

AGENDA ITEM FOR ADMINISTRATIVE MEETING () Discussion only
(X) Action

FROM (DEPT/ DIVISION): County Counsel

SUBJECT: City of Pendleton Agreement

<p>Background:</p> <p>On November 10, 2021, the Board approved a revolving loan fund with the City of Pendleton. The agreement with the City is now before the Board for review and approval of the terms for the revolving loan fund.</p>	<p>Requested Separation Actions:</p> <p>Review and make any needed changes to the agreement</p>
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ATTACHMENTS: Proposed Agreement

*****For Internal Use Only*****

Checkoffs:

- () Dept. Heard (copy)
- () Human Resources (copy)
- (X) Legal (copy)
- () (Other - List:)

To be notified of Meeting:

Needed at Meeting:

Scheduled for meeting on: December 1, 2021

Action taken:

Follow-up:

INTERGOVERNMENT AGREEMENT
City of Pendleton and Umatilla County
Housing Infrastructure Revolving Fund

1.0 DATE

The date of this agreement is December 1, 2021.

2.0 PARTIES

The parties to this agreement are Umatilla County, Oregon (“County”) and City of Pendleton, Oregon (“City”).

3.0 BACKGROUND

- A. The City of Pendleton has set a number of goals, which include sustainable infrastructure funding for buildings, roads and utilities, to increase economic development activities and to increase available housing.
- B. The County is desirous of assisting the City to move towards its goals, with the understanding that attaining those goals will benefit the County in a number of ways, including economic development, increased tax base, and providing much needed housing.
- C. The County is willing to provide funding to the City for the purpose of housing development, primarily focused on the creation of infrastructure designed to foster new construction of additional housing.
- D. Housing developers may not have the capital available to expend to pay for infrastructure to accommodate new housing, but do have the capacity to repay the cost over a period of time or upon the sale of housing.

4.0 FUNDING

- A. The County will contribute funding to the City for the purposes set out in this agreement. The funding may not be used for any purpose other than specifically set out in this agreement.
- B. The City will create a dedicated revolving fund with the monies provided by the County, and the funds will remain with the City so long as the money is used strictly for the intended purpose.
- C. The County will pay the funds to the City at such time as a project has been identified and construction is imminent and all necessary approvals and permits have been granted.

- D. This agreement will expire and terminate if within two years of the date of this agreement, the funds have not been paid to the City, or if no funds have been disbursed by the City.
- E. The dedicated funds will be used for the purpose of housing development, primarily focused on the creation of infrastructure designed to foster new construction of additional housing. Examples of approved infrastructure will be new roads, and new water or sewer lines or extensions, all to serve new housing.
- F. The funds may not be used to address existing infrastructure needs and may not be utilized elsewhere within the City budget.
- G. The contribution from the County will be no more than \$2 million.
- H. If the funds are not utilized by the City as restricted by this agreement, this agreement will terminate and the City will return any remaining funds and repay the County the full amount of funding provided by the County.
- I. It is the intent that as development occurs and proceeds are received, the developers will repay the cost advanced for the new infrastructure, which will be paid back into the dedicated fund to invest in future infrastructure construction.

5.0 REPORTING

The City will provide the County with a brief annual report detailing revenue and expenditures within the revolving fund, and any future plans.

6.0 TERMINATION

This agreement will remain in effect until terminated as provided by this agreement. In addition, this agreement may be terminated as follows:

- A. On mutual agreement of the parties;
- B. Upon 120 days written notice to the other party.

In the event of termination by either party, all monies remaining in the dedicated revolving fund will be paid to the County within 30 days. Also, any repayments from developers or other loan recipients will be paid to the County upon receipt.

7.0 AUTHORITY

The parties agree that each has the authority to execute this Agreement and that the Agreement is executed pursuant to each party's lawful authority.

8.0 CHANGE OR MODIFICATIONS

The parties agree that any changes, additions or modifications to this Agreement shall be made only in writing and executed by the parties to this Agreement.

CITY:

COUNTY:

By _____
Mayor

George L. Murdock, Commissioner

John M. Shafer, Commissioner

Daniel N. Dorran, Commissioner

ATTEST: _____
City Recorder

ATTEST:
Office of County Records

Records Officer