



City of Tigard

## Tigard Business/Workshop Meeting – Agenda

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**TIGARD CITY COUNCIL & CITY CENTER  
DEVELOPMENT AGENCY**

**MEETING DATE AND TIME:**

September 18, 2012 - 6:30 p.m.

**MEETING LOCATION:**

City of Tigard - Town Hall - 13125 SW Hall Blvd.,  
Tigard, OR 97223

**PUBLIC NOTICE:**

Times noted are estimated.

Assistive Listening Devices are available for persons with impaired hearing and should be scheduled for Council meetings by noon on the Monday prior to the Council meeting. Please call 503-639-4171, ext. 2410 (voice) or 503-684-2772 (TDD - Telecommunications Devices for the Deaf).

Upon request, the City will also endeavor to arrange for the following services:

- Qualified sign language interpreters for persons with speech or hearing impairments; and
- Qualified bilingual interpreters.

Since these services must be scheduled with outside service providers, it is important to allow as much lead time as possible. Please notify the City of your need by 5:00 p.m. on the Thursday preceding the meeting by calling: 503-639-4171, ext. 2410 (voice) or 503-684-2772 (TDD - Telecommunications Devices for the Deaf).

**VIEW LIVE VIDEO STREAMING ONLINE:**

<http://www.tvctv.org/government-programming/government-meetings/tigard>

**Workshop meetings are cablecast on Tualatin Valley Community TV as follows:  
Replay Schedule for Tigard City Council Workshop Meetings - Channel 30**

- Every Sunday at 11 a.m.
- Every Monday at 6 a.m.
- Every Tuesday\* at 2 pm (*\*Workshop meetings are not aired live. Tuesday broadcasts are a replay of the most recent workshop meeting.*)
- Every Thursday at 12 p.m.
- Every Friday at 3 a.m.

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SEE ATTACHED AGENDA



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6:30 PM

1. WORKSHOP/BUSINESS MEETING

- A. Call to Order- City Council
- B. Roll Call
- C. Pledge of Allegiance
- D. Council Communications & Liaison Reports
- E. Call to Council and Staff for Non-Agenda Items

Adjourn City Council and Convene City Center Development Agency

2. CITY CENTER DEVELOPMENT AGENCY - **6:35 p.m. estimated time**

AUTHORIZE THE CCDA EXECUTIVE DIRECTOR TO SIGN A PURCHASE AND SALE  
AGREEMENT FOR THE MAIN STREET SAXONY-PACIFIC PROPERTY

Adjourn City Center Development Agency and Reconvene City Council

3. RECEIVE BRIEFING ON AN INTERGOVERNMENTAL AGREEMENT WITH CLACKAMAS  
RIVER WATER PROVIDERS **6:45 p.m. estimated time**

4. DISCUSS A REQUEST TO ALLOW SOCIAL GAMING IN THE CITY OF TIGARD **6:55 p.m.  
estimated time**

5. RECEIVE UPDATE ON THE RIVER TERRACE COMMUNITY PLAN **7:25 p.m. estimated time**

6. DOWNTOWN CONNECTIVITY CODE AMENDMENTS WORKSHOP **8:10 p.m. estimated  
time**

7. ECONOMIC DEVELOPMENT DISCUSSION **8:55 p.m. estimated time**

8. NON AGENDA ITEMS
9. COUNCIL LIAISON REPORTS
10. EXECUTIVE SESSION: The Tigard City Council may go into Executive Session. If an Executive Session is called to order, the appropriate ORS citation will be announced identifying the applicable statute. All discussions are confidential and those present may disclose nothing from the Session. Representatives of the news media are allowed to attend Executive Sessions, as provided by ORS 192.660(4), but must not disclose any information discussed. No Executive Session may be held for the purpose of taking any final action or making any final decision. Executive Sessions are closed to the public.
11. ADJOURNMENT **9:25 p.m. estimated time**

**Workshop Meeting****Meeting Date:** 09/18/2012**Length (in minutes):** 10 Minutes**Agenda Title:** Authorize the CCDA Executive Director to Sign a Purchase and Sale Agreement for the Main Street Saxony-Pacific Property**Submitted By:** Sean Farrelly, Community Development**Item Type:** Resolution **Meeting Type:** City Center Development Agency**Information****ISSUE**

Shall the City Center Development Agency consider a resolution:

Approving the purchase the Saxony-Pacific properties as outlined in the purchase and sale agreement?

Authorizing the executive director of the CCDA to take all necessary action to complete the property purchases on behalf of the agency?

**STAFF RECOMMENDATION / ACTION REQUEST**

Staff recommends the Board of the CCDA approve the resolution.

**KEY FACTS AND INFORMATION SUMMARY**

Public open space is a primary catalyst project recommended in the Tigard Downtown Improvement Plan. The purchase of property to redevelop into new mixed use buildings has also been a long standing goal of the City Center Development Agency.

The purchase of the Saxony-Pacific (a.k.a. the Finke) property would accomplish the two goals. The property was brought to the attention of the CCDA in December 2009. A development opportunity study in May 2010 demonstrated redevelopment of the property into a combination of open space and a mixed use building was feasible.

Due to property owner considerations, further discussions were postponed for two years.

A purchase and sale agreement acceptable to the property owners and reviewed by the city's real estate attorney has been prepared and is attached. It outlines the purchase price, a minimum of \$650,000 or higher if the estimated appraised value is higher.

