

CITY OF WILSONVILLE
URBAN RENEWAL AGENCY

MAY 19, 2014 7 P.M.

WILSONVILLE CITY HALL
29799 SW TOWN CENTER LOOP EAST

Immediately Following the City Council Meeting

Tim Knapp, Chair

Board Member Julie Fitzgerald
Board Member Richard Goddard

Board Member Susie Stevens
Board Member Scott Starr

AGENDA

7:00 P.M. CALL TO ORDER

A. Roll call

CITIZEN INPUT

NEW BUSINESS

A. **URA Resolution No. 244**

A Resolution Authorizing An Intergovernmental Agreement With The City Of Wilsonville Pertaining To Short Term Subordinate Urban Renewal Debt For Both The Year 2000 Plan And West Side Districts For The Purpose Of Funding The Construction Of Two Permanent Public Road Projects By The Agency. (staff – Wallis/Rodocker)

CONSENT AGENDA

A. Minutes of the March 17, April 7, and April 21, 2014 URA Meetings. (staff – King)

ADJOURN

**URBAN RENEWAL AGENCY MEETING
STAFF REPORT**

Meeting Date: May 19, 2014	Subject: URA Resolution No. 244 Interagency Agreement – City and URA to lend and repay up to \$4.5 million Staff Member: Gary Wallis / Cathy Rodocker Department: Finance	
Action Required <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 checked="" type="checkbox"/> Resolution <input type="checkbox"/> Information or Direction <input type="checkbox"/> Information Only <input type="checkbox"/> Council Direction <input type="checkbox"/> Consent Agenda	Advisory Board/Commission Recommendation <input type="checkbox"/> Approval <input type="checkbox"/> Denial <input type="checkbox"/> None Forwarded <input type="checkbox"/> Not Applicable Comments: Action provides resources to fund two Urban Renewal road projects underway in FY 2013-14 and continuing into FY 2014-15.	
Staff Recommendation: Staff recommends approval of Resolution No. 244.		
Recommended Language for Motion: I move to approve URA Resolution No. 244, and authorize the Urban Renewal Executive Director to sign the Intergovernmental Agreement between the City of Wilsonville and the Wilsonville Urban Renewal Agency.		
PROJECT / ISSUE RELATES TO: <i>[Identify which goal(s), master plans(s) issue relates to.]</i>		
<input type="checkbox"/> Council Goals/Priorities	<input type="checkbox"/> Adopted Master Plan(s)	<input type="checkbox"/> Not Applicable

ISSUE BEFORE THE BOARD: Board action is needed to approve an intergovernmental agreement between the City and the Urban Renewal Agency that will provide up to \$4.5 million on a short term basis.

EXECUTIVE SUMMARY: Both the Year 2000 Plan and West Side districts each have a capital road project that will be under construction soon. Short-term borrowing is necessary to complete these capital projects. Fortunately, both districts have sufficient cash balances in their

debt service funds to allow for repayment of borrowing on a short term basis – short term being defined as “overnight.”

Previously, the Urban Renewal Agency would enter into an agreement with a financial institution for these types of transactions. The City’s general fund has the capacity to loan the funds on a short term basis. The Urban Renewal Agency is now able to borrow from the City’s General Fund provided both the City and Agency agree to the terms of the borrowing and it serves a public purpose. The terms of the borrowing are as follows:

- City lends to Agency \$4,500,000 at 1.5 percent (1.5%).
- The Agency repays the amount from tax increment funds on hand the day after receipt of the loan.
- Total interest to the General Fund, therefore, will be approximately \$185.
- The borrowing is subordinate to outstanding senior lien debt.

By borrowing from City funds the Agency is able to avoid loan origination fees and legal costs associated with borrowing from a financial institution, estimated to be more than \$18,000 for this type of financing. The public purpose is to fund two permanent road projects authorized in the City’s Transportation System Plan and the urban renewal plans for the two respective districts.

