



MULTNOMAH COUNTY AGENDA PLACEMENT REQUEST

(Revised: 8/18/11)

Board Clerk Use Only

Meeting Date: 11-8-12
Agenda Item #: R.4
Est. Start Time: 10 a.m.
Date Submitted: 10-30-12

RESOLUTION Authorizing an Intergovernmental Agreement with the Portland Development Commission (PDC), accelerating PDC's grant to the County of tax increment from the River District Urban Renewal Area (URA)

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: November 8, 2012
Time Needed: 5 minutes
Department: Non-Departmental—Chair's Office
Division: Chair Jeff Cogen
Contact(s): Emerald Bogue
Phone: 503-988-5772 **Ext.** **I/O Address:**
Presenter Name(s) & Title(s):

- Emerald Bogue, Senior Policy Advisor, Office of Chair Cogen
- Ken Elliott, Assistant County Attorney
- Brett Taute, Project Manager, Strategic Projects Team, Facilities and Property Management ion

General Information

1. What action are you requesting from the Board?

Authorize the County Chair to execute the attached Intergovernmental Agreement (IGA) between the Portland Development Commission (PDC) and Multnomah County, accelerating PDC's disbursement of tax increment financing from the River District Urban Renewal Area (URA) to the County totaling \$26,948,460 no later than June 30, 2014, to enable the County to commence construction of a new Multnomah County Health Department Headquarters Building on the easterly half of Block U, Couch's Addition (the Property), during the summer of 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 County Health Department is housed in the McCoy Building, an aging, retail building, in need of costly seismic upgrades and not well suited for provision of health services to the public, particularly emergency public health services. The County decided to pursue relocation of MCHD's headquarters, administrative offices, specialty clinics, a laboratory, and a pharmacy facility, among other potential uses (collectively, the "Project") to a new seismic-reinforced building on the Property, also located in the URA and currently owned by the Portland Housing

Bureau ("PHB"). To enable the County to commence construction of the Project during the summer of 2014, the County has requested that PDC accelerate the Final Payment to the County to be concurrent with the Initial Payment no later than June 30, 2014 (the Closing). PDC, recognizing the critical need for the Project on the Property agrees, subject to the terms and conditions in the IGA, to accelerate the Final Payment.

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

The estimated budget for this project is approximately \$38.5 million, of which the main funding source is \$26,948,460 in TIF from the URA as provided in the IGA. Multnomah County will provide the remainder of the funding through internal or external financing mechanisms to be determined at a later time.

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

Pursuant to ORS 457.470(10)(e), PDC is obligated to provide direct economic benefits to the County from the URA equal to 10.18% of the URA Plan's amendment increasing maximum indebtedness after June 1, 2008. Applying the statutory formula results in PDC's obligation to pay \$26,948,460 to the County in two installments: \$10,000,000 no later than June 30, 2014 and the balance of \$16,948,460 on June 30, 2021. The IGA will accelerate payment of the entire sum to June 30, 2014.

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

Community engagement around this possible development, including meetings with the Old Town/China Town and the Pearl District Urban Renewal Advisory Committees and other neighborhood stakeholders has already started. Public involvement will continue throughout the project.

Required Signature

Elected Official Jeff Cogen /s/ Chair
or Dept Director: _____ **Date:** 10-30-12