The purchase and sale agreement outlines the due diligence steps that need to be undertaken before the agency will finalize the purchase the property. An appraisal and environmental site assessments will be performed in the next few weeks. If unacceptable site conditions are found, the agency will have the right to terminate the agreement. The owners have a desired closing date of January 3, 2013.

If Council authorizes the resolution, the due diligence tasks will be authorized. The results of the appraisal report and environmental site assessments will be reported to the CCDA Board.

**OTHER ALTERNATIVES**

The CCDA Board could choose not to adopt the resolution; the agency would not purchase the property.

**COUNCIL OR CCDA GOALS, POLICIES, MASTER PLANS**

3. Downtown. Identify a geographic-opportunity area in the downtown with the greatest potential to create a catalyst for further development. Concentrate most resources there.

**DATES OF PREVIOUS CONSIDERATION**

The CCDA has discussed this property purchase, along with other potential property acquisitions, in executive session on a number of occasions including:

September 3, 2012

August 21, 2012

January 24, 2012

January 12, 2010

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**Fiscal Impact**

**Cost:** 650,000

**Budgeted (yes or no):** partially

**Where Budgeted (department/program):** CIP Parks

**Additional Fiscal Notes:**

The purchase would be made with a combination of parks bond funds (for public open space) and CCDA funds (for the rest of the property for redevelopment). The exact allocation of funds will be determined after a further study of the site.

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**Attachments**

CCDA Resolution12-02

Map of Saxony Pacific Properties

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**CITY OF TIGARD, OREGON  
CITY CENTER DEVELOPMENT AGENCY  
RESOLUTION NO. 12-\_\_\_\_\_**

**A RESOLUTION APPROVING THE PURCHASE OF THE SAXONY PACIFIC PROPERTIES, (TAX MAP NOS.: 2S102AB02000 AND 2S102AB02100), AND AUTHORIZING THE EXECUTIVE DIRECTOR OF THE CITY CENTER DEVELOPMENT AGENCY TO TAKE ALL NECESSARY ACTION TO COMPLETE THE PROPERTY PURCHASE OF ON BEHALF OF THE AGENCY**

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WHEREAS, the City Center Development Agency has the goal of acquiring property to provide public space in the City Center Urban Renewal District; and

WHEREAS, the City Center Development Agency also has the goal of redeveloping key parcels in the City Center Urban Renewal District; and

WHEREAS, the Saxony-Pacific properties, two adjacent tax lots within the boundaries of the City Center Urban Renewal District, which front Fanno Creek, present a unique opportunity to accomplish both goals; and

WHEREAS the agency and the property owner have reached a tentative agreement on the purchase/ sale of the properties. This agreement is subject to City Council/City Center Development Agency Board approval

NOW, THEREFORE, BE IT RESOLVED, by the Tigard City Center Development Agency that:

SECTION 1:               The City Center Development Agency Board agrees to the terms of the Purchase Agreement and Escrow Instructions, (Exhibit A), including the purchase price of \$650,000 (or the appraised value if higher as defined in the Purchase and Sale Agreement) for the Saxony-Pacific properties.

SECTION 2:               The City Center Development Agency Board authorizes the CCDA Executive Director to take all necessary action to complete the Saxony-Pacific property purchase on behalf of the agency in accordance with the terms and conditions of the Purchase Agreement. Such approval shall include, but not be limited to, execution of the Purchase Agreement and Escrow Instructions and closing documents.

SECTION 3:               This resolution is effective immediately upon passage.

PASSED: This \_\_\_\_\_ day of \_\_\_\_\_, 2012.

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Chair – City of Tigard  
City Center Development Agency

ATTEST:

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Recorder – City of Tigard City Center Development Agency

**PURCHASE AGREEMENT**

**AND**

**ESCROW INSTRUCTIONS**

**BETWEEN:** Saxony-Pacific, LLC, an Oregon limited liability company (“**Seller**”)

**And:** The City Center Development Agency, the Urban Renewal Agency of the City of Tigard (“**Purchaser**”)

**DATED:** September \_\_\_\_\_, 2012 (“**Effective Date**”)

**RECITALS**

**A.** Seller owns two parcels of real property in the city of Tigard, county of Washington, Oregon, commonly known as 12533, 12535 and 12537 SW Main Street, Tigard, OR 97224 (Tax Map Nos.: 2S102AB02000 and 2S102AB02100), both of which are more fully described on the attached and incorporated Exhibit A (collectively, the “**Property**”).

**B.** Seller desires to sell the Property, and Purchaser desires to purchase the Property pursuant to the terms set forth in this Agreement.

**AGREEMENT**

**NOW, THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as set forth below.

**ARTICLE 1  
DEFINED TERMS**

**1.1 Cash.** The term “**Cash**” means (i) United States currency, (ii) a check currently dated and payable to Escrow Holder, or (iii) U.S. funds credited by wire transfer into Escrow Holder’s bank account.

**1.2 Closing.** The process described in Article 9 of this Agreement.

**1.3 Closing Date.** Closing shall occur on January 3, 2013, or on such other date as the parties may agree upon in writing. If this transaction is closed as part of Seller’s prospective 1031 exchange, the Closing Date may occur as late as ninety (90) days after January 3, 2013.

**1.4 Contingency Period.** The period that ends 120 days after the Effective Date.

**1.5 Deed.** A special warranty deed in the form of Exhibit B attached hereto which shall be used to convey the Property from Seller to Purchaser.

