



Memo

Date: February 28, 2023
To: Clackamas County Board of Commissioners
From: Nancy Bush, County Operating Officer
Subject: Oregon Main Street Revitalization Grant 2023 Agreement

Purpose:

Obtain Board's decision for the agreement required for Downtown Oregon City Association (DOCA) to apply for the 2023 Oregon Main Street Revitalization Grant.

Background:

This topic was first introduced to the BCC on February 14, 2023. The BCC instructed staff to develop the agreement in order for the BCC to review for final decision. County Counsel reviewed the attached agreement.

The Oregon Main Street Revitalization Grant supports downtown revitalization efforts in communities that participate in the Oregon Main Street Network. The purpose of the program is to assist communities to revitalize main streets in order to expand to viable businesses or create a stronger tax base.

The Downtown Oregon City Association is eligible for the grant and is partnering with the City of Oregon City to apply for approximately \$200,000 and will receive the matching dollars from the City of Oregon City. As a condition, the applicant must provide a signed agreement between the Oregon Main Street Network member (Downtown Oregon City Association) and the owner of the facility (Clackamas County).

This grant will not be available again until 2025 and only if the state legislature approves it at that time.

The agreement outlines the role of DOCA and the Owner of the Main Street Courthouse and includes an Executive Summary.

Thank you for your consideration.

Attachments:

Oregon Main Street Revitalization Grant 2023 Agreement



ATTACHMENT A

February 22, 2023

TO: Clackamas County Commissioners

Dear Commissioners,

The following is the executive summary for the 2023 Oregon Main Street Revitalization grant application.

The 1936 Clackamas Courthouse will be vacated in less 2 years and DOCA will use this grant to discern the existing building condition, economic impact, assessed value, and help Clackamas County prepare for adaptive reuse of the building.

The active courthouse attracts 1,200 people per day to downtown Oregon City that would likely not visit our district without the courthouse. These 1,200 people per day spend more than one million dollars a month at restaurants (from a 2018 survey of courthouse visitors, not inclusive of rents, parking, etc.), retail, service businesses, etc. every month. This loss will leave nearly an entire block vacant of our 5 block historic core. This will also pull from our existing occupied upper floor office use creating vacancies when lawyers and support staff for the courthouse follow the courts. This will hit our restaurants especially hard as courthouse patrons are about 60% (estimated from restaurant owners) of the lunchtime crowd during the week.

This grant will allow us to take a gigantic leap forward on finding a new use for the existing 1936 building. There are 1,000 ideas for what to do with it, but we can't move forward on any of them until we understand the reality of the situation and the viability of the building. There is a reason that the courts are moving other than just capacity of the building and those will affect any future development of the property. There is a sinkhole on the southwest side of the building, there are seismic concerns, deferred maintenance, etc. but the County has not had the time or resources to do this work yet.

This grant application is asking for support with the following:

- Engineering/Architecture study
- Geotech
- Environmental
- Property Survey
- Appraisal of the property
- Economic Impact Study

814 Main Street, Oregon City, OR 97045 | info@downtownoregoncity.org | p 503.802.1640
Taxpayer ID: 26-2907232

Downtown Oregon City Association is a 501(c)(3) non-profit that leads revitalization efforts of Oregon City's 175r-old downtown.

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DOCA's hope in providing this information is to help the County make an informed decision about the future re-use of the Courthouse property as well as help them to find the right buyer and/or partner in developing the space to continue building community in our downtown. This will be the first step in a long line of steps to redevelop the courthouse, but without this grant, we can't take any steps forward.

Thank you for your consideration of this worthy project.

Sincerely,

Liz Hannum
Executive Director
Downtown Oregon City Association
503-802-1638

OMS Revitalization Grant Agreement

This Agreement is between Downtown Oregon City Association (DOCA), a 501(c)3 non-profit organization, and Clackamas County (Owner), owner of the property at 807 MAIN STREET, Oregon City, Oregon.

The mission of DOCA is to cultivate community and commerce in Oregon City's historic downtown. The organization is at the Accredited Main Street level of the Oregon Main Street (OMS) program and will request a Main Street Revitalization Grant from Oregon Main Street to prepare for rehabilitation of Owner's building located at 807 MAIN STREET in Oregon City.

The OMS Revitalization grant supports downtown revitalization efforts in communities participating in the Oregon Main Street Network. The purpose of the program is to:

- Acquire, rehabilitate, or construct buildings on properties in designated downtown areas statewide and;
- Facilitate community revitalization that will lead to private investment, job creation or retention, establishing or expanding viable businesses, or creating a stronger tax base.

If DOCA is not awarded the OMS Revitalization grant, then this agreement is automatically voided.

The Project

The goal of this agreement is to facilitate the development readiness of 807 MAIN STREET in Oregon City, Oregon. Hereafter it will be referred to as the "Project." Project includes studies of the property to make it ready for reuse after court moves to the new building. A complete project description can be found in the grant application summary (Attachment A).