EXPECTED RESULTS: Authorizing the IGA by resolution of the City and the Agency will provide cash resources of \$2.5 million to pay for the initial costs of Canyon Creek Road between Boeckman Road and Vlahos Drive within the Year 2000 Plan district. It will also provide \$2 million to pay for the initial costs of extending Barber Road west into Villebois within the West Side district.

TIMELINE: Borrowing and repayment will occur within the month of June 2014. The IGA anticipates the loan and repayment occurring on June 25 and June 26, respectively. Both projects expect construction starts in the summer of 2014.

CURRENT YEAR BUDGET IMPACTS: A separate supplemental budget adjustment is necessary to complete this transaction within Local Budget Law constraints.

FINANCIAL REVIEW / COMMENTS:

Reviewed by: _____ Date: _____

LEGAL REVIEW / COMMENT:

Reviewed by: MEK Date: 5/7/2014

The form of the Resolutions and IGA are approved. The City is a home rule city and as such under its Charter it has the authority to act in ways that are necessary and convenient under the laws and Constitution of the State of Oregon. The Oregon Constitution, Article XI, Section 9 limits the powers of cities to loan its credit to private corporations. The Agency is not a private corporation, but is a unit of local government as is the City. Specifically, the laws in ORS Chapter 190 provide for intergovernmental agreements between units of local governments to provide for functions or activities which they are authorized to do (building road projects are such functions or activities) and to provide for apportioning the responsibility for providing

funds to pay for the expenses incurred in the performance of the functions or activities, which is what is occurring in this IGA.

Further, the only current general obligation bond outstanding for the City is for library purposes and is \$1,015,000, and given the June 30, 2013 estimated fair market value of property within the City was \$2.9 billion and the estimate for June 30, 201 is estimated to be \$3.1 billion, even if the overnight liability before payment was added to the general obligation bond indebtedness, the total is substantially under 1% of the fair market value and within the 3% limit in this regard.

COMMUNITY INVOLVEMENT PROCESS: There has been no specific community outreach or involvement pertaining to this borrowing.

POTENTIAL IMPACTS or BENEFIT TO THE COMMUNITY (businesses, neighborhoods, protected and other groups): The borrowing will not directly impact local businesses or neighborhoods, however, the construction projects to be funded will have significant positive impact on both.

ALTERNATIVES: Engage in borrowing from a financial institution. Using this process would take more time and cost the Urban Renewal Agency significantly more money.

CITY MANAGER COMMENT:

ATTACHMENTS

- A. URA Resolution No. 244
- B. Intergovernmental Agreement between the City and the Urban Renewal Agency.

THE URBAN RENEWAL AGENCY OF THE CITY OF WILSONVILLE

URA RESOLUTION NO. 244

A RESOLUTION AUTHORIZING AN INTERGOVERNMENTAL AGREEMENT WITH THE CITY OF WILSONVILLE PERTAINING TO SHORT TERM SUBORDINATE URBAN RENEWAL DEBT FOR BOTH THE YEAR 2000 PLAN AND WEST SIDE DISTRICTS FOR THE PURPOSE OF FUNDING THE CONSTRUCTION OF TWO PERMANENT PUBLIC ROAD PROJECTS BY THE AGENCY

WHEREAS, the Urban Renewal Agency of the City of Wilsonville, Oregon (the "Agency") finds it desirable to authorize an intergovernmental agreement with the City of Wilsonville which is to provide short term borrowing proceeds in the amount of not more than \$2,500,000 for its Year 2000 Plan district for its Canyon Creek Road Extension South Project and \$2,000,000 for its West Side district for its Barber Street Extension West Project; and,

WHEREAS, ORS 190.010 provides legal authority for the two entities to enter into a binding intergovernmental agreement (the "Agreement"); and,

WHEREAS, the use of an Agreement is efficient and less costly than other means of obtaining financing for the Agency; and,

WHEREAS, both the Year 2000 Plan and West Side districts' debt service funds have sufficient cash balances to allow for repayment of the amounts borrowed without violation of the terms of outstanding senior debt liens;

NOW, THEREFORE, THE URBAN RENEWAL AGENCY OF THE CITY OF WILSONVILLE HEREBY RESOLVES AS FOLLOWS:

1. To enter into the Agreement with the City of Wilsonville for the purpose of funding the construction of the two public road projects recited above and for the receipt and repayment of up to \$4,500,000 plus interest at the rate of 1.5% per annum on a 365 day basis in accordance with the terms specified in the Agreement. Borrowing will be deposited into the Agency's capital project funds and repayments will be made from the Agency's debt service funds. A copy of the Agreement is marked as **Exhibit A**, attached hereto, and incorporated by reference as if fully set forth herein.
2. To authorize the Agency Executive Director, or designee, to negotiate any and all documents to complete the Agreement and transactions related to the borrowing and repayment.
3. Effective Date of this Resolution shall be immediately upon its adoption.

ADOPTED by the Urban Renewal Agency of the City of Wilsonville at a regular meeting thereof this 19th day of May, 2014 and filed with the Wilsonville City Recorder this same date.

Tim Knapp, Board Chair

ATTEST:

Sandra C. King, MMC, City Recorder

SUMMARY OF VOTES:

Board Chair Knapp –
Board Member Stevens –
Board Member Starr –
Board Member Fitzgerald –
Board Member Goddard –

INTERGOVERNMENTAL LOAN AGREEMENT, IN AN AMOUNT NOT TO EXCEED \$4,500,000, FROM THE CITY OF WILSONVILLE TO THE URBAN RENEWAL AGENCY OF THE CITY OF WILSONVILLE FOR THE PURPOSE OF FUNDING APPROVED PROJECTS IN THE YEAR 2000 PLAN AND WEST SIDE DISTRICTS

THIS INTERGOVERNMENT AGREEMENT (“Agreement”) is entered into between the City of Wilsonville, an Oregon municipal corporation (the City), and the Urban Renewal Agency of the City of Wilsonville, Oregon, an Oregon quasi-municipal corporation (the Agency).

RECITALS

WHEREAS, the City is a municipal corporation duly chartered with home rule authority under the laws and Constitution of the State of Oregon; and

WHEREAS, the Agency is a public body, corporate and politic, duly activated by the City, exercising its powers to engage in urban renewal activity as authorized by ORS Chapter 457; and

WHEREAS, both the City and the Agency are “units of local government” and may enter into intergovernmental agreements with each other for functions and activities such as the construction of road projects and to apportion the responsibility of providing funds for such functions or activities under the authority and provisions of ORS Chapter 190; and

WHEREAS, the Year 2000 Plan district (the “District”) was duly established on May 4, 1992, and the Year 2000 Plan (the “Plan”) was adopted on August 29, 1990, setting out goals, objectives, and projects, including the Canyon Creek Road Extension South Project (the “Projects”) for the Area; and

WHEREAS, the West Side district (the “District”) was duly established on November 3, 2003, and the West Side Plan (the “Plan”) was adopted on November 3, 2003, setting out goals, objectives, and projects, including the Barber Street Extension West Project (the “Projects”) for the Area; and

WHEREAS, the Board of the Urban Renewal Agency has determined that a need exists to borrow funds for the Canyon Creek Road Extension South and Barber Street Extension West public projects, to be repaid with tax increment financing; and

WHEREAS, Oregon Revised Statutes 457 and Oregon Constitution Article IX, Section 1(c), authorizes the Urban Renewal Agency to incur debt for the purpose of financing projects of an urban renewal plan, and to repay the debt and related costs with tax increment revenue; and

WHEREAS, the Agency has obtained approval of a maximum indebtedness for the Year 2000 Plan District of \$92,687,423. The Agency has previously issued \$75,385,000 of long and short term indebtedness that is subject to the maximum indebtedness limitation, and there is no other indebtedness outstanding for the District to which the maximum indebtedness limitation applies. As a result, the Agency has \$17,302,423 of capacity (before issuance of the borrowing referenced in this Agreement) to incur indebtedness for the District, and

WHEREAS, the Agency has obtained approval of a maximum indebtedness for the West Side District of \$40,000,000. The Agency has previously issued \$32,000,000 of long and short term indebtedness that is subject to the maximum indebtedness limitation, and there is no other indebtedness outstanding for the District to which the maximum indebtedness limitation applies. As a result, the Agency has \$8,000,000 of capacity (before issuance of the borrowing referenced in this Agreement) to incur indebtedness for the District, and

WHEREAS, the City has sufficient funds in its general fund to provide a short term (overnight) loan of \$4.5 million to the Agency which, together with any current outstanding general obligation bonds, is less than 1% of the current real market value of property within the City of \$2.9 billion and within the City's 3% limitation for such indebtedness.

WHEREAS, the City and Agency have determined that financing the Projects through an intergovernmental agreement, as allowed by ORS 190.010, is more cost efficient than external financing methods; is financially feasible; will provide funding for the Agency to build two permanent, public roads for the respective Plan areas which Projects' right-of-ways and associated easements, in turn, will be transferred to the City; and will serve the public interest.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

Section 1: Term and Termination. This Agreement shall become effective upon the date of the last signature hereon, and shall continue in full force and effect until (1) the loan is paid in full by the Agency; (2) the permanent, public road projects, namely, the Canyon Creek Road Extension

South Project and the Barber Road West Project, have been constructed by the Agency; and (3) the respective right-of-ways and any easements associated therewith have been conveyed by the Agency to the City.

Section 2: Delegation. The Designated Representatives, or a person(s) assigned by the Designated Representatives, may, on behalf of the City or Agency, act without further action by the Council, to establish the final principal amounts.

Section 3: Duties of the City. The City shall authorize all actions and execute all documents necessary or desirable to loan up to \$4,500,000 from the City's General Fund to the Agency's capital project funds, as delineated in Section 5, and comply with its Charter and with the laws of the State of Oregon, including the terms and conditions contained within this Agreement. The Agency shall reimburse the City for its expenses incurred in the performance of this Agreement.

Section 4: Duties of the Agency. The Agency shall authorize all actions and execute all documents necessary or desirable to accept the loan; to authorize repayment of the loan under the terms and conditions stated herein; to construct the Canyon Creek Road Extension South Project and the Barber Street Extension West Project and convey the respective right-of-ways of the two projects and any easements associated therewith to the City; and to comply with the laws of the State of Oregon and the applicable Urban Renewal Plans. The Agency shall be responsible for its expenses incurred in the performance of this Agreement and for its activities contemplated herein.

Section 5: Loan Terms. The Loan shall be made from the City's General Fund to the Agency's Year 2000 Plan and West Side Capital Improvement Funds in the principal amount as noted below. The City shall transfer up to \$4,500,000 in aggregate on or before June 25, 2014, as follows:

Year 2000 Plan Capital Improvement Fund	\$2,500,000
West Side Capital Improvement Fund	<u>\$2,000,000</u>
Total	\$4,500,000

Interest on the loan, at a rate of 1.50 percent (1.5%) per annum (365 days), shall begin to accrue on the date of transfer and the corresponding loan plus accrued interest shall be repaid by each District not later than June 26, 2014.

Section 6: Consideration. In consideration of the terms and conditions set forth herein, the City agrees to loan up to \$4,500,000 in exchange for the Agency's obligation to repay the loan solely from the tax increment revenues of the corresponding urban renewal Districts. The lien of this pledge shall be subordinate to the lien of any currently outstanding senior lien bonds and to any requirement to fund or maintain debt service funds, reserve funds, or similar funds or as part of minimum balances or similar requirements for those senior lien bonds.

Section 7: Indemnification. Subject to the limitations in the Oregon Constitution and the Oregon Tort Claims Act, the parties agree to defend, indemnify, and hold each other, its officers, agents, and employees harmless from all claims, suits, or actions of whatsoever kind, which arise out of or result from the transfer of funds.

Section 8: Modification. This Agreement may not be altered, modified, supplemented, or amended in any manner whatsoever except by mutual agreement of the parties in writing. Any such alteration, modification, supplementation, or amendment, if made, shall be effective only in the specific instance and for the specific purpose given, and shall be valid and binding only if signed by the parties.