**1.6 Earnest Money.** The cash to be deposited into Escrow pursuant to Section 2.2 of this Agreement in the amount of Ten Thousand and No/100 Dollars (\$10,000.00).

**1.7 Environmental Laws.** Any federal, state, or local laws, ordinances, codes, statutes, regulations, administrative rules, policies and orders, and other authority existing now or in the future that classify, regulate, list, or define Hazardous Materials.

**1.8 Escrow Holder.** First American Title, located at 9200 SE Sunnybrook Blvd, Suite 400, Clackamas, Oregon, 97015, Phone: (503) 659-0069.

**1.9 Escrow.** The escrow opened by Escrow Holder pursuant to this Agreement.

**1.10 Hazardous Materials.** Any toxic or hazardous substance, material, waste, pollutant, contaminant, or infectious or radioactive material, including but not limited to those substances, materials, waste, chemicals, or mixtures that are (or that contain any) substances, chemicals, compounds, or mixtures regulated, either now or in the future, under any Environmental Law.

**1.11 Property.** The term “**Property**” as defined in this Agreement, includes land described in Exhibit A, together with all improvements, rights, privileges, servitudes and appurtenances thereunto belonging or appertaining, including all right, title, and interest of Seller, if any, in and to the streets, alleys, and rights-of-way adjacent to the land, which will be transferred to Purchaser at Closing.

**1.12 Property Documents.** The documents relating to or affecting the Property to the extent they exist and are in Seller’s possession: land use permits, land use approvals, permits, licenses, maps, development agreements, surveys and studies relating to the Property prepared by third parties.

**1.13 Purchase Price.** Cash in the amount determined by operation of Section 2.3 of this Agreement.

## **ARTICLE 2 EARNEST MONEY AND PURCHASE PRICE**

**2.1 Sale of Property.** Subject to the terms and conditions in this Agreement, Seller agrees to sell the Property to Purchaser, and Purchaser agrees to buy the Property from Seller.

**2.2 Earnest Money.** Within ten (10) days after the opening of Escrow as set forth in Section 3.1, Purchaser shall deposit the Earnest Money into Escrow. Escrow Holder shall hold the Earnest Money in a non-interest-bearing account. The Earnest Money shall be refundable to Buyer until the Contingency Period (defined in Section 1.4) expires or the conditions precedent to Closing set forth in Section 4 of this Agreement are waived in writing by Buyer; thereafter, the Earnest Money shall not be refundable except in the event of a Seller default. The Earnest Money shall be applicable to the Purchase Price at Closing.

**2.3 Purchase Price.**

**2.3.1** Except as provided in Section 2.3.2 below, the “Purchase Price” shall be the greater of Six Hundred Fifty Thousand and No/100 Dollars (\$650,000.00) (“Base Purchase Price”) or the Appraised Value (defined below). During the Contingency Period the Purchaser will obtain an appraisal of the Property from a certified appraiser (“Appraisal”). The parties agree that the opinion of value reflected in the Appraisal shall be the “Appraised Value” for purposes of this Section 2.3.1.

**2.3.2** In establishing the Base Purchase Price the parties have assumed that the Property complies with applicable environmental laws and that that no remediation of contaminants is required on or related to the Property. During the Contingency Period the Purchaser shall obtain an environmental site assessment of the Property from a qualified environmental consultant (“ESA”). If the ESA concludes that contamination exists on the Property which must be remediated in order for the Property to comply with applicable environmental laws: (i) this Section 2.3.2 shall be used to determine the Purchase Price, (ii) the Purchaser will engage the services of appropriate consultants to estimate required remediation costs (“Remediation Costs”), and (iii) the Purchase Price shall be: (A) the higher of the Base Purchase Price or Appraised Value as determined under Section 2.3.1, minus (B) the Remediation Costs. Seller has sole discretion to terminate the transaction if “Remediation Costs” are unacceptable to Seller.

**2.3.3** The Purchase Price shall be paid by Purchaser in Cash to Seller at the Closing.

### **ARTICLE 3 DELIVERIES TO ESCROW HOLDER**

#### **3.1 Opening of Escrow.**

**3.1.1** Within three (3) business days after the Effective Date, Purchaser and Seller shall open Escrow by depositing with Escrow Holder a fully executed photocopy of this Agreement for use as escrow instructions. Escrow Holder shall execute the Consent of Escrow Holder which appears at the end of this Agreement and deliver a fully executed consent to Purchaser and Seller.

**3.1.2** Purchaser and Seller hereby authorize Escrow Holder to take necessary steps for the Closing of this transaction pursuant to the terms of this Agreement.

**3.1.3** Purchaser and Seller may jointly or separately prepare additional escrow instructions. Escrow Holder may also provide general instructions. If there is any inconsistency between the provisions of any of these instructions and this Agreement, the provisions of this Agreement shall control.

**3.2 Purchaser’s Deliveries.** At or before Closing, Purchaser shall deposit into Escrow (i) the Earnest Money, (ii) the balance of the Purchase Price, (iii) an executed and acknowledged counterpart acceptance of the Deed, and (iv) all other documents and instruments reasonably requested by Escrow Holder for Closing.

