

CLACKAMAS COUNTY BOARD OF COUNTY COMMISSIONERS Staff Presentation Worksheet

Presentation Date: March 16, 2010 Time: 11:00 A.M. Length: 30 Minutes

Presentation Title: Government Camp Museum Funding Request for ADA
Improvements

Department: Development Agency

Presenters: David Queener, Development Agency Project Planner
Barbara Cartmill, Development Agency Manager

POLICY QUESTION: Whether the Clackamas County Development Agency should participate financially in improvements to the Mt. Hood Cultural Center and Museum.

ISSUE & BACKGROUND:

In 2001, the Development Agency entered into an agreement with the Mt. Hood Cultural Center and Museum to purchase a 9,800sf building to house a museum. The Agency provided \$400,000 toward the purchase price of \$918,000. The seller carried a contract on the remaining amount, which was to be paid by the museum Board within 5 years.

In 2006, the museum board indicated that they were unable to raise the funds needed to pay off the note. The Board authorized \$737,000 to pay the remaining amount due the seller. The Agency now holds fee title to the property. The Museum has a 50 year lease for use of the building. A new agreement was also set in place that stipulates the Museum will diligently pursue funding to operate and maintain the building and to construct improvements necessary to make the building ADA compliant. *Any needed funds would come from sources other than the Agency.*

In 2007, the Museum received a \$145,000 grant through CDBG for ADA improvements, which includes a new elevator. The Museum has been pursuing additional funds from many different sources. To date they have received \$44,000 in grants, \$16,000 through hosted events, and \$41,000 in donations. Revenue from events and donations has been used for other operational expenses.

The conditions of the CDBG grant require the funds to be used by spring 2010 or they will be forfeited. The Museum was hopeful they could raise the remaining funds for the project, but the bids came in higher than anticipated for construction at \$239,000. The total amount of grants received for this project is \$189,000 leaving a \$50,000 gap. Estimates for permits, design, and construction administration total \$70,000.

Museum board representatives presented a request to the TIF Advisory Committee for a \$100,000 grant to fill the funding gap for the project. With a vote of 7 yes and 3 no, the committee recommended approval of the request.

QUESTION(S) PRESENTED FOR CONSIDERATION:

Shall the Development Agency provide a \$100,000 grant to the Mt. Hood Cultural Center and Museum for ADA improvements as recommended by the TIF Advisory Committee?

OPTIONS AVAILABLE:

1. Direct staff to provide a \$100,000 grant as requested. This amount would, when combined with the grants received, cover nearly all of the projects costs.
2. Direct staff to provide a \$100,000 no interest loan. The existing agreement would be modified to include this amount. The Museum would be credited, dollar for dollar, for future grants received or other improvements to the building.
3. Direct staff to provide a \$50,000 grant. This amount, when combined with other grants already received, would cover the construction cost. Fees for permits, design, and construction administration would be the responsibility of the Museum Board.
4. Direct staff to provide a \$50,000 no interest loan. The existing agreement would be modified to include this amount. The Museum would be credited, dollar for dollar, for future grants received or other improvements to the building.
5. Request additional information concerning the request.

RECOMMENDATIONS:

Staff recommends providing a \$50,000 no interest loan. This will allow construction to move forward and encourage the Museum to utilize existing funding to manage their soft costs. #4

SUBMITTED BY:

Division Director/Head Approval

R. B. Cartright 3/10/10

Department Director/Head Approval

Carrie Johnson

County Administrator Approval _____