

AMENDED AGENDA

**WILSONVILLE CITY COUNCIL MEETING
AUGUST 1, 2016
7:00 P.M.**

**CITY HALL
29799 SW TOWN CENTER LOOP
WILSONVILLE, OREGON**

Mayor Tim Knapp

Council President Scott Starr
Councilor Susie Stevens

Councilor Julie Fitzgerald
Councilor Charlotte Lehan

CITY COUNCIL MISSION STATEMENT

To protect and enhance Wilsonville’s livability by providing quality service to ensure a safe, attractive, economically vital community while preserving our natural environment and heritage.

Executive Session is held in the Willamette River Room, City Hall, 2nd Floor

- 5:00 P.M. EXECUTIVE SESSION [15 min.]**
 - A. Pursuant to ORS 192.660 (2)(e) Real Property Transactions
 - ORS 192.660(2)(f) Exempt Public Records
 - ORS 192.660(2)(h) Litigation

- 5:20 P.M. REVIEW OF AGENDA [5 min.]**

- 5:25 P.M. COUNCILORS’ CONCERNS [5 min.]**

- 5:30 P.M. PRE-COUNCIL WORK SESSION**
 - A. Clackamas County Ballot Measure (Jacobson) [20 min.] **Page 3**
 - B. Update on the BFR2BR Connector (Adams) [20 min.] **Page**
 - C. Marijuana Ordinance – Time, Place, Manner Options [25 min.] **Page 51**
(Jacobson/Neamtzu)

- 6:50 P.M. ADJOURN**

CITY COUNCIL MEETING

The following is a summary of the legislative and other matters to come before the Wilsonville City Council a regular session to be held, Monday, August 1, 2016 at City Hall. Legislative matters must have been filed in the office of the City Recorder by 10 a.m. on July 19, 2016. Remonstrances and other documents pertaining to any matters listed in said summary filed at or prior to the time of the meeting may be considered therewith except where a time limit for filing has been fixed.

7:00 P.M. CALL TO ORDER

- A. Roll Call
- B. Pledge of Allegiance
- C. Motion to approve the following order of the agenda and to remove items from the consent agenda.

7:05 P.M. MAYOR'S BUSINESS

- A. Upcoming Meetings **Page 62**

7:10 P.M. COMMUNICATIONS

- A. Chief Duyck, TVF&R State of the District Report

7:25 P.M. CITIZEN INPUT & COMMUNITY ANNOUNCEMENTS

This is an opportunity for visitors to address the City Council on items *not* on the agenda. It is also the time to address items that are on the agenda but not scheduled for a public hearing. Staff and the City Council will make every effort to respond to questions raised during citizens input before tonight's meeting ends or as quickly as possible thereafter. Please limit your comments to three minutes.

7:30 P.M. COUNCILOR COMMENTS, LIAISON REPORTS & MEETING ANNOUNCEMENTS

- A. Council President Starr – (Park & Recreation Advisory Board Liaison)
- B. Councilor Fitzgerald – (Development Review Panels A & B Liaison)
- C. Councilor Stevens – (Library Board and Wilsonville Seniors Liaison)
- D. Councilor Lehan– (Planning Commission and CCI Liaison)

7:45 P.M. CONSENT AGENDA

- A. **Resolution No. 2597** **Page 63**
A Resolution Of The City Of Wilsonville Authorizing The City Manager To Execute A Construction Contract With Pacific Excavation, Inc. For The 2016 Street Maintenance Railroad Crossing Repair (Capital Improvement Project 4014). (Staff - Ward)
- B. **Resolution No. 2598** **Page 90**
A Resolution Of The City Of Wilsonville Authorizing Staff To Apply For Regional Flexible Funding Through The Metropolitan Transportation Improvement Program 2019-21 For The Design And Construction Of The I-5 Pedestrian And Bikeway Bridge. (staff - Weigel)
- C. **Resolution No. 2599** **Page 96**
A Resolution Of The City Of Wilsonville Approving Application For A Metro Equitable Housing And Development Grant To Fund Creation Of An Equitable Housing Strategic Plan. (staff – Gail)

7/29/2016 10:33 AM Last Updated

C. Minutes of the June 20 and July 7, 2016 Council Meetings. (staff – King) **Page 101**

7:50 P.M. PUBLIC HEARING

A. **Ordinance No. 796** – First Reading **Page 126**
An Ordinance Making Certain Determinations And Findings Relating To And Approving The Coffee Creek Urban Renewal Plan And Directing That Notice Of Approval Be Published. (staff – Kraushaar)

**Planning Commission Documents may be viewed at these two links:
Documents:**

<http://www.ci.wilsonville.or.us/DocumentCenter/View/10598>

Coffee Creek Urban Renewal PowerPoint Presentation
[CC Urban Renewal PC 07.13.2016.Pdf](#)

8:35 P.M. CITY MANAGER’S BUSINESS

8:40 P.M. LEGAL BUSINESS

8:45 P.M. ADJOURN

Time frames for agenda items are not time certain (i.e. Agenda items may be considered earlier than indicated. The Mayor will call for a majority vote of the Council before allotting more time than indicated for an agenda item.) Assistive Listening Devices (ALD) are available for persons with impaired hearing and can be scheduled for this meeting if required at least 48 hours prior to the meeting. The city will also endeavor to provide the following services, without cost, if requested at least 48 hours prior to the meeting:-Qualified sign language interpreters for persons with speech or hearing impairments. Qualified bilingual interpreters. To obtain services, please contact the City Recorder, (503)570-1506 or king@ci.wilsonville.or.us



**CITY COUNCIL MEETING
STAFF REPORT**

Meeting Date: August 1, 2016		Subject: Clackamas County Fuel Tax Ballot Measure and IGA	
		Staff Member: Barbara Jacobson Department: Legal	
Action Required		Advisory Board/Commission Recommendation	
<input type="checkbox"/> Motion <input type="checkbox"/> Public Hearing Date: <input type="checkbox"/> Ordinance 1 st Reading Date: <input type="checkbox"/> Ordinance 2 nd Reading Date: <input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Information or Direction <input type="checkbox"/> Information Only <input type="checkbox"/> Council Direction <input type="checkbox"/> Consent Agenda		<input type="checkbox"/> Approval <input type="checkbox"/> Denial <input type="checkbox"/> None Forwarded <input checked="" type="checkbox"/> Not Applicable	
		Comments: For Discussion Purposes and Possible Formal Action at Next Scheduled Council Meeting on August 15	
Staff Recommendation: NA			
Recommended Language for Motion: NA			
Project / Issue Relates To: <i>[Identify which goal(s), master plans(s) your issue relates to.]</i>			
<input type="checkbox"/> Council Goals/Priorities	<input type="checkbox"/> Adopted Master Plan(s)	<input checked="" type="checkbox"/> Not Applicable	

ISSUE BEFORE COUNCIL: Clackamas County plans to place a ballot measure for voter consideration at the November 2016 election for a six (6) cent per gallon County-wide fuel tax, phased in over seven (7) years. Revenues generated by the tax would be shared with only those cities that sign the Clackamas County Intergovernmental Agreement (“IGA”) promoting the gas tax.

The latest version of the IGA and ballot title, received on July 27, are attached hereto as **Exhibits A and B**. In order to be eligible to receive a share of the revenue raised, each Clackamas County city must, on or before September 1, 2016, adopt a resolution that declares the city’s support for the gas tax and intention to sign onto the IGA. “Participating” cities that

act timely are to then receive 40% of the net revenues generated, as outlined in more detail below, assuming the ballot measure passes. Any city that does not adopt a resolution or proclamation on or before September 1, 2016, will receive no revenue from the tax, if passed. The County's estimate of the revenue to be generated and each city's share thereof is attached as **Exhibit C**. The tax is to be sunset after seven (7) years, unless otherwise extended. As per constitutional limitations, gas tax revenues may only be used for roads and road-related infrastructure, and not for supporting public mass transit infrastructure.

Please note that Mayor Knapp and several other mayors have suggested an alternative IGA which, to date, the County has rejected. A redline copy and a clean copy of the alternative IGA and Ballot Title are attached as **Exhibit D**. What this revised agreement essentially does is make signing the IGA optional and, whether or not a city signs, the city still shares in the revenues. In other words, a signing city and a non-signing city will be treated the same and will share in the same split of revenue, per the formula. Under the "Mayors Group" version, a city cannot be penalized for electing not to sign or support the tax. Therefore, Council will need to decide which version of the IGA it wishes to support, understanding that the County has, thus far, said no to the Mayors Group version.

EXECUTIVE SUMMARY: Clackamas County has, at the eleventh hour, proposed the attached IGA to be signed by cities, evidencing their support of the County's ballot measure to impose a six (6) cent per gallon fuel tax on fuel sold within the County for the next seven (7) years. "Participating" cities that sign the IGA will be entitled to receive forty percent (40%) of the net revenue collected, based on that portion of the population of the city located within Clackamas County. (Population counts are to be determined based on the annual official PSU Population Research Center estimates and cannot be disputed. The most current PSU population estimate from 2014 is attached as **Exhibit E**.) If a city elects not to participate, the foregone revenue is to be divided proportionally among the participating cities, based on the same formula of 40% divided by population count.

By net revenues, County Counsel explains that ODOT charges a 0.47% collection and administration fee on all revenues collected. In addition, ODOT estimates it will charge approximating \$40,000 in start-up costs for equipment and staff time. Thereafter, Clackamas County will distribute payment to the cities on a semi-annual basis and will not charge for its staff time. Money will be placed in a LGIP account.

The County has imposed this quick turn-around because it needs to certify the ballot measure by August 11, 2016. Because of the time constraints, the ballot measure will not contain a list of participating cities, so voters may not know whether or not their city will receive any of the revenue or whether or not their city supports the matter. The County may try to publish such information in other ways at a later date. Wilsonville could also publish such information prior to the election, which voters may or may not see.

As of July 26, 2016, only Lake Oswego and Rivergrove have signed the IGA.

ADDITIONAL BACKGROUND: Over the past several years, government and business leaders at the local, state, and national levels have called for increased investment in transportation infrastructure to support a strong economy. Over time, inflation has decreased the buying-power of federal and state gas taxes, which have generally been held at a constant rate. Additionally, a decline in total vehicle miles traveled, automobiles with greater fuel efficiency, and now electric vehicles that pay no gas tax, have resulted in tax-revenues that do not match the transportation infrastructure maintenance needs.

Clackamas County has estimated a deficit of approximately \$17 million per year for road maintenance needs. The proposed tax is projected to raise approximately \$9 million per year that would help meet the need for road maintenance.

The current state gas tax of 30 cents per gallon was set by the 2009 Jobs and Transportation Act and enacted in 2011; this was a six (6) cents per gallon increase over the state's gas tax rate set in 1993. Revenues from the state gas tax are split 50% to the state, 30% to counties, and 20% to cities.

Over the period of 2012-14, the Clackamas County Coordinating Committee ("C-4"), composed of the county, cities, and special districts, spent considerable time reviewing potential transportation revenue sources, including a gas tax, vehicle registration fee (VRF), and road maintenance district. Cities, most of which have local road maintenance fees, did not support a county-wide road district. A VRF increase also did not find favor with a majority of officials, due in part to a concern over a lack of direct connection between vehicle use and road-wear impacts. A gas tax increase that bears some direct relationship between the vehicle and road wear was generally supported as the best available mechanism to raise revenue.

EXPECTED RESULTS: If the tax passes and Wilsonville has timely adopted a resolution in support and signed the IGA, Wilsonville will receive a percentage of the revenue generated, as estimated on the attached **Exhibit C**. If Wilsonville does not participate in the County program, no revenues will be shared with the City.

TIMELINE: A resolution must be passed on or before September 1, 2016, and the IGA signed, if Wilsonville wishes to support the fuel tax and share in the revenues, if the measure passes.

CURRENT YEAR BUDGET IMPACTS: The tax is anticipated to take effect between April and July of 2017. Thus, impacts to the current year budget will be zero, since no money will be received for six (6) month after the tax goes into effect.

FINANCIAL REVIEW / COMMENTS:

Reviewed by: _____ Date: _____

LEGAL REVIEW / COMMENT:

Reviewed by: BAJ Date: 7-27-16

COMMUNITY INVOLVEMENT PROCESS: This work session and a public hearing on the resolution.

POTENTIAL IMPACTS or BENEFIT TO THE COMMUNITY: Citizens will pay a six cent gas tax if they buy gas anywhere in Clackamas County. If Wilsonville signs the IGA and the ballot measure passes, the City will have additional funds for road improvements. If Wilsonville does not sign on, and the measure passes, Wilsonville residents will still pay the tax but will not see a benefit to local roads, although they may see a benefit to any County roads they travel.

ALTERNATIVES: Sign the IGA, or elect not to sign it.

CITY MANAGER COMMENT:

ATTACHMENTS:

- A. IGA
- B. Ballot Title
- C. Revenue Estimate
- D. Redline and clean versions of IGA/Ballot Title
- E. PSU population calculation

**INTERGOVERNMENTAL AGREEMENT
BETWEEN
CLACKAMAS COUNTY
AND
THE PARTICIPATING CITIES OF CLACKAMAS COUNTY**

I. PARTIES

This intergovernmental agreement is entered into between Clackamas County (COUNTY) and the Cities of Barlow, Canby, Estacada, Gladstone, Happy Valley, Johnson City, Lake Oswego, Milwaukie, Molalla, Oregon City, Portland, Rivergrove, Sandy, Tualatin, West Linn, and Wilsonville (CITIES). This Agreement is authorized pursuant to ORS 190.110.

II. PURPOSE

The purpose of this agreement is to memorialize a revenue sharing plan for the net receipt of motor vehicle fuel tax revenues collected in Clackamas County pursuant to ORS 319.950.

III. SCOPE OF WORK AND COOPERATION

A. CITIES agree to:

1. Support COUNTY'S effort to obtain voter approval of a \$0.06 per gallon, seven-year, county-wide motor vehicle fuel tax at the November 2016 general election by on or before September 1, 2016, adopting a resolution or proclamation supporting the imposition of a voter approved \$0.06 per gallon, seven-year, county-wide motor vehicle fuel tax; and
2. To devote all revenues derived from the motor vehicle fuel tax for the purposes of construction, reconstruction, improvement, repair, maintenance, operation and use of city highways, roadways and streets within the jurisdictional boundaries of the city as set forth under Art. IX, Section 3a of the Oregon Constitution.

B. COUNTY agrees to:

1. Submit to the voters of Clackamas County a measure seeking voter approval of a temporary \$0.06 per gallon motor vehicle fuel tax. The tax would sunset after a period of seven years after the tax implementation date;
2. Place the measure on the ballot for the November 2016 general election;

3. Receive revenues from the state and distribute 40% of the net revenues of the motor vehicle fuel tax revenues, based on population within the jurisdictional boundaries of the County, to all participating CITIES within the COUNTY; and
4. To devote all revenues derived from the motor vehicle fuel tax for the purposes of construction, reconstruction, improvement, repair, maintenance, operation and use of public highways within the jurisdictional boundaries of the COUNTY and as more specifically set forth in the County's ballot measure and Art. IX, Section 3a of the Oregon Constitution.

IV. DISTRIBUTION

- A. COUNTY shall receive motor vehicle fuel tax net revenues from the Oregon Department of Transportation (ODOT);
- B. As used herein, net revenue mean the total revenues generated from collection of the fuel tax, less any collection and administration fee paid to ODOT on all revenues collected and ODOT start-up costs for staff and equipment, currently estimated to be a one-time charge of approximately \$40,000. There will be no cost associated with the County's collection and distribution of revenues;
- C. COUNTY will distribute 40% of the net revenues received to the participating CITIES;
- D. Distributions to the participating CITIES will be every six months;
- E. The distribution to participating CITIES shall be pro-rated based on the population of that City within the jurisdictional boundaries of the County; and
- F. CITIES population shall be determined from the most current figures provided annually by Portland State University Population Research Center.

V. SPECIAL REQUIREMENTS

- A. COUNTY and CITIES agree that in order for an individual city to be eligible to receive any motor vehicle fuel tax revenues under this Agreement, the City must first comply with the terms of this Agreement by September 1, 2016; and
- B. COUNTY and CITIES agree to comply with all applicable local, state, and federal ordinances, statutes, laws and regulations.

VI. AMENDMENT

This agreement may be amended at any time with the concurrence of all parties. Amendments become a part of this agreement only after the written amendment has been signed by all parties.

VII. TERM OF AGREEMENT

This Agreement shall become effective upon signing by the jurisdictional representative. The terms of this Agreement become operative and enforceable only after the successful passage of the scope of work and cooperation provisions in Section III of this Agreement. Unless earlier terminated or extended, this Agreement shall expire seven years after the tax is first implemented.

IN WITNESS WHEREOF, the parties hereto have caused this Intergovernmental Agreement to be executed by their duly authorized officers. This Agreement may be signed in any number of counterparts, each of which is an original and all of which taken together form this Agreement.

CITIES

**CLACKAMAS COUNTY
BOARD OF COUNTY COMMISSIONERS**

Signing on Behalf of the Board:

CITY OF BARLOW

John Ludlow, Chair

Date: _____

Date: _____

CITY OF CANBY

Date: _____

CITY OF ESTACADA

Date: _____

CITY OF GLADSTONE

Date: _____

CITY OF HAPPY VALLEY

Date: _____

CITY OF JOHNSON CITY

Date: _____

CITY OF LAKE OSWEGO

Date: _____

CITY OF MILWAUKIE

Date: _____

CITY OF MOLALLA

Date: _____

CITY OF OREGON CITY

Date: _____

CITY OF PORTLAND

Date: _____

CITY OF RIVERGROVE

Date: _____

CITY OF SANDY

Date: _____

CITY OF TUALATIN

Date: _____

CITY OF WEST LINN

Date: _____

CITY OF WILSONVILLE

Date: _____

BALLOT TITLE

CAPTION (10 words):

Temporary 6-Cent Per Gallon Vehicle Fuel Tax

QUESTION (20 words):

Shall Clackamas County adopt a seven-year, 6-cent-per-gallon motor vehicle fuel tax dedicated to road maintenance projects?

BALLOT SUMMARY (175 words):

The measure imposes a temporary 6-cent-per-gallon tax on motor vehicle fuel sales within Clackamas County. The tax must be used as required by the Oregon Constitution for construction, reconstruction, improvement, repair, maintenance, operation and use of public highways, roads, streets and roadside rest areas in the county. The tax is estimated to raise approximately \$9 million per year for seven years. The County will use 60 percent of the revenue for specific County road paving and safety projects, and will distribute the remaining 40 percent of the revenue to participating cities in Clackamas County to use for their own transportation projects. To be eligible to receive fuel tax revenues, a city must have entered into an Inter-Governmental Agreement with the County prior to September 1, 2016. A list of county projects and their estimated costs can be found at <http://theroadahead.us/>.

The tax is implemented in March 2017 and will expire seven years after the implementation date. The County will adopt an ordinance for the administration of the motor vehicle fuel tax and establish and implement licensing requirements.

EXPLANATORY STATEMENT

An impartial, simple and understandable statement explaining the measure and its effect for use in the county voters' pamphlet. *500 word limit under ORS 251.345 and OAR 165-022-0040(3)*

Road funds primarily come from motor vehicle fuel taxes and vehicle registration fees. Oregon law prohibits using ad valorem (property) taxes for roads. The county uses road funds efficiently, but is unable to keep pace with maintenance needs. There is a \$17 million annual gap between funds needed to maintain roads and revenue.

Over 50% of Clackamas County's 1,400 road miles are in fair or poor condition. Every year, a larger percentage of county roads slip into disrepair, and the county doesn't have the necessary revenue to keep up. Waiting also comes at a price, as the cost to reconstruct a road in the future is more than 10 times greater than the cost of providing preventive maintenance today.

Ongoing preventive maintenance is critical to safe roads. Smooth roadways, clear lane markings, unobstructed sightlines, drainage and well-marked intersections help reduce crashes and keep travelers safe.

Oregon law allows the voters of a county to vote to impose a motor vehicle fuel tax. The measure would impose a 6-cent per gallon tax on motor vehicle fuel sold in Clackamas County. Annual revenues generated by the vehicle fuel tax are estimated to be \$9 million. The tax would be collected by the Oregon Department of Transportation. The County will distribute 40% of the tax proceeds collected to participating cities in Clackamas County. The County and Cities will enter into an Inter-governmental Agreement to memorialize this arrangement. To be eligible to receive fuel tax revenues, each City must enter into the Inter-governmental Agreement before September 1, 2016. The tax must be used as required by the Oregon Constitution for construction, reconstruction, improvement, repair, maintenance, operation and use of public highways, roads, streets and roadside rest areas in the county. The tax would expire after seven years.

Explanatory Statement Furnished by Clackamas County Board of Commissioners

Date: _____, 2017

Authorized Signature

**Proposed 7-Year Countywide Fuel Tax Program
Preliminary Revenue Estimates**
(6¢ /gallon)

Estimated revenue of 1¢ = \$1.5 M / annually is a best estimate using assumptions for a 6¢ countywide fuel tax. Assumptions have been reviewed and confirmed by three entities -- Clackamas County, EcoNorthwest and Oregon Department of Transportation.

Estimated Annual 6¢ Fuel Tax Revenue (100% = County + City Revenues)	\$ 9,000,000
Estimated Annual County Distribution (60% of Total Revenues)	\$ 5,400,000
Estimated Annual City Distribution (40% of Total Revenues)	\$ 3,600,000
Estimated 7-Year Program Revenue (100% = County + City Revenues)	\$ 63,000,000
Estimated 7-Year Program County Distribution (60% of Total Revenues)	\$ 37,800,000
Estimated 7-Year Program City Distribution (40% of Total Revenues)	\$ 25,200,000

Jurisdiction	Population	Estimated Annual Distribution	Estimated 7-Year Program Distribution
Clackamas County	176,259	\$ 5,400,000	\$ 37,800,000
Barlow	135	\$ 2,375	\$ 16,624.25
Canby	16,010	\$ 281,645	\$ 1,971,513
Damascus * *	-	\$ -	\$ -
Estacada	2,935	\$ 51,632	\$ 361,423
Gladstone	11,495	\$ 202,218	\$ 1,415,524
Happy Valley	16,480	\$ 289,913	\$ 2,029,390
Johnson City	565	\$ 9,939	\$ 69,576
Lake Oswego *	34,538	\$ 607,592	\$ 4,253,145
Milwaukie	20,485	\$ 360,368	\$ 2,522,576
Molalla	8,820	\$ 155,160	\$ 1,086,117
Oregon City	33,760	\$ 593,899	\$ 4,157,293
Portland *	760	\$ 13,363	\$ 93,540
Rivergrove *	451	\$ 7,931	\$ 55,518
Sandy	10,170	\$ 178,909	\$ 1,252,360
Tualatin *	2,903	\$ 51,075	\$ 357,523
West Linn	25,540	\$ 449,294	\$ 3,145,061
Wilsonville *	19,594	\$ 344,688	\$ 2,412,818
ESTIMATED DISTRIBUTION TOTALS	380,900	\$ 9,000,000	\$ 63,000,000

Population estimates are based on Portland State University (PSU) Population for Oregon and its Counties and Incorporated Cities and Towns: July 1, 2014. Prepared by Population Research Center - College of Urban and Public Affairs.

* A portion of this city is outside Clackamas County; population represents the population PSU estimates within Clackamas County jurisdiction.

** Damascus has been removed from the city distribution formula to reflect results of May 2016 election and disincorporation of the city.

**INTERGOVERNMENTAL AGREEMENT
BETWEEN
CLACKAMAS COUNTY
AND
THE ~~PARTICIPATING~~-BELOW CITIES OF CLACKAMAS
COUNTY**

I. PARTIES

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2. To devote all of CITIES' share of net revenues derived from the motor vehicle fuel tax for the purposes of construction, reconstruction, improvement, repair, maintenance, operation and use of city highways, roadways and streets within the jurisdictional boundaries of the city, as set forth under Art. IX, Section 3a of the Oregon Constitution.

B. COUNTY agrees to:

1. Submit to the voters of Clackamas County a measure seeking voter approval of a temporary \$0.06 per gallon motor vehicle fuel tax.

1 INTERGOVERNMENTAL AGREEMENT BETWEEN CLACKAMAS COUNTY AND ~~THE PARTICIPATING~~-CITIES OF CLACKAMAS COUNTY

The tax would sunset after a period of seven years after the tax implementation date;

2. Place the measure on the ballot for the November 2016 general election;
3. Receive net revenues from the state and distribute 40% of those net revenues of the motor vehicle fuel tax revenues, based on population within the jurisdictional boundaries of the County, to all participating-CITIES within the COUNTY; and
4. To devote all of the COUNTY's share of net revenues derived from the motor vehicle fuel tax for the purposes of construction, reconstruction, improvement, repair, maintenance, operation and use of public highways within the jurisdictional boundaries of the COUNTY and as more specifically set forth in the County's ballot measure and Art. IX, Section 3a of the Oregon Constitution.
5. As used herein "net revenue" means all revenue generated from the fuel tax, less ODOT's collection and administration fee (currently .047%) and ODOT's start-up fee for equipment and staff time to administer this tax, estimated but not guaranteed to be approximately \$40,000 - \$50,000.

IV. DISTRIBUTION

- A. COUNTY shall receive net motor vehicle fuel tax revenues from the Oregon Department of Transportation;
- B. COUNTY will distribute 40% of the net revenues received to the participating-CITIES;
- C. Distributions to the participating-CITIES will be every six months;
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IN WITNESS WHEREOF, the parties hereto have caused this Intergovernmental Agreement to be executed by their duly authorized officers.

CITIES

**CLACKAMAS COUNTY
BOARD OF COUNTY COMMISSIONERS**

By: _____
As Its: _____

Signing on Behalf of the Board:

John Ludlow, Chair

Date: _____

Date: _____

[cities who elect to sign will be named]

~~CITY OF CANBY~~

~~Date: _____~~

~~CITY OF ESTACADA~~

~~Date: _____~~

~~CITY OF GLADSTONE~~

Date: _____

~~CITY OF HAPPY VALLEY~~

Date: _____

~~CITY OF JOHNSON CITY~~

Date: _____

~~CITY OF LAKE OSWEGO~~

Date: _____

~~CITY OF MILWAUKIE~~

Date: _____

~~CITY OF MOLALLA~~

Date: _____

~~CITY OF OREGON CITY~~

Date: _____

~~CITY OF PORTLAND~~

Date: _____

~~CITY OF RIVERGROVE~~

Date: _____

~~CITY OF SANDY~~

Date: _____

~~CITY OF TUALATIN~~

Date: _____

~~CITY OF WEST LINN~~

Date: _____

~~CITY OF WILSONVILLE~~

Date: _____

BALLOT TITLE

CAPTION (10 words):

Temporary 6-Cent Per Gallon Vehicle Fuel Tax

QUESTION (20 words):

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BALLOT SUMMARY (175 words):

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Road funds primarily come from motor vehicle fuel taxes and vehicle registration fees. Oregon law prohibits using ad valorem (property) taxes for roads. The county uses road funds efficiently, but is unable to keep pace with maintenance needs. There is a \$17 million annual gap between funds needed to maintain roads and revenue.

Over 50% of Clackamas County's 1,400 road miles are in fair or poor condition. Every year, a larger percentage of county roads slip into disrepair, and the county doesn't have the necessary revenue to keep up. Waiting also comes at a price, as the cost to reconstruct a road in the future is more than 10 times greater than the cost of providing preventive maintenance today.

Ongoing preventive maintenance is critical to safe roads. Smooth roadways, clear lane markings, unobstructed sightlines, drainage and well-marked intersections help reduce crashes and keep travelers safe.

Oregon law allows the voters of a county to vote to impose a motor vehicle fuel tax. The measure would impose a 6-cent per gallon tax on motor vehicle fuel sold in Clackamas County. Annual revenues generated by the vehicle fuel tax are estimated to be \$9 million. The tax would be collected by the Oregon Department of Transportation. The County will distribute 40% of the net tax proceeds collected to participating cities in Clackamas County. The County and Cities will enter into an Inter-governmental Agreement to memorialize this arrangement. To be eligible to receive fuel tax revenues, each City must enter into the Inter-governmental Agreement before September 1, 2016. The tax must be used as required by the Oregon Constitution for construction, reconstruction, improvement, repair, maintenance, operation and use of public highways, roads, streets and roadside rest areas in the county. The tax would expire after seven years.

Explanatory Statement Furnished by Clackamas County Board of Commissioners

Authorized Signature

Date: _____, 2017

**INTERGOVERNMENTAL AGREEMENT
BETWEEN
CLACKAMAS COUNTY
AND
THE BELOW CITIES OF CLACKAMAS COUNTY**

I. PARTIES

This Intergovernmental Agreement is entered into between Clackamas County (COUNTY) and the Cities of _____
[cities who elect to sign will be named] (CITIES). This Agreement is authorized pursuant to ORS 190.110.

II. PURPOSE

The purpose of this Agreement is to memorialize a revenue sharing plan for the net receipt of motor vehicle fuel tax revenues collected in Clackamas County pursuant to ORS 319.950.

III. SCOPE OF WORK AND COOPERATION

A. CITIES agree to:

1. Support COUNTY'S effort to obtain voter approval of a \$0.06 per gallon, seven-year, county-wide motor vehicle fuel tax at the November 2016 general election by, on or before September 1, 2016, adopting a resolution or proclamation supporting the imposition of a voter approved \$0.06 per gallon, seven-year, county-wide motor vehicle fuel tax; and
2. To devote all of CITIES' share of net revenues derived from the motor vehicle fuel tax for the purposes of construction, reconstruction, improvement, repair, maintenance, operation and use of city highways, roadways and streets within the jurisdictional boundaries of the city, as set forth under Art. IX, Section 3a of the Oregon Constitution.

B. COUNTY agrees to:

1. Submit to the voters of Clackamas County a measure seeking voter approval of a temporary \$0.06 per gallon motor vehicle fuel tax. The tax would sunset after a period of seven years after the tax implementation date;
2. Place the measure on the ballot for the November 2016 general election;

3. Receive net revenues from the state and distribute 40% of those net revenues of the motor vehicle fuel tax revenues, based on population within the jurisdictional boundaries of the County, to all CITIES within the COUNTY; and
4. To devote all of the COUNTY's share of net revenues derived from the motor vehicle fuel tax for the purposes of construction, reconstruction, improvement, repair, maintenance, operation and use of public highways within the jurisdictional boundaries of the COUNTY and as more specifically set forth in the County's ballot measure and Art. IX, Section 3a of the Oregon Constitution.
5. As used herein "net revenue" means all revenue generated from the fuel tax, less ODOT's collection and administration fee (currently .047%) and ODOT's start-up fee for equipment and staff time to administer this tax, estimated but not guaranteed to be approximately \$40,000 - \$50,000.

IV. DISTRIBUTION

- A. COUNTY shall receive net motor vehicle fuel tax revenues from the Oregon Department of Transportation;
- B. COUNTY will distribute 40% of the net revenues received to the CITIES;
- C. Distributions to the CITIES will be every six months;
- D. The distribution to CITIES shall be pro-rated based on the population of that city located within the jurisdictional boundaries of the County; and
- E. CITIES population shall be determined from figures provided annually by Portland State University Population Research Center.

V. SPECIAL REQUIREMENTS

- A. COUNTY and CITIES agree to comply with all applicable local, state, and federal ordinances, statutes, laws and regulations.

VI. AMENDMENT

This agreement may be amended at any time with the concurrence of all parties. Amendments become a part of this agreement only after the written amendment has been signed by all parties.

VII. TERM OF AGREEMENT

This Agreement shall become effective upon signing by the jurisdictional representative. The terms of this Agreement become operative and enforceable only after the successful passage of the scope of work and cooperation provisions in Section III of this Agreement. Unless earlier terminated or extended, this Agreement shall expire seven years after the tax is first implemented.

IN WITNESS WHEREOF, the parties hereto have caused this Intergovernmental Agreement to be executed by their duly authorized officers.

CITIES

**CLACKAMAS COUNTY
BOARD OF COUNTY COMMISSIONERS**

By: _____
As Its: _____

Signing on Behalf of the Board:

John Ludlow, Chair

Date: _____

Date: _____

[cities who elect to sign will be named]

BALLOT TITLE

CAPTION (10 words):

Temporary 6-Cent Per Gallon Vehicle Fuel Tax

QUESTION (20 words):

Shall Clackamas County adopt a seven-year, 6-cent-per-gallon motor vehicle fuel tax dedicated to road maintenance projects?

BALLOT SUMMARY (175 words):

The measure imposes a temporary 6-cent-per-gallon tax on motor vehicle fuel sales within Clackamas County. The tax must be used as required by the Oregon Constitution for construction, reconstruction, improvement, repair, maintenance, operation and use of public highways, roads, streets and roadside rest areas in the county. The tax is estimated to raise approximately \$9 million per year for seven years. The County will use 60 percent of the net revenue for specific County road paving and safety projects, and will distribute the remaining 40 percent of the net revenue to cities in Clackamas County to use for their own transportation projects. To be eligible to receive fuel tax revenues, a city must have entered into an Inter- Governmental Agreement with the County prior to September 1, 2016. A list of county projects and their estimated costs can be found at <http://theroadahead.us/>.

The tax is implemented in March 2017 and will expire seven years after the implementation date. The County will adopt an ordinance for the administration of the motor vehicle fuel tax and establish and implement licensing requirements.

EXPLANATORY STATEMENT

An impartial, simple and understandable statement explaining the measure and its effect for use in the county voters' pamphlet. *500 word limit under ORS 251.345 and OAR 165-022-0040(3)*

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Explanatory Statement Furnished by Clackamas County Board of Commissioners

Authorized Signature

Date: _____, 2017

**Table 4. Populations for Oregon and Its Counties and Incorporated Cities and Towns:
July 1, 2010 - July 1, 2014 estimates; and Census Counts 1990-2010**

Prepared by Population Research Center, PSU, April 2015.

County and Cities	July 1 Population Estimates					April 1 Census Population		
	2014	2013	2012	2011	2010rev	2010	2000	1990
OREGON	3,962,710	3,919,020	3,883,735	3,857,625	3,837,300	3,831,074	3,421,436	2,842,321
BAKER	16,325	16,280	16,210	16,215	16,185	16,134	16,741	15,317
Baker City	9,890	9,890	9,890	9,890	9,830	9,828	9,860	9,140
Greenhorn	2	2	2	2	2	-	-	-
Haines	415	415	415	415	415	416	426	405
Halfway	290	290	290	290	290	288	337	311
Huntington	445	445	440	440	440	440	515	522
Richland	175	175	160	160	155	156	147	161
Sumpter	205	205	205	205	205	204	171	119
Unity	70	70	70	70	70	71	131	87
Unincorporated	4,833	4,788	4,738	4,743	4,778	4,731	5,154	4,572
BENTON	88,740	87,725	86,785	85,995	85,735	85,579	78,153	70,811
Adair Village	845	845	845	840	840	840	536	554
Albany (part)*	7,146	6,912	6,764	6,698	6,587	6,463	5,104	15
Corvallis	56,535	55,345	55,055	54,520	54,460	54,462	49,322	44,757
Monroe	620	620	615	615	615	617	607	448
Philomath	4,630	4,625	4,620	4,610	4,590	4,584	3,838	2,983
Unincorporated	18,964	19,378	18,886	18,712	18,643	18,613	18,746	22,054
CLACKAMAS	391,525	386,080	381,680	378,480	376,780	375,992	338,391	278,850
Barlow	135	135	135	135	135	135	140	118
Canby	16,010	15,910	15,865	15,830	15,830	15,829	12,790	8,990
Damascus	10,625	10,595	10,585	10,575	10,540	10,539	Not incorporated yet.	
Estacada	2,935	2,900	2,850	2,850	2,730	2,695	2,371	2,016
Gladstone	11,495	11,495	11,495	11,495	11,495	11,497	11,438	10,152
Happy Valley	16,480	15,575	14,965	14,330	14,100	13,903	4,519	1,519
Johnson City	565	565	565	565	565	566	634	586
Lake Oswego (part)*	34,538	34,427	34,206	34,165	34,067	34,066	32,989	28,317
Milwaukie	20,485	20,500	20,435	20,400	20,290	20,291	20,490	18,670
Molalla	8,820	8,110	8,110	8,110	8,110	8,108	5,647	3,637
Oregon City	33,760	33,390	32,500	32,220	31,995	31,859	25,754	14,698
Portland (part)*	760	749	749	747	744	744	747	707
Rivergrove (part)*	451	411	386	344	258	257	287	267

Sandy	10,170	9,990	9,880	9,780	9,655	9,570	5,385	4,154
Tualatin (part)*	2,903	2,904	2,905	2,869	2,869	2,862	2,664	1,406
West Linn	25,540	25,425	25,370	25,250	25,150	25,109	22,261	16,389
Wilsonville (part)*	19,594	19,187	18,267	17,421	17,385	17,371	13,987	7,096
Unincorporated	176,259	173,811	172,412	171,395	170,862	170,591	176,288	160,128
CLATSOP	37,495	37,270	37,190	37,145	37,070	37,039	35,630	33,301
Astoria	9,590	9,525	9,555	9,495	9,475	9,477	9,813	10,069
Cannon Beach	1,705	1,705	1,705	1,700	1,695	1,690	1,588	1,221
Gearhart	1,475	1,480	1,475	1,465	1,465	1,462	995	1,027
Hammond						Merged with Warrenton in 1991		589
Seaside	6,560	6,560	6,550	6,490	6,460	6,457	5,900	5,359
Warrenton	5,175	5,135	5,090	5,050	5,000	4,989	4,096	2,681
Unincorporated	12,990	12,865	12,815	12,945	12,975	12,964	13,238	12,355
COLUMBIA	50,075	49,850	49,680	49,625	49,430	49,351	43,560	37,557
Clatskanie	1,750	1,745	1,740	1,740	1,735	1,737	1,528	1,629
Columbia City	1,945	1,945	1,950	1,950	1,945	1,946	1,571	1,003
Prescott	55	55	55	55	55	55	72	63
Rainier	1,905	1,900	1,895	1,895	1,895	1,895	1,687	1,674
St. Helens	12,990	12,895	12,920	12,890	12,905	12,883	10,019	7,535
Scappoose	6,700	6,700	6,685	6,665	6,630	6,592	4,976	3,529
Vernonia	2,065	2,065	2,080	2,110	2,155	2,151	2,228	1,808
Unincorporated	22,665	22,545	22,355	22,320	22,110	22,092	21,479	20,316
COOS	62,900	62,860	62,890	62,960	63,035	63,043	62,788	60,273
Bandon	3,105	3,100	3,100	3,085	3,075	3,066	2,833	2,224
Coos Bay	16,315	16,160	16,060	16,010	15,970	15,967	15,372	15,076
Coquille	3,870	3,850	3,870	3,865	3,865	3,866	4,184	4,121
Lakeside	1,705	1,705	1,700	1,695	1,695	1,699	1,421	1,437
Myrtle Point	2,525	2,525	2,515	2,515	2,515	2,514	2,451	2,712
North Bend	9,730	9,720	9,710	9,710	9,695	9,695	9,544	9,614
Powers	700	695	695	690	690	689	734	682
Unincorporated	24,950	25,105	25,240	25,390	25,530	25,547	26,249	24,407
CROOK	20,780	20,690	20,650	20,855	21,020	20,978	19,184	14,111
Prineville	9,385	9,270	9,245	9,260	9,260	9,253	7,358	5,355
Unincorporated	11,395	11,420	11,405	11,595	11,760	11,725	11,826	8,756
CURRY	22,355	22,300	22,295	22,335	22,355	22,364	21,137	19,327

Brookings	6,535	6,450	6,370	6,360	6,350	6,336	5,447	4,400
Gold Beach	2,275	2,275	2,280	2,255	2,255	2,253	1,897	1,546
Port Orford	1,135	1,135	1,135	1,135	1,135	1,133	1,153	1,025
Unincorporated	12,410	12,440	12,510	12,585	12,615	12,642	12,640	12,356
DESCHUTES	166,400	162,525	160,140	158,875	157,905	157,733	115,367	74,958
Bend	79,985	78,280	77,455	76,925	76,740	76,639	52,029	20,447
La Pine	1,670	1,670	1,670	1,670	1,660	1,653	Not incorporated yet.	
Redmond	26,770	26,590	26,345	26,305	26,225	26,215	13,481	7,165
Sisters	2,190	2,115	2,080	2,055	2,040	2,038	959	708
Unincorporated	55,785	53,870	52,590	51,920	51,240	51,188	48,898	46,638
DOUGLAS	109,385	108,850	108,195	107,795	107,690	107,667	100,399	94,649
Canyonville	1,910	1,910	1,910	1,885	1,885	1,884	1,293	1,219
Drain	1,160	1,160	1,160	1,155	1,155	1,151	1,021	1,086
Elkton	205	200	195	195	195	195	147	172
Glendale	875	875	875	875	875	874	855	707
Myrtle Creek	3,465	3,450	3,445	3,440	3,440	3,439	3,419	3,063
Oakland	935	935	925	925	925	927	954	844
Reedsport	4,150	4,150	4,145	4,145	4,150	4,154	4,378	4,796
Riddle	1,185	1,185	1,185	1,185	1,185	1,185	1,014	1,143
Roseburg	22,510	22,275	21,920	21,690	21,660	21,181	20,017	17,069
Sutherlin	7,945	7,930	7,905	7,880	7,840	7,810	6,669	5,020
Winston	5,410	5,400	5,385	5,385	5,385	5,379	4,613	3,773
Yoncalla	1,060	1,060	1,060	1,055	1,050	1,047	1,052	919
Unincorporated	58,575	58,320	58,085	57,980	57,945	58,441	54,967	54,838
GILLIAM	1,975	1,945	1,900	1,880	1,870	1,871	1,915	1,717
Arlington	605	605	585	585	585	586	524	425
Condon	695	695	695	690	685	682	759	635
Lonerock	20	20	20	20	20	21	24	11
Unincorporated	655	625	600	585	580	582	608	646
GRANT	7,425	7,435	7,450	7,450	7,460	7,445	7,935	7,853
Canyon City	705	705	715	710	705	703	669	648
Dayville	150	150	150	150	150	149	138	144
Granite	40	40	40	40	40	38	24	8
John Day	1,745	1,745	1,745	1,755	1,750	1,744	1,821	1,857
Long Creek	195	195	195	195	195	197	228	249
Monument	130	130	130	130	130	128	151	162

Mt. Vernon	525	525	525	525	525	527	595	549
Prairie City	910	910	910	910	910	909	1,080	1,117
Seneca	200	200	200	200	200	199	223	191
Unincorporated	2,825	2,835	2,840	2,835	2,855	2,851	3,006	2,928
HARNEY	7,265	7,260	7,315	7,375	7,445	7,422	7,609	7,060
Burns	2,835	2,835	2,835	2,805	2,805	2,806	3,064	2,913
Hines	1,560	1,560	1,565	1,565	1,565	1,563	1,623	1,452
Unincorporated	2,870	2,865	2,915	3,005	3,075	3,053	2,922	2,695
HOOD RIVER	23,730	23,295	22,875	22,625	22,385	22,346	20,411	16,903
Cascade Locks	1,235	1,200	1,190	1,165	1,145	1,144	1,115	930
Hood River	7,545	7,460	7,375	7,320	7,180	7,167	5,831	4,632
Unincorporated	14,950	14,635	14,310	14,140	14,060	14,035	13,465	11,341
JACKSON	208,375	206,310	204,630	203,950	203,340	203,206	181,273	146,389
Ashland	20,340	20,295	20,325	20,255	20,095	20,078	19,522	16,252
Butte Falls	430	430	425	425	425	423	439	252
Central Point	17,375	17,315	17,275	17,235	17,185	17,169	12,493	7,512
Eagle Point	8,635	8,575	8,550	8,520	8,470	8,469	4,797	3,022
Gold Hill	1,220	1,220	1,220	1,220	1,220	1,220	1,073	980
Jacksonville	2,840	2,840	2,815	2,800	2,785	2,785	2,235	1,896
Medford	76,650	75,920	75,545	75,180	74,980	74,907	63,687	47,021
Phoenix	4,580	4,570	4,570	4,550	4,540	4,538	4,060	3,239
Rogue River	2,155	2,145	2,145	2,140	2,135	2,131	1,851	1,759
Shady Cove	3,015	2,920	2,920	2,910	2,905	2,904	2,307	1,351
Talent	6,230	6,170	6,115	6,095	6,070	6,066	5,589	3,274
Unincorporated	64,905	63,910	62,725	62,620	62,530	62,516	63,220	59,831
JEFFERSON	22,205	22,040	21,940	21,845	21,750	21,720	19,009	13,676
Culver	1,380	1,370	1,370	1,370	1,365	1,357	802	570
Madras	6,260	6,255	6,260	6,225	6,050	6,046	5,078	3,443
Metolius	700	705	705	710	710	710	729	450
Unincorporated	13,865	13,710	13,605	13,540	13,625	13,607	12,400	9,213
JOSEPHINE	83,105	82,815	82,775	82,820	82,775	82,713	75,726	62,649
Cave Junction	1,905	1,905	1,900	1,885	1,885	1,883	1,363	1,126
Grants Pass	35,060	34,855	34,740	34,660	34,555	34,533	23,003	17,503
Unincorporated	46,140	46,055	46,135	46,275	46,335	46,297	51,360	44,020

KLAMATH	66,910	66,810	66,740	66,580	66,505	66,380	63,775	57,702
Bonanza	455	455	455	465	471	415	415	323
Chiloquin	735	735	735	735	735	734	715	673
Klamath Falls	21,500	21,495	21,465	21,120	20,925	20,840	19,460	17,737
Malin	815	815	815	805	805	805	640	725
Merrill	840	845	845	845	845	844	897	837
Unincorporated	42,565	42,465	42,425	42,610	42,724	42,742	41,648	37,407
LAKE	7,990	7,940	7,920	7,885	7,890	7,895	7,422	7,186
Lakeview	2,300	2,300	2,300	2,300	2,295	2,294	2,474	2,526
Paisley	245	245	245	245	245	243	247	350
Unincorporated	5,445	5,395	5,375	5,340	5,350	5,358	4,701	4,310
LANE	358,805	356,125	354,200	353,155	352,010	351,715	322,977	282,912
Coburg	1,045	1,045	1,045	1,045	1,040	1,035	969	763
Cottage Grove	9,840	9,785	9,770	9,745	9,705	9,686	8,445	7,403
Creswell	5,075	5,020	4,990	5,015	5,030	5,031	3,579	2,431
Dunes City	1,315	1,310	1,305	1,305	1,305	1,303	1,241	1,081
Eugene	160,775	159,580	158,335	157,010	156,295	156,185	137,893	112,733
Florence	8,565	8,480	8,470	8,470	8,465	8,466	7,263	5,171
Junction City	5,620	5,550	5,445	5,445	5,430	5,392	4,721	3,692
Lowell	1,060	1,060	1,055	1,045	1,045	1,045	880	785
Oakridge	3,220	3,215	3,210	3,205	3,205	3,205	3,172	3,063
Springfield	60,065	59,990	59,840	59,695	59,425	59,403	52,864	44,664
Veneta	4,690	4,635	4,610	4,610	4,565	4,561	2,762	2,519
Westfir	255	255	255	255	255	253	280	278
Unincorporated	97,280	96,200	95,870	96,310	96,245	96,150	98,908	98,329
LINCOLN	46,890	46,560	46,295	46,155	46,135	46,034	44,479	38,889
Depoe Bay	1,410	1,405	1,400	1,400	1,400	1,398	1,174	870
Lincoln City	8,400	8,380	7,965	7,960	7,935	7,930	7,437	5,903
Newport	10,095	10,160	10,150	10,065	10,030	9,989	9,532	8,437
Siletz	1,235	1,235	1,225	1,210	1,210	1,212	1,133	992
Toledo	3,485	3,470	3,465	3,485	3,470	3,465	3,472	3,174
Waldport	2,060	2,050	2,040	2,040	2,035	2,033	2,050	1,595
Yachats	720	715	705	710	690	690	617	533
Unincorporated	19,485	19,145	19,345	19,285	19,365	19,317	19,064	17,385
LINN	119,705	118,665	118,035	117,340	116,840	116,672	103,069	91,227
Albany (part)*	44,124	43,808	43,946	43,822	43,738	43,695	35,748	29,525

Brownsville	1,680	1,670	1,670	1,670	1,670	1,668	1,449	1,281
Gates (part)*	43	43	43	42	42	40	42	41
Halsey	915	915	915	915	910	904	724	667
Harrisburg	3,635	3,630	3,630	3,585	3,565	3,567	2,795	1,939
Idanha (part)*	62	57	57	57	57	57	85	112
Lebanon	15,740	15,690	15,660	15,565	15,525	15,518	12,950	10,950
Lyons	1,160	1,160	1,160	1,160	1,160	1,161	1,008	938
Mill City (part)*	1,549	1,544	1,543	1,539	1,531	1,531	1,225	1,247
Millersburg	1,505	1,430	1,375	1,375	1,345	1,329	651	715
Scio	830	830	830	840	840	838	695	623
Sodaville	310	310	310	310	310	308	290	192
Sweet Home	9,060	9,065	9,025	9,005	8,945	8,925	8,016	6,850
Tangent	1,195	1,185	1,180	1,180	1,165	1,164	933	556
Waterloo	230	230	230	230	230	229	239	191
Unincorporated	37,667	37,098	36,461	36,044	35,807	35,738	36,219	35,400
MALHEUR	31,470	31,440	31,395	31,445	31,345	31,313	31,615	26,038
Adrian	180	180	180	180	175	177	147	131
Jordan Valley	175	175	180	180	180	181	239	364
Nyssa	3,285	3,270	3,270	3,270	3,265	3,267	3,163	2,629
Ontario	11,465	11,465	11,415	11,375	11,365	11,366	10,985	9,394
Vale	1,875	1,890	1,890	1,875	1,875	1,874	1,976	1,491
Unincorporated	14,490	14,460	14,460	14,565	14,485	14,448	15,105	12,029
MARION	326,150	322,880	320,495	318,150	315,900	315,335	284,838	228,483
Aumsville	3,895	3,815	3,700	3,680	3,605	3,584	3,003	1,650
Aurora	950	935	930	920	920	918	655	567
Detroit	210	205	205	205	205	202	262	331
Donald	975	980	980	980	980	979	625	316
Gates (part)*	442	442	442	433	433	431	429	458
Gervais	2,530	2,520	2,520	2,520	2,510	2,464	2,009	992
Hubbard	3,220	3,200	3,185	3,180	3,175	3,173	2,483	1,881
Idanha (part)*	78	78	78	78	78	77	147	177
Jefferson	3,165	3,150	3,140	3,135	3,115	3,098	2,487	1,805
Keizer	36,985	36,795	36,735	36,715	36,570	36,478	32,203	21,884
Mill City (part)*	326	326	327	326	324	324	312	308
Mt. Angel	3,395	3,310	3,285	3,285	3,285	3,286	3,121	2,778
St. Paul	425	420	420	420	420	421	354	322
Salem (part)*	134,027	133,015	131,977	131,300	130,788	130,398	119,040	94,990
Scotts Mills	365	365	365	360	355	357	312	283

Silverton	9,460	9,330	9,290	9,265	9,230	9,222	7,414	5,635
Stayton	7,700	7,685	7,660	7,660	7,645	7,644	6,816	5,011
Sublimity	2,760	2,745	2,680	2,680	2,680	2,681	2,148	1,491
Turner	1,900	1,865	1,865	1,860	1,855	1,854	1,199	1,281
Woodburn	24,455	24,330	24,090	24,090	24,085	24,080	20,100	13,404
Unincorporated	88,887	87,369	86,622	85,059	83,642	83,664	79,719	72,919
MORROW	11,525	11,425	11,300	11,270	11,175	11,173	10,995	7,625
Boardman	3,445	3,405	3,235	3,235	3,220	3,220	2,855	1,387
Heppner	1,290	1,290	1,290	1,290	1,290	1,291	1,395	1,412
Ione	330	330	330	330	330	329	321	255
Irrigon	1,885	1,835	1,830	1,830	1,825	1,826	1,702	737
Lexington	255	255	240	240	240	238	263	286
Unincorporated	4,320	4,310	4,375	4,345	4,270	4,269	4,459	3,548
MULTNOMAH	765,775	756,530	748,445	741,925	736,785	735,334	660,486	583,887
Fairview	8,935	8,930	8,920	8,920	8,920	8,920	7,561	2,391
Gresham	106,455	106,180	105,970	105,795	105,595	105,594	90,205	68,249
Lake Oswego (part)*	2,558	2,554	2,554	2,551	2,544	2,544	2,274	2,253
Maywood Park	750	750	750	750	750	752	777	781
Portland (part)*	599,186	589,813	585,558	583,546	581,484	581,485	526,986	436,898
Troutdale	16,020	16,015	16,005	16,000	15,980	15,962	13,777	7,852
Wood Village	3,905	3,895	3,890	3,885	3,875	3,878	2,860	2,814
Unincorporated	27,966	28,393	24,798	20,478	17,637	16,199	16,046	62,649
POLK	77,735	77,065	76,625	75,965	75,495	75,403	62,380	49,541
Dallas	14,940	14,800	14,670	14,620	14,590	14,583	12,459	9,422
Falls City	950	950	945	945	945	947	966	818
Independence	8,605	8,585	8,585	8,600	8,600	8,590	6,035	4,425
Monmouth	9,620	9,720	9,755	9,720	9,545	9,534	7,741	6,288
Salem (part)*	25,238	24,755	24,478	24,410	24,312	24,239	17,884	12,803
Willamina (part)*	848	847	845	845	845	845	716	554
Unincorporated	17,534	17,408	17,347	16,825	16,658	16,665	16,579	15,231
SHERMAN	1,785	1,780	1,765	1,765	1,765	1,765	1,934	1,918
Grass Valley	165	165	165	165	165	164	171	160
Moro	325	325	325	325	325	324	337	292
Rufus	280	255	255	250	250	249	268	295
Wasco	415	415	410	410	410	410	381	374
Unincorporated	600	620	610	615	615	618	777	797

TILLAMOOK	25,480	25,375	25,305	25,255	25,260	25,250	24,262	21,570
Bay City	1,320	1,310	1,305	1,295	1,290	1,286	1,149	1,027
Garibaldi	790	790	785	785	780	779	899	886
Manzanita	615	615	610	605	600	598	564	513
Nehalem	280	280	270	270	270	271	203	232
Rockaway Beach	1,325	1,325	1,320	1,320	1,315	1,312	1,267	970
Tillamook	4,880	4,885	4,880	4,905	4,920	4,935	4,352	4,006
Wheeler	405	415	415	415	415	414	391	335
Unincorporated	15,865	15,755	15,720	15,660	15,670	15,655	15,437	13,601
UMATILLA	78,340	77,895	77,120	76,580	76,000	75,889	70,548	59,249
Adams	370	370	365	365	365	350	297	223
Athena	1,125	1,125	1,125	1,125	1,125	1,126	1,221	997
Echo	705	700	705	700	700	699	650	500
Helix	195	190	190	185	185	184	183	150
Hermiston	17,345	17,240	16,995	16,865	16,795	16,745	13,154	10,047
Milton-Freewater	7,060	7,060	7,050	7,055	7,045	7,050	6,470	5,533
Pendleton	16,700	16,780	16,715	16,625	16,605	16,612	16,354	15,142
Pilot Rock	1,505	1,505	1,505	1,505	1,505	1,502	1,532	1,478
Stanfield	2,115	2,095	2,075	2,055	2,045	2,043	1,979	1,568
Ukiah	245	235	235	230	185	186	255	250
Umatilla	7,050	7,025	7,015	6,980	6,905	6,906	4,978	3,046
Weston	685	675	675	675	670	667	717	606
Unincorporated	23,240	22,895	22,470	22,215	21,870	21,819	22,758	19,709
UNION	26,485	26,325	26,175	25,980	25,810	25,748	24,530	23,598
Cove	550	550	550	550	550	552	594	507
Elgin	1,725	1,725	1,725	1,725	1,710	1,711	1,654	1,586
Imbler	305	305	305	305	305	306	284	299
Island City	1,025	1,015	1,015	1,010	1,000	989	916	696
La Grande	13,150	13,125	13,110	13,095	13,095	13,082	12,327	11,766
North Powder	445	445	445	445	440	439	489	448
Summerville	135	135	135	135	135	135	117	142
Union	2,150	2,150	2,145	2,140	2,130	2,121	1,926	1,847
Unincorporated	7,000	6,875	6,745	6,575	6,445	6,413	6,223	6,307
WALLOWA	7,070	7,045	7,015	6,995	7,005	7,008	7,226	6,911
Enterprise	1,940	1,940	1,940	1,940	1,940	1,940	1,895	1,905
Joseph	1,095	1,095	1,090	1,090	1,085	1,081	1,054	1,073

Lostine	215	215	215	215	215	213	263	231
Wallowa	810	810	810	805	810	808	869	748
Unincorporated	3,010	2,985	2,960	2,945	2,955	2,966	3,145	2,954
WASCO	26,105	25,810	25,485	25,300	25,235	25,213	23,791	21,683
Antelope	50	45	45	45	45	46	59	34
Dufur	605	605	605	605	605	604	588	527
Maupin	425	425	425	420	420	418	411	456
Mosier	440	440	440	435	435	433	410	244
Shaniko	35	35	35	35	35	36	26	26
The Dalles	14,480	14,440	14,440	14,440	13,630	13,620	12,156	11,021
Unincorporated	10,070	9,820	9,495	9,320	10,065	10,056	10,141	9,375
WASHINGTON	560,465	550,990	542,845	536,370	531,070	529,710	445,342	311,554
Banks	1,775	1,775	1,775	1,775	1,775	1,777	1,286	563
Beaverton	93,395	91,935	91,205	90,835	89,925	89,803	76,129	53,307
Cornelius	11,910	11,915	11,915	11,915	11,875	11,869	9,652	6,148
Durham	1,880	1,880	1,365	1,360	1,355	1,351	1,382	748
Forest Grove	22,715	22,340	21,460	21,275	21,130	21,083	17,708	13,559
Gaston	640	640	640	640	635	637	600	563
Hillsboro	95,310	93,340	92,550	92,350	91,970	91,611	70,186	37,598
King City	3,365	3,320	3,225	3,135	3,115	3,111	1,949	2,060
Lake Oswego (part)*	9	9	9	9	9	9	15	6
North Plains	2,015	2,015	1,990	1,990	1,970	1,947	1,605	972
Portland (part)*	1,564	1,558	1,558	1,552	1,547	1,547	1,388	1,197
Rivergrove (part)*	34	34	34	31	32	32	37	27
Sherwood	18,955	18,575	18,265	18,255	18,205	18,194	11,791	3,093
Tigard	49,140	49,135	48,695	48,415	48,090	48,035	41,223	29,435
Tualatin (part)*	24,022	23,606	23,215	23,251	23,191	23,192	20,127	13,258
Wilsonville (part)*	2,386	2,363	2,248	2,144	2,140	2,138	4	10
Unincorporated	231,350	226,551	222,696	217,438	214,106	213,374	190,260	149,010
WHEELER	1,440	1,430	1,425	1,435	1,440	1,441	1,547	1,396
Fossil	475	475	475	475	475	473	469	399
Mitchell	130	130	130	130	130	130	170	163
Spray	160	160	160	160	160	160	140	149
Unincorporated	675	665	660	670	675	678	768	685
YAMHILL	102,525	101,400	100,550	99,850	99,405	99,193	84,992	65,551
Amity	1,620	1,610	1,610	1,615	1,615	1,614	1,478	1,175

Carlton	2,070	2,065	2,035	2,035	2,015	2,007	1,514	1,289
Dayton	2,570	2,550	2,535	2,530	2,535	2,534	2,119	1,526
Dundee	3,180	3,170	3,175	3,175	3,170	3,162	2,598	1,663
Lafayette	3,825	3,755	3,735	3,740	3,740	3,742	2,586	1,292
McMinnville	32,705	32,510	32,435	32,270	32,240	32,187	26,499	17,894
Newberg	22,765	22,580	22,300	22,230	22,110	22,068	18,064	13,086
Sheridan	6,225	6,180	6,180	6,125	6,125	6,127	5,561	3,979
Willamina (part)*	1,197	1,183	1,180	1,180	1,180	1,180	1,128	1,194
Yamhill	1,050	1,030	1,020	1,020	1,020	1,024	794	867
Unincorporated	25,318	24,767	24,345	23,930	23,655	23,548	22,651	21,586

*City is located and has population in more than one county.

Note: Cities/towns that have conducted local enumerations following Census 2010 are: Adams and Bonanza in 2010; Rivergrove and Ukiah in 2011; and Lexington in 2013.

Please use caution when comparing the population estimates of the unincorporated county areas, and note that the population estimates for the unincorporated areas represent revised estimates rather than estimates resulting from measured direct change during the year. The population for an unincorporated area is a residual of the county total population and the sum of that county's city populations .

The unincorporated area population is affected by those cities not submitting to PRC the completed annual form because the population of a city is held constant to the previous year if no recent form data are received. Additionally, cities sending incomplete data will affect the population residual in the unincorporated area, as do city annexations.

Sent: July 2, 2016
From: Bryan Cosgrove
To: Sandra King
Cc: Mark Ottenad; Barbara Jacobson
Subject: FW: Clackamas County – Fuel Tax IGA

We need to add this to the agenda for the next meeting. Please include both versions and a copy of this email to the redlined version.

Bryan Cosgrove,
City Manager
503.570.1504 (office)
cosgrove@ci.wilsonville.or.us
29799 SW Town Center Loop
Wilsonville, Oregon 97070

DISCLOSURE NOTICE: Messages to and from this E-mail address may be subject to the Oregon Public Records Law.

“The only disability in life is a bad attitude.”
~Scott Hamilton

From: Schmidt, Gary [<mailto:GSchmidt@co.clackamas.or.us>]
Sent: Wednesday, July 20, 2016 1:08 PM
To: Amanda Zieber - Asst City Manager Canby; Bill Monahan - Milwaukie Manager; Cosgrove, Bryan; Chandler, Daniel; Dan Huff - Molalla City Manager; Denise Carey - Estacada City Manager; Krupp, Don; Eileen Stein - West Linn City Manager; Eric Swanson - Gladstone CM; Jason Tuck - Happy Valley Manager; Kay Mordock - Johnson City City Manager; Butman, Laurel; Newton, Nancy; Richard Robinson - Canby City Administrator; Scott Lazenby - Lake Oswego City Manager; Seth Atkinson - Sandy City Manager; Sheri Richards - Rivergrove Manager; Sherilyn Lombos - Tualatin Manager; Tony Konkol - Oregon City City Manager; Wheatfall, Emmett; Shoshana.Cohen@portlandoregon.gov; Leah.Treat@portlandoregon.gov; Mark.Lear@portlandoregon.gov; Johnson.city@hotmail.com; cityrecorder@cityofmolalla.com; director.treat@portlandoregon.gov; acannon@ci.tualatin.or.us; sheri@cityofrivergrove.com
Cc: Cartmill, Barbara; Madkour, Stephen; Heider, Tim; Kyle, Amy; Rogalin, Ellen; Bezner, Mike
Subject: Clackamas County - Fuel Tax IGA

Dear City Managers:

Attached is an updated and final IGA for the County Fuel Tax. Also attached is a red-line, track changes version so you can see what edits were made. Thank you for your input and feedback on how to improve the IGA. The Board of County Commissioners reviewed your feedback and approved the IGA yesterday.

If you have any questions or concerns, please let me or Barbara Cartmill know. If your city chooses to sign, and I hope they will, would you please send a signed version back to me and the County will compile all the signatures into a single document and will distribute the final IGA document to you all.

Thank you.

Gary Schmidt
Director, Public and Government Affairs
Clackamas County
503-742-5908

**INTERGOVERNMENTAL AGREEMENT
BETWEEN
CLACKAMAS COUNTY
AND
THE PARTICIPATING CITIES OF CLACKAMAS COUNTY**

I. PARTIES

This intergovernmental agreement is entered into between Clackamas County (COUNTY) and the Cities of Barlow, Canby, Estacada, Gladstone, Happy Valley, Johnson City, Lake Oswego, Milwaukie, Molalla, Oregon City, Portland, Rivergrove, Sandy, Tualatin, West Linn, and Wilsonville (CITIES). This Agreement is authorized pursuant to ORS 190.110.

II. PURPOSE

The purpose of this agreement is to memorialize a revenue sharing plan for the grossnet receipt of motor vehicle fuel tax revenues collected in Clackamas County pursuant to ORS 319.950.

III. SCOPE OF WORK AND COOPERATION

A. CITIES agreesagree to:

- 1.— Support COUNTY'S effort to obtain voter approval of a \$0.06 per gallon, seven-year, county-wide motor vehicle fuel tax at the November 2016 general election;
- 2-1. On by on or before September 1, 2016, adeptadopting a resolution or proclamation supporting the imposition of a voter approved \$0.06 per gallon, seven-year, county-wide motor vehicle fuel tax;
- 3-2. To cooperate to the full extent necessary to achieve the objectives of the Agreement to the collective benefit of the CITIES and COUNTY; and
- 4-3. To devote all revenues derived from the motor vehicle fuel tax for the purposes of construction, reconstruction, improvement, repair, maintenance, operation and use of city highways, roadways and streets within the jurisdictional boundaries of the city as set forth under Art. IX, Section 3a of the Oregon Constitution.

B. COUNTY agrees to:

1. Submit to the voters of Clackamas County a measure seeking voter approval of a temporary \$0.06 per gallon motor vehicle fuel tax. The tax would sunset after a period of seven years after the tax implementation date;

2. Place the measure on the ballot for the November 2016 general election;
3. Receive proceeds from the state and distribute 40% of the net proceeds of the motor vehicle fuel tax revenues, based on population, to all participating CITIES within the COUNTY; and
4. To devote all revenues derived from the motor vehicle fuel tax for the purposes of ~~construction, reconstruction, improvement, repair, maintenance, operation and use of public~~county highways, ~~roads~~roadways, streets and ~~roadside rest areas~~bridges within the jurisdictional boundaries of the COUNTY and as more specifically set forth in the County's ballot measure and Art. IX, Section 3a of the Oregon Constitution.

IIIIV. DISTRIBUTION

- A. COUNTY shall receive motor vehicle fuel tax revenues from the Oregon Department of Transportation;
- B. COUNTY will distribute 40% of the net revenues received to the participating CITIES;
- C. Distributions to the participating CITIES will be every six months; and
- D. The distribution to participating CITIES shall be pro-rated based on the population of that City from figures provided annually by Portland State University Population Research Center.

IVV. SPECIAL REQUIREMENTS

- A. COUNTY and CITIES agree that in order for an individual Citycity to be eligible to receive any motor vehicle fuel tax revenues under this Agreement, the City must first comply with the terms of this Agreement by September 1, 2016; and
- B. COUNTY and CITIES agree to comply with all applicable local, state, and federal ordinances, statutes, laws and regulations.

VVI. AMENDMENT

This agreement may be amended at any time with the concurrence of all parties. Amendments become a part of this agreement only after the written amendment has been signed by all parties.

VVII. TERM OF AGREEMENT

This Agreement shall become effective upon signing by the jurisdictional representative. The terms of this Agreement become operative and enforceable only after the successful passage of the scope of work and cooperation provisions in Section III of this Agreement. Unless earlier terminated or

extended, this Agreement shall expire seven years after the tax is first implemented.

~~This agreement is subject to termination by either of the parties when thirty (30) days' written notice has been provided.~~

IN WITNESS WHEREOF, the parties hereto have caused this Intergovernmental Agreement to be executed by their duly authorized officers.

CITIES

**CLACKAMAS COUNTY
BOARD OF COUNTY COMMISSIONERS**

Signing on Behalf of the Board:

CITY OF BARLOW

John Ludlow, Chair

Date: _____

Date: _____

CITY OF CANBY

Date: _____

CITY OF ESTACADA

Date: _____

CITY OF GLADSTONE

Date: _____

CITY OF HAPPY VALLEY

Date: _____

CITY OF JOHNSON CITY

Date: _____

CITY OF LAKE OSWEGO

Date: _____

CITY OF MILWAUKIE

Date: _____

CITY OF MOLALLA

Date: _____

CITY OF OREGON CITY

Date: _____

CITY OF PORTLAND

Date: _____

CITY OF RIVERGROVE

Date: _____

CITY OF SANDY

Date: _____

CITY OF TUALATIN

Date: _____

CITY OF WEST LINN

Date: _____

CITY OF WILSONVILLE

Date: _____

DRAFT

**INTERGOVERNMENTAL AGREEMENT
BETWEEN
CLACKAMAS COUNTY
AND
THE PARTICIPATING CITIES OF CLACKAMAS COUNTY**

I. PARTIES

This intergovernmental agreement is entered into between Clackamas County (COUNTY) and the Cities of Barlow, Canby, Estacada, Gladstone, Happy Valley, Johnson City, Lake Oswego, Milwaukie, Molalla, Oregon City, Portland, Rivergrove, Sandy, Tualatin, West Linn, and Wilsonville (CITIES). This Agreement is authorized pursuant to ORS 190.110.

II. PURPOSE

The purpose of this agreement is to memorialize a revenue sharing plan for the net receipt of motor vehicle fuel tax revenues collected in Clackamas County pursuant to ORS 319.950.

III. SCOPE OF WORK AND COOPERATION

A. CITIES agree to:

1. Support COUNTY'S effort to obtain voter approval of a \$0.06 per gallon, seven-year, county-wide motor vehicle fuel tax at the November 2016 general election by on or before September 1, 2016, adopting a resolution or proclamation supporting the imposition of a voter approved \$0.06 per gallon, seven-year, county-wide motor vehicle fuel tax;
2. To cooperate to the full extent necessary to achieve the objectives of the Agreement to the collective benefit of the CITIES and COUNTY; and
3. To devote all revenues derived from the motor vehicle fuel tax for the purposes of construction, reconstruction, improvement, repair, maintenance, operation and use of city highways, roadways and streets within the jurisdictional boundaries of the city as set forth under Art. IX, Section 3a of the Oregon Constitution.

B. COUNTY agrees to:

1. Submit to the voters of Clackamas County a measure seeking voter approval of a temporary \$0.06 per gallon motor vehicle fuel tax. The tax would sunset after a period of seven years after the tax implementation date;

2. Place the measure on the ballot for the November 2016 general election;
3. Receive proceeds from the state and distribute 40% of the net proceeds of the motor vehicle fuel tax revenues, based on population, to all participating CITIES within the COUNTY; and
4. To devote all revenues derived from the motor vehicle fuel tax for the purposes of county highways, roadways, streets and bridges within the jurisdictional boundaries of the COUNTY and as more specifically set forth in the County's ballot measure and Art. IX, Section 3a of the Oregon Constitution.

IV. DISTRIBUTION

- A. COUNTY shall receive motor vehicle fuel tax revenues from the Oregon Department of Transportation;
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- C. Distributions to the participating CITIES will be every six months; and
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V. SPECIAL REQUIREMENTS

- A. COUNTY and CITIES agree that in order for an individual city to be eligible to receive any motor vehicle fuel tax revenues under this Agreement, the City must first comply with the terms of this Agreement by September 1, 2016; and
- B. COUNTY and CITIES agree to comply with all applicable local, state, and federal ordinances, statutes, laws and regulations.

VI. AMENDMENT

This agreement may be amended at any time with the concurrence of all parties. Amendments become a part of this agreement only after the written amendment has been signed by all parties.

VII. TERM OF AGREEMENT

This Agreement shall become effective upon signing by the jurisdictional representative. The terms of this Agreement become operative and enforceable only after the successful passage of the scope of work and cooperation provisions in Section III of this Agreement. Unless earlier terminated or extended, this Agreement shall expire seven years after the tax is first implemented.

IN WITNESS WHEREOF, the parties hereto have caused this Intergovernmental Agreement to be executed by their duly authorized officers.

CITIES

**CLACKAMAS COUNTY
BOARD OF COUNTY COMMISSIONERS**

Signing on Behalf of the Board:

CITY OF BARLOW

John Ludlow, Chair

Date: _____

Date: _____

CITY OF CANBY

Date: _____

CITY OF ESTACADA

Date: _____

CITY OF GLADSTONE

Date: _____

CITY OF HAPPY VALLEY

Date: _____

CITY OF JOHNSON CITY

Date: _____

CITY OF LAKE OSWEGO

Date:_____

CITY OF MILWAUKIE

Date:_____

CITY OF MOLALLA

Date:_____

CITY OF OREGON CITY

Date:_____

CITY OF PORTLAND

Date:_____

CITY OF RIVERGROVE

Date:_____

CITY OF SANDY

Date:_____

CITY OF TUALATIN

Date: _____

CITY OF WEST LINN

Date: _____

CITY OF WILSONVILLE

Date: _____



M. BARBARA CARTMILL
DIRECTOR

DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT
DEVELOPMENT SERVICES BUILDING
150 BEAVERCREEK ROAD OREGON CITY, OR 97045

July 13, 2016

To: Mayors and Council Members of Cities in Clackamas County
cc: City Managers, Clackamas County Commissioners

We want to update you on yesterday's Board of County Commissioners policy session on the fuel tax measure proposed for the November ballot. As noted last week, the IGA between the county and cities about sharing revenues and the timing of next steps was on the agenda.

In yesterday's session, the board discussed how valuable city support and a united front will be to the measure. In order to show that commitment and united front to the public and in the voter's pamphlet, the Board agreed that signed IGAs and city resolutions supporting the fuel tax measure must be complete by September 1.

This is a tight timeframe, but after recent discussions, we hope the decision to support the measure will not require extensive time or resources on your part. If there is any additional information we can provide, please let us know.

While we hope all cities in the county engage fully in the effort to educate the community about the need for this funding, the IGA simply calls for a city resolution formally supporting the ballot measure, and a statement of cooperation with the overall goals of the joint effort.

In the policy session yesterday, the board agreed to move forward with the cities that have signed on by September 1 and divide the 40% allocation for cities among those cities. If for some reason a city does not support this funding request, they may opt out. Should some cities decide not to participate, the 40% will be apportioned by population among those cities that are participating.

This is the first time in many years that we have been this close to a county-wide funding solution to the long-standing road maintenance problem. We look forward to working with you, and we are hopeful that through this cooperative effort we will all receive much-needed revenue to benefit the road system throughout Clackamas County and its cities.

Barb Cartmill will be in touch with your city manager in the coming days to answer any questions you may have, see what additional assistance you may need from us and get the name of the public outreach contact for your city.

Thank you.

Handwritten signature of M. Barbara Cartmill in blue ink.

M. Barbara Cartmill, Director
Transportation and Development

Handwritten signature of Gary Schmidt in blue ink.

Gary Schmidt, Director
Public and Government Affairs

Proposed 7-Year Countywide Fuel Tax Program
Preliminary Revenue Estimates
(6¢ /gallon)

Estimated revenue of 1¢ = \$1.5 M / annually is a best estimate using assumptions for a 6¢ countywide fuel tax. Assumptions have been reviewed and confirmed by three entities -- Clackamas County, EcoNorthwest and Oregon Department of Transportation.

Estimated Annual 6¢ Fuel Tax Revenue (100% = County + City Revenues)	\$ 9,000,000
Estimated Annual County Distribution (60% of Total Revenues)	\$ 5,400,000
Estimated Annual City Distribution (40% of Total Revenues)	\$ 3,600,000
Estimated 7-Year Program Revenue (100% = County + City Revenues)	\$ 63,000,000
Estimated 7-Year Program County Distribution (60% of Total Revenues)	\$ 37,800,000
Estimated 7-Year Program City Distribution (40% of Total Revenues)	\$ 25,200,000

Jurisdiction	Population	Estimated Annual Distribution	Estimated 7-Year Program Distribution
Clackamas County	176,259	\$ 5,400,000	\$ 37,800,000
Barlow	135	\$ 2,375	\$ 16,624.25
Canby	16,010	\$ 281,645	\$ 1,971,513
Damascus * *	-	\$ -	\$ -
Estacada	2,935	\$ 51,632	\$ 361,423
Gladstone	11,495	\$ 202,218	\$ 1,415,524
Happy Valley	16,480	\$ 289,913	\$ 2,029,390
Johnson City	565	\$ 9,939	\$ 69,576
Lake Oswego *	34,538	\$ 607,592	\$ 4,253,145
Milwaukie	20,485	\$ 360,368	\$ 2,522,576
Molalla	8,820	\$ 155,160	\$ 1,086,117
Oregon City	33,760	\$ 593,899	\$ 4,157,293
Portland *	760	\$ 13,363	\$ 93,540
Rivergrove *	451	\$ 7,931	\$ 55,518
Sandy	10,170	\$ 178,909	\$ 1,252,360
Tualatin *	2,903	\$ 51,075	\$ 357,523
West Linn	25,540	\$ 449,294	\$ 3,145,061
Wilsonville *	19,594	\$ 344,688	\$ 2,412,818
ESTIMATED DISTRIBUTION TOTALS	380,900	\$ 9,000,000	\$ 63,000,000

Population estimates are based on Portland State University (PSU) Population for Oregon and its Counties and Incorporated Cities and Towns: July 1, 2014. Prepared by Population Research Center - College of Urban and Public Affairs.

* A portion of this city is outside Clackamas County; population represents the population PSU estimates within Clackamas County jurisdiction.

** Damascus has been removed from the city distribution formula to reflect results of May 2016 election and disincorporation of the city.



**CITY COUNCIL MEETING
STAFF REPORT**

<p>Meeting Date: August 1, 2016</p>	<p>Subject: Marijuana – Time, Place, Manner Regulations</p> <p>Staff Member: Barbara Jacobson, Chris Neamtzu, Miranda Bateschell, and Stacey Gibbons</p> <p>Department: Legal and Planning</p>	
<p>Action Required</p> <p><input type="checkbox"/> Motion</p> <p><input type="checkbox"/> Public Hearing Date:</p> <p><input type="checkbox"/> Ordinance 1st Reading Date:</p> <p><input type="checkbox"/> Ordinance 2nd Reading Date:</p> <p><input type="checkbox"/> Resolution</p> <p><input checked="" type="checkbox"/> Information or Direction</p> <p><input type="checkbox"/> Information Only</p> <p><input type="checkbox"/> Council Direction</p> <p><input type="checkbox"/> Consent Agenda</p>	<p>Advisory Board/Commission Recommendation</p> <p><input type="checkbox"/> Approval</p> <p><input type="checkbox"/> Denial</p> <p><input type="checkbox"/> None Forwarded</p> <p><input type="checkbox"/> Not Applicable</p> <p>Comments:</p>	
<p>Staff Recommendation: N/A</p>		
<p>Recommended Language for Motion: N/A</p>		
<p>Project / Issue Relates To: <i>[Identify which goal(s), master plans(s) your issue relates to.]</i></p>		
<p><input type="checkbox"/> Council Goals/Priorities</p>	<p><input type="checkbox"/> Adopted Master Plan(s)</p>	<p><input checked="" type="checkbox"/> Not Applicable</p>

ISSUE BEFORE COUNCIL:

Pursuant to Oregon House Bill 3400 (the marijuana law), the City is permitted to enact reasonable time, place, and manner regulations for recreational and medical marijuana retailers, wholesalers, processors, and testing labs, as well as recreational growing operations. If the voters elect to remove the current ban of such facilities from Wilsonville, the City will be required to arrive at reasonable time, place, and manner regulations for such facilities, as provided under state law.

EXECUTIVE SUMMARY:

The minimum requirements of HB 3400 prohibit recreational marijuana facilities from locating within 1,000 feet of schools that children under 18 must attend. The house bill also mandates that the maximum distance between two marijuana facilities cannot be greater than 1,000 feet (HB 3400, Section 33). Other than these requirements, the law is silent as to what are considered to be reasonable time, place, and manner regulations. The primary consideration for the City is where should these facilities be reasonably located? Once that decision is made, staff can focus on other attendant regulations such as maximum days and hours of operations; in what zones can they operate (i.e., commercial and/or industrial); licensing process and fees; how close in proximity the various facilities can be located to one another; how large the facilities can be; what security measures must be put in place; and what various other criteria might be reasonably required.

Like Wilsonville, several of our neighboring cities currently have enacted the state sanctioned temporary ban on all marijuana facilities. Those cities, like Wilsonville, will need to consider alternative time, place, and manner restrictions should the voters vote to lift the ban in the November election. Other neighboring cities elected not to enact the ban and went directly to allowing the facilities, but based on reasonable time, place, and manner restrictions, as deemed appropriate, by each city. The following is a summary of what some other cities have done and may serve as some guidance to Wilsonville as we contemplate reasonable time, place, and manner regulations.

What Are Other Cities Doing?*

Tualatin

In Tualatin, marijuana facilities cannot be located within 3,000 feet of schools, parks, or residential zones and may not be located within 2,000 feet of another marijuana facility (this does not comply with HB 3400). Facilities cannot exceed 3,000 square feet in size, must be located in a permanent building, and cannot sell both recreational and medical marijuana. In addition, Tualatin has limited the hours of operation to 10am-8pm.

Hillsboro

Recreational marijuana facilities in Hillsboro must meet the minimum requirements of HB 3400 and cannot be located within 100 feet of a residential, mixed use, urban center, or institutional zone. Recreational facilities may not locate within 2,000 feet of medical facilities (not in compliance with HB 3400). Hillsboro has limited the hours of operation to 10am-8pm Monday through Thursday, and 10am-10pm Friday through Sunday.

Sherwood

Sherwood currently has a ban on recreational marijuana sales, and citizens will be voting on whether to continue to ban recreational marijuana facilities in the November election. However, Sherwood does permit medical marijuana facilities subject to time, place, and manner regulations. Medical marijuana facilities may not be located within 1,000 feet of public, private, or career schools attended by children under 18. Medical marijuana facilities may not be located within 1,000 feet of another medical marijuana dispensary, or a public park or plaza. Hours of operation for medical marijuana facilities are limited to between 10am and 8pm.

Lake Oswego

Lake Oswego also has a ban on marijuana facilities and will be referring the ban to voters in the November election. Preliminary discussions of time, place, and manner regulations have resulted in the following proposals: restricting marijuana manufacturing and processing to the industrial zone and requiring 1,500 foot buffers around schools. Additionally, the council asked the planning commission to consider buffers around recreation facilities, playgrounds, library, and other facilities where children congregate and to consider buffers around licensed childcare providers.

Tigard

Beyond the minimum requirements of HB 3400, Tigard mandates that retail and wholesale marijuana facilities must be located on 99W, must be 2,000 feet away from another dispensary, within or outside city limits (not in compliance with HB 3400), and must be 500 feet away from public libraries, or any parks and recreation zone. Non-retail or wholesale facilities must also be 500 feet away from residential zones, public libraries, and any parks and recreation zone. Tigard prohibits marijuana facilities in the mixed-use central zone.

Ashland

In Ashland, marijuana facilities are only permitted on property with a boundary adjacent to a boulevard and must be 200 feet from a residential zone and 1,000 feet from schools. Recreational marijuana facilities must be 1,000 feet from other recreational facilities, but need not be 1,000 feet from medical marijuana facilities. Marijuana facilities require a conditional use permit to operate in commercial zones.

Gresham

Marijuana facilities in Gresham cannot be located within 1,000 feet of a school, childcare facility, park, or religious institution, and cannot be located within 1,000 feet of any other marijuana business. Marijuana facilities must be located in one of the designated commercial or industrial zones.

Keizer

Marijuana facilities are prohibited within 1,500 feet of a school, 1,000 feet of any public property, and 1,000 feet from another marijuana retailer or medical marijuana dispensary in Keizer.

Springfield

Springfield only requires marijuana facilities meet the minimum requirements of HB 3400; however, the code includes provisions prohibiting consumption on the premises and giveaways. Marijuana facilities may not operate between 10pm and 7am.

Washington County

In Washington County, “retail marijuana facilities” include medical marijuana dispensaries and recreational marijuana retail facilities. Retail marijuana facilities must meet all state requirements and are permitted in the following zones: Community Business District; General Commercial District; Industrial District; Rural Commercial District; Transit Oriented Districts; and North Bethany Neighborhood Commercial Mixed Use District. The maximum gross floor

area in the Industrial, General Commercial, and Rural Commercial districts is 3,000 square feet. There must be a buffer of 1,000 feet between retail marijuana facilities, as well as a 1,000 foot buffer from youth-oriented recreational facilities that are owned and operated by the Tualatin Hills Park and Recreation District. Washington County has limited the hours of operation to between 8am and 10pm.

Clackamas County

All marijuana regulations in Clackamas County apply only to unincorporated parts of the county. Medical and recreational marijuana businesses are prohibited from operating in Urban Residential Districts, Rural Residential Districts, Urban Commercial Districts, and Urban Industrial Districts. Retail facilities may only operate between the hours of 10am and 9pm. The minimum buffers are as follows: 100 feet from residentially zoned property, except if street frontage is on an interstate, expressway, or like designated road; 2,000 feet from elementary or secondary schools, including property and parking lots; 1,500 feet from public parks, playgrounds, libraries, government owned recreational use, licensed treatment centers, light rail transit stations, or multi-family dwelling units owned by a public housing authority; 500 feet from a licensed daycare facility or preschool; and 1,000 feet from another marijuana facility of the same type.

**Summaries of other city and county regulations are to the best of our knowledge and may not be exact.*

EXPECTED RESULTS:

TIMELINE: If the voters decide to lift the ban on marijuana facilities, reasonable time, place, and manner regulations will enable the City to place some restrictions on marijuana businesses operating within the City, to be effective after November 8th.

CURRENT YEAR BUDGET IMPACTS: If the voters elect to allow marijuana facilities in Wilsonville, the City will be eligible to receive a portion of the state tax with the amount to be determined based on the population of Wilsonville. After July 1, 2017, the portion of tax revenue received from the state will be based on both the population and the number of licenses issued in Wilsonville. The City will also be able to refer a tax of up to three percent (3%) to voters at the next statewide election, which could result in tax revenue for the City.

FINANCIAL REVIEW / COMMENTS:

Reviewed by: _____ Date: _____

LEGAL REVIEW / COMMENT:

Reviewed by: BAJ_____ Date: 7/26/16_____

COMMUNITY INVOLVEMENT PROCESS:

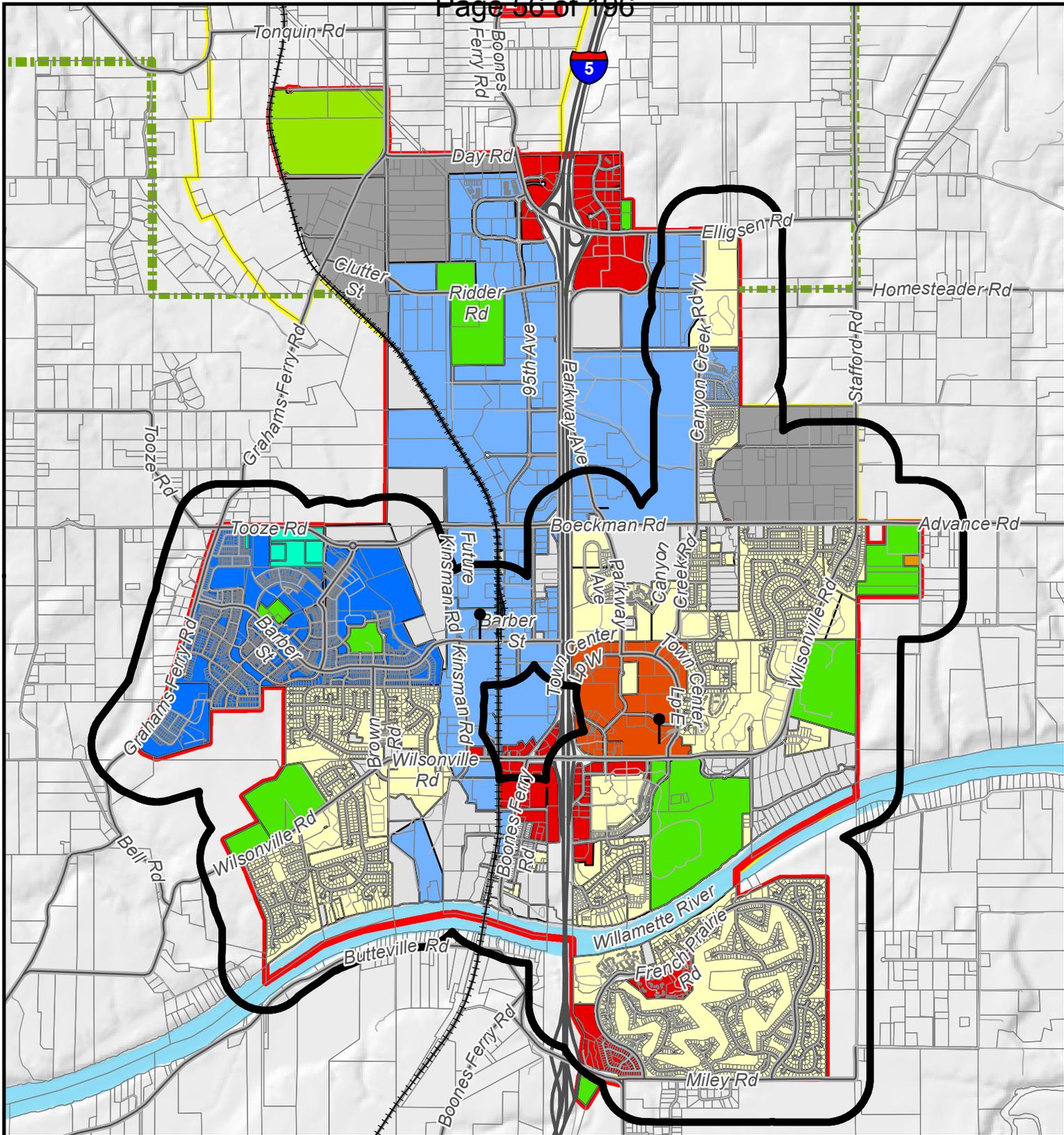
POTENTIAL IMPACTS or BENEFIT TO THE COMMUNITY (businesses, neighborhoods, protected and other groups):

ALTERNATIVES:

CITY MANAGER COMMENT:

ATTACHMENTS:

A PowerPoint presentation will be given at the work session outlining the law and detailing the options for marijuana facility location regulations in Wilsonville. The relevant location maps that will be discussed are attached.



The City of Wilsonville, Oregon
Clackamas and Washington Counties

**Recreational Marijuana
Discussion Map
DRAFT**

Legend

1000' Buffer From:

City Hall & WES

Residential Zoning,
Parks & WWVW Schools

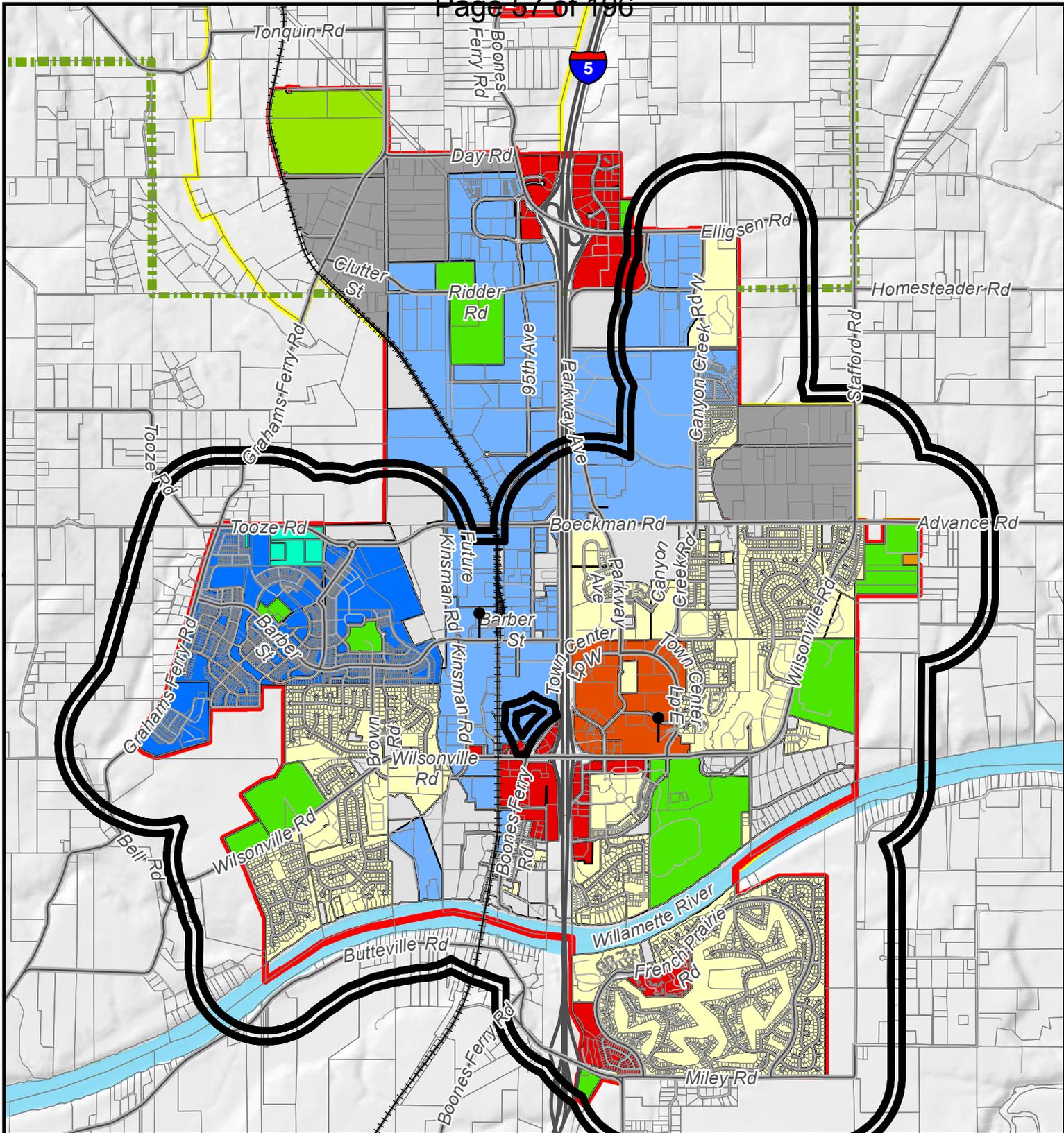
- Exclusive Farm Use
- Planned Development Commercial
- Planned Development Industrial
- Planned Development Residential
- Public Facilities
- Residential
- Residential Agriculture Holding
- Urban Growth Boundary
- Village



7/25/2016

0 Miles 0.5

EXHIBIT A



The City of Wilsonville, Oregon
Clackamas and Washington Counties

**Recreational Marijuana
Discussion Map
DRAFT**

Legend

- 1500' Buffer &
- 1750' Buffer From:
- City Hall & WES
- Residential Zoning,
Parks & WWWL Schools

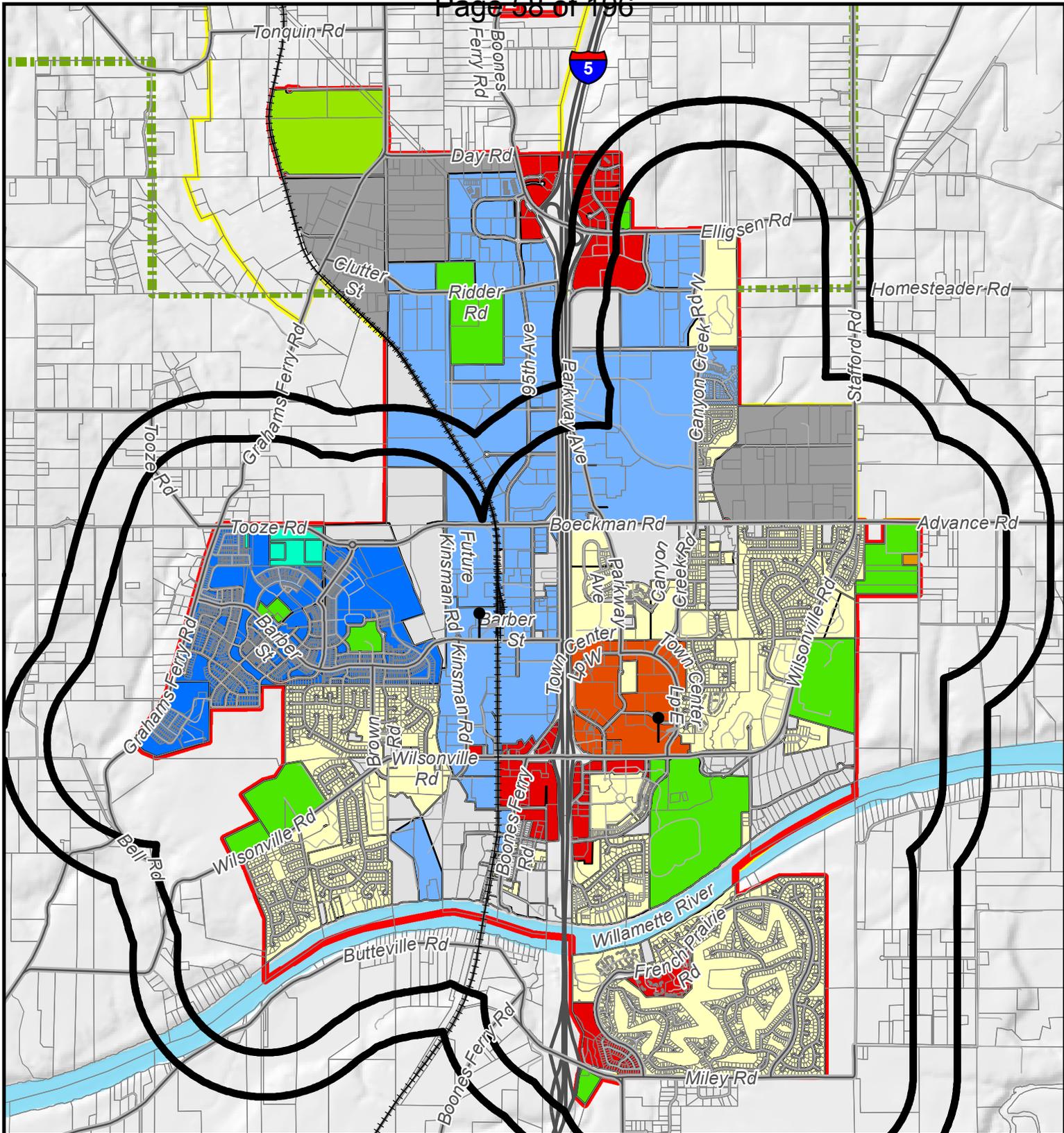
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7/25/2016

0 Miles 0.5

EXHIBIT A



The City of Wilsonville, Oregon
Clackamas and Washington Counties

**Recreational Marijuana
Discussion Map
DRAFT**

Legend

- 2000' Buffer &
- 3000' Buffer From:
- City Hall & WES
- Residential Zoning,
Parks & WWWL Schools

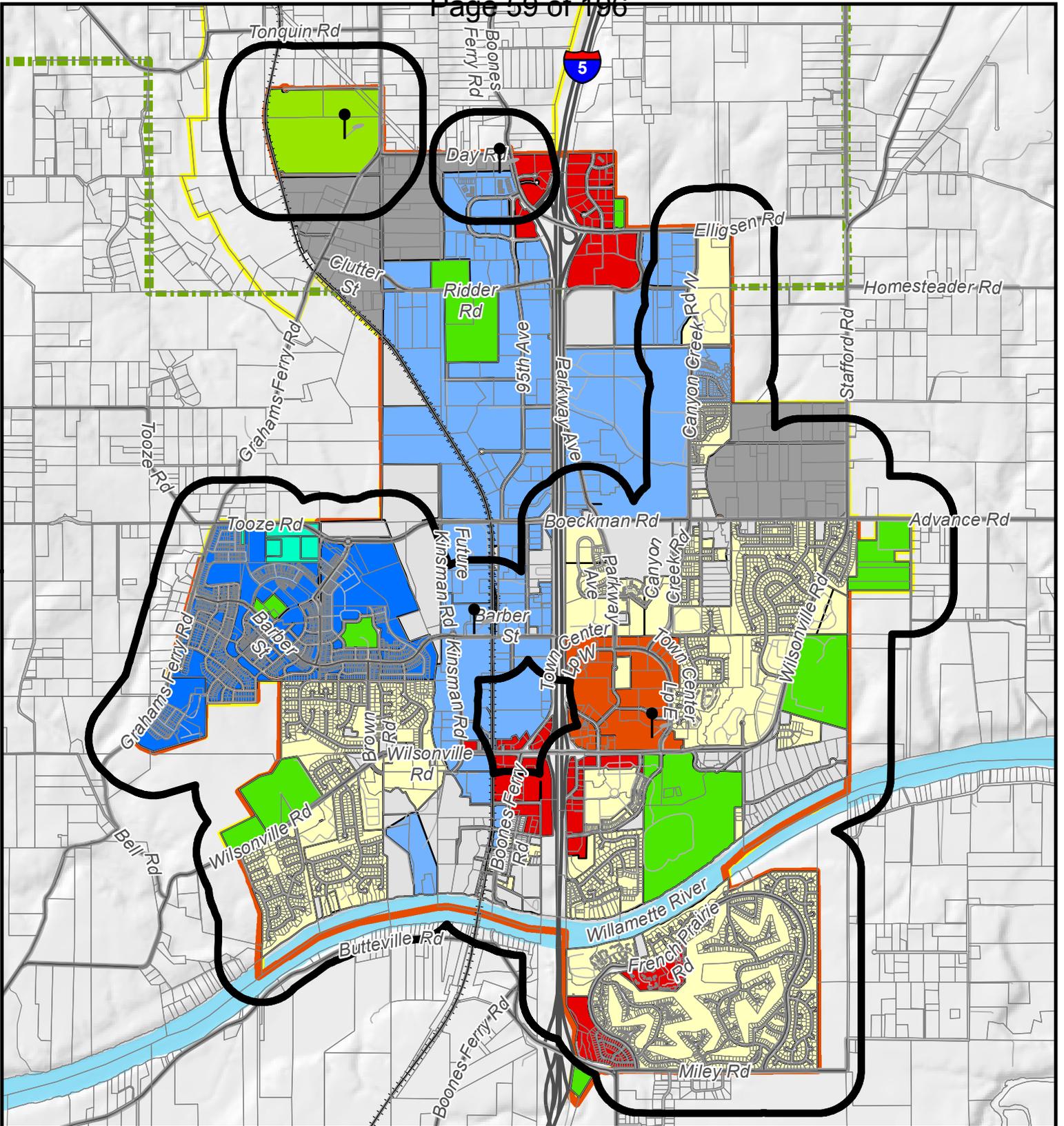
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7/25/2016

0 Miles 0.5

EXHIBIT A



The City of Wilsonville, Oregon
 Clackamas and Washington Counties

**Recreational Marijuana
 Discussion Map
 DRAFT**

Legend

- 1000' Buffer From:
- CCCF, UHS, City Hall & WES
- Residential Zoning, Parks & WWL Schools

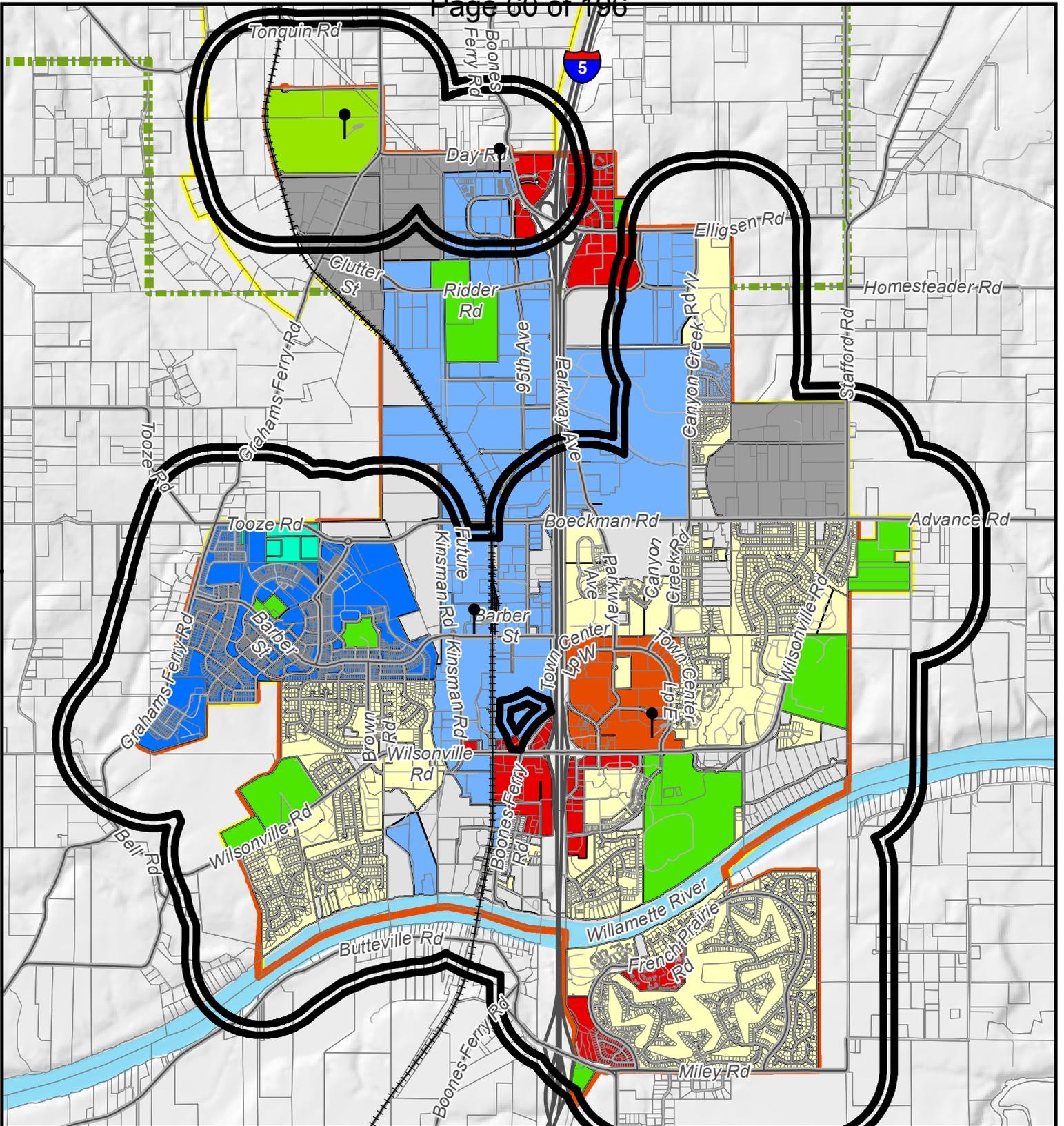
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7/25/2016

0 Miles 0.5

EXHIBIT A



The City of Wilsonville, Oregon
 Clackamas and Washington Counties

**Recreational Marijuana
 Discussion Map
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Legend

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- Residential Zoning, Parks & WWL Schools

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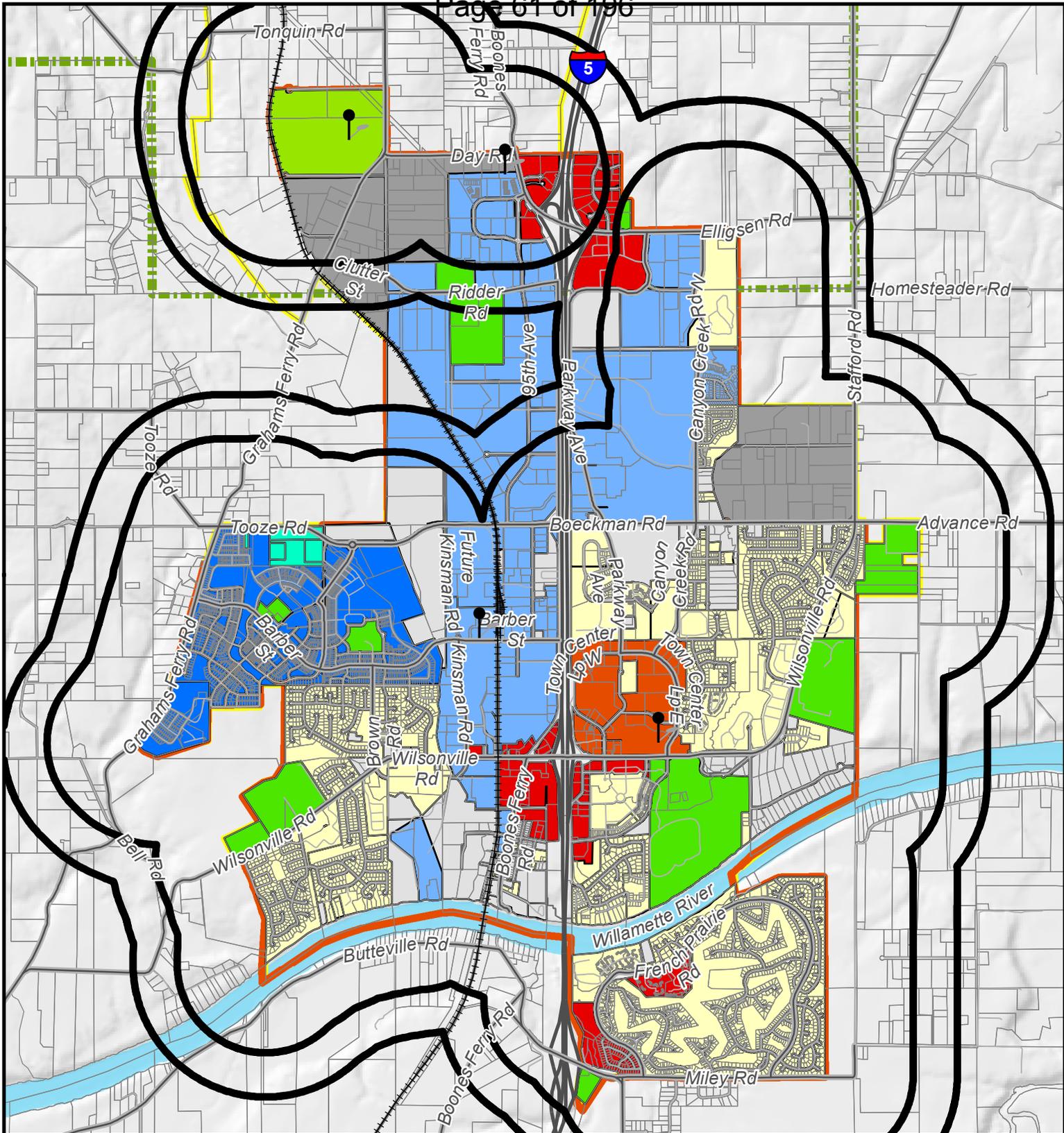


GIS
 Geographic Information Systems

7/19/2016

0 Miles 0.5

EXHIBIT A



The City of Wilsonville, Oregon
 Clackamas and Washington Counties

**Recreational Marijuana
 Discussion Map
 DRAFT**

Legend

- 2000' Buffer &
- 3000' Buffer From:
- CCCF, UHS, City Hall & WES
- Residential Zoning, Parks & WWL Schools

- Exclusive Farm Use
- Planned Development Commercial
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- Residential
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- Village



GIS
 Geographic Information Systems

7/25/2016

0 Miles 0.5

EXHIBIT A

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CITY COUNCIL ROLLING SCHEDULE
Board and Commission Meetings 2016
Items known as of 07/25/16

AUGUST

DATE	DAY	TIME	EVENT	LOCATION
8/1	Monday	7 p.m.	City Council Meeting	Council Chambers
8/8	Monday	6:30 p.m.	DRB Panel A - Cancelled	
8/10	Wednesday	5 p.m.	Wilsonville Community Seniors	Community Center
8/10	Wednesday	6 p.m.	Planning Commission	Council Chambers
8/11	Thursday	4:30 p.m.	Parks and Rec Board Meeting	Parks and Rec Admin Building
8/15	Monday	7 p.m.	City Council Meeting	Council Chambers
8/22	Monday	6:30 p.m.	DRB Panel B	Council Chambers
8/24	Wednesday	6:30 p.m.	Library Board	Library

COMMUNITY EVENTS

Wilsonville Farmers Market – Thursdays starting May 19th
 4-6 P.M. Sofia Park in Villebois

Rotary Concerts in Town Center Park
 Thursday, August 4 – Ben Rice Band
 Opening Act 5:30 p.m. Headliner 6:30 p.m.

Movie in the Park
 Friday, August 5, Memorial Park River Shelter
 Movies start at dusk.

Fun in the Park
 Saturday, August 6 10 am to 5 p.m. in Town Center Park

Wilsonville Brewfest
 Saturday, August 13, 12-8 p.m.
 Piazza at the Villebois, 28900 SW Villebois Drive

Relay for Life – American Cancer Society
 Friday, August 19, 6-10 p.m. Town Center Park
 For more information or to register, visit bit.ly/1VRUq0d

Community Health Fair – 2016 Wilsonville Leadership Academy
 Saturday August 20 – 9 am – 1 p.m.
 Lambs Wilsonville Market Place



**CITY COUNCIL MEETING
STAFF REPORT**

Meeting Date: August 1, 2016	Subject: Resolution 2597 Contract Award to Pacific Excavating, Inc. for 2016 Street Maintenance – Railroad Crossing Repair Staff Member: Mike Ward, P.E., Civil Engineer Department: Community Development	
Action Required	Advisory Board/Commission Recommendation	
<input checked="" type="checkbox"/> Motion <input type="checkbox"/> Public Hearing Date: <input type="checkbox"/> Ordinance 1 st Reading Date: <input type="checkbox"/> Ordinance 2 nd Reading Date: <input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Information or Direction <input type="checkbox"/> Information Only <input type="checkbox"/> Council Direction <input checked="" type="checkbox"/> Consent Agenda	<input type="checkbox"/> Approval <input type="checkbox"/> Denial <input type="checkbox"/> None Forwarded <input checked="" type="checkbox"/> Not Applicable Comments:	
Staff Recommendation: Staff recommends the City Council adopt Resolution No. 2597.		
Recommended Language for Motion: I move to approve Resolution No. 2597.		
Project / Issue Relates To: <i>[Identify which goal(s), master plans(s) your issue relates to.]</i>		
<input checked="" type="checkbox"/> Council Goals/Priorities Well Maintained Infrastructure	<input type="checkbox"/> Adopted Master Plan(s)	<input type="checkbox"/> Not Applicable

ISSUE BEFORE COUNCIL: Should the City award a contract to Pacific Excavation, Inc. for street maintenance work to repair the approaches to the railroad crossing of Wilsonville Road, to rehabilitate adjacent pavement through grind and overlay, and concurrently bring sidewalk ramps to meet ADA standards for a cost not to exceed \$290,891.

EXECUTIVE SUMMARY:

The Wilsonville Road railroad crossing has settled and is in need of repair to the approaches and adjacent pavement rehabilitation. As part of the City of Wilsonville’s pavement management program and in response to citizen concerns about the railroad track conditions, staff requested bids to make improvements to the road as well as bring the sidewalks and ramps into compliance

with ADA regulations and the Rail Crossing Order. The Railroad will complete the track reconstruction. Sealed bids were solicited through a published competitive bid process for the project, in conformance with the State of Oregon Public Contracting Rules and the City of Wilsonville Municipal Code

The Engineering Division received the following two bids.

Brix Paving: \$299,336.50

Pacific Paving: \$290,891.00

Pacific Paving was determined to be the lowest, responsive, and responsible bidder.

EXPECTED RESULTS:

Pavement life will be extended, a smoother ride will be restored, and pedestrian accessibility will be improved.

TIMELINE:

Construction that requires partial lane closures may begin as early Thursday, August 3, 2016.

Work that requires the complete closure of Wilsonville Road will begin on Friday night, August 5, at 8 pm. Wilsonville Road will be re-opened to traffic in both directions on Monday morning, August 8, at 6 am. Through the rest of construction single lane closures will occur during non-peak hours. Work will be substantially completed by August 26th.

CURRENT YEAR BUDGET IMPACTS:

The adopted FY 2016-17 Wilsonville budget includes funding for this work in Project #4014: Street Maintenance.

FINANCIAL REVIEW / COMMENTS:

Reviewed by: SCole Date: 7/21/16

LEGAL REVIEW / COMMENT:

Reviewed by: BAJ_____ Date: 7-22-16

A competitive bid process was utilized, as required by law. I am advised that due to narrow time window for completion and the need to work on the weekend, fewer contractors elected to place a bid.

COMMUNITY INVOLVEMENT PROCESS:

Citizen concerns to Council regarding the crossing initiated this project and it has been discussed at Council work sessions and through various sources as the temporary fix was put in place this spring. Public notice will be provided to alert the community about the upcoming complete and partial Wilsonville Road closures. Portable temporary message signs will be used to advise the Wilsonville Road traveling public about the construction. Public notice will also be issued on the City's website and social media.

POTENTIAL IMPACTS or BENEFIT TO THE COMMUNITY (businesses, neighborhoods, protected and other groups):

The closures on Wilsonville Road will inconvenience the community. The project construction outcome will provide a better pavement for roadway users. For the duration of the August 5-7,

2016 weekend, the road will be closed at the railroad tracks with a detour signed for the use of Kinsman Road, Boones Ferry Road, and Barber Street. Adjacent properties will maintain access. After and possibly before the weekend work, lane closures are necessary.

ALTERNATIVES:

The top of the approaches could be ground down to be level with the tracks; however doing so would result in a rough driving surface, and was already partially performed as a temporary fix. The full grind would only leave four inches of asphalt over much of the approaches which would not be able to support the traffic load and would result in reconstruction in the near term.

CITY MANAGER COMMENT:

ATTACHMENTS:

Resolution No. 2597

RESOLUTION NO. 2597

A RESOLUTION OF THE CITY OF WILSONVILLE AUTHORIZING THE CITY MANAGER TO EXECUTE A CONSTRUCTION CONTRACT WITH PACIFIC EXCAVATION, INC. FOR THE 2016 STREET MAINTENANCE RAILROAD CROSSING REPAIR (CAPITAL IMPROVEMENT PROJECT 4014).

WHEREAS, the City has planned, designed, and budgeted for the completion of Capital Improvement Project #4014, known as 2016 Street Maintenance – Railroad Crossing Repair project (the Project); and

WHEREAS, the City solicited sealed bids from qualified contractors for the Project that duly followed the State of Oregon Public Contracting Rules and the City of Wilsonville Municipal Code; and

WHEREAS, two bids were received and opened on July 20, 2016, and Pacific Excavation, Inc. submitted a bid of \$290,891 for the Project, which was subsequently evaluated as the lowest responsive and responsible bid.

NOW, THEREFORE, THE CITY OF WILSONVILLE RESOLVES AS FOLLOWS:

1. The procurement process for the Project duly followed Oregon Public Contracting Rules, and Pacific Excavation, Inc. submitted the lowest responsive and responsible bid.
2. The City of Wilsonville acting as the Local Contract Review Board authorizes the City Manager to enter into and execute, on behalf of the City of Wilsonville, a Construction Contract with Pacific Excavation, Inc. for a stated value not to exceed \$290,891, as substantially documented in the attached Construction Contract.
3. This resolution becomes effective upon adoption.

ADOPTED by the Wilsonville City Council at a regular meeting thereof this 1st day of August 2016, and filed with the Wilsonville City Recorder this date.

Tim Knapp, Mayor

ATTEST:

Sandra C. King, City Recorder, MMC

SUMMARY OF VOTES:

Mayor Knapp

Council President Starr

Councilor Fitzgerald

Councilor Stevens

Councilor Lehan

Attachments:

Construction Contract with Pacific Excavation, Inc.

**CITY OF WILSONVILLE
CONSTRUCTION CONTRACT (CIP #4014)
2016 STREET MAINTENANCE RAILROAD CROSSING REPAIRS**

This Construction Contract for the 2016 Street Maintenance Railroad Crossing Repairs Project (“Contract”) is made and entered into on this ____ day of August, 2016 (“Effective Date”) by and between the **City of Wilsonville**, a municipal corporation of the State of Oregon (hereinafter referred to as the “City”), and **Pacific Excavation Inc.**, an Oregon corporation (hereinafter referred to as “Contractor”).

RECITALS

WHEREAS, the City issued a formal Invitation to Bid for the Project described herein; and

WHEREAS, Contractor represents that Contractor is qualified to perform the services described in the Invitation to Bid on the basis of specialized experience and technical expertise; and

WHEREAS, after reviewing all bids submitted in accordance with the Invitation to Bid, the City has determined this Contract shall be awarded to Contractor; and

WHEREAS, Contractor is prepared to perform this Contract in accordance with all the terms and conditions as set forth below, as the City does hereinafter require.

NOW, THEREFORE, in consideration of these mutual promises and the terms and conditions set forth herein, the parties agree as follows:

AGREEMENT

Section 1. Contract Documents

This Contract includes and incorporates by reference all of the foregoing recitals and all of the following additional “Contract Documents”: all Bid documents, including the Invitation to Bid and Contractor’s Bid Schedule submitted in response thereto; Project Drawings and Specifications; City of Wilsonville Special Provisions; Project Specific Special Provisions; 2015 City of Wilsonville Public Works Standards; Oregon Department of Transportation 2015 Oregon Standard Specifications for Construction; Special Provisions to ODOT Standards; and the provisions of Oregon Revised Statutes (ORS) 279C, as more particularly set forth in this Contract. Contractor must be familiar with all of the foregoing and comply with them. Any conflict or inconsistency between the Contract Documents shall be called to the attention of the City by Contractor before proceeding with affected work. All Contract Documents should be read in concert and Contractor is required to bring any perceived inconsistencies to the attention of the City before executing this Contract. In the event a provision of this Contract conflicts with standards or requirements contained in any of the foregoing Contract Documents, the provision that is more favorable to the City, as determined by the City, will apply.

Section 2. Term

The term of this Contract shall be from the Effective Date until all work required to be performed hereunder (“Work”) is completed and accepted, unless earlier terminated in accordance herewith. Contractor shall diligently perform the Work according to the requirements and deliverable dates identified in the Contract Documents. Except in the event of an extension of time, agreed to in writing by the City, all Work must be at Substantial Completion by no later than August 26, 2016 and at Final Completion by September 16, 2016. See **Section 22** for the definitions of Substantial Completion and Final Completion. Time is of the essence in the performance of this Contract. Failure to timely perform the Contract will result in delay damages as described in **Section 22**.

Section 3. Contractor’s Work

3.1. Contractor will perform the Work as more particularly described herein and in the other Contract Documents for the 2016 Street Maintenance Railroad Crossing Repairs Project (“Project”).

3.2. All written documents, drawings, and plans submitted by Contractor in conjunction with the Work shall bear the signature, stamp, or initials of Contractor’s authorized Project Manager. Any documents submitted by Contractor which do not bear the signature, stamp, or initials of Contractor’s authorized Project Manager, will not be relied upon by the City. Interpretation of plans and answers to questions regarding the Work given by Contractor’s Project Manager may be verbal or in writing, and may be relied upon by the City, whether given verbally or in writing. If requested by the City to be in writing, Contractor’s Project Manager will provide such written documentation.

3.3. The existence of this Contract between the City and Contractor shall not be construed as the City’s promise or assurance that Contractor will be retained for future services beyond the Work described herein.

3.4. Contractor shall maintain the confidentiality of any confidential information that is exempt from disclosure under state or federal law to which Contractor may have access by reason of this Contract. Contractor warrants that Contractor’s employees assigned to perform any of the Work provided in this Contract shall be clearly instructed to maintain this confidentiality. All agreements with respect to confidentiality shall survive the termination or expiration of this Contract.

Section 4. Contract Sum and Payment

4.1. Except as otherwise set forth in this **Section 4**, the City agrees to pay Contractor a unit price not to exceed amount of TWO HUNDRED NINETY THOUSAND EIGHT HUNDRED NINETY-ONE DOLLARS (\$290,891) for performance of the Work (“Contract Sum”). Any compensation in excess of the Contract Sum will require an express written Change Order between the City and Contractor.

4.2. During the course of Contractor’s performance, if the City, through its Project Manager, specifically requests Contractor to provide additional services beyond the Work

described in the Contract Documents, Contractor shall provide such additional services and bill the City a reasonable agreed upon fee, pursuant to a written Change Order, executed in compliance with the provisions of **Section 23**.

4.3. Unless expressly set forth in the Contract Documents as a reimbursable expense item that is not included in the Contract Sum of **Subsection 4.1**, or as an additional charge for which a written Change Order has been approved, in accordance with **Subsection 4.2** and the requirements of **Section 23**, Contractor shall only be entitled to the Contract Sum specified in **Subsection 4.1**.

4.4. Contractor will be paid for Work for which an itemized invoice is received by the City within thirty (30) days of receipt, unless the City disputes such invoice, less a five percent (5%) withholding for retainage. Retainage shall be as outlined in the Contract Documents and as specified under ORS 279C.550 to 279C.570. If the City disputes an invoice, the undisputed portion of the invoice will be paid by the City within the above timeframe, less the retainage. The City will set forth its reasons for the disputed claim amount and make good faith efforts to resolve the invoice dispute with Contractor as promptly as is reasonably possible. Final payment will be held until completion of the final walkthrough, as described in **Section 22**.

4.5. Except as provided in **Section 8.2**, the Contract Price includes the cost of all required fees payable to governmental agencies, including but not limited to plan checking, land use, zoning, and all other similar fees required to perform the Work on the Project.

4.6. The City will be responsible for the direct payment of required fees payable to governmental agencies, including but not limited to plan checking, land use, zoning, and all other similar fees resulting from this Project that are not specifically otherwise provided for in the Contract Documents.

4.7. Contractor's Unit Prices and Contract Sum are all inclusive and include, but are not limited to, all work-related costs, expenses, salaries or wages, plus fringe benefits and contributions, including payroll taxes, workers compensation insurance, liability insurance, profit, pension benefits, and all other contributions and benefits.

Section 5. Prevailing Wages

This is a Contract for a Public Works Project ("Contract"), subject to ORS 279C.800 to 279C.870. Therefore, not less than the current applicable state prevailing wage must be paid on this Project. Wage rates for this project are those published by the Bureau of Labor and Industries (BOLI), effective July 1, 2016, and all subsequent amendments. The BOLI prevailing wage rate for public works contracts can currently be found at the following website address: http://www.oregon.gov/boli/WHD/PWR/Pages/July_2016_Index.aspx. Because this is a public works contract subject to payment of prevailing wages, each worker in each trade or occupation employed in the performance of the Work, either by Contractor, a subcontractor, or other person doing or contracting to do, or contracting for the whole or any part of the Work, must be paid not less than the applicable state prevailing wage for an hour's work in the same trade or occupation in the locality where such labor is performed, in accordance with ORS 279C.838 and 279C.840, if applicable. Contractor must comply with all public

contracting wages required by law. Contractor and any subcontractor, or their sureties, shall file a certificate of rate of wage as required by ORS 279C.845. If the City determines at any time that the prevailing rate of wages has not been or is not being paid as required herein, it may retain from the moneys due to Contractor an amount sufficient to make up the difference between the wages actually paid and the prevailing rate of wages, and may also cancel the Contract for breach. Contractor shall be liable to the workers affected for failure to pay the required rate of wage, including all fringe benefits under ORS 279C.840(5). Contractor shall include a contract provision in compliance with this paragraph in every subcontract and shall require each subcontractor to include it in subcontract(s).

See **Contractor's Responsibilities** below and other Contract Documents for additional requirements and responsibilities regarding compliance with wage and hour laws and regulations.

Section 6. Filing of Certified Statement

As required in ORS 279C.845(7), the City will retain twenty-five percent (25%) of any amount earned by Contractor under the Contract until Contractor has filed the certified statements required in ORS 279C.845(1). The City will pay to Contractor the amount withheld within fourteen (14) days after Contractor files the required certified statements. As required in ORS 279C.845(8), Contractor shall retain twenty-five percent (25%) of any amount earned by a first-tier subcontractor on the Project until the first-tier subcontractor has filed with the City the certified statements required in ORS 279C.845(1). Before paying any amount withheld, Contractor shall verify that the first-tier subcontractor has filed the certified statement. Within fourteen (14) days after the first-tier subcontractor files the required certified statement, Contractor shall pay the first-tier subcontractor any amount withheld. Contractor shall require all other sub-subcontractors to file certified statements regarding payment of prevailing wage rates with the City.

Section 7. Reports to Department of Revenue

When a public contract is awarded to a nonresident bidder and the contract price exceeds Ten Thousand Dollars (\$10,000), Contractor shall promptly report to the Department of Revenue, on forms to be provided by the Department, the total contract price, terms of payment, length of contract, and such other information as the Department may require, before the City will make final payment on the Contract.

Section 8. City's Rights and Responsibilities

8.1. The City will designate a Project Manager to facilitate day-to-day communication between Contractor and the City, including timely receipt and processing of invoices, requests for information, and general coordination of City staff to support the Project.

8.2. If applicable, the City will pay the required Bureau of Labor and Industries fee of one-tenth of one percent (0.1%) of the Contract Sum, or as required by statute.

8.3. The City reserves the right to reject any bid or to refuse delivery of materials or services at or from any manufacturer, supplier, or contractor with which the City has reasonable

grounds to believe is or may be operating in violation of any local, state, or federal law or which is the subject of pending litigation.

8.4. If Contractor fails, neglects, or refuses to make prompt payment of any claim for labor or services furnished to Contractor or a subcontractor by any person in connection with the Contract as such claim becomes due, the City may, but shall not be obligated to, pay such claim to the person furnishing the labor or services and charge the amount of the payment against funds due or to become due Contractor by reason of the Contract. The payment of a claim in the manner authorized hereby shall not relieve Contractor or its surety from the obligation with respect to any unpaid claim. If the City is unable to determine the validity of any claim for labor or services furnished, the City may withhold from any current payment due Contractor an amount equal to said claim until its validity is determined, and the claim, if valid, is paid by Contractor or the City. There shall be no final acceptance of the Work under the Contract until all such claims have been resolved.

Section 9. City's Project Manager

The City's Project Manager is Mike Ward. The City shall give Contractor prompt written notice of any re-designation of its Project Manager.

Section 10. Contractor's Project Manager

Contractor's Project Manager is Andrew Chisholm. In the event that Contractor's Project Manager is changed, Contractor shall give the City prompt written notification of such re-designation. Recognizing the need for consistency and knowledge in the administration of the Project, Contractor's Project Manager will not be changed without the written consent of the City, which consent shall not be unreasonably withheld. In the event the City receives any communication from Contractor that is not from Contractor's Project Manager, the City may request verification by Contractor's Project Manager, which verification must be promptly furnished.

Section 11. Project Information

Except for confidential information designated by the City as information not to be shared, Contractor agrees to share Project information with, and to fully cooperate with, those corporations, firms, contractors, public utilities, governmental entities, and persons involved in the Project. No information, news, or press releases related to the Project, whether made to representatives of newspapers, magazines, or television and radio stations, shall be made without the written authorization of the City's Project Manager.

Section 12. Duty to Inform

If at any time during the performance of this Contract, Contractor becomes aware of actual or potential problems, faults, environmental concerns, or defects in the Project, Contract Documents, or Work, or any portion thereof; or of any nonconformance with federal, state, or local laws, rules, or regulations; or if Contractor has any objection to any decision or order made by the City with respect to such laws, rules, or regulations, Contractor shall give prompt written notice thereof to the City's Project Manager. Any delay or failure on the part of the

City to provide a written response to Contractor shall neither constitute agreement with nor acquiescence to Contractor's statement or claim, nor constitute a waiver of any of the City's rights.

Section 13. Subcontractors and Assignments

13.1. Unless expressly authorized in writing by the City, pursuant to **Subsection 14.2**, Contractor shall neither subcontract with others for any of the Work prescribed herein nor assign any of Contractor's rights acquired hereunder without obtaining prior written approval from the City. Some Work may be performed by persons other than Contractor, provided Contractor advises the City of the names of such subcontractors and the services which they intend to provide, and the City specifically agrees, in writing, to such subcontracting. Contractor acknowledges such services will be provided to the City pursuant to a subcontract(s) between Contractor and subcontractor(s) and no privity of contract exists between the City and the subcontractor(s). Unless otherwise specifically provided by this Contract, the City incurs no liability to third persons for payment of any compensation provided herein to Contractor. Any attempted assignment of this Contract without the written consent of the City shall be void. Except as otherwise specifically agreed, all costs for services performed by others on behalf of Contractor shall not be subject to additional reimbursement by the City.

13.2. The City shall have the right to enter into other agreements for the Project, to be coordinated with this Contract. Contractor shall cooperate with the City and other firms, engineers, or subcontractors on the Project so that all portions of the Project may be completed in the least possible time and within normal working hours. Contractor shall furnish other engineers, subcontractors, and affected public utilities, whose designs are fitted into Contractor's design, detail drawings giving full information so that conflicts can be avoided.

Section 14. Contractor's Responsibilities

Except as otherwise provided under ORS 30.265, the performance under this Contract is at Contractor's sole risk. The service or services to be rendered under the Contract are those of an independent contractor who is not an officer, employee, or agent of the City, as those terms are used in ORS 30.265. Notwithstanding the Oregon Tort Claims Act or provisions of any other contract, Contractor is acting as and assumes liability of an independent contractor as to claims between the City and Contractor. Contractor is solely liable for any workers compensation coverage, social security, unemployment insurance or retirement payments, and federal or state taxes due as a result of payments under the Contract. Any subcontractor hired by Contractor shall be similarly responsible. Contractor shall be liable to the City for any failure of any subcontractor(s) to comply with the terms of the Contract.

In addition to the Contractor's Responsibilities set forth in the General Conditions and Supplementary Conditions included in the Contract Documents, Contractor also agrees to the following, some of which may also be set forth in the General Conditions:

14.1. Except as otherwise mandated by state law, the performance of Work under this Contract is at Contractor's sole risk. All damages or loss to Work, equipment, or materials incurred during the performance of the Work shall be at Contractor's sole risk. Any injury to persons or property incurred during the performance of the Work shall be at Contractor's sole

risk. Contractor is an independent contractor for all purposes and shall be entitled to no compensation other than the Contract Sum provided for under **Section 4** of this Contract. Contractor will be solely responsible for determining the manner and means of accomplishing the end result of Contractor's Work. The City does not have the right to control or interfere with the manner or method of accomplishing said Work. The City, however, will have the right to specify and control the results of Contractor's Work so such Work meets the requirements of the Project.

14.2. The City understands and agrees that Contractor may request that some Work be performed on the Project by persons or firms other than Contractor, through a subcontract with Contractor. Contractor acknowledges that if such Work is provided to the City pursuant to a subcontract(s) between Contractor and those who provide such services, Contractor may not utilize any subcontractor(s), or in any way assign its responsibility under this Contract, without first obtaining the express written consent of the City. In all cases, processing and payment of billings from subcontractors is solely the responsibility of Contractor.

14.3. Contractor shall be responsible for, and defend, indemnify, and hold the City harmless against, any liability, cost, or damage arising out of Contractor's use of such subcontractor(s) and subcontractor's negligent acts, errors, or omissions. Unless otherwise agreed to, in writing, by the City, Contractor shall require that all of Contractor's subcontractors also comply with and be subject to the provisions of this **Section 14** and meet the same insurance requirements of Contractor under this Contract.

14.4. Contractor shall make prompt payment for any claims for labor, materials, or services furnished to Contractor by any person in connection with this Contract, as such claims become due. Contractor shall not permit any liens or claims to be filed or prosecuted against the City on account of any labor or material furnished to or on behalf of Contractor. If Contractor fails, neglects, or refuses to make prompt payment of any such claim, the City may pay such claim to the subcontractor furnishing the labor, materials, or services, and offset the amount of the payment against funds due, or to become due, to Contractor under this Contract. The City may also recover any such amounts directly from Contractor.

14.5. Contractor must comply with all Oregon and federal wage and hour laws, including BOLI wage requirements, if applicable. Contractor shall make all required workers compensation and medical care payments on time. Contractor shall be fully responsible for payment of all employee withholdings required by law, including but not limited to taxes, including payroll, income, Social Security (FICA), and Medicaid. Contractor shall also be fully responsible for payment of salaries, benefits, taxes, and all other charges due on account of any employees. Contractor shall pay all contributions or amounts due the Industrial Accident Fund from Contractor or subcontractor incurred in the performance of this Contract. Contractor shall pay to the Department of Revenue all sums withheld from employees pursuant to ORS 316.167. All costs incident to the hiring of subcontractors or employees shall be Contractor's responsibility. Contractor shall defend, indemnify, and hold the City harmless from claims for payment of all such expenses. Unless otherwise expressly set forth in the Contract Documents as a reimbursable expense item not included in the Contract Sum, specific costs associated with items set forth in this subsection shall be deemed as fully and conclusively included in the rate upon which Contractor's Contract Sum is based.

14.6. No person shall be discriminated against by Contractor or any subcontractor in the performance of this Contract on the basis of sex, gender, race, color, creed, religion, marital status, age, disability, sexual orientation, gender identity, or national origin. Any violation of this provision shall be grounds for cancellation, termination, or suspension of the Contract, in whole or in part, by the City. Contractor shall comply with all federal, state, and local laws, regulations, executive orders, and ordinances applicable to the Contract or to the implementation of the Project. Without limiting the generality of the foregoing, Contractor expressly agrees to comply with the following laws, regulations, and executive orders to the extent they are applicable to the Contract or the implementation of the Project: (a) all applicable requirements of state civil rights and rehabilitation statutes, rules, and regulations; (b) Titles VI and VII of the Civil Rights Act of 1964, as amended; (c) Sections 503 and 504 of the Rehabilitation Act of 1973, as amended; (d) the Americans with Disabilities Act of 1990, as amended, and ORS 659A.142; (e) Executive Order 11246, as amended; (f) the Health Insurance Portability and Accountability Act of 1996; (g) the Age Discrimination in Employment Act of 1967, as amended, and the Age Discrimination Act of 1975, as amended; (h) the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended; (i) all regulations and administrative rules established pursuant to the foregoing laws; and (j) all other applicable requirements of federal civil rights and rehabilitation statutes, rules, and regulations.

14.7. Contractor certifies that Contractor has not discriminated against minority, women, or small business enterprises in obtaining any subcontract.

14.8. Pursuant with ORS 279C.505(2), by execution of this Contract, Contractor agrees to have an employee drug testing program in place at the time of executing the Contract, acknowledges that such a program will be maintained throughout the Contract period, including any extensions, and shall demonstrate to the City that such drug testing program is in place. The failure of Contractor to have, or to maintain, such a drug-testing program is grounds for immediate termination of the Contract. Contractor shall require each subcontractor providing labor for the Project to also comply with this drug testing program requirement.

14.9. Contractor agrees that the City shall not be liable, either directly or indirectly, in any dispute arising out of the substance or procedure of Contractor's drug testing program. Nothing in this drug testing provision shall be construed as requiring Contractor to violate any legal, including constitutional, rights of any employee, including but not limited to selection of which employees to test and the manner of such testing. The City shall not be liable for Contractor's negligence in establishing or implementing, or failure to establish or implement, a drug testing policy or for any damage or injury caused by Contractor's employees acting under the influence of drugs while performing Work covered by the Contract. These are Contractor's sole responsibilities, and nothing in this provision is intended to create any third party beneficiary rights against the City.

14.10. Contractor is solely responsible for ensuring that any subcontractor selection and substitution is in accordance with all legal requirements. The City shall not be liable, either directly or indirectly, in any dispute arising out of Contractor's actions with regard to subcontractor selection and/or substitution.

14.11. Contractor shall make payment promptly, as due, to all parties supplying to such Contractor labor or material for the prosecution of the Work provided for in the Contract

Documents, and shall be responsible for payment to such persons supplying labor or material to any subcontractor.

14.12. By execution of this Contract, as required by ORS 305.385(6), Contractor certifies under penalty of perjury that to the best of Contractor's knowledge, Contractor is not in violation of any tax laws described in ORS 305.380(4).

14.13. Contractor agrees that if Contractor or a first-tier subcontractor fails, neglects, or refuses to make payment to a person furnishing labor or materials in connection with this Contract within thirty (30) days after receiving payment from the contracting agency or a contractor, Contractor or the first-tier subcontractor shall owe the person the amount due plus interest charges commencing at the end of the ten (10) day period within which payment is due under ORS 279C.580(3)(a) and ending upon final payment, unless payment is subject to a good faith dispute as defined in ORS 279C.580. The rate of interest on the amount due shall be calculated in accordance with ORS 279C.515(2). The amount of interest may not be waived.

14.14. Contractor agrees that if Contractor or a subcontractor fails, neglects or refuses to make payment to a person furnishing labor or materials in connection with this Contract, the person may file a complaint with the Construction Contractors Board, unless payment is subject to a good faith dispute as defined in ORS 279C.580.

14.15. Contractor shall make payment promptly, as due, to any party furnishing medical, surgical, hospital, or other needed care and attention, incident to sickness or injury, to the employees of Contractor, of all sums which Contractor agreed to pay for the services or collected or deducted from the wages of employees pursuant to any law, contract, or agreement for the purpose of providing or paying for such service.

14.16. Contractor and all subcontractors shall comply with the provisions of ORS 279C.540 pertaining to maximum hours, holidays, and overtime. With certain exceptions listed below, Contractor shall not require or permit any person to work more than ten (10) hours in any one (1) day, or forty (40) hours in any one (1) week, except in case of necessity, emergency, or where public policy requires it, and in such cases the person shall be paid at least time and a half for:

14.16.1. All overtime in excess of eight (8) hours in any one (1) day or forty (40) hours in any one (1) week when the work week is five (5) consecutive days, Monday through Friday; or

14.16.2. All overtime in excess of ten (10) hours in any one (1) day or forty (40) hours in any one (1) week when the work week is four (4) consecutive days, Monday through Friday; and

14.16.3. All work performed on the days specified in ORS 279C.540(1)(b) for public improvement contracts.

14.17. Contractor and all subcontractors shall comply with the provisions of ORS 279C.545 pertaining to time limitation on claims for overtime and requirements for posting circulars containing said provisions.

14.18. For personal/professional service contracts, as designated under ORS 279A.055, instead of 14.16.1, 14.16.2, and 14.16.3 above, a laborer shall be paid at least time and a half for all overtime worked in excess of forty (40) hours in any one (1) week, except for individuals under these contracts who are excluded under ORS 653.010 to 653.261 or under 29 USC §§ 201 to 209 from receiving overtime.

14.19. Contractor shall follow all other exceptions, pursuant to ORS 279B.235 (for non-public improvement contracts) and ORS 279C.540 (for public improvement contracts), including contracts involving a collective bargaining agreement, contracts for services, and contracts for fire prevention or suppression.

14.20. Contractor must give notice to employees who work on a public contract, in writing, either at the time of hire or before commencement of Work on the Contract, or by posting a notice in a location frequented by employees, of the number of hours per day and days per week that the employees may be required to work.

14.21. The hourly rate of wage to be paid by any Contractor or subcontractor to employed workers or other persons doing or contracting to do all or part of the work contemplated by a public contract shall be not less than the applicable wage required by law.

14.22. Contractor, its subcontractors, and all employers working under the Contract are subject employers under the Oregon Workers Compensation Law and shall comply with ORS 656.017 and provide the required workers compensation coverage, unless otherwise exempt under ORS 656.126. Contractor shall ensure that each of its subcontractors complies with these requirements.

14.23. In the performance of this Contract, Contractor shall comply with all applicable federal, state, and local laws, municipal codes, regulations, rules, and ordinances, including but not limited to those dealing with public contracts (ORS Chapter 279C) and with the prevention of environmental pollution and the preservation of natural resources (and avoidance of natural resource damages) in the performance of the Contract, including but not limited to ORS 279C.525. To the extent that known environmental and natural resource risks are specifically noted, shown, or specified in the Contract Documents or on the construction drawings, such risks are allocated to Contractor pursuant with ORS 279C.525(8)(a). If new or amended statutes, ordinances, rules, or regulations are adopted, or Contractor encounters a condition not referred to in this Contract, not caused by Contractor, and that was not discoverable by reasonable site inspection which requires compliance with federal, state, or local laws, codes, or regulations dealing with the preservation of the environment, both the City and Contractor shall have all the rights and obligations set forth in ORS 279C.525.

14.24. Contractor shall be liable for any fine imposed against Contractor, the City or the 'Project' as a result of a violation of any laws or permitting requirements by Contractor or any of its subcontractors or their sub-subcontractors or any suppliers.

14.25. References to "subcontractor" mean a subcontractor at any tier.

Section 15. Subcontractor Requirements

15.1. If subcontractors are permitted, Contractor's relations with subcontractors shall comply with ORS 279C.580. Pursuant with ORS 279C.580(3), each subcontract for property or services that Contractor enters into with a first-tier subcontractor, including a material supplier, for the purpose of performing a construction contract, shall include:

(a) a payment clause that obligates Contractor to pay the first-tier subcontractor for satisfactory performance under the subcontract within ten (10) days out of such amounts as are paid to Contractor by the contracting agency under the public improvement contract; and

(b) an interest penalty clause that obligates Contractor, if payment is not made within 30 days after receipt of payment from the contracting agency, to pay to the first-tier subcontractor an interest penalty on amounts due in the case of each payment not made in accordance with the payment clause outlined in (a) above. A contractor or first-tier subcontractor may not be obligated to pay an interest penalty if the only reason that the contractor or first-tier subcontractor did not make payment when payment was due is that the contractor or first-tier subcontractor did not receive payment from the contracting agency or contractor when payment was due. The interest penalty period shall begin on the day after the required payment date and end on the date on which payment of the amount due is made and shall be computed at the rate specified in ORS 279C.515(2).

15.2. Contractor shall include in each subcontract, as a condition of performance of such contract, a provision requiring the first-tier subcontractor to include a payment clause and interest penalty clause, conforming to the standards set forth in **Subsection 15.1(a) and (b)** above, in each of its subcontracts and requiring that the same clauses be included in any of the first-tier subcontractors' subcontracts with a lower-tier subcontractor or supplier.

15.3. Contractor shall certify that all subcontractors, as described in ORS 701.005(2), will be registered with the Construction Contractors Board or licensed by the State Landscape Contractors Board in accordance with ORS 701.035 or 701.026, respectively, before the subcontractors commence Work under the Contract.

15.4. In no event shall any subcontract be awarded to any person or entity debarred, suspended, or disqualified from federal, state, or municipal contracting.

Section 16. Environmental Laws

16.1. In compliance with the provisions of ORS 279C.525, the following is a list of federal, state, and local agencies, of which the City has knowledge, that have enacted ordinances or regulations dealing with the prevention of environmental pollution and the preservation of natural resources that may affect the performance of the Contract:

FEDERAL AGENCIES:

Forest Service
Defense, Department of
Environmental Protection Agency
Bureau of Sport Fisheries and Wildlife
Bureau of Land Management
Bureau of Reclamation
Occupational Safety and Health Administration
Coast Guard

Agriculture, Department of
Soil Conservation Service
Army Corps of Engineers
Interior, Department of
Bureau of Outdoor Recreation
Bureau of Indian Affairs
Labor, Department of
Transportation, Department of
Federal Highway Administration

STATE AGENCIES:

Environmental Quality, Department of
Forestry, Department of
Human Resources, Department of
Soil and Water Conservation Commission
State Land Board

Agriculture, Department of
Fish and Wildlife, Department of
Geology and Mineral Industries, Department of
Land Conservation and Development Commission
National Marine Fisheries Service (NMFS)
State Engineer
Water Resources Board

LOCAL AGENCIES:

County Courts
Port Districts
County Service Districts
Water Districts

City Council
County Commissioners, Board of
Metropolitan Service Districts
Sanitary Districts
Fire Protection Districts

This list may not be all inclusive, and it is the responsibility of Contractor to know all applicable laws and to comply with them in the performance of this Contract.

16.2. Pursuant with ORS 279C.510(1), if this Contract calls for demolition work, Contractor shall salvage or recycle construction and demolition debris, if feasible and cost-effective.

16.3. Pursuant with ORS 279C.510(2), if this Contract calls for lawn or landscape maintenance, Contractor shall compost or mulch yard waste material at an approved site, if feasible and cost-effective.

16.4. Contractor shall be responsible for the immediate clean-up, remediation, reporting, and payment of fines, if any, related to the release of any hazardous substance or material by Contractor or any subcontractor.

Section 17. Indemnity and Insurance

17.1. Contractor acknowledges responsibility for liability arising out of the performance of this Contract, and shall defend, indemnify, and hold the City harmless from any and all liability, settlements, loss, costs, and expenses in connection with any action, suit, or claim resulting or allegedly resulting from Contractor's negligent acts, omissions, errors, or willful or reckless misconduct pursuant to this Contract, or from Contractor's failure to perform its responsibilities as set forth in this Contract. The review, approval, or acceptance by the City, its Project Manager, or any City employee of documents or other work performed, prepared, or submitted by Contractor shall not be considered a negligent act, error, omission, or willful misconduct on the part of the City, and none of the foregoing shall relieve Contractor of its responsibility to perform in full conformity with the City's requirements, as set forth in this Contract, and to indemnify the City as provided above and to reimburse the City for any and all

costs and damages suffered by the City as a result of Contractor's negligent performance of this Contract, failure of performance hereunder, violation of state or federal laws, or failure to adhere to the standards of performance and care described in **Subsection 17.2**. Contractor shall defend the City (using legal counsel reasonably acceptable to the City) against any claim that alleges negligent acts, omissions, errors, or willful or reckless misconduct by Contractor.

17.2. In the performance of the Work, Contractor agrees to use that degree of care and skill exercised under similar circumstances by reputable members of Contractor's profession, practicing in the Portland metropolitan area. Contractor will re-perform any services not meeting this standard without additional compensation. Contractor's re-performance of any services, even if done at the City's request, shall not be considered as a limitation or waiver by the City of any other remedies or claims it may have arising out of Contractor's failure to perform in accordance with the applicable standard of care of this Contract and within the prescribed timeframe.

17.3. Contractor must maintain insurance coverage acceptable to the City in full force and effect throughout the term of this Contract. Such insurance shall cover all risks arising directly or indirectly out of Contractor's activities or work hereunder. The amount of insurance carried is in no way a limitation on Contractor's liability hereunder. The policy or policies of insurance maintained by Contractor shall provide at least the following minimum limits and coverages at all times during performance of this Contract:

17.3.1. Commercial General Liability Insurance. Contractor shall obtain, at Contractor's expense, and keep in effect during the term of this Contract, comprehensive Commercial General Liability Insurance covering Bodily Injury and Property Damage, written on an "occurrence" form policy. This coverage shall include broad form Contractual Liability insurance for the indemnities provided under this Contract and shall be for the following minimum insurance coverage amounts: The coverage shall be in the amount of **\$2,000,000** for each occurrence and **\$3,000,000** general aggregate, and shall include Products-Completed Operations Aggregate in the minimum amount of **\$2,000,000** per occurrence, Fire Damage (any one fire) in the minimum amount of **\$50,000**, and Medical Expense (any one person) in the minimum amount of **\$10,000**. All of the foregoing coverages must be carried and maintained at all times during this Contract.

17.3.2. Business Automobile Liability Insurance. If Contractor will be using a motor vehicle in the performance of the Work herein, Contractor shall provide the City a certificate indicating that Contractor has business automobile liability coverage for all owned, hired, and non-owned vehicles. The Combined Single Limit per occurrence shall not be less than **\$2,000,000**.

17.3.3. Pollution Liability Coverage. Contractor shall carry sudden and accidental and gradual release pollution liability coverage that will cover, among other things, any spillage of paints, fuels, oils, lubricants, de-icing, anti-freeze or other hazardous materials, or disturbance of any hazardous materials, as that term is defined under Oregon law, during the performance of this Contract. Contractor will be fully responsible for the cost of any clean-up of any released materials or disturbance, in accordance with Oregon Department of Environmental Quality ("DEQ") and Federal

Environmental Protection Agency (“EPA”) clean-up requirements. The coverage shall be in the amount of **\$2,000,000** for each occurrence and **\$2,000,000** general aggregate.

17.3.4. Workers Compensation Insurance. Contractor and all employers providing work, labor, or materials under this Contract that are subject employers under the Oregon Workers Compensation Law shall comply with ORS 656.017, which requires them to provide workers compensation coverage that satisfies Oregon law for all their subject workers under ORS 656.126. Out-of-state employers must provide Oregon workers compensation coverage for their workers who work at a single location within Oregon for more than thirty (30) days in a calendar year. Contractors who perform work without the assistance or labor of any employee need not obtain such coverage. This shall include Employer’s Liability Insurance with coverage limits of not less than **\$500,000** each accident.

17.3.5. Insurance Carrier Rating. Coverages provided by Contractor must be underwritten by an insurance company deemed acceptable by the City with an AM Best Rating of A or better. The City reserves the right to reject all or any insurance carrier(s) with a financial rating that is unacceptable to the City.

17.3.6. Additional Insured & Termination Endorsements. Additional Insured coverage under Contractor’s Commercial General Liability, Automobile Liability, and Excess Liability Policy(ies), as applicable, will be provided by endorsement. Additional insured coverage shall be for both on-going operations via ISO Form CG 2010 or its equivalent, and products and completed operations via ISO Form CG 2037 or its equivalent. Coverage shall be Primary and Non-Contributory. Waiver of Subrogation endorsement via ISO form CG 2404 or its equivalent shall be provided. The following is included as additional insured: The City of Wilsonville, its elected and appointed officials, officers, agents, employees, and volunteers. An endorsement shall also be provided requiring the insurance carrier to give the City at least thirty (30) days’ written notification of any termination or major modification of the insurance policies required hereunder.

17.3.7. Certificates of Insurance. As evidence of the insurance coverage required by this Contract, Contractor shall furnish a Certificate of Insurance to the City. This Contract shall not be effective until the required certificates and the Additional Insured Endorsements have been received and approved by the City. Contractor agrees that it will not terminate or change its coverage during the term of this Contract without giving the City at least thirty (30) days’ prior advance notice and Contractor will obtain an endorsement from its insurance carrier, in favor of the City, requiring the carrier to notify the City of any termination or change in insurance coverage, as provided above.

17.3.8. Primary Coverage. The coverage provided by these policies shall be primary, and any other insurance carried by the City is excess. Contractor shall be responsible for any deductible amounts payable under all policies of insurance. If insurance policies are “Claims Made” policies, Contractor will be required to maintain such policies in full force and effect throughout any warranty period.

Section 18. Bonding Requirements

18.1. Payment and Performance Bonds. Contractor shall obtain a Payment Bond and a Performance Bond, each in a form acceptable to the City and from a surety acceptable to the City, and each in the full amount of the Contract Sum.

18.2. Maintenance/Warranty Bond. Contractor shall maintain a two (2) year Maintenance/Warranty Bond, in a form acceptable to the City and from a surety acceptable to the City, in the amount of ten percent (10%) of the Contract Sum.

18.3. Public Works Bond. Pursuant to ORS 279C.830(2), in addition to the Payment and Performance bonds, before starting work on this Contract or any subcontract hereunder, Contractor and all subcontractors, unless exempt under ORS 279C.836(4), (7), (8), or (9), must have on file with the Construction Contractors Board a public works bond with a corporate surety authorized to do business in the State of Oregon in the minimum amount of **\$30,000**. The bond must provide that the Contractor or subcontractor will pay claims ordered by the Bureau of Labor and Industries to workers performing labor upon public works projects. The bond must be a continuing obligation, and the surety's liability for the aggregate of claims that may be payable from the bond may not exceed the penal sum of the bond. The bond must remain in effect continuously until depleted by claims paid under ORS 279C.836, unless the surety sooner cancels the bond. Contractor further certifies that Contractor will include in every subcontract a provision requiring a subcontractor to have a public works bond filed with the Construction Contractors Board before starting work on the Project, unless exempt under ORS 279C.836(4), (7), (8), or (9).

18.4. Bond Claims. Any notice of claim on a payment or performance bond or public works bond shall comply with the requirements of ORS 279C.605.

Section 19. Warranty

19.1. Contractor shall fully warranty all Work, including but not limited to all plant material, for a period of two (2) years from the date of Final Acceptance of all Work.

19.2. In addition to, and not in lieu of, any other warranties provided by various manufacturers and suppliers, Contractor fully warrants all Work for a period of two (2) years from the date of Final Acceptance of the Work and shall make all necessary repairs and replacements to remedy, in a manner satisfactory to the City's Project Manager and at no cost to the City, any and all defects, breaks, or failures of the Work occurring within two (2) years following the date of completion due to faulty or inadequate materials or workmanship. Repair of damage or disturbances to other improvements under, within, or adjacent to the Work, whether or not caused by settling, washing, or slipping, when such damage or disturbance is caused, in whole or in part, from activities of Contractor in performing his/her duties and obligations under this Contract, is also covered by the warranty when such defects or damage occur within the warranty period. The two (2) year warranty period shall, with relation to such required repair, be extended two (2) years from the date of completion of such repair.

19.3. If Contractor, after written notice, fails within **ten (10) days** to proceed to comply with the terms of this section, the City may have the defects corrected, and Contractor

and Contractor's surety shall be liable for all expense incurred. In case of an emergency where, in the opinion of the City's Project Manager, delay would cause serious loss or damage, repairs may be made without notice being given to Contractor, and Contractor or Contractor's surety shall pay the cost of repairs. Failure of the City's Project Manager to act in case of an emergency shall not relieve Contractor or Contractor's surety from liability and payment of all such costs.

19.4. Current State Law (ORS 12.135) provides for a ten (10) year period, from the time of Substantial Completion, for the City to file a claim for repairs of defective Work due to Contractor's improper use of materials and/or workmanship, and Contractor agrees it is bound thereby.

Section 20. Early Termination; Default

20.1. This Contract may be terminated prior to the expiration of the agreed upon terms:

20.1.1. By mutual written consent of the parties;

20.1.2. By the City, for any reason, and within its sole discretion, effective upon delivery of written notice to Contractor by mail or in person. The City retains the right to elect whether or not to proceed with actual construction of the Project; and

20.1.3. By the City if Contractor breaches this Contract and fails to cure the breach within ten (10) days of receipt of written notice of the breach from the City.

20.2. If the City terminates this Contract in whole or in part, due to default or failure of Contractor to perform Work in accordance with the Contract, the City may procure, upon reasonable terms and in a reasonable manner, services similar to those so terminated. In addition to any other remedies the City may have, both at law and in equity, for breach of contract, Contractor shall be liable for all costs and damages incurred by the City as a result of the default by Contractor, including, but not limited to all costs incurred by the City in procuring services from others as needed to complete this Contract. This Contract shall be in full force to the extent not terminated by written notice from the City to Contractor. In the event of a default, the City will provide Contractor with written notice of the default and a period of ten (10) days to cure the default. If Contractor notifies the City that it wishes to cure the default but cannot, in good faith, do so within the ten (10) day cure period provided, then the City may elect, in its sole discretion, to extend the cure period to an agreed upon time period, or the City may elect to terminate this Contract and seek remedies for the default, as provided above.

20.3. If the City terminates this Contract for its own convenience not due to any default by Contractor, payment of Contractor shall be prorated to, and include the day of, termination and shall be in full satisfaction of all claims by Contractor against the City under this Contract.

20.4. Termination under any provision of this section shall not affect any right, obligation, or liability of Contractor or the City that accrued prior to such termination.

Contractor shall surrender to the City items of work or portions thereof, referred to in **Section 26**, for which Contractor has received payment or the City has made payment.

Section 21. Suspension of Work

The City may suspend, delay, or interrupt all or any part of the Work for such time as the City deems appropriate for its own convenience by giving written notice thereof to Contractor. An adjustment in the time of performance or method of compensation shall be negotiated as a result of such delay or suspension, unless the reason for the delay was within Contractor's control. The City shall not be responsible for Work performed by any subcontractors after notice of suspension is given by the City to Contractor.

Section 22. Substantial Completion, Final Completion, and Liquidated Damages

22.1. Contractor's Project Manager and City's Project Manager shall conduct a final inspection of the Project when Contractor believes the Work is substantially complete, and create a project corrections list ("punch list") of items to be completed before final payment will be made. Substantial Completion means that the Work is completed and that the road, sidewalks, and ramps are ready to use and may be utilized with only minor punch list items remaining that do not significantly impact public use. Unless otherwise agreed to, in writing, by both parties, the punch list items will be completed within twenty (20) days thereof, and then a final walk-through will occur to confirm all punch list items have been completed. Final payment will occur upon completion of all punch list items ("Final Completion") as determined by final acceptance by the City ("Final Acceptance"). Substantial Completion must occur on or before August 26, 2016 or Liquidated Damages will apply. The parties agree that delay damages can be significant but are often difficult to quantify and costly to litigate; therefore the Contractor and the City agree that the sums set forth below in **Section 22.3** and **Section 22.4** shall apply as Liquidated Damages for every day the Project is not completed beyond the Substantial Completion and Final Completion dates.

22.2. The City and Contractor recognize that time is of the essence of this Contract and that the City will suffer financial loss and public detriment if the Work is not substantially completed within the time specified in the paragraph above, plus any extensions thereof granted, in writing, by the City. Both parties also recognize the delays, expenses, and difficulties involved in proving in a legal proceeding the actual loss suffered by the City if the Work is not substantially completed on time. Accordingly, instead of requiring any such proof, the City and Contractor agree that, as Liquidated Damages for delay (but not as a penalty), Contractor shall pay the City the amounts listed below for each and every day that expires after the time specified for Substantial and Final Completion.

22.3. Liquidated Damages shall apply against Contractor and accrue to the City at the rate of One Thousand Dollars (\$1,000) for each day that expires after the time specified for Substantial Completion of all Work until the Work reaches Substantial Completion.

22.4. If Contractor shall neglect, fail, or refuse to complete the remaining Work on the punch list by the Final Completion date of September 16, 2016, or any proper extension thereof granted by the City, Contractor shall pay the City Two Thousand Dollars (\$2,000) for each day

that expires after the time specified above for the Work to reach Final Completion and be ready for final payment.

22.5. The parties further agree that this amount of Liquidated Damages is a reasonable forecast of just compensation for the harm caused by any breach and that this harm is one which is impossible or very difficult to estimate. In addition to the Liquidated Damages above, Contractor shall reimburse the Engineer for all costs incurred by the Engineer for engineering, inspection, and project management services required beyond the time specified for Substantial Completion. Contractor shall also reimburse the Engineer for all costs incurred for inspection and project management services required due to punch list items not completed within the time allotted for Final Acceptance. If Contractor fails to reimburse the Engineer directly, the City will deduct the cost from Contractor's final pay request.

Section 23. Contract Modification/Change Orders

Any modification of the provisions of this Contract shall not be enforceable or binding unless reduced to writing and signed by both the City and Contractor. A modification is a written document, contemporaneously executed by the City and Contractor, which increases or decreases the cost to the City over the agreed Contract Sum in **Section 4** of this Contract, or changes or modifies the Work or the time for performance. In the event Contractor receives any communication of whatsoever nature from the City, which communication Contractor contends gives rise to any modification of this Contract, Contractor shall, within five (5) days after receipt, make a written request for modification to the City's Project Manager in the form of a Change Order. Contractor's failure to submit such written request for modification in the form of a Change Order shall be the basis for refusal by the City to treat said communication as a basis for modification or to allow such modification. In connection with any modification to this Contract affecting any change in price, Contractor shall submit a complete breakdown of labor, material, equipment, and other costs. If Contractor incurs additional costs or devotes additional time on Project tasks, the City shall be responsible for payment of only those additional costs for which it has agreed to pay under a signed Change Order. To be enforceable, the Change Order must describe with particularity the nature of the change, any delay in time the Change Order will cause, or any increase or decrease in the Contract Sum. The Change Order must be signed and dated by both Contractor and the City before the Change Order may be implemented.

Section 24. Dispute Resolution

In the event of a dispute concerning performance of this Contract, the parties agree to meet to negotiate the problem. If such negotiation fails, the parties will mediate the dispute using a professional mediator, and the parties will split the cost. If the dispute cannot be resolved in either of the foregoing ways within thirty (30) days, either party may file suit in Clackamas County Circuit Court. In the alternative, at the City's election, the parties may follow the dispute resolution procedures found in the Special Provisions.

Section 25. Access to Records

The City shall have access, upon request, to such books, documents, receipts, papers, and records of Contractor as are directly pertinent to this Contract for the purpose of making audit,

examination, excerpts, and transcripts for a period of four (4) years, unless within that time the City specifically requests an extension. This clause shall survive the expiration, completion, or termination of this Contract.

Section 26. Property of the City

26.1. Originals or certified copies of the original work forms, including but not limited to documents, drawings, tracings, surveying records, mylars, papers, diaries, inspection reports, and photographs, performed or produced by Contractor under this Contract shall be the exclusive property of the City and shall be delivered to the City prior to final payment. Any statutory or common law rights to such property held by Contractor as creator of such work shall be conveyed to the City upon request without additional compensation. Upon the City's approval, and provided the City is identified in connection therewith, Contractor may include Contractor's work in its promotional materials. Drawings may bear a disclaimer releasing Contractor from any liability for changes made on the original drawings and for reuse of the drawings subsequent to the date they are turned over to the City.

26.2. Contractor shall not be held liable for any damage, loss, increased expenses, or otherwise, caused by or attributed to the reuse by the City or its designees of all Work performed by Contractor pursuant to this Contract without the express written permission of Contractor.

Section 27. Notices

Any notice required or permitted under this Contract shall be in writing and shall be given when actually delivered in person or forty-eight (48) hours after having been deposited in the United States mail as certified or registered mail, addressed to the addresses set forth below, or to such other address as one party may indicate by written notice to the other party.

To City: City of Wilsonville
Attn: Mike Ward
29799 SW Town Center Loop East
Wilsonville, OR 97070

To Contractor: Pacific Excavation Inc.
Attn: Andrew Chisholm
79 North Danebo Avenue
Eugene, OR 97402

Section 28. Miscellaneous Provisions

28.1. Integration. This Contract contains the entire and integrated agreement between the parties and supersedes all prior written or oral discussions, representations, or agreements. In case of conflict among these documents, the provisions of this Contract shall control.

28.2. Legal Effect and Assignment. This Contract shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors, and assigns. This Contract may be enforced by an action at law or in equity.

28.3. No Assignment. Contractor may not assign this Contract, nor the performance of any obligations hereunder, unless agreed to in advance and in writing by the City.

28.4. Adherence to Law. Contractor shall adhere to all applicable federal and state laws, including but not limited to laws, rules, regulations, and policies concerning employer and employee relationships, workers compensation, and minimum and prevailing wage requirements. Any certificates, licenses, or permits that Contractor is required by law to obtain or maintain in order to perform the Work shall be obtained and maintained throughout the term of this Contract.

28.5. Governing Law. This Contract shall be construed in accordance with and governed by the laws of the State of Oregon. All contractual provisions required by ORS Chapters 279A and 279C to be included in public agreements are hereby incorporated by reference and shall become a part of this Contract as if fully set forth herein.

28.6. Jurisdiction. Venue for any dispute will be in Clackamas County Circuit Court.

28.7. Legal Action/Attorney Fees. If a suit, action, or other proceeding of any nature whatsoever (including any proceeding under the U.S. Bankruptcy Code) is instituted in connection with any controversy arising out of this Contract or to interpret or enforce any rights or obligations hereunder, the prevailing party shall be entitled to recover attorney, paralegal, accountant, and other expert fees and all other fees, costs, and expenses actually incurred and reasonably necessary in connection therewith, as determined by the court or body at trial or on any appeal or review, in addition to all other amounts provided by law. If the City is required to seek legal assistance to enforce any term of this Contract, such fees shall include all of the above fees, whether or not a proceeding is initiated. Payment of all such fees shall also apply to any administrative proceeding, trial, and/or any appeal or petition for review.

28.8. Nonwaiver. Failure by either party at any time to require performance by the other party of any of the provisions of this Contract shall in no way affect the party's rights hereunder to enforce the same, nor shall any waiver by the party of the breach hereof be held to be a waiver of any succeeding breach or a waiver of this nonwaiver clause.

28.9. Severability. If any provision of this Contract is found to be void or unenforceable to any extent, it is the intent of the parties that the rest of the Contract shall remain in full force and effect, to the greatest extent allowed by law.

28.10. Modification. This Contract may not be modified except by written instrument executed by Contractor and the City.

28.11. Time of the Essence. Time is expressly made of the essence in the performance of this Contract.

28.12. Calculation of Time. Except where the reference is to business days, all periods of time referred to herein shall include Saturdays, Sundays, and legal holidays in the State of Oregon, except that if the last day of any period falls on any Saturday, Sunday, or legal holiday observed by the City, the period shall be extended to include the next day which is not a

Saturday, Sunday, or legal holiday. Where the reference is to business days, periods of time referred to herein shall exclude Saturdays, Sundays, and legal holidays observed by the City. Whenever a time period is set forth in days in this Contract, the first day from which the designated period of time begins to run shall not be included.

28.13. Headings. Any titles of the sections of this Contract are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

28.14. Number, Gender and Captions. In construing this Contract, it is understood that, if the context so requires, the singular pronoun shall be taken to mean and include the plural, the masculine, the feminine and the neuter, and that, generally, all grammatical changes shall be made, assumed, and implied to individuals and/or corporations and partnerships. All captions and paragraph headings used herein are intended solely for convenience of reference and shall in no way limit any of the provisions of this Contract.

28.15. Good Faith and Reasonableness. The Parties intend that the obligations of good faith and fair dealing apply to this Contract generally and that no negative inferences be drawn by the absence of an explicit obligation to be reasonable in any portion of this Contract. The obligation to be reasonable shall only be negated if arbitrariness is clearly and explicitly permitted as to the specific item in question, such as in the case of where this Contract gives the City "sole discretion" or the City is allowed to make a decision in its "sole judgment."

28.16. Other Necessary Acts. Each party shall execute and deliver to the other all such further instruments and documents as may be reasonably necessary to carry out this Contract in order to provide and secure to the other parties the full and complete enjoyment of rights and privileges hereunder.

28.17. Force Majeure. Contractor will not be responsible for delays in performance due to reasons beyond Contractor's reasonable control, including but not limited to strikes, lockouts, severe acts of nature, or actions of unrelated third parties not under Contractor's direction and control that preclude Contractor from performing the Work ("Force Majeure"). In the case of the happening of any Force Majeure event, the time for completion of the Work will be extended accordingly and proportionately by the City, in writing. Poor weather conditions, unless extreme, lack of labor, supplies, materials, or the cost of any of the foregoing shall not be deemed a Force Majeure event.

28.18. Interpretation. As a further condition of this Contract, the City and Contractor acknowledge that this Contract shall be deemed and construed to have been prepared mutually by each party and it shall be expressly agreed that any uncertainty or ambiguity existing therein shall not be construed against any party. In the event that any party shall take an action, whether judicial or otherwise, to enforce or interpret any of the terms of the contract, the prevailing party shall be entitled to recover from the other party all expenses which it may reasonably incur in taking such action, including attorney fees and costs, whether incurred in a court of law or otherwise.

28.19. Defined Terms. Capitalized terms not otherwise defined herein shall have the meaning given to them in the Specifications and Contract Documents.

28.20. Entire Agreement. This Contract, all documents attached to this Contract, and all Contract Documents and laws and regulations incorporated by reference herein, represent the entire agreement between the parties.

28.21. Counterparts. This Contract may be executed in one or more counterparts, each of which shall constitute an original Contract but all of which together shall constitute one and the same instrument.

28.22. Authority. Each party signing on behalf of Contractor and the City hereby warrants actual authority to bind their respective party.

The Contractor and the City hereby agree to all provisions of this Contract.

CONTRACTOR:

CITY:

PACIFIC EXCAVATION INC.

CITY OF WILSONVILLE

By: _____
Spencer Chamberlain
As Its: Vice President

By: _____
Bryan Cosgrove
As Its: City Manager

Employer I.D. No. 93-1267325

APPROVED AS TO FORM:

Barbara A. Jacobson, City Attorney
City of Wilsonville, Oregon



**CITY COUNCIL MEETING
STAFF REPORT**

Meeting Date: August 1, 2016		Subject: Resolution No. 2598 Apply for 2019-21 Metropolitan Transportation Improvement Program (MTIP) Regional Flexible Fund Allocation (RFFA) Project Nomination for Design And Construction Of The I-5 Pedestrian And Bikeway Bridge Staff Member: Zachary Weigel, P.E., Civil Engineer Department: Community Development	
Action Required		Advisory Board/Commission Recommendation	
<input checked="" type="checkbox"/> Motion <input type="checkbox"/> Public Hearing Date: <input type="checkbox"/> Ordinance 1 st Reading Date: <input type="checkbox"/> Ordinance 2 nd Reading Date: <input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Information or Direction <input type="checkbox"/> Information Only <input type="checkbox"/> Council Direction <input checked="" type="checkbox"/> Consent Agenda		<input type="checkbox"/> Approval <input type="checkbox"/> Denial <input type="checkbox"/> None Forwarded <input checked="" type="checkbox"/> Not Applicable Comments: 	
Staff Recommendation: Staff recommends Council approve Resolution No. 2598			
Recommended Language for Motion: I move to approve Resolution No. 2598.			
Project / Issue Relates To: <i>[Identify which goal(s), master plans(s) your issue relates to.]</i>			
<input checked="" type="checkbox"/> Council Goals/Priorities Well Maintained Infrastructure; Multi-Modal Transportation Network		<input checked="" type="checkbox"/> Adopted Master Plan(s) Transportation System Plan (Project BW-09) 2013 Bicycle and Pedestrian Connectivity Action Plan	
		<input type="checkbox"/> Not Applicable	

ISSUE BEFORE COUNCIL:

A City of Wilsonville resolution authorizing staff to apply for Regional Flexible Funds Allocation (RFFA) through the Metropolitan Transportation Improvement Program (MTIP) 2019-21 for design and construction of the I-5 Pedestrian and Bikeway Bridge.

EXECUTIVE SUMMARY:

Every three years the Joint Policy Advisory Committee on Transportation (JPACT) and Metro Council decide how to spend federal transportation money known locally as the Regional Flexible Funds. This process allocates money both to region-wide investments that make communities more livable and give people choices in how they travel, and to individual projects planned and built by local transportation agencies.

Metro is soliciting project nominations from local agencies for the 2019-21 RFFA. Approximately \$26 million has been allocated to design and construct active transportation/complete street projects within the Metro region. Eligible applicants include Washington County and its cities, Clackamas County and its cities, Multnomah County and its eastern cities, the City of Portland, Oregon DEQ, TriMet, ODOT, Port of Portland and Recreation Districts.

After review of the application criteria, the Wilsonville I-5 pedestrian and bikeway bridge project appears to be an excellent candidate for receiving RFFA funds. The bridge project consists of a new 14-foot wide bike and pedestrian bridge spanning over Interstate 5 that provides a new, safe, direct connection between the east and west sides of Wilsonville that is separated from vehicular traffic.

The bridge project is an active transportation project identified as a priority project in the 2013 Bicycle and Pedestrian Connectivity Action Plan and the Transportation System Plan. Due to the high cost of design and construction of a bridge over I-5 (\$8.5 million), the Transportation System Plan and Capital Improvement Program assume that the project would be supplemented with federal funds for project completion. Staff recommends nominating the I-5 bridge project for 2019-21 RFFA cycle and submitting an application by the August 26, 2016 due date.

EXPECTED RESULTS:

Should the project be awarded RFFA funding, the City would begin developing an Intergovernmental Agreement with ODOT to start the I-5 pedestrian and bikeway bridge design and construction process beginning in 2019.

TIMELINE:

RFFA project nomination proposals are due on August 26, 2016. Proposals will be scored and evaluated by the Transportation Policy Alternatives Committee (TPAC) on September 30th. Public comment will be accepted for evaluated proposals through the month of October. Metro Council will approve the final project list on January 26th.

If the I-5 bridge project is awarded RFFA funds, the City will immediately begin developing an Intergovernmental Agreement with ODOT for the design and construction of the project to begin in 2019. Completion of the project is expected five years from allocation of the RFFA funds.

CURRENT YEAR BUDGET IMPACTS:

There are no current year budget impacts associated with application for RFFA funds other than staff overhead to prepare and present the project proposal. If the Project is awarded, there will be some allocation of cost share to the City, the amount yet to be determined, which the City would evaluate and approve before accepting the award.

FINANCIAL REVIEW / COMMENTS:

Reviewed by: SCole Date: 7/21/16

LEGAL REVIEW / COMMENT:

Reviewed by: BAJ Date: 7/22/16

COMMUNITY INVOLVEMENT PROCESS:

Designation of the I-5 pedestrian and bikeway bridge as a high priority improvement project was determined through an extensive public involvement process as part of both the Wilsonville Transportation System Plan and the 2013 Bicycle and Pedestrian Connectivity Action Plan.

POTENTIAL IMPACTS or BENEFIT TO THE COMMUNITY (businesses, neighborhoods, protected and other groups):

There are no impacts to the community by submitting a proposal for RFFA funds to finance the I-5 pedestrian and bikeway bridge. Should the project be awarded RFFA funds, the City would still need to enter into an Intergovernmental Agreement (IGA) with ODOT to commit to the design and construction of the bridge. However, it should be noted that should the City decide not to proceed with the project after award of the RFFA funds, the City could lose substantial political capital at the regional level.

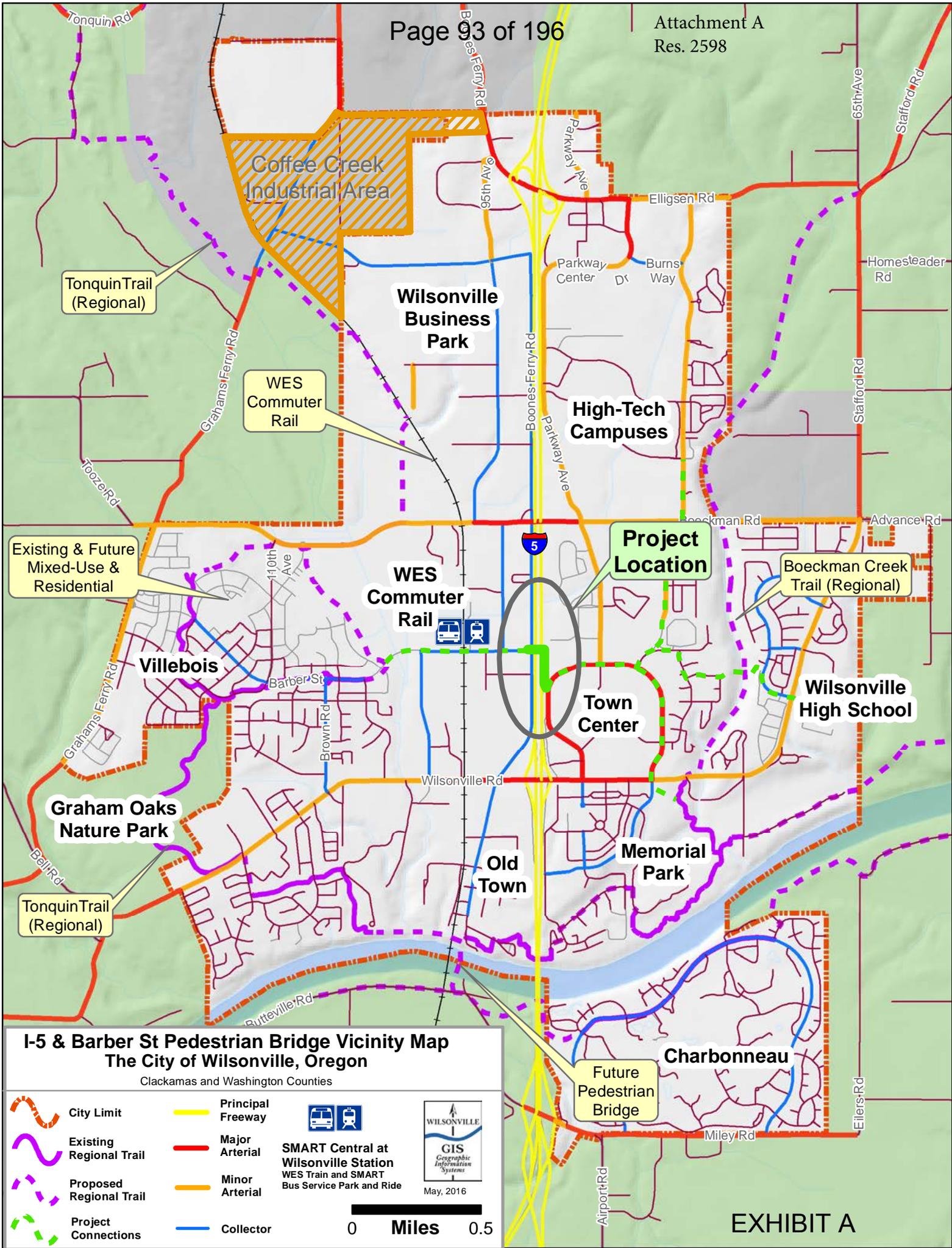
ALTERNATIVES:

1. Authorize staff to apply for RFFA funds for design and construction of the I-5 Pedestrian and Bikeway Bridge.
2. Do not authorize project nomination for RFFA funds and seek project funding from alternative sources.

CITY MANAGER COMMENT:

ATTACHMENTS:

- A. I-5 Pedestrian and Bikeway Bridge Vicinity Map
- B. Resolution No. 2598



Existing & Future Mixed-Use & Residential

Tonquin Trail (Regional)

WES Commuter Rail

Wilsonville Business Park

High-Tech Campuses

Project Location

Boeckman Creek Trail (Regional)

WES Commuter Rail

Town Center

Wilsonville High School

Graham Oaks Nature Park

Tonquin Trail (Regional)

Old Town

Memorial Park

Charbonneau

Future Pedestrian Bridge

I-5 & Barber St Pedestrian Bridge Vicinity Map The City of Wilsonville, Oregon

Clackamas and Washington Counties

- City Limit
- Existing Regional Trail
- Proposed Regional Trail
- Project Connections
- Principal Freeway
- Major Arterial
- Minor Arterial
- Collector



SMART Central at Wilsonville Station
WES Train and SMART Bus Service Park and Ride



May, 2016



EXHIBIT A

RESOLUTION NO. 2598

A RESOLUTION OF THE CITY OF WILSONVILLE AUTHORIZING STAFF TO APPLY FOR REGIONAL FLEXIBLE FUNDING THROUGH THE METROPOLITAN TRANSPORTATION IMPROVEMENT PROGRAM 2019-21 FOR THE DESIGN AND CONSTRUCTION OF THE I-5 PEDESTRIAN AND BIKEWAY BRIDGE.

WHEREAS, Metro is soliciting projects for regional flexible funding through the 2019-2021 Metropolitan Transportation Improvement Program (MTIP); and

WHEREAS, twenty five million eight hundred ten thousand dollars of the available funding for the region has been designated for active transportation and complete streets projects; and

WHEREAS, cyclists and pedestrians in Wilsonville can only cross Interstate 5 at an existing busy interchange at Wilsonville Road or an unimproved roadway bridge at Boeckman Road with no separation from motor vehicles; and

WHEREAS, a new bicycle and pedestrian crossing of Interstate 5 is identified as a high priority project in the City of Wilsonville's 2013 Transportation System Plan; and

WHEREAS, the City of Wilsonville 2013 Bicycle & Pedestrian Connectivity Action Plan identifies a new bicycle and pedestrian crossing of Interstate 5 as a high priority project; and

WHEREAS, the a pedestrian and bikeway bridge crossing of Interstate 5 at Barber Street and Town Center Loop will encourage use of active transportation for local trips between the west and east sides of Wilsonville, create more direct access to the SMART Central Station and WES commuter rail and the Wilsonville's 2040 Town Center, reducing dependence on major arterial roads for local trips, such as Wilsonville Road and Boeckman Road; and

WHEREAS, the crossing of Interstate 5 separated from vehicular traffic will provide alternative transportation choices by creating safer, more direct connections between the east and west sides of Wilsonville; and

WHEREAS, design and construction of the I-5 pedestrian and bikeway bridge is consistent with long-range City objectives as set forth in the Wilsonville Master Plans; and

WHEREAS, the submission deadline for the MTIP solicitation is August 26, 2016.

NOW, THEREFORE, THE CITY OF WILSONVILLE RESOLVES AS FOLLOWS:

1. City of Wilsonville staff is authorized to develop and submit to Metro an application for Regional Flexible Funding for design and construction of the I-5 Pedestrian and Bikeway Bridge in response to Metro's solicitation for projects for the 2019-2021 Metropolitan Transportation Improvement Program.
2. This resolution becomes effective upon adoption.

ADOPTED by the Wilsonville City Council at a regular meeting thereof this 1st day of August 2016, and filed with the Wilsonville City Recorder this date.

Tim Knapp, Mayor

ATTEST:

Sandra C. King, City Recorder, MMC

SUMMARY OF VOTES:

Mayor Knapp
Council President Starr
Councilor Fitzgerald
Councilor Stevens
Councilor Lehan



**CITY COUNCIL MEETING
STAFF REPORT**

Meeting Date: August 1, 2016		Subject: Resolution No. 2599 Equitable Housing Planning and Development Grant from Metro Staff Member: Jon Gail and Miranda Bateschell Department: Admin and Community Development	
Action Required		Advisory Board/Commission Recommendation	
<input type="checkbox"/> Motion <input type="checkbox"/> Public Hearing Date: <input type="checkbox"/> Ordinance 1 st Reading Date: <input type="checkbox"/> Ordinance 2 nd Reading Date:		<input type="checkbox"/> Approval <input type="checkbox"/> Denial <input type="checkbox"/> None Forwarded <input checked="" type="checkbox"/> Not Applicable	
<input type="checkbox"/> Resolution <input type="checkbox"/> Information or Direction <input type="checkbox"/> Information Only <input type="checkbox"/> Council Direction <input checked="" type="checkbox"/> Consent Agenda		Comments: A City Council resolution is required to document support for submitting the application and for the City's matching contribution.	
Staff Recommendation: Staff recommends Council approve Resolution No. 2599.			
Recommended Language for Motion: N/A			
Project / Issue Relates To: <i>Support vulnerable residents</i>			
<input checked="" type="checkbox"/> Council Goals/Priorities	<input type="checkbox"/> Adopted Master Plan(s)	<input type="checkbox"/> Not Applicable	

ISSUE BEFORE COUNCIL: Shall the City apply for an Equitable Housing Planning and Development Grant from Metro and shall the City commit \$10,000 of staff time and other resources as a matching contribution to the grant?

EXECUTIVE SUMMARY: In response to the City's Letter of Interest (LOI), Metro Council invited the City on July 1 to submit a full application for an Equitable Housing Planning and Development Grant that is due by Friday, August 12.

At the City Council Work Session on July 18, the City Council reviewed the overall goals of the proposed project and agreed to support the City's application. The goals of the proposed project are to:

- Develop an Equitable Housing Strategic Plan for Council adoption that sets forth a plan to meet the full spectrum of Wilsonville residents and local employees' needs for a variety of housing options now and into the future as they age and transition through the various life stages.
- The City desires to create various incentive programs, policies, resources that promote equitable housing opportunities including workforce housing for Wilsonville employees, first-time homebuyer opportunities for current residents, and other types of housing deemed to be needed in Wilsonville.

The City is proposing to focus the project on policy evaluation and implementation that are likely to result in new and more equitable housing opportunities in Wilsonville. The main deliverable of the City's proposed project is the development of an Equitable Housing Strategic Plan that will guide the City on how to remove development barriers and generate resources and incentives that will result in more equitable housing opportunities in Wilsonville.

As such the City's proposed grant application seeks to analyze, recommend and potentially adopt:

- Zoning/code changes that will eliminate barriers to the development of "missing middle" housing, creative infill housing such as accessory dwelling units or cottage clusters.
- Implementation of first-time homebuyer assistance, education and counseling services.
- Creation of new housing resources such as Construction Excise Tax.
- Use of urban renewal funding to promote the development of equitable housing opportunities.
- Creation and adoption of incentive programs that foster housing opportunities for "missing middle" income households who desire to purchase or rent a home in Wilsonville.
- Evaluation and implementation of regulatory or incentive program, such as vertical housing tax credits, tax exemptions for affordable housing units or inclusionary zoning
- Implementation of streamlined permitting.

Now that the City has been approved to submit a full grant application, staff is seeking approval from City Council to apply for the grant along with approval to contribute \$10,000 of staff time and other resources to the project.

CURRENT YEAR BUDGET IMPACTS: There is no impact on the current year's budget. Grants for this program are scheduled to be announced in November 2016 and with funding occurring sometime thereafter. Based on previous CPDG cycles, an IGA will need to be in place spring 2017 with the majority of the project work occurring during Fiscal Year 2017-2018.

Staff proposes the required 10% match to be met by contributing a minimum of \$10,000 in in-kind staff time to manage and oversee the project.

COMMUNITY INVOLVEMENT PROCESS: The creation of the plan will be directed by an advisory committee comprised of housing experts and community members. The plan also proposes to survey community members to learn more about the community's unmet housing needs.

POTENTIAL IMPACTS or BENEFIT TO THE COMMUNITY (businesses, neighborhoods, protected and other groups): The proposed grant seeks to support current and future residents, particularly more vulnerable residents by better understanding the gaps in Wilsonville housing market and then identifying and implementing policies and programs to address the gaps.

ALTERNATIVES: City Council may recommend an alternative grant proposal or may decide not to apply for the grant at all.

FINANCIAL REVIEW / COMMENTS:

Reviewed by: Susan Cole Date:

LEGAL REVIEW / COMMENT:

Reviewed by: Barbara Jacobson Date:

CITY MANAGER COMMENT:

ATTACHMENTS:

RESOLUTION NO. 2599

A RESOLUTION OF THE CITY OF WILSONVILLE APPROVING APPLICATION FOR A METRO EQUITABLE HOUSING AND DEVELOPMENT GRANT TO FUND CREATION OF AN EQUITABLE HOUSING STRATEGIC PLAN

WHEREAS, in 2015 the Wilsonville City Council set a Council priority to articulate what the City does to support vulnerable residents and assess efforts to determine additional measures as appropriate; and

WHEREAS, the Wilsonville City Council discussed the proposed grant application at a Council work session on July 18 and supports the City's proposed grant application; and

WHEREAS, the City submitted a Letter of Interest and was invited by Metro on July 1, 2016 to apply for a Metro Equitable Housing Planning and Development Grant, funded by the Construction Excise Tax, to pursue an Equitable Housing Strategic Plan as described in the Letter of Interest; and

WHEREAS, the Project seeks to research, produce and adopt an Equitable Housing Strategic Plan to identify and prioritizes housing policies, programs and resources for the City to implement in order to address the community's documented housing gaps that are impacting current community members who reside and/or work in Wilsonville; and

WHEREAS, the Project will form an advisory committee of experts and community members to guide the development of the Equitable Housing Strategic Plan.

WHEREAS, the City now wishes to make application to the Grant Program for funds in the amount up to \$100,000 to help cover the costs of developing an Equitable Housing Strategic Plan; and

WHEREAS, the Project has a total budget of up to \$110,000 of which up to \$100,000 is to be funded through the Metro Community Planning and Development grant funds and \$10,000 is funded by the donation of City staff time and other resources; and

NOW, THEREFORE, THE CITY OF WILSONVILLE RESOLVES AS FOLLOWS:

1. The City Council supports the City of Wilsonville application for Metro's Equitable Housing Planning and Development Grant Program to fund creation of an Equitable Housing Strategic Plan.
2. The City Manager, or designee, is authorized to file the application with Metro.

3. The City is authorized to contribute an in-kind match of staff time and resources, estimated to be valued at approximately \$10,000 in staff time or other resources, over the course of a one-year project.
4. This resolution becomes effective immediately upon adoption.

ADOPTED by the City Council of the City of Wilsonville at a regular meeting thereof this 1st day of August, 2016, and filed with the Wilsonville City Recorder this date.

Tim Knapp, Mayor

ATTEST:

Sandra C. King, MMC, City Recorder

SUMMARY OF VOTES:

Mayor Knapp -
Council President Starr -
Councilor Lehan –
Councilor Fitzgerald –
Councilor Stevens –

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CITY OF WILSONVILLE
CITY COUNCIL MEETING MINUTES

A regular meeting of the Wilsonville City Council was held at the Wilsonville City Hall beginning at 7:30 p.m. on Monday, June 20, 2016. Mayor Knapp called the meeting to order at 7:33 p.m., followed by roll call and the Pledge of Allegiance.

The following City Council members were present:

Mayor Knapp
Councilor Starr - Excused
Councilor Fitzgerald
Councilor Stevens
Councilor Lehan

Staff present included:

Bryan Cosgrove, City Manager
Barbara Jacobson, City Attorney
Sandra King, City Recorder
Susan Cole, Finance Director
Cathy Rodocker, Assistant Finance Director
Nancy Kraushaar, Community Development Director
Chris Neamtzu, Planning Director
Delora Kerber, Public Works Director
Dan Pauly, Associate Planner
Mark Ottenad, Government and Public Affairs Director
Mike Kohlhoff, Special Projects Attorney
Stephan Lashbrook, SMART Director

Motion to approve the order of the agenda.

Motion: Councilor Fitzgerald moved to approve the order of the agenda. Councilor Lehan seconded the motion.

Vote: Motion carried 4-0.

MAYOR'S BUSINESS

Special Projects Attorney Contract Renewal

Motion: Councilor Stevens moved to approve the renewal of the Special Projects Attorneys contract. Councilor Fitzgerald seconded the motion.

Mayor Knapp stated this is an extension of the special project attorney's contract for an additional six months to complete work on the major water district project that will serve western Washington County and the city of Hillsboro.

Vote: Motion carried 4-0.

City Manager Employment Contract Renewal.

Mayor Knapp indicated Council was not ready to move forward on the item and it will be postponed to July 7th meeting to allow additional time to review the materials.

Upcoming Meetings

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CITY OF WILSONVILLE
CITY COUNCIL MEETING MINUTES

Mayor Knapp reported the City Hall will be closed July 4th to observe the holiday and mentioned the regional meetings he attended on behalf of the City of Wilsonville.

CITIZEN INPUT & COMMUNITY ANNOUNCEMENTS

This is an opportunity for visitors to address the City Council on items *not* on the agenda. It is also the time to address items that are on the agenda but not scheduled for a public hearing. Staff and the City Council will make every effort to respond to questions raised during citizens input before tonight's meeting ends or as quickly as possible thereafter. Please limit your comments to three minutes.

Michelle Ripple and Ron Owens of Wilsonville Community Sharing (WCS) talked about the improvements made to the organizations website, the increased awareness of WCS in the community, as well as the success of the fundraising projects. They asked for volunteers to help in their future outreach events.

Kate Johnson 7744 SW Vlahos Drive, expressed her concern about the safety of walkers due to the state of the Bradford Pear trees that had been planted on her street. She indicated large limbs have been falling, and asked for the City's financial help to remove the trees. Ms. Johnson indicated she had spoken with the City's arborist and the Planning Department; however, the trees were not deemed a hazard. She also asked that the ordinance which places the responsibility on tree removal on the home owner to be changed.

The City Manager stated he would need to speak with staff and then contact Ms. Johnson.

Councilor Lehan pointed out there were a number of areas in the city with trees reaching 30 years old and the trees need attention. If the trees that were planted are not an appropriate variety, the City needs to know so the same tree is not planted in new neighborhoods.

Bruce Barton 7290 SW Wilsonville Road said he had come before Council previously regarding the vibrations from Wilsonville Road which continue to shake his home. He wanted to know if anything could be done to the roadway to eliminate the vibrations. A ground accelerometer was placed on his home a few weeks ago, but he has not received the results of the vibration levels, and he would like a reply.

Mr. Cosgrove stated he would talk with the Engineering department to learn what information was available, and that he would contact Mr. Barton.

COUNCILOR COMMENTS, LIAISON REPORTS & MEETING ANNOUNCEMENTS

Councilor Fitzgerald – (Development Review Panels A & B Liaison) reported on the actions taken by both panels of the Development Review Boards during their last meetings and announced the upcoming meeting dates of the Boards. She noted the Villebois Farmer's Market held every Thursday, and the Movies in the Park.

Councilor Stevens – (Library Board and Wilsonville Seniors Liaison) stated the Seniors are becoming more active in the community with their outreach efforts, starting with a Wilsonville Chamber Morning Spark and a booth at the Wilsonville Art Festival. She reported on the activities being held at the Library, and the Hazardous Waste collection day scheduled for July 9th.

Councilor Lehan – (Planning Commission and CCI Liaison) announced the Planning Commission held an open house on the Recreation and Aquatic Center. The Councilor participated in a tour of French Prairie given to representatives of the Governors and DLCD offices and participated in a discussion of issues

related to proposed development south of the river. She noted Clackamas County has scheduled an open house on the topic for June 28th at Clackamas Community College from 5:30-7:30 pm. The official from the governor's office was concerned with the increase in traffic on the Boones Bridge, and the infrastructure costs that would fall to the city of Wilsonville. The Councilor urged the public to become informed on the issue and provide their comments to the Clackamas County Board.

CONSENT AGENDA

A. Approval of the minutes of the May 16, 2016 Council meeting.

Motion: Councilor Lehan moved to approve the Consent Agenda. Councilor Fitzgerald seconded the motion.

Vote: Motion carried 4-0.

PUBLIC HEARING

The City Attorney read the title of Resolution No. 2584 into the record.

Mayor Knapp opened the public hearing at 8:23 p.m.

A. **Resolution No. 2584**
A Resolution Authorizing A Supplemental Budget Adjustment For Fiscal Year 2015-16.

Cathy Rodocker, Assistant Finance Director, presented the staff report. Oregon's Local Budget Law allows the Council to amend the adopted budget for an occurrence or condition that was not known at the time the budget was adopted. A transfer resolution moves expenditures from one category to another within a specific fund and does not increase the overall budget that was approved during the annual budget process. A supplemental budget adjustment will impact the budget by increasing revenues and/or expenditures. The supplemental adjustment can also recognize expenditures that exceed 10% of the adopted budget expenditures or 15% of the funds' adopted contingency.

The resolution being presented with this staff report is for a budget adjustment and will provide the needed budget authority for the remainder of the fiscal year. The adjustment includes changes to the capital project program as well as to the personnel services, material and services, interfund transfers and debt service categories.

The budget adjustment includes increases to non-Capital Improvement Project (CIP) related expenses for the following programs. The expenses will be funded by contingency.

- Building: \$28,000 increase to personnel services for retirement vacation pay-out.
- Parks SDC: \$4,500 increase to material and services for additional bank fee charges.
- Facilities: \$20,000 increase to material and services for unanticipated repairs: Library A/C unit, water features variable frequency drive and replacement to a light pole in the City Hall parking lot.

Also included are the following adjustments as required by accounting standards.

- To record the entries required for the refinancing of the long-term Water Fund debt. Entries include recognition of the bond sale, the pay-off of the debt refinanced and the miscellaneous professional fees incurred with the refinancing. Increase in revenues and corresponding increase in expenses, \$4,059,000.

- To correct the FY2015-16 budget recording of the interfund loan payment between the Stormwater Fund and the General Fund. Increase to debt service, decrease in interfund transfers, \$406,020.
- To record the refund of Street SDC's that were received in a prior fiscal year. The refund was approved a traffic study determined the traffic demand had not increased due to the construction projects as anticipated. Increase to Material and Services and decrease to Contingency, \$139,520.

CIP projects requiring a budget adjustment include:

- Willamette River Water Supply Coordination, \$48,120; Funded by Tualatin Valley Water District
- Water Treatment Plant Master Plan, \$6,000; Funded by Water Ops (\$600)/Water SDCs (\$5,100)
- GIS/Water Model Update, \$8,700; Funded by Water Ops
- Signal Improvements, \$4,000; Funded by Road Ops (\$1,200)/Streets SDCs (\$2,800)
- Street Maintenance Fees and SDC Update, \$33,000; Funded by Street SDCs
- Streetlight Infill, \$3,000; Funded by Streetlight Fund
- Boeckman Rd Mitigation, \$2,250; Funded by Street SDCs
- Wilsonville Rd Median Improvements-Landover, (\$53,843); Credit Street SDCs-to be funded by Eastside Urban Renewal

CIP projects with zero dollar adjustments using excess budget from other projects as a funding source:

- CD Dept. Support for Miscellaneous Water Projects, \$10,000; Funds transferred from Well Upgrades and Maintenance
- Sewer SDC Reimbursements/Credits, \$8,000; Funds transferred from Project Design and Development
- Basalt Creek Planning, \$25,300; Funds transferred from Citywide Signage/Wayfinding
- Tooze Rd 110th-Grahams Ferry Rd, \$33,000; Funds transferred from Kinsman Rd Extension and Streets SDC Reimbursement/Credits
- Bike Signage, \$11,605; Reallocate funding from Construction Expense to Community Development Project Management Fees

As stated in the Fiscal Management Policies, the City shall amend its annual budget in accordance with Oregon local budget law. The supplemental budget adjustment is adopted by the Council at a regularly scheduled meeting. Convening the budget committee is not required.

Mayor Knapp invited public comment, hearing nothing he closed the hearing on Resolution No. 2584 at 8:28 p.m.

Motion: Councilor Fitzgerald moved to approve Resolution No. 2584. Councilor Stevens seconded the motion.

Vote: Motion carried 4-0.

B. **Resolution No. 2585**
A Resolution Declaring The City's Eligibility To Receive State Shared Revenues.

Ms. Jacobson read the titles of Resolution No. 2585 and 2586 and 2587 into the record and noted a joint public hearing to take testimony can be conducted, but the resolutions should be individually adopted with the eligibility Resolution going first.

Mayor Knapp opened the public hearing on Resolutions No. 2585, 2586 and 2587 at 8:29 p.m. and read the hearing protocol.

Susan Cole, Finance Director, explained Oregon law requires the public be given two opportunities to comment on receiving state shared revenues and their proposed use. The first opportunity is extended during the Budget Committee meeting held on May 18, 2016. The second opportunity is offered in conjunction with the budget adoption. State revenues allow, in part, funding for the road operations program, facility and parks maintenance, law enforcement, parks and recreation services and library operations.

Motion: Councilor Lehan moved to approve Resolution No. 2585. Councilor Fitzgerald seconded the motion.

Vote: Motion carried 4-0.

C. **Resolution No. 2586**
A Resolution Declaring The City's Election To Receive State Shared Revenues

Motion: Councilor Lehan moved to approve Resolution No. 2586. Councilor Fitzgerald seconded the motion.

Vote: Motion carried 4-0.

D. **Resolution No. 2587**
A Resolution Of The City Of Wilsonville Adopting The Budget, Making Appropriations, Declaring The Ad Valorem Tax Levy, And Classifying The Levy As Provided By ORS 310.060(2) For Fiscal Year 2016-17.

Resolution No. 2587 was read into the record by title only by the City Attorney.

Mayor Knapp opened the public hearing and announced the hearing format.

The staff report was presented by Susan Cole.

Following the Budget Committee vote to approve the budget the City Council must hold a public hearing and receive comments on the budget prior to adoption. Council must adopt the budget no later than June 30, 2016.

By law, the Council may make changes in the approved budget within certain limitations: (1) taxes may not be increased over the amount approved by the budget committee, and (2) estimated expenditures in a fund cannot be increased by more than \$5,000 or 10 percent, whichever is greater. The Council can reduce the budget from that approved by the Budget Committee.

Mayor Knapp invited public testimony, there was none and the public hearing was closed at 8:34 p.m.

Motion: Councilor Stevens moved to approve Resolution No. 2587. Councilor Lehan seconded the motion.

Councilor Stevens thought the Budget Committee meetings were well run, staff did a good job preparing and presenting the budget information, and the questions and discussion was excellent.

Councilor Fitzgerald thanked Chair Steiger for leading the Committee. She noted City administration takes a conservative analytic approach to determine when staff needs to be added to continue to provide city services to the growing community.

Mayor Knapp extended his appreciation to Mr. Steiger for chairing the Budget Committee and he thanked the staff for the preparation of the budget. He felt the questions and dialogue held during the Budget Committee meetings were important to understanding the budget, and added the certainty the community is represented.

Vote: Motion carried 4-0.

CONTINUING BUSINESS

Ms. Jacobson read the titles of Ordinances No. 792, 793 and 794 into the record for second reading.

A. **Ordinance No. 792** – 2nd Reading

An Ordinance Of The City Of Wilsonville **Annexing** Approximately 10.2 Acres Of Territory Including A Segment Of SW Garden Acres Road Right-Of-Way And An Adjacent Parcel Of Land East Of SW Garden Acres Road North Of SW Ridder Road And The Current Republic Services Development Into The City Limits Of The City Of Wilsonville, Oregon. The Territory Is More Particularly Described As Tax Lot 600 Of Section 2C, T3S, R1W, Washington County, Oregon And Adjacent Right-Of-Way, Willamette Resource Incorporated, Petitioner.

Motion: Councilor Lehan moved to adopt Ordinance No. 792 on second reading. Councilor Fitzgerald seconded the motion.

Vote: Motion carried 4-0.
Councilor Starr - Excused
Councilor Fitzgerald
Councilor Stevens
Councilor Lehan
Mayor Knapp

B. **Ordinance No. 793** – 2nd Reading

An Ordinance Of The City Of Wilsonville Approving A **Comprehensive Plan Map** Amendment From The Washington County Future Development – 20 (FD-20) District To The City Of Wilsonville Industrial Designation On Approximately 10.2 Acres Comprising Tax Lot 600 Of Section 2C, T3S, R1W, Washington County, Oregon And Adjacent Right-Of-Way, Willamette Resource Incorporated, Applicant/Owner.

Motion: Councilor Lehan moved to adopt Ordinance No. 793 on second reading. Councilor Stevens seconded the motion.

Vote: Motion carried 4-0.
Councilor Starr - Excused
Councilor Fitzgerald
Councilor Stevens
Councilor Lehan
Mayor Knapp

C. **Ordinance No. 794** – 2nd Reading

An Ordinance Of The City Of Wilsonville Approving A **Zone Map Amendment** From The Washington County Future Development-20 (FD-20) Zone To The Planned Development Industrial-Regionally Significant Industrial Area (PDI-RSIA) Zone On Approximately 10.2 Acres Comprising Tax Lot 600 Of Section 2C, T3S, R1W, Washington County, Oregon And Adjacent Right-Of-Way, Willamette Resource Incorporated, Applicant/Owner.

Motion: Councilor Fitzgerald moved to adopt Ordinance No. 794 on second reading. Councilor Stevens seconded the motion.

Vote: Motion carried 4-0.
Councilor Starr – Excused
Councilor Fitzgerald
Councilor Stevens
Councilor Lehan
Mayor Knapp

D. **Ordinance No. 776** - continued from May 16, 2016 Council meeting

An Ordinance Of The City Of Wilsonville Amending Wilsonville Code Chapter 3, Right-Of-Way And Public Easement Management Section, By Amending Section 3.410, Franchise Required, And Adding A New Section 3.415, Franchise Fees

This item should be continued to the October 3, 2016 Council meeting.

Motion: Councilor Lehan moved to continue Ordinance No. 776 to the October 3, 2016 Council meeting. Councilor Fitzgerald seconded the motion.

Vote: Motion carried 4-0.

NEW BUSINESS

Ms. Jacobson read the title of Resolution No. 2588 into the record

A. **Resolution No. 2588**

A Resolution Of The City Of Wilsonville Authorizing Support Grant Agreement With Wilsonville Community Sharing.

Susan Cole, Finance Director provided the staff report. The annual Support Grant Agreement between the City of Wilsonville and Wilsonville Community Sharing (WCS) expires June 30, 2016.

The City of Wilsonville has supported the administrative and operational services of Wilsonville Community Sharing (WCS) through financial support for more than 16 years.

For FY 2016-17, the Approved Budget includes \$48,640; \$32,640 for a general purpose portion dedicated to, but not limited to, providing staffing, food, prescription help, rent & housing support and other services to those community members in need. Additionally, \$16,000 has been provided for utility bill paying assistance. The general purpose portion of the grant has been increased above the FY 2015-16 amount of \$32,000 by \$640, representing inflation.

Using pie charts Ms. Cole demonstrated the success of WCS in diversifying their revenue funding sources, and the increase in outreach to the community.

Councilor Fitzgerald was happy to see the increase in individual giving.

Mayor Knapp observed this is remarkable performance considering the difficulty they have had in the past.

Motion: Councilor Fitzgerald moved to approve Resolution No. 2588. Councilor Lehan seconded the motion.

Councilor Fitzgerald thanked the leadership of WCS, staff, businesses and individuals who have participated in the fund drives, adding now that WCS has diversified their resource stream they have more security and certainty to meet the needs of their clients.

Councilor Stevens added The Heart of the City volunteers do remarkable job.

Vote: Motion carried 4-0.

B. Community Enhancement Program Authorization

Mark Ottenad presented the staff report. The Wilsonville-Metro Community Enhancement Committee met on three occasions in 2016 and are recommending to the City Council awarding a total of \$79,543 in funding to five different projects in Wilsonville.

Project nominations were accepted from the public and public agencies over a two-month-long period, December 2015 through January 2016. A total of 10 projects were nominated by the public and public agencies which were first reviewed by City staff for compliance with the CEP goals and criteria. During the review process, four projects dropped out due to inability to execute, lack of compliance or were otherwise funded through other processes. The six remaining projects were then forwarded for consideration to the seven-member Wilsonville-Metro Community Enhancement Committee which was formed as a part of the new Wilsonville-Metro Community Enhancement Program. In addition to reviewing projects, the committee adopted bylaws as required by the City's intergovernmental agreement with Metro creating the Wilsonville-Metro Community Enhancement Program.

The committee also directed staff to create a 'close-out' process to document specifically what has been funded in terms of receipts, etc.; and to request that the project nominators appear before Council to report on results of CEP-funded projects.

The five projects selected for funding by the Committee after a thorough vetting process, in descending dollar-amounts are:

1. Memorial Park "Dog Park" Relocation Project: \$25,000
2. "Bee Stewards" Wilsonville Pollinator Improvement Project: \$21,433
3. Multifamily Waste-Reduction and Recycling Project: up to \$16,000
4. Frog Pond Church Campus Restoration Project: up to \$10,000
5. Fluorescent Mercury-Lamp Business Recycling Program: \$7,110

The Community Enhancement Program funding is used for "enhancing the host community of the facility from which the fees have been collected" to fund projects that "rehabilitate and enhance the area within the city." Eligible projects can improve the appearance or environmental quality of the community, increase reuse and recycling opportunities or improve recreational areas and programs.

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CITY OF WILSONVILLE
CITY COUNCIL MEETING MINUTES

Goals for community enhancement projects include:

- a) Improve the appearance or environmental quality of the community.
- b) Reduce the amount or toxicity of waste.
- c) Increase reuse and recycling opportunities.
- d) Result in rehabilitation or upgrade of real or personal property owned or operated by a nonprofit organization having 501(c) (3) status under the Internal Revenue Code.
- e) Result in the preservation or enhancement of wildlife, riparian zones, wetlands, forest lands and marine areas, and/or improve the public awareness and the opportunities to enjoy them.
- f) Result in improvement to, or an increase in, recreational areas and programs.
- g) Result in improvement in safety.
- h) Benefit youth, seniors, low income persons or underserved populations.

Mr. Ottenad said Metro will provide quarterly payments, and the City will accumulate the funds first and then disburse the funds.

Councilor Lehan thought all of the projects were exemplary projects and was supportive of the projects.

Councilor Stevens indicated she sat on the Citizen Committee, and there was a lot of discussion about the trees along Boeckman Road near the Frog Pond Church Campus.

Mayor Knapp pointed out this is the first year of the grant program, and he looked forward to more proposals in the coming years.

Motion: Councilor Stevens moved to approve the 2016 project recommendations for the Community Enhancement Program adopted by the Wilsonville-Metro Community Enhancement Committee. Councilor Lehan seconded the motion.

Vote: Motion carried 4-0.

CITY MANAGER'S BUSINESS – There was no report.

LEGAL BUSINESS – There was no report.

ADJOURN

Mayor Knapp adjourned the meeting at 9:08 p.m.

Respectfully submitted,

Sandra C. King, MMC, City Recorder

ATTEST:

Tim Knapp, Mayor

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CITY OF WILSONVILLE
CITY COUNCIL MEETING MINUTES

A special meeting of the Wilsonville City Council was held at the Wilsonville City Hall beginning at 7:00 p.m. on Thursday, July 7, 2016. Mayor Knapp called the meeting to order at 7:12 p.m., followed by roll call and the Pledge of Allegiance.

The following City Council members were present:

Mayor Knapp
Councilor Starr - excused
Councilor Fitzgerald
Councilor Stevens
Councilor Lehan - excused

Staff present included:

Bryan Cosgrove, City Manager
Jeanna Troha, Assistant City Manager
Barbara Jacobson, City Attorney
Sandra King, City Recorder
Jon Gail, Community Relations Coordinator
Nancy Kraushaar, Community Development Director
Susan Cole, Finance Director
Delora Kerber, Public Works Director
Stan Sherer, Parks and Recreation Director
Andrea Villagrana, HR Manager
Mike Ward, Engineer

Motion to approve the order of the agenda.

Motion: Councilor Fitzgerald moved to approve the order of the agenda. Councilor Stevens seconded the motion.

Vote: Motion carried 3-0.

MAYOR'S BUSINESS

A. City Manager Employment Contract

Mayor Knapp said the Council has agreed the City has made good progress under the leadership of Mr. Cosgrove and things are going positively in the community with the many projects underway.

Mr. Cosgrove appreciated the opportunity to serve the community, and to work for a forward thinking Council. He also valued the great staff.

The Mayor indicated Council would like to extend Mr. Cosgrove's contract for another year.

Motion: Councilor Fitzgerald moved to approve the extension of Mr. Cosgrove's contract as City Manager from July 1, 2016 to June 30, 2017, with a total compensation of \$165,010.90 as outlined in the employment agreement. Councilor Stevens seconded the motion.

Councilors conveyed their appreciativeness of Mr. Cosgrove and the emphasis on customer service that is reflected by staff along with the strong working relationship with Council.

Vote: Motion carried 3-0.

B. Library Board Appointment

Mayor Knapp and Councilor Stevens recommended appointing Miriam V. Pinoli to the Library Board for a four-year term beginning July 1, 2016 and ending June 30, 2020. Ms. Pinoli has a background in teaching, and is a graduate of the Wilsonville Leadership Academy and although she does not live within the City limits, she does live in the Library District and may serve.

Motion: Councilor Stevens moved to appoint Miriam V. Pinoli to the Library Board for a four year term beginning July 1, 2016 and ending June 30, 2020. Councilor Fitzgerald seconded the motion.

Councilor Stevens felt all four of the candidates were excellent and it was a challenge to select the appointee. The Councilor looked forward to working with Ms. Pinoli on the Board.

Vote: Motion carried 3-0.

C. Upcoming meetings were announced by the Mayor as well as the regional meetings and events he attended on behalf of the City. Primary topics at the County level include affordable housing and transportation and road maintenance in the County.

The Mayor reported Clackamas County staff held an open house to discuss the re-designation of land south of the Willamette River to “undesignated” with a future use as industrial lands. Mayor Knapp reiterated the City is not interested in providing City services to the area, nor are the cities of Canby and Aurora. He thanked the 400 people who turned out to attend the open house, and thanked staff for preparing the City’s presentation materials.

CITIZEN INPUT & COMMUNITY ANNOUNCEMENTS - There was none.

COUNCILOR COMMENTS, LIAISON REPORTS & MEETING ANNOUNCEMENTS

Councilor Fitzgerald – (Development Review Panels A & B Liaison) reported on the next DRB meeting date where they will hold a public hearing on a proposed subdivision. She announced the Movies in the Park and the ongoing Thursday Farmers Market in Villebois.

Councilor Stevens – (Library Board and Wilsonville Seniors Liaison) noted the Wilsonville Seniors next meeting date. The Library Board discussed the success of their summer reading program with approximately 2500 participants. The Councilor noted Hazardous Waste collection day is scheduled for July 9th, and the Rotary Concerts in the Park. Councilor Stevens invited the public to participate in a Wilsonville Community Sharing fundraiser set in Charbonneau.

Mayor Knapp noted the next Planning Commission meeting date.

CONSENT AGENDA

Ms. Jacobson read the title of the Consent Agenda item into the record.

A. Minutes of the June 6, 2016 City Council Meeting

Motion: Councilor Stevens moved to approve the Consent Agenda. Councilor Fitzgerald seconded the motion.

Vote: Motion carried 3-0.

PUBLIC HEARING

Ms. Jacobson read the title of Resolution No. 2598 into the record and noted the public hearing item should be continued to the July 18th City Council meeting.

A. **Resolution No. 2589**

A Resolution Of The City Of Wilsonville, Acting As The City's Contract Review Board, Exempting And Awarding A Public Facilities Improvement Agreement Under W.C. 2.312(5) For The Tooze Road Storm Sewer Project To Polygon WLH LLC (Polygon) For The Construction Of A Stormwater System To Serve Polygon's Calais East Subdivision And The Future Tooze Road Improvement Project As A Condition Of The Calais East Land Use Approval. (staff – Ward)

Motion: Councilor Stevens moved to continue the public hearing on Resolution No. 2589 to the date certain of July 18, 2016 City Council meeting. Councilor Fitzgerald seconded the motion.

Vote: Motion carried 3-0.

NEW BUSINESS

A. **Resolution No. 2590**

A Resolution Authorizing A Five Year Capital Interfund Loan From The Water Fund To The Stormwater Capital Fund. (staff – Cole)

Ms. Jacobson read the title of Resolution No. 2590 into the record.

Susan Cole, Finance Director prepared the staff report that addressed both Resolution No. 2590 and 2591. The issue before Council is the approval of two inter-fund loans, both from the Water Fund; one \$500,000 loan to the Stormwater Capital Fund, and one \$400,000 loan to the Street Capital Fund, to finance the purchase of a site for a new public works facility, in addition to capital improvements included in the fiscal year 2016-17 budget.

Currently, the Police and Public Works functions are co-located in one building that is quickly becoming too small for both functions and is in need of upgrades. The Facilities Master Plan that was completed in 2015 identified the need to upgrade and expand the space, and further recommended that the public works functions move to a larger complex, where offices, warehouse storage and an equipment yard could be jointly located.

A site has been identified that could potentially work for a public works facility. City funds that pay for public works operations should contribute to the purchase of the land. However, the Stormwater and Roads Funds do not have adequate cash to cash-finance their fair shares, and thus are turning to the Water Fund for five year inter-funds loans.

The term of these loans are for five years, at six-tenths (0.6%) of one percent, an interest rate approximately equal to the interest rate earned by the Water Fund in the State's Local Government Investment Pool (LGIP). \$500,000 will be loaned to the Stormwater Fund, for its share of \$300,000 toward the land acquisition, as well as to finance other projects identified in the capital program. \$400,000 will be loaned to the Street Capital Fund for the Roads' share of the land acquisition. The loan for the Stormwater share will be paid back from the Stormwater Operating Fund, while the loan to the Street Capital Fund will be paid back from the Roads Operating Fund.

These interfund loans will allow the Stormwater Capital Fund and the Street Capital Fund to finance the capital program identified in the FY 2016-17 budget. The interfund loans will be made in August of 2016, and the five year payback will begin in January, 2017. Annual payments will be made each year until the loans are paid off in the year 2021.

Ms. Cole responded to a question raised about the stormwater capital fund on how the stormwater operating fund is able to afford this new debt service as well as the capital program. The Council adopted stormwater rates on a seven-year rate path that increases the stormwater rates to fund a large capital program in the Charbonneau area. That rate increase allows the stormwater operations to be balanced, as well as fund the capital program.

The stormwater capital fund did anticipate taking out debt in order to fund the capital program in Charbonneau. The stormwater fund already had a presubscribed capital program when this opportunity to purchase land for the public works facility came up, but the stormwater fund didn't have the cash. The fund is now looking to the water fund for a five-year interfund loan. Payments will be approximately \$100,000 to be covered by the stormwater fund.

Mayor Knapp confirmed the planned work for the stormwater project in Charbonneau was not in jeopardy by making the loan.

Ms. Cole stated those Charbonneau projects are on track over the next five years.

The five year loan from the water fund is at an interest rate that the water fund would otherwise earn in the local government investment pool – roughly .6%. A bank would charge 2%, plus there would be loan origination costs. The interfund loan saves the City the banking costs and enables the City to charge a lower interest rate.

Motion: Councilor Stevens moved to approve Resolution No. 2590. Councilor Fitzgerald seconded the motion.

Vote: Motion carried 3-0.

B. Resolution No. 2591

A Resolution Authorizing A Five Year Capital Interfund Loan From The Water Fund To The Street Capital Fund. (staff – Cole)

Ms. Jacobson read the title of Resolution No. 2591 into the record.

Motion: Councilor Fitzgerald moved to approve Resolution No. 2591. Councilor Stevens seconded the motion.

Vote: Motion carried 3-0.

C. **Resolution No. 2592**

A Resolution Of The City Of Wilsonville, Oregon Calling For A Measure Election To Be Included In The General Election To Be Held November 8, 2016, To Submit To The Voters The Question Of Issuing General Obligation Bonds In An Amount Not To Exceed \$35 Million To Finance The Construction Of A Wilsonville **Recreation And Aquatic Center**. (staff – Sherer, Troha, Cole, Jacobson)

Ms. Jacobson read the title of Resolution No. 2590 into the record.

The staff report was prepared by Mr. Sherer, Ms. Troha, Ms. Cole, and Ms. Jacobson.

The City Council must review and approve the ballot title and explanatory statement for the recreation and aquatic bond measure for the November 2016 ballot. The ballot title and explanatory statement are filed with the Wilsonville City Recorder, and Clackamas and Washington County Clerks. Bond proceeds will be used for property acquisition, design, construction of a recreation and aquatic center, and equipping it, in Wilsonville.

In 2014, the City hired a national consultant to conduct a comprehensive financial analysis to determine whether a community recreation and aquatic center could be financially sustainable in Wilsonville. The results of the study indicated a center could be operationally sustainable after a five year start-up subsidy from the City. The financial sustainability is predicated on having certain amenities within the facility that would generate sufficient revenue to cover operating costs. The City Council accepted the consultant report and decided to move forward with the process.

Subsequently, in 2015, the City hired a communications consultant to conduct a survey of Wilsonville voters to assess public support for a recreation and aquatic center. The survey results indicated favorable voter support for a recreation and aquatic center as well as support for using general obligation bonds as a funding mechanism. Should the City Council decide to move forward with the project, the consultant recommended placing the bond measure on the November 2016 general election ballot due to higher voter turnout.

Per Oregon statute, the City Attorney writes the ballot title, which is then reviewed and approved by the City Council. The ballot title outlines the specifics of the bond measure. The question before the voters is whether the City should issue general obligations bonds in the amount of \$35 million to be used for property acquisition, design, and construction of, and equipment for, an approximately 80,000 sq. ft. recreation and aquatic center. If approved, the measure would increase taxes for Wilsonville property owners by an estimated \$0.59 per \$1,000 of assessed value (as opposed to real market value, which for residential property is generally higher). For example, a home with an average assessed value of \$300,000 would pay \$14.75 per month. Bonds are anticipated to be issued with up to a 21-year term, and could be issued in phases. The tax assessment would be levied until the debt is paid off. The Explanatory Statement provides more detailed information about the bond measure and is included in the voter's pamphlet.

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There are no impacts to the 2016-17 budget. If the Measure passes it will have a significant impact in that the City will subsidize the first 4-5 years of operational start-up costs. A contract with a private operator will include detailed, explicit language regarding the City's financial commitment to the operations.

Councilor Starr has been speaking with a variety of community groups providing information about the proposed project and bond measure. In his message, Councilor Starr represented that the maximum cost of the facility would be \$30,000,000 but, based on more favorable interest rates than anticipated and escalating land and constructions costs, staff has suggested the ballot be for up to \$35 million dollars in bonds.

Ms. Troha explained the item before Council is the ballot title and explanatory statement for the Recreation and Aquatic Center for a bond measure to go before the voters November 8, 2016. The bond measure is to issue general obligation (GO) bonds to purchase land, design and construct a proposed recreation and aquatic center. Staff is asking Council to approve the bond title language and explanatory statement. There were some recommended changes made during Work Session which Council has copies of.

Ms. Jacobson added the changes suggested by Mayor Knapp and Councilor Fitzgerald have been incorporated, and a revised ballot title and explanatory statement was before Council.

A resolution selecting a proposed operator is on the agenda later, and is not included in these bonds. The GO bonds are not used for the operations of the facility; the GO bonds are for property acquisition, design and construction. In addition, the GO bond is asking for 59 cents per thousand of assessed value, which equates, for a house assessed at \$300,000, or \$14.75 per month.

Mr. Sherer discussed the amenities. The proposed facility is 80,000 square foot recreation and aquatic center with a 25-yard 6-lane lap pool, 6,000 square foot leisure pool including warm water slides water park elements. In addition there will be a full functional recreation center with basketball courts, a proposed rock climbing wall, multipurpose rooms, birthday rooms for parties, and a fitness center. It is a comprehensive recreation center.

Ms. Troha added the design of the facility would occur after the election if bond measure passes.

Mr. Cosgrove said the important point is the original pro forma was based on the elements outlined by Mr. Sherer.

Mayor Knapp confirmed that there would be a subsidy for a few years to enable this facility to reach a break-even point. He thought the public needed to understand that the tax measure was for capital construction and would not entitle people to use the facility without paying a membership or use fee.

Mr. Cosgrove indicated the Mayor was right. The capital construction is separate from the operations, and the facility would require ongoing operations and maintenance costs which is what the user fee would pay for. Mr. Cosgrove thought having the operator on board before approval, if the measure does pass, gives the City the ability to have the operator at the table during the design phase to make sure we are looking at things from the operator view point to insure the use and revenue potential is maximized.

The Mayor asked if the \$35 million contained cushions.

Mr. Cosgrove stated the \$35 million is the not to exceed amount, because the bidding market is an unknown, but a design-build-operate provides more flexibility to integrate cost control measures versus a

traditional sealed bid.

Mayor Knapp recommended the Council include the revised language in any motion for the proposal.

Councilor Stevens anticipated questions about the amount of the user fee, can you provide a range.

Mr. Sherer responded there will be a range of fees to accommodate the different types of users, individual daily fees, couple fees, families up to 4 and families up to 6 with varying fees for each of those, and resident and non-resident. To accommodate the different types of users and the different demographics there will be varying fees. All of those fees were identified in the proforma, which is now two years old; but to simplify a family of 4 is projected to be somewhere between \$68 and \$72 per month. That includes full use of the facility plus daycare for the kids while the parents use the facility.

Mr. Cosgrove pointed out the costs to build something and to operate and maintain a facility are two separate costs and two separate issues.

Councilor Fitzgerald thought the explanatory statement is useful and explains well what the voters are being asked. Councilor Fitzgerald asked staff to summarize the work over the years leading up to this point.

Ms. Troha recalled the history goes back to 2002 when a study was done to review the feasibility of an aquatic center, but at that time the community did not have the population to financially support such a facility. The aquatic center concept came back as a Council goal and in 2014 a task force participated in a detailed analysis to look at the financial feasibility of a recreation and aquatic center in the community. The recreational components were necessary to bring in revenue to pay for the costs associated with a pool. A consultant was hired to conduct the financial feasibility analysis and gauge the use and support of such a facility.

The task force recommended Council accept the financial feasibility report and move forward to the next phase in the project. The City hired Moore Information Consulting to survey the Wilsonville voters to gauge the support in the community to pay for a recreation/aquatic facility given certain amenities discussed in the financial feasibility study. The results of the survey work showed strong support to pay additional taxes to build such a facility.

Mayor Knapp observed the population service area has grown from that of 2002, and the concept of the recreation/aquatic center made it more feasible.

Motion: Councilor Fitzgerald moved to approve Resolution No. 2592 with the revised explanatory statement discussed in the work session and provided to Council. Councilor Stevens seconded the motion.

Councilor Stevens supported the ballot measure and was curious to see what the support will be, and thought continuing education and provision of information to the community is important.

Councilor Fitzgerald thanked Councilor Starr who has spent a lot of time educating the public on the proposal. She asked who people should call if they have question.

Mr. Sherer said information is available on the Parks and Recreation website, at City Hall and the Library.

Vote: Motion carried 3-0.

D. **Resolution No. 2593**

A Resolution Of The City Of Wilsonville, Oregon Calling For A Measure Election To Be Included In The General Election To Be Held November 8, 2016, To Refer To The Voters The Question Of Whether The City Should Continue Its Ban On **Marijuana** Facilities Within The City. (staff – Jacobson)

Ms. Jacobson read the title of Resolution No. 2593 into the record and presented the staff report. Before Council is Resolution No. 2593 which, if approved by Council, would authorize a ballot measure at the general election in November to submit to the voters the question of whether Wilsonville should continue its ban on marijuana facilities.

Council recently approved Ordinance No. 778, banning recreational and medical marijuana facilities in Wilsonville, subject to voter referral in the November general election. This resolution advances Council's decision to refer the current ban on marijuana facilities to the voters by placing a measure on the November ballot. If a resolution referring the issue of a marijuana ban to voters is enacted, the question of whether the City should continue to prohibit or, alternatively, permit marijuana facilities in Wilsonville will be answered. If the voters elect to continue the ban, nothing will change regarding the City's treatment of marijuana facilities. If the voters choose to eliminate the ban, Council must next decide whether to enact time, place, and manner regulations. While the City could also continue the ban relying on the business license prohibition against illegal business under federal law; by referring a measure to the voters there will be an expectation that the Council will act based on voter will.

The Ballot Title must be filed by August 19, 2016, and a Notice of Measure Election must be delivered to the elections officers of Washington and Clackamas Counties by September 8, 2016.

There are no immediate budget impacts, but if a City elects to ban any of the marijuana operations legalized by state law, the City will not get any of the tax revenue collected from the sale of marijuana, nor can it impose a local tax. For the first year, revenue is distributed based on population. Thereafter, the formula is changed based on the number of marijuana facilities located in the city. Additionally, HB 3400 allows a local tax of up to 3%, if approved by voter referral. Although the City already passed a higher local tax than is included in HB 3400, the belief is that the taxation formula of HB 3400 is most likely preemptive.

Passage of this resolution will allow the voters to have the final say in whether marijuana facilities are going to continue to be banned in Wilsonville. A continued ban will not affect any citizen's ability to grow, use, or consume medical or recreational marijuana in private and will simply prevent the establishment of marijuana facilities within the City limits.

Measure 91 legalized the use of recreational marijuana in the State as well as recreational sales, processing and distribution, producing and growing of recreational marijuana. Medical marijuana had already been legalized. However, federal law still views marijuana as a schedule one non-narcotic drug and it is illegal.

In the City there is a business license ordinance that has prohibited a license from being issued within the City limits to any business that is illegal on its face under state or federal law. This ordinance has been in place since 2014, and prior to the passage of Measure 91.

Subsequent to passage of Measure 91 the City continued on with the business license ordinance and continued to prohibit those establishments in the City based on the fact that they violated federal law.

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Although other cities received legal challenges on similar ordinance, the City has not, but the other cities ordinances were upheld.

In 2015 the Legislature took this issue on trying to recognize home rule, City rights as well as the wishes of the voters in passing Measure 91. The Legislature said cities could continue to have a ban under the state law provided that if they enacted that ban or moratorium, at the next general election the cities would be required to refer the measure to the voters to see whether the voters agreed with the prohibition or ban, or not.

Wilsonville had the business license ban so we could have continued to rely on that, but because the vote was close here, Measure 91 did fail within the Wilsonville district, but not by a very big margin. At past Council meetings we had discussion on whether or not to take advantage of the state ban, and if we did and kept that ban in effect, then the City would be obligated to put the measure on the November 2016 election. Council decided to do that. That ban is still in effect and so the question now is does the City want to continue that ban and thereby be obligated to put this measure onto the November ballot.

A “yes” vote will continue the City’s ban, and retain the status quo. If the citizens vote “no” then effectively they are stating they want to allow these facilities in Wilsonville. Council will then come back with reasonable time, place, and manner restrictions placed on where these facilities can be.

Another ordinance that will be coming to Council for consideration will be some reasonable, time, place and manner suggested restrictions in the event the decision by the voters is “no” we don’t want to continue the absolute ban. If the vote is “yes” then status quo stays in effect; if the vote is “no” then there is going to be some allowance of those marijuana businesses within the City limits.

The other thing that is important to note, and it is provided for in the ballot title as well as the explanatory statement, is nothing about this measure limits or prohibits or restricts medical or personal marijuana use, home cultivation of up to four plants, or transfer of one ounce of marijuana between individuals without payment. That is allowed under state law and cannot be restricted or stopped. The measure does not change the personal uses; it only addresses businesses that we allow to operate in the city.

A “yes” vote would have revenue impacts. Currently 10% of state marijuana tax revenue will be distributed to all cities to assist local law enforcement in performing their duties under Measure 91. If approved, this measure will make Wilsonville ineligible to receive distribution of state marijuana revenues. Furthermore under the 2015 legislation, a City may impose up to a 3% tax on marijuana items sold by marijuana retailers within the city; however, a City that adopts an ordinance prohibiting the establishment of any medical marijuana processor, medical marijuana dispensary, or recreational marijuana producer, processor, wholesaler, or retailer, may not impose that local tax or fee on the production process and sale of marijuana or any product into which marijuana has been incorporated. In other words, if Council bans any of those operations within the City limits Council is precluded from imposing a tax.

A “yes” vote will continue the current prohibition on all of those various businesses. A “no” vote will allow those business establishments to locate in the City of Wilsonville subject to zoning regulations.

In the Council packet was a proposed ballot title and explanatory statement. Prior to the meeting this evening, the Mayor and Ms. Jacobson had a conversation about the language and the Mayor felt the paragraphs could be reorganized in the Explanatory statement to ensure clarity for the voters.

The Mayor explained his intent was to make the wording as clear as possible to someone who was not familiar with the issue.

Councilor Fitzgerald appreciated that the explanatory statement contained language stating that if the voters advise the Council they want to continue the ban then there will be no tax because there will be no legal sales and the City would not be collecting a tax. Nor would the City be receiving any of the shared revenues from the state imposed tax. The Councilor pointed out if there were increased police enforcement issues related to driving, or disagreements between neighbors, the City's police response would come from the City's revenues and not the additional tax revenue. Because Measure 91 failed by a small margin, the City was required to bring this measure to the voters.

Ms. Jacobson stated the City Council would not have been required to refer this measure to the voters if Measure 91 had been defeated by 55% or more of the voters. The margin in Wilsonville was narrow 51% to 49%. The City could have skipped the ban, and relied on the federal law, but federal law may change in the future. If the voters under Oregon law say they want the ban to continue, then the ban can continue in Wilsonville.

Councilor Fitzgerald stated because marijuana is still a federally controlled substance, the banking system does not recognize the business. How does it work if a municipality is sanctioning a business that is not recognized under federal banking rules, is there some exposure to the city.

Ms. Jacobson said the federal attorney general has taken the position that in states where the law has been passed to legalize marijuana, although they are not supporting that, they are actually not prosecuting in those states so long as the operations are legal under state law. And has always been the case with tax collection, even if your operation is illegal, you still have to pay taxes. Even though the federal government isn't going to help with banking regulations if you are in the marijuana business you are paying federal tax in addition to state tax.

Mayor Knapp asked what other cities and counties were doing.

Ms. Jacobson responded Clackamas County has time, place, and manner restrictions and allows all of the operations in the County. Tualatin is restrictive, Lake Oswego is doing what we are doing, as is West Linn; Tigard allows dispensaries; Portland does; she was unsure of the status in Woodburn; Marion County allows them; and Salem has quite a number of dispensaries.

Mayor Knapp commented even if Wilsonville continued to ban facilities in Wilsonville there are numerous other locations where those types of facilities are allowed. Putting the measure before the voters was a wise move particularly with the vote being as narrow as it was on Measure 91. He asked when the zoning would be addressed before or after the election in November.

Ms. Jacobson recommended addressing time, place, and manner before the vote to have something in place.

Motion: Councilor Fitzgerald moved to approve Resolution No. 2593 with the revised explanatory statement and ballot measure and language received during the Council meeting. Councilor Stevens seconded the motion.

Vote: Motion carried 3-0.

E. **Resolution No. 2594**

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A Resolution Of The City Of Wilsonville Authorizing The City Manager To Execute A Purchase And Sale Agreement With Washington County For 7.58 Acres Of Land On SW Boberg Road For Public Work Complex. (staff – Kerber)

Ms. Jacobson read the title of Resolution No. 2594 into the record.

Delora Kerber, Public Works Director, presented the staff report. Before Council is a resolution that, if approved, would approve a purchase and sales agreement with Washington County for 7.58 acres of property along Boberg Road for a future Public Works Complex.

The Facility Master Plan (FMP), completed in March 2015, provides an analysis of the existing conditions of City facilities, concepts for incremental programmatic building, and site improvements to meet the City's short and long term needs through the Year 2035.

The FMP Priority Evaluation categorized various improvement projects by priority rating including the condition of the existing facility, the urgency of the improvement project and funding availability.

The Evaluation process resulted in three top priority projects: 1) Improved accommodations for the Police Department; 2) A new Public Works Complex and 3) Library renovation.

The Police Department is currently housed on the Lower Level of the Public Works and Police (PWPO) building. The current quarters are deficient programmatically and lack natural daylight. The first priority of the long range plan is to improve the accommodations for the Police Department. Three options were considered to improve the facility for Police:

- Option 1 is to have the Police occupy both the Lower and Main levels of the existing Public Works and Police building. This option could be partially funded with grants from the Seismic Rehabilitation Grant Program to bring the building up to Category IV seismic standards. ORS 455.400 requires seismic rehabilitation of publicly-operated emergency operations centers, police stations and fire stations by 2022.
- Option 2 would be to demolish the existing Public Works and Police Building and reconstruct a new Police facility on the same site. Police would need to temporarily relocate during construction.
- Option 3 would demolish the existing Art Tech School and reconstruct a new Police facility on that site.

Per discussion with Police Department staff, the preferred choice of the three options presented is for the PWPO building to be renovated and have the Police occupy the whole building. In order for that to occur, Public Works needs to move to another location.

The Public Works Department office is currently located on the Main Level of the PWPO Building. The department includes shared warehouse storage at Memorial Park Barn and an equipment yard in Memorial Park, south of Murase Plaza, called 3-Bay. The 3-Bay site is utilized through a conditional use permit which expires in June 2019. Both the existing warehouse storage and equipment yard facilities are not adequate for the current operations of the Public Works Department and their distant locations from the office make operations less efficient. The proposed solution to improve the Public Works Department facility is to build a new Public Works Complex that will consolidate the office, warehouse storage and equipment yard functions on one site.

In the Facility Master Plan, six sites were under consideration to house a new Public Works Complex. Criteria for siting the Public Works Complex are: size (minimum of 5 acres); location (within or immediately adjacent to City limits); zoning (compatible use); and cost. Three sites were eliminated due to various reasons and deemed non-viable. Three sites were brought forward as viable options on which to build a new Public Works Complex.

- Site 1 is 7.58 acres (5.28 acres useable) on Boberg Road immediately north of the SMART/Fleet Facility.
- Site 2 is 7 acres between Boones Ferry Road and Boberg Road adjacent to the City's Boeckman Well facility.
- Site 6 is 9.13 acres (4.2 acres usable) with a residence and power line easement just off of Day Road in unincorporated Washington County.

Of the three options above, the most viable is Site 1 which is comprised of two parcels on the west side of Boberg Street between Barber Street and Boeckman Road and is owned by Washington County. The two parcels are tax lot 31W14A 01900 at 4.70 acres and 01800 at 2.88 acres for a total gross acreage of 7.58 acres. The site is 30.34% encumbered by a combination of easements; a Significant Resource Overly Zone (SROZ) and a private access drive leaving 5.28 acres of net developable land. The site is currently public owned and tax exempt.

The City had a Real Estate Appraisal Report done for the two parcels which was completed November 30, 2015. The Report concluded Market Values for the combined parcels of \$2,080,000. Washington County also procured a Real Estate Appraisal and the concluded Market Value in that Report was \$1,552,000. The City and the County settled on a purchase price of \$1,766,000. Purchase of the property is the first step towards improving the accommodations of the Police Department and the development of a Public Works Complex.

Once the Purchase and Sales agreement is approved by the City it will be presented to Washington County Commissioner for approval in late July. Phase 1 environmental study will commence immediately following approval.

Funding for the purchase of the 7.58 acres of property has been included in Fiscal Year 16/17 budget and would come from various Public Works related funds. Based on estimated use of the office, parking area, warehouse and yard of the property the proportionate cost allocations would be 15% general fund, 20% roads, 25% water, 25% wastewater, and 15% storm water.

Motion: Councilor Stevens moved to approve Resolution No. 2594. Councilor Fitzgerald seconded the motion.

Vote: Motion carried 3-0.

F. **Resolution No. 2595**

A Resolution Of The City Of Wilsonville, Oregon, Selecting **Sports Facilities Management, LLC** To Operate The City Of Wilsonville Proposed Recreation And Aquatic Center. Selection Is Contingent On Passage Of The Bond Measure By Voters On November 8, 2016 And Successful Negotiation Of An Agreement Between The City Of Wilsonville And Sports Facilities Management, LLC. (staff – Troha, Sherer)

The City Attorney read the title of Resolution No. 2595 into the record.

The issue before Council is whether the Sports Facilities Management Group should be selected as the operator and manager of the proposed Recreation and Aquatic Center. Council approval is contingent upon passage of the bond measure in November and successful negotiation of a management contract between the City and the Sports Facilities Management Group.

In February, the City conducted a formal request for proposals (RFP) process from qualified firms for the operation and management of a proposed recreation and aquatic center. The intent of the RFP was to identify facility management companies qualified and capable of operating and managing a proposed 80,000 square foot multi-activity recreation center, including a six-lane pool, a 6,000 square foot leisure pool, fitness center, basketball courts, multi-purpose rooms and other recreational amenities that will be identified during the design phase. Among other requirements, interested proposers were advised to include the following in their submittal:

- Introductory Letter.
- Overall Experience and Qualifications.
- Proposed Programming and Operational Plan: to include a management plan, a marketing plan and a financial plan.
- Budget/Financial Proposal
- References

The City received four submittals to the RFP. Those respondents included the City of Wilsonville, USA Sports Management, YMCA of Columbia-Willamette, and the Sports Facilities Management. A committee was formed to review the written proposals and interview the selected firms. The committee consisted of City staff, Councilor Scott Starr and Tony Holt, a member of the budget committee. All firms that submitted written proposals were invited to participate in the interview process. Those firms included USA Management, the Columbia Willamette Valley YMCA, and the Sports Facilities Management (SFM). The firms were interviewed on April 14, 2016. Each respondent was allowed approximately ninety minutes to present their proposal, ask and answer questions.

After the interview process was completed, the review committee ranked each proposer in accordance with the criteria set forth in the RFP and overall presentation. Interview scores were combined with the written proposal scores and used to determine the final ranking. Staff conducted reference checks of the top two proposals. The outcome was a unanimous selection of the Sports Facilities Management.

The Sports Facilities Advisory (“SFA”) was founded in 2003. Initially, the company served clients seeking to open new facilities by producing the economic feasibility analysis. Wilsonville retained SFA, through a competitive process, in 2014 to conduct the feasibility study for our proposed recreation and aquatic center. Since that time, and after years of providing management services, SFA formed Sports Facilities Management (“SFM”) for the purpose of opening and/or managing recreational facilities similar to the one proposed for Wilsonville, nationwide. SFM will work with the City to enhance revenues and contain costs while also optimizing the quality of services to our community.

The firm of Councilman-Hunsaker will subcontract with SFM on the management of the Wilsonville Recreation and Aquatic Center. They also partnered with SFA to deliver the economic feasibility study for the project. Councilman is an industry leader in planning, designing and managing recreational aquatic facilities.

Execution of the contract is contingent upon passage of a bond measure for the issuance of approximately \$35 million dollars in bond funds needed to fund the land acquisition and construction of the proposed Recreation and Aquatic Center.

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Ms. Troha outlined the background leading to the Recreation/Aquatic Center and the selection of SFM as the operator.

In November 2014 a task force was convened consisting of twelve members from a variety of community groups. The task force worked with a consultant on a financial feasibility study to look at the financial feasibility of having a community recreation/aquatic center in Wilsonville, and to determine if the facility could be self-sustaining, and whether the City had the demographics to support such a center.

Study results indicated that such a facility could be self-sustaining given certain amenities. The key was to combine the recreation components with the aquatic components in order to generate revenue to offset the operation and maintenance of a pool.

Moore Information conducted a citizen survey in the community to test voter opinion for a community recreation/aquatic center, was there community support for such a facility and were voters willing to pay additional taxes to fund a center. The consultant also looked at which election to put the ballot measure on and the recommendation was the November 2016 which would produce a higher voter turnout.

The next step was looking at the operator components of the facility. It was important to select the operator to insure the City had done its due diligence in terms of looking at who would operate the facility and how much would it cost to operate the facility so that information was available to the voters in November. Four respondents submitted responses to the RFP, and all four of the companies received an interview by a review committee. Using set criteria, the committee recommended Sports Facilities Management (SFM) and Councilman-Hunsaker.

Ms. Troha pointed out it was important to note the contract award is contingent upon the passage of the ballot measure in November, and a successful negotiation with SFM for an operator agreement. Council is acknowledging, at this time, that the City is interested in moving forward and negotiating a contract with SFM. If negotiations with SFM are not successful, the Council is not locked into a contract. Any negotiated contract will come back to the City Council for final review and approval.

SFM's proposal was in the amount of \$16,500 per month in terms of costs to operate the facility. This is a management fee to operate and manage the facility, similar to the operation and management contract the City has with Veolia for the Water Treatment Plant and CH2M Hill for the wastewater plant. Both plants are owned by the City; however, they are operated and managed by a contractor.

Continuing, Ms. Troha indicated there would be an operating deficit of about \$1.4 million for the first 4-5 years due to startup which will be covered by the City's General Fund. This amount has been included in the City's five year forecast. The financial feasibility study indicated the recreation/aquatic center would be self-sustaining in year 5; however, SFM's proposal shows the facility would be self-sustaining in year 4 based upon their experience and management of like facilities.

The Mayor wanted to know if the subsidy forecast a conservative forecast.

Mr. Sherer stated based on former experience with SFM and from conversations with the representative of their firm and checks with operators from other facilities, SFM provided conservative numbers. The last thing SFM is interested in is putting themselves at risk with too aggressive numbers.

Councilor Fitzgerald confirmed the subsidy amount to be spread over the first 4-5 years is \$1.2 to \$1.4 million. The Councilor wanted to know the benefits of identifying the operator at this time.

Mr. Sherer said more than half of the number is startup costs in the initial year of operation. Should the bond measure be approved, having someone on board allows a quick transition into the design phase of the facility, it is important to have the operator input on design in order to maximize the potential for revenue generation and service delivery.

Mayor Knapp read an email from Councilor Starr sent to the Mayor and dated today, "I was part of the process interviewing the management companies and wanted to share my thoughts. We interviewed several quality candidates and I believe that we received a recommendation for the strongest candidate for managing the Rec and aquatic center. The committee did their due diligence and the evaluation resourced the best candidate in my opinion." The Mayor added this is a project with a long history in the community and ongoing interest in pursuing a recreation/aquatic center as a potential amenity to have in the City. It will be appropriate to ask the voters and tax payers whether they are willing to back this in a way that will enable it to happen.

Councilor Fitzgerald said a pool is a most often asked question to her since she has been on the Council. Arriving at this point in the process was not easy, and a lot of work has gone into reaching this stage.

Councilor Stevens appreciated the analysis of having the City run the facility, but it made sense to have a knowledgeable contractor operating the facility.

Motion: Councilor Fitzgerald moved to approve Resolution No. 2595. Councilor Stevens seconded the motion.

Vote: Motion carried 3-0.

CITY MANAGER'S BUSINESS

Mr. Cosgrove commented before Mr. Sherer came to the City, the City did not have a Parks and Recreation Department, and Mr. Sherer has who built the Parks and Recreation Department from scratch. Although he has been with the City a short time, he will be leaving a remarkable legacy:

- Improvements to the Stein Boozier Barn which has increased the use of the facility
- Increased recreation programming, both variety and revenue across the board working with Brian Stevens
- Completion of the Memorial Park Master Plan
- Improvements to Memorial Park with disk golf, the community garden, and dog park
- Major renovations to Murase Plaza
- Countless improvement to maintenance efficiencies
- Great job with staff in hiring

Stan will be missed, but the City could not have been more fortunate in terms of who was brought in to build a department; whoever follows will be in very good stead in terms of the department that they inherit and I wanted to publicly thank Stan.

Mr. Sherer appreciated the opportunity to work for the City and in creating a new department and setting the foundation for the future. He thanked Council for their support and said he would miss working at the City.

LEGAL BUSINESS

ADJOURN

Mayor Knapp adjourned the meeting at 9:15 p.m.

Respectfully submitted,

Sandra C. King, MMC, City Recorder

ATTEST:

Tim Knapp, Mayor



**CITY COUNCIL
STAFF REPORT**

Meeting Date: August 1, 2016		Subject: Ordinance No. 796 Approving the Coffee Creek Urban Renewal Plan Staff Member: Nancy Kraushaar, PE, Community Development Director Department: Community Development	
Action Required		Advisory Board/Commission Recommendation	
<input checked="" type="checkbox"/> Motion <input checked="" type="checkbox"/> Public Hearing Date: August 1, 2016 <input checked="" type="checkbox"/> Ordinance 1 st Reading Date: August 1, 2016 <input checked="" type="checkbox"/> Ordinance 2 nd Reading Date: September 8, 2016 <input type="checkbox"/> Resolution <input type="checkbox"/> Information or Direction <input type="checkbox"/> Information Only <input type="checkbox"/> Council Direction <input type="checkbox"/> Consent Agenda		<input type="checkbox"/> Approval <input type="checkbox"/> Denial <input type="checkbox"/> None Forwarded <input checked="" type="checkbox"/> Not Applicable	
		Comments:	
Staff Recommendation: Staff recommends Council adopt Ordinance No. 796 on first reading.			
Recommended Language for Motion: I move to approve Ordinance No. 796 on first reading.			
Project / Issue Relates To:			
<input checked="" type="checkbox"/> Council Goals/Priorities Coffee Creek Infrastructure/Annexation Plan		<input checked="" type="checkbox"/> Adopted Master Plan(s) Coffee Creek Industrial Area Master Plan Urban Renewal Strategic Plan	
		<input type="checkbox"/> Not Applicable	

ISSUE BEFORE THE CITY COUNCIL: To adopt an ordinance approving the Coffee Creek Urban Renewal Plan.

EXECUTIVE SUMMARY:
Background

A potential Coffee Creek urban renewal district was first identified in the 2007 Coffee Creek Industrial Master Plan. That plan envisioned development of a new employment center in north Wilsonville with 1,470 permanent jobs and an estimated annual payroll of \$55 million at build-out. The master plan reported that the area would be zoned for Planned Development Industrial – Regionally Significant Industrial (PDI-RSIA). This designation is appropriate for most light manufacturing, warehousing, distribution, and flex uses and also allows corporate headquarters and technology campuses.

In 2014, a Wilsonville Urban Renewal Task Force (Task Force) was convened to consider and recommend a city-wide urban renewal strategy. The Task Force included representatives from local taxing districts, as well as community and business leaders. The resulting Wilsonville Urban Renewal Strategic Plan recommended that a new urban renewal district be created for the Coffee Creek Industrial Area. The Strategic Plan concluded that in order to attract private-sector industrial development, the Coffee Creek Industrial Area requires a substantial investment in public infrastructure improvements such as new roads, sidewalks and utility lines. Once in place, these public improvements would be expected to then attract private investment and development that is estimated to increase the proposed district’s assessed value from a tax base of approximately \$62 million to approximately \$790 million over the life of the district.

The Task Force also recommended that an advisory vote be conducted to determine city-wide citizen support for a new urban renewal district. In November 2015, Wilsonville voters expressed support for creating a new urban renewal district for the Coffee Creek Industrial Area.

With support from voters, City Council directed staff to begin developing an urban renewal plan for the Coffee Creek Industrial Area. Some of the property is in the city limits while some is in unincorporated Washington County. All properties are expected to eventually annex into Wilsonville as development proceeds.

The approval process for the Plan has proceeded in accordance with ORS 457 and is detailed in this report under “Approval Process”.

Coffee Creek Urban Renewal Plan

The Coffee Creek Urban Renewal Plan (Plan) area consists of approximately 258.35 acres of land including rights of way and is generally located between Day Road and Ridder Road and 95th Avenue and Grahams Ferry Road.

The proposed ordinance approves the Coffee Creek Urban Renewal Plan (Plan) and the Report Accompanying the Coffee Creek Urban Renewal Plan (Report) – attached to the ordinance as **Exhibits A and B** and by this reference incorporated herein. The report contains goals, objectives, and projects for the development of the area. The goals of the Plan are listed in Section III of the Plan. The specific projects proposed in this Plan are outlined in Sections IV and V and include the improvement and construction of streets and utilities. The overall purpose of the Plan is to use tax increment financing to overcome obstacles to the proper development of the area.

The purpose of urban renewal is to improve specific areas of a city that are poorly developed or underdeveloped. These areas can have old deteriorated buildings, public spaces which need improvements, a lack of investment, streets and utilities in poor condition or they can lack streets and utilities altogether. The proposed urban renewal area has many properties that are undeveloped or under developed and lacks sufficient infrastructure to serve the planned industrial development.

Urban renewal is unique in that it brings its own financing source: tax increment financing. Tax increment revenues – the amount of property taxes generated by the increase in total assessed values in the urban renewal area from the time the urban renewal area is first established – are used to repay borrowed funds. The funds borrowed are used to pay for urban renewal projects. The Plan is projected to take 25 years of tax increment revenue collection.

The proposed maximum indebtedness, the limit on the amount of funds that may be spent on administration, projects and programs in the Area is \$67,000,000. This amount was reported in the ballot measure in November of 2015. The maximum indebtedness does not include interest paid on any borrowing by the urban renewal agency. The Report includes a proposed financing plan that shows that the Plan is financially feasible. It is understood that the Agency may make changes to the financing plan as needs and opportunities arise, typically during the annual budgeting process.

The Plan would be administered by the Wilsonville Urban Renewal Agency (Agency). Major changes to the Plan, if necessary, must be approved by the Agency and City Council as detailed in Section IX of the Coffee Creek Urban Renewal Report – Future Amendments to the Plan.

Approval Process

The process for approving the Coffee Creek Urban Renewal Plan includes the following steps, in accordance with ORS 457.

1. Preparation of a plan including opportunity for citizen involvement.
 - The Wilsonville Urban Renewal Task Force (Task Force) convened in 2014 and reviewed the overall urban renewal strategy and recommended formation of an urban renewal area for Coffee Creek.
 - In an advisory vote in November 2015, Wilsonville voters expressed support for creating a new urban renewal district in Coffee Creek.
 - An open house was held on April 25, 2016 when approximately 10 people attended, primarily property owners and developer representatives.
 - The Task Force was reconvened on April 25, 2016 for a review of the proposed Coffee Creek Urban Renewal Plan. Representatives of the Sherwood School District and Washington County were added to the Task Force. The Task Force voted unanimously to approve the Plan and send it to the Agency for their review.
 - Other opportunities for public input resulted at the July 13, 2016 Wilsonville Planning Commission meeting and will occur at the August 1, 2016 City Council public hearing and at the future Washington County Commission meeting.
2. May 17, 2016 – Washington County Commission briefing on the Plan.
3. June 20, 2016 – Wilsonville Urban Renewal Agency review of the proposed Plan and accompanying Report.

4. July 13, 2016 – The Wilsonville Planning Commission passed a resolution recommending to the City Council that the Coffee Creek Urban Renewal Plan is supportive of and in conformance with the applicable goals and policies of the City of Wilsonville Comprehensive Plan. A link to that record is attached.
5. The Washington County Board of Commissioners was scheduled to consider a resolution and order approving the establishment of the Coffee Creek Urban Renewal Plan but postponed doing so and has not yet rescheduled. Passage of the Ordinance by Wilsonville cannot occur until Washington County approves the Plan.
6. Notice to all citizens of Wilsonville of a hearing before the City Council.
 - Notice provided by city-wide mailing to property owners through the Boones Ferry Messenger in July and August issues.
 - Additional notices were mailed to the property owners of unincorporated properties.
7. Forwarding a copy of the proposed Plan and the Report to the governing body of each taxing district.
 - Informal notices were mailed to taxing jurisdictions on May 4, 2016.
 - Formal letters were sent out on June 21, 2016.
8. Hearing by City Council and adoption of the proposed Plan and accompanying Report by a non-emergency ordinance.
 - The City Council will hold the public hearing on August 1, 2016 with a first reading of the ordinance.
 - The second reading and final vote is to be scheduled for September 8, 2016.
 - The ordinance is a non-emergency ordinance and will not take effect until 30 days after its approval and during that period of time may be referred to Wilsonville voters if a sufficient number of signatures are obtained on a referral petition.

Ordinance Adopting the Plan

The ordinance adopting the Plan requires the City Council to make certain findings, which are listed in Section 1 of the ordinance. These findings are based on various documents and events and are summarized below.

1. The area designated in the Plan as the Coffee Creek Urban Renewal Area is blighted, as defined by ORS 457.010(1)(e) and (g) and is eligible for inclusion within the Plan because of conditions described in the Report in the section, “Existing Physical, Social, and Economic Conditions and Impacts on Municipal Services”, including the existence of inadequate streets and other rights of way, open spaces and utilities, and underdevelopment property within the urban renewal area.

This is the basic justification for the Plan and the Council’s finding is meant to make that justification explicit.

2. The rehabilitation and redevelopment described in the Plan to be undertaken by the Agency are necessary to protect the public health, safety and welfare of the City because absent the completion of the urban renewal projects, the area will fail to contribute its fair

share of property tax revenues to support City services and will fail to develop and/or redevelop according the goals of the City’s Comprehensive Plan.

This finding states the public purpose of the Plan is for the property in the urban renewal area to develop and redevelop according to the Comprehensive Plan. Property which is not developed or not fully developed and occupied does not contribute as much property taxes as fully developed property. The improvement of property in the urban renewal area will add to the tax base in the area and further support additional economic activity in the area.

3. The Plan conforms to the Wilsonville Comprehensive Plan as a whole, and provides an outline for accomplishing the projects described in the Plan, as more fully described in Chapter X of the Plan and in the Wilsonville Planning Commission Recommendation.

This finding is supported by Chapter X of the Plan and the Planning Commission’s conclusion that the Plan conforms to the Wilsonville Comprehensive Plan.

4. The Plan conforms to the Wilsonville Economic Development Plan as more fully described in the Plan.
5. The Plan conforms to the Washington County Comprehensive Plan as a whole as more fully described in Chapter X of the Plan.
6. The acquisition of real property provided for in the Plan is necessary for the development of infrastructure improvements in the area. Because the Agency does not own all the real property interests (e.g., rights-of-way, easements, fee ownership, etc.) that will be required to undertake and complete these projects as described in Chapter V of the Plan and Section IV of the Report.

The Plan authorizes acquisition of real property for infrastructure improvements. No property is specifically identified for acquisition.

7. Residential displacement may occur as a result of acquisition of land to complete infrastructure projects specified in the Plan. If residential displacement takes place, the requirements of law will apply to the acquisition and relocation assistance processes and provisions made for displaced persons.

Chapter VII of the Plan, “Relocation Methods”, addresses relocation assistance for residential or business occupants of property. No specific acquisitions that would result in relocation benefits have been identified, however, prior to such acquisition, the Agency shall adopt rules and regulations, as necessary, for the administration of relocation assistance.

8. Adoption and carrying out the Plan is economically sound and feasible in that eligible projects and activities will be funded by urban renewal tax increment revenues derived from a division of taxes pursuant to section 1c, Article IX of the Oregon Constitution and

ORS 457.440, and other funding more fully described in the Section “Financial Analysis of the Plan” in the Report.

The Report contains information on the projected revenues and projected expenditures under the Plan and supports a finding that the Plan is economically sound and feasible.

9. The City of Wilsonville shall assume and complete activities prescribed to it by the Plan.
10. The Agency consulted and conferred with affected overlapping taxing districts prior to the Plan being forwarded to the City Council.

The Agency sent the formal consult and confer notification to taxing districts on June 21, 2016. Copies of the Plan and Report were mailed with a letter including an invitation to provide comments in writing on the Plan and Report. Informal notice was also provided by sending via email a copy of the DRAFT Plan and the Report to the affected overlapping taxing districts on May 4, 2016. To date the City has not received written recommendations from the affected taxing districts. If such recommendations are received, the Council will be required to “accept, reject or modify” recommendations and language to that effect and add it to the ordinance for its second reading and adoption.

The ordinance also calls for publication of a notice that the Council has adopted the ordinance, for the recording of the Plan by the Clackamas County Clerk and for transmitting the Plan to the Clackamas County Assessor.

EXPECTED RESULTS:

The Coffee Creek Urban Renewal Plan is expected to deliver catalyst infrastructure projects that incent investment and job creation in the area.

TIMELINE:

The Plan has been scheduled to be approved and adopted by ordinance in August or September 2016.

FINANCIAL REVIEW / COMMENTS:

Reviewed by: SCole Date: 7/22/2016

LEGAL REVIEW / COMMENT: Because much of the land included in the land is located in unincorporated Washington County, Oregon law requires that the governing body of Washington County approve the Plan before this Ordinance can be passed. Because the Washington County Commissioners removed this matter from their agenda, and to our knowledge have not yet rescheduled, the City can move forward with first reading but cannot give final approval of the Ordinance, through a second reading until Washington County has approved the Plan.

Reviewed by: BAJ Date: 07.22.2016

COMMUNITY INVOLVEMENT PROCESS:

Formation of the Plan was guided by an Urban Renewal Task Force. There have been numerous

opportunities for public involvement including a public open house, as well as a community-wide advisory vote. The hearings before the Planning Commission and City Council provide additional opportunities.

Notice announcing the City Council hearing was placed in the Wilsonville Spokesman on July 20, 2016. Notice was posted on the City of Wilsonville website as well as at 3 public locations, City Hall, Library, and Community Center, around the community. Notice was also provided through the July Boones Ferry Messenger which was mailed city-wide to property owners. Additional notices were mailed to the property owners of unincorporated properties in the urban renewal area.

POTENTIAL IMPACTS or BENEFIT TO THE COMMUNITY:

The provision of infrastructure will allow the Coffee Creek Industrial Area to develop, creating jobs for the community with spin-off economic impact to the businesses in Wilsonville and the region and a future increased tax base that will benefit all taxing jurisdictions.

Urban renewal plans and the financing tool they allow includes indebtedness, debt that provides the capital to complete the projects in the urban renewal plan. While the projects represent a likely good long term investment for the City of Wilsonville, the debt nonetheless creates some risk for the City although extensive process is undertaken by the lenders and the City's Finance Department before urban renewal debt approvals.

State law limits the percentage of a municipality's 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. This 25% cap is approached when the Coffee Creek Urban Renewal area is added to acreage of other Wilsonville urban renewal areas. The City will not be able to consider any new urban renewal areas until the existing urban renewal areas are reduced in size or closed.

ALTERNATIVES: The City Council accept, reject or modify the proposal as presented.

CITY MANAGER COMMENT:

Attachments:

Planning Commission Documents

<http://www.ci.wilsonville.or.us/DocumentCenter/View/10598>

ORDINANCE NO. 796

AN ORDINANCE MAKING CERTAIN DETERMINATIONS AND FINDINGS RELATING TO AND APPROVING THE COFFEE CREEK URBAN RENEWAL PLAN AND DIRECTING THAT NOTICE OF APPROVAL BE PUBLISHED

WHEREAS, the Urban Renewal Agency of the City of Wilsonville (“Agency”), as the duly authorized and acting urban renewal agency of the City of Wilsonville, Oregon, is proposing to undertake certain urban renewal activities in a designated area within the City pursuant to ORS Chapter 457; and

WHEREAS, the Agency, pursuant to the requirements of ORS Chapter 457, has caused the preparation of the Coffee Creek Urban Renewal Plan attached hereto as **Exhibit A** (the Plan). The Plan authorizes certain urban renewal activities within the Coffee Creek Urban Renewal Area (the “Area”); and

WHEREAS, the Agency has caused the preparation of a certain Report Accompanying the Coffee Creek Urban Renewal Plan attached hereto as **Exhibit B** (the Report) to accompany the Plan as required under ORS 457.085(3); and

WHEREAS, the Agency forwarded the Plan and Report to the City’s Planning Commission for their review and recommendation. They considered the Plan and Report on July 13, 2016 and passed a resolution recommending to the City Council that the Coffee Creek Urban Renewal Plan is supportive of and in conformance with the applicable goals and policies of the City of Wilsonville Comprehensive Plan; and

WHEREAS, the Plan and the Report were forwarded on June 21, 2016 to the governing body of each taxing district affected by the Plan, and the Agency has thereafter consulted and conferred with each taxing district; and

WHEREAS, the City Council has not received written recommendations from the governing bodies of the affected taxing districts; and

WHEREAS, on May 17, 2016 the City met with the Washington County Commission to review the Plan, including proposed maximum indebtedness for the Plan; and

WHEREAS, the Washington County governing body has not yet held a hearing to consider approving the Plan. As is required by law because some of the parcels incorporated into the Plan are located within the unincorporated area of Washington County; and

WHEREAS, the City caused notice of the hearing to be held before the City Council on the Plan, including the required statements of ORS 457.120(3), to be mailed to property owners within City's incorporated limits through the Boones Ferry Messenger and to the property owners of the unincorporated properties by direct mailing ; and

WHEREAS, on August 1, 2016 the City Council held a public hearing to review and consider the Plan, the Report, the recommendation of the Wilsonville Planning Commission and the public testimony received on or before that date and to receive additional public testimony; and

WHEREAS, after consideration of the record presented through this date, the City Council does by this Ordinance desire to approve the Plan.

NOW THEREFORE, THE COUNCIL OF THE CITY OF WILSONVILLE HEREBY ORDAINS THAT:

Section 1. The City Council hereby determines and finds that the Plan complies with all requirements of ORS Chapter 457 and the specific criteria of 457.095(1) through (7), in that, based on the information provided in the Report, the Wilsonville Planning Commission recommendation, and the public testimony before the City Council:

1. The area designated in the Plan as the Coffee Creek Urban Renewal Area is blighted, as defined by ORS 457.010(1) and is eligible for inclusion within the Plan because of conditions described in the Report in the Section "Existing Physical, Social, and Economic Conditions and Impacts on Municipal Services", including the existence of inadequate streets and other rights of way, open spaces and utilities and underdevelopment of property (ORS 457.010(1)(e) and (g);
2. The rehabilitation and redevelopment described in the Plan to be undertaken by the Agency is necessary to protect the public health, safety or welfare of the City because absent the completion of urban renewal projects, the Area will fail to contribute its fair share of property tax revenues to support City services and will fail to develop and/or redevelop according the goals of the City's Comprehensive Plan;
3. The Plan conforms to the Wilsonville Comprehensive Plan and provides an outline for accomplishing the projects described in the Plan, as more fully described in the Plan and in the Wilsonville Planning Commission Recommendation;

4. The Plan conforms to the Wilsonville Economic Development Plan as more fully described in the Plan;
5. The acquisition of real property provided in the Plan is necessary for the development of infrastructure improvements in the Area; because the Agency does not own all the real property interests (e.g., rights-of-way, easements, fee ownership, etc.) that will be required to undertake and complete these projects as described in Chapter V of the Plan and Section IV of the Report; and
6. Residential displacement may occur to as a result of acquisition of land to complete infrastructure projects specified in the Plan. If residential displacement take place, the requirements of law will apply to the acquisition and relocation assistance processes and provisions made for displaced persons;
7. Adoption and carrying out the Plan is economically sound and feasible in that eligible projects and activities will be funded by urban renewal tax revenues derived from a division of taxes pursuant to section 1c, Article IX of the Oregon Constitution and ORS 457.440 and other available funding as more fully described in the Section “Financial Analysis of the Plan” of the Report;
8. The City shall assume and complete any activities prescribed it by the Plan; and
9. The Agency consulted and conferred with affected overlapping taxing districts prior to the Plan being forwarded to the City Council.

Section 2: In accordance with the findings set forth above, the public testimony and the information presented to the City Council, the City Council hereby approves the Coffee Creek Urban Renewal Plan and Report attached as Exhibit A and Exhibit B and incorporated herein by reference as if fully set forth herein, subject to approval by Washington County.

Section 3: Following approval by Washington County and the City of Wilsonville City Council, the City Recorder shall forward a copy of this ordinance to the Agency.

Section 4: The Agency shall thereafter deliver a copy of the Plan to Washington County to be recorded in the Records of Washington County, Oregon.

Section 5: The City Recorder, in accordance with ORS 457.115, shall publish notice of the adoption of the Ordinance approving the Plan including the provisions of ORS 457.135, in a Wilsonville newspaper no later than four days following adoption of this Ordinance.

Submitted to the Wilsonville City Council and read the first time at a regular meeting thereof on August 1, 2016 and scheduled for second reading at a regular meeting thereof on September 8, 2016, commencing at the hour of 7 pm at the Wilsonville City Hall.

Sandra C. King, MMC, City Recorder

ENACTED by the City Council on the ___ day of _____, 2016, by the following

votes: Yes:-- No:--

Sandra C. King, MMC, City Recorder

DATED and signed by the Mayor this ___ day of _____, 2016.

TIM KNAPP, MAYOR

SUMMARY OF VOTES:

Mayor Knapp -
Councilor Starr -
Councilor Lehan -
Councilor Stevens -
Councilor Fitzgerald -

Attachments:

Exhibit A – Coffee Creek Urban Renewal Plan
Exhibit B – Report Accompanying on the Coffee Creek Urban Renewal Plan
Exhibit C – Planning Commission Report and Recommendation on the Coffee Creek Plan
Planning Commission Documents may be viewed at these two links:
Documents: <http://www.ci.wilsonville.or.us/DocumentCenter/View/10598>
Coffee Creek Urban Renewal PowerPoint Presentation
[CC Urban Renewal PC 07.13.2016.Pdf](#)
Exhibit D – Washington County approval of the Coffee Creek Plan will be included when available

ORDINANCE No. 796– EXHIBIT A

08-01-2016 PUBLIC DRAFT

**Coffee Creek
Urban Renewal Plan**

Adopted by the City of Wilsonville

Date

Ordinance No. 796

If Amendments are made to the Plan, the resolution or Ordinance Number and date will be listed here. The amendment will be incorporated into the Plan and noted through a footnote.



List of Participants

Mayor
City Council

Tim Knapp
Scott Starr, Council President
Julie Fitzgerald, Councilor
Charlotte Lehan, Councilor
Susie Stevens, Councilor

Planning Commission:

Jerry Greenfield, Chair
Eric Postma, Vice Chair
Peter Hurley
Al Levit
Kamran Mesbah
Phyllis Millan
Simon Springall

City Manager
City Attorney
Community Development Director
Finance Director
Capital Projects Engineering Mgr.
Engineering Administrative Asst.

Bryan Cosgrove
Barbara Jacobson
Nancy Kraushaar
Susan Cole
Eric Mende
Candi Garrett

Urban Renewal Task Force

Chair – City Council President Scott Starr
Ben Altman
Bill Bach
Mary Closson
Brenner Daniels
Chief Mike Duyck/Brian Sherrard
Rob Fagliano
Lonnie Gieber
Phil Johanson
Gale Lasko
Susan Myers
Christine Reynolds
Larry Remmers
Fred Robinson
Dick Spence
Alan Steiger
Erin Wardell
Doris Wehler

Consultant Team

Elaine Howard Consulting LLC, Elaine Howard
ECONorthwest, Nick Popenuk, Ali Danko, Lizzie Gooding

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I. DEFINITIONS

“Agency” means the Wilsonville Urban Renewal Agency. This Agency is responsible for administration of the urban renewal plan. In Wilsonville, the Agency is the Wilsonville City Council.

“Annual report” means annual report on impacts to taxing jurisdictions and former year and following year budgets as required in ORS 457.460.

“Area” means the properties and rights of way located with the Coffee Creek urban renewal boundary.

“Blight” is defined in ORS 457.010(1)(A-E) and identified in the ordinance adopting the urban renewal plan.

“City” means the city of Wilsonville, Oregon.

“City Council” or “Council” means the City Council of the city of Wilsonville.

“Commission” means the Washington County Commission.

“Comprehensive Plan” means the city of Wilsonville comprehensive land use plan and its implementing ordinances, policies and standards. If the Washington County Comprehensive Plan is referred to it will be spelled out in its entirety.

“County” means Washington County.

“Fiscal year” means the year commencing on July 1 and closing on June 30.

“Frozen base” means the total assessed value including all real, personal, manufactured and utility values within an urban renewal area at the time of adoption. The county assessor certifies the assessed value after the adoption of an urban renewal plan.

“Increment” means that part of the assessed value of a taxing district attributable to any increase in the assessed value of the property located in an urban renewal area, or portion thereof, over the assessed value specified in the certified statement.

“Maximum indebtedness” means the amount of the principal of indebtedness included in a plan pursuant to ORS 457.190 and does not include indebtedness incurred to refund or refinance existing indebtedness.

“ORS” means the Oregon revised statutes and specifically Chapter 457, which relates to urban renewal.

“Planning Commission” means the Wilsonville Planning Commission. If the Washington County Planning Commission is referred to it will be spelled out in its entirety.

“Revenue Sharing” means sharing tax increment proceeds as defined in ORS 457.470.

“Task Force” means the committee composed of public officials and consultants to provide input on the Coffee Creek Urban Renewal Plan. Those members are identified on the acknowledgement page of the urban renewal plan.

“Tax increment financing (TIF)” means the funds that are associated with the division of taxes accomplished through the adoption of an urban renewal plan.

“Tax increment revenues” means the funds allocated by the assessor to an urban renewal area due to increases in assessed value over the frozen base within the area.

“Under-levy” means taking less than the available tax increment in any year as defined in ORS 457.455.

“Urban renewal agency” or “Agency” means an urban renewal agency created under ORS 457.035 and 457.045. This agency is responsible for administration of the urban renewal plan.

“Urban renewal area” means a blighted area included in an urban renewal plan or an area included in an urban renewal plan under ORS 457.160.

“Urban renewal plan” or “Plan” means a plan, as it exists or is changed or modified from time to time, for one or more urban renewal areas, as provided in ORS 457.085, 457.095, 457.105, 457.115, 457.120, 457.125, 457.135 and 457.220.

“Urban renewal project” or “Project” means any work or undertaking carried out under ORS 457.170 in an urban renewal area.

“Urban renewal report” or “Report” means the official report that accompanies the urban renewal plan pursuant to ORS 457.085(3).

“Wilsonville Transportation Systems Plan (TSP)” means the Transportation System Plan adopted by the Wilsonville City Council.

“Wilsonville Urban Renewal Task Force” is the Task Force convened by the city of Wilsonville to develop the Wilsonville Urban Renewal Strategic Plan and review urban renewal issues.

“Wilsonville Urban Renewal Strategic Plan” is the Strategic Plan adopted by the Wilsonville City Council in 2014.

II. INTRODUCTION

During the 2015 November election, Wilsonville voters expressed advisory support for creating a new urban renewal district in the Coffee Creek Industrial area, an area that is located near the Coffee Creek Correctional Facility in northwest Wilsonville south of Day Road, west of I- 5, north of Ridder Road and east of Grahams Ferry Road.

With support from voters, City Council directed staff to begin developing an urban renewal plan for the Coffee Creek Industrial Area.

The Coffee Creek urban renewal district was first envisioned in the Coffee Creek Master Plan that was adopted by City Council in October 2007. The original plan envisioned development of a new employment area in north Wilsonville with approximately 1,470 permanent jobs and an estimated annual payroll of \$55 million at build-out. The plan predicted the area would attract general industrial, warehouse, flex, and research and development related businesses. Subsequent to the Master Plan, a detailed infrastructure analysis was completed in 2011 to define infrastructure needs and cost estimates. The infrastructure needs and costs were further refined by the City in 2015 and early 2016 in preparation for this urban renewal plan.

The recommendation to create the new urban renewal district is also in the Wilsonville Urban Renewal Strategic Plan (Strategic Plan) that Council adopted in 2014 based upon the input from a community task force that included representatives from local taxing districts, as well as community and business leaders. The Strategic Plan concluded that in order to attract private-sector industrial development, the Coffee Creek industrial area requires a substantial investment in public infrastructure improvements such as new roads, sidewalks and utility lines. Once in place, these public improvements are expected to attract private investment and development that is estimated to increase the assessed value of the proposed district from a tax base of approximately \$62 million to approximately \$900 million over the life of the district.

The Coffee Creek Urban Renewal Plan (Plan) has been developed for the Wilsonville City Council (City Council) and the Washington County Commission (Commission) with the cooperative input from the Wilsonville Urban Renewal Task Force (Task Force), and community input from an Open House, Planning Commission meetings of both Wilsonville and Washington County, the Wilsonville City Council hearing, and the Washington County Commission hearing. A Washington County representative and Sherwood School District representative were added as ad-hoc members to the Task Force. As property is located in unincorporated Washington County, the Washington County Planning Commission must review the Plan and the Washington County Commission must also adopt the Plan.

The Task Force met on April 25, 2016 to review components of the Plan and Report accompanying the Plan (Report), specifically the goals and objectives, projects, amendment procedures, duration of the Plan, funding, and financial tables in the Report. The Task Force voted unanimously of those present to forward the Plan and Report to the Wilsonville Urban Renewal Agency.

The public meeting was also held on April 25, 2016 at which approximately ten citizens, mostly property owners and developer representatives, participated. There were draft documents, a Frequently Asked Questions handout, presentation boards and other materials

to educate the public about the impacts of the proposed urban renewal district and to receive their input. Staff and representatives of the consultant team were in attendance to answer questions from the public.

In addition, the consultant and city staff briefed the Sherwood School District on the urban renewal plan on April 15, 2016. They also briefed the Washington County staff on March 9, 2016 and the Washington County Commission on May 17, 2016.

The Plan contains goals, objectives, and projects for the development of the Coffee Creek Urban Renewal Area (Area). The overall purpose of the Plan is to use tax increment financing to overcome obstacles to the proper development of the Area.

The purpose of urban renewal is to improve specific areas of a city that are poorly developed or underdeveloped, called blighted areas in ORS 457. These areas can have old or deteriorated buildings, public spaces that need improvements, streets and utilities in poor condition, a complete lack of streets and utilities altogether, or other obstacles to development. The Coffee Creek Area has infrastructure needs as identified in the Report accompanying the Coffee Creek Urban Renewal Plan and specifically cited in the ordinance for adoption of the Plan.

Urban renewal allows for the use of tax increment financing (TIF), a financing source that is unique to urban renewal, to fund its projects. Tax increment revenues – the amount of property taxes generated by the increase in total assessed values in the urban renewal area from the time the urban renewal area is first established – are used to repay borrowed funds. The funds borrowed are used to pay for urban renewal projects.

In general, urban renewal projects can include construction or improvement of streets, utilities, and other public facilities; assistance for rehabilitation or redevelopment of property; acquisition and re-sale of property (site assembly) from willing sellers; and improvements to public spaces. The specific projects to be approved in this Plan are outlined in Sections IV and V.

Urban renewal is put into effect when the local government (the City of Wilsonville, in this case) adopts an urban renewal plan. The urban renewal plan defines the urban renewal area, states goals and objectives for the area, lists projects and programs that can be undertaken, provides a dollar limit on the funds borrowed for urban renewal projects, and states how the plan may be changed in the future.

The Area, shown in Figure 1, consists of approximately 258.35 total acres: 231.81 acres of land in tax lots and 26.54 acres of public right-of-way.

The Plan will be administered by the Wilsonville Urban Renewal Agency (Agency), which was established by the Wilsonville City Council as the City's Urban Renewal Agency. Substantial changes to the plan must be approved by the city council as outlined in Section IX of this Plan.

The Plan is accompanied by an Urban Renewal Report (Report) that contains additional information, as required by ORS 457.085. The technical information in the Report includes:

- A description of the physical, social, and economic conditions in the area;
- Expected impact of the Plan, including fiscal impact in light of increased services;
- Reasons for selection of the Plan Area;
- The relationship between each project to be undertaken and the existing conditions;

- The total cost of each project and the source of funds to pay such costs;
- The estimated completion date of each project;
- The estimated amount of funds required in the Area and the anticipated year in which the debt will be retired;
- A financial analysis of the Plan;
- A fiscal impact statement that estimates the impact of tax increment financing upon all entities levying taxes upon property in the urban renewal area; and
- A relocation report.

It is anticipated that the Plan will take 25 years of tax increment collections to implement. The maximum amount of indebtedness (amount of tax increment financing for projects and programs) that may be issued for the Plan is \$67,000,000.

Future amendments will be listed numerically in this section of the Plan and then incorporated into the Plan document and noted by footnote as to amendment number and date adopted.

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III. GOALS AND OBJECTIVES

The goals of the Plan represent the basic intents and purposes. Accompanying each goal are objectives, which generally describe how the Agency intends to achieve the goals. The urban renewal projects identified in Sections IV and V of the Plan are the specific means of meeting the objectives. The goals relate to adopted plans, as detailed in Section X, and were developed with input from the Wilsonville Urban Renewal Task Force. The goals and objectives will be pursued as economically as is feasible and at the discretion of the Agency. The goals and objectives are not ranked by priority.

Goal 1: *PUBLIC INVOLVEMENT*

Maintain a citizen involvement program that ensures the opportunity for citizens to be involved in all phases of the urban renewal implementation process.

Objectives:

1. Provide opportunities for public input throughout the implementation process.
2. Utilize the Wilsonville Urban Renewal Task Force to review council-approved and substantial amendments to the Plan.

Goal 2: *ECONOMY*

Create conditions that are attractive to the growth of existing business and attract new businesses to Wilsonville to create new jobs. Provide an adequate number of sites of suitable sizes, types, and locations to accommodate a variety of economic opportunities. Increase property values so that the Area will contribute its fair share to the costs of public services provided.

Objectives:

1. Build utility infrastructure to accommodate growth in the Area.
2. Assist in the improvement of transportation infrastructure to support existing development and allow for future development.
3. Leverage the Agency's financial resources to the maximum extent possible with other public and private investments and other public and private funding sources.

Goal 3: *INFRASTRUCTURE*

Provide a safe and efficient multi-modal transportation system consistent with the Transportation System Plan. Provide public services and facilities to meet the present and future needs of the Coffee Creek area.

Objectives:

1. Assist in the improvement of transportation infrastructure to support existing development and allow for future development.
2. Build utility infrastructure to accommodate growth in the Area.

Figure 1 – Coffee Creek Urban Renewal Plan Area Boundary



Source: ECONorthwest

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IV. OUTLINE OF MAJOR URBAN RENEWAL PROJECT ACTIVITIES

The projects within the Area include:

Public infrastructure including transportation and utility improvements

Debt service and plan administration

V. URBAN RENEWAL PROJECTS

Urban renewal projects authorized by the Plan are described below. Public improvements authorized under the Plan include upgrading infrastructure including transportation and utilities to encourage development.

A. Infrastructure Improvements

1. Upgrade/provide infrastructure as necessary to allow for the development or redevelopment of parcels within and adjacent to the urban renewal area. The specific projects include:

a) SW Day Road: SW Boones Ferry Road to SW Grahams Ferry Road

SW Day Road will be upgraded to a concrete surfaced five- lane multi-modal urban (Major Arterial) standards including re-constructed intersections at SW Boones Ferry Road, and a new sewer system.

b) SW Grahams Ferry Road: SW Day Road to Railroad Undercrossing

SW Grahams Ferry Road will be upgraded to multi-modal urban (Minor Arterial) standards, with sewer, water and stormwater systems and including intersections at SW Cahalin Road, Java Road, and SW Elligsen Way.

c) SW Java Road

Construct new three lane road section with bike lanes, sidewalks, and landscaping from Garden Acres Road to Grahams Ferry Road.

d) SW Garden Acres Road: SW Ridder Road to SW Day Road

SW Garden Acres Road will be reconstructed to a three lane multi-modal urban (Collector) standards and will include a sewer and stormwater system. The reconstruction will include intersections with SW Day Road, SW Cahalin Road, SW Java Road, and SW Ridder Road/SW Clutter Road. The intersection at SW Day Road will be reconfigured and may be signalized or be constructed as a roundabout.

e) SW Clutter Road: SW Ridder Road to SW Grahams Ferry Road

SW Clutter Road will be reconstructed to a two lane multi-modal local street section with a cul-de-sac or hammerhead at the west end. Water, sewer and storm water systems will be installed.

f) Coffee Creek Industrial Area Sewer Extensions

A new sewer collector will be installed to connect existing sewer collection pipes with new development in the Coffee Creek Industrial Area and extend to the new sewer to be constructed as part of the Day Road project.

g) Lower SW Grahams Ferry Road Storm Outfall

A large diameter stormwater pipe serving as the main discharge outfall for the CCIA will be installed in lower SW Grahams Ferry Road.

h) Coffee Creek Industrial Area Regional Detention Pond

Construct a regional detention pond with a surface area of approximately 260,000 square feet with an outfall to Basalt Creek.

i) Coffee Creek Fiber Optic Network

Fiber optic conduit and cable will be installed concurrent with other dry utilities as various roads are constructed.

j) Railroad Undercrossing

Grahams Ferry Road undercrossing project development. Perform preliminary analysis to determine needs and requirements for a modified underpass on Grahams Ferry Road and potentially partially fund improvements.

B. Debt Service and Plan Administration

This project will allow for the repayment of costs associated with the implementation of the Coffee Creek Urban Renewal Plan. It also includes ongoing administration and any financing costs associated with issuing long- and short-term debt, relocation costs and other administrative costs.

VI. PROPERTY ACQUISITION AND DISPOSITION

The Plan authorizes the acquisition and disposition of property as described in this section. Property includes any and all interests in property, including fee simple ownership, lease, easements, licenses, or other rights to use. If property is acquired it will be identified in the Plan through a Minor Amendment. Identification of property to be acquired and the anticipated disposition of the property is required by ORS 457.085(g).

A. Property acquisition for public improvements

The Agency may acquire any property within the Area for the public improvement projects undertaken pursuant to the Plan by all legal means, including use of eminent domain. Good faith negotiations for such acquisitions must occur prior to institution of eminent domain procedures.

B. Property acquisition – from willing sellers

The Plan authorizes Agency acquisition of any interest in property within the Area that the Agency finds is necessary to support private redevelopment, but only in those cases where the property owner wishes to convey such interest to the Agency. The Plan does not authorize the Agency to use the power of eminent domain to acquire property from a private party to transfer property to another private party for private redevelopment. Property acquisition from willing sellers may be required to support development of projects within the Area.

C. Land disposition

The Agency will dispose of property acquired for a public improvement project by conveyance to the appropriate public agency responsible for the construction and/or maintenance of the public improvement. The Agency may retain such property during the construction of the public improvement.

The Agency may dispose of property acquired under Subsection B of this Section VI by conveying any interest in property acquired. Property shall be conveyed at its fair reuse value. Fair reuse value is the value, whether expressed in terms of rental or capital price, at which the urban renewal agency, in its discretion, determines such land should be made available in order that it may be developed, redeveloped, cleared, conserved, or rehabilitated for the purposes specified in such plan. Because fair reuse value reflects limitations on the use of the property to those purposes specified in the Plan, the value may be lower than the property's fair market value.

Where land is sold or leased, the purchaser or lessee must agree to use the land for the purposes designated in the Plan and to begin and complete the building of its improvements within a period of time that the Agency determines is reasonable.

VII. RELOCATION METHODS

When the Agency acquires occupied property under the Plan, residential or commercial occupants of such property shall be offered relocation assistance, as required under applicable

state law. Prior to such acquisition, the Agency shall adopt rules and regulations, as necessary, for the administration of relocation assistance. No specific acquisitions that would result in relocation benefits have been identified, however, there are plans to acquire land for infrastructure which may trigger relocation benefits in the future in the Area.

VIII. TAX INCREMENT FINANCING OF PLAN

Tax increment financing consists of using annual tax increment revenues to make payments on debt, usually in the form of bank loans or revenue bonds. The proceeds of the bonds are used to finance the urban renewal projects authorized in the Plan. Bonds may be either long-term or short-term.

Tax increment revenues equal most of the annual property taxes imposed on the cumulative *increase* in assessed value within an urban renewal area over the total assessed value at the time an urban renewal plan is adopted. (Under current law, the property taxes for general obligation (GO) bonds and local option levies approved after October 6, 2001 are not part of the tax increment revenues.)

A. General description of the proposed financing methods

The Plan will be financed using a combination of revenue sources. These include:

- Tax increment revenues;
- Advances, loans, grants, and any other form of financial assistance from the federal, state, or local governments, or other public bodies;
- Loans, grants, dedications, or other contributions from private developers and property owners, including, but not limited to, assessment districts; and
- Any other public or private source.

Revenues obtained by the Agency will be used to pay or repay the costs, expenses, advancements, and indebtedness incurred in (1) planning or undertaking project activities, or (2) otherwise exercising any of the powers granted by ORS Chapter 457 in connection with the implementation of this Plan.

B. Tax increment financing and maximum indebtedness

The Plan may be financed, in whole or in part, by tax increment revenues allocated to the Agency, as provided in ORS Chapter 457. The ad valorem taxes, if any, levied by a taxing district in which all or a portion of the Area is located, shall be divided as provided in Section 1c, Article IX of the Oregon Constitution, and ORS 457.440. Amounts collected pursuant to ORS 457.440 shall be deposited into the unsegregated tax collections account and distributed to the Agency based upon the distribution schedule established under ORS 311.390.

The maximum amount of indebtedness that may be issued or incurred under the Plan, based upon good faith estimates of the scope and costs of projects in the Plan and the schedule for their completion is \$67,000,000 (sixty seven million dollars). This amount is the principal of such indebtedness and does not include interest or indebtedness incurred to refund or refinance existing indebtedness or interest earned on bond proceeds. It does

include initial bond financing fees and interest earned on tax increment proceeds, separate from interest on bond proceeds.

IX. FUTURE AMENDMENTS TO PLAN

The Plan may be amended as described in this section.

A. *Substantial Amendments*

Substantial Amendments, in accordance with ORS 457.085(2)(i), shall require the same notice, hearing, and approval procedure required of the original Plan, under ORS 457.095, including public involvement, consultation with taxing districts, presentation to the Agency, the Planning Commission, and adoption by the City Council by non-emergency ordinance after a hearing. Notice of such hearing shall be provided to individuals or households within the City of Wilsonville, as required by ORS 457.120. Notice of adoption of a Substantial Amendment shall be provided in accordance with ORS 457.095 and 457.115. Substantial Amendments will be reviewed by the Urban Renewal Task Force.

Substantial Amendments are amendments that:

1. Add land to the urban renewal area, except for an addition of land that totals not more than 1% of the existing area of the urban renewal area; or
2. Increase the maximum amount of indebtedness that can be issued or incurred under the Plan.

B. *Council Approved Amendments*

Council Approved Amendments consist solely of those changes found by the Agency to be significant changes to the goals and objectives of the Plan. Council Approved Amendments shall require approval by the Agency by resolution and approval by the City Council by resolution. Council Approved Amendments will be reviewed by the Urban Renewal Task Force.

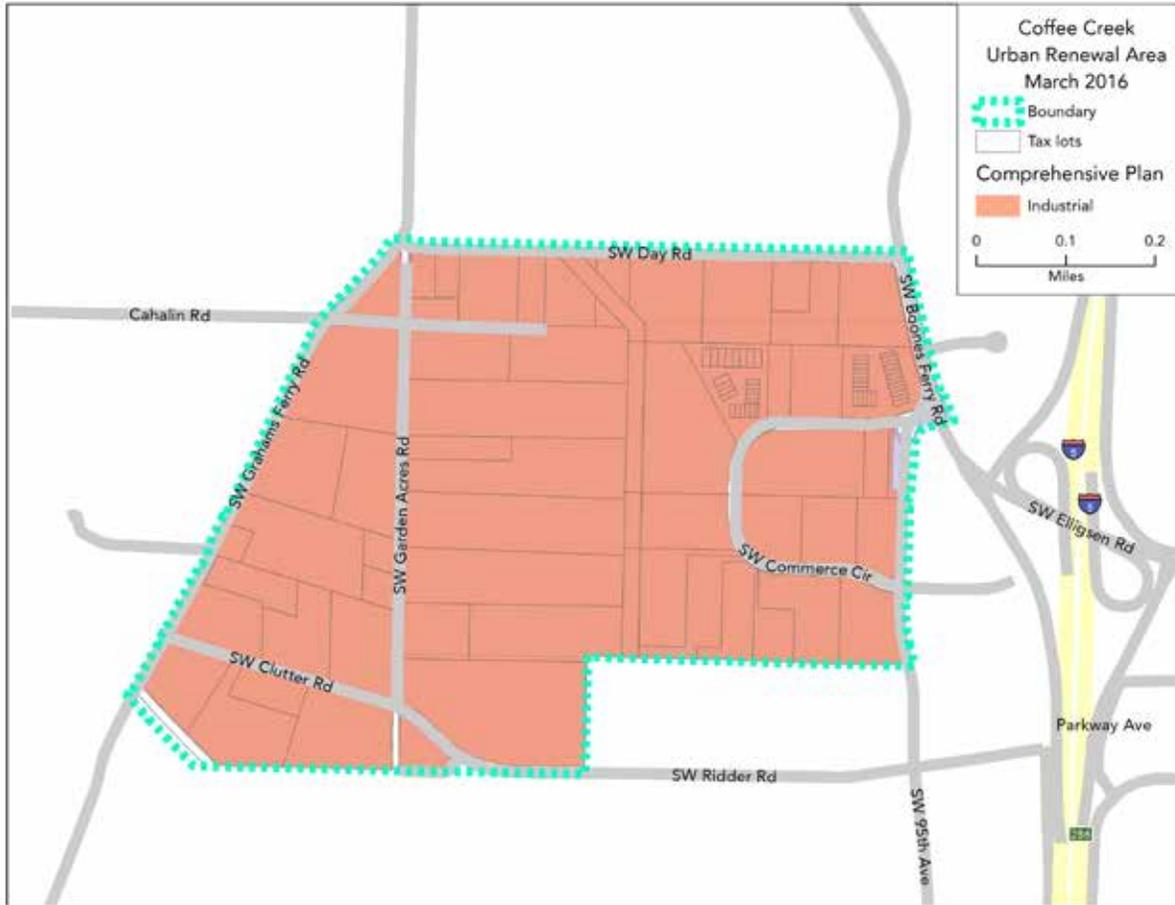
C. *Minor Amendments*

Minor Amendments are amendments that are not Substantial Amendments or Council Approved Amendments as defined in this Plan and in ORS 457. Minor Amendments require approval by the Agency by resolution.

D. *Amendments to the Wilsonville Comprehensive Plan/Washington County Comprehensive Plan and/or Wilsonville Zoning Ordinance/Washington County Zoning Ordinance.*

Amendments to the Wilsonville Comprehensive Plan, Washington County Comprehensive Plan and/or Wilsonville Zoning Ordinance or Washington County Zoning Ordinance that affect the Urban Renewal Plan and/or the Urban Renewal Area shall be incorporated automatically within the Urban Renewal Plan without any separate action required by the Agency, Washington County or the City Council.

Figure 2 – Comprehensive Plan Designations



Source: ECONorthwest

The properties are identified as industrial in both the City of Wilsonville and Washington County Comprehensive Plans.

X. RELATIONSHIP TO LOCAL OBJECTIVES

The Plan relates to local planning and development objectives contained within the Washington County Comprehensive Plan, Washington County Community Development Code, Article III Land Use Districts, Wilsonville Comprehensive Plan, the Wilsonville Planning and Land Development Ordinance (Chapter 4 Sections 4.100 -4.141 Zoning), and the Transportation System Plan. The following section describes the purpose and intent of these plans, the particular goals and policies within each planning document to which the proposed Plan relates, and an explanation of how the Plan relates to these goals and policies. The numbering of the goals, policies, and implementation strategies will reflect the numbering that occurs in the original document. Italicized text is text that *has* been taken directly from an original planning document.

The Comprehensive Plan designations are shown in Figure 2. The maximum densities and building requirements are contained in the Washington County Community Development Code. The proposed land uses conform to Figure 2, the comprehensive plan designations and the maximum densities and building requirements can be found in the Washington County Community Development Code and the Wilsonville Planning and Land Development Ordinance also known as the Development Code of Zoning Code, Chapter 4 of the Wilsonville Code.

This is not a comprehensive list of all parts of the Washington County Comprehensive Plan and Wilsonville Comprehensive Plan that are supported by this Plan. This list includes the major Goals and Policies from the comprehensive plans that are in conformance with the urban renewal plan however, there may be other Goals and Policies that are not listed, but are still in conformance with this Plan.

A. *City of Wilsonville Comprehensive Plan*

The Plan conforms to the Citizen Involvement, Urban Growth Management, Public Facilities and Services, Transportation, and Use and Development goals as it contains projects to upgrade the transportation and utility infrastructure, to support existing business and allow for development of new businesses to create jobs, utilizing underutilized and/or blighted sites.

Citizen Involvement

To encourage and provide means for interested parties to be involved in land use planning processes, on individual cases and city-wide programs and policies.

The Plan conforms to the Citizen Involvement goal as it has undergone ongoing citizen involvement in its preparation. The City of Wilsonville adopted an Urban Renewal Strategic Plan in 2015 that had as one of its components the creation of a new urban renewal area in Coffee Creek. That plan had a guiding Task Force with meetings open to the public, there were articles in the Boones Ferry Messenger and an open house was held on the Urban Renewal Strategic Plan. In addition, the city put the formation of the new district out for an advisory vote in the November 2015 election and received majority support.

As part of the Coffee Creek Urban Renewal Plan preparation, the original Task Force was briefed again, another open house was held and there were hearings by the Washington County Planning Commission, Washington County Commission, Wilsonville Planning Commission, and Wilsonville City Council.

Urban Growth Management

To allow for urban growth while maintaining community livability, consistent with economics of development, city administration, and the provision of public facilities and services.

The Plan conforms to the Urban Growth management Policy as it envisions development of the Area into industrial uses as conform to future comprehensive plan designations. As this land develops, it will be annexed into the City of Wilsonville. The Plan is designed to help provide the infrastructure necessary to allow for the future development, providing the employment opportunities and the provision of public facilities and services.

Public Facilities and Services

GOAL 3.1: To assure that good quality public facilities and services are available with adequate, but not excessive, capacity to meet community needs, while also assuring that growth does not exceed the community's commitment to provide adequate facilities and services.

Water:

Policy 3.1.5 The City shall continue to develop, operate and maintain a water system, including wells, pumps, reservoirs, transmission mains and a surface water treatment plant capable of serving all urban development within the incorporated City limits, in conformance with federal, state, and regional water quality standards. The City shall also continue to maintain the lines of the distribution system once they have been installed and accepted by the City.

The Plan conforms to this section of the comprehensive plan as a project funded through the Plan is the construction of new water lines in SW Grahams Ferry Road and Clutter Road.

Fire:

Policy 3.1.8 The City of Wilsonville shall continue to coordinate planning for fire safety with the Tualatin Valley Fire and Rescue District.

The Plan conforms to this section of the Comprehensive Plan as development will comply with Fire Safety requirements. Inclusion of new water lines in Grahams Ferry Road and Clutter Road will assist in provision of water for fire response needs.

Transportation:

GOAL 3.2: To encourage and support the availability of a variety of transportation choices for moving people that balance vehicular use with other transportation modes, including walking, bicycling and transit in order to avoid principal reliance upon any one mode of transportation.

Policy 3.2.1 To provide for safe and efficient vehicular, transit, pedestrian and bicycle access and circulation.

Implementation Measure 3.3.1.a. Encourage a balance among housing, employment, and commercial activities within the City so more people are able to live and work within Wilsonville, thereby reducing cross-jurisdictional commuting.

Implementation Measure 3.3.2.a. Provide pedestrian and bicycle connections between residential neighborhoods and major commercial, industrial, and recreational activity centers throughout the city, as shown in the Bicycle and Pedestrian Master Plan. Coordinate the system of pathways planned by adjacent jurisdictions to allow for regional travel.

Implementation Measure 3.3.2.b. Concrete sidewalks will be provided on both sides of all streets unless waived when alternative provisions are found to adequately address pedestrian needs.

Implementation Measure 3.3.2.c. Transportation facilities shall be ADA-compliant.

Implementation Measure 3.3.2.d. Fill gaps in the existing sidewalk and off-street pathway systems to create a continuous network of safe and accessible bicycle and pedestrian facilities.

Goal 3.4 To facilitate safe, efficient and economic flow of freight and other goods and services within the city and the region.

Policy 3.4.1 Upgrade and/or complete the street network on the west side of I-5, including in the Coffee Creek and Basalt Creek areas, to serve warehousing, distribution, and other industrial uses located there.

GOAL 3.8: To maintain coordination with neighboring cities, counties, Metro, ODOT local businesses, residents and transportation service providers regarding transportation planning and implementation.

The Plan is in conformance with the Transportation section of the Comprehensive Plan as projects to be funded in the Plan are transportation projects to allow for a more efficient transportation system, including multimodal travel, and to complete the transportation system in the Area. The city of Wilsonville is coordinating these improvements with the Washington County and the State of Oregon.

Land Use and Development

GOAL 4.1 To have an attractive, functional, economically vital community with a balance of different types of land uses.

Policy 4.1.3 City of Wilsonville shall encourage light industry compatible with the residential and urban nature of the City.

Implementation Measure 4.1.3.a Develop an attractive and economically sound community.

Implementation Measure 4.1.3.b Maintain high-quality industrial development that enhances the livability of the area and promotes diversified economic growth and a broad tax base.

Implementation Measure 4.1.3.e Site industries where they can take advantage of existing transportation corridors such as the freeway, river, and railroad.

Implementation Measure 4.1.3.f Encourage a diversity of industries compatible with the Plan to provide a variety of jobs for the citizens of the City and the local area.

The Plan conforms to this section of the Comprehensive Plan as the development of infrastructure will help facilitate access to any new industrial development within the Area, providing access to industrial lands and new employment opportunities in the Area.

B. City of Wilsonville Economic Development Policy

The City of Wilsonville Economic Development Strategy was adopted in August of 2012. It specified ten key actions, one of which is relevant:

Action 3.1 Coordinate capital improvement planning to ensure infrastructure availability on employment land.

The Plan is in conformance with the Economic Development Policy as some of the projects to be completed are infrastructure projects. The transportation projects will allow for a more efficient transportation system and to complete the transportation system in the Area, allowing for increased growth on employment land. The utility projects will provide the necessary infrastructure to support the growth on employment land.

C. Washington County Comprehensive Plan

The Plan conforms to the Citizen Involvement, Intergovernmental Coordination, Urbanization, Managing Growth, Roles and Responsibilities for Serving Growth, Urban Area Economy, Public Facilities and Services, Transportation, and Land Use Conservation policies/goals as it contains projects to upgrade the transportation and utility infrastructure, to support existing business and allow for development of new businesses to create jobs, utilizing underutilized and/or blighted sites.

Policy: Citizen Involvement

It is the policy of Washington County to encourage citizen participation in all phases of the planning process and to provide opportunities for continuing involvement and effective communication between citizens and their County government.

The Plan conforms to the Citizen Involvement goal as it has undergone ongoing citizen involvement in its preparation. The City of Wilsonville adopted an Urban Renewal Strategic Plan in 2015 that had as one of its components the creation of a new urban renewal area in Coffee Creek. That plan had a guiding Task Force with meetings open to the public, there were articles in the Boones Ferry Messenger and an open house was held on the Urban Renewal Strategic Plan. In addition, the city put the formation of the new district out for an advisory vote in the November 2015 election and received majority support. As part of the Coffee Creek Urban Renewal Plan preparation, the original Task Force was briefed again, another open house was held and there were hearings by the Washington County Planning Commission, Washington County Commission, Wilsonville Planning Commission, and Wilsonville City Council.

Policy: Intergovernmental Coordination

It is the policy of Washington County to effectively coordinate its planning and development efforts with Federal, State and other local governments and Special Districts to ensure that the various programs and activities undertaken by these bodies are consistent with the County Comprehensive Plan.

The Plan conforms to the Intergovernmental Coordination Policy as it will be implemented by the City of Wilsonville as the lands within the Area will be annexed as they become developed. In order to pursue these infrastructure developments, the County needs to coordinate with the City of Wilsonville to allow for the establishment of the urban renewal area. In addition, all impacted taxing districts are being provided detailed information about the plan and the potential impacts on them.

Policy: Urbanization

It is the policy of Washington County to establish a growth management system for the unincorporated areas within the UGB which promotes:

- 1. Efficient economic provision of public facilities and services;*
- 2. Infill development in established areas while preserving existing neighborhood character;*
- 3. Development near or contiguous to existing urban development where services are available;*
- 4. Parcelization of land such that future development at urban densities can take place;*
- 5. Development which is compatible with existing land uses;*
- 6. Agriculture use of agriculture land until services are available to allow development;*
- 7. Development in concert with adopted community plans.*

The Plan conforms to the Urbanization Policy as it envisions development of the Area into industrial uses as conforms to the comprehensive plan designations. As this land develops, it will be annexed into the City of Wilsonville. The Plan is designed to help provide the infrastructure necessary to allow for the future development, providing the desired efficient economic provision of public facilities and services.

Policy: Managing Growth

It is the policy of Washington County to manage growth on unincorporated lands within the UGB such that public facilities and services are available to support orderly urban development. This policy applies to urban unincorporated lands, except in New Urban Areas which are subject to Policy 44.

The Plan conforms to the Managing Growth Policy as it envisions development of the Area into industrial uses as conforms to the comprehensive plan designations. As this land develops, it will be annexed into the city of Wilsonville. The Plan is designed to help provide the infrastructure necessary to allow for the future development, providing the desired efficient economic provision of public facilities and services to support orderly urban development.

Policy: Roles and Responsibilities for Serving Growth

It is the policy of Washington County to work with service providers, including cities and special service districts and Metro, to ensure that facilities and services required for growth will be provided when needed by the agency or agencies best able to do so in a cost effective and efficient manner.

The Plan conforms to the Roles and Responsibilities for Serving Growth Policy as it envisions development of the Area into industrial uses as conforms to the comprehensive plan designations. As this land develops, it will be annexed into the city of Wilsonville. The Plan is designed to help provide the infrastructure necessary to allow for the future development, providing the desired provision of public facilities and services by the agencies that will provide the future services to the Area.

Policy: Urban Area Economy

It is the policy of Washington County to encourage and participate in activities which strengthen the local economy through:

- 1. Retention and expansion of existing businesses and industry;*
- 2. Provision of diverse employment opportunities;*
- 3. Education and training of the local labor force; and*
- 4. Continued diversification of the County's economic base.*

The Plan conforms to the Urban Area Economy Policy as it envisions development of the Area into industrial uses, both of existing and new industry, providing industrial wage employment opportunities in Washington County.

Policy: Public Facilities and Services: Sanitary Sewerage Collection and Treatment

It is the policy of Washington County that whenever feasible all areas within the UGB be served with sanitary sewer service as provided in the Regional Wastewater Treatment Management Plan.

The Plan conforms to the Public Facilities and Service: Sanitary Sewerage Collection and Treatment Policy as it provides sanitary sewer facilities to the Area by installing, if necessary, sanitary sewer systems in the roads as they are either constructed or upgraded.

Policy: Public Facilities and Services: Water Supply and Distribution

It is the policy of Washington County that all residences and businesses be served with an adequate supply of potable water for consumption and fire suppression purposes.

The Plan conforms to the Public Facilities: Service Water Supply and Distribution Policy as it provides water facilities to the Area by installing, if necessary, water systems in the roads as they are either constructed or upgraded.

Policy: Public Facilities and Services: Drainage Management

It is the policy of Washington County that drainage be managed Countywide through a system which coordinates the activities of County agencies, local jurisdictions and special districts, and addresses both the water quality and quantity aspects of drainage management.

The Plan conforms to the Public Facilities: Drainage Management Policy as it provides draining management facilities to the Area by installing drainage systems, if necessary, as the roads are either constructed or upgraded. The projects identified in the Plan also include an outfall at Lower Grahams Ferry Road and a Coffee Creek Industrial Area Regional Detention Pond.

Policy: Transportation

It is the policy of Washington County to regulate the existing transportation system and to provide for the future transportation needs of the County through the development of a Transportation Plan as an Element of the Comprehensive Plan.

The Plan conforms to the Transportation Policy as the main projects identified in the Plan are transportation related and will improve or construct SW Day Road, SW Grahams Ferry Road, Java Road, SW Garden Acres Road, and SW Clutter Road.

Policy: Transportation Conservation

It is the policy of Washington County to establish a balanced and efficient transportation system which implements the land use plan and is designed to minimize energy impacts.

The Plan conforms to the Transportation Policy as the main projects identified in the Plan are transportation related and will improve or construct SW Day Road, SW Grahams Ferry Road, Java Road, SW Garden Acres Road, and SW Clutter Road.

Policy: Land Use Conservation

It is the policy of Washington County to develop land use strategies which take advantage of density and location to reduce the need to travel, increase access to transit, increase the use of alternate modes of transportation, including transit and permit building configurations which increase the heating and cooling of residences.

The Coffee Creek Area is located in close proximity to I-5, a major transportation route for industrial uses. The full development of the Area will add needed jobs and be close to transportation networks. It is anticipated that the city of Wilsonville's SMART transit system will serve the Area.

DRAFT

APPENDIX A: LEGAL DESCRIPTION

DRAFT



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AKS Job #5438

ENGINEERING & FORESTRY

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

Coffee Creek Urban Renewal District

EXHIBIT A
Legal Description

A tract of land located in the Northeast One-Quarter, Southeast One-Quarter, Southwest One-Quarter, and Northwest One-Quarter of Section 2, and the Northeast One-Quarter and Southeast One-Quarter of Section 3, Township 3 South, Range 1 West, Willamette Meridian, Washington County, Oregon and being more particularly described as follows:

Beginning at the southwest corner of Lot 13 of the plat "Edwards Business Industrial Park No. 2"; thence along the southerly line of said Lot 13, and the southerly line of Lots 14 through 16 of said plat and the easterly extension thereof, Easterly 1,634 feet, more or less, to the easterly right-of-way line of SW 95th Avenue; thence along said easterly right-of-way line, Northerly 1,473 feet, more or less, to the most northerly point on said easterly right-of-way line; thence leaving said easterly right-of-way line, Northeasterly 154 feet, more or less, to the easterly right-of-way line of SW Boones Ferry Road; thence along said easterly right-of-way line, Northwesterly 1,018 feet, more or less, to the easterly extension of the northerly right-of-way line of SW Day Road; thence along said easterly extension and the northerly right-of-way line of SW Day Road and the northerly line of Document Number 2004-063726, Westerly 3,014 feet, more or less, to the southwesterly corner of Document Number 89000075, also being on the easterly right-of-way line of SW Grahams Ferry Road; thence along said easterly right-of-way line, Northerly 132 feet, more or less; thence Westerly 80 feet, more or less, to the westerly right-of-way line of SW Grahams Ferry Road; thence along said westerly right of-way line, Southwesterly 3,381 feet, more or less, to the westerly extension of the southwesterly right-of-way line of Oregon Electric Railway; thence along said westerly extension and the southwesterly right-of-way line of Oregon Electric Railway, Southeasterly 569 feet, more or less, to the south line of Section 3, also being a point on the Washington/Clackamas County line; thence along said south Section 3 line and the south line of Section 2 and said County line, Easterly 2,313 feet, more or less, to the southerly extension of the easterly line of Parcel 1 of Partition Plat 1995-101; thence along said southerly extension and the easterly line of Parcel 1 of Partition Plat 1995-101, Northerly 664 feet, more or less, to the southerly line of Lot 12 of the plat "Garden Acres", also being the northwesterly corner of the Bonneville Power Administration Oregon City Substation (Document Number 95005916); thence along the northerly line of said Document Number 95005916, Easterly 323 feet, more or less, to the Point of Beginning.

The above described tract of land contains 259 acres, more or less.

7/15/2016



Nick White

OREGON
JANUARY 8, 2007
NICK WHITE
70652LS

RENEWS: 5/30/18

ORDINANCE No. 796– EXHIBIT B

08-01-2016 PUBLIC DRAFT

**Report Accompanying the Coffee
Creek Urban Renewal Plan**

Adopted by the City of Wilsonville

DATE

Ordinance No. 796

Coffee Creek Urban Renewal Area

Consultant Team

Elaine Howard Consulting, LLC

Elaine Howard

ECONorthwest

Nick Popenuk

Ali Danko

Lizzie Gooding

Rob Wyman



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I. INTRODUCTION

The Report on the Coffee Creek Urban Renewal Plan (Report) contains background information and project details that pertain to the Coffee Creek Urban Renewal Plan (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 not only the proposed projects in the Plan, but also documents the existing conditions in the Coffee Creek Urban Renewal Area (Area).

The Report provides only 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 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 – Coffee Creek Urban Renewal Plan Area Boundary



Source: ECONorthwest

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

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

A. Physical Conditions

1. Land Use

The Coffee Creek Urban Renewal Feasibility Study Area (Coffee Creek) shown in Figure 1, contains 59 parcels consisting of 231.81 acres and 26.54 acres of existing right of way, for a total of 258.35 acres.

Coffee Creek is located in the northwest area of Wilsonville with some of the tax lots within the City limits and some in unincorporated Washington County.

An analysis of property classification data from Washington County FY 2015/16 Assessment and Taxation database was used to determine the land use designation of parcels in Coffee Creek. By acreage, Commercial use accounts for the largest land use within the area (34%). This is followed by Single Family Residential (26%), and Farmland (17%). The total land uses of the Coffee Creek, by acreage and parcel, are shown in Table 1.

Table 1 – Existing Land Use of Area

Existing Land Use	Parcels	Acres	Percent of Acres
Commercial	22	79.59	34.3%
SF Residential	19	60.97	26.3%
Farmland	5	38.40	16.6%
Industrial	6	26.17	11.3%
Vacant	4	17.40	7.5%
MF Residential	2	8.65	3.7%
Exempt	1	0.63	0.3%
Total	59	231.81	100.0%

Calculated by ECONorthwest with source data from the Washington County Office of Assessor and Taxation

2. Zoning and Comprehensive Plan Designations

As shown in Table 2, some of these properties are in the City of Wilsonville and some in unincorporated Washington County. Some will have City of Wilsonville zoning and comprehensive plan categories and some will have Washington County zoning and comprehensive plan categories. The tax lots that are unincorporated are located within the Urban Growth Boundary. The tax lots that are located within the City of Wilsonville are currently zoned Planned Development Industrial. The properties are all designated as Industrial in the Comprehensive Plan.

In adding the Coffee Creek Master Plan area to the Urban Growth Boundary, Metro required the City to agree to plan the land to be used for regionally significant industrial purposes which allow large-lot and standard-industrial uses and limits non-industrial uses. When land located in the Coffee Creek Master Plan area is annexed to the city of Wilsonville, the land is ultimately planned to be zoned as planned development industrial – regionally significant industrial (PDI-RSI). This zone is appropriate for most light manufacturing, warehousing, distribution, and flex uses. Corporate headquarters and technology campuses are also allowed. Retail and service uses are allowed as long as their uses are limited, as specified in the zoning code. Office uses may not exceed 20% of the total floor area within a site. The PDI-RSIA designation will help meet the region’s documented needs for high-wage light industrial development, and provide a land use type that is compatible with surrounding industrial uses.¹

As illustrated in Table 2 and Figure 2, the majority (66%) of the Area by acreage is zoned as Future Development-20 acre minimum (FD-20). The remainder of the acreage (33%) is zoned Planned Development Industrial, except for two small tax lots on the edges of the Area, one of which is zoned Planned Development Commercial, and another zoned Agriculture and Forestry District. These two outlier tax lots are small slivers of land that account for less than 1% of the acreage of the Area.²

¹ Coffee Creek Industrial Master Plan, p8.

² City of Wilsonville staff noted that one tax lot in the area was recently annexed into the City and has been zoned as Regionally Significant Industrial. However, this zoning is not reflected in the Metro RLIS 2016 Quarter 1 GIS data set, which was the official source used for our analysis.

Table 2 – Existing Zoning Designations of Area

Zoning	Parcels	Acres	Percent of Acres
Future Urban Development - 20 acre min.	38	153.39	66.2%
Planned Development Industrial	19	77.23	33.3%
Agriculture and Forestry District	1	0.63	0.3%
Planned Development Commercial	1	0.56	0.2%
Grand Total	21	231.81	100.0%

Calculated by ECONorthwest with source data from Metro RLIS 2016 Quarter 1

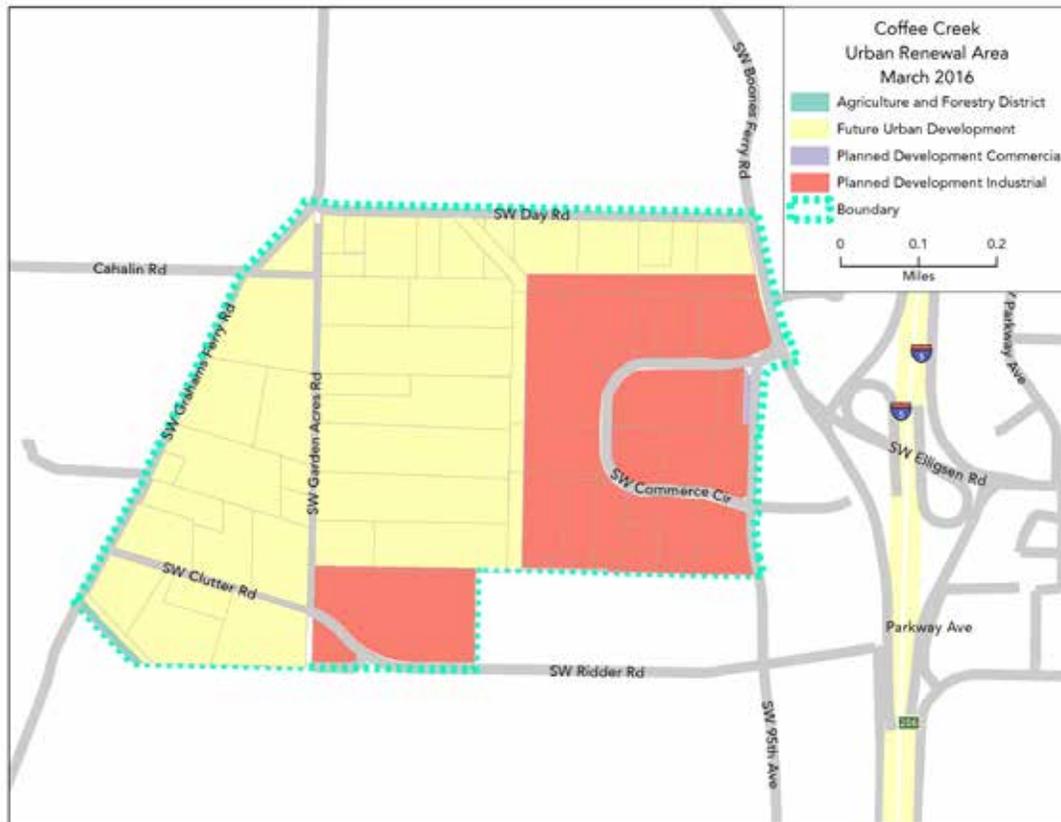
As illustrated in Table 3, 100% of the acreage is designated as Industrial in the Washington County Comprehensive Plan and the City of Wilsonville Comprehensive Plan.

Table 3 – Existing Comprehensive Plan Designations of Area

Comprehensive Plan	Parcels	Acres	Percent of Acres
Industrial	59	231.81	100.00%
Total	59	231.81	100.00%

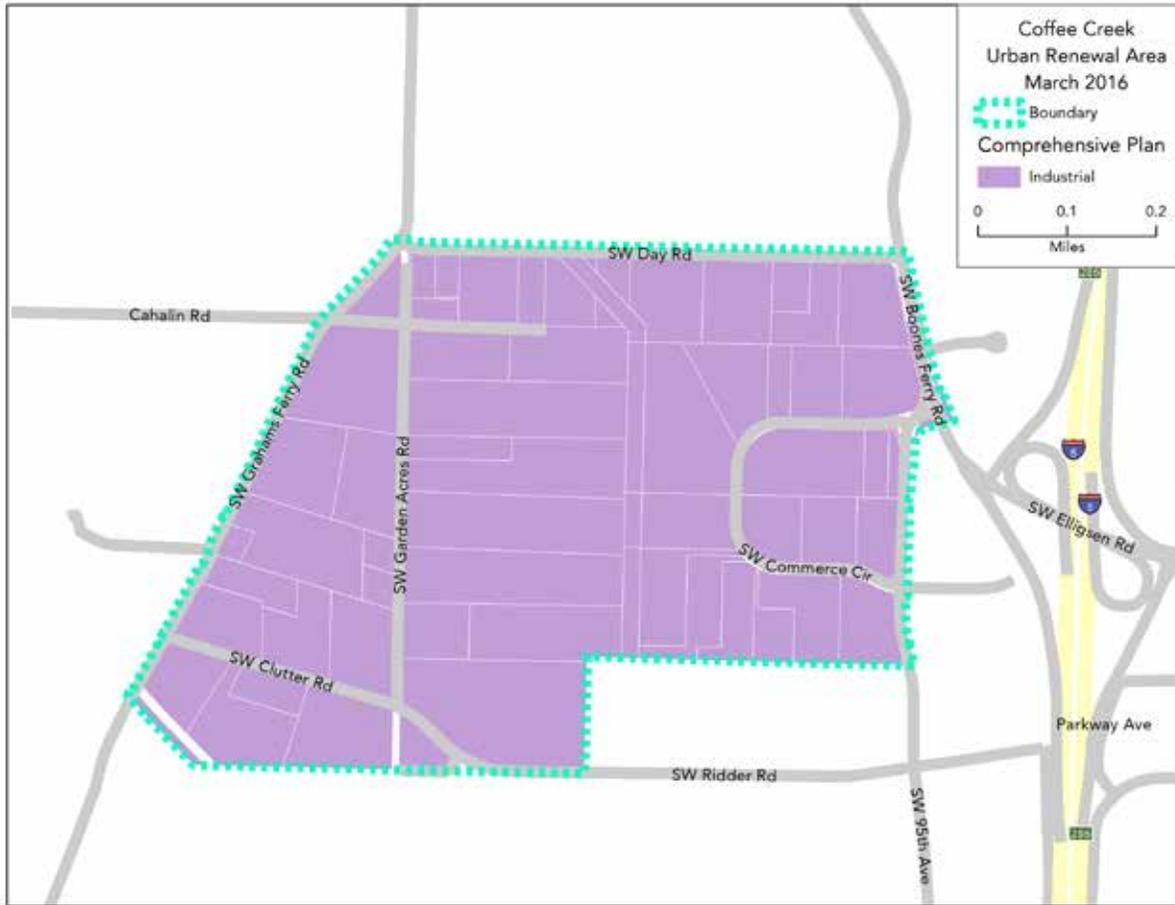
Source: Washington County Assessor Data

Figure 2 – Area Zoning Designations



Source: ECONorthwest with data from Metro RLIS 2016 Q1

Figure 3 – Area Comprehensive Plan Designations



Source: ECONorthwest

B. Infrastructure

This section identifies the existing conditions in the Area to assist in establishing blight. There are projects listed in City of Wilsonville master plans and Transportation System Plan that identify these existing conditions. **This does not mean all of these projects are included in the urban renewal plan. The specific projects to be included in the urban renewal plan are listed in Sections IV and V of this document.**

1. Transportation

The Wilsonville Transportation Systems Plan³ details the transportation needs within the Area.

Streets and Intersections

There are significant transportation needs within the Area:

- Garden Acres Road. Classified as a collector (TSP No. UU-08).

Construct a multi-modal three-lane roadway from Ridder Road to Day Road; project includes an upgraded signalized intersection or roundabout at Day Road, an upgraded unsignalized intersection at Ridder Road, and new unsignalized intersections at Java Road and Cahalin Road

- Day Road widening. Classified as a major arterial (TSP No. RW-02).

Widen and upgrade structural section of Day Road from Boones Ferry Road to Grahams Ferry Road to multi-modal five-lane major arterial; project includes improvements at the Day Road/Boones Ferry Road intersection.

- Clutter Road. Classified as a local street. Not listed in TSP (TSP only includes Collectors and above).

Upgrade Clutter Road to include landscaping, bike lanes, and sidewalks and dead-end with a cul-de-sac or similar treatment at the west end of Clutter Road.

- Grahams Ferry Road railroad undercrossing project development (TSP no. SI-02).

Perform or participate in project development to determine project scope for a modified railroad undercrossing on Grahams Ferry Road, and potentially partially fund improvements.

- Grahams Ferry Road. Classified as a minor arterial (TSP No. UU-P4).

Widen and reconstruct Grahams Ferry Road from Tooze Road to Day Road to a multi-modal urban minor arterial; project includes a signalized intersection at Java Road and unsignalized intersections at Cahalin Road, Elligsen Way, Wheatland Drive and Malloy Way.

³ Wilsonville Transportation System Plan 2013. Project descriptions on page 86.

- Java Road. Classified as a Collector. TSP SI-01.

Construct new three-lane multi-modal urban collector from Garden Acres Road to Grahams Ferry Road.

2. Water

The water system needs for the Area are identified in the City of Wilsonville 2012 Water System Master Plan (Water Systems Master Plan). According to the Water System Master Plan, water improvements for the Area are considered to be Priority 3 projects, which are those projects that will happen as development or redevelopment occurs and. Priority 3 improvements include improvements intended to address poor or marginal hydrant coverage in developed industrial and commercial areas and provide water to currently unserved areas.

There is an existing 12-inch water main in Ridder Road, an 18-inch main in Garden Acres road, and an 18-inch main in Day Road.

Appendix A - Figure 4 of the City of Wilsonville Water System Master Plan identifies needed water lines on Kinsman Road, Grahams Ferry Road, Java Road, and Clutter Road. Based on current planning, the Kinsman Road water line identified for the Area is no longer needed. All of the water lines needed for the Area are part of Project 362 (upsized costs) from Table 5-2 of the Water System Master Plan.⁴

3. Storm Water

An overall stormwater management system does not currently exist in the Area to the west of the Commerce Circle industrial area. Specific stormwater infrastructure needs for the Area are identified in the 2011 Coffee Creek Industrial Area Infrastructure Study (CCIAIS). The Stormwater Master Plan identifies two projects needed in the Area: Project CLC-1, a regional detention/wetland facility adjacent to Basalt Creek; and Project CLC-3, a channel restoration project on the western edge of the Commerce Circle industrial area

As detailed in the Coffee Creek Industrial Area Master Plan, the Coffee Creek planning area is located within the Coffee Creek Basin. Basalt Creek, with its headwaters north of Day Road in the Basalt Creek Concept Plan Area, drains into Coffee Creek Lake.. In addition to the regional detention facility mentioned above (CLC-1), the CCIAIS identifies stormwater infrastructure needed to service the new road network within the Coffee Creek Industrial Area. Necessary infrastructure includes a combination of bioswales, street catch basins and inlets, and subsurface piping. In addition, all surface water generated by private development is expected to be managed and treated on-site with subdistrict facilities, such as detention swales and ponds. The Coffee Creek Industrial Area Master Plan also supports construction of “green street design standards” for collector street improvements.⁵

⁴ City of Wilsonville 2012 Water System Master Plan

⁵ Coffee Creek Industrial Area Master Plan

4. Sewer

The Coffee Creek Industrial Area is located entirely within the Coffee Creek Interceptor Sewer Basin. As described in the City of Wilsonville Wastewater Collection System Master Plan, the Coffee Creek Interceptor Sewer Basin is the City's largest basin, covering 2,340 acres, and consists primarily of industrial zoned land, with a commercial component near Elligsen Road, and residential areas within the Brenchley Estates and Ash Meadows developments.⁶

The Coffee Creek Industrial Area is served by the main Coffee Creek Interceptor which zig zags through the western half of the Area, providing current service to the Coffee Creek Correctional Facility located northwest of the Area.⁷ Sewer interceptors range in size from 15 to 27-inch diameter within the basin, with the portion of the interceptor within the area sized at 18 or 21-inch diameter.

There are a number of projects listed in the Capital Improvement Program, Table 7-1 of the Wastewater Collections System Master Plan, only some of which are directly within the Area, but all of which are impacted by increased discharges from the Area:

CIP – 01 - Coffee Creek Interceptor Railroad Undercrossing, 160 Lineal Feet (LF) of 21-inch diameter, railroad undercrossing. The existing undercrossing has capacity to serve Coffee Creek development and approximately 13% of the Basalt Creek, West Railroad, and Southwest 12th development prior to improvement. May require bore and jack construction.

CIP – 02 - Coffee Creek Interceptor Phase I, 1030 LF of 27-inch diameter, 610 LF of 30-inch diameter, and 1,020 LF of 36-inch diameter, from Boeckman Road to Barber Street.

CIP – 04 - Coffee Creek Interceptor Phase II, 2,000 LF of 21-inch diameter from P&W Railroad to Boeckman Road

CIP – 10 - Coffee Creek Interceptor Phase III, 4,090 LF of 36-inch diameter from Barber Street to Orepac Avenue

CIP – 27 - Coffee Creek – Clutter Road, 1,410 LF of 15-inch diameter, from Grahams Ferry Road to Garden Acres Road.

CIP – 28 - Coffee Creek – Ridder Road, 910 LF of 18-diameter, from Garden Acres Road to BPA Substation.

CIP – 29 - Coffee Creek - Grahams Ferry Road, 600 LF of 8-inch diameter, and 580 LF of 12-inch diameter, from Clutter Road to Cahalen Road.

CIP – 30 - Coffee Creek - Garden Acres, 1,480 LF of 8-inch diameter, from 25450 Southwest Garden Acres Road to Cahalin Road.

CIP - 31 - Coffee Creek – Day Road, 2,060 LF of 18-inch diameter, and 900 LF of 12-inch diameter, from Grahams Ferry Road to Boones Ferry Road.

⁶ City of Wilsonville Wastewater Collection Systems Master Plan, November 14, 2014

⁷ Coffee Creek Infrastructure Study, p 2.

CIP – 32 - Coffee Creek – Kinsman Road, 3,100 LF of 18-inch diameter from Day Road to Ridder Road.

The Wilsonville Capital Improvement Plan⁸ includes Project 2079: Coffee Creek Interceptor Phase 1 – design and construction to resolve deficiencies and upsize line to provide additional capacity for growth, and relocate sewer main within the Kinsman Road Extension project from Barber Street to Boeckman Road.

The Wilsonville Capital Improvement Plan 5-Year Forecast includes the following projects:

- Coffee Creek Interceptor Phase 1
- Coffee Creek Interceptor Railroad Undercrossing

5. *Parks and Open Space*

The Coffee Creek Industrial Area currently has no established public parks or open spaces.

The City of Wilsonville Parks and Recreation Master Plan⁹ identifies the following project for the Area:

P13 Industrial Area Waysides: allowance for design and implementation of three Wayside areas along planned regional trails and community trails in this area. Allowance based on average cost of \$200,000 per Wayside, not including trail construction.

The vision for this area is to provide small turnout areas along the community trails that are easily accessible to employees. Recommendations for the waysides include:

1. Waysides provided within about ¼ mile of employees.
2. As development occurs in this area, locate and design the waysides. Securing easements or land for each of the waysides should occur as part of the development review and approval process.
3. Each wayside should include any of a variety of amenities to increase year-round usability and encourage employee activity during work breaks on a paved plaza area.
4. Besides the benches and shelters, the addition of interpretive signage can enhance the experience of viewing the wetlands the natural areas for their history and wildlife.
5. Consider the installation of periodic exercise stations at the waysides to provide active exercise incentives to trail participants.

6. *Planning for Urban Renewal Area*

The Wilsonville Capital Improvement Plan lists Coffee Creek Planning as a future project, identified for FY 2015/16. The project was specified to undertake an urban renewal

⁸ City of Wilsonville Capital Improvement Projects, FY 2015/16

⁹ City of Wilsonville Parks and Recreation Master Plan, Figure 3, Park System Map

feasibility study and plan for the annexation and infrastructure phasing. The urban renewal feasibility study has been completed.

7. Other Utilities

Electrical service, telecommunications service via fiber optic cable and natural gas services will also need to be extended into the Area to support development. These “dry” utilities are assumed to be constructed “as-needed” in support of specific developments. Private developments will be required to dedicate Public Utility Easements to facilitate extension of these utilities.

C. Social Conditions

For social conditions we refer to data from the US Census Bureau. The geographies used by the Census Bureau to summarize data do not strictly conform to the boundary of the Coffee Creek Urban Renewal Area. As such, we use the Census Bureau geographies that most closely align with the Urban Renewal Area boundary. Within the Coffee Creek Urban Renewal Area, there are 67 tax lots shown as residential use and another 3 parcels have manufactured structures. According to the US Census Bureau, ACS 2009-2013, this area is part of Census Tract 410670321101 and includes blocks 1018, 1062, 1063, 1064, and 1066. In these blocks, there were 64 residents. In these census blocks, 89% of the residents are white. The largest percentage of residents is between 10-14 years of age (11%).

Not all demographic data is reported at the Census block level. Some data is only available at the block group level. The Coffee Creek Urban Renewal Area is located within US Census Block Group 1, in Census Tract 321.10, in Washington County, Oregon. However, the Coffee Creek Urban Renewal Area accounts for only 10% of the acreage of the block group, and 3.0% of the population. Therefore the demographic data reported for the larger block group may not be indicative of the social conditions specific to the Coffee Creek Urban Renewal Area. However, this block group data is the most specific and recent data available for these social conditions. For the larger block group, 18% have earned a bachelor’s degree or higher, another 39% have some college education without a degree, and another 30% have graduated from high school.

D. Economic Conditions

1. Taxable Value of Property within the Area

The estimated total assessed value of the Area from the FY 2015/16 Washington County tax rolls, including all real, personal, personal manufactured, and utility properties, is estimated to be \$84,613,785. Some properties are presently in unincorporated Washington County and some within the city of Wilsonville.

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 4 below shows the improvement to land ratios for properties within Coffee Creek. The majority of parcels in the area (71% of the acreage) has I:L ratios of less than 1.0. In other words, the improvements on these properties are worth less than the land they sit on. Determining a “healthy” I:L ratio for this area is challenging, as it is zoned for industrial development, which typically have relatively low-value buildings, with large amounts of land devoted to storage, parking, and loading areas. Additionally, significant value for industrial uses often comes from machinery and equipment. These types of personal property are not reflected in an I:L analysis, which only looks at value from real property. Given these factors, ECONorthwest identifies a target I:L ratio of 2.0 for properties in this area. Only eight parcels in the area, including 12% of the acreage have I:L ratios of 2.0 or more in FY 2015-16. With the exception of the Commerce Circle subarea, the Coffee Creek area as a whole, is underdeveloped and not contributing significantly to the tax base in Wilsonville nor the tax base in Washington County.

Table 4 – I:L Ratio of Parcels in the Area

Improvement/Land Ratio	Parcels	Acres	Percent of Acres
Exempt	1	0.63	0.27%
No Improvement Value	8	34.05	14.69%
0.01-0.50	26	108.22	46.69%
0.51-1.00	8	23.35	10.07%
1.01-1.50	7	33.20	14.32%
1.51-2.00	1	4.32	1.86%
2.01-2.50	3	10.13	4.37%
2.51-3.00	1	3.93	1.70%
3.01-4.00	2	5.33	2.30%
>4.00	2	8.65	3.73%
Total	59	231.81	100.00%

Calculated by ECONorthwest with source data from Washington County Office of Assessment and Taxation

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 Impact of Tax Increment Financing of this Report. This subsection discusses the fiscal impacts resulting from potential increases in demand for municipal services.

The projects being considered for future use of urban renewal are utility and transportation projects. The use of urban renewal funding for these projects allows the City to match other funding sources to actually construct the improvements. It also allows the City to tap a

different funding source besides the City of Wilsonville's general fund, the City's system development charges (SDC), or Washington County Transportation Development Tax (TDT) funds to make these improvements.

It is anticipated that these improvements will catalyze development on the undeveloped and underdeveloped parcels. This development would not occur if the infrastructure is not upgraded. This development will require city services. However, since the majority of the property is within the urban growth boundary, the city has anticipated the need to provide infrastructure to the Area. As the development will be new construction or redevelopment, it will be up to current building code and will aid in any fire protection needs. An upgraded transportation system will also assist in fire prevention to the Area.

The financial impacts from tax increment collections will be countered by providing future jobs to the Wilsonville area and, in the future, placing property back on the property tax rolls with future increased tax bases for all taxing jurisdictions. As the parcels develop, they will be annexed, providing future tax revenue to the city of Wilsonville.

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

The reason for selecting the Area is to provide the ability to fund improvements necessary to cure blight within the Area.

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

The projects identified for the Area are described below, including how they relate to the existing conditions in the Area.

A. Infrastructure Improvements

1. Upgrade/provide infrastructure as necessary to allow for the development or redevelopment of parcels within and adjacent to the urban renewal area. The specific projects include:

- SW Day Road: SW Boones Ferry Road to SW Grahams Ferry Road
SW Day Road will be upgraded to a concrete surfaced five lane multi-modal urban (Major Arterial) standards including re-constructed intersections at SW Boones Ferry Road, and new a sewer system.

Existing conditions: Day Road exists in an asphalt surfaced three lane configuration without sidewalks. The pavement section is failing. The Day Road intersections at Grahams Ferry Road and Boones Ferry Road do not meet long-term mobility standards. The sewer system within the road does not exist.

- SW Grahams Ferry Road: SW Day Road to Railroad Underpass
SW Grahams Ferry Road will be upgraded to multi-modal urban (Minor Arterial) standards, with sewer, water and storm water system, including intersections at SW Cahalin Road, Java Road, and SW Elligsen Way.

Existing conditions: The Graham's Ferry Road segment is a two-lane rural road section without sidewalks or bike lanes. The three intersections are unsignalized and do not meet urban standards. Sewer, water and storm water systems do not exist within the road.

- SW Java Road
Construct new three lane road section with bike lanes, sidewalks, and landscaping from Garden Acres Road to Grahams Ferry Road.

Existing conditions: SW Java Road does not presently exist.

- SW Garden Acres Road: SW Ridder Road to SW Day Road
SW Garden Acres Road will be reconstructed to multi-modal urban (Collector) standards and will include a sewer and storm water system. The reconstruction will include intersections with SW Day Road, SW Cahalin Road, SW Java Road, and SW Ridder Road/SW Clutter Road. The intersection at SW Day Road will be reconfigured and will be signalized or may be constructed as a round-about.

Existing conditions: SW Garden Acres Road is a two lane rural road section that dead-ends at Day Road. It does not have sewer and storm water systems within the road.

- SW Clutter Road: SW Ridder Road to SW Grahams Ferry Road
SW Clutter Road will be reconstructed to a two lane multi-modal local street section with a cul-de-sac or hammerhead at the west end. Water, sewer and storm water systems will be installed.

Existing conditions: SW Clutter Road is a two-lane rural road section without bike lanes or sidewalks. It does not have water, sewer and storm water systems within the road.

- Coffee Creek Industrial Area Sewer Extensions
A new sewer collector will be installed to connect existing sewer collection pipes with new development in the Coffee Creek Industrial Area (CCIA) and extend to the new sewer to be constructed as part of the Day Road project.

Existing conditions: A main sewer collector exists in the southern reach of Garden Acres Road, turning west at approximately Java Road, and extending to the Coffee Creek Correctional Facility. No sewer lines exist east of Garden Acres Road.

- Lower SW Grahams Ferry Road Storm Outfall
A large diameter stormwater pipe serving as the main discharge outfall for the CCIA will be installed in lower SW Grahams Ferry Road.

Existing conditions: No stormwater piping in SW Grahams Ferry Road exists.

- Coffee Creek Industrial Area Regional Detention Pond
Construct a regional detention pond with a surface area of approximately 260,000 square feet with an outfall to Basalt Creek.

Existing conditions: Basalt Creek flows through the regional detention pond site, which is bordered by small local stormwater detention ponds with inadequate capacity to control stormwater flows. Frequent flooding is experienced.

- Coffee Creek Fiber Optic Network
Fiber optic conduit and cable will be installed concurrent with other dry utilities as various roads are constructed.

Existing conditions: There is no fiber optic cable in the Coffee Creek Industrial Area.

- Railroad Undercrossing
Grahams Ferry Road undercrossing project development. Perform preliminary analysis to determine needs and requirements for a modified underpass on Grahams Ferry Road and potentially partially fund improvements.

Existing conditions: The current underpass allows two-way traffic, has severe height limitations and other deficiencies for existing and future users.

B. Debt Service and Administration

This project will allow for the repayment of costs associated with the implementation of the Coffee Creek Urban Renewal Plan. It also includes ongoing administration and any financing costs associated with issuing long- and short-term debt, relocation costs and other administrative costs.

Existing Conditions: As there is currently no urban renewal program, these activities do not exist.

V. THE ESTIMATED TOTAL COST OF EACH PROJECT AND THE SOURCES OF MONEYS TO PAY SUCH COSTS

The costs of the projects are shown in Table 5. The sources of funds in the project costs column are a combination of tax increment funds and other funds. There will be other funding sources sought to leverage urban renewal funds. These sources include City of Wilsonville general funds, system development funds, state funding, or other sources of

funding the City may identify, including private developer contributions. The table below indicates some capacity within the \$67 million of maximum indebtedness to repay a portion of the other funding.

The allocations are the best estimates of expenditures at the time of preparation of the urban renewal plan. The Agency will be able to review and update the allocations on an annual basis when they prepare the annual budget. Nominal dollars are year of expenditure dollars, adjusted by 3% annually to account for inflation.

Table 5 – Projects to be Completed Using Urban Renewal Area Funds

Projects	Project Costs	
	2016 Dollars	Nominal Dollars
SW Day Road	\$10,560,565	\$13,491,500
SW Grahams Ferry Road	\$10,766,185	\$17,631,400
SW Java Road	\$3,206,320	\$4,137,800
SW Garden Acres Road	\$14,911,850	\$16,961,200
SW Clutter Road	\$5,597,540	\$7,205,000
Coffee Creek Industrial Area Sewer Extension	\$1,798,390	\$1,997,900
Lower Grahams Ferry Road Storm Outfall	\$939,160	\$1,495,900
Coffee Creek Regional Detention Pond	\$5,824,000	\$8,900,000
Fiber Optic Cable	Included above	Included above
Railroad Undercrossing	\$2,400,000	\$3,947,500
Administration	\$1,222,582	\$1,874,600
Finance Fees	\$1,000,700	\$1,382,000
Total	\$58,227,292	\$79,025,000
Sources of Funds		
SDC or other funds	\$11,282,276	\$14,025,000
Interest Earnings	\$51,808	\$80,081
Tax Increment Funds	\$46,893,208	\$64,919,919
Total	\$58,227,292	\$79,025,000

Source: City of Wilsonville, ECONorthwest forecasts

VI. THE ANTICIPATED COMPLETION DATE FOR EACH PROJECT

The schedule for construction of infrastructure projects will be based on the availability of funding and the specific infrastructure needs from proposed new development. The projects will be ongoing and will be completed as directed by the Agency. The assumptions in the finance plan are that the initial phase of private development could proceed with limited investment in new public infrastructure. The increase in assessed value from those initial

developments would generate sufficient tax increment finance revenue to finance the construction of additional projects in the Plan.

The finance plan assumes that infrastructure projects in the early years of the urban renewal area would be funded through loans from the State of Oregon, with favorable payment terms that reflect the inherent lag time between when investments occur and when tax increment finance revenues increase as a result of those investments. City staff have had preliminary discussions with representatives of the Oregon Infrastructure Authority (IFA) and the Oregon Department of Transportation: Oregon Transportation Investment Board (OTIB), regarding the potential sources of funding and repayment terms for these initial urban renewal projects.

The Area is anticipated to complete all projects in FYE 2034 and have sufficient tax increment finance revenue to terminate the district in FYE 2042. The projections in the financial model rely on assumptions for the amount, timing, and value of future speculative development in the Coffee Creek area. These assumptions are informed by the Coffee Creek Funding and Marketing Plan prepared by FCS Group (April 5, 2011). The assumptions have been updated to reflect the final urban renewal area boundary, and to provide more generic and conservative assumptions on value and timing of development. These assumptions are predicated on a strong economy with demand for industrial land in this location. Changes in market conditions could affect the assumed development schedule.

Projected project dates are in Table 6. The Agency may change the completion dates in their annual budgeting process or as project decisions are made in administering the urban renewal plan. The first year of tax increment collections is FY 2017/18.

Table 6 – Projects and Costs in Year of Expenditure Dollars

PROJECT FUND	Total	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Resources								
Beginning Fund Balance		\$0	\$13,048	\$28,958	\$56,536	\$20,093	\$394,010	\$57,399
Pay-as-you-go (Transfer from TIF Fund)	\$14,884,919	\$56,448	\$312,345	\$534,733	\$153,274	\$433,517	\$317,219	\$628,953
Bond/Loan Proceeds	\$50,035,000	\$335,000	\$1,650,000	\$8,750,000	\$2,200,000	\$0	\$0	\$7,100,000
SDC or Other Funds	\$14,025,000	\$0	\$0	\$0	\$5,500,000		\$1,325,000	\$3,000,000
Interest Earnings	\$80,081	\$0	\$65	\$145	\$283	\$100	\$1,970	\$287
Total Resources	\$79,025,000	\$391,448	\$1,975,458	\$9,313,836	\$7,910,093	\$453,710	\$2,038,199	\$10,786,639
Expenditures (nominal \$)								
SW Day Road	-\$13,491,500						-\$1,919,300	-\$5,700,600
SW Grahams Ferry Road	-\$17,631,400							
SW Java Road	-\$4,137,800							-\$1,528,200
SW Garden Acres Road	-\$16,961,200	-\$318,300	-\$983,400	-\$7,878,500	-\$7,781,000			
SW Clutter Road	-\$7,205,000							-\$3,290,600
Coffee Creek Industrial Area Sewer Extension	-\$1,997,900		-\$872,400	-\$1,125,500				
Lower Grahams Ferry Road Storm Outfall	-\$1,495,900							
Regional Detention Pond	-\$8,900,200							
Railroad Undercrossing Project	-\$3,947,500							
Admin	-\$1,874,600	-\$53,000	-\$54,600	-\$56,300	-\$58,000	-\$59,700	-\$61,500	-\$63,300
Finance Fees	-\$1,382,000	-\$7,100	-\$36,100	-\$197,000	-\$51,000			-\$179,900
Total Expenditures	-\$79,025,000	-\$378,400	-\$1,946,500	-\$9,257,300	-\$7,890,000	-\$59,700	-\$1,980,800	-\$10,762,600
Ending Fund Balance		\$13,048	\$28,958	\$56,536	\$20,093	\$394,010	\$57,399	\$24,039

Source: ECONorthwest

Table 6 – Projects and Costs in Year of Expenditure Dollars, page 2

PROJECT FUND	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33
Resources									
Beginning Fund Balance	\$24,039	\$42,530	\$486,533	\$1,295,037	\$1,984,027	\$3,077,557	\$14,071	\$5,052,633	\$70,301
Pay-as-you-go (Transfer from TIF Fund)	\$957,471	\$510,990	\$875,271	\$753,815	\$1,157,010	\$1,580,926	\$1,183,892	\$1,651,905	\$1,280,759
Bond/Loan Proceeds	\$8,750,000	\$0	\$0	\$0	\$0	\$0	\$10,500,000	\$0	\$10,750,000
SDC or Other Funds	\$3,000,000					\$1,200,000			
Interest Earnings	\$120	\$213	\$2,433	\$6,475	\$9,920	\$15,388	\$70	\$25,263	\$352
Total Resources	\$12,731,630	\$553,733	\$1,364,237	\$2,055,327	\$3,150,957	\$5,873,871	\$11,698,033	\$6,729,801	\$12,101,412
Expenditures (nominal \$)									
SW Day Road	-\$5,871,600								
SW Grahams Ferry Road							-\$2,751,700	-\$4,814,100	-\$4,958,400
SW Java Road	-\$2,609,600								
SW Garden Acres Road									
SW Clutter Road	-\$3,914,400								
Coffee Creek Industrial Area Sewer Exten									
Lower Grahams Ferry Road Storm Outfall							-\$372,600	-\$1,123,300	
Regional Detention Pond						-\$5,784,200	-\$3,116,000		
Railroad Undercrossing Project								-\$641,900	-\$3,305,600
Admin	-\$65,200	-\$67,200	-\$69,200	-\$71,300	-\$73,400	-\$75,600	-\$77,900	-\$80,200	-\$82,600
Finance Fees	-\$228,300						-\$327,200		-\$355,400
Total Expenditures	-\$12,689,100	-\$67,200	-\$69,200	-\$71,300	-\$73,400	-\$5,859,800	-\$6,645,400	-\$6,659,500	-\$8,702,000
Ending Fund Balance	\$42,530	\$486,533	\$1,295,037	\$1,984,027	\$3,077,557	\$14,071	\$5,052,633	\$70,301	\$3,399,412

Source: ECONorthwest

Table 6 – Projects and Costs in Year of Expenditure Dollars, page 3

PROJECT FUND	2033-34	2034-35	2035-36	2036-37	2037-38	2038-39	2039-40	2040-41	2041-42
Resources									
Beginning Fund Balance	\$3,399,412	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pay-as-you-go (Transfer from TIF Fund)	\$1,775,891	\$87,700	\$90,300	\$93,000	\$95,800	\$98,700	\$101,600	\$104,700	\$48,700
Bond/Loan Proceeds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
SDC or Other Funds									
Interest Earnings	\$16,997	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Resources	\$5,192,300	\$87,700	\$90,300	\$93,000	\$95,800	\$98,700	\$101,600	\$104,700	\$48,700
Expenditures (nominal \$)									
SW Day Road									
SW Grahams Ferry Road	-\$5,107,200								
SW Java Road									
SW Garden Acres Road									
SW Clutter Road									
Coffee Creek Industrial Area Sewer Exten									
Lower Grahams Ferry Road Storm Outfall									
Regional Detention Pond									
Railroad Undercrossing Project									
Admin	-\$85,100	-\$87,700	-\$90,300	-\$93,000	-\$95,800	-\$98,700	-\$101,600	-\$104,700	-\$48,700
Finance Fees									
Total Expenditures	-\$5,192,300	-\$87,700	-\$90,300	-\$93,000	-\$95,800	-\$98,700	-\$101,600	-\$104,700	-\$48,700
Ending Fund Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Source: ECONorthwest

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

Table 7 shows the tax increment revenues, interest earnings, their allocation to loan repayments, reimbursements, and debt service.

It is anticipated that all debt will be retired by FYE 2042 (any outstanding bonds will be defeased). The maximum indebtedness is \$67,000,000 (sixty seven million dollars).

The estimated total amount of tax increment revenues required to service the maximum indebtedness of \$67 million is \$99,602,388 and includes both tax increment revenues from permanent rate levies and division of tax revenues from the general obligation bond of the Sherwood School District as explained in Section IX.

There have been discussions with the State IFA for initial funding for the Area as tax increment revenues are predicated on development occurring within the Area. If the State IFA is able to help with the financing of the initial improvements, then parcels will become developable and the increment from any new development will help repay the State IFA loan.

The interest rate for the loans and bonds are estimated at 5% with varying terms. Some loans are assumed to have a period of interest only payments. Some loans are assumed to have a period of up to three years for funds to be drawn down. With few exceptions, the assumed financing plan maintains a debt service coverage ratio of at least 1.25 x total annual debt service payments. The large debt service payments shown in FYE 2042 are not intended to reflect a debt structure that requires a balloon payment in those years, but instead reflects the ability to repay all outstanding future debt service payments at that time.

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 this scenario is financially feasible.

Table 7 – Tax Increment Revenues and Allocations to Debt Service

DEBT SERVICE FUND								
	Total	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Resources								
Beginning Fund Balance		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$837,460	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TIF for URA	\$99,602,388	\$56,448	\$312,345	\$534,733	\$800,024	\$1,080,267	\$1,375,916	\$1,687,650
Total Resources	\$99,602,388	\$56,448	\$312,345	\$534,733	\$800,024	\$1,080,267	\$1,375,916	\$1,687,650
Expenditures								
<i>Debt Service</i>								
Loan(s) from State - FYE 2018	-\$1,293,500	\$0	\$0	\$0	-\$646,750	-\$646,750	\$0	\$0
Refunding Loan - FYE 2023	-\$20,115,243						-\$1,058,697	-\$1,058,697
Loan(s) from State - FYE 2024	-\$1,585,000							\$0
Refunding Loan - FYE 2028	-\$25,945,640							
New Loan - FYE 2031	-\$16,850,940							
New Loan - FYE 2033	-\$17,252,160							
Repayment to SDC Fund	-\$2,000,000							
Total Debt Service	-\$85,042,483	\$0	\$0	\$0	-\$646,750	-\$646,750	-\$1,058,697	-\$1,058,697
Coverage Ratio		0.00	0.00	0.00	1.24	1.67	1.30	1.59
<i>Transfer to Project Fund</i>	-\$14,559,905	-\$56,448	-\$312,345	-\$534,733	-\$153,274	-\$433,517	-\$317,219	-\$628,953
Total Expenditures	-\$99,602,388	-\$56,448	-\$312,345	-\$534,733	-\$800,024	-\$1,080,267	-\$1,375,916	-\$1,687,650
Ending Fund Balance		\$0	\$0	\$0	\$0	\$0	\$0	\$0

Source: ECONorthwest

Table 7 – Tax Increment Revenues and Allocations to Debt Service, page 2

DEBT SERVICE FUND									
	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33
Resources									
Beginning Fund Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TIF for URA	\$2,016,168	\$2,362,187	\$2,726,468	\$3,109,794	\$3,512,989	\$3,936,905	\$4,382,418	\$4,850,431	\$5,341,893
Total Resources	\$2,016,168	\$2,362,187	\$2,726,468	\$3,109,794	\$3,512,989	\$3,936,905	\$4,382,418	\$4,850,431	\$5,341,893
Expenditures									
<i>Debt Service</i>									
Loan(s) from State - FYE 2018	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Refunding Loan - FYE 2023	-\$1,058,697	-\$1,058,697	-\$1,058,697	-\$1,058,697	-\$1,058,697	-\$1,058,697	-\$1,058,697	-\$1,058,697	-\$1,058,697
Loan(s) from State - FYE 2024	\$0	-\$792,500	-\$792,500	\$0	\$0	\$0	\$0	\$0	\$0
Refunding Loan - FYE 2028				-\$1,297,282	-\$1,297,282	-\$1,297,282	-\$1,297,282	-\$1,297,282	-\$1,297,282
New Loan - FYE 2031							-\$842,547	-\$842,547	-\$842,547
New Loan - FYE 2033									-\$862,608
Repayment to SDC Fund									
Total Debt Service	-\$1,058,697	-\$1,851,197	-\$1,851,197	-\$2,355,979	-\$2,355,979	-\$2,355,979	-\$3,198,526	-\$3,198,526	-\$4,061,134
Coverage Ratio	1.90	1.28	1.47	1.32	1.49	1.67	1.37	1.52	1.32
<i>Transfer to Project Fund</i>	-\$957,471	-\$510,990	-\$875,271	-\$753,815	-\$1,157,010	-\$1,580,926	-\$1,183,892	-\$1,651,905	-\$1,280,759
Total Expenditures	-\$2,016,168	-\$2,362,187	-\$2,726,468	-\$3,109,794	-\$3,512,989	-\$3,936,905	-\$4,382,418	-\$4,850,431	-\$5,341,893
Ending Fund Balance	\$0								

Source: ECONorthwest

Table 7 – Tax Increment Revenues and Allocations to Debt Service, page 3

DEBT SERVICE FUND									
	2033-34	2034-35	2035-36	2036-37	2037-38	2038-39	2039-40	2040-41	2041-42
Resources									
Beginning Fund Balance	\$0	\$20,776	\$2,271,226	\$3,098,239	\$5,875,256	\$8,818,963	\$11,841,402	\$14,944,968	\$18,131,932
Interest Earnings	\$0	\$104	\$11,356	\$15,491	\$29,376	\$44,095	\$59,207	\$74,725	\$90,660
TIF for URA	\$5,857,801	\$6,399,180	\$6,967,091	\$6,915,660	\$7,071,265	\$7,138,178	\$7,207,093	\$7,278,073	\$6,681,411
Total Resources	\$5,857,801	\$6,420,060	\$9,249,673	\$10,029,390	\$12,975,897	\$16,001,236	\$19,107,702	\$22,297,766	\$24,904,003
Expenditures									
<i>Debt Service</i>									
Loan(s) from State - FYE 2018	\$0	\$0							
Refunding Loan - FYE 2023	-\$1,058,697	-\$1,058,697	-\$1,058,697	-\$1,058,697	-\$1,058,697	-\$1,058,697	-\$1,058,697	-\$1,058,697	
Loan(s) from State - FYE 2024	\$0	\$0	\$0	\$0					
Refunding Loan - FYE 2028	-\$1,297,282	-\$1,297,282	-\$1,297,282	-\$1,297,282	-\$1,297,282	-\$1,297,282	-\$1,297,282	-\$1,297,282	-\$7,783,692
New Loan - FYE 2031	-\$842,547	-\$842,547	-\$842,547	-\$842,547	-\$842,547	-\$842,547	-\$842,547	-\$842,547	-\$7,582,923
New Loan - FYE 2033	-\$862,608	-\$862,608	-\$862,608	-\$862,608	-\$862,608	-\$862,608	-\$862,608	-\$862,608	-\$9,488,688
Repayment to SDC Fund			-\$2,000,000						
Total Debt Service	-\$4,061,134	-\$4,061,134	-\$6,061,134	-\$4,061,134	-\$4,061,134	-\$4,061,134	-\$4,061,134	-\$4,061,134	-\$24,855,303
Coverage Ratio	1.44	1.58	1.15	1.70	1.74	1.76	1.77	1.79	2.23
<i>Transfer to Project Fund</i>	-\$1,775,891	-\$87,700	-\$90,300	-\$93,000	-\$95,800	-\$98,700	-\$101,600	-\$104,700	-\$48,700
Total Expenditures	-\$5,837,025	-\$4,148,834	-\$6,151,434	-\$4,154,134	-\$4,156,934	-\$4,159,834	-\$4,162,734	-\$4,165,834	-\$24,904,003
Ending Fund Balance	\$20,776	\$2,271,226	\$3,098,239	\$5,875,256	\$8,818,963	\$11,841,402	\$14,944,968	\$18,131,932	\$0

Source: ECONorthwest

VIII. FINANCIAL ANALYSIS OF THE PLAN

The estimated tax increment revenues through FY 2041/ 42, as shown above, are based on projections of the assessed value of development within the Area and the total tax rate that will apply in the Area. The assumptions include new development projects, as identified by the City of Wilsonville and minimum growth rates of existing assessed value at 3% for real property, 1% for personal and utility property, and 0% for manufactured property. There is substantial acreage in the Area that is undeveloped where the full future development value will add to the incremental assessed value of the Area.

Table 8 shows the assumptions on when development within the Area will come on the property tax rolls. These assumptions are informed by the Coffee Creek Funding and Marketing Plan prepared by FCS Group (April 5, 2011). The assumptions have been updated to reflect the final urban renewal area boundary, and to provide more generic and conservative assumptions on value and timing of development. The first year that significant exception value from new development is anticipated in the area is FYE 2019, based on the timing of building permits that have been submitted for projects in the area at the time this report was written. Full build out of the area is assumed to take 20 years, through FYE 2038.

Table 8 – New Development to go on Property Tax Rolls

FYE	Exception AV	
	Real Property	Total
2019	\$18,694,152	\$18,694,152
2020	\$19,255,302	\$19,255,302
2021	\$19,833,559	\$19,833,559
2022	\$20,428,926	\$20,428,926
2023	\$21,041,400	\$21,041,400
2024	\$21,672,693	\$21,672,693
2025	\$22,322,805	\$22,322,805
2026	\$22,991,737	\$22,991,737
2027	\$23,681,198	\$23,681,198
2028	\$24,391,189	\$24,391,189
2029	\$25,123,421	\$25,123,421
2030	\$25,877,894	\$25,877,894
2031	\$26,654,607	\$26,654,607
2032	\$27,453,561	\$27,453,561
2033	\$28,276,466	\$28,276,466
2034	\$29,125,034	\$29,125,034
2035	\$29,999,264	\$29,999,264
2036	\$30,899,156	\$30,899,156
2037	\$31,826,422	\$31,826,422
2038	\$32,612,520	\$32,612,520

Source: ECONorthwest, informed by City of Wilsonville Coffee Creek Funding and Marketing Plan

Table 9 shows the projected incremental assessed value, projected tax rates that would produce tax increment revenues, and the annual tax increment revenues (adjusted for under-collection, penalties, and interest). These projections of increment are the basis for the projections in Tables 6 and 7. The first year of tax increment collections is FY 2017/2018. 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”. Adjustments are from undercollections and delinquencies. The tax rate includes permanent rates and the Sherwood School District general obligation bond. In FYE 2020 the tax rate reduces, due to the expiration of the Sherwood School District general obligation bond.

Table 9 – Projected Incremental Assessed Value, Tax Rates, and Tax Increment Revenues

FYE	Assessed Value	Frozen Base	Excess Value	Tax Rate	Tax Increment Finance Revenue			Cumulative TIF
					Gross TIF	Adjustments	Net TIF	
2017	\$86,979,833	\$84,613,785	\$0	0.0000	\$0	\$0	\$0	\$0
2018	\$89,415,151	\$84,613,785	\$4,801,366	12.3754	\$59,419	(\$2,971)	\$56,448	\$56,448
2019	\$110,453,856	\$84,613,785	\$25,840,071	12.7238	\$328,784	(\$16,439)	\$312,345	\$368,793
2020	\$132,684,782	\$84,613,785	\$48,155,674	11.6887	\$562,877	(\$28,144)	\$534,733	\$903,526
2021	\$156,160,832	\$84,613,785	\$72,039,832	11.6898	\$842,131	(\$42,107)	\$800,024	\$1,703,550
2022	\$180,936,501	\$84,613,785	\$97,274,793	11.6898	\$1,137,123	(\$56,856)	\$1,080,267	\$2,783,817
2023	\$207,067,920	\$84,613,785	\$123,897,153	11.6898	\$1,448,333	(\$72,417)	\$1,375,916	\$4,159,733
2024	\$234,614,611	\$84,613,785	\$151,967,912	11.6898	\$1,776,474	(\$88,824)	\$1,687,650	\$5,847,383
2025	\$263,637,892	\$84,613,785	\$181,549,913	11.6898	\$2,122,282	(\$106,114)	\$2,016,168	\$7,863,551
2026	\$294,200,907	\$84,613,785	\$212,707,905	11.6898	\$2,486,513	(\$124,326)	\$2,362,187	\$10,225,738
2027	\$326,370,414	\$84,613,785	\$245,510,315	11.6898	\$2,869,966	(\$143,498)	\$2,726,468	\$12,952,206
2028	\$360,215,168	\$84,613,785	\$280,027,631	11.6898	\$3,273,467	(\$163,673)	\$3,109,794	\$16,062,000
2029	\$395,807,707	\$84,613,785	\$316,334,190	11.6898	\$3,697,883	(\$184,894)	\$3,512,989	\$19,574,989
2030	\$433,222,740	\$84,613,785	\$354,506,582	11.6898	\$4,144,111	(\$207,206)	\$3,936,905	\$23,511,894
2031	\$472,537,225	\$84,613,785	\$394,623,711	11.6898	\$4,613,072	(\$230,654)	\$4,382,418	\$27,894,312
2032	\$513,830,418	\$84,613,785	\$436,766,868	11.6898	\$5,105,717	(\$255,286)	\$4,850,431	\$32,744,743
2033	\$557,185,674	\$84,613,785	\$481,021,521	11.6898	\$5,623,045	(\$281,152)	\$5,341,893	\$38,086,636
2034	\$602,690,557	\$84,613,785	\$527,477,428	11.6898	\$6,166,106	(\$308,305)	\$5,857,801	\$43,944,437
2035	\$650,435,258	\$84,613,785	\$576,227,071	11.6898	\$6,735,979	(\$336,799)	\$6,399,180	\$50,343,617
2036	\$700,512,669	\$84,613,785	\$627,365,719	11.6898	\$7,333,780	(\$366,689)	\$6,967,091	\$57,310,708
2037	\$753,020,192	\$84,613,785	\$680,993,242	11.6898	\$7,960,675	(\$398,034)	\$7,562,641	\$64,873,349
2038	\$807,889,992	\$84,613,785	\$737,040,354	11.6898	\$8,615,854	(\$430,793)	\$8,185,061	\$73,058,410
2039	\$831,990,946	\$84,613,785	\$761,141,308	11.6898	\$8,897,590	(\$444,880)	\$8,452,710	\$81,511,120
2040	\$856,813,570	\$84,613,785	\$785,963,932	11.6898	\$9,187,761	(\$459,388)	\$8,728,373	\$90,239,493
2041	\$882,379,503	\$84,613,785	\$811,529,865	11.6898	\$9,486,622	(\$474,331)	\$9,012,291	\$99,251,784
2042	\$908,711,028	\$84,613,785	\$837,861,390	11.6898	9,794,432	(489,722)	9,304,710	108,556,494

Source: ECONorthwest

Notes:

TIF is tax increment revenues

Tax rates are expressed in terms of dollars per \$1,000 of assessed value.

Changes in total tax rates are due to general obligation bonds with variable rates. These bonds are scheduled to be retired in FYE 2019, after which the total tax rate for the area will stabilize as the sum total of all permanent rates for affected taxing districts.

Revenue sharing is part of the 2009 legislative changes to urban renewal and means that, at thresholds defined in ORS 457.470, the impacted taxing jurisdictions will receive a share of the incremental growth in the area. The share is a percentage basis dependent upon the tax rates of the taxing jurisdictions. The first threshold is 10% of the original maximum indebtedness. At the 10% threshold, the Agency will receive the full 10% of the initial maximum indebtedness plus 25% of the increment above the 10% threshold and the taxing

jurisdictions will receive 75% of the increment above the 10% threshold. The second threshold is set at 12.5% of the maximum indebtedness. If this threshold is met, revenue for the district would be capped at 12.5% of the maximum indebtedness, with all additional tax revenue being shared with affected taxing districts. This 12.5% threshold is not anticipated to be reached prior to the termination of this district.

Table 10 shows revenue sharing, projected to commence in FYE 2037, as the Area is projected to meet the revenue sharing target at 10% of initial maximum indebtedness in the prior year. If assessed value in the Area grows more quickly than projected, the revenue sharing triggers would be reached at an earlier date.

Table 10 – Projected Revenue Sharing

FYE	Total	TIF for URA	Shared
2017	\$0	\$0	\$0
2018	\$56,448	\$56,448	\$0
2019	\$312,345	\$312,345	\$0
2020	\$534,733	\$534,733	\$0
2021	\$800,024	\$800,024	\$0
2022	\$1,080,267	\$1,080,267	\$0
2023	\$1,375,916	\$1,375,916	\$0
2024	\$1,687,650	\$1,687,650	\$0
2025	\$2,016,168	\$2,016,168	\$0
2026	\$2,362,187	\$2,362,187	\$0
2027	\$2,726,468	\$2,726,468	\$0
2028	\$3,109,794	\$3,109,794	\$0
2029	\$3,512,989	\$3,512,989	\$0
2030	\$3,936,905	\$3,936,905	\$0
2031	\$4,382,418	\$4,382,418	\$0
2032	\$4,850,431	\$4,850,431	\$0
2033	\$5,341,893	\$5,341,893	\$0
2034	\$5,857,801	\$5,857,801	\$0
2035	\$6,399,180	\$6,399,180	\$0
2036	\$6,967,091	\$6,967,091	\$0
2037	\$7,562,641	\$6,915,660	\$646,981
2038	\$8,185,061	\$7,071,265	\$1,113,796
2039	\$8,452,710	\$7,138,178	\$1,314,532
2040	\$8,728,373	\$7,207,093	\$1,521,280
2041	\$9,012,291	\$7,278,073	\$1,734,218
2042	\$9,304,710	\$6,681,411	\$2,623,299

Source: ECONorthwest TIF is tax increment revenues

IX. IMPACT OF THE TAX INCREMENT FINANCING

This section describes the impact of tax increment financing of the new maximum indebtedness, both until and after the indebtedness is repaid, upon all entities levying taxes upon property in the urban renewal 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 estimated through FYE 2042, and are shown in Tables 11a and 11b.

The Sherwood School District and the Northwest Regional Education Service District 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 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 substantially replaced with State School Fund revenues, as determined by a funding formula at the State level.

Tables 11a and 11b show the projected impacts to permanent rate levies of taxing districts as a result of this Plan. It assumes the growth as projected in Table 8 in this Report, in addition to general appreciation in real property assessed value. Table 11a shows the general government levies and Table 11b shows the education levies.

General obligation bonds and local option levies are impacted by urban renewal only if they were originally approved by voters in an election prior to October 6, 2001. There are no local option levies approved prior to October 6, 2001 that are in effect in the Coffee Creek urban renewal area. There is, however, one general obligation bond that will be impacted. For general obligation bonds, the impact is on the property owner, not on the taxing district. The assessor must assess a slightly higher rate to all properties in the taxing district to account for the division of taxes of the general obligation bond.

Table 11c shows the projected impact to the property owner as a result of a general obligation bond issued by the Sherwood School District prior to 2001. As a result of urban renewal, a property tax owner will pay an additional 15 cents per \$100,000 of value in 2018 and 82 cents per \$100,000 of value in 2019, totaling 97 cents of additional taxes per \$100,000 of value over the life of the district. This impact is only for two years as that is when the Sherwood School District Bond is set to expire. Any bonds issued after October of 2001 are not subject to urban renewal division of taxes.

Table 11a – Projected Impact on Taxing District Permanent Rate Levies - General Government

FYE	General Government					Subtotal
	Washington County Perm	City of Wilsonville Perm	Metro Perm	TVF&R Perm	Port of Portland Perm	
2018	-\$10,165	-\$9,799	-\$402	-\$6,956	-\$320	-\$27,642
2019	-\$54,703	-\$61,070	-\$2,354	-\$37,440	-\$1,720	-\$157,287
2020	-\$101,944	-\$115,262	-\$4,419	-\$69,774	-\$3,207	-\$294,606
2021	-\$152,507	-\$172,504	-\$6,611	-\$104,381	-\$4,797	-\$440,800
2022	-\$205,929	-\$232,931	-\$8,927	-\$140,945	-\$6,478	-\$595,210
2023	-\$262,288	-\$296,680	-\$11,370	-\$179,520	-\$8,251	-\$758,109
2024	-\$321,713	-\$363,898	-\$13,946	-\$220,192	-\$10,120	-\$929,869
2025	-\$384,338	-\$434,734	-\$16,661	-\$263,055	-\$12,090	-\$1,110,878
2026	-\$450,298	-\$509,344	-\$19,520	-\$308,201	-\$14,165	-\$1,301,528
2027	-\$519,740	-\$587,892	-\$22,530	-\$355,730	-\$16,350	-\$1,502,242
2028	-\$592,813	-\$670,546	-\$25,698	-\$405,743	-\$18,648	-\$1,713,448
2029	-\$669,673	-\$757,484	-\$29,030	-\$458,349	-\$21,066	-\$1,935,602
2030	-\$750,483	-\$848,891	-\$32,533	-\$513,659	-\$23,608	-\$2,169,174
2031	-\$835,410	-\$944,954	-\$36,215	-\$571,786	-\$26,280	-\$2,414,645
2032	-\$924,627	-\$1,045,869	-\$40,082	-\$632,849	-\$29,086	-\$2,672,513
2033	-\$1,018,313	-\$1,151,840	-\$44,143	-\$696,971	-\$32,034	-\$2,943,301
2034	-\$1,116,659	-\$1,263,082	-\$48,407	-\$764,283	-\$35,127	-\$3,227,558
2035	-\$1,219,861	-\$1,379,816	-\$52,880	-\$834,918	-\$38,374	-\$3,525,849
2036	-\$1,328,121	-\$1,502,271	-\$57,573	-\$909,015	-\$41,779	-\$3,838,759
2037	-\$1,318,317	-\$1,491,181	-\$57,148	-\$902,305	-\$41,471	-\$3,810,422
2038	-\$1,347,979	-\$1,524,734	-\$58,434	-\$922,607	-\$42,404	-\$3,896,158
2039	-\$1,360,735	-\$1,539,162	-\$58,987	-\$931,337	-\$42,805	-\$3,933,026
2040	-\$1,373,872	-\$1,554,021	-\$59,557	-\$940,329	-\$43,219	-\$3,970,998
2041	-\$1,387,403	-\$1,569,326	-\$60,143	-\$949,590	-\$43,644	-\$4,010,106
2042	-\$1,273,662	-\$1,440,672	-\$55,213	-\$871,742	-\$40,066	-\$3,681,355

Source: ECONorthwest

Table 11b – Projected Impact on Taxing District Permanent Rate Levies - Education

FYE	Education			Subtotal	Total
	Sherwood SD Perm	PCC Perm	NW Regional ESD Perm		
2018	-\$21,951	-\$1,290	-\$701	-\$23,942	-\$51,584
2019	-\$118,132	-\$6,942	-\$3,775	-\$128,849	-\$286,136
2020	-\$220,153	-\$12,938	-\$7,036	-\$240,127	-\$534,733
2021	-\$329,343	-\$19,354	-\$10,526	-\$359,223	-\$800,023
2022	-\$444,710	-\$26,134	-\$14,213	-\$485,057	-\$1,080,267
2023	-\$566,419	-\$33,286	-\$18,103	-\$617,808	-\$1,375,917
2024	-\$694,749	-\$40,828	-\$22,204	-\$757,781	-\$1,687,650
2025	-\$829,989	-\$48,775	-\$26,526	-\$905,290	-\$2,016,168
2026	-\$972,433	-\$57,146	-\$31,079	-\$1,060,658	-\$2,362,186
2027	-\$1,122,396	-\$65,959	-\$35,872	-\$1,224,227	-\$2,726,469
2028	-\$1,280,198	-\$75,232	-\$40,915	-\$1,396,345	-\$3,109,793
2029	-\$1,446,180	-\$84,986	-\$46,220	-\$1,577,386	-\$3,512,988
2030	-\$1,620,692	-\$95,242	-\$51,797	-\$1,767,731	-\$3,936,905
2031	-\$1,804,095	-\$106,020	-\$57,658	-\$1,967,773	-\$4,382,418
2032	-\$1,996,760	-\$117,342	-\$63,816	-\$2,177,918	-\$4,850,431
2033	-\$2,199,079	-\$129,231	-\$70,282	-\$2,398,592	-\$5,341,893
2034	-\$2,411,461	-\$141,712	-\$77,070	-\$2,630,243	-\$5,857,801
2035	-\$2,634,329	-\$154,809	-\$84,193	-\$2,873,331	-\$6,399,180
2036	-\$2,868,119	-\$168,548	-\$91,664	-\$3,128,331	-\$6,967,090
2037	-\$2,846,946	-\$167,304	-\$90,988	-\$3,105,238	-\$6,915,660
2038	-\$2,911,003	-\$171,068	-\$93,035	-\$3,175,106	-\$7,071,264
2039	-\$2,938,549	-\$172,687	-\$93,915	-\$3,205,151	-\$7,138,177
2040	-\$2,966,919	-\$174,354	-\$94,822	-\$3,236,095	-\$7,207,093
2041	-\$2,996,139	-\$176,071	-\$95,756	-\$3,267,966	-\$7,278,072
2042	-\$2,750,514	-\$161,637	-\$87,906	-\$3,000,057	-\$6,681,412

Source: ECONorthwest. Please refer to the explanation of the schools funding in the preceding section

Table 11c – Projected Impact on Property Tax Payers Due to General Obligation Bonds

FYE	GO Bond Tax Rate			Property Tax Paid per \$100,000 AV		
	Without UR	With UR	Impact of UR	Without UR	With UR	Impact of UR
2018	1.0650	1.0665	0.0015	\$ 106.50	\$ 106.65	\$ 0.15
2019	1.0593	1.0675	0.0082	\$ 105.93	\$ 106.75	\$ 0.82
Total				\$ 212.43	\$ 213.40	\$ 0.97

Source: ECONorthwest. Please refer to the explanation of the impacts of GO bonds in the preceding section

Table 12 shows the projected increased revenue to the taxing jurisdictions after tax increment proceeds are projected to be terminated. These projections are for FYE 2043.

Table 12 – Additional Revenues Obtained after Termination of Tax Increment Financing

Taxing District	Tax Rate	Tax Revenue in FYE 2043 (year after expiration)		
		From Frozen Base	From Excess Value	Total
General Government				
Washington County	2.2284	\$188,553	\$1,896,853	\$2,085,406
City of Wilsonville	2.5206	\$178,584	\$2,180,272	\$2,358,856
Metro	0.0966	\$7,328	\$83,073	\$90,401
TVF&R	1.5252	\$129,053	\$1,298,277	\$1,427,330
Port of Portland	0.0701	\$5,932	\$59,670	\$65,602
<i>Subtotal</i>		\$509,450	\$5,518,145	\$6,027,595
Education				
Sherwood SD	4.8123	\$407,187	\$4,096,313	\$4,503,500
PCC	0.2828	\$23,929	\$240,724	\$264,653
NW Regional ESD	0.1538	\$13,014	\$130,917	\$143,931
<i>Subtotal</i>		\$444,130	\$4,467,954	\$4,912,084
Total		\$953,580	\$9,986,099	\$10,939,679

Source: ECONorthwest

X. 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, including all real, personal, personal, manufactured, and utility properties in the Area, is projected to be \$84,613,785. The total assessed value of the City of Wilsonville, **minus excess value** of the existing urban renewal areas is \$2,508,568,952. Excess value is the assessed value created above the frozen base in the urban renewal area. The total urban renewal assessed value is 7.31% of the total assessed value of the City, minus excess value, below the 25% statutory limitation.

The Coffee Creek Urban Renewal Area contains 258.35 acres, including right-of-way, and the City of Wilsonville contains 4,805 acres. After accounting for the acreage in the other urban renewal areas, 24.57% of the City's acreage is in an urban renewal area, below the 25% statutory limitation.

Table 13 – 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
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
Coffee Creek	\$84,613,785	258.35
Total in URAs	\$183,419,108	1188.16
City of Wilsonville*	\$2,508,568,952	4,835
Percent of Total	7.31%	24.57%

Source: City of Wilsonville, Clackamas County Assessor *less excess value

XI. RELOCATION REPORT

There is no relocation report required for the Plan. No specific acquisitions that would result in relocation benefits have been identified, however, there are plans to acquire land for infrastructure which may trigger relocation benefits in the future in the Area.

Appendix A: Sources Cited and Reviewed for Coffee Creek Existing Conditions Report

Sources appear in order of citation in document.

“Coffee Creek Master Plan” Otak, Inc, DKS Associates, Inc. City of Wilsonville, October 15, 2007.

“Wilsonville Transportation Systems Plan” p 5-5, 5-6, 5-7, 5-17, 5-18, 5-19. DKS Associates and Angelo Planning Group, City of Wilsonville, June 17, 2013.

“City of Wilsonville Water Systems Master Plan” p 81, 107. Keller Associates, City of Wilsonville, September 6, 2012.

“City of Wilsonville Storm Water Master Plan” p 8-19. URS, City of Wilsonville, March, 2012.

“City of Wilsonville Wastewater Collection System Master Plan” p 20, 38, 113, 115, 123. Murray Smith and Associated, Inc. City of Wilsonville, November, 2014.

“City of Wilsonville Parks Master Plan” p 16. MIG, Inc. ECONorthwest, Mayer/Reed , September 17, 2007.

“Coffee Creek Industrial Area Infrastructure Analysis” FCS Group, March 29, 2011.

“Coffee Creek Funding and Marketing Plan” FCS Group, April 5, 2011.

**NOTICE OF LEGISLATIVE PUBLIC HEARING
BEFORE THE CITY COUNCIL:**

Coffee Creek Urban Renewal Plan



City Council:

On **Monday, August 1, 2016, beginning at 7:00 p.m.**, the Wilsonville City Council will hold a public hearing and consider an ordinance for the adoption of the proposed Coffee Creek Urban Renewal Plan.

The hearing will take place at

**Wilsonville City Hall
29799 SW Town Center Loop East
Wilsonville, Oregon**

A copy of the ordinance, the proposed Coffee Creek Urban Renewal Plan and accompanying report may be obtained by contacting:

Nancy Kraushaar, Community Development Director at 29799 SW Town Center Loop E,
Wilsonville 97070 (503) 570-1562

Summary of Proposal:

The proposed maximum indebtedness for the Coffee Creek Urban Renewal Plan is \$67,000,000. The ordinance, if approved, is subject to referendum. The adoption of the Plan may impact property tax rates for general obligation bonds approved by voters prior to October 6, 2001 .

The impact is estimated to last two years and is less than a total of a dollar per \$100,000 of assessed value.

How to Comment: Oral or written testimony may be presented at the public hearing. Written comment on the proposal to be submitted into the public hearing record is welcome prior to the public hearings.

Direct such written comments or testimony to:

Nancy Kraushaar, Community Development Director
29799 SW Town Center Loop East, Wilsonville, Oregon, 97070;
kraushaar@ci.wilsonville.or.us, (503) 570-1562

Copies of the full draft plan is available from the Wilsonville Planning Division at the above address and at the project website: www.ci.wilsonville.or.us

Note: Assistive Listening Devices (ALD) are available for persons with impaired hearing and can be scheduled for this meeting. The City will also endeavor to provide qualified sign language interpreters and/or bilingual interpreters, without cost, if requested at least 48 hours prior to the meeting. To obtain such services, please call Sandra King, Recorder at (503) 570-1506.