Extension on 4th Street (E. of Fir)	\$69,000
261	8-inch Loop - Magnolia to Tauchman	\$59,000
271	8-inch Loop near Parkway Center/Burns	\$66,000
273	12-inch Loop crossing Boeckman	\$16,000
274	8-inch Loop at Holly/Parkway	\$56,000
285	8-inch Upgrade on Boones Ferry Road (south of 2nd Street)	\$44,000
*	Pipeline and Valve Replacement (Annual Budget for 20-year planning period)	\$173,000
*	Meter Replacement (Annual Budget for 20-year Planning Period)	\$50,000

3. Stormwater

The following are projects in the Area from the City of Wilsonville's Stormwater Master Plan (please note that CMP is corrugated metal pipe):

Project ID	Project Name	Project Location	Existing Conditions	Proposed Solution	Cost Estimate
BC-8	Canyon Creek Estates Pipe Removal	Colvin Lane in Canyon Creek Estates	Erosion is occurring upstream and downstream of an existing culvert in the channel. Side slopes of the channel are steep, which enhances natural erosion.	Removal of the culvert and rehabilitation of the creek channel are proposed to fix existing and future channel erosion. Planting of vegetation following removal of the culvert will need to include techniques that strengthen the creek banks through bio-engineering, such as live stakes made from live cuttings of plants that enhance bank stability or other reinforcing techniques.	\$129,504
BC-5	Boeckman Creek Outfall Realignment	Boeckman Creek, north of SW Wilsonville Road	An 18-inch CMP outfall to Boeckman Creek that drains approximately 11 acres, about 300 feet north of Wilsonville Road, is installed perpendicular to the creek and discharges to a bubbler structure about 3 feet high. Water builds up in the pipe until it flows out of the top of the structure. Some erosion is occurring around the bubbler structure resulting from water dropping out of the top of the structure under pressure.	Realign the last few segments of the pipe and remove the bubbler structure. The pipe would be realigned to allow water to discharge downstream in the direction of the creek flow, reducing the erosion occurring at the outfall. Along with the riprap for energy dissipation and vegetation for stability of the riparian area, this project would assist in stabilizing the outfall.	\$38,441
ST-7	Boeckman Creek at Boeckman Road Stormwater Study	Boeckman Creek at Boeckman Road	Boeckman Creek at Boeckman Road is currently being used as a water control structure for upstream developments.	Boeckman Road may be replaced with a bridge structure, which would affect the detention facility. This study would evaluate options and identify alternatives for regional detention for upstream drainage.	\$57,000

4. Sanitary Sewer

The following are projects in the Area from the City of Wilsonville's Wastewater Master Plan (please note that LF is linear feet):

Project ID Name	Description	Project Limits	Estimated Cost
CIP-09	Parkway Interceptor	Gravity - Pipe Upsizing. 4,540 LF 12" pipe; 150 LF 15" pipe	From Elligsen Road to Boeckman Road \$4,360,000
CIP-05	Boeckman Interceptor Phase 1	Gravity - Pipe Upsizing. 2,320 LF 18" pipe; 920 LF 21" pipe; 970 LF 24" pipe	From High School Interceptor to Memorial Park Pump Station \$4,270,000
CIP-06	Boeckman Interceptor Phase 2	Gravity - Pipe Upsizing. 3,760 LF 18" pipe	From Boeckman Road to High School Interceptor \$3,240,000
CIP-12	Memorial Drive Flow Splitter Structure	Flow Splitter Structure - Replacement. Replace Diversion Structure	I-5 Downstream of Memorial Park Pump Station \$150,000
CIP-16*	Pipe Replacement (0 To 5 Years)	Gravity - Pipe Replacement. Approximately 930 LF Annually; Varied pipe diameters	Various, Approximately \$360,000 Annually \$1,750,000
CIP-17	Town Center Loop Pump Station	Pump Station - Replacement. Replace Pump Station	Existing pump station \$440,000
CIP-19	Boones Ferry Park Grinder Pump	Pump Station - Restroom Grinder Pump. New grinder pump for park restrooms	Boones Ferry Park \$30,000
CIP-22*	Pipe Replacement (6 To 10 Years)	Gravity - Pipe Replacement. Approximately 930 LF Annually; Varied pipe diameters	Various, Approximately \$360,000 Annually \$1,750,000
CIP-25*	Pipe Replacement (11 To 20 Years)	Gravity - Pipe Replacement. Approximately 930 LF Annually; Varied pipe diameters	Various, Approximately \$360,000 Annually \$1,750,000
CIP-33	Frog Pond/Advance RD Urban Reserve Area - SW Boeckman Road	Gravity - New Pipe. 2,800 LF 18" pipe	From Stafford Road to Boeckman Creek \$4,170,000

5. Parks and Open Space

The following was reported by Jordan Vance, Economic Development Manager:

"The City's Bicycle & Pedestrian Master Plan, Dec. 2006, recommends adding the Boeckman Creek Trail and describes it as 'a critical piece of the potential regional trail loop around Wilsonville, linking to Memorial Park to the South, the Tonquin Trail to the West, and the Stafford Spur Trail to the East. Establishing the Boeckman Creek Trail as a regional trail would increase its usage, provide a much-needed north-south bikeway/walkway corridor and offer an amazing community amenity. This would entail adding a hard surface to facilitate non-motorized travel by wheeled vehicles such as wheelchairs, bicycles, inline skates, and skateboards.'

The City's Frog Pond West Master Plan (July 2017) and Financing Plan includes further discussion regarding the need for the Boeckman Bridge, upgrades to the Boeckman Interceptor and extending the Boeckman Creek Trail into Frog Pond, 'The Boeckman Creek Regional Trail will be both a neighborhood amenity and a key pedestrian connection to adjacent areas. South of Boeckman Road, the trail will run within the creek canyon along the sewer line easement. After passing under the future Boeckman Road bridge (which will span the "dip"), the trail will climb to the top of the bank and run along the edge of the vegetated corridor/SROZ and the western edge of the Frog Pond West neighborhood.'"

C. Social Conditions

Data from the US Census Bureau are used to identify social conditions in the Area. The geographies used by the Census Bureau to summarize data do not strictly conform to the Plan Area. As such, the Census Bureau geographies that most closely align to the Plan Area are used, which, in this case, is Block Group 1, Census Tract 227.10 and Block Group 1, Census Tract 244. Within the Area, there are 554 tax lots shown as residential use. According to the US Census Bureau, American Community Survey (ACS) 2010-14, the block groups have 5,816 residents, 87% of whom are white.

Table 4 – Race in the Area

Race	Number	Percent
White alone	5,053	87%
Black or African American alone	67	1%
American Indian and Alaska Native alone	92	2%
Asian alone	375	6%
Native Hawaiian and Other Pacific Islander alone	25	0%
Some other race alone	-	0%
Two or more races	204	4%
Total	5,816	100%

Source: American Community Survey 2011-2015 Five-Year Estimates

The largest percentage of residents in the block groups are between 25 to 34 years of age (22%).

Table 5 – Age in the Area

Age	Number	Percent
Under 5 years	339	6%
5 to 9 years	578	10%
10 to 14 years	324	6%
15 to 17 years	230	4%
18 to 24 years	520	9%
25 to 34 years	1,256	22%
35 to 44 years	977	17%
45 to 54 years	691	12%
55 to 64 years	524	9%
65 to 74 years	282	5%
75 to 84 years	37	1%
85 years and over	58	1%
Total	5,816	100%

Source: American Community Survey 2011-2015 Five-Year Estimates

In the block group, 41% of adult residents have earned a bachelor's degree or higher. Another 41% have some college education without a degree, and another 17% have graduated from high school with no college experience.

Table 6 – Educational Attainment in the Area

Education	Number	Percent
Less than high school	96	3%
High school graduate (includes equivalency)	642	17%
Some college	1,215	32%
Associate's degree	338	9%
Bachelor's degree	943	25%
Master's degree	449	12%
Professional school degree	103	3%
Doctorate degree	39	1%
Total	3,825	100%

Source: American Community Survey 2011-2015 Five-Year Estimates

In the block group, 24% of commuters drove less than 10 minutes to work, and another 21% of commuters drove 10 to 19 minutes to work.

Table 7 – Travel Time to Work in the Area

Travel time to work	Number	Percent
Less than 10 minutes	736	24%
10 to 19 minutes	657	21%
20 to 29 minutes	458	15%
30 to 39 minutes	677	22%
40 to 59 minutes	460	15%
60 to 89 minutes	53	2%
90 or more minutes	25	1%
Total	3,066	100%

Source: American Community Survey 2011-2015 Five-Year Estimates

Of the means of transportation used to travel to work, the majority, 72%, drove alone with another 12% carpooling.

Table 8 – Means of Transportation to Work in the Area

Means of Transportation to Work	Number	Percent
Drove alone	2,467	72%
Carpooled	397	12%
Public transportation (includes taxicab)	106	3%
Motorcycle	-	0%
Bicycle	-	0%
Walked	73	2%
Other means	23	1%
Worked at home	375	11%
Total	3,441	100%

Source: American Community Survey 2011-2015 Five-Year Estimates

D. Economic Conditions

1. Taxable Value of Property within the Area

The estimated total assessed value of the Area calculated with data from the Clackamas County Department of Assessment and Taxation for FYE 2017, including all real, personal, manufactured, and utility properties, is estimated to be \$438,251,352 of which \$44,087,806 is frozen base and \$394,163,546 is excess value above the frozen base.

2. Building to Land Value Ratio

An analysis of property values can be used to evaluate the economic condition of real estate investments in a given area. The relationship of a property's improvement value (the value of buildings and other improvements to the property) to its land value is generally an accurate indicator of the condition of real estate investments. This relationship is referred to as the "Improvement to Land Value Ratio," or "I:L." The values used are real market values. In urban renewal areas, the I:L is often used to measure the intensity of development or the extent to which an area has achieved its short- and long-term development objectives.

Table 10 below shows the improvement to land ratios for properties within the Area. One hundred and forty-six parcels in the area (17.79% of the acreage) have I:L ratios of 1.0 or less. In other words, the improvements on these properties are worth less than the land they sit on. A reasonable I:L ratio for properties in the Area is greater than or equal to 2.0. Only 269 of the 657 parcels in the Area, totaling 57.68% of the acreage have I:L ratios of greater than or equal to 2.0 in FYE 2017. In summary, the Area is underdeveloped and not contributing significantly to the tax base in Wilsonville.

Table 10 – I:L Ratio of Parcels in the Area

Improvement/Land Ratio	Parcels	Acres	% Total Acres
No Improvement Value	90	32.98	10.12%
0.01-0.50	17	9.34	2.87%
0.51-1.00	39	15.64	4.80%
1.01-1.50	63	30.63	9.40%
1.51-2.00	179	49.34	15.14%
2.01-2.50	143	58.00	17.80%
2.51-3.00	33	21.19	6.50%
3.01-4.00	9	14.91	4.58%
> 4.00	84	93.86	28.80%
Total	657	325.89	100.00%

Source: Calculated by Tiberius Solutions LLC with data from Clackamas County Department of Assessment and Taxation (FYE 2017)

E. Impact on Municipal Services

The fiscal impact of tax increment financing on taxing districts that levy taxes within the Area (affected taxing districts) is described in Section IX of this Report. This subsection discusses the fiscal impacts resulting from potential increases in demand for municipal services.

The project being considered for future use of urban renewal funding is a transportation project. The use of urban renewal funding for this project provides an alternative funding source besides the City of Wilsonville’s General Fund, the Road Operating Fund (gas tax), or system development charges (SDCs).

The financial impacts from tax increment collections will be countered by providing improved infrastructure to serve an area of the city scheduled for future residential development to augment the city’s existing housing stock.

III. REASONS FOR SELECTION OF EACH URBAN RENEWAL AREA IN THE PLAN

The reason for selecting the Area has not changed since inception of the urban renewal plan: to cure blight within the Area.

IV. THE RELATIONSHIP BETWEEN URBAN RENEWAL PROJECTS AND THE EXISTING CONDITIONS IN THE URBAN RENEWAL AREA

The project identified for the amendment to the Year 2000 Urban Renewal Area is described below, including how it relates to the existing conditions in the Area.

A. Transportation Improvements

1. **Boeckman Road Dip \$14,000,000** – The City of Wilsonville (City) recently completed master planning the 175-acre Frog Pond West area that will include improvements to a section of Boeckman Road over Boeckman Creek; the Boeckman Creek canyon is designated SROZ. The City’s Transportation System Plan (TSP) designates the road as a Minor Arterial; the currently planned project will address all of the shortcomings mentioned in the existing conditions below and provide an important connection for vehicles, pedestrians and bicyclists to all residential and employment areas east and west of Boeckman Creek and to the new Meridian Creek Middle School. The TSP project cost estimate was updated for this report.

Existing conditions: Currently, this is a decades-old rural road constructed on an embankment with vertical grades that fail to comply with AASHTO design criteria. The road is substandard for urban use and presents safety concerns for all travel modes. The embankment blocks both salmonid and wildlife passage. The roadway lacks bike lanes and a north-side sidewalk, and the “dip” forces emergency service vehicles to slow in this area.

V. THE ANTICIPATED COMPLETION DATE FOR EACH PROJECT

The schedule for construction of projects will be based on the availability of funding. The projects will be ongoing and will be completed as directed by the Agency. Annual expenditures for project administration and finance fees are also shown below.

The Area is anticipated to complete all projects and have sufficient tax increment finance revenue to terminate the district in FYE 2023. The projections indicate spending on the Boeckman Dip Bridge project will be completed in FYE 2022. The projections in the financial model assume 3.1% annual growth in the assessed value of real property and a 1.0% change in personal and manufactured property, with no change in utility property.

Estimated annual expenditures by project category are shown in Table 11. All costs shown in Table 11 are in year-of-expenditure dollars, which are adjusted by 3% annually to account for inflation. The Agency may change the completion dates in its annual budgeting process or as project decisions are made in administering the Plan.

Table 11 – Projects and Costs in Year of Expenditure Dollars

URA PROJECTS FUND	Total	FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022
Resources						
Beginning Balance		\$ 1,808,885	\$ 3,011,528	\$ 1,823,664	\$ 254,688	\$ 275,988
Interest Earnings	\$ 71,748	\$ 18,089	\$ 30,115	\$ 18,237	\$ 2,547	\$ 2,760
Inter-Agency Loan	\$ 22,810,686	\$ 3,000,000	\$ 5,300,000	\$ 9,700,000	\$ 3,589,434	\$ 1,221,252
Bond/Loan Proceeds	\$ 2,900,000	\$ -	\$ -	\$ -	\$ 2,900,000	\$ -
Other	\$ -					
Total Resources	\$ 25,782,434	\$ 4,826,974	\$ 8,341,643	\$ 11,541,901	\$ 6,746,669	\$ 1,500,000
Expenditures (YOE \$)						
(Old Town Esc) East West connector	\$ (7,000,000)	\$ (1,100,000)	\$ (3,200,000)	\$ (2,700,000)		
Old Town Street Improvements	\$ (1,868,300)	\$ -	\$ (1,245,533)	\$ (622,767)		
Town Center Planning	\$ (118,000)	\$ (88,000)	\$ (20,000)	\$ (5,000)	\$ (5,000)	
Livability Projects	\$ (2,288,700)	\$ -		\$ (1,769,000)	\$ (519,700)	
Park Improvements	\$ (25,000)		\$ (25,000)			
Boeckman Dip Bridge	\$ (14,000,000)		\$ (1,400,000)	\$ (5,600,000)	\$ (5,600,000)	\$ (1,400,000)
Canyon Creek	\$ -					
Financing Fees	\$ (25,000)				\$ (25,000)	
Project Management and Admin	\$ (2,266,319)	\$ (627,446)	\$ (627,446)	\$ (590,446)	\$ (320,981)	\$ (100,000)
Total Expenditures	\$ (27,591,319)	\$ (1,815,446)	\$ (6,517,979)	\$ (11,287,213)	\$ (6,470,681)	\$ (1,500,000)
Ending Balance		\$ 3,011,528	\$ 1,823,664	\$ 254,688	\$ 275,988	\$ -

Source: Tiberius Solutions LLC

VI. THE ESTIMATED AMOUNT OF TAX INCREMENT REVENUES REQUIRED AND THE ANTICIPATED YEAR IN WHICH INDEBTEDNESS WILL BE RETIRED

Table 12 shows the allocation of tax increment revenues to debt service and loans to the project fund.

It is anticipated that all debt will be retired by FYE 2023 (any outstanding debt will be repaid). The total maximum indebtedness is \$107,196,524, increased from \$92,687,423 by \$14,509,101.

The increase in maximum indebtedness requires concurrence according to ORS 457.220 which limits the increase in maximum indebtedness to 20% of the initial maximum indebtedness as increased annually by inflation. The initial maximum indebtedness of the Year 2000 Plan was \$53,851,923. To adjust the initial maximum indebtedness, the City's consultant used a 3.0% inflation factor as used in other plans. The inflated maximum indebtedness number used for the 20% calculation was \$94,429,673, and 20% of that was \$18,885,935. That \$18,885,935 added to the original maximum indebtedness yields a potential new maximum indebtedness of \$72,737,858 that would not require concurrence. However, the maximum indebtedness of the Year 2000 Plan is already \$92,687,432, greater than \$72,737,858. This means any change to maximum indebtedness will require concurrence, as the Area's current maximum indebtedness exceeds the 20% threshold.

Table 12 – Potential Maximum Indebtedness Increases and Concurrence

Present MI		Potential New MI	
\$92,687,432		\$72,737,858	
Initial MI			
\$53,851,923			
Inflation factor		3%	
		Potential MI Increase	Potential MI Plus Initial MI
1-Jul-99	\$55,467,481		
2000	\$57,131,505		
2001	\$58,845,450		
2002	\$60,610,814		
2003	\$62,429,138		
2004	\$64,302,012		
2005	\$66,231,073		
2006	\$68,218,005		
2007	\$70,264,545		
2008	\$72,372,481		
2009	\$74,543,656		
2010	\$76,779,965		
2011	\$79,083,364		
2012	\$81,455,865		
2013	\$83,899,541		
2014	\$86,416,528		
2015	\$89,009,023		
2016	\$91,679,294		
2017	\$94,429,673	\$18,885,935	\$72,737,858

Source: Elaine Howard Consulting LLC

Of the \$107,196,524 maximum indebtedness, it is estimated that \$81,385,000 has been used through the end of FYE 2017. The estimated total amount of tax increment revenues required

to service the remaining maximum indebtedness of \$25,811,524 is \$23,327,472 and is made up of tax increment revenues from permanent rate levies. The reason the amount of tax increment revenues needed to service the remaining maximum indebtedness is less than the remaining maximum indebtedness is because the Tax Increment Finance (TIF) Fund has a beginning balance of \$5,478,203 which has not been converted to debt, and does not yet count against the maximum indebtedness.