DOCA Commitments

Downtown Oregon City Association commits to the following as part of this agreement:

- Apply for and manage the Main Street Revitalization Grant.
- Manage all grant reporting requirements, reimbursement requests, work plan submissions and other grant requirements.
- Facilitate inspections and audits of the project, as needed.
- Provide owner with timely information about grant requirements related to the Project, including any required bidding of contracts and work plan approvals by State Historic Preservation Office (SHiPO) staff.
- Manage the bidding process for studies and work with the consultants to manage the deliverables.
- Share all deliverables with the Owner.
- Will not interfere with normal courthouse business in any way when executing grant deliverables.
- Understands that the Owner's signature and willingness to participate in the grant process does not commit the Owner to any decisions related to the property at 807 Main Street, Oregon City, OR in the future. Any decision related to the property at 807 Main Street, Oregon City, OR may only be made by the Clackamas County Board of Commissioners.
- Understands that Owner is only providing a general statement of support for Downtown Oregon City Association applying for the grant and is not, at this time, a commitment by Owner of any funds, resources, or other consideration except as expressly set forth below.

- Will seek permission from the Owner and state circuit court staff when needing in facility to carry out the grant requirements.

Owner Commitments

Owner commits to the following as part of this agreement:

- Facilitate DOCA’s undertaking of the work described in the OMS Revitalization Grant summary (Attachment A).
- Maintain regular communication with DOCA grant manager and/or grant selection committee to assist, in good faith, with DOCA satisfying its grant requirements.
- Allow DOCA to take photographs of work progress with permission from the Presiding Judge.

Property Renovation

Nothing herein shall be construed as Owner’s commitment or approval of renovation of 807 Main Street, Oregon City, OR. In the event DOCA is awarded the grant, Owner agrees to negotiate, in good faith, with DOCA regarding a proposed renovation of the aforementioned property. However, Owner may, in its sole discretion, reject any proposed use of the property. If Owner agrees to a proposed renovation of the property, the parties will negotiate a potential written agreement, on terms and conditions agreeable to both parties.

The parties expressly understand and agree that Owner has not made any final decisions regarding future use of the property at 807 Main Street, Oregon City, OR. Owner may, in its sole discretion, determine it is in Owner’s best interest to use the property for purposes other than what are proposed by DOCA including, but not limited to, selling or leasing the property.

Reimbursement of Funds

Funds will not be required from the Owner for the project. Funds will be reimbursed to the City of Oregon City

Project Timeline

The Project timeline is listed in the table below.

Item	Estimated Completion Date
Approve Bid for studies	July 2023
Begin Work with consultant	September 2023
Owner allows access to property for the consultant and DOCA	September 2023 - July 2024

The scope of work identified in the timeline and in Attachment A cannot be changed without prior written approval from DOCA and the Owner.

Participants and Communication

Owner agrees to communicate about project details through the DOCA grant manager, identified below. For significant issues or to document decisions that were made, email will be used. Below is the accepted contact information for Owner and DOCA grant manager:

Owner

Nancy Bush
503-655-8893

DOCA Grant Manager

Liz Hannum
503-802-1638
liz@downtownoregoncity.org

Termination

This Agreement may be terminated by mutual consent of the parties upon written notice at any time. In addition, either party may terminate all or part of this Agreement upon a determination by the terminating party that termination is in its best interest and following seven (7) days' prior written notice of intent to terminate. Termination is without waiver of any claims or remedies either party may have.

Either party may terminate this Agreement in the event of a breach of the Agreement by the other. Prior to such termination however, the party seeking the termination shall give the other party written notice of the breach and of the party's intent to terminate. If the breaching party has not entirely cured the breach within fifteen (15) days of deemed or actual receipt of the notice, then the party giving notice may terminate the Agreement at any time thereafter by giving written notice of termination stating the effective date of the termination.

Upon termination, if the Project is not complete, no further reimbursements will be issued by the grantor.

Insurance

The parties agree to maintain levels of insurance, or self-insurance, sufficient to satisfy their obligations under this Agreement and all requirements under applicable law.

Indemnity

DOCA agrees to indemnify, save harmless and defend the County, its officers, elected officials, agents and employees from and against all costs, losses, damages, claims or actions and all expenses incidental to the investigation and defense thereof arising out of or based upon damages or injuries to persons or property caused by the acts or omissions of DOCA, or its officers, elected officials, owners, employees, agents, or its subcontractors or anyone over which the DOCA has a right to control, in performing under this Agreement or the OMS Revitalization grant.

This Agreement is expressly subject to the limitations of the Oregon Constitution and Oregon Tort Claims Act and is contingent upon appropriation of funds. Any provisions herein that conflict with the above referenced laws are deemed inoperative to that extent.

Neither party shall be held responsible for delay or default caused by events outside of the parties' reasonable control including, but not limited to, fire, terrorism, riot, acts of God, or war.

Signatures

Owner

Downtown Oregon City Association

Property Owner

Liz Hannum, Executive Director

_____ Date

_____ Date