



URBAN RENEWAL DISTRICT AGENCY BOARD

July 22, 2014

Council Chambers • 777 SW Deschutes Avenue

BOARD MEMBERS

George Endicott
Chair

Tory Allman
Board Member

Joe Centanni
Board Member

Camden King
Board Member

Ginny McPherson
Board Member

Ed Onimus
Board Member

Jay Patrick
Board Member

JULY 22, 2014

SPECIAL MEETING AGENDA

**FOLLOWING P.M.
COUNCIL MEETING**

I. CALL TO ORDER / ESTABLISH A QUORUM

II. EXECUTIVE SESSION

Oregon Law permits public bodies to meet in executive session to discuss specific matters which are not open to the public. Final actions or decisions on these matters will be made during regular session.

- A. Real Property – ORS 192.660(2)(e) authorizes executive session “to conduct deliberations with persons designated by the governing body to negotiate real property transactions.”

Under the provisions of the Oregon Public Meetings Law, the proceedings of this executive session are for background information only for media attending and not for publication or broadcast.

III. MOTIONS AS A RESULT OF EXECUTIVE SESSION

IV. CONSENT AGENDA

- A. Minutes of June 10, 2014, Special Urban Renewal District Agency Board Meeting Exhibit 1
- B. Intergovernmental Agreement with City of Redmond clarifying land acquisition and disposition, capital improvements, and administrative services. Exhibit 2

V. OTHER BUSINESS

VI. ADJOURN

Regular Council meetings are broadcast live on COTV11 – BendBroadband Channel 11 beginning at 7:00 p.m. on the 2nd and 4th Tuesdays of each month. Rebroadcasts are scheduled for the non-meeting Tuesdays at 7:00 p.m., and Sunday at 1:00 p.m.

Anyone needing accommodation to participate in the meeting must notify Mike Viegas, ADA Coordinator, at least 48 hours in advance of the meeting at 541-504-3032, or through the Telecommunications Relay Service (TRS) which enables people who have difficulty hearing or speaking in the telephone to communicate to standard voice telephone users. If anyone needs Telecommunications Device for the Deaf (TDD) or Speech To Speech (STS) assistance, please use one of the following TRS numbers: 1-800-735-2900 (voice or text), 1-877-735-7525 (STS English) or 1-800-735-3896 (STS Spanish). The City does not discriminate on the basis of disability status in the admission or access to, or treatment, or employment in, its programs or activities.

The City of Redmond does not discriminate on the basis of disability status in the admission or access to, or treatment, or employment in, its programs or activities

SPECIAL CITY OF REDMOND URBAN RENEWAL DISTRICT AGENCY BOARD MEETING WAS HELD JUNE 10, 2014, IN THE CITY COUNCIL CHAMBERS.

BOARD MEMBERS PRESENT: Tory Allman – Joe Centanni – George Endicott – Camden King – Ginny McPherson – Ed Onimus – Jay Patrick

STAFF PRESENT: City Manager Keith Witcosky – City Attorney Steve Bryant – Police Chief Dave Tarbet – Public Works Director Bill Duerden – City Engineer Mike Caccavano – City Recorder Kelly Morse – CIS Administrator Sheri Cleveland – Finance/Budget Manager Jason Neff

MEDIA PRESENT: None

Chair Endicott called the meeting to order at 9:29 p.m. and established a quorum.

MINUTES

A. Minutes of May 27, 2014, Special Urban Renewal District Agency Board Meeting (Exhibit 1)

King moved, seconded by Patrick, to approve the minutes of May 27, 2014, motion passed. (Allman-yes, Centanni-yes, Endicott-yes, King-yes, McPherson-yes, Onimus-yes, Patrick-yes)

BID AWARD

A. Evergreen Gateway Improvement Project (Exhibit 2)

City Engineer Mike Caccavano requested approval to enter into a contract with Able General Contracting LLC in the amount of \$67,043.00 for the Evergreen Gateway Improvement Project. Two proposals were received for the City's informal bid. One contractor was disqualified for an incomplete proposal. The Engineer's estimate is \$70,000.00