The finance plans shown in Table 11 and 13 assume Inter-Agency loans from the City, as well as a new bank loan in FYE 2021 to finance a portion of the cost of the Boeckman Dip Bridge project, as well as to refinance outstanding debt. The interest rate for the new bank loan is estimated at 3.25% with a five-year term. Under this assumption, the existing 2010 Bank of America loan is estimated to be paid off in 2021. The assumed financing plan maintains a debt service coverage ratio of at least 1.5 x total annual debt service payments. Although the assumption is the new loan would have a five-year term, it is anticipated there would be sufficient tax increment finance revenues to pay off the loan early, in FYE 2023, and cease collecting tax increment revenues in that year. It may be noted that the debt service coverage ratio in 2023 is not above 1.5, but that is only because the loan is being paid off early, and the payment being made is substantially larger than the payment required.

The time frame of urban renewal is not absolute; it may vary depending on the actual ability to meet the maximum indebtedness. If the economy is slower, it may take longer; if the economy is more robust than the projections, it may take a shorter time period. The Agency may decide to issue bonds or take on loans on a different schedule, and that will alter the financing assumptions. These assumptions show one scenario for financing and that this scenario is financially feasible.

Table 13 – Tax Increment Revenues and Allocations to Debt Service

TAX INCREMENT FUND	Total	FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022	FYE 2023
Resources							
Beginning Balance		\$ 8,996,568.00	\$ 9,326,632.00	\$ 7,595,411.00	\$ 1,452,178.00	\$ 250,000.00	\$ 1,403,982.00
Interest Earnings	\$ 290,248	\$ 89,966.00	\$ 93,266.00	\$ 75,954.00	\$ 14,522.00	\$ 2,500.00	\$ 14,040.00
TIF: Current Year	\$ 22,877,472	\$ 3,759,148.00	\$ 3,994,901.00	\$ 3,994,901.00	\$ 3,987,785.00	\$ 3,987,785.00	\$ 3,152,952.00
TIF: Prior Years	\$ 450,000	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00
Bond and Loan Proceeds					\$ 4,785,000.00		
Total Resources	\$ 23,617,720	\$ 12,920,682.00	\$ 13,489,799.00	\$ 11,741,266.00	\$ 10,314,485.00	\$ 4,315,285.00	\$ 4,645,974.00
Expenditures							
<i>Debt Service</i>							
Series 2010 - B of A	\$ (6,562,526)	\$ (594,050.00)	\$ (594,388.00)	\$ (589,088.00)	\$ (4,785,000.00)	\$ -	\$ -
New Loan and Refinancing	\$ (8,026,076)	\$ -	\$ -	\$ -	\$ (1,690,051.00)	\$ (1,690,051.00)	\$ (4,645,974.00)
Total Debt Service	\$ (14,588,602)	\$ (594,050.00)	\$ (594,388.00)	\$ (589,088.00)	\$ (6,475,051.00)	\$ (1,690,051.00)	\$ (4,645,974.00)
<i>Debt Service Coverage Ratio</i>		6.33	6.72	6.78	2.36	2.36	0.68
Inter-Agency Loan	\$ (22,810,686)	\$ (3,000,000.00)	\$ (5,300,000.00)	\$ (9,700,000.00)	\$ (3,589,434.00)	\$ (1,221,252.00)	\$ -
Total Expenditures	\$ (37,399,288)	\$ (3,594,050.00)	\$ (5,894,388.00)	\$ (10,289,088.00)	\$ (10,064,485.00)	\$ (2,911,303.00)	\$ (4,645,974.00)
Ending Balance		\$ 9,326,632.00	\$ 7,595,411.00	\$ 1,452,178.00	\$ 250,000.00	\$ 1,403,982.00	\$ -

Source: Tiberius Solutions LLC

VII. FINANCIAL ANALYSIS OF THE PLAN

The estimated tax increment revenues through FYE 2023, as shown above, are based on projections of the assessed value of development within the Area and the consolidated tax rate that will apply in the Area. The assumptions include assumed growth in assessed value of 3.1% for real property and 1.0% for personal and manufactured property, derived from a combination of appreciation of existing property values and new construction. No change in value for utility property is assumed.

Additionally, our analysis assumes \$8,975,000 of exception value would be added to the tax roll in FYE 2021, based on a current development proposal in the Area that the City believes is likely to occur.

Table 14 shows the projected incremental assessed value, tax rates and tax increment revenues each year, adjusted for discounts, delinquencies, and compression losses. These projections of increment are the basis for the projections in Tables 11 and 13. Gross TIF is calculated by multiplying the tax rate times the excess value. The tax rate is per thousand dollars of value, so the calculation is "tax rate times excess value divided by one thousand." The consolidated tax rate includes permanent tax rates and includes one general obligation bond issued by Clackamas Community College. This bond will be impacted through FYE 2020, which is when the bond is scheduled to be repaid in full.

In June 2007, the Agency adopted a resolution to limit future tax increment collections to \$4,000,000 annually (URA Resolution 156) in the Year 2000 Urban Renewal Area. This was originally achieved by reducing the acreage of the URA each year, but the City of Wilsonville instead began under-levying by reducing increment assessed value used when state legislation passed in 2009 to allow it.

Now, each year, the City of Wilsonville uses the UR-50 form to notify the Clackamas County Assessor how much increment value to use. Since FYE 2014, the City of Wilsonville has chosen to use \$303 million in increment each year, which results in TIF revenue of around \$4 million. However, because the consolidated tax rate is decreasing due to expiring bond rates, using \$303 million in increment will not generate \$4 million in TIF revenue in upcoming years. Therefore, our analysis assumes using \$322 million for FYE 2019 and 2020, \$325 million for FYE 2021 and beyond.

Using this increment value should provide TIF revenue very close to \$4 million per year, but the exact amount will depend on adjustments, including discounts for early payment, delinquent taxes, and truncation loss due to rounding. That number is shown in the "Increment Used" column in Table 14. To show the amount of the underlevy each year, Table 14 also includes a "Total Gross TIF" column, which is the amount of tax increment revenues that could have been collected from the "Total Increment" column. The "Total Gross TIF" column less the "Underlevy" column nets the "Gross TIF for URA" column. That gross number is then adjusted for delinquencies to arrive at a "Net TIF for URA". It is this number, "Net TIF for URA", that is intended to be no more than \$4,000,000 per year, per direction from the Agency.

Table 14 – Projected Incremental Assessed Value, Tax Rates, and Tax Increment Revenues

FYE	Assessed Value		Total Increment	Increment Used	Tax Rate	Tax Increment Finance				
	Total	Frozen Base				Total Gross TIF	Underlevy	Gross TIF for URA Adjustments	Net TIF for URA	
2018	\$451,880,969	\$44,087,806	\$407,793,163	\$303,000,000	13.0594	\$5,325,534	(\$1,368,536)	\$3,956,998	(\$197,850)	\$3,759,148
2019	\$465,934,467	\$44,087,806	\$421,846,661	\$322,000,000	13.0595	\$5,509,106	(\$1,303,947)	\$4,205,159	(\$210,258)	\$3,994,901
2020	\$480,425,029	\$44,087,806	\$436,337,223	\$322,000,000	13.0595	\$5,698,346	(\$1,493,187)	\$4,205,159	(\$210,258)	\$3,994,901
2021	\$504,342,110	\$44,087,806	\$460,254,304	\$325,000,000	12.9159	\$5,944,599	(\$1,746,931)	\$4,197,668	(\$209,883)	\$3,987,785
2022	\$520,017,276	\$44,087,806	\$475,929,470	\$325,000,000	12.9159	\$6,147,057	(\$1,949,389)	\$4,197,668	(\$209,883)	\$3,987,785
2023	\$536,179,643	\$44,087,806	\$492,091,837	\$256,962,100	12.9159	\$6,355,809	(\$3,036,912)	\$3,318,897	(\$165,945)	\$3,152,952

Source: Tiberius Solutions LLC

Notes: TIF is tax increment revenues. Tax rates are expressed in terms of dollars per \$1,000 of assessed value.

VIII. IMPACT OF THE TAX INCREMENT FINANCING

This section describes the impact of tax increment financing of the maximum indebtedness, both until and after the indebtedness is repaid, upon all entities levying taxes upon property in the Area.

The impact of tax increment financing on overlapping taxing districts consists primarily of the property tax revenues foregone on permanent rate levies as applied to the growth in assessed value in the Area. These projections are for impacts due to the Amendment and are estimated through FYE 2023, and are shown in Tables 15a and 15b. Tables 16a and 16b indicate projections of impacts to the taxing districts if there were no Amendment. These impacts through 2019 would have been the same with or without the Amendment, but in 2020 and beyond, there are additional impacts to taxing districts because the Amendment increases the maximum indebtedness, and increases the length of time required to pay off the debt.

The West Linn Wilsonville School District and the Clackamas Education Service District revenues from permanent tax levies are not *directly* affected by the tax increment financing, but the amounts of their taxes divided for the urban renewal plan are shown in the following tables. Under current school funding law, property tax revenues from permanent rate levies are combined with State School Fund revenues to achieve per-student funding targets. Under this system, property taxes foregone due to the use of tax increment financing, are replaced with State School Fund revenues, as determined by a funding formula at the State level.

Tables 15a and 15b show the projected impacts to permanent rate levies of taxing districts as a result of this Plan Amendment. Table 15a shows the general government levies, and Table 15b shows the education levies. Please note that impacts on these tables start in FYE 2020, when the new Maximum Indebtedness begins to be used. Tables 16a and 16b show the projected impacts to permanent rate levies of taxing districts if there were no Amendment. Table 16a shows the general government levies, and Table 16b shows the education levies.

Typically, in an urban renewal plan amendment, the increase in maximum indebtedness is equal to or less than the total impacts to taxing jurisdictions due to the amendment. However, in this Amendment that is not the case. There are two factors impacting taxing districts in a plan amendment that increases maximum indebtedness: 1) the dollars that are paying for projects (included in the maximum indebtedness number); and 2) the dollars paying the interest for the debt incurred to pay for the projects (not included in the maximum indebtedness number). Usually when a plan is amended to increase the maximum indebtedness, more debt is incurred, and as such, the amount of interest paid over the life of the Plan increases. That is not projected to be the case in this Plan. In fact, due to the refinancing of a loan, the amount of interest paid over the life of this Plan is projected to decrease, and decrease enough that it causes the overall impact to the taxing districts due to the Amendment to be less than the increase in maximum indebtedness due to the Amendment.

General obligation bonds and local option levies are impacted by urban renewal if they were originally approved by voters in an election prior to October 6, 2001, and if there are tax

compression impacts under Measure 5. There are no local option levies approved prior to October 6, 2001 that will still be in effect in the Area at the time that tax increment revenues begin to be collected. There is one bond that will be impacted. The impact of the URA on the bond rate is estimated to be less than \$0.01 per \$1,000 of assessed value. This will result in a very minor increase in property taxes for property owners. Table 17 shows the impacts through the scheduled termination of the bond in FYE 2020. Over the three-year period, for a property with an assessed value of \$100,000, the total cumulative impact would be \$0.39 in increased taxes imposed, as shown in Table 17.

Measure 5 limits property taxes from permanent rates and local option levies to \$10 per \$1,000 real market value for general government and \$5 per \$1,000 real market value for education. For each individual property where the property tax rate exceeds these limits, the property's tax bill is reduced, or compressed, first by decreasing local option levies, and then by decreasing permanent tax rates. Although the presence of urban renewal does not increase the overall tax rate in a jurisdiction, urban renewal is considered its own line item as a general government rate when evaluating the Measure 5 limits. Therefore, all other tax rates, in both general government and education, are slightly reduced to account for this. These reduced rates are called urban-renewal adjusted rates.

When an urban renewal area expires, all the adjusted rates will return to their slightly higher unadjusted rates. The education permanent tax rates and local option levies will increase. The aggregate education tax rate in this area already exceeds the \$5 per \$1,000 of assessed value, and in recent years, many properties experienced compression losses due to the Measure 5 limits. The increase in education tax rates due to the eventual termination of the URA may further increase compression losses for education. Since local option levies are compressed first in any situation where the Measure 5 limit is exceeded, they are at the greatest risk of a reduction in revenue. Therefore, in this urban renewal area, the West-Linn Wilsonville School District local option levy has the highest risk of increased compression when the urban area expires.

The potential concern over compression loss is being monitored by the City of Wilsonville and the School District. Increases in real market values of properties in recent years has alleviated much of the compression losses the School District experienced in years past. If the closure of the URA appears as if it will have significant impact on School District compression losses, the URA is prepared to phase out the collection of TIF revenue more slowly, resulting in a more gradual financial impact on the School District.

Table 18 indicates the projected tax revenue to taxing districts in FYE 2024, once urban renewal is terminated. Table 18 breaks the excess value created by the urban renewal area into two categories, "Used" and "Not Used." The "Used" category refers to the excess value that the Agency used to generate their tax increment revenues. The "Not Used" category refers to the excess value that was created in the urban renewal area, but not used for calculations determining tax increment revenues due to the Agency's decision to under-levy on an annual basis.

Table 15a – Projected Impact of Amendment on Taxing District Permanent Rate Levies - General Government -

FYE	County									
	Clackamas County Permanent	City of Wilsonville Permanent	Extension & 4-H Permanent	County Library Permanent	County Soil Conservation Permanent	FD64 TVF&R Permanent	Port of Portland Permanent	Srv 2 Metro Permanent	Vector Control Permanent	Subtotal Gen. Govt.
2018	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2019	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2020	\$ (495,222)	\$ (519,198)	\$ (10,299)	\$ (81,857)	\$ (10,299)	\$ (314,164)	\$ (14,439)	\$ (19,898)	\$ (1,339)	\$ (1,466,715)
2021	\$ (756,258)	\$ (792,872)	\$ (15,728)	\$ (125,005)	\$ (15,728)	\$ (479,762)	\$ (22,050)	\$ (30,386)	\$ (2,045)	\$ (2,239,834)
2022	\$ (756,258)	\$ (792,872)	\$ (15,728)	\$ (125,005)	\$ (15,728)	\$ (479,762)	\$ (22,050)	\$ (30,386)	\$ (2,045)	\$ (2,239,834)
2023	\$ (600,860)	\$ (629,950)	\$ (12,496)	\$ (99,319)	\$ (12,496)	\$ (381,179)	\$ (17,519)	\$ (24,142)	\$ (1,624)	\$ (1,779,585)
Total	\$ (2,608,598)	\$ (2,734,892)	\$ (54,251)	\$ (431,186)	\$ (54,251)	\$ (1,654,867)	\$ (76,058)	\$ (104,812)	\$ (7,053)	\$ (7,725,968)

Source: Tiberius Solutions LLC – note there are no impacts due to the Amendment until FYE 2020 when new MI is used.

Table 15b – Projected Impact of Amendment on Taxing District Permanent Rate Levies – Education

FYE	West Linn- Wilsonville School District Permanent	Clackamas Community College Permanent	Clackamas ESD Permanent	Subtotal Education	Total All
	2018	\$ -	\$ -	\$ -	\$ -
2019	\$ -	\$ -	\$ -	\$ -	\$ -
2020	\$ (1,002,802)	\$ (114,979)	\$ (75,946)	\$ (1,193,727)	\$ (2,660,442)
2021	\$ (1,531,389)	\$ (175,586)	\$ (115,977)	\$ (1,822,952)	\$ (4,062,786)
2022	\$ (1,531,389)	\$ (175,586)	\$ (115,977)	\$ (1,822,952)	\$ (4,062,786)
2023	\$ (1,216,714)	\$ (139,506)	\$ (92,146)	\$ (1,448,366)	\$ (3,227,951)
Total	\$ (5,282,294)	\$ (605,657)	\$ (400,046)	\$ (6,287,997)	\$ (14,013,965)

Source: Tiberius Solutions LLC note there are no impacts due to the Amendment until FYE 2020 when new MI is used.

Please refer to the explanation of the schools funding in the preceding section

Table 16a – Projected Impact Plan on Taxing District Permanent Rate Levies - General Government – Without Amendment

FYE	County									
	Clackamas County Permanent	City of Wilsonville Permanent	Extension & 4-H Permanent	County Library Permanent	County Soil Conservation Permanent	FD64 TVF&R Permanent	Port of Portland Permanent	Srv 2 Metro Permanent	Vector Control Permanent	Subtotal Gen. Govt.
2018	\$ (705,856)	\$ (740,030)	\$ (14,680)	\$ (116,674)	\$ (14,680)	\$ (447,788)	\$ (20,581)	\$ (28,361)	\$ (1,908)	\$ (2,090,558)
2019	\$ (749,252)	\$ (785,527)	\$ (15,582)	\$ (123,847)	\$ (15,582)	\$ (475,318)	\$ (21,846)	\$ (30,105)	\$ (2,026)	\$ (2,219,085)
2020	\$ (254,030)	\$ (266,329)	\$ (5,283)	\$ (41,990)	\$ (5,283)	\$ (161,154)	\$ (7,407)	\$ (10,207)	\$ (687)	\$ (752,370)
Total	\$ (1,709,138)	\$ (1,791,886)	\$ (35,545)	\$ (282,511)	\$ (35,545)	\$ (1,084,260)	\$ (49,834)	\$ (68,673)	\$ (4,621)	\$ (5,062,013)

Source: Tiberius Solutions LLC – note this expires when the MI is reached.

