

BEFORE THE BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

**RESOLUTION NO. 07-055**

Approving a Memorandum of Understanding with the Portland Development Commission and Directing Facilities and Property Management to Proceed with an Intergovernmental Agreement for Release of Urban Renewal Funding to Reroute the Hawthorne Bridge West Bound Off-Ramp

**The Multnomah County Board of Commissioners Finds:**

- a. Resolution 06-203 directed Facilities and Property Management (FPM) to proceed with negotiations for an Intergovernmental Agreement (IGA) with the Portland Development Commission (PDC) to secure \$9 million in Downtown Waterfront Urban Renewal Area funds for the partial financing of the relocation of the existing Hawthorne Bridge west-bound off-ramp.
- b. County and PDC staff negotiations have produced a Memorandum of Understanding (MOU) that creates a framework for the IGA. The MOU step was added to facilitate an open discussion and clear understanding between the parties prior to proceeding with executable agreements.
- c. The MOU outlines the intent of the IGA and includes:
  - 1) County securing \$9 million in Downtown Urban Renewal Funding from the current Plan's last bond sale in the fall of 2007.
  - 2) County commitment to provide good faith efforts towards the completion of the Courthouse.
  - 3) Definition of a working partnership between PDC and the County to strive for full development potential for:
    - Morrison Bridgehead
    - South Hawthorne Bridgehead Properties
    - Central Eastside's Hooper Detox Center Development
    - Bridge Shop site
  - 4) County and PDC to discuss a potential limited urban renewal area to benefit the County Courthouse Project.
- d. PDC's Executive Director has reviewed the MOU with the PDC Commission and has the authority to execute the MOU on behalf of the PDC.

**The Multnomah County Board of Commissioners Resolves:**

1. The attached Memorandum of Understanding with the Portland Development Commission is approved and the County Chair is directed to sign the agreement.
2. FPM is directed to proceed with the Intergovernmental Agreement under the terms laid out in the MOU.

ADOPTED this 12th day of April, 2007.

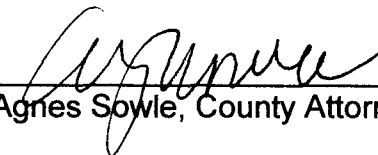


BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

  
Ted Wheeler, Chair

REVIEWED:

AGNES SOWLE, COUNTY ATTORNEY  
FOR MULTNOMAH COUNTY, OREGON

By   
Agnes Sowle, County Attorney

Submitted by:

Lisa Naito, Commissioner District 3  
Maria Rojo de Steffey, Commissioner District 1

**PDC - MULTNOMAH COUNTY**  
**Courthouse Memorandum of Understanding**

April 2, 2007

PDC appreciates the County's support with both the Central City Urban Renewal Area Committee's recommendation to extend the Downtown Waterfront (DTWF) Urban Renewal Area (URA) in 2004 and support for the extension of the Central Eastside Urban Renewal Area in 2006.

PDC will assist the County in preparing the North Hawthorne Bridgehead site (bounded by Naito Parkway, 1<sup>st</sup> Avenue, Madison and Main) for a new County courthouse. PDC's support for the project will consist of providing \$9 million in PDC funds to assist in the relocation of the portion of the Hawthorne Bridge ramp which is located in the DTWF URA.

While PDC fully recognizes the importance of developing a new courthouse facility for the community, it is a fact that the County wishes to spend the TIF (tax increment financing) allocation on site preparation prior to appropriate zoning being in place or a viable financing plan having been formulated for construction of the new courthouse.

**Funding Conditions:**

1. The funds will be available no earlier than the last bond sale for the Downtown Waterfront Urban Renewal Area, expected to occur in Fall, 2007.
2. The County will need to seek PDC approval if the funds are used for any purpose other than the bridge ramp relocation to prepare a site for the new courthouse.
3. The County may use the PDC funds to facilitate a sale, swap or transfer of the North Hawthorne Bridgehead site in order to acquire another site for the courthouse. The County's intent in this type of transaction would be to end up with a Courthouse site and to see the North Hawthorne Bridgehead site redeveloped and placed onto the tax rolls.
4. The County shall work with the Bureau of Planning, Portland Parks & Recreation, Portland Department of Transportation and any other relevant agencies to gain the necessary entitlements and approvals to move ahead with the ramp relocation and courthouse construction projects. PDC's role is primarily as a funder.
5. The County shall provide a good faith effort toward:
  - a. Obtaining the necessary entitlements to construct the Courthouse within 5 years of the date of this agreement
  - b. Beginning relocation of the ramp within 5 years
  - c. Obtain the required funding and begin construction on the new Courthouse at the earliest possible date.
6. If the County sells this site and the proceeds are not reinvested directly in a site or development of the new courthouse, then PDC has the option to require the County to repay PDC its initial investment plus accrued interest or the net proceeds from the sale, whichever is less.

The County and PDC agree to the following items:

1. PDC and the County agree that the timely redevelopment of the Morrison Bridgehead properties – which is made up of Block 1,2,16 and 39 – would both provide revenue for the new courthouse from the sales proceeds and be of significant benefit to the City.
  - i. PDC and the County shall jointly prepare criteria for the disposition of the Morrison Bridgehead properties.
  - ii. PDC shall take the lead, with the active cooperation of the County, to solicit development proposals and negotiate a development agreement which includes the sale of the property.
  - iii. PDC and the County will obtain an appraisal of the property through a mutually acceptable appraisal process. The County agrees it will accept appraised value for the sale of the property but will not be bound to consider offers which would unreasonably delay the sale closing.
  - iv. Both the County and PDC shall give a preference toward redevelopment proposals that make maximum use of the entire site and which propose quality office, retail, or residential, or a mixture of uses, and which enhances the connectivity between downtown's retail core and the waterfront and which create tax revenue. Preference will also be considered for aggressive development timelines.
  - v. The County and PDC both acknowledge that there are no TIF funds currently available for the redevelopment of these properties.
  - vi. The County and PDC agree to make the Morrison Bridgehead properties available for sale before the end of 2007.
  - vii. The County must approve any final development agreement and sale of the property.
  - viii. If, no appropriate redevelopment proposals are received, or an appraised value price for the land cannot be achieved, or either PDC or the County are not proceeding in a timely fashion, then the County and PDC meet and renegotiate this agreement.
2. If the County declares the County-owned property on the block immediately south of the proposed courthouse site (South Hawthorne Bridgehead) surplus, it shall, at PDC's option, negotiate in good faith with PDC to develop a partnership for the redevelopment of that site as well.
3. County and PDC will partner on the Hooper Detox Center project in the Central Eastside. PDC is committed to invest \$2 million in the redevelopment of the facility at the existing or a new location. The County agrees to actively support the redevelopment including consideration of the potential for co-locating health or other appropriate services in the project.
4. PDC and the County agree to co-operate in planning discussions regarding the Bridge Shop site under the Hawthorne Bridge. If planning discussions locate potential funding for a cost effective relocation of County functions and site redevelopment potential (probably for additional parking) is deemed appropriate, the County will consult with PDC regarding a beneficial sale of the Bridge Shop property.
5. The County and PDC agree to prepare and execute an Inter-Governmental Agreement reflecting these terms as soon as possible after this MOU is entered into.

6. PDC and the County also agree to discuss a limited urban renewal area to leverage the new development in the vicinity of the Hawthorne Bridgehead property for the benefit of the County Courthouse project.

Multnomah County, Oregon:

  
Ted Wheeler, Chair

Dated:

April 12, 2007

Portland Development Commission:

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Bruce Warner, Executive Director

Dated:

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REVIEWED:

AGNES SOWLE, COUNTY ATTORNEY  
FOR MULTNOMAH COUNTY, OREGON

By

  
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Agnes Sowle, County Attorney