**3.3 Seller's Deliveries.** At or before Closing, Seller shall deliver into Escrow (i) an executed and acknowledged counterpart of the Deed, (ii) an executed Certificate of Non-Foreign Status, pursuant to Section 1445(b)(2) of the Internal Revenue Code, certifying that Seller is a non-foreign person, and (iii) all other documents and instruments reasonably requested by Escrow Holder for Closing. At Closing, Seller shall deliver possession of the Property to Purchaser.

## **ARTICLE 4 CONDITIONS PRECEDENT TO CLOSING**

**4.1 Approval of Property Documents.** Within ten (10) days after the Effective Date, Seller shall deliver all Property Documents within Seller's possession or control to Purchaser. During the Contingency Period, Purchaser shall have the right to analyze the Property Documents and determine, in Purchaser's sole, absolute and arbitrary discretion, whether the Property is suitable for Purchaser's intended use.

**4.2 Approval of the Property.** During the Contingency Period, Purchaser shall have the right to analyze the Property and determine, in Purchaser's sole, absolute and arbitrary discretion, whether the Property is suitable for Purchaser's intended use. Purchaser shall have the right to enter onto the Property to conduct any and all tests, investigations, and inspections deemed necessary by Purchaser including, without limitation, Level I and II environmental site assessments, evaluation of natural resources, a structural and geotechnical assessment, and an appraisal. All such investigations and studies shall: (i) be preceded by at least five (5) business days written notice to Seller, (ii) not interfere with the existing tenants on the Property, (iii) be conducted during normal business hours unless otherwise agreed between the Parties, and (iv) be conducted by Purchaser at its sole cost and expense. All of Purchaser's entries onto the Property pursuant to this Section 4.2 shall be coordinated through Seller's broker, John Kennedy; Mr. Kennedy shall be permitted to accompany Purchaser and its agents during any such inspection. Purchaser agrees to provide Seller with copies of all inspection reports, test results and environmental site assessments obtained pursuant to this Section 4.2. Purchaser shall defend, indemnify and hold Seller harmless for, from, and against any claim, loss, or liability, or any claim of lien or damage which arises in connection with any entry on the Property by Purchaser or any activities on the Property by Purchaser, its agents, employees, and independent contractors; provided, however, that Purchaser shall have no obligation to indemnify, defend, or hold harmless Seller from any condition of the Property discovered by Purchaser, or from any loss of marketability of the Property as a consequence of such discovery.

### **4.3 Approval of Title.**

**4.3.1 Preliminary Report.** Within ten (10) days after the Effective Date, Seller shall provide Purchaser with a preliminary title report issued by the Escrow Holder, describing title to the Property, and including legible copies of all recorded documents described in the preliminary report and plotted easements (collectively, the "**Preliminary Report**"). On or before ten (10) days after Purchaser's receipt of the Preliminary Report, Purchaser shall deliver written notice of approval or disapproval of matters disclosed in the Preliminary Report, which approval or disapproval shall be in Purchaser's sole and absolute discretion. Failure of Purchaser to deliver notice of disapproval of any matters disclosed in the Preliminary Report within such

ten (10)-day period shall be deemed rejection of all such matters. Unless waived pursuant to Section 4.3.3, the approved matters disclosed in the Preliminary Report along with the standard printed exceptions on a form of title insurance policy, shall be the “**Permitted Exceptions**” included as exceptions in the Title Policy, defined in Section 4.3.4.

**4.3.2 Right to Cure Disapproval of Preliminary Report.** If Purchaser delivers notice of disapproval pursuant to Section 4.3.1 above, Seller may elect in writing, within five (5) days thereafter, to agree to remove or otherwise cure, to Purchaser’s reasonable satisfaction, any disapproved item(s) prior to Closing. Notwithstanding any provision in this Agreement to the contrary, prior to Closing, Seller shall be obligated to remove any deeds of trust and other monetary liens (other than liens created by Purchaser and liens for non-delinquent taxes and assessments) and any exceptions to title caused by Seller.

**4.3.3 Failure to Cure Disapproved Items.** If Seller gives Purchaser written notice within the above-referenced five (5)-day period that Seller will remove or otherwise cure a disapproved matter, but Seller is unable to remove such disapproved matter at or before Closing, Purchaser may elect to either: (i) terminate this Agreement and receive a full refund of the Earnest Money, or (ii) waive in writing its prior disapproval of such item and accept title subject to such previously disapproved item, by delivering written notice of Purchaser’s election to Seller prior to Closing. If Seller either: (i) gives Purchaser timely notice within such five (5)-day period that Seller has elected not to attempt to remove or otherwise cure all of the disapproved item(s) or (ii) fails to notify Purchaser within such five (5)-day period whether or not Seller will remove or otherwise attempt to cure the disapproved item(s), Purchaser shall have ten (10) days after Purchaser’s receipt of Seller’s notice to notify Seller in writing of Purchaser’s election to (a) waive in writing its prior disapproval of such item(s) and accept title subject to such previously disapproved item(s) or (b) terminate this Agreement, in which event the Earnest Money shall be refunded to Purchaser. If Purchaser shall fail to notify Seller timely of its election to proceed under clause (a) above, Purchaser shall be deemed to have elected to terminate this Agreement, in which event the Earnest Money shall be refunded to Purchaser.

**4.3.4 Title Policy.** Seller shall be unconditionally committed to procure from Escrow Holder upon the Closing, an ALTA standard coverage owner’s policy of title insurance for the Property, with a liability limit in the amount of the Purchase Price, and insuring fee title vests in Purchaser subject only to the Permitted Exceptions (collectively, the “**Title Policy**”). At Purchaser’s option, Purchaser may elect to have the Title Policy issued with endorsements and/or in an ALTA extended coverage form, provided that Purchaser obtains, and pays the cost of, any survey required for extended coverage and pays any additional costs associated with issuance of such policy pursuant to section 8.4 of this Agreement.

#### **4.4 Approval of Leases & Estoppel Certificates.**

**4.4.1 Leases.** Within thirty (30) (10) days of the Effective Date, Seller will provide to Purchaser copies of all current leases affecting the Property, and copies of any and all documents other than leases which provide for or discuss any matters affecting the occupancy of the Property by tenants and other third parties, including but not limited to options to lease, relocation rights, termination rights, and/or expansion or contraction rights (collectively, the “**Lease Documents**”). Purchaser may terminate this Agreement at any time during the

Contingency Period if Purchaser shall determine in the exercise of its sole discretion that the Lease Documents are not acceptable. Upon expiration of the Acceptable Tenancies (as defined in Section 4.4.2 below), Purchaser shall provide such relocation rights and benefits as are required by law.

**4.4.2 No Tenancies.** Except for tenancies in existence as of the Effective Date, which shall be permitted to continue for a period of one up to (1) year from and after the Closing Date (“Acceptable Tenancies”), as of the Closing Date, Seller shall have either (i) terminated all tenancies provided for in the Lease Documents which are unacceptable to Purchaser and rendered the Property free of any and all other occupants whatsoever; and (ii) assigned all of Seller’s interest in all Lease Documents (including transfer of any security deposits held by Seller under approved Lease Documents) (“Assignment of Leases”), which are acceptable to Purchaser. Purchaser shall give Seller notice of all unacceptable tenancies no later than forty (40) days prior to the closing date.

**4.5 Contingency Failure. Notice of Termination; Failure to Notify.** If Purchaser determines, in Purchaser’s sole, absolute, and arbitrary discretion, that either the Property Documents, the Property, the title or the Property Leases are not suitable, Purchaser may terminate this Agreement and cancel Escrow by delivering written notice of termination to Seller prior to the expiration of the Contingency Period, in which case this Agreement shall immediately terminate and Escrow Holder shall immediately return the Earnest Money to Purchaser.

## **ARTICLE 5 COVENANTS AND AGREEMENTS**

**5.1 Damage or Destruction.** If, prior to the Closing, all or a material part of the Property is damaged or destroyed, Purchaser may terminate this Agreement and receive a refund of the Earnest Money.

**5.2 Personal Property.** Prior to Closing, Seller shall remove all Seller’s personal property located on the Property.

## **ARTICLE 6 SELLER’S REPRESENTATIONS AND WARRANTIES**

**6.1 Representations and Warranties of Seller.** Seller represents and warrants that, as of the Effective Date, the end of the Contingency Period, and the Closing, that all of the representations and warranties contained in this Agreement are and shall be true and correct. Each of Seller’s representations and warranties is material to and is being relied upon by Purchaser and the continuing truth thereof shall constitute a condition precedent to Purchaser’s obligations hereunder. Seller represents and warrants to Purchaser as follows:

**6.1.1 Proof of Authority.** Seller has authority and authorization to enter into this Agreement and consummate the transaction contemplated by it, and shall deliver such proof of the power and authority of the persons executing and/or delivering any instruments, documents, or certificates on behalf of the Seller to act for or bind the Seller, as may be reasonably required by the Escrow Holder and/or the Purchaser.

**6.1.2 Title to the Property.** Seller has sole legal and beneficial fee title to the Property, and has not granted any person or entity any right or interest in the Property except as set forth in this Agreement and in the Preliminary Report. Seller agrees to transfer the Property to Purchaser via the Deed, subject only to the Permitted Exceptions.

**6.1.3 Property Documents, Lease Documents; No Defaults.** To Seller's knowledge, the Property Documents and Lease Documents delivered by Seller to Purchaser are true, correct and complete copies and there are no other documents or instruments that would constitute Property Documents or Lease Documents that have not been delivered by Seller or otherwise made available to Purchaser. Seller has no knowledge of any default by Seller under any Property Documents or Lease Documents. Seller warrants that the services associated with the Property Documents and Lease Documents, have been, or will be, paid for by Seller through the Closing Date, no later than Closing.

**6.1.4 Pending Transactions, Suits or Proceedings.** To Seller's knowledge, there are no transactions, suits, proceedings, litigation (including zoning or other land use regulation proceedings), condemnation, or investigations pending or threatened against or affecting the Property or Seller as the owner of the Property in any court at law or in equity, or before or by any governmental department, commission, board, agency or instrumentality.

**6.1.5 Defects.** To Seller's knowledge, without independent investigation, there are no latent or other defects or conditions on or about the Property which would cause injury or damage to persons or property, or which would have a material adverse effect on lawful uses of the Property.

**6.1.6 No Further Encumbrances.** As long as this Agreement remains in force, Seller will not transfer, option, mortgage, pledge, or convey its interest in the Property or any portion thereof nor any right therein, nor shall Seller enter into any agreement granting to any person or entity any option to purchase or rights superior to Purchaser with respect to the Property or any part thereof.

**6.1.7 Hazardous Materials.** To Seller's knowledge, without independent investigation, no Hazardous Materials have been generated, disposed of, deposited or released (or caused to be generated, disposed of or released) on, within, under, about or from the Property. To Seller's knowledge, without independent investigation, no other party or person has used, stored, transported, generated, disposed of or released on, within, under, about or from the Property any Hazardous Materials. Without limiting the foregoing, neither Seller nor, to Seller's knowledge, without independent investigation, any other party, has installed, operated or maintained any underground storage tanks on or adjacent to the Property, and the Property is not now, and has never been, in violation and is not currently under investigation for the violation of any Environmental Laws. To Seller's knowledge, without independent investigation, there is no asbestos or lead paint on the Property. Seller hereby assigns to Purchaser as of the Closing, to the extent assignable, all claims, counterclaims, defenses or actions, whether at common law or pursuant to any other applicable federal or state or other laws, if any, that Seller may have against third parties to the extent relating to the existence of Hazardous Materials in, at, on, under or about the Property.

**6.1.8 Access; Possession.** The Property has legal and physical access to a publicly-dedicated street or road. Except as reflected in the Lease Documents, there are no leases or tenancies in effect on the Property and possession thereof can and will be delivered to Purchaser upon Closing free of any tenants or occupants whatsoever.

**6.1.9 Construction or Other Liens.** Seller warrants that, at the time of Closing, no work, labor or materials have been expended, bestowed or placed upon the Property, adjacent thereto or within any existing or proposed assessment district which will remain unpaid at close of escrow or upon which a lien may be filed.

**6.1.10 No Option or Right of First Refusal to Acquire Premises.** Seller represents that no person or entity has any right of first refusal or option to acquire any interest in the Property or any part thereof.

**6.1.11 Conduct Pending Full Payment; Covenants.**

**6.1.11.1 Conduct of Property.** Seller hereby agrees that Seller will not modify, cancel, extend or otherwise change in any material manner any of the terms, covenants or conditions of the Property Documents or Lease Documents, nor enter into any additional leases as to the Property without Purchaser's written consent (which may be withheld in Purchaser's sole discretion), nor enter into any other agreements having a material effect on the Property without the prior written consent of Purchaser, (which Purchaser may withhold in its sole discretion).

**6.1.11.2 No Alterations.** Seller will not make any material alterations to the Property prior to the Closing.

**6.1.11.3 Maintain Physical Condition.** Seller, at its sole cost and expense, will maintain and keep the Property in approximately the same condition, reasonable wear and tear, damage by casualty excepted, between the Effective Date and the Closing Date, and will keep Purchaser timely advised any change to its physical condition prior to the Closing Date.

**ARTICLE 7  
PURCHASER'S REPRESENTATIONS AND WARRANTIES**

**7.1 Purchaser's Representation and Warranties.** Purchaser represents and warrants that, as of the Effective Date, the end of the Contingency Period, and Closing, all of the representations and warranties of Purchaser contained in this Agreement are and shall be true and correct. Each of Purchaser's representations and warranties is material to and is being relied upon by Seller and the continuing truth thereof shall constitute a condition precedent to Seller's obligations hereunder. Purchaser represents and warrants to Seller as follows:

**7.1.1 Authority.** The execution and delivery of this Agreement has been duly authorized and approved by all requisite action of Purchaser, and the consummation of the transactions contemplated hereby will be duly authorized and approved by all requisite action of Purchaser, and no other authorizations or approvals will be necessary in order to enable Purchaser to enter into or to comply with the terms of this Agreement.

**7.1.2 Binding Effect of Documents.** This Agreement and the other documents to be executed by Purchaser hereunder, upon execution and delivery thereof by Purchaser, will have been duly entered into by Purchaser, and will constitute legal, valid and binding obligations of Purchaser. To Purchaser's actual knowledge, neither this Agreement nor anything provided to be done under this Agreement violates or shall violate any contract, document, understanding, agreement or instrument to which Purchaser is a party or by which it is bound.

## **ARTICLE 8 PRORATED FEES AND COSTS**

**8.1 Prorations.** Escrow Holder will prorate between the parties, based on the latest information available to Escrow Holder, all taxes, bonds and assessments ("**Taxes**") for the Property, except as provided in Section 8.2 below. If, after the Closing, either party receives a bill for any Taxes, the parties agree that the Taxes shall be prorated between the parties to the Closing Date. The party receiving the bill for the Taxes shall notify the other party in writing of the amount of such Taxes and the party receiving that notice shall pay its prorated share of such Taxes within thirty (30) days of demand therefore, but not later than ten (10) days prior to delinquency. The parties' obligations under this Section shall survive Closing.

**8.2 Penalties.** Any penalties that would be due as a result of removal of the Property from any tax deferral program shall be charged to Seller as though the Property were removed from such program on the Closing Date. Seller's obligations under this Section shall survive Closing.

**8.3 Seller's Fees and Costs.** Seller shall pay (i) the cost for the Title Policy, except for any costs associated with Extended Coverage required by Purchaser; (ii) one-half of all Escrow Holder's fees; and (iii) all transfer taxes. Except as otherwise provided for above, Seller shall not be obligated to pay for any fees and costs.

**8.4 Purchaser's Fees and Costs.** Purchaser shall pay (i) the entire cost for any Extended Coverage or endorsements for the Title Policy; (ii) one-half of the Escrow Holder's escrow fee; and (iii) all recording charges.

**8.5 Other Costs.** Except as otherwise provided in this Agreement, each party shall bear and pay the expense of its own attorneys, accountants and other professionals incurred in negotiating and closing this Agreement.

## **ARTICLE 9 CLOSING**

**9.1 Closing.** Escrow Holder shall close Escrow by (i) recording the Deed; (ii) confirming execution of all documents necessary for Closing; and (iii) delivering funds and documents as set forth herein, when and only when all terms and conditions of this Agreement have been met and each of the conditions set forth below have been satisfied:

**9.1.1 Funds and Instruments.** All funds and instruments required pursuant to this Agreement have been delivered to Escrow Holder.

**9.1.2 Satisfaction of Conditions Precedent.** Each of the conditions precedent set forth in the Agreement have been either satisfied or waived.

**9.1.3 Liens and Encumbrances.** All liens and encumbrances required to be paid by Seller have been paid and satisfied at Seller's sole expense, including without limitation any trust deed or mortgage affecting the Property. The Property shall be conveyed free of encumbrances, except for the Permitted Exceptions and those expressly accepted or waived in writing by Purchaser pursuant to the terms of this Agreement.

**9.1.4 Assignment of Lease Documents.** If applicable, Seller shall have executed the Assignment of Leases attached to this Agreement as Exhibit C.

## **ARTICLE 10 RECORDATION AND DISTRIBUTION OF FUNDS AND DOCUMENTS**

**10.1 Recorded Documents.** Escrow Holder shall cause the County Recorder of Washington County to mail the Deed to Purchaser.

**10.2 Conformed Copies.** Escrow Holder shall at Closing deliver to Seller and Purchaser (i) a copy of the Deed, conformed to show recording date, and conformed copies of each document recorded to place title in the condition required by this Agreement; (ii) a copy of each non-recorded document received hereunder by Escrow Holder; and (iii) copies of all documents deposited into Escrow to the parties herein.

**10.3 Payment of Funds at Closing.** Escrow Holder shall deliver at Closing all amounts as set forth in the final, approved closing statement.

**10.4 Original Documents.** If applicable, Escrow Holder shall at Closing deliver to Purchaser the Original Assignment of Leases.

## **ARTICLE 11 DEFAULT AND REMEDIES**

**11.1 Purchaser's Default.** If Purchaser breaches this Agreement, which breach Purchaser fails to cure within thirty (30) days after receipt of written notice thereof from Seller, Purchaser shall be in default hereunder and Seller is entitled, as Seller's sole and exclusive remedy, to liquidated damages pursuant to this Article. If Escrow fails to close due to Purchaser's default, Purchaser shall pay all Escrow cancellation charges.

**11.2 Seller's Remedies.** In the event of Purchaser's default under this Agreement, the Earnest Money shall be forfeited by Purchaser and retained by Seller as liquidated damages. Such amount has been agreed by the parties to be reasonable compensation and the exclusive remedy for Purchaser's default, since the precise amount of such compensation would be difficult to determine. Seller shall have no right to any other damages, claims or actions against Purchaser. By initialing this provision in the spaces below, Seller and Purchaser each specifically affirm their respective agreement to this liquidated damages provision as Seller's sole and exclusive remedy for Purchaser's default, and agreement that the sum is a reasonable sum.

Purchaser's Initials \_\_\_\_\_

Seller's Initials \_\_\_\_\_

**11.3 Seller's Default.** If Seller breaches this Agreement, which breach Seller fails to cure within thirty (30) days after receipt of written notice thereof from Purchaser, Seller shall be in default of this Agreement. If Escrow fails to close due to Seller's default, Seller shall pay all Escrow cancellation charges.

**11.4 Purchaser's Remedies.** In the event of Seller's default under this Agreement, Purchaser shall have the right to either (i) terminate this Agreement, and upon such event the Earnest Money shall be immediately refunded to Purchaser; or (ii) seek an action for specific performance in order to enforce Purchaser's rights hereunder. No provision of this Agreement shall be construed as waiving any of Purchaser's rights regarding eminent domain.

## **ARTICLE 12 ASSIGNMENT**

**12.1 Assignment by Purchaser.** Purchaser may not assign or otherwise transfer any of its rights or obligations under this Agreement.

## **ARTICLE 13 GENERAL PROVISIONS**

**13.1 Attorneys Fees.** If any action is instituted between Seller and Purchaser in connection with this Agreement, the party prevailing in such action shall be entitled to recover from the other party all of its costs of action, including, without limitation, attorneys' fees and costs as fixed by the court therein, at trial and on any appeal.

**13.2 Construction of Agreement.** The agreements contained herein shall not be construed in favor of or against either party, but shall be construed as if both parties prepared this Agreement.

**13.3 Entire Agreement.** This Agreement constitutes the entire agreement between the parties hereto pertaining to the subject matter hereof and all prior and contemporaneous agreements, representations, negotiations and understandings of the parties hereto, oral or written, are hereby superseded and merged herein. The foregoing sentence shall in no way affect the validity of any instruments executed by the parties in the form of the exhibits attached to this Agreement.

**13.4 Governing Law.** This Agreement shall be governed by and construed under the laws of the State of Oregon.

**13.5 Joint and Several Liability.** If any party consists of more than one person or entity, the liability of each such person or entity signing this Agreement shall be joint and several.

**13.6 Modification.** No modification, waiver, amendment, discharge, or change of this Agreement shall be valid unless the same is in writing and signed by all signatories hereto.



Jordan Ramis PC  
Two Centerpointe Drive, 6th Floor  
Lake Oswego, OR 97035

**13.9 Remedies Cumulative.** Except as specifically set forth herein, all rights and remedies of Purchaser and Seller contained in this Agreement shall be construed and held to be cumulative.

**13.10 Severability.** In the event that any phrase, clause, sentence, paragraph, section, article or other portion of this Agreement shall become illegal, null or void or against public policy, for any reason, or shall be held by any court of competent jurisdiction to be illegal, null or void or against public policy, the remaining portions of this Agreement shall not be affected thereby and shall remain in force and effect to the fullest extent permissible by law.

**13.11 Successors and Assigns.** Subject to limitations expressed in this Agreement, each and all of the covenants and conditions of this Agreement shall inure to the benefit of and shall be binding upon the successors-in-interest, assigns, and representatives of the parties hereto. As used in the foregoing, "successors" shall refer to the parties' interest in the Property and to the successors to all or substantially all of their assets and to their successors by merger or consolidation.

**13.12 Time of the Essence.** Time is of the essence of each and every provision of this Agreement.

**13.13 Legal Representation.** Seller acknowledges that this is a legal document and that Seller has been advised to obtain the advice of legal counsel in connection with its review and execution of this Agreement. Seller covenants that it will not deny the enforceability of this Agreement on the basis that Seller elects not to obtain legal counsel to review and approve this Agreement.

**13.14 Waiver.** No waiver by Purchaser or Seller of a breach of any of the terms, covenants or conditions of this Agreement by the other party shall be construed or held to be a waiver of any succeeding or preceding breach of the same or any other term, covenant or condition herein contained. No waiver of any default by Purchaser or Seller hereunder shall be implied from any omission by the other party to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect a default other than as specified in such waiver. The consent or approval by Purchaser or Seller to or of any act by the other party requiring the consent or approval of the first party shall not be deemed to waive or render unnecessary such party's consent or approval to or of any subsequent similar acts by the other party.

**13.15 Negation of Agency and Partnership.** Any agreement by either party to cooperate with the other in connection with any provision of this Agreement shall not be construed as making either party an agent or partner of the other party.

**13.16 Calculation of Time.** All periods of time referred to herein shall include Saturdays, Sundays and legal holidays in the State of Oregon, except that if the last day of any period falls on any Saturday, Sunday or such holiday, the period shall be extended to include the next day which is not a Saturday, Sunday or such holiday.

**13.17 Statutory Disclaimer.** THE PROPERTY DESCRIBED IN THIS INSTRUMENT MAY NOT BE WITHIN A FIRE PROTECTION DISTRICT PROTECTING STRUCTURES. THE PROPERTY IS SUBJECT TO LAND USE LAWS AND REGULATIONS THAT, IN FARM OR FOREST ZONES, MAY NOT AUTHORIZE CONSTRUCTION OR SITING OF A RESIDENCE AND THAT LIMIT LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, IN ALL ZONES. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009 AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO VERIFY THE EXISTENCE OF FIRE PROTECTION FOR STRUCTURES AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009 AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

**13.18 Counterparts.** This Agreement may be executed in counterparts, each of which, when taken together, shall constitute fully executed originals.

**13.19 Section 1031 Exchange Cooperation.** In the event Seller elects to utilize this transaction as part of a tax-deferred exchange pursuant to Section 1031 of the Internal Revenue Code, Purchaser agrees to cooperate with Seller as reasonably necessary to accommodate such exchange, but only so long as such cooperation is at no cost or additional expense to Purchaser.

**IN WITNESS WHEREOF,** the parties have executed this Agreement as of the Effective Date.

**SELLER:**

Saxony-Pacific LLC

By: \_\_\_\_\_

Its: \_\_\_\_\_

**PURCHASER:**

City Center Development Agency, the Urban  
Renewal Agency of the City of Tigard

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

**APPROVED AS TO FORM:**

By: \_\_\_\_\_

City Attorney

Exhibit A – Property

Exhibit B – Deed

Exhibit C - Assignment of Leases

**CONSENT OF ESCROW HOLDER**

The undersigned Escrow Holder hereby agrees to (i) accept the foregoing Agreement, (ii) be the Escrow Holder under said Agreement, and (iii) be bound by said Agreement in the performance of its duties as Escrow Holder; provided, however, the undersigned shall have no obligations, liability or responsibility under this Consent or otherwise unless and until said Agreement, fully signed by the parties, has been delivered to the undersigned.

DATED: \_\_\_\_\_, 2012.

**FIRST AMERICAN TITLE**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**EXHIBIT A**

**[To be Provided by Title Company]**

**EXHIBIT B**

AFTER RECORDING RETURN TO:

City Center Development Agency of the City of Tigard  
Attn: Executive Director /City Manager  
City Hall  
13125 SW Hall Blvd  
Tigard OR 97223

UNTIL A CHANGE IS REQUESTED  
SEND TAX STATEMENTS TO:

City Center Development Agency of the City of Tigard  
Attn: Executive Director /City Manager  
City Hall  
13125 SW Hall Blvd  
Tigard OR 97223

*This space provided for recorder's use.*

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**SPECIAL WARRANTY DEED**

Saxony-Pacific LLC, an Oregon limited liability company, Grantor, conveys and specially warrants to CITY CENTER DEVELOPMENT AGENCY, