



MULTNOMAH COUNTY AGENDA PLACEMENT REQUEST

(Revised: 8/18/11)

Board Clerk Use Only

Meeting Date: 12/20/12

Agenda Item #: R.10

Est. Start Time: 11:25 am

Date Submitted: 12/12/12

Agenda Title: **Authorizing an Amended and Restated Intergovernmental Agreement with the City of Portland for funding the Sellwood Bridge Project**

Note: If Ordinance, Resolution, Order or Proclamation, provide exact title. For all other submissions, provide a clearly written title sufficient to describe the action requested.

Requested Meeting Date: December 20, 2012 Time Needed: 20 minutes

Department: Non-Departmental—Chair’s Office Division: Chair Jeff Cogen

Contact(s): Marissa Madrigal

Phone: 503-988-5239 Ext. _____ I/O Address: _____

Presenter Name(s) & Title(s):
▪ Mark Campbell, Chief financial Officer
▪ Ken Elliott, Assistant County Attorney

General Information

1. What action are you requesting from the Board?

Authorize the County Chair to execute the attached Amended and Restated Intergovernmental Agreement (IGA) between the City of Portland (City) and Multnomah County, reducing and deferring City’s contribution to the Sellwood Bridge Project, to partially offset the City’s loss of tax revenues resulting from County’s creation of a Library Taxing District, beginning in FY 2014.

2. Please provide sufficient background information for the Board and the public to understand this issue. Please note which Program Offer this action affects and how it impacts the results.

The original Intergovernmental Agreement for Funding of the Sellwood Bridge Project was entered into by the Parties effective February 25, 2011, and required a maximum City contribution of \$100 million. Voter passage in November 2012 of a County Library District is estimated to reduce property taxes available to the City’s general fund by \$8 - \$10 million annually beginning in FY 2014.

3. Explain the fiscal impact (current year and ongoing).

For Project costs up to \$270 million, the City shall pay \$74 million. Additional Project costs between \$270 million and \$306 million shall be the sole responsibility of the County. Project costs that

exceed \$306 million shall be paid in equal amounts by the City and County up to a maximum total Project cost of \$330 million. The City contribution is capped at \$86 million, regardless of final Project costs. If the County receives additional Project funding not identified in Section II.E, such as State Highway Bridge Program (HBP) funds, the City shall be credited with 50% of all such funds, thereby further reducing the City's contribution.

The County sold full faith and credit bonds for the project on December 4, 2012, borrowing a total of \$149 million, but will only pay \$128 million in principal, the original amount the County planned to borrow. The additional \$21 million is a premium paid by the underwriter and will be used to cover the increased cost due to City's lower contribution. The City expects to fund its obligations under this Agreement through the issuance of one or more series of City limited tax revenue bonds.

4. Explain any legal and/or policy issues involved.

The County's bond sale has no impact on the County's general fund. The bonds will be repaid 100% with proceeds from the County's \$19 per year vehicle registration fee. By state law, the fee can only be used to fund the Sellwood Bridge.

5. Explain any citizen and/or other government participation that has or will take place.

Community engagement has been ongoing and extensive on the Sellwood Bridge Project, including meetings with the governmental and technical Advisory Committees, neighborhood groups, affected property owners, and other neighborhood stakeholders. Public involvement will continue throughout the SBP.

Required Signature

Elected Official or Dept Director:	Marissa Madrigal /s/	12/12/12
	_____	Date: _____