Section 9: Waiver. No provision of this Agreement may be waived except in writing by the party waiving compliance. No waiver of any provision of this Agreement shall constitute waiver of any other provision, whether similar or not, nor shall any one waiver constitute a continuing waiver. Failure to enforce any provision of this Agreement shall not operate as a waiver of such provision or of any other provision.

Section 10: Severability. The parties agree that if any term or provision of this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular term and provision held to be invalid.

Section 11: Designated Representative. The City authorizes the City Manager or the City Manager's designee to act on behalf of the City under this Agreement. The Agency authorizes the Executive Director of the Agency or the Executive Director's designee to act on behalf of the Agency under this Agreement.

IN WITNESS WHEREOF, the execution of which having been first duly authorized according to law:

CITY OF WILSONVILLE

Bryan Cosgrove
City Manager of the City of Wilsonville, Oregon

Date

URBAN RENEWAL AGENCY OF THE CITY OF WILSONVILLE, OREGON

Bryan Cosgrove
Executive Director of the Urban Renewal
Agency of the City of Wilsonville, Oregon

Date

**CITY OF WILSONVILLE
URBAN RENEWAL AGENCY
MARCH 17, 2014**

The Urban Renewal Agency held a regular meeting on March 17, 2014 in the Wilsonville City Hall immediately following the adjournment of the City Council meeting. Chair Knapp called the meeting to order at 11:23 p.m. Board Members present: Tim Knapp, Chair, Board Members Fitzgerald and Stevens. Board Members Goddard and Starr were excused.

Staff included: Bryan Cosgrove, Executive Director; Mike Kohlhoff, City Attorney; Sandra King, City Recorder; Nancy Kraushaar, Community Development Director; Steve Adams, Deputy City Engineer.

CALL TO ORDER

Chair Knapp called the URA meeting to order at 11:23 p.m. followed by roll call.

CITIZEN INPUT – There was none.

NEW BUSINESS

Mr. Kohlhoff read the title of URA Resolution No. 240 for the record.

A. **URA Resolution No. 240**

A Resolution Of The Urban Renewal Agency Of The City Of Wilsonville Authorizing The Dedication Of Right Of Way For Villebois Drive North.

Motion: Ms. Stevens Moved to approve URA Resolution No. 240. Ms. Fitzgerald Seconded the motion.

Vote: Motion carried 3-0.

CONSENT AGENDA

A. Minutes of the January 3, 2014 and January 23, 2014 URA Meetings.

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

Vote: Motion carried 3-0.

ADJOURN

Mr. Knapp adjourned the URA meeting at 11:26 p.m.

Respectfully submitted,

Sandra C. King, City Recorder

ATTEST:

Tim Knapp, Chair

**CITY OF WILSONVILLE
URBAN RENEWAL AGENCY**

The Urban Renewal Agency held a regular meeting on April 7, 2014 in the Wilsonville City Hall immediately following the adjournment of the City Council meeting. Chair Knapp called the meeting to order at 10:15 p.m. Board Members present: Tim Knapp, Chair, Board Members Starr, Goddard, and Fitzgerald. Board Member Stevens was excused.

Staff included: Bryan Cosgrove, Executive Director; Barbara Jacobson, Assistant City Attorney; Jeanna Troha, Assistant City Manager; Sandra King, City Recorder, Cathy Rodocker, Assistant Finance Director, and Kristin Retherford, Economic Development Coordinator.

CITIZEN INPUT – There was none.

PUBLIC HEARING

Ms. Jacobson read URA Resolution No. 241 into the record by title only.

- A. **URA Resolution No. 241**
A Resolution Authorizing A Supplemental Budget Adjustment For Fiscal Year 2013-14.

Chair Knapp opened the public hearing at 10:16 p.m.

Cathy Rodocker presented the staff report. Oregon's Local Budget Law allows the Urban Renewal Board to amend the adopted budget for an occurrence or condition that was not known at the time the budget was adopted. The following supplemental budget primarily amends the current budget for numerous capital improvement projects.

At its June 3, 2013 Urban Renewal Agency meeting, the Council adopted the Fiscal Year 2013-14 budget. Since that time, unanticipated changes to the budget have come to staff's attention that will require additional authorization to proceed.

Urban Renewal Project Income-\$228,000

Boeckman Road Repairs-\$112,000

Planning transfer for Villebois Master Planning Fees collected: \$66,000

Professional services for the TIF Zone consultants: \$50,000

Final closeout costs for the Boeckman Road Repair project transfer total \$112,000. Villebois Master Planning Fees have been collected in the Urban Renewal Project Income Fund. Given that the work was performed by the Planning Department, the earnings are being transferred to the Community Development Fund. Lastly, an additional \$50,000 increase is needed for the professional services provided for the TIF Zones.

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

As required by Local Budget Law, a notice for the public hearing has been published in the Wilsonville Spokesman. The notice was published on Wednesday, March 26th, 2014. Adoption of the Supplemental Budget Adjustment is required prior to the end of the fiscal year, June 30, 2014. All transfers will be funded with contingency funds.

The Chair invited public testimony, hearing none he closed the public hearing at 10:17 p.m.

Motion: Mr. Goddard moved to adopt URA Resolution No. 241. Mr. Starr seconded the motion

Vote: Motion carried 4-0.

NEW BUSINESS

Ms. Jacobson read the title of URA Resolution No. 242 into the record.

A. **URA Resolution No. 242**

A Resolution Of The Urban Renewal Agency Of The City Of Wilsonville Authorizing Acquisition Of Property And Property Interests Related To The Construction Of Canyon Creek Road Extension To Town Center Loop East (CIP 4184) And Amending URA Resolution No. 239.

Ms. Retherford presented the staff report. On January 23, 2014, the Agency Board approved URA Resolution No. 239 authorizing the acquisition of real property from the Sundial Apartments, Windfield Village, and Wilsonville Lanes needed to construct the Canyon Creek Road Extension project. At that time, Staff was working with Mentor Graphics regarding their participation in this project and did not include right-of-way needed from their property in that resolution.

In February 2014, agreement was reached with Mentor Graphics relating to their participation in construction of a full-street cross-section, subject to the execution of a Development Agreement. While the City will not be compensating Mentor Graphics outright for property needed for this project, a portion of the needed property will be appraised with the final negotiated value credited against a future reimbursement district for their portion of the project costs. Additionally, Mentor Graphics will be dedicating for no compensation or credit their half-street right-of-way responsibility that relates to future property development. The attached resolution provides staff with the authority to acquire the parcels identified under these terms, which will be further defined in a development agreement to be approved by the Agency Board.

Additionally, URA Resolution No. 239 included a condition directing staff to return to the Agency Board with revised legal descriptions (Exhibits 1 through 9 to URA Resolution No. 239) for final authorization as the initial legal descriptions were based on centerline surveys that were in need of recordation numbers. This survey has now been recorded with Clackamas County and the attached resolution amends URA Resolution No. 239 to reflect the revised exhibits; however Exhibit 6 from URA Resolution No. 239 was determined not to be needed, and is not included in the revised exhibits.

This project is identified in the City's fiscal year 2013-14 budget as Canyon Creek Road South from Boeckman to Vlahos (CIP No. 4184). Upon completion of design and right-of-way acquisition, construction is expected to occur in summer and fall of 2014. Staff will move forward with the acquisitions upon approval of this resolution and expects to return to the Agency Board with a draft development agreement on April 21 or May 5, 2014. The adopted 2013/14 annual budget provides funding for project design and right-of-way and easement acquisitions. The draft 2014-15 budget proposes funding for project construction and completion.

Project information has been posted on the City website starting November 25, 2013. Invitations were sent to properties in the area to attend open houses on December 12, 2013 and February 24, 2014. Additionally, staff directly contacted businesses and the Renaissance at Canyon Creek HOA to inform

them of the project. Staff has met directly with Mentor Graphics to discuss the project and their participation in constructing a built-out arterial cross-section at this time. The Canyon Creek Road extension project has been in the Year 2000 Urban Renewal Plan since its adoption and is in the adopted 2013 Transportation System Plan (TSP).

Construction of this project will improve north-south connectivity for emergency services, vehicular traffic, bikes, and pedestrians. The project will fill a gap in the City's transportation network by completing a minor arterial link between Elligsen Road and the Town Center. The project provides an alternate to Wilsonville Road and Parkway for north-south travel on the east side of Wilsonville thereby reducing trip length and demand on the existing routes. The project will benefit future east-side circulation as growth occurs in the Frog Pond area.

Staff is working with the neighbors to improve pedestrian challenges within the project boundaries. Providing a more direct link to the Town Center from the residential and employment areas to the north is supportive of the businesses and services at both ends of Canyon Creek Road.

Mr. Goddard expressed reservations about purchasing right-of-way property without the appraisal information and asked if the property appraisals had been received. Ms. Retherford explained the appraisal and purchase of right-of-way process noting that staff will return to the Board to brief them once the appraisals were received.

Motion: Ms. Fitzgerald moved to adopt URA Resolution No. 242. Mr. Starr seconded the motion.

Vote: Motion carried 4-0.

CONSENT AGENDA

Ms. Jacobson read the Consent Agenda items into the record.

A. Minutes of the March 17, 2014 URA Meeting.

Motion: Mr. Starr moved to adopt the Consent Agenda. Ms. Fitzgerald seconded the motion.

Vote: Motion carried 4-0.

ADJOURN

Chair Knapp adjourned the URA meeting at 10:30 p.m.

Respectfully submitted,

Sandra C. King, City Recorder

ATTEST:

Tim Knapp, Chair

**CITY OF WILSONVILLE
URBAN RENEWAL AGENCY**

The Urban Renewal Agency held a regular meeting on April 21, 2014 in the Wilsonville City Hall immediately following the adjournment of the City Council meeting. Chair Knapp called the meeting to order at 9:07 p.m. Board Members present: Tim Knapp, Chair, Board Members Starr, Goddard, Fitzgerald and Stevens.

Staff included: Bryan Cosgrove, Executive Director; Mike Kohlhoff, City Attorney; Jeanna Troha, Assistant City Manager; Sandra King, City Recorder.

CALL TO ORDER

Chair Knapp called the URA meeting to order at 9:07 p.m. followed by roll call.

CITIZEN INPUT - There was none.

NEW BUSINESS

A. URA Resolution No. 243

A Resolution Of The City Of Wilsonville Urban Renewal Agency Authorizing A Development Agreement For Canyon Creek Road Extension South Project From Boeckman Road To Vlahos Drive Between The Urban Renewal Agency Of The City Of Wilsonville, The City Of Wilsonville, And Mentor Graphics Corporation.

Mr. Kohlhoff read the title of URA Resolution No. 243 into the record by title only, and asked for his comments from the City Council meeting regarding this development agreement be brought forward to the URA meeting minutes.

The issue before the agency is consideration of a development agreement (DA) between the Wilsonville Urban Renewal Agency, the city of Wilsonville and Mentor Graphics Corporation to carry out the Canyon Creek Road extension project.

The following is the discussion from the April 21, 2014 City Council meeting for Resolution No. 2466

Mr. Kohlhoff read Resolution No. 2466 into the record by title only. Minor revisions made to the Development Agreement were at the request of Mentor Graphics; however final approval of one issue in the Agreement has not been received. Mr. Kohlhoff suggested adopting the resolution with the provision: "The City Manager has the authority to negotiate any minor changes to the Development Agreement with Mentor Graphics and the URA and to execute the Development Agreement subject to approval of the City Attorney as to the final form."

Time is of the essence to meet 2014 construction season. Since development of the Mentor property would necessitate a half street improvement, and Mentor was not ready to develop, staff initially proposed acquisition of only a half street improvement and acquisition of half the right-of-way. However, if

Mentor could be incentivized to cooperatively provide the remaining half street right-of-way for a full street improvement the public interest in having the full construction now would be better met as a superior transportation link would be constructed and a second interruption of the neighboring properties would be avoided. The Council provided staff with negotiation parameters and the Development Agreement reflects those parameters.

Motion: Councilor Goddard moved to approve Resolution No. 2466 with the revised Development Agreement and with the additional clarifying language offered by the City Attorney. Councilor Stevens seconded the motion.

Councilor Stevens commented the completion of this north/south connection will provide an alternative cross-town route of travel in the City.

Councilor Goddard requested staff to make sure the costs in the agreement would be updated from the \$11.00 per square foot and be based on the current appraisal, and for the Council to be kept informed on any true-up of costs.

Councilor Fitzgerald thought the new road would improve pedestrian connectivity.

Vote: Motion carried 5-0.

End of City Council discussion.

Motion: Ms. Fitzgerald moved to adopt URA Resolution No. 243 considering the amendments specified in the City Council meeting for Resolution No. 2466. Mr. Starr seconded the motion.

Mr. Goddard requested his comments at the Council meeting be brought forward.

Vote: Motion carried 5-0

ADJOURN

The URA meeting adjourned at 9:10 p.m.

Respectfully submitted,

Sandra C. King, City Recorder

ATTEST:

Tim Knapp, Chair

5/8 MER
REDLINE

THE URBAN RENEWAL AGENCY OF THE CITY OF WILSONVILLE

URA RESOLUTION NO. 244

A RESOLUTION AUTHORIZING AN INTERGOVERNMENTAL AGREEMENT WITH THE CITY OF WILSONVILLE PERTAINING TO SHORT TERM SUBORDINATE URBAN RENEWAL DEBT FOR BOTH THE YEAR 2000 PLAN AND WEST SIDE DISTRICTS FOR THE PURPOSE OF FUNDING THE CONSTRUCTION OF TWO PERMANENT PUBLIC ROAD PROJECTS BY THE AGENCY

WHEREAS, the Urban Renewal Agency (the "Agency") of the City of Wilsonville, Oregon (the "Agency") finds it desirable to authorize an intergovernmental agreement with the City of Wilsonville which is to provide short term borrowing proceeds in the amount of not more than \$2,500,000 for its Year 2000 Plan district for its Canyon Creek Road Extension South Project and \$2,000,000 for its West Side district for its Barber Street Extension West Project; and,

WHEREAS, ORS 190.010 provides legal authority for the two entities to enter into a binding intergovernmental agreement (the "Agreement"); and,

WHEREAS, the use of an Agreement is efficient and less costly than other means of obtaining financing for the Agency; and,

WHEREAS, both the Year 2000 Plan and West Side districts' debt service funds have sufficient cash balances to allow for repayment of the amounts borrowed without violation of the terms of outstanding senior debt liens; and,

~~WHEREAS, ORS 294.468 allows a city to loan money from one fund to another fund of the municipal corporation provided the loan is authorized by official resolution and states the terms of the loan.~~

NOW, THEREFORE, THE URBAN RENEWAL AGENCY OF THE CITY OF WILSONVILLE HEREBY RESOLVES AS FOLLOWS:

1. To enter into the Agreement with the City of Wilsonville for the purpose of funding the construction of the two public road projects recited above and for the receipt and repayment of up to \$4,500,000 plus interest at the rate of 1.5% per annum on a 365 day basis in accordance with the terms specified in the Agreement. Borrowing will be deposited into the Agency's capital project funds and repayments will be made from the Agency's debt service funds. A copy of the Agreement is marked as Exhibit A, attached hereto, and incorporated by reference as if fully set forth herein.

2. To authorize the Agency Executive Director, or designee, to negotiate any and all documents to complete the Agreement and transactions related to the borrowing and repayment.
3. Effective Date of this Resolution shall be immediately upon its adoption.

ADOPTED by the Urban Renewal Agency of the City of Wilsonville at a regular meeting thereof this 19th day of May, 2014 and filed with the Wilsonville City Recorder this same date.

Tim Knapp, Board Chair

ATTEST:

Sandra C. King, MMC, City Recorder

SUMMARY OF VOTES:

Board Chair Knapp –
Board Member Stevens –
Board Member Starr –
Board Member Fitzgerald –
Board Member Goddard –