King moved, seconded by Onimus, to authorize the City Manager to sign the contract with Abel General Contracting LLC for the Evergreen Gateway Improvement Project in the amount of \$67,043.00, motion passed. (Allman-yes, Centanni-yes, Endicott-yes, King-yes, McPherson-yes, Onimus-yes, Patrick-yes)

PUBLIC HEARING

A. Adopting the Urban Renewal District Agency FY 2014/15 Budget (Exhibit 3)

- i. URA Res. #2014-02 – A resolution adopting the FY 2014/15 budget, establishing the tax increment authority and appropriating funds.**
- ii. URA Res. #2014-03 – A resolution to collect 100% of the division of tax for the Downtown Urban Renewal Fund and categorizing the tax increment for taxes as provided for in the FY 2014/15 adopted budget.**

Mr. Neff presented the FY 2014/15 budget resolutions and requested approval by the Board.

Endicott opened the public hearing.

There being no testimony, Endicott closed the public hearing.

King moved, seconded by Allman to adopt URA Res #2014-02, motion passed. (Allman-yes, Centanni-yes, Endicott-yes, King-yes, McPherson-yes, Onimus-no Patrick-yes)

King moved, seconded by Allman, to adopt URA Res #2014-03, motion passed. (Allman-yes, Centanni-yes, Endicott-yes, King-yes, McPherson-yes, Onimus-yes, Patrick-yes)

ACTION ITEMS

- A. URA Res. #2014-04 – A resolution of the Redmond Urban Renewal Agency to make budget adjustments. (Exhibit 4)**

Mr. Neff explained that URA Res. #2014-04 authorizes budget appropriation adjustments for the loan and bond transactions related to urban renewal projects.

King moved, seconded by Centanni, to adopt URA Res #2014-03 adjusting the Urban Renewal Agency's FY 013/14 budget, motion passed. (Allman-yes, Centanni-yes, Endicott-yes, King-yes, McPherson-yes, Onimus-yes, Patrick-yes)

OTHER BUSINESS

There being no further business, the meeting was adjourned at 9:40 p.m.

Prepared by Kelly Morse, City Recorder

APPROVED by the Board and SIGNED by the Chair this 22nd day of July, 2014.

George Endicott, Chair

ATTEST:

Kelly Morse, City Recorder



CITY OF REDMOND
Community Development Department
Redmond Urban Renewal Agency

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Redmond, OR 97756
(541) 923-7721
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www.ci.redmond.or.us

STAFF REPORT

DATE: July 22, 2014
TO: Urban Renewal Board Members
THROUGH: Keith Witcosky, City Manager
FROM: Heather Richards, Community Development Director
SUBJECT: Intergovernmental Agreement between the Redmond Urban Renewal Agency and the City of Redmond

Addresses Council Goal:

9. URBAN RENEWAL – Invest resources to encourage new business investment in designated blighted areas that will grow the job base and strengthen and diversify the tax base in that area.

A. Maintain and manage resources to ensure consistent program delivery and sufficient financial resources.

Report in Brief:

This is the consideration of an Intergovernmental Agreement (IGA) between the Redmond Urban Renewal Agency (RURA) and the City of Redmond (City).

Background:

Up until now the City and the RURA have operated as two separate entities with a common goal and an informal agreement about business operations and transfer of assets. Recently the City's auditor recommended that a more formal relationship be established with the RURA through an IGA and a policy for transferring assets from the RURA to the City.

Discussion:

The attached IGA describes how the City and the RURA will design, develop, construct, maintain, insure and transfer assets between the agencies.

Fiscal Impact:

There should be no fiscal impact as the activities described in the IGA this this already occur but this process will formalize the relationship.

Alternative Courses of Action:

1. Authorize the Board Chair to sign the Intergovernmental Agreement
2. Request more information.
3. Do not authorize the Board Chair to sign the Intergovernmental Agreement.

Attachments:

Intergovernmental Agreement between the Redmond Urban Renewal Agency and the City of Redmond

Recommendation/Suggested Motion:

I move to authorize the Board Chair to sign the Intergovernmental Agreement between the Redmond Urban Renewal Agency and the City of Redmond.

Heather Richards
Community Development Director

Attachments:

Intergovernmental Agreement between the Redmond Urban Renewal Agency and the City of Redmond

INTERGOVERNMENTAL AGREEMENT
Between the
REDMOND URBAN RENEWAL AGENCY
and the
CITY OF REDMOND

THIS AGREEMENT ("Agreement") is made and entered into by and between the Redmond Urban Renewal Agency, a public body corporate and politic, acting through its Board of Directors, hereinafter referred to as "Agency", and the City of Redmond, an Oregon municipal corporation, acting through its City Council, hereinafter referred to as "City". Each of the Agency or the City may be referred to as a "Party" or together as the "Parties."

WHEREAS, the City Council authorized the Agency, and designated the Board of Directors to exercise the urban renewal powers of the Agency by Ordinance No.89-11 on July 25, 1989; and

WHEREAS, the City and the Agency wish to work cooperatively and in the best interest of the public to accomplish the projects in any Urban Renewal Plan ("Plan") adopted by the City Council, and implemented by the Agency; and

WHEREAS, the City and the Agency wish to clarify the relationship between the City and the Agency with respect to land acquisition and disposition, capital improvements and administrative services,

NOW THEREFORE, in consideration of the mutual benefits to be realized by performing this Agreement, the City and the Agency agree as follows:

TERMS OF AGREEMENT

1. LAND ACQUISITION

Section 1.1 Real Property: The Agency may purchase real property for the benefit of public projects, in accordance with Plan, to achieve the objectives of the Plan. Specifically, such purposes shall include rehabilitation, public improvements such as streets, alleys, bicycle paths and pedestrian ways; facilities such as parks and other uses that benefit the public and are to be developed by the Agency or the City; and where it is determined that a substantial public interest or the objectives of the Plan can be furthered by assembling property for development or redevelopment by a party other than the owners of record of such property.

Section 1.2 Easements and Rights of Way: The Agency may acquire easements and rights of way necessary to Agency improvement projects, such as for landscape, maintenance, utilities, amenities, and street construction. If an easement or agreement will encumber the City in the future, such as landscape easements on private property, both the Agency and the City, in addition to the property owner, will execute the necessary documents, and an easement will be recorded in the Deschutes County public record.

Section 1.3 Length of Ownership: The Agency may hold land, or interests in land, that it acquires for ultimate transfer to the City in Agency ownership until such time that is mutually beneficial to both parties. The Agency may retain ownership for an indefinite period of time, pending development of a site, or may transfer the land or interest shortly after purchase. The consideration for all transfers from the Agency to the City shall be \$-0-. The City shall pay all fees and title insurance costs associated with the transfer.

Section 1.4 Effective Date of Transfer: If property other than real property is transferred, the effective date of transfer shall be the date of acceptance by the City of Redmond. If real property is to be transferred, the effective date of transfer shall be the date the City executes acceptance of the deed.

Section 1.5 Agency Cannot Obligate City to Future Activities: If a real property purchase, easement or agreement with property owners made by the Agency places future obligations on the City, the Agency shall inform the City and obtain City approval prior to completing the transaction. In the case of easements or agreements with property owners, both the Agency and City shall be signers.

2. REIMBURSEMENT

Section 2.1 Materials and Services: Each of the Agency and City shall be entitled to compensation for any staff services or supplies provided by one to the other party, provided that, in advance of the performance of services or the providing of supplies, the City and the Agency shall have agreed, in writing, to the scope and cost of such materials and services. Agency requests for City services are to be approved by the City Manager. City requests for Agency services are to be approved by the Agency Board of Directors.

Section 2.2 Project Reimbursement: Agency and City may agree to share the costs of capital improvement projects within the Plan. Such agreement will be in writing, setting out the scope of the project, anticipated share of the cost to be paid by each Party, and the terms for reimbursing the Party performing the work.

Section 2.3 Depositing to LGIP: The City and the Agency may each make deposits to the other's Local Government Investment Pool account when in the interests of a project to do so. Deposits shall be in the form of a check, rather than a transfer. If the deposit is to be held in the LGIP account for longer than 30 days, interest shall be paid on the balance.

3. CAPITAL MAINTENANCE (LANDSCAPE ASSETS)

Section 3.1 Landscape: On Agency-installed landscape projects, the Agency may elect to pay for up to one (1) year of landscape maintenance, hereinafter known as "Capital Maintenance", in order to protect its capital investment. The Agency may contract with the City Public Works Department to provide Capital Maintenance services, or hire an outside firm or agency. The Agency cannot pay for, or reimburse the City for, routine maintenance. Capital Maintenance is arranged for in addition to the standard 1-year warranty period provided by most landscape installers to replace faulty installations

or defective plant or irrigation materials only. The Agency shall be responsible for supervising services hired under Capital Maintenance.

Section 3.2 Real Estate: On Agency-owned property, the Agency shall pay for normal costs associated with ownership of land, such as complying with local weed control laws, nuisance abatement, and hazardous waste removal.

4. INSURANCE COVERAGE

Section 4.1 Real Property: All land acquisitions shall be added to the general liability insurance policy of the City and the City shall charge the Agency proportionally. Upon transfer of assets, the Agency shall no longer be responsible for the proportionate share related to the asset.

Section 4.2 Construction Projects: The City shall notify its respective insurance carrier upon the start and completion of any Agency construction project.

Section 4.3 Contractors' Insurance: All bidding and contract documents on Agency projects shall require contractors to carry general liability insurance naming both the City and the Agency as separate insured entities, and provide Certificates of Insurance to each. Amounts shall be \$1 million per occurrence and \$2 million general aggregate. Any building being constructed shall be covered by the contractor's building insurance until a certificate of occupancy is issued, naming the City or the Agency as beneficiary, or both, whichever holds the financial interest in the building itself. For example, if the Agency owns real property and the City builds a structure on that property, the contractor shall name the City as the beneficiary of the building insurance.

Section 4.4 Buildings & Structures: All buildings and structures built or owned by the Agency shall be covered by the City's insurance policy and proportionally billed to the Agency until such time that the asset is transferred to the City.

5. OPERATING AGREEMENT

Section 5.1 City Operation of Agency Property: Should the City wish to operate facilities, such as a public park, public building, or recreational facility on land or improvements owned by the Agency, an Operating Agreement shall be executed to define each Party's responsibilities. The Operating Agreement shall include:

- 5.1.1 A clear statement of the City's responsibility for maintenance and the enforcement of regulations in the use and operation of the facilities;
- 5.1.2 A clear definition of who controls the use of the facility, how the facility is to be maintained, and how to prevent interference with property management;
- 5.1.3 The City's agreement, as operator, to save and hold harmless the Agency from liability caused by negligent operations;
- 5.1.4 If the improvements are owned by the Agency, the Agency shall agree to save and hold harmless the City from liability caused by negligent construction; and

5.1.5 The City shall carry liability insurance with the Agency named as an additional insured.

Section 5.2 Capital Maintenance: On landscape improvements transferred to the City but for which the Agency has maintained Capital Maintenance responsibility Agency and City shall enter into an Operating Agreement to define each Party's responsibilities during the Capital Maintenance period. The Operating Agreement under this paragraph will include:

5.2.1 Agency shall hire contractors, supervise the Capital Maintenance work and pay for Capital Maintenance services and manage any warranty claims;

5.2.2 A clear definition of the Party which controls the uses of the land/improvements, how to prevent interference; and

5.2.3 The date the City will assume responsibility for maintenance.

6. TRANSFER OF ASSETS

Section 6.1 Transfer of Assets: At such time as the Agency and City may determine, the Agency shall, by resolution of the Board of Directors, transfer the assets of the capital improvement project to the City, naming the project and total value of the project. Administration costs are to be capitalized.

Section 6.2 Timing of Transfer and Acceptance by City: The transfer of assets shall take place as soon as practical after the project is completed. The City shall accept the transfer of assets by resolution of the City Council within 30 days of the Agency's resolution.

Section 6.3 Landscape/Capital Maintenance: The estimated value of the Capital Maintenance shall be included in the Transfer of Assets as part of the total value.

Section 6.4 Contractors' Warranties: When the Transfer of Assets is complete, the Agency shall assign to the City any contractors' warranties still outstanding.

Section 6.5 Property Owner Agreements: The Agency shall also assign any property owner agreements outstanding. However, it is understood that easements and similar agreements shall name both the Agency and the City and require signatures of both Parties.

Section 6.6 Conveying Land and Improvements Separately: The Agency may turn over real property improvements to the City separately from land. Conveying ownership of real property improvements does not affect liability for improvements constructed in a negligent manner.

7. FINANCIAL NOTIFICATION

Section 7.1 Annual Financial Report: The Agency shall provide the City with an annual financial report, in accordance with state law.

Section 7.2 Agency Long Term Indebtedness: The Agency shall notify the City whenever a new bond issuance is being considered by the Board of Directors and provide an accompanying financial projection. Such notification is intended to give the City Council the opportunity to review appropriate information in advance of the Agency's request for City approval of the proposed bond issuance.

8. RIGHTS & RESPONSIBILITIES

Section 8.1 City Rights and Responsibilities: The City shall have the following rights and responsibilities:

- 8.1.1 Give Agency the right to work in the public right of way to do construction.
- 8.1.2 Provide comment on Agency projects.
- 8.1.3 Assume responsibility for providing public notice on street closures and interruption of public services or city utilities for Agency projects, in order to maintain consistency in notification standards and procedures.
- 8.1.4 Ensure that contractors provide proof of insurance coverage naming both City and Agency as insured parties on joint projects in which the Agency reimburses the City.

Section 8.2. Agency Rights and Responsibilities: The Agency shall have the following rights and responsibilities:

- 8.2.1 Observe all city standards in construction, unless directed otherwise by the City Council.
- 8.2.2 Notify the City Council of anticipated Agency projects each year, prior to beginning the budget process.
- 8.2.3 Seek approval from the City Council prior to issuing new bonds.
- 8.2.4 Seek approval from the City on proposed landscaping projects and their estimated maintenance costs prior to finalizing design.
- 8.2.5 Assume responsibility for ensuring public safety during Agency projects.
- 8.2.6 Assume responsibility for communicating directly with the public and/or affected neighborhoods to allow for public input on projects.
- 8.2.7 Ensure that contractors provide proof of insurance coverage naming both the Agency and the City as insured parties.
- 8.2.8 Provide comment on planning issues and actions affecting the Urban Renewal Area.

9. COMMUNICATION

Because communication is an important part of the Agency's and City's relationship, the following shall take place:

- 9.1 The Agency shall keep the City informed of planned projects.
- 9.2 The Agency shall make presentations to the City Council from time to time on pertinent projects or issues that require City consideration.
- 9.3 The Agency's Manager and the City's City Manager will maintain open and regular communications.
- 9.4 The Agency, City Council, and Planning Commission may hold a joint meeting annually to discuss projects and issues of mutual interest.
- 9.5 The Agency may publish items of public interest in the City's monthly newsletter.

10. PROJECT COORDINATION

While the Agency was activated as an independent financial and legal entity, it is recognized that, because Agency projects may ultimately become City assets, it is beneficial for both parties to coordinate closely on projects.

Section 10.1 Project Priorities: The Agency's Manager, the City Manager and the City Engineer shall meet annually to discuss potential projects, anticipated costs and scheduling prior to entering the budget process. The Agency shall consider the City's needs in developing the Agency's project priorities.

11. PARTY APPROVALS AND CONTACTS

Section 11.1 Agency: In all cases where this Agreement requires the approval of the Agency, the approval may only be given by action of the Agency Board of Directors or its designee.

Section 11.2 City: In all cases where this Agreement requires the approval of the City, the approval may be given by the City Council or its designee.

12. LENGTH OF AGREEMENT

This Agreement shall remain in effect for three (3) years from the date of acceptance with an automatic extension, until a new Agreement is adopted or until the term of the Agreement is extended.

**Redmond Urban Renewal Agency,
by and through its Board of
Directors:**

By: George Endicott

Title: Board Chair

Date_____

**City of Redmond,
by and through its elected officials:**

By: Keith Witcosky

Title: City Manager

Date_____

**APPROVED AS TO LEGAL
SUFFICIENCY**

By_____

Legal Counsel