Table 16b – Projected Impact on Taxing District Permanent Rate Levies – Education – Without Amendment

FYE	West Linn- Wilsonville School District Permanent	Clackamas Community College Permanent	Clackamas ESD Permanent	Subtotal Education	Total All
2018	\$ (1,429,328)	\$ (163,884)	\$ (108,248)	\$ (1,701,460)	\$ (3,792,018)
2019	\$ (1,517,202)	\$ (173,959)	\$ (114,903)	\$ (1,806,064)	\$ (4,025,149)
2020	\$ (514,400)	\$ (58,980)	\$ (38,957)	\$ (612,337)	\$ (1,364,707)
Total	\$ (3,460,930)	\$ (396,823)	\$ (262,108)	\$ (4,119,861)	\$ (9,181,874)

Source: Tiberius Solutions LLC – note this expires when the MI is reached.

Table 17 - Projected Impact of GO Bonds

FYE	GO Bond Tax Rate (per \$1,000 AV)			Property Tax Paid per \$100,000 AV		
	Without UR	With UR	Impact of UR	Without UR	With UR	Impact of UR
2018	0.1422	0.1435	0.0013	\$ 14.22	\$ 14.35	\$ 0.13
2019	0.1423	0.1436	0.0013	\$ 14.23	\$ 14.36	\$ 0.13
2020	0.1423	0.1436	0.0013	\$ 14.23	\$ 14.36	\$ 0.13
Total				\$ 42.68	\$ 43.07	\$ 0.39

Source: Tiberius Solutions LLC

Table 18 – Additional Revenues Obtained after Termination of Tax Increment Financing

Taxing District	Type	Tax Rate	Tax Revenue in FYE 2024 (year after termination)			
			From Frozen Base	From Excess Value (Used)	From Excess Value (Not Used)	Total
General Government						
Clackamas County	Permanent	2.4042	\$ 105,996	\$ 617,788	\$ 605,364	\$ 1,329,148
City of Wilsonville	Permanent	2.5206	\$ 111,128	\$ 647,699	\$ 634,673	\$ 1,393,500
County Extension & 4-H	Permanent	0.0500	\$ 2,204	\$ 12,848	\$ 12,590	\$ 27,642
County Library	Permanent	0.3974	\$ 17,520	\$ 102,117	\$ 100,063	\$ 219,700
County Soil Conservation	Permanent	0.0500	\$ 2,204	\$ 12,848	\$ 12,590	\$ 27,642
FD64 TVF&R	Permanent	1.5252	\$ 67,243	\$ 391,919	\$ 384,037	\$ 843,199
Port of Portland	Permanent	0.0701	\$ 3,091	\$ 18,013	\$ 17,651	\$ 38,755
Srv 2 Metro	Permanent	0.0966	\$ 4,259	\$ 24,823	\$ 24,323	\$ 53,405
Vector Control	Permanent	0.0065	\$ 287	\$ 1,670	\$ 1,637	\$ 3,594
<i>Subtotal</i>		<i>7.1141</i>	<i>\$ 313,645</i>	<i>\$ 1,828,055</i>	<i>\$ 1,791,291</i>	<i>\$ 3,932,991</i>
Education						
West Linn-Wilsonville School District	Permanent	4.8684	\$ 214,637	\$ 1,250,994	\$ 1,225,836	\$ 2,691,467
Clackamas Community College	Permanent	0.5582	\$ 24,610	\$ 143,436	\$ 140,552	\$ 308,598
Clackamas ESD	Permanent	0.3687	\$ 16,255	\$ 94,742	\$ 92,837	\$ 203,834
<i>Subtotal</i>		<i>5.7953</i>	<i>\$ 255,502</i>	<i>\$ 1,489,172</i>	<i>\$ 1,459,225</i>	<i>\$ 3,203,899</i>
Total		12.9094	\$ 569,147	\$ 3,317,227	\$ 3,250,516	\$ 7,136,890

Source: Tiberius Solutions LLC

IX. COMPLIANCE WITH STATUTORY LIMITS ON ASSESSED VALUE AND SIZE OF URBAN RENEWAL AREA

State law limits the percentage of both a municipality's total assessed value and the total land area that can be contained in an urban renewal area at the time of its establishment to 25% for municipalities under 50,000 in population. As noted below, the frozen base (assumed to be FYE 2017 values), including all real, personal, personal, manufactured, and utility properties in the Area, is \$44,499,418. The total assessed value of the City of Wilsonville less urban renewal excess is \$2,661,811,027. The percentage of assessed value in the Urban Renewal Area is 7.43%, below the 25% threshold.

The Area contains 454 acres, including public rights-of-way, and the City of Wilsonville contains 4,835 acres. This puts 24.57% of the City's acreage in an Urban Renewal Area when including the City's other urban renewal areas, which is below the 25% threshold.

Table 19 – Urban Renewal Area Conformance with Assessed Value and Acreage Limits

Urban Renewal Area	Frozen Base/AV	Acres
West Side URA	\$16,109,831	415
Year 2000 URA	\$44,499,418	454
Coffee Creek	\$99,003,704	258.35
TIF Zones		
27255 SW 95th Ave	\$17,938,434	26.07
26440 SW Parkway	\$12,582,201	24.98
26755 SW 95th Ave	\$7,675,439	9.76
Total in URAs	\$197,809,027	1188.16
City of Wilsonville	\$3,403,012,022	4,835
UR Excess	\$741,200,995	
City less UR Excess	\$2,661,811,027	
Percent of Total	7.43%	24.57%

Source: Compiled by Elaine Howard Consulting, LLC with data from City of Wilsonville and Washington and Clackamas County Department of Assessment and Taxation (FYE 2017)

X. RELOCATION REPORT

There is no relocation report required for the Plan. No specific acquisitions that would result in relocation benefits have been currently identified.

February 15, 2018

Board of County Commissioners
Clackamas County

Members of the Board:

Resolution No. _____ Approval of a TEFRA Resolution
Declaring Clackamas County's Approval for the Housing Authority of Clackamas County
(HACC) to Issue \$34 Million in Revenue Bonds
for the Development of the Rosewood Terrace Apartments

Purpose/Outcomes	Approval of the issuance of \$2 Million in Additional Private Activity Bonds for the construction of a 212 unit affordable housing project on Otty Road called Rosewood Terrace Apartments
Dollar Amount and Fiscal Impact	\$34,000,000
Funding Source(s)	Private Activity Bond - Debt Management Division of the Oregon State Treasury
Duration	40-year principal and interest amortization period
Previous Board Action	The Board approved the Bond Inducement Resolution 2017-04 at the January 19, 2017 Business Meeting
Strategic Plan Alignment	<ul style="list-style-type: none"> • Ensure safe, healthy and secure communities • Sustainable and Affordable Housing
Contact Person	Chuck Robbins, HACC Executive Director (503) 650-5666
Contract Number	N/A

BACKGROUND:

The Clackamas County Housing Authority (HACC) a Division of the Health, Housing & Human Services Department requests the approval to proceed with the application of a Private Activity Bond from the State of Oregon for the construction of the Rosewood Terrace Apartment project.

The Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) Resolution is an "official action" by the Clackamas County Board of Commissioners acknowledging that the TEFRA Hearing was held, and that Clackamas County approves the Housing Authority of Clackamas County's intent to issue bonds for the Rosewood Terrace project.

The change in bond amount arose from concerns about meeting threshold requirements. In order to use bonds on the project we are required to ensure that a minimum of 50% of the funds for development come from bonds. Currently the Rosewood Terrace Bond amount is 50.45% of total development. While this is above the minimum threshold, it does not allow any flexibility should unforeseen conditions arise which increase the development costs. Should a situation arise which increased costs, to stay above the threshold we would need to make adjustments in the development budget. At this point in the project any such change would result in a loss in

the amount of Low Income Housing Tax Credits (LIHTC) we could apply to the project. This would negatively impact US Bank, our equity investor (purchaser of the LIHTC). To ensure this does not happen US Bank has requested that we apply to the State for an additional \$2 million in Bond proceeds. This will increase the bond to development cost ratio to 53.60%

This budgeting adjustment has no impact on the cost of the project. As is typical in these housing deals, US Bank will release 20% of their equity at closing. The balance will be released at completion of construction. Since their funds are needed to pay the development costs through construction completion, the developer was always going to have to obtain a bridge loan to cover the gap. The original bridge loan included about \$2.4 million in Bond funds and about \$15 million in a bank loan. With the additional \$2 million in Bond funds we will reduce the Bank loan to \$13 million. Both the Bank loan and the \$4.4 million in Bond funds will be repaid as soon as US Bank releases the balance of their equity.

Application for Bond proceeds is made to the State of Oregon Private Activity Bond (PAB) Committee which only meets quarterly. We were lucky to get on their January 24 agenda, otherwise we would have had to delay closing for another 3 months. At the PAB meeting we received unanimous approval for the additional \$2 million.

The financing structure of this project imposes minimal risk to the County and HACC because the developer is responsible for: 1) Guaranteeing completion of construction and achieving stabilization (e.g. lease up, minimum revenue targets and debt coverage ratio); and 2) Bond financing will be insured by the U.S. Department of Housing and Urban Development's (HUD) 221(d)(4) loan guarantee program. Therefore in the event of a default, debt service payments will be made by HUD. Because these are revenue bonds there is no recourse to the County in the event of a default.

Resolution 2017-04 authorized HACC to issue Revenue Bonds in an amount not to exceed \$32,000,000 for the construction Rosewood Terrace Apartments. The Tax Code requires a new TEFRA Hearing and Bond Resolution for any change in the bond amount. This new resolution will supersede any previous resolution

With the approval of County Counsel, HACC has contracted with Hawkins, Delafield & Wood LLP, as independent Bond Counsel for this project. This TEFRA Resolution has been reviewed and approved by Bond Counsel.

RECOMMENDATION:

Staff recommends the Board approve the TEFRA Resolution.

Respectfully submitted,

Richard Swift, Director
Health, Housing and Human Services

Healthy Families. Strong Communities.

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

In the matter of the Board of County
Commissioners of Clackamas County, Oregon,
approving the issuance of not to exceed
\$34,000,000 of revenue bonds by the Housing
Authority of Clackamas County, for the Rosewood
Terrace Apartments Project

RESOLUTION NO.

WHEREAS, Clackamas County, Oregon (the "County"), is a county duly organized and existing under and by virtue of the Constitution and laws of the State of Oregon; 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, manage or operate a housing project"; and

WHEREAS, ORS 456.055 and 456.175 provide that a housing authority may issue, among others, bonds for any of its corporate purposes; and

WHEREAS, the Housing Authority of Clackamas County (the "Authority") has advised the Board of County Commissioners of the County that the Authority has authorized the issuance of, pursuant to ORS 456.005 to 456.235, tax-exempt private activity revenue bonds in one or more series in an aggregate face amount not to exceed \$34,000,000 (the "Bonds"), the interest on which will be excluded from gross income of the holders for federal income tax purposes under Sections 103 and 142(d) of the Internal Revenue Code of 1986, as amended (the "Code"), with respect to the acquisition and construction of a 212-unit multi-family affordable housing development expected to be initially called Rosewood Terrace Apartments and subsequently Rosewood Station Apartments (the "Project"), which will be owned by Pedcor Investments-2016-CLV, Limited Partnership (the "Borrower") and located at 8810 SE Otty Road, Happy Valley, Oregon, to provide housing for individuals or households with incomes at 60% or below of area median income in accordance with Section 142(d) of the Code; and

WHEREAS, Section 147(f)(2) of the Code and the Treasury Regulations applicable thereto, provide that the Authority cannot issue the Bonds except upon the approval of both the governmental unit from which it derives its authority, which is the County, and a governmental unit within whose geographic jurisdiction the Project lies, which includes, among others, the County; and

WHEREAS, the Authority has advised the County that, following timely notice thereof being published in a newspaper of general circulation throughout Clackamas

In the matter of the Board of County
Commissioners of Clackamas County, Oregon,
approving the issuance of not to exceed
\$34,000,000 of revenue bonds by the Housing
Authority of Clackamas County, for the Rosewood
Terrace Apartments Project

RESOLUTION NO.
(Cont'd)

County, Oregon, a public hearing was held on February 15, 2018, in accordance with the requirements of Section 147(f) of the Code and the Treasury Regulations applicable thereto, on the proposed issuance of the Bonds for the Project; and

WHEREAS, the Authority has provided the County with a written summary of the public testimony and any written comments received at or prior to such public hearing; and

WHEREAS, the Authority has advised the County that the Bonds it has authorized to be issued for the Project (a) will constitute a single bond issue for federal income tax purposes consisting of one or more series of revenue bonds, which will be issued pursuant to one or more draw-down loans, to provide both interim and permanent financing for the Project; (b) will be issued in accordance with a schedule such that the issue date of the issue of which the Bonds are a part will be no later than one year after the date of this approval; and (c) will not exceed a maximum aggregate principal amount of \$34,000,000; and

WHEREAS, the Authority has further advised the County that the proceeds of the Bonds will be used directly or indirectly to finance the costs of the Project through one or more loans to the Borrower under one or more financing agreements to which, among others, the Authority and the Borrower will be a party;

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

Section 1. The County approves the issue of which the Bonds are a part, the proceeds of which will be used directly or indirectly to finance the costs of the Project through one or more loans to the Borrower. This approval is intended to comply with the requirements of Section 147(f) of the Code in order to permit the issuance of the Bonds.

Section 2. This approval is not intended to imply that the County is under any obligation to repay the Bonds. In so approving the issuance of the issue of which the Bonds are a part, the Board of County Commissioners does not assume any responsibility with respect to any payments due thereunder. The County is not obligated to pay the principal of or the interest on the Bonds; no tax funds or governmental revenue of the County may be used to pay the principal of or the interest on the Bonds; the Bonds do not directly or indirectly constitute a debt or liability of the County; and neither the faith and credit nor the taxing power of the County is pledged to the payment of such principal or interest.

In the matter of the Board of County
Commissioners of Clackamas County, Oregon,
approving the issuance of not to exceed
\$34,000,000 of revenue bonds by the Housing
Authority of Clackamas County, for the Rosewood
Terrace Apartments Project

RESOLUTION NO.
(Cont'd)

Section 3. This approval is not intended to serve as any land use, permit, occupancy, zoning or other approval for the Project not expressly set forth in this resolution.

Section 4. This resolution shall take effect immediately upon its passage and approval.

ADOPTED by the Board of County Commissioners of Clackamas County, Oregon, at an open public meeting thereof, this 15th day of February, 2018.

DATED this 15 day of February, 2018.

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

Chair

Recording Secretary



February 15, 2018

Board of County Commissioners
Clackamas County

Members of the Board:

Approval of a Resolution Declaring the Public Necessity and Purpose for Acquisition of Rights of Way and Easements for the Foster Creek (at Bakers Ferry Road) Bridge Scour Protection Project and Authorizing Negotiations and Eminent Domain Actions

Purpose/Outcomes	Under ORS 35 and the federal Uniform Act, a local governmental agency is authorized to declare by resolution or ordinance the necessity and the purpose for which the project is required by enacting a Resolution of Necessity prior to initiating acquisition of the easements or other property rights from abutters to the project.
Dollar Amount and Fiscal Impact	The right of way budget for the project is \$35,000 and is included within the \$400,000 total approved project budget.
Funding Source	County Road Fund
Duration	The Resolution remains active throughout the project's duration and terminates upon completion of the project or when all litigation associated with the project is concluded.
Previous Board Action	None
Strategic Plan Alignment	Build a strong infrastructure
Contact Person(s)	Devin Patterson, DTD Project Mgr @ 503-742-4666 Sharan Hams-LaDuca, DTD Sr. Right of Way Agent @ 503-742-4675

Bakers Ferry Road crosses Foster Creek approximately 0.2 miles upstream of the creek's confluence with the Clackamas River. Stream flows at this crossing are conveyed through a 75-foot long Bebo-style arched concrete culvert.

Scour problems have been persistent at the crossing since the new culvert was installed. Stabilization measures were constructed in 2003 that included concrete retaining walls adjacent to the culvert inlet and outlet, riprap toe protection, and upstream boulder weirs. However, scour continues to be a problem, as evidenced by the undermining of the upstream retaining walls, exposure of one of the culvert's concrete footings, and the mobilization and downstream transport of the boulder weirs. The culvert is considered "scour critical" based on Federal Highway Administration (FHWA) assessment methods, and continued erosion presents a serious risk to the integrity of the structure and the safety of the roadway.

The Clackamas County Department of Transportation and Development has responsibilities for maintaining the safety of its roads and bridges. The County and its contracted engineering firm have evaluated the scour problems at the culvert and have determined that the likely causes are a combination of overall channel instability, adjustments in the channel following the 2001 removal of the corrugated-metal-pipe culvert, and local scour due to sharp bends immediately upstream of the

culvert. The County is proposing to install scour counter-measures to address both lateral and vertical channel instability and ensure the long-term safety of Bakers Ferry Road for public use. The proposed project includes the installation of large woody debris (LWD) along the right bank upstream of the culvert. The purpose of this is to direct flows toward the center of the channel, reducing velocities along the bank and reducing the bend scour that is undermining the upstream retaining walls. Additionally, the County will construct several full-spanning rock weirs, beginning just upstream of the culvert and extending through and downstream of the culvert. This will provide grade-control, minimizing head cut and slowing velocities. This will also provide a low-flow channel allowing year-round passage for all species and stages of aquatic life.

The project has been planned and located in a manner which is most compatible with the greatest public good and which causes the least private injury. In order to construct the improvements as designed, additional rights of way and easements will be required.

The Board has authority under ORS Chapter 35 to acquire rights of way and easements by purchase or condemnation proceedings.

The resolution directs the Department of Transportation and Development (Department) to fairly determine the amount of Just Compensation in accordance with all applicable laws, rules, and regulations and negotiate in good faith in accordance with all applicable laws, rules, and regulations in an attempt to reach agreement as to the amount of just compensation owed each affected property owner. The resolution further requires the Director of the Department to notify the Board if the exercise of the power of eminent domain becomes necessary. Only after this process is completed does it authorize the Office of County Counsel to file a Condemnation Action.

Staff respectfully requests that the Board approve a Resolution of Necessity and Purpose for the acquisition of necessary rights of way and easements to provide for construction of the Foster Creek (at Bakers Ferry Road) Bridge Scour Protection Project.

The Resolution has been reviewed and approved by County Counsel.

RECOMMENDATION:

Staff respectfully recommends that the Board of County Commissioners approve the Resolution of Necessity and Purpose and authorize the acquisition of rights of way and easements by negotiation if possible, or condemnation, if necessary.

Sincerely,

Mike Bezner, PE
Assistant Director of Transportation

In the Matter of the Foster Creek at Bakers
Ferry Road Bridge Scour Protection Project
Declaring the Necessity and Purpose for
Acquisition of Rights of Way and
Easements and Authorizing
Negotiations and Eminent Domain Actions

Order No. _____
(Page 1 of 2)

This matter comes before the Board of County Commissioners of Clackamas County, Oregon (the "Board") at its regularly scheduled meeting on February 15, 2018 and,

It appearing that the Foster Creek at Bakers Ferry Road Bridge Scour Protection Project ("Project"), which will address the existing bridge scour problems by installing large woody debris (LWD) along the right bank upstream of the culvert to direct flows toward the center of the channel, reduce velocity along the bank, and reduce the bend scour that is undermining the upstream retaining walls; that the Project is consistent with the powers and purposes of County government; and that the Project is necessary for the continued growth, safety and welfare of the community; and,

It further appearing to the Board that the Project has been developed from the approved engineering design plans and reviewed by County Staff; and

It further appearing to the Board that the Project has been planned and located in a manner which is most compatible with the greatest public good and causes the least private injury; and,

It further appearing to the Board that rights of way and easements within the boundaries described and depicted in the attached Exhibits "A" and "B" are a necessary part of the Project; and,

It further appearing that the Board has authority under ORS Chapter 35 to acquire rights of way and easements by purchase or eminent domain proceedings.

NOW, THEREFORE, IT IS HEREBY RESOLVED that this Board declares it necessary and in the public interest that the County Department of Transportation and Development (County), in connection with this Project, immediately begin the acquisition process, in accordance with all applicable laws, rules, and regulations governing such process, for the necessary rights of way and easements, either through negotiation, agreement and purchase, or, if necessary, by commencement of eminent domain proceedings.

In the Matter of the Foster Creek at Bakers
Ferry Road Bridge Scour Protection Project
Declaring the Necessity and Purpose for
Acquisition of Rights of Way and
Easements and Authorizing
Negotiations and Eminent Domain Actions

Order No. _____
(Page 2 of 2)

IT IS FURTHER ORDERED THAT:

1) If the Assistant Director of Transportation with the Department of Transportation and Development (Assistant Director) determines that changes to the design of the Project, unanticipated field conditions, or the need to accommodate uneconomic remnants makes it necessary or desirable to modify the rights of way and easements required for the Project, the Assistant Director shall promptly bring before the Board, and the Board shall promptly consider a resolution amending Exhibits "A" and "B"; and,

2). It is the intention of the Board that the required rights of way and easements identified in Exhibits "A" and "B" are obtained through good faith negotiation. The Board acknowledges that the exercise of the power of eminent domain may be necessary. The Assistant Director shall inform the Board when the Assistant Director deems eminent domain necessary. Thereafter, the Office of County Counsel is authorized to file an action to condemn with the circuit court of the County and take such other steps as it determines necessary for the immediate possession of required rights of way and easements and the successful litigation of the condemnation action, including the retention of real estate appraisers, experts and other consultants deemed necessary to the successful conclusion of that litigation.

Dated this _____ day of _____, 2018.

Jim Bernard, Chair

Mary Raethke, Recording Secretary



EXHIBIT "A"

Foster Creek (Bakers Ferry Road) Crossing
Owner: Raleigh L. Harris

Map No. 23E21B01700
January 31, 2018
Page 1 of 1

PERMANENT STREAM BANK STABILIZATION EASEMENT

A parcel of land situated in the southwest one-quarter of Section 21 and the John Foster DLC No. 41 in Township 2 South, Range 3 East, Willamette Meridian, Clackamas County, State of Oregon and being a portion of that property conveyed to Raleigh L. Harris Trustee for the Raleigh L. Harris Revocable Trust in that Warranty Deed, recorded January 26, 2004 as Document No. 2004-005630, Clackamas County Deed Records, as shown on Exhibit "B" attached hereto and by this reference made a part hereof, more particularly described as follows:

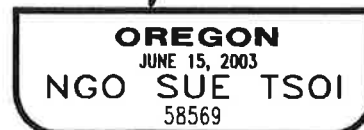
Beginning at the southeast corner of said property, said point also being on the north right-of-way line of Bakers Ferry Road (County No. 514) which bears South $86^{\circ} 26' 55''$ West 29.96 feet from a found $5/8''$ iron rod with yellow plastic cap stamped "Clackamas Co. DTD" as shown on Survey Number 2003-074, Clackamas County Survey Records; thence along the easterly property line North $27^{\circ} 05' 17''$ East 43.19 feet to the true point of beginning; thence leaving said easterly property line North $15^{\circ} 43' 20''$ West 8.84 feet; thence North $79^{\circ} 15' 34''$ West 24.17 feet; thence South $69^{\circ} 37' 53''$ West 24.34 feet; thence North $07^{\circ} 28' 39''$ East 21.09 feet; thence North $26^{\circ} 38' 09''$ East 29.83 feet; thence North $34^{\circ} 19' 35''$ East 15.27 feet; thence North $53^{\circ} 36' 14''$ East 43.77 feet; thence North $79^{\circ} 08' 35''$ East 39.95 feet to said easterly property line; thence along said easterly property line South $27^{\circ} 05' 17''$ West 110.33 feet to the true point of beginning.

The parcel of land to which this description applies contains 4,575 square feet, more or less.

The bearings of this description are assumed.



Ng S. Tsoi



RENEWS: 6/30/18

LOCATED IN THE SW 1/4 OF SECTION 21,
T.2S., R.3E., W.M.
CLACKAMAS COUNTY, OREGON



PERMANENT STREAM BANK
STABILIZATION EASEMENT
4,575 SQUARE FEET± (0.105 ACRES±)

N 79°08'35" E 39.95'

RALEIGH L. HARRIS
TRUSTEE
TAXMAP 23E21B-1700
DOCUMENT NO.
2004-005630

N 53°36'14" E 43.77'

N 34°19'35" E 15.27'

N 26°38'09" E 29.83'

N 07°28'39" E 21.09'

S 69°37'53" W 24.34'

N 79°15'34" W 24.17'

N 15°43'20" W 8.84'

TRUE POINT OF BEGINNING

STREAM & STREAM BANK STABILIZATION
FACILITIES & APPURTENANT STRUCTURES &
ACCESSORIES EASEMENT
DOC. NO. 2003-121126

FOSTER CREEK

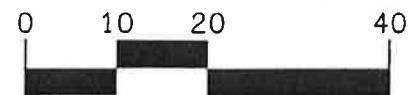


**REGISTERED
PROFESSIONAL
LAND SURVEYOR**

NS 780

OREGON
JUNE 15, 2003
NGO SUE TSOI
58569

RENEWS: *6/30/18*



SCALE 1"=20'

5/8" IRON ROD W/YPC
STAMPED "CLACKAMAS CO. DTD"

SOUTHEAST CORNER OF PROPERTY

S 86°26'55" W 29.96'

BAKERS FERRY ROAD (COUNTY RD NO. 514)



**DAVID EVANS
AND ASSOCIATES INC.**

2100 SW River Parkway
Portland Oregon 97201
Phone: 503.223.6663

PROJECT

EXHIBIT "B"

SHEET

TITLE

CLACKAMAS COUNTY

1

FOSTER CREEK (BAKERS FERRY ROAD) CROSSING OF

DWG. REF.

TL 1700

PROJECT

CLKX0000-0038

SCALE

1" = 20'

AMENDMENT NO.

0.0

1

DRAWN BY

NST

DESIGN BY

APPROVED BY

RRJ

DATE

01-31-2018



EXHIBIT "A"

Foster Creek (Bakers Ferry Road) Crossing
Owner: David A. & Joanna R. Bartlett

Map No. 23E21C00100
January 31, 2018
Page 1 of 2

PERMANENT STREAM BANK STABILIZATION EASEMENT

A parcel of land situated in the southwest one-quarter of Section 21 and the John Foster DLC No. 41 in Township 2 South, Range 3 East, Willamette Meridian, Clackamas County, State of Oregon and being a portion of that property conveyed to David A. Bartlett and Joanna R. Bartlett in that Personal Representative's Deed, recorded February 5, 1980 as Document No. 80-4356, Clackamas County Deed Records, as shown on Exhibit "B" attached hereto and by this reference made a part hereof, more particularly described as follows:

Beginning at a point which bears North 60° 25' 33" West 71.61 feet and South 33° 35' 36" West 62.99 feet from a found 5/8" iron rod with yellow plastic cap stamped "Clackamas Co. DTD" as shown on Survey Number 2003-074, Clackamas County Survey Records; thence South 56° 23' 24" East 13.63 feet; thence South 35° 24' 15" West 60.03 feet; thence North 56° 23' 24" West 29.20 feet to the centerline of Foster Creek; thence along said centerline of Foster Creek North 38° 49' 01" East 10.16 feet; thence leaving said centerline of Foster Creek North 84° 46' 14" East 21.21 feet; thence North 33° 36' 36" East 36.58 feet to the point of beginning.

The parcel of land to which this description applies contains 1,043 square feet, more or less.

The bearings of this description are assumed.

TEMPORARY CONSTRUCTION EASEMENT

A parcel of land situated in the southwest one-quarter of Section 21 and the John Foster DLC No. 41 in Township 2 South, Range 3 East, Willamette Meridian, Clackamas County, State of Oregon and being a portion of that property conveyed to David A. Bartlett and Joanna R. Bartlett in that Personal Representative's Deed, recorded February 5, 1980 as Document No. 80-4356, Clackamas County Deed Records, as shown on Exhibit "B" attached hereto and by this reference made a part hereof, more particularly described as follows:

Beginning at a point on the southeasterly right-of-way line of Bakers Ferry Road (County Road No. 514) which bears North 60° 25' 33" West 50.91 feet from a found 5/8" iron rod with yellow plastic cap stamped "Clackamas Co. DTD" as shown on Survey Number 2003-074, Clackamas



County Survey Records; thence leaving said southeasterly right-of-way line South 35° 24' 15" West 183.40 feet; thence North 47° 38' 26" West 37.64 feet to the centerline of Foster Creek; thence along said centerline of Foster Creek North 38° 49' 01" East 53.36 feet; thence leaving said centerline of Foster Creek South 56° 23' 24" East 29.20 feet; thence North 35° 24' 15" East 60.03 feet; thence North 56° 23' 24" West 13.63 feet; thence North 33° 36' 36" East 62.99 feet to said southeasterly right-of-way line; thence along said southeasterly right-of-way line South 60° 25' 33" East 20.70 feet to the point of beginning.

The parcel of land to which this description applies contains 3,560 square feet, more or less.

**REGISTERED
PROFESSIONAL
LAND SURVEYOR**

Ng S. Tsoi

OREGON
JUNE 15, 2003
NGO SUE TSOI
58569

RENEWS: 6/30/18

LOCATED IN THE SW 1/4 OF SECTION 21,
T.2S., R.3E., W.M.
CLACKAMAS COUNTY, OREGON



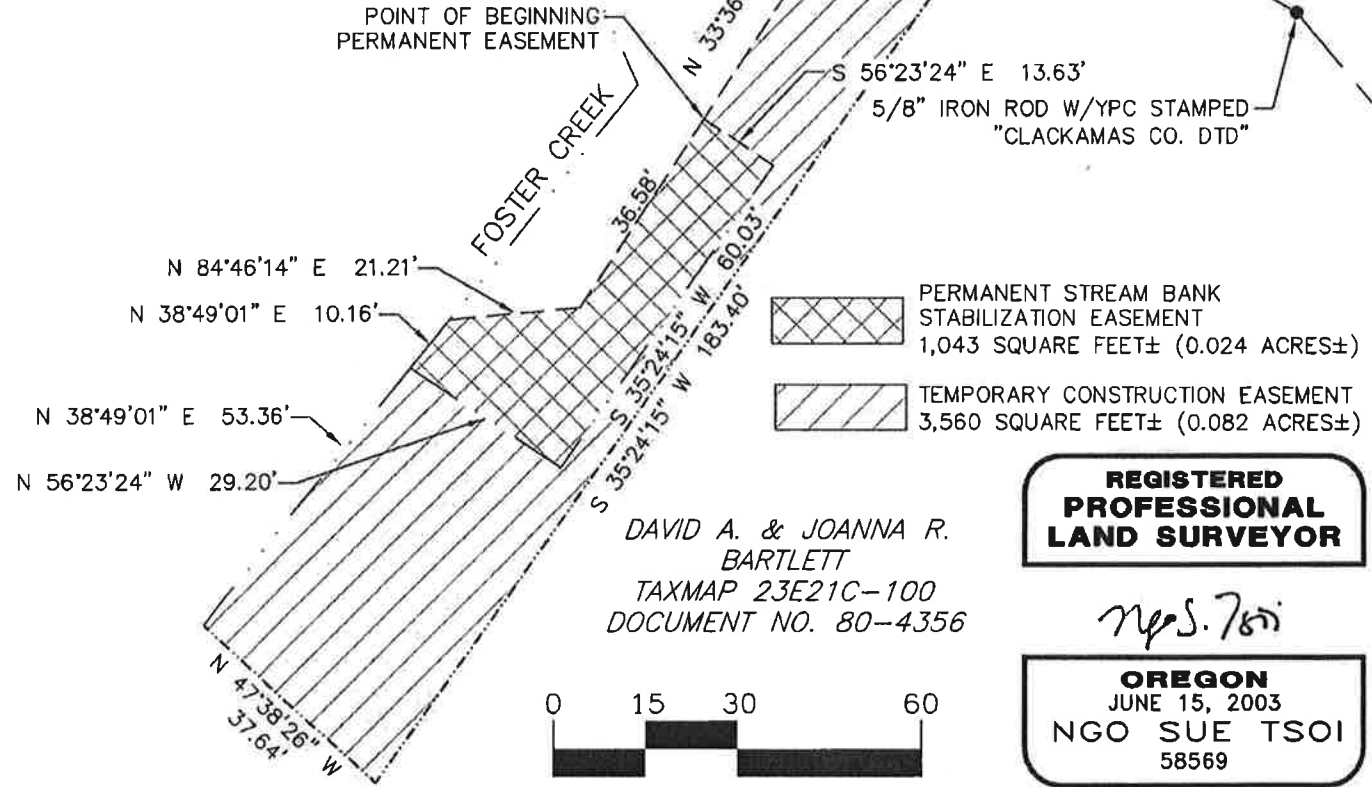
BAKERS FERRY ROAD
(COUNTY ROAD NO. 514)

STREAM & STREAM BANK STABILIZATION
FACILITIES & APPURTENANT STRUCTURES &
ACCESSORIES EASEMENT
NO. 2003-101024

POINT OF BEGINNING
PERMANENT EASEMENT

POINT OF BEGINNING
TEMPORARY
CONSTRUCTION
EASEMENT

VARIABLE WIDTH



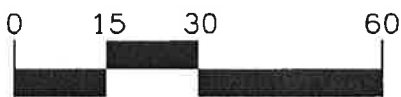
- PERMANENT STREAM BANK STABILIZATION EASEMENT
1,043 SQUARE FEET± (0.024 ACRES±)
- TEMPORARY CONSTRUCTION EASEMENT
3,560 SQUARE FEET± (0.082 ACRES±)

DAVID A. & JOANNA R.
BARTLETT
TAXMAP 23E21C-100
DOCUMENT NO. 80-4356

**REGISTERED
PROFESSIONAL
LAND SURVEYOR**

Map S. 750

OREGON
JUNE 15, 2003
NGO SUE TSOI
58569



SCALE 1"=30'

RENEWES: 6/30/18



**DAVID EVANS
AND ASSOCIATES INC.**
2100 SW River Parkway
Portland Oregon 97201
Phone: 503.223.6663

PROJECT	EXHIBIT "B"			SHEET
TITLE	CLACKAMAS COUNTY			1
FOSTER CREEK (BAKERS FERRY ROAD) CROSSING OF				
DWG. REF.	PROJECT	SCALE	AMENDMENT NO.	1
TL 100	CLKX0000-0038	1" = 30'	0.0	
DRAWN BY	DESIGN BY	APPROVED BY	DATE	
NST		PNS	01-31-2018	



EXHIBIT "A"

Foster Creek (Bakers Ferry Road) Crossing
Owner: Terry L. & Cheryl A. Dawes

Map No. 23E21C00600
January 26, 2018
Page 1 of 2

PERMANENT STREAM BANK STABILIZATION EASEMENT

A parcel of land situated in the southwest one-quarter of Section 21 and the John Foster DLC No. 41 in Township 2 South, Range 3 East, Willamette Meridian, Clackamas County, State of Oregon and being a portion of that property conveyed to Terry L. Dawes and Cheryl A. Dawes in that Statutory Warranty Deed, recorded September 7, 2001 as Document No. 2001-073262, Clackamas County Deed Records, as shown on Exhibit "B" attached hereto and by this reference made a part hereof, more particularly described as follows:

Beginning at a point on the southerly right-of-way line of Bakers Ferry Road (County Road No. 514) which bears South 50° 40' 32" East 52.77 feet from a found 5/8" iron rod with yellow plastic cap stamped "Clackamas Co. DTD" as shown on Survey Number 2003-074, Clackamas County Survey Records; thence leaving said southerly right-of-way line South 51° 09' 36" East 38.71 feet; thence South 16° 09' 55" East 103.31 feet to the true point of beginning; thence North 84° 46' 14" East 16.14 feet to the centerline of Foster Creek; thence along said centerline of Foster Creek South 38° 49' 01" West 10.16 feet; thence leaving said centerline of Foster Creek North 56° 23' 24" West 11.65 feet to the true point of beginning.

The parcel of land to which this description applies contains 59 square feet, more or less.

The bearings of this description are assumed.

TEMPORARY CONSTRUCTION EASEMENT

A parcel of land situated in the southwest one-quarter of Section 21 and the John Foster DLC No. 41 in Township 2 South, Range 3 East, Willamette Meridian, Clackamas County, State of Oregon and being a portion of that property conveyed to Terry L. Dawes and Cheryl A. Dawes in that Statutory Warranty Deed, recorded September 7, 2001 as Document No. 2001-073262, Clackamas County Deed Records, as shown on Exhibit "B" attached hereto and by this reference made a part hereof, more particularly described as follows:

Beginning at a point on the southerly right-of-way line of Bakers Ferry Road (County Road No. 514) which bears South 50° 40' 32" East 52.77 feet from a found 5/8" iron rod with yellow

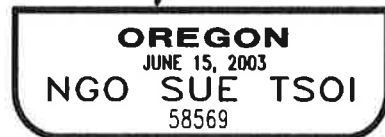


plastic cap stamped "Clackamas Co. DTD" as shown on Survey Number 2003-074, Clackamas County Survey Records; thence leaving said southerly right-of-way line South 51° 09' 36" East 32.24 feet to the true point of beginning; thence South 51° 09' 36" East 6.47 feet; thence South 16° 09' 55" East 103.31 feet; thence South 56° 23' 24" East 11.65 feet to the centerline of Foster Creek; thence along said centerline of Foster Creek South 38° 49' 01" West 53.36 feet; thence leaving said centerline of Foster Creek North 47° 38' 26" West 21.25 feet; thence North 02° 21' 45" East 137.10 feet to the true point of beginning.

The parcel of land to which this description applies contains 3,655 square feet, more or less.

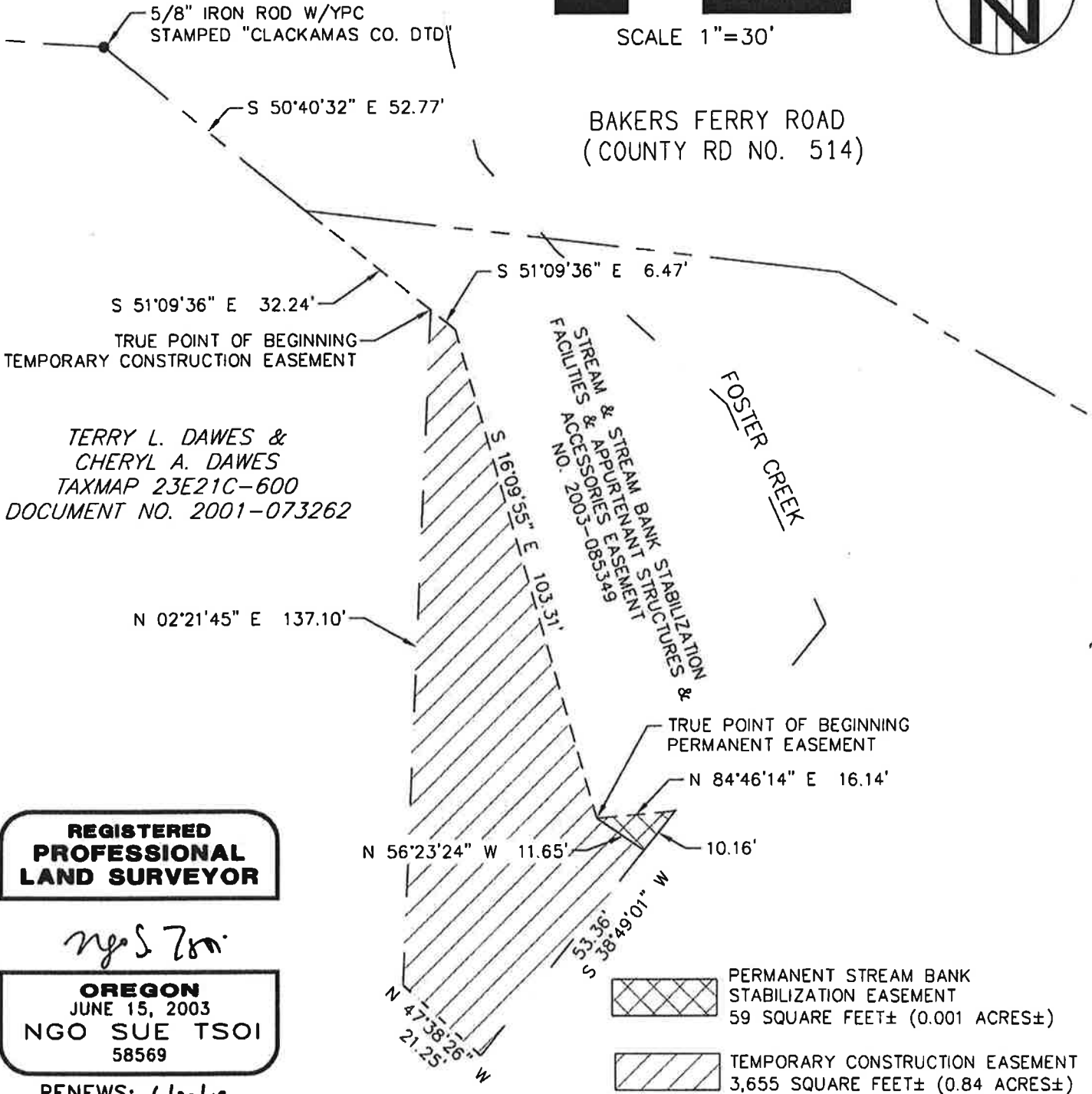
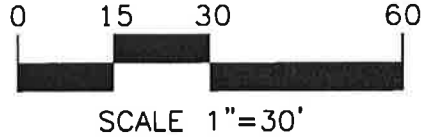


NGO S. TSOI



RENEWS: 6/30/18

LOCATED IN THE SW 1/4 OF SECTION 21,
T.2S., R.3E., W.M.
CLACKAMAS COUNTY, OREGON




TERRY L. DAWES &
CHERYL A. DAWES
TAXMAP 23E21C-600
DOCUMENT NO. 2001-073262


**REGISTERED
PROFESSIONAL
LAND SURVEYOR**

NGO SUE TSOI

OREGON
JUNE 15, 2003
NGO SUE TSOI
58569

RENEWS: 6/30/18

 PERMANENT STREAM BANK STABILIZATION EASEMENT
59 SQUARE FEET± (0.001 ACRES±)

 TEMPORARY CONSTRUCTION EASEMENT
3,655 SQUARE FEET± (0.84 ACRES±)



**DAVID EVANS
AND ASSOCIATES INC.**

2100 SW River Parkway
Portland Oregon 97201
Phone: 503.223.6663

PROJECT	EXHIBIT "B"			SHEET
TITLE	CLACKAMAS COUNTY			1
FOSTER CREEK (BAKERS FERRY ROAD) CROSSING OF				
DWG. REF.	PROJECT	SCALE	AMENDMENT NO.	1
TL 600	CLKX0000-0038	1" = 30'	0.0	
DRAWN BY	DESIGN BY	APPROVED BY	DATE	
NST		PNS	01-26-2018	



EXHIBIT "A"

Foster Creek (Bakers Ferry Road) Crossing
Owner: Randy Butterfield

Map No. 23E21B01701
January 26, 2018
Page 1 of 1

TEMPORARY CONSTRUCTION EASEMENT

A parcel of land situated in the southwest one-quarter of Section 21 and the John Foster DLC No. 41 in Township 2 South, Range 3 East, Willamette Meridian, Clackamas County, State of Oregon and being a portion of that property described as Parcel I and conveyed to Randy Butterfield in that Statutory Warranty Deed, recorded April 19, 2016 as Document No. 2016-025147, Clackamas County Deed Records, as shown on Exhibit "B" attached hereto and by this reference made a part hereof, more particularly described as follows:

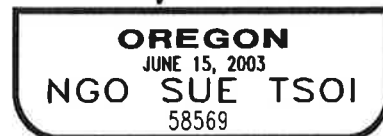
Beginning at the southwest corner of said property, said point also being on the north right-of-way line of Bakers Ferry Road (County Road No. 514) which bears South 86° 26' 55" West 29.96 feet from a found 5/8" iron rod with yellow plastic cap stamped "Clackamas Co. DTD" as shown on Survey Number 2003-074, Clackamas County Survey Records; thence leaving said north right-of-way line and along the westerly property line North 27° 05' 17" East 43.19 feet to the true point of beginning; thence along said westerly property line North 27° 05' 17" East 121.93 feet; thence leaving said westerly property line North 78° 13' 11" East 8.54 feet; thence South 14° 09' 22" East 47.80 feet; thence North 75° 55' 18" East 64.72 feet; thence South 11° 46' 49" East 47.53 feet; thence South 64° 27' 31" West 98.12 feet; thence South 47° 31' 59" East 168.99 feet; thence South 39° 35' 21" West 33.66 feet to northeasterly right-of-way line of said Bakers Ferry Road; thence along said northeasterly right-of-way line North 40° 12' 43" West 129.03 feet; thence North 78° 31' 13" West 70.53 feet; thence leaving said northeasterly right-of-way line North 15° 43' 20" West 38.04 feet to the true point of beginning.

The parcel of land to which this description applies contains 15,137 square feet, more or less.

The bearings of this description are assumed.

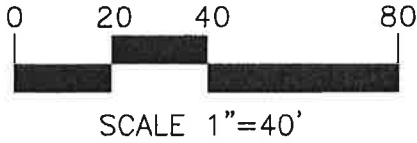



Ng S. Tsoi



RENEWS: 6/30/18

LOCATED IN THE SW 1/4 OF SECTION 21,
T.2S., R.3E., W.M.
CLACKAMAS COUNTY, OREGON



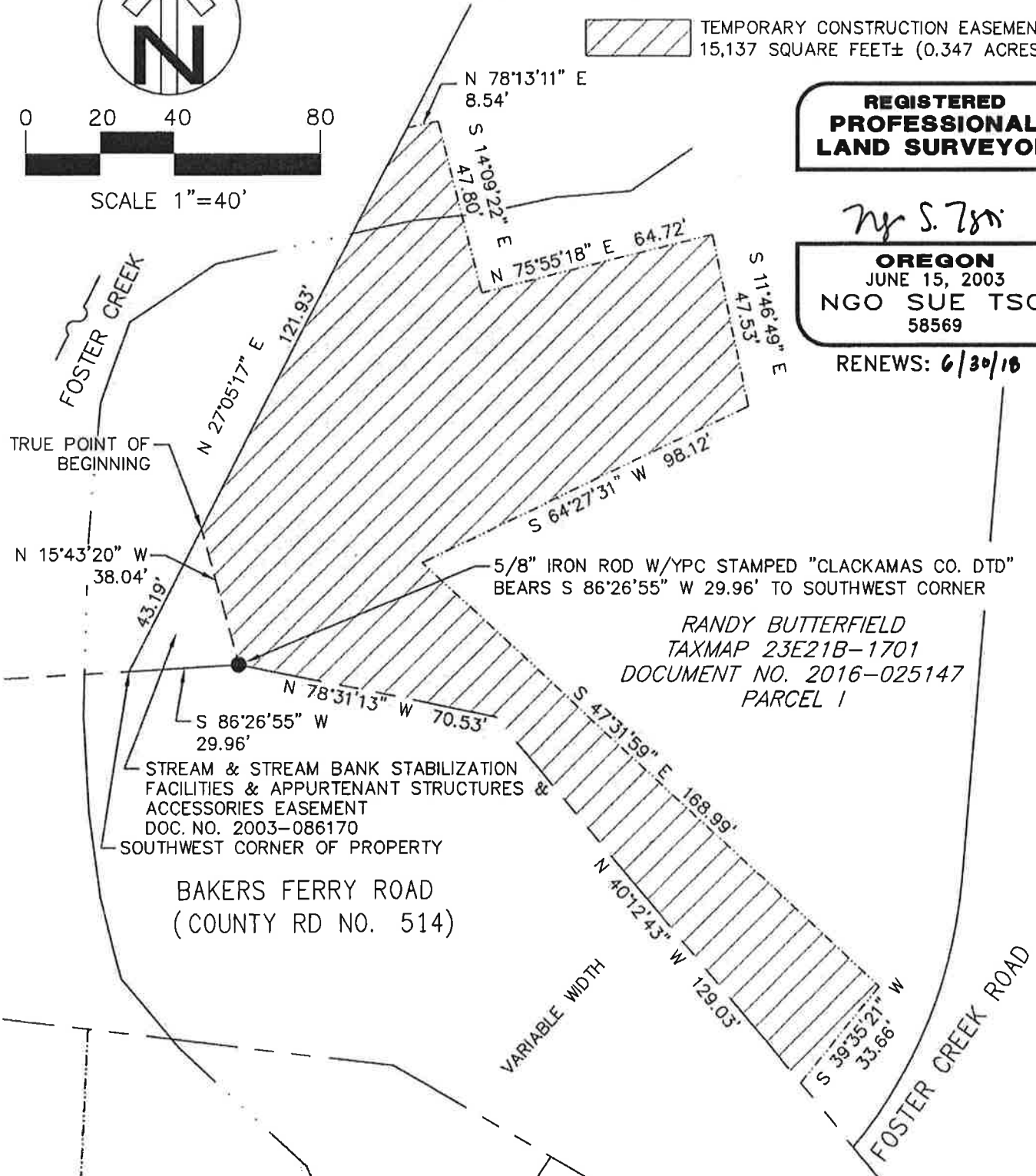
 TEMPORARY CONSTRUCTION EASEMENT
15,137 SQUARE FEET± (0.347 ACRES±)

**REGISTERED
PROFESSIONAL
LAND SURVEYOR**

Sue Tsoi

OREGON
JUNE 15, 2003
NGO SUE TSOI
58569

RENEWS: 6/30/18



RANDY BUTTERFIELD
TAXMAP 23E21B-1701
DOCUMENT NO. 2016-025147
PARCEL 1

STREAM & STREAM BANK STABILIZATION
FACILITIES & APPURTENANT STRUCTURES &
ACCESSORIES EASEMENT
DOC. NO. 2003-086170
SOUTHWEST CORNER OF PROPERTY

BAKERS FERRY ROAD
(COUNTY RD NO. 514)

VARIABLE WIDTH

FOSTER CREEK ROAD



**DAVID EVANS
AND ASSOCIATES INC.**

2100 SW River Parkway
Portland Oregon 97201
Phone: 503.223.6663

PROJECT	EXHIBIT "B"			SHEET
TITLE	CLACKAMAS COUNTY			1
FOSTER CREEK (BAKERS FERRY ROAD) CROSSING				OF
DWG. REF.	PROJECT	SCALE	AMENDMENT NO.	1
TL 1701	CLKX0000-0038	1" = 40'	0.0	
DRAWN BY	DESIGN BY	APPROVED BY	DATE	
NST		PNS	01-26-2018	



February 15, 2018

Board of County Commissioner
Clackamas County

Members of the Board:

Approval of a Federal Lands Access Program Match Agreement
with Western Federal Lands Highway Division for the
East Salmon River Road Surface Preservation Project

Purpose/Outcomes	The purpose of the agreement is to confirm Clackamas County's intention to meet our grant award match requirements for the East Salmon River Road Surface Preservation Project.
Dollar Amount and Fiscal Impact	Overall Project Cost Estimate: \$493,099 Federal Lands Access Program (FLAP) funds: \$200,000 County minimum match (10.27%): up to \$22,891 County overmatch: up to \$270,208
Funding Source	FLAP Funds and County Road Funds.
Duration	A project Memorandum of Agreement will replace this agreement and include a duration.
Previous Board Action	06/28/16: BCC Authorization to Apply for Federal Land Access Program Funding
Strategic Plan Alignment	This project will "Build a strong infrastructure".
Contact Person	Joel Howie, Civil Engineering Supervisor 503-742-4658

Clackamas County submitted a grant application to Western Federal Lands Highway Division (WFLHD) to perform a two-inch asphalt overlay along 2.03 miles of East Salmon River Road between Highway 26 and the Mount Hood National Forest Boundary to the south. The grant application's total estimated cost was \$434,055 with a federal funding request of \$394,680. During the grant review process, WFLHD added a ten percent construction phase contingency raising the grant's overall project cost estimate to \$493,099.

WFLHD awarded the project \$200,000 in federal funds, requiring a minimum County Match of \$22,891 based on a 10.27 percent match. Up to an additional \$270,208 in County funds will be required to complete the project as envisioned in the grant application. WFLHD's grant award decision was based on the percentage (40%) of traffic that actually travels to the national forest area. Although the grant award is significantly less than the application's request, the road is in need of an asphalt overlay and leveraging the funds to pay for a portion of the overlay project is prudent.

A project Memorandum of Agreement will follow this agreement when funding is available for the project. The County's match would not be incurred until the year the project is programmed, expected between 2019 and 2021.

This agreement has been reviewed and approved by County Counsel.

RECOMMENDATION:

Staff respectfully recommends that the Board of County Commissioners approve the attached Match Agreement with WFLHD for the East Salmon River Road Surface Preservation Project as listed in the agreement.

Respectfully submitted,

Mike Bezner
Assistant Director of Transportation

State: Oregon

Project Number/Name: OR CLACK 2639(1) / East Salmon River Road Surface Preservation

Parties to this Agreement:

U.S. Department of Transportation
Federal Highway Administration
Western Federal Lands Highway Division, FHWA

and

Clackamas County

Purpose of Agreement:

The purpose of this agreement is to document the intent of Clackamas County to meet its match requirement for the subject project as authorized under 23 USC 201(b)(7)(B).

With this agreement, Western Federal Lands Highway Division, FHWA authorizes this project as eligible for federal participation. The purpose of this project is to overlay 2.03 miles of roadway between US26 and the Mount Hood National Forest Boundary, including adjustments to guardrail and new striping. This agreement does not commit the parties to complete the project, but, rather sets forth the respective responsibilities as the project proceeds. Any subsequent decisions to complete final design and to construct the project will depend on authorizing legislation, NEPA analysis, availability of appropriations, and matching funds at the time of obligation.

The authority for FHWA to enter into this agreement is under Title 23 U.S.C. Section 204.

Funding:

The Federal Lands Access Program (FLAP) under Fixing America's Surface Transportation Act (FAST Act) authorizes FHWA to provide funding for specific projects. The Program Decision Committee (PDC), consisting of FHWA, the State of Oregon, and an organization representing the local agencies of the state, is designated to jointly decide upon projects funded in the state. The PDC has selected this project for programming the under the Oregon State Federal Lands Access Program.

All FLAP expenditures associated with this project after execution of this match agreement will need to be matched by a Non-Federal source, by other Federal funds other than those made available under Titles 23 and 49 of the United States Code, or by funds made available under 23 U.S.C. 202 and 203. The matching requirement under the FAST Act will be met by Clackamas County and other agencies that have committed to the project in subsequent agreements. The forms of match shall be those consistent with the 'Federal-Aid Guidance Non-Federal Matching Requirements' and as approved by FHWA. In the state of Oregon, the match rate is 10.27% of the total project cost.

This project is authorized to use a Tapered Match. Under this approach, the non-Federal match is imposed over the entire project rather than individual progress payments. The terms and form of the Match will be documented in the project Memorandum of Agreement (MOA) in coordination with Clackamas County to be executed at a later date. The final Match will be determined based on actual expenditures at the conclusion of project work. Matching cash funds in FHWA receipt may need to be supplemented, or returned, once actual expenditures are determined.

Federal Lands Access Program Match Agreement

Federal Lands Access Program funds are administered by FHWA and are subject to annual appropriations from Congress. This document does not commit FHWA to advance the project or provide funds for the project, but provides the required matching funds if FHWA expends funds to advance the project.

The following agencies have agreed to contribute the amounts shown which will reduce the federal share by the same amount.

Agency Contributions:

Agency	Percentage of Match	Total Match as a Percentage (%)
Clackamas County	100%	10.27%
		<hr/> 10.27%

Clackamas County is ONLY responsible for their respective match as shown above. The required local match listed in the FLAP application was \$22,891. The value of the match will be confirmed during the development of the Project Memorandum of Agreement.

In addition to the minimum match required shown above, Clackamas County will provide additional non-federal funds as indicated on the application of \$270,208.

Modification:

This agreement is expected to be replaced and superseded by the execution of a project Memorandum of Agreement.

This Agreement shall be effective as of the date of the last signature:

**U.S. Department of Transportation
Federal Highway Administration
Western Federal Lands Highway Division, FHWA**

Approved By:

Dan Donovan, Chief of Business Operations

Date

Clackamas County

Approved By:

Jim Bernard, Commission Chair

Date



February 15, 2018

Board of County Commissioner
Clackamas County

Members of the Board:

Approval of a Federal Lands Access Program Match Agreement
with Western Federal Lands Highway Division for the
Lolo Pass Road Stabilization and Surface Preservation Project

Purpose/Outcomes	The purpose of the agreement is to confirm Clackamas County's intention to meet our grant award match requirements for the Lolo Pass Road Stabilization and Surface Preservation Project.
Dollar Amount and Fiscal Impact	Overall Project Cost Estimate: \$4,052,403 Federal Lands Access Program (FLAP) funds: \$3,241,922 County minimum match (10.27%): up to \$371,052 County overmatch: up to \$439,429
Funding Source	FLAP Funds and County Road Funds.
Duration	A project Memorandum of Agreement will replace this agreement and include a duration.
Previous Board Action	06/28/16: BCC Authorization to Apply for Federal Land Access Program Funding
Strategic Plan Alignment	This project will "Build a strong infrastructure".
Contact Person	Joel Howie, Civil Engineering Supervisor 503-742-4658

Clackamas County submitted a grant application to Western Federal Lands Highway Division (WFLHD) to stabilize and improve Lolo Pass Road by extending a section of existing revetment constructed as a part of the Lolo Pass Road Emergency Repair Project. The revetment construction is intended to reduce the likelihood that the Sandy River will leave its banks during the next flood event at this location. Additionally, Lolo Pass Road will receive a two-inch asphalt overlay along the entire 3.99 miles of road between Highway 26 and the Mount Hood National Forest Boundary to the north. The grant application's total estimated cost was \$3,693,370 with a federal funding request of \$3,316,752. During the grant review process, WFLHD added a ten percent construction phase contingency raising the grant's overall project cost estimate to \$4,052,403.

WFLHD awarded the project \$3,241,922 in federal funds, requiring a minimum County Match of 10.27 percent or \$371,052. Up to an additional \$439,429 in County funds will be required to complete the project as envisioned in the grant application. WFLHD's grant award decision was based on providing 80 percent of the project's total estimated cost. Although the grant award is less than the application's request, the revetment adjacent to Lolo Pass road described in the grant application is in need of stabilization, the entire road limits are in need of an asphalt overlay and leveraging the funds to pay for most of the project is prudent.

A project Memorandum of Agreement will follow this agreement when funding is available for the project. The County's match would not be incurred until the year the project is programmed, expected between 2019 and 2021.

This agreement has been reviewed and approved by County Counsel.

RECOMMENDATION:

Staff respectfully recommends that the Board of County Commissioners approve the attached Match Agreement with WFLHD for the Lolo Pass Road Stabilization and Surface Preservation Project as listed in the agreement.

Respectfully submitted,

Mike Bezner
Assistant Director of Transportation

State: Oregon

Project Number/Name: OR CLACK 37005(2) / Lolo Pass Road Stabilization and Surface Preservation

Parties to this Agreement:

U.S. Department of Transportation
Federal Highway Administration
Western Federal Lands Highway Division, FHWA

and

Clackamas County

Purpose of Agreement:

The purpose of this agreement is to document the intent of Clackamas County to meet its match requirement for the subject project as authorized under 23 USC 201(b)(7)(B).

With this agreement, Western Federal Lands Highway Division, FHWA authorizes this project as eligible for federal participation. The purpose of this project is to stabilize and improve Lolo Pass Road by extending an already existing revetment and overlaying the existing road surface. This agreement does not commit the parties to complete the project, but, rather sets forth the respective responsibilities as the project proceeds. Any subsequent decisions to complete final design and to construct the project will depend on authorizing legislation, NEPA analysis, availability of appropriations, and matching funds at the time of obligation.

The authority for FHWA to enter into this agreement is under Title 23 U.S.C. Section 204.

Funding:

The Federal Lands Access Program (FLAP) under Fixing America's Surface Transportation Act (FAST Act) authorizes FHWA to provide funding for specific projects. The Program Decision Committee (PDC), consisting of FHWA, the State of Oregon, and an organization representing the local agencies of the state, is designated to jointly decide upon projects funded in the state. The PDC has selected this project for programming the under the Oregon State Federal Lands Access Program.

All FLAP expenditures associated with this project after execution of this match agreement will need to be matched by a Non-Federal source, by other Federal funds other than those made available under Titles 23 and 49 of the United States Code, or by funds made available under 23 U.S.C. 202 and 203. The matching requirement under the FAST Act will be met by Clackamas County and other agencies that have committed to the project in subsequent agreements. The forms of match shall be those consistent with the 'Federal-Aid Guidance Non-Federal Matching Requirements' and as approved by FHWA. In the state of Oregon, the match rate is 10.27% of the total project cost.

This project is authorized to use a Tapered Match. Under this approach, the non-Federal match is imposed over the entire project rather than individual progress payments. The terms and form of the Match will be documented in the project Memorandum of Agreement (MOA) in coordination with Clackamas County to be executed at a later date. The final Match will be determined based on actual expenditures at the conclusion of project work. Matching cash funds in FHWA receipt may need to be supplemented, or returned, once actual expenditures are determined.

Federal Lands Access Program Match Agreement

Federal Lands Access Program funds are administered by FHWA and are subject to annual appropriations from Congress. This document does not commit FHWA to advance the project or provide funds for the project, but provides the required matching funds if FHWA expends funds to advance the project.

The following agencies have agreed to contribute the amounts shown which will reduce the federal share by the same amount.

Agency Contributions:

Agency	Percentage of Match	Total Match as a Percentage (%)
Clackamas County	100%	10.27%
		<hr/> 10.27%

Clackamas County is ONLY responsible for their respective match as shown above. The required local match listed in the FLAP application was \$371,052. The value of the match will be confirmed during the development of the Project Memorandum of Agreement.

In addition to the minimum match required shown above, Clackamas County will provide additional non-federal funds as indicated on the application of \$439,429.

Modification:

This agreement is expected to be replaced and superseded by the execution of a project Memorandum of Agreement.

This Agreement shall be effective as of the date of the last signature:

**U.S. Department of Transportation
Federal Highway Administration
Western Federal Lands Highway Division, FHWA**

Approved By:

Dan Donovan, Chief of Business Operations

Date

Clackamas County

Approved By:

Jim Bernard, Commission Chair

Date

DRAFT

Approval of Previous Business Meeting Minutes:
January 25, 2018

BOARD OF COUNTY COMMISSIONERS BUSINESS MEETING MINUTES

A complete video copy and packet including staff reports of this meeting can be viewed at

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

Thursday, January 25, 2018 – 10:00 AM

Public Services Building

2051 Kaen Rd., Oregon City, OR 97045

PRESENT: Commissioner Jim Bernard, Chair
Commissioner Sonya Fischer
Commissioner Ken Humberston
Commissioner Martha Schrader

EXCUSED: Commissioner Paul Savas

CALL TO ORDER

- Roll Call
- Pledge of Allegiance

I. CITIZEN COMMUNICATION

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

1. Les Poole, Gladstone – spoke on communication and Chair Bernard’s Facebook comments.

~Board Discussion~

II. CONSENT AGENDA

Chair Bernard asked the Clerk to read the consent agenda by title, he then asked for a motion.

MOTION:

Commissioner Humberston: I move we approve the consent agenda.

Commissioner Fischer: Second.

~Board Discussion~

Commissioner Humberston had a question regarding funds of item A.7. Administrator Krupp said he would follow-up with an answer

all those in favor/opposed:

Commissioner Fischer: Aye.

Commissioner Humberston: Aye.

Commissioner Schrader: Aye.

Chair Bernard: Aye – the Ayes have it, the motion carries 4-0.

A. Health, Housing & Human Services

1. Approval of Amendment No. 2 to an Agency Services Contract with ColumbiaCare Services, Inc. for Supported Housing Services – *Behavioral Health*
2. Approval of Amendment No. 1 to an Agency Services Contract with ColumbiaCare Services, Inc. for Residential Treatment Services – *Behavioral Health*
3. Approval of an Intergovernmental Agreement with Portland State University, for an Economical Impact Analysis – *Public Health*
4. Approval of an Intergovernmental Agreement with North Clackamas School District for Kindergarten Partnership and Innovation Services – *Children, Youth & Families*
5. Approval of an Intergovernmental Agreement with Gladstone School District for Kindergarten Partnership and Innovation Services – *Children, Youth & Families*

6. Approval of an Intergovernmental Agreement with Oregon Trail School District for Preschool Promise Services – *Children, Youth & Families*
7. Approval of an Agency Service Contract with Clackamas County Children’s Commission for Healthy Families Program Services – *Children, Youth & Families*
8. Approval of Amendment #1 to an Intergovernmental Agreement with Health Share of Oregon to provide Behavioral Health Services to members Enrolled with the Oregon Health Plan (OHP) – *Health Centers*

B. Human Resources

1. Approval of the Labor Contract Between The County of Clackamas and the Clackamas County Federation of Parole and Probation Officers (FOPPO)

III. COUNTY ADMINISTRATOR UPDATE

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

IV. COMMISSIONERS COMMUNICATION

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

MEETING ADJOUNED – 10:34 AM

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. You may also order copies from any library in Clackamas County or the Clackamas County Government Channel. www.clackamas.us/bcc/business.html



OFFICE OF COUNTY COUNSEL

PUBLIC SERVICES BUILDING
 2051 KAEN ROAD OREGON CITY, OR 97045

February 15, 2018

Board of County Commissioners
 Clackamas County

Members of the Board:

Approval of Amendment No. 1 to Settlement Agreement Between
The City of Gladstone and Clackamas County

Stephen L. Madkour
 County Counsel

Kathleen Rastetter
Chris Storey
Scott C. Ciecko
Alexander Gordon
Amanda Keller
Nathan K. Boderman
Christina Thacker
Shawn Lillegren
Jeffrey D. Munns
 Assistants

Purpose/Outcomes	Amendment to previously approved settlement agreement in breach of contract lawsuit filed by the City of Gladstone.
Dollar Amount and Fiscal Impact	Potentially upwards to \$360,000
Funding Source	County General Fund
Duration	Amendment No. 1 to Settlement Agreement would be effective when signed by the parties, but some terms of settlement agreement would be indefinite.
Previous Board Action	The Board has met on numerous occasions in executive session to discuss pending litigation and formally approved original settlement agreement in October 2017.
Strategic Plan Alignment	<ul style="list-style-type: none"> • Build public trust through good government • Grow a vibrant economy • Build a strong infrastructure • Ensure safe, healthy and secure communities
Contact Person	Stephen L. Madkour, County Counsel
Contract No.	N/A

BACKGROUND:

In August 2016, the City of Gladstone filed suit against Clackamas County. The nature of the suit was a claim of breach of contract stemming from an Intergovernmental Agreement (IGA) between the parties for the construction of a library within the City of Gladstone.

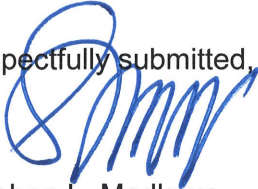
The Board formally approved the terms of settlement on October 16, 2017. That settlement agreement contemplated a two-library solution, with the main library of approximately 19,000 square feet to be located in the unincorporated Oak Grove area and a smaller 6,000 square foot library located on Portland Avenue in the City of Gladstone. Both libraries will be managed and operated by Clackamas County. The two-library solution would require voter approval by the voters of the City of Gladstone. Once the settlement agreement was approved by both entities, the City dismissed the lawsuit.

Since that time, the parties realized that additional time was needed to adequately address and satisfy the parties' obligations under the settlement agreement. For those reasons, we have prepared Amendment No. 1 to the settlement agreement and have extended the deadline from May 2018 to December 2018.

RECOMMENDATION:

The Office of County Counsel and Department of Business and Community Services recommends that the Board of County Commissioners approve Amendment No. 1 to the previously approved Settlement Agreement between the City of Gladstone and Clackamas County.

Respectfully submitted,



Stephen L. Madkour
County Counsel

Cc: Amendment No. 1 to Settlement Agreement

Amendment No. 1 to Settlement Agreement

Between

Clackamas County and

The City of Gladstone

THIS AMENDMENT NO. 1 TO THE SETTLEMENT AGREEMENT (“Amendment”) is made by and between the City of Gladstone (“City”) and Clackamas County (“County”). The Effective Date of this Agreement is the date upon which the last signature is obtained between the parties.

WHEREAS, the City and County entered into that certain Settlement Agreement dated October 16th, 2017 (the “Agreement”) resolving certain disputed matters; and

WHEREAS, the County has requested additional time to accomplish certain required actions in the Agreement for the benefit of both parties, and the City has expressed a willingness to do so; and

WHEREAS, this Amendment effectuates the proposed changes;

NOW THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. The Agreement’s Sections 2.3.2, 3.1, 3.2, 4.1 and 4.4 are hereby amended and restated to read in their entirety:
 - 2.3.2. County Measure. If an election is required to effectuate any amendments to the Master Order, Capital IGA or the Master IGA, the County will submit a measure to voters (“County Measure”) for the November 2018 election.
 - 3.1. Measures. City shall file any necessary measure to the County Election Official no later than the final submission date for local governments to file the ballot title with the County Election Official for the May 2018 election. County shall file any necessary measure to the County Election Official no later than the final submission date for local governments to file the ballot title with the County Election Official for the November 2018 election.
 - 3.2. Amendments. Both parties agree that any necessary amendments to the Master Order, Capital IGA and the Master IGA will occur no later than December 31, 2018.
 - 4.1. Failure to Submit County Measure. If County fails to submit County Measure, or fails to use the appropriate procedure to submit County Measure, to the electors within the timeframe specified above, County will pay City a lump sum of three hundred sixty thousand dollars and no cents (\$360,000.00) by October 31, 2018 for the City to use for library purposes.
 - 4.4 Master IGA. If the Master IGA must be amended to effectuate Concept Option A and the parties to the Master IGA fail to amend it by December 31, 2018, County will pay City a lump sum of three hundred sixty thousand dollars and no cents (\$360,000.00) for the City to use for library purposes within thirty (30) days of a written demand from City.

2. Except as set forth herein, the Agreement is affirmed and ratified.

SIGNED:

FOR CLACKAMAS COUNTY

Dated January __, 2018

By: _____
Jim Bernard, Chair

FOR CITY OF GLADSTONE

Dated: January __, 2018

By: _____
Tamara Stempel, Mayor



Laura Zentner
Interim Director

BUSINESS AND COMMUNITY SERVICES

Development Services Building
150 Beaver Creek Road Oregon City, OR 97045

February 15, 2018

Board of County Commissioners
Clackamas County

Members of the Board:

Approval of a Purchase and Sale Agreement with Port Blakely U.S. Forestry
for the Exchange of Real Property

Purpose/Outcomes	Provides for the exchange of real property between Clackamas County and Port Blakely US Forestry. The exchange of approximately 50 acres of forestland properties will allow for consolidation of assets and more efficient management. Clackamas County to also convey \$261,856 to Port Blakely which is the value difference of the additional volume of timber being conveyed to the County.
Dollar Amount and Fiscal Impact	Purchase price of \$261,856
Funding Source	Business and Community Services - County Forest Division FY17/18 adopted budget
Duration	N/A
Strategic Plan Alignment	1. Provide timberland asset management to sustainably fund and operate County Parks & Forest operations. 2. Honor, Utilize, Promote and Invest in our Natural Resources.
Previous Board Action	November 7, 2017 Executive Session to review terms and conditions of the proposed Purchase and Sale Agreement.
Contact Person	Rick Gruen, County Parks & Forest Manager, x4345

BACKGROUND:

Clackamas County owns and manages 3,200 acres of timberlands. Long term asset management is needed to sustainably generate timber sales to support County Park operational and capital requirements. The land exchange of approximately 50 acres each between Port Blakely US Forestry and Clackamas County is consistent with that strategy and will allow each entity to consolidate timberland assets and provide for more efficient forest management. The forestland asset being conveyed by Port Blakely has a greater amount of timber volume requiring the County to pay Port Blakely the sum of \$261,856 to equalize the value of the exchange. The Board reviewed the terms and considerations of the land exchange on November 7, 2017 and directed staff to finalize the Purchase and Sale Agreement.

County Counsel has reviewed and approved the language of this Purchase and Sale Agreement.

RECOMMENDATION:

Staff recommends the Board approve the attached Purchase and Sale Agreement with Port Blakely US Forestry and further delegate authority to Laura Zentner, BCS Interim Director, to sign on behalf of Clackamas County.

Respectfully submitted,

Laura Zentner, Interim Director
Business and Community Services Director

EXCHANGE AGREEMENT

This Exchange Agreement (this "Agreement") is entered into January _____, 2018, by and between CLACKAMAS COUNTY, OREGON, a body politic and corporate of the State of Oregon (hereinafter referred to as "County"), and PORT BLAKELY TREE FARMS (LIMITED PARTNERSHIP), a Washington limited partnership doing business as PORT BLAKELY U.S. FORESTRY (hereinafter referred to as "Port Blakely").

Recitals

A. The addresses and telephone numbers of the parties to this Agreement are as follows. Telephone numbers are included for information only.

County:

Clackamas County
Attn: Laura Zentner
Business and Community Services Department
150 Beaver Creek Rd.
Oregon City, OR 97045
503/742-4351
Lzentner@co.clackamas.or.us

Port Blakely:

Port Blakely U.S. Forestry
c/o Port Blakely Tree Farms
Attn.: C. Court Stanley
8133 River Drive SE
Tumwater, WA 98501

Copies of any notice to County should also be sent to:

Clackamas County
Attn: Rick Gruen, Manager
County Parks & Forest
150 Beaver Creek Rd.
Oregon City, OR 97045
503/742-4345
RGruen@co.clackamas.or.us

Copies of any notice to Port Blakely should also be sent to:

Port Blakely U.S. Forestry
Attn: Cathrin Weis
Manager, Contracts and Property Transactions
8133 River Drive SE
Tumwater, WA 98501
360/596-9419
cweis@portblakely.com

B. County is the owner of 50.0 acres (more or less) of real property located in Clackamas County, Oregon, and more particularly described at Exhibit A attached hereto. Said real property shall include any and all appurtenances, including but not limited to improvements, fixtures, water, timber, minerals, water rights, overflow rights, water, ditch or irrigation company shares, gravel permits relating to the real property, access rights and grazing rights, and shall be referred to in this Agreement as the "County Property." The parties hereto agree that the value of the County Property is Four Hundred Seventy-Seven Thousand Seven Hundred Sixty-Six and no/100 Dollars (\$477,766.00).

C. Port Blakely is the owner of 52.0 acres (more or less) of real property located in Clackamas County, Oregon, and more particularly described at Exhibit B attached hereto. Said real property shall include any and all appurtenances, including but not limited to improvements, fixtures, water, timber, minerals, water rights, overflow rights, water, ditch or irrigation company shares, gravel permits relating to the real property, access rights and grazing rights, and shall be

referred to in this Agreement as the "Port Blakely Property." The parties hereto agree that the value of the Port Blakely Property is Seven Hundred Thirty-Nine Thousand Six Hundred Twenty-Two and no/100 Dollars (\$739,622.00).

D. County and Port Blakely desire to exchange ownership of the two properties, along with sufficient consideration to create equal value, to create increased efficiencies and opportunities for effective forest management for both parties.

The Parties Agree As Follows:

1. Agreement to Exchange. County shall convey to Port Blakely the County Property and the Additional Consideration, defined in Section 2.1 below, simultaneously on the Closing Date (as hereinafter defined) and otherwise in accordance with the terms and conditions set forth in this Agreement, and Port Blakely shall convey to County the Port Blakely Property, defined in Section 2.2 below, and otherwise in accordance with the terms and conditions set forth in this Agreement, all subject to the contingencies set forth in Section 6 below.

2. Consideration.

2.1 The County agrees to transfer to Port Blakely the County Property for a consideration of Four Hundred Seventy-Seven Thousand Seven Hundred Sixty-Six and no/100 Dollars (\$477,766.00) plus cash equal to Two Hundred Sixty-One Thousand Eight Hundred Fifty-Six and no/100 Dollars (\$261,856.00), in exchange for Port Blakely Property with an exchange value of Seven Hundred Thirty-Nine Thousand Six Hundred Twenty-Two and no/100 Dollars (\$739,622.00) The County agrees that conveyance of the Port Blakely Property in exchange for the County Property and Additional Consideration is full and adequate consideration for the County Property.

2.2 Port Blakely agrees to transfer to the County the Port Blakely Property for a consideration of Seven Hundred Thirty-Nine Thousand Six Hundred Twenty-Two and no/100 Dollars (\$739,622.00) in exchange for the County Property with an exchange value of Seven Thousand Seven Hundred Sixty-Six and no/100 Dollars (\$477,766.00) plus cash equal to Two Hundred Sixty-One Thousand Eight Hundred Fifty-Six and no/100 Dollars (\$261,856.00), the Additional consideration. Port Blakely agrees that conveyance of the County Property and payment of the Additional Consideration in exchange for the Port Blakely Property is full and adequate consideration for the Port Blakely Property.

2.3 Within ten (10) days after the date of execution of this Agreement by the parties hereto, County shall pay to Fidelity National Title Company of Oregon, 900 SW Fifth Ave Portland, OR 97204 (the "Escrow Agent") a payment in the amount of Twenty-Five Thousand and no/100 Dollars (\$25,000.00), to be held as Earnest Money in accordance with the terms of this Agreement. The Earnest Money shall be refundable unless the transaction fails to close due to the breach of this Agreement by County. In the event that the purchase and sale of this Property is closed, the Earnest Money shall be credited and applied against the purchase price at Closing (as defined below).

3. Escrow and Closing. Immediately upon execution of this Agreement the parties shall open an escrow with the Escrow Agent, specifically Sam Goold, Senior Escrow Officer for the purpose of closing the Exchange of the County Property and Port Blakely Property. At the Closing, which shall occur on or before February 28, 2018 (the "Closing Date"), County shall convey to Port Blakely the County Property, and Port Blakely shall convey to the County the Port Blakely Property. The parties further agree that either party may have one (1) extension of the Closing Date for a period of sixty (60) additional days at no cost to either party.

3.1 County Conditions to Closing. On or before the date of Closing, Port Blakely shall have delivered into escrow the following:

- a. Deed. A statutory warranty deed conveying to the County fee title to the Port Blakely Property.
- b. Additional Funds: Funds necessary to pay for the County's portion of any closing or escrow costs including the costs for an ALTA 2006 Standard Owner's Title Insurance Policy.
- c. Proof of Authority. Such proof of Port Blakely's authority and authorization to enter into this Agreement and consummate the transaction contemplated by it, and such proof of the power and authority of the persons executing and/or delivering any instruments, documents, or certificates on behalf of Port Blakely to act for and bind Port Blakely, as may be reasonably required by the Escrow Holder and/or the County.

3.2 Port Blakely Conditions to Closing. On or before the date of Closing, County shall have delivered into escrow the following:

- a. Deed. A statutory warranty deed conveying to Port Blakely fee title to the County Property.
- b. Additional Consideration. Two Hundred Sixty-One Thousand Eight Hundred Fifty-Six and no/100 Dollars (\$261,856.00) representing the Additional Consideration.
- c. Additional Funds: Funds necessary to pay for the County's portion of any closing or escrow costs including the costs for an ALTA 2006 Standard Owner's Title Insurance Policy.
- d. Proof of Authority. Such proof of County's authority and authorization to enter into this Agreement and consummate the transaction contemplated by it, and such proof of the power and authority of the persons executing and/or delivering any instruments, documents, or certificates on behalf of County to act for and bind County, as may be reasonably required by the Escrow Holder and/or Port Blakely.

4. Deed and Other Conveyances. At Closing, each party shall convey to the other marketable title by Statutory Warranty Deed. Each shall transfer any applicable water entitlements in the manner set forth in subsection 4.1 hereunder, and the title to any personal property shall be by Bill of Sale executed and delivered at closing.

4.1 Water Entitlements. Either or both of the County Property or Port Blakely Property may have appurtenant water rights. The parties shall cooperate with each other to assist in completing and filing with the State of Oregon Water Resources Department a "Water Right Ownership Update Form" and/or "Request for Assignment" for the water rights relating to the properties, if any. The purchaser of such property shall be responsible for the filing of such requests for assignments, and for the payment of any fees required to be paid for the filing of said forms.

5. Title Insurance. At Closing Port Blakely and County agree as follows:

5.1. Port Blakely shall, at their own expense, provide County with an ALTA Standard coverage Owner's Policy of Title Insurance in the amount of \$739,622.00, the value of the Port Blakely Property, insuring fee simple title vested in County, subject only to the exceptions shown in the title report not objected to by County during the due diligence period provided for in Section 6. If County objects to exceptions as set forth in subsection 6.3, then the Port Blakely may elect to remove the exceptions objected to as set forth in subsection 6.3. If the Port Blakely is unable or unwilling to remove any or all of the exceptions objected to by County, County shall have the election to proceed with the Closing and take title subject to the exceptions objected to, or by written notice to Port Blakely to decline to proceed to Closing, in which event this Agreement shall be null and void and the Earnest Money returned to the County.

5.2. County shall, at their own expense, provide Port Blakely with an ALTA Standard coverage Owner's Policy of Title Insurance in the amount of \$477,766.00, the value of the County Property, insuring fee simple title vested in Port Blakely, subject only to the exceptions shown in the title report not objected to by Port Blakely during the due diligence period provided for in Section 6. If Port Blakely objects to exceptions as set forth in subsection 6.3, then the Port Blakely may elect to remove the exceptions objected to as set forth in subsection 6.3. If the Port Blakely is unable or unwilling to remove any or all of the exceptions objected to by Port Blakely, Port Blakely shall have the election to proceed with the Closing and take title subject to the exceptions objected to, or by written notice to Port Blakely to decline to proceed to Closing, in which event this Agreement shall be null and void and the Earnest Money returned to the Port Blakely.

6. Due Diligence Period. County and Port Blakely agree that County will have the opportunity to inspect the Port Blakely Property and satisfy itself with the condition of the Port Blakely Property and Port Blakely will have the opportunity to inspect the County Property and satisfy itself with the condition of the County Property. Each party shall have up to forty-five (45) days from the date of execution of this Agreement to conduct all due diligence activities described below. Either party may exercise a unilateral right to terminate this Agreement for any reason arising from or relating to the due diligence activities described below, in which case this Agreement shall terminate and the Earnest Money shall be returned to County.

6.1 Environmental Inspection. During the Due Diligence Period, County and its contractors and agents shall have the right to enter the Port Blakely Property to conduct environmental and other assessments and inspections, including but not limited to a “Phase I” environmental assessment, subject to the requirements of Section 10 below; and Port Blakely and its contractors and agents shall have the right to enter the County Property to conduct environmental and other assessments and inspections, including but not limited to a “Phase I” environmental assessment, subject to the requirements of Section 10 below.

6.2 Title Review. Following execution of this Agreement, County shall cause the Escrow Agent to deliver to Port Blakely a preliminary title report covering the County Property with legible copies of all exceptions listed therein, and Port Blakely shall cause the Escrow Agent to deliver to County a preliminary title report covering the Port Blakely Property with legible copies of all exceptions listed therein (each, a “PTR”). Then, within thirty (30) days following receipt of a PTR, the parties shall advise each other in writing of any liens, encumbrances or other defects or exceptions in or to title to the Property reflected in the PTR to which such party is unwilling to accept title (collectively, the “Unacceptable Exceptions” and each an “Objection”). Failure of a party to provide such written notice within such thirty (30) day period shall be deemed an election to waive any Unacceptable Exceptions disclosed in such PTR and the basis for the Objection and to accept title as conveyed without any reduction in consideration. Within ten (10) calendar days following receipt of an Objection (the “Response Period”), if any, the recipient shall advise the objector in writing whether it intends to correct such Unacceptable Exceptions. If there is no response within such ten (10) calendar day period regarding a cure, then the objecting party shall have the option, as its sole remedy, either to (i) accept title to such property subject to such Unacceptable Exceptions (in which case the Unacceptable Exceptions will thereafter be Permitted Exceptions) without any adjustment in the consideration, or (ii) terminate this Agreement in writing prior to the Closing Date, in which case the Earnest Money and any interest earned thereon shall be returned to County.

6.3. Contracts. Within ten (10) business days after the Effective Date, each Party shall deliver to the other Party true, correct and complete copies of all written contracts, liens, agreements, easements, licenses, encumbrances, leases, or tenancies not of public record that, in each case, affect or pertain in any way to the Property or any portion thereof (the “Contracts”). If either Party, in its sole discretion, desires to assume any of the Contracts, the Party that is the prospective assignee shall give notice to the assignor Party to such effect prior to the expiration of the Due Diligence Period. Unless a Contract is to be assigned and assumed in this manner, each Party shall, at its sole cost and expense, terminate as of, or prior to, the Closing Date all Contracts that will not be assigned and assumed so that such Contracts are of no further force or effect from and after the Closing Date. Contracts that a Party elects to assume shall be assigned to and assumed by the respective Parties and all items of income and expense thereunder shall be prorated as of the Closing Date.

7. County' Representations. County makes the following representations and warranties:

a. County and each of those signing on behalf of County have full power and authority to enter into this Agreement, and to sell the County Property in accordance with this Agreement.

b. No one other than County will be in possession of any portion of the Property at Closing, except as permitted under Section 12 below, any of the permitted exceptions in the title policy, or as otherwise approved in writing by Port Blakely.

c. To County's knowledge (that is the knowledge of Laura Zentner, Rick Gruen and Andrew Dobmeier) as to the County Property or any portion thereof or interest therein, upon the date hereof and at the time of Closing there is no:

(1) Suit, action, arbitration, legal, administrative or other proceeding or inquiry pending or threatened against the Property, or against County, which could affect County's title to the County Property, could affect the value of the County Property, or could subject an owner of the County Property to liability.

(2) Intended public improvement which will result in the creation of any lien upon the County Property or any portion thereof.

(3) Uncured notice which has been served upon County from any governmental agency notifying County of any violation of law, ordinance, rule or regulation which would affect the County Property or any portion thereof.

(4) Actual or impending mechanic's or materialman's lien against the County Property or any portion thereof.

(5) Except as already disclosed, notice or other information giving County reason to believe that any conditions existing on the County Property or in the ground or surface waters associated with the County Property may subject the owner of the County Property to potential liabilities under environmental laws.

(6) Except in the ordinary course of business as currently operated, lease, license, permit, option, right of first refusal or other agreement, written or oral, which affects the County Property or any portion thereof.

(7) County has no knowledge of any hazardous or toxic waste or substance or other contaminant or pollutant (as defined by applicable law) in existence, nor does County have any knowledge of any having been released, manufactured, stored or discharged on or below the surface of the County Property which would constitute a violation of any law, ordinance, rule or regulation of any governmental entity having jurisdiction thereof, or which subjects or may subject Port Blakely to liability to third parties.

d. Neither the signing of this Agreement nor the sale of the County Property will constitute a breach or default under any agreement by which County is bound and/or to which the County Property is subject.

e. County has fulfilled all of the requirements contained in ORS 275.330 for the sale of the Property, or the Property is not subject to the requirements of ORS 275.330.

Each of the above representations is material and is relied upon by Port Blakely and shall survive the Closing of the County Property. Should any of the above representations cease to be true at any time prior to Closing, or if the condition of the County Property (including the condition of title, the environmental condition or the physical aspects of the County Property) shall have materially and adversely changed at any time prior to Closing, County shall, as soon as reasonably practical, so advise Port Blakely in writing. If the problem is not remedied before Closing, Port Blakely may elect to either: (a) terminate this Agreement in which case County shall be refunded the Earnest Money, (b) defer the Closing Date for a period not exceeding sixty (60) days until such problem has been remedied, or (c) proceed with the purchase of the County Property subject to such problem.

Except for the representations and warranties of County contained in this Section 7 and subject to Port Blakely's due diligence under Section 6, Port Blakely represents that (i) it has accepted and executed this Agreement on the basis of its own examination and personal knowledge of the Property, (ii) County and County's agents have made no representations, warranties or other agreements concerning matters relating to the Property, and (iii) Port Blakely takes the Property in the condition, known or unknown, with all defects, existing at the time of this Agreement, "AS-IS."

8. Port Blakely's Representations. Port Blakely makes the following representations and warranties:

a. Port Blakely and each of those signing on behalf of Port Blakely have full power and authority to enter into this Agreement, and to sell the Port Blakely Property in accordance with this Agreement.

b. No one other than Port Blakely will be in possession of any portion of the Port Blakely Property at Closing, except as permitted under Section 12 below, any of the permitted exceptions in the title policy, or as otherwise approved in writing by County.

c. To Port Blakely's knowledge (that is the knowledge of Lance Christensen and Cathrin Weis) as to the Port Blakely Property or any portion thereof or interest therein, upon the date hereof and at the time of Closing there is no:

(1) Suit, action, arbitration, legal, administrative or other proceeding or inquiry pending or threatened against the Property, or against Port Blakely, which could affect Port Blakely's title to the Port Blakely Property, could affect the value of the Port Blakely Property, or could subject an owner of the Port Blakely Property to liability.

(2) Intended public improvement which will result in the creation of any lien upon the Port Blakely Property or any portion thereof.

(3) Uncured notice which has been served upon Port Blakely from any governmental agency notifying Port Blakely of any violation of law, ordinance, rule or regulation which would affect the Port Blakely Property or any portion thereof.

(4) Actual or impending mechanic's or materialman's lien against the Port Blakely Property or any portion thereof.

(5) Except as already disclosed, notice or other information giving Port Blakely reason to believe that any conditions existing on the Port Blakely Property or in the ground or surface waters associated with the Port Blakely Property may subject the owner of the Port Blakely Property to potential liabilities under environmental laws.

(6) Except in the ordinary course of business as currently operated, lease, license, permit, option, right of first refusal or other agreement, written or oral, which affects the Port Blakely Property or any portion thereof.

(7) Port Blakely has no knowledge of any hazardous or toxic waste or substance or other contaminant or pollutant (as defined by applicable law) in existence, nor does Port Blakely have any knowledge of any having been released, manufactured, stored or discharged on or below the surface of the Port Blakely Property which would constitute a violation of any law, ordinance, rule or regulation of any governmental entity having jurisdiction thereof, or which subjects or may subject County to liability to third parties.

d. Neither the signing of this Agreement nor the sale of the Port Blakely Property will constitute a breach or default under any agreement by which Port Blakely is bound and/or to which the Port Blakely Property is subject.

Each of the above representations is material and is relied upon by County and shall survive the Closing of the Port Blakely Property. Should any of the above representations cease to be true at any time prior to Closing, or if the condition of the Port Blakely Property (including the condition of title, the environmental condition or the physical aspects of the Port Blakely Property) shall have materially and adversely changed at any time prior to Closing, Port Blakely shall, as soon as reasonably practical, so advise County in writing. If the problem is not remedied before Closing, County may elect to either: (a) terminate this Agreement in which case County shall be refunded the Earnest Money, (b) defer the Closing Date for a period not exceeding sixty (60) days until such problem has been remedied, or (c) proceed with the purchase of the Port Blakely Property subject to such problem.

9. Remedies Upon Default. In the event either party defaults in the performance of any of its obligations under this Agreement, the other party shall, in addition to other remedies provided in this Agreement or by law or equity, have the right of specific performance.

10. Right To Enter For Inspection. At a reasonable time as mutually agreed during the term of this Agreement, each party, through its employees and agents, may enter upon the property to be purchased by them for the purpose of making such inspections and investigations as it deems appropriate relating to any aspect thereof. Before entering such property, the

purchaser shall notify the other party of their intent to inspect or investigate and obtain advance permission, which permission shall not be unreasonably withheld, conditioned or delayed. All such inspections shall be at the inspector's risk and expense. The inspecting party will indemnify and hold the owner harmless from any liability resulting from any act of the inspector, its agents, employees and representatives in connection with such inspections and will repair any damage or diminution of value caused thereby.

11. Prorations and Fees. Real property taxes on the various portions of the Properties, if any, shall be prorated as of the Closing Date based upon the latest available tax bill. Port Blakely acknowledges that the County Property is not currently assessed for property taxes as its current owner is a public entity, and that Port Blakely will be responsible for and shall pay all real property taxes arising after the Closing Date. Except as specifically stated herein, all fees, costs, assessments and charges for Closing shall be shared equally by the parties and County agrees to pay the premium for the ALTA Standard Owners Title Insurance Policy on the County Property naming Port Blakely as the insured and Port Blakely agrees to pay the premium for the ALTA Standard Owners Title Insurance Policy on the Port Blakely Property naming County as the insured. If either party required any special endorsements to either title insurance policy, the party requiring the endorsement shall pay the cost for the endorsement.

12. Interim Use of Property. Each party covenants that it will continue to manage and operate their respective properties as currently operated and will not remove nor cause nor allow the removal of trees, gravel, minerals or the like from the same during the period that this Agreement is in effect, other than in the normal, reasonable and customary maintenance and upkeep thereof.

13. Leasing Revenue. Each party may retain all sums it receives under the any lease which relates to the Property for all periods prior to and including the date of Closing.

14. Non-Foreign Certification. Each party represents and warrants to the other that they are not a "foreign person" as that term is defined in Section 1445 of the Internal Revenue Code, and at Closing each will deliver a certification of non-foreign status in form required by Internal Revenue Service regulations if requested.

15. Notices. All notices pertaining to this Agreement shall be in writing delivered to the parties hereto by hand, courier service or Express Mail, or by certified mail, return receipt requested, postage prepaid, at the addresses set forth in Recital A. All notices shall be deemed given when deposited in the mail addressed to the party to be notified, or if delivered by hand, courier service or Express Mail, shall be deemed given when delivered.

16. Broker's Commission. County represents to Port Blakely and Port Blakely represents to County that neither party has used a real estate broker in connection with this Agreement.

17. Time of the Essence. Time is of the essence of this Agreement.

18. Binding on Successors. This Agreement shall be binding not only upon the parties, but also upon their personal representatives, permitted assigns, and other successors in interest.

19. Additional Documents. County and Port Blakely agree to execute such additional documents, including escrow instructions, as may be reasonable and necessary to carry out the provisions of this Agreement.

20. Entire Agreement. This Agreement constitutes the entire agreement between Port Blakely and County pertaining to the subject matter contained in it, and supersedes all prior and contemporaneous agreements, representations, and understandings. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by both parties.

21. No Merger. The obligations contained in this Agreement, except for those specifically discharged in escrow, shall not merge with transfer of title but shall remain in effect until fulfilled.

22. No Confidentiality. The parties hereto agree that the terms of this Agreement, including purchase price, are not confidential to the extent required by public records laws.

23. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original for all purposes and all of which when taken together shall constitute a single counterpart instrument. Executed signature pages to any counterpart instrument may be detached and affixed to a single counterpart, which single counterpart with multiple executed signature pages affixed thereto constitutes the original counterpart instrument.

THE PROPERTY DESCRIBED IN THIS INSTRUMENT MAY NOT BE WITHIN A FIRE PROTECTION DISTRICT PROTECTING STRUCTURES. THE PROPERTY IS SUBJECT TO LAND USE LAWS AND REGULATIONS THAT, IN FARM OR FOREST ZONES, MAY NOT AUTHORIZE CONSTRUCTION OR SITING OF A RESIDENCE AND THAT LIMIT LAWSUITS AGAINST FARMING OR FOREST PRACTICES AS DEFINED IN ORS 30.930 IN ALL ZONES. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 197.352. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY APPROVED USES, THE EXISTENCE OF FIRE PROTECTION FOR STRUCTURES AND THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 197.352.

All of these counterpart pages shall be read as though one and they shall have the same force and effect as if all of the parties had executed a single signature page.

IN WITNESS of the foregoing provisions, the parties have signed this Agreement below:

COUNTY:

Clackamas County, Oregon, a body politic and corporate of the State of Oregon

By _____

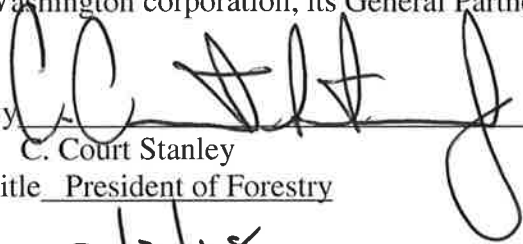
Title _____

Date _____

Port Blakely:

Port Blakely Tree Farms (Limited Partnership), a Washington limited partnership

By: The Port Blakely Company, a Washington corporation, its General Partner

By  _____

C. Court Stanley
Title President of Forestry

Date 2/2/18

Exhibit A

Clackamas County Property

Hillock Burn (10 Acres) 44E36 01100:

NE $\frac{1}{4}$ of the NE $\frac{1}{4}$ of the NE $\frac{1}{4}$ of Section 36, Township 4 South, Range 4 East, Willamette Meridian, Clackamas County, Oregon.

Bittner (40 Acres) 44E32 01500:

The Southeast quarter of the Southwest quarter of Section 32, Township 4 South, Range 4 East, Willamette Meridian, Clackamas County, Oregon.

Exhibit B

Port Blakely Property

All of the land lying easterly of the eastern and western lumber company right of way, running northerly and southerly through the following described real property, to wit:

Government lots 3 and 4 and the east half of the southwest quarter of Section 18, Township 7 South, Range 3 East of the Willamette Meridian lying within the county of Clackamas, state of Oregon;

Also excepting therefrom those portions lying within public roads.

Tax Account No: 1137727, Map No. 73E18 06100



DAN JOHNSON
DIRECTOR

DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT

DEVELOPMENT SERVICES BUILDING

150 BEAVERCREEK ROAD OREGON CITY, OR 97045

February 15, 2018

Board of County Commissioners
Clackamas County

Members of the Board:

Approval of a Transfer of an Interest in the Clackamas Industrial Area
Opportunities (CIAO) Site to the Clackamas County Development Agency

Purpose/Outcomes	Transfer the County's interest in the CIAO site to the Development Agency for disposition
Dollar Amount and Fiscal Impact	None identified
Funding Source	N/A
Duration	Permanent
Previous Board Contact	April 10, 2014 – Approval of a Joint Property Investment Agreement
Strategic Plan Alignment	Build public trust through good government
Contact Person	Nate Boderman, 503-655-8364

BACKGROUND:

The Clackamas County Development Agency (Agency) and Clackamas County, acting through its Department of Transportation and Development (DTD), entered into a purchase and sale agreement on October 9, 2009 for the purchase of certain property located at SE Capps Road and SE 120th, which has come to be known as the CIAO site (the Property). The Agency purchased the Property to develop industrial lands and encourage job creation, while DTD contributed to the acquisition to develop a new road maintenance facility. DTD's plans for a new road maintenance facility changed, and on April 10, 2014, the Agency and DTD entered into an agreement that allowed DTD to divest itself of its interest in the Property and to be fully reimbursed for its contribution towards the purchase price of the Property. A copy of that agreement has been attached to this report. While the agreement between the Agency and DTD was fully executed on April 10, 2014, and recorded as document number 2014-0567 on May 6, 2014, a deed was never executed and recorded transferring DTD's interest in the Property to the Agency to fulfill the intent of the Agreement.

The Agency is currently under contract to sell portions of the Property to private developers to develop the industrial land and encourage job creation. To finalize these sales, DTD will need to transfer its interest in the Property to the Agency to allow the Agency to convey fee title to the portions of the Property at closing. Proceeds from the sale shall be distributed to DTD per the terms of the April 10, 2014 agreement, less any payments previously made to DTD by Agency.

These documents have been reviewed and approved by County Counsel.

RECOMMENDATION:

Staff respectfully recommends that the Board:

- Approve the transfer of property from the County to the Development Agency;
- Delegate authority to the Board Chair to execute the Bargain and Sale Deed on behalf of the Board; and
- Record the Deed in the Deed Records of Clackamas County at no cost to the Development Agency.

Respectfully submitted,

Dan Johnson, Director
Department of Transportation and Development

<u>BARGAIN AND SALE DEED</u>	
<p><u>GRANTOR:</u> Clackamas County Department of Transportation and Development Development Services Building 150 Beaver creek Road Oregon City, OR 97045</p> <p><u>GRANTEE:</u> Clackamas County Development Agency Development Services Building 150 Beaver creek Road Oregon City, OR 97045</p> <p>After Recording Return To: Clackamas County Development Agency 150 Beaver creek Road Oregon City, OR 97045</p> <p>Until a Change is Requested, Tax Statements shall be sent to the following address: Clackamas County Development Agency Development Services Building 150 Beaver creek Road Oregon City, OR 97045</p>	<hr/> <p>Agenda No: _____ and/or Board Order No: _____</p>

BARGAIN and SALE DEED

KNOW ALL PERSONS BY THESE PRESENTS, that CLACKAMAS COUNTY, a corporate body politic, by and through its Department of Transportation and Development, does hereby grant, bargain, sell and convey as grantor unto CLACKAMAS COUNTY DEVELOPMENT AGENCY, the URBAN RENEWAL AGENCY OF CLACKAMAS COUNTY, OREGON, a corporate body politic (which, together with any successor public agency designated by or pursuant to law, is herein called the "Agency") as grantee and to its successors and assigns, all of its undivided interest in the following described real property, with the tenements, hereditaments and appurtenances (the "Property") situated in the County of Clackamas, State of Oregon, to wit:

See Exhibit A, attached hereto and incorporated herein.

This is a transfer of an interest in land from one entity of Clackamas County to another in an intergovernmental transfer. The consideration that forms the basis of this transfer is set out in an Intergovernmental Agreement between the parties hereto, dated April 10, 2014.

“BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON’S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING

OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.”

IN WITNESS WHEREOF, Clackamas County has caused this instrument to be executed by duly elected officers this ____ day of _____, 2018.

CLACKAMAS COUNTY

By: _____
Chair of the Board of County Commissioners

STATE OF OREGON)
) ss.
County of Clackamas)

On this ____ day of _____, 2018 before me the undersigned, a notary public in and for such state, the foregoing instrument was acknowledged before me by _____, Chair of the Board of County Commissioners on behalf of Clackamas County.

Notary Public for Oregon
My Commission Expires: _____

IN WITNESS WHEREOF, the Clackamas County Development Agency has accepted this instrument this ____ day of _____, 2018.

CLACKAMAS COUNTY DEVELOPMENT
AGENCY

By: _____
Chair of the Clackamas County
Development Agency Board

STATE OF OREGON)
) ss.
County of Clackamas)

On this ____ day of _____, 2018 before me the undersigned, a notary public in and for such state, the foregoing instrument was acknowledged before me by _____, Chair of the Development Agency Board on behalf of the Clackamas County Development Agency.

Notary Public for Oregon
My Commission Expires: _____

Exhibit A



DAN JOHNSON
MANAGER

DEVELOPMENT AGENCY

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

February 15, 2018

Board of County Commissioners
Clackamas County

Members of the Development Agency Board:

**Acceptance of a Transfer of an Interest in the Clackamas Industrial Area
Opportunities (CIAO) Site from Clackamas County**

Purpose/Outcomes	<i>Accept an interest in the CIAO site from Clackamas County, acting through its Department of Transportation and Development</i>
Dollar Amount and Fiscal Impact	<i>None identified</i>
Funding Source	<i>N/A</i>
Duration	<i>Permanent</i>
Previous Board Action	<i>April 10, 2014- Approval of a Joint Property Investment Agreement</i>
Strategic Plan Alignment	<i>1. Build public trust through good government</i>
Contact Person	<i>Nate Boderman, 503-655-8364</i>
Contract No.	<i>None</i>

BACKGROUND:

The Clackamas County Development Agency (Agency) and Clackamas County, acting through its Department of Transportation and Development (DTD), entered into a purchase and sale agreement on October 9, 2009 for the purchase of certain property located at SE Capps Road and SE 114th, which has come to be known as the CIAO site (the Property). The Agency purchased the Property to develop industrial lands and encourage job creation, while DTD contributed to the acquisition to develop a new road maintenance facility. DTD's plans for a new road maintenance facility changed, and on April 10, 2014, the Agency and DTD entered into an agreement that allowed DTD to divest itself of its interest in the Property and to be fully reimbursed for its contribution towards the purchase price of the Property. While the agreement between the Agency and DTD was fully executed on April 10, 2014, and recorded as document number 2014-0567 on May 6, 2014, a deed was never executed and recorded transferring DTD's interest in the Property to the Agency to fulfill the intent of the Agreement.

The Agency is currently under contract to sell portions of the Property to private developers to develop the industrial land and encourage job creation. To finalize these sales, DTD will need to

transfer its interest in the Property to DTD to allow the Agency to convey fee title to the portions of the Property at closing. Proceeds from the sale shall be distributed to DTD per the terms of the April 10, 2014 agreement.

RECOMMENDATION:

Staff respectfully recommends that the Board of County Commissioners, acting as the Development Agency Board, accept the interest in the CIAO site from Clackamas County, acting through its Department of Transportation and Development.

Respectfully submitted,

David Queener
Development Agency Program Supervisor

BARGAIN AND SALE DEED

GRANTOR:

Clackamas County
Department of Transportation and Development
Development Services Building
150 Beaver Creek Road
Oregon City, OR 97045

GRANTEE:

Clackamas County Development Agency
Development Services Building
150 Beaver Creek Road
Oregon City, OR 97045

After Recording Return To:

Clackamas County Development Agency
150 Beaver Creek Road
Oregon City, OR 97045

Until a Change is Requested, Tax Statements shall be sent to the following address:

Clackamas County Development Agency
Development Services Building
150 Beaver Creek Road
Oregon City, OR 97045

Agenda No: _____
and/or
Board Order No: _____

BARGAIN and SALE DEED

KNOW ALL PERSONS BY THESE PRESENTS, that CLACKAMAS COUNTY, a corporate body politic, by and through its Department of Transportation and Development, does hereby grant, bargain, sell and convey as grantor unto CLACKAMAS COUNTY DEVELOPMENT AGENCY, the URBAN RENEWAL AGENCY OF CLACKAMAS COUNTY, OREGON, a corporate body politic (which, together with any successor public agency designated by or pursuant to law, is herein called the "Agency") as grantee and to its successors and assigns, all of its undivided interest in the following described real property, with the tenements, hereditaments and appurtenances (the "Property") situated in the County of Clackamas, State of Oregon, to wit:

See Exhibit A, attached hereto and incorporated herein.

This is a transfer of an interest in land from one entity of Clackamas County to another in an intergovernmental transfer. The consideration that forms the basis of this transfer is set out in an Intergovernmental Agreement between the parties hereto, dated April 10, 2014.

“BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON’S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING

OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.”

IN WITNESS WHEREOF, Clackamas County has caused this instrument to be executed by duly elected officers this ____ day of _____, 2018.

CLACKAMAS COUNTY

By: _____
Chair of the Board of County Commissioners

STATE OF OREGON)
) ss.
County of Clackamas)

On this ____ day of _____, 2018 before me the undersigned, a notary public in and for such state, the foregoing instrument was acknowledged before me by _____, Chair of the Board of County Commissioners on behalf of Clackamas County.

Notary Public for Oregon
My Commission Expires: _____

IN WITNESS WHEREOF, the Clackamas County Development Agency has accepted this instrument this ____ day of _____, 2018.

CLACKAMAS COUNTY DEVELOPMENT AGENCY

By: _____
Chair of the Clackamas County
Development Agency Board

STATE OF OREGON)
) ss.
County of Clackamas)

On this ____ day of _____, 2018 before me the undersigned, a notary public in and for such state, the foregoing instrument was acknowledged before me by _____, Chair of the Development Agency Board on behalf of the Clackamas County Development Agency.

Notary Public for Oregon
My Commission Expires: _____

Exhibit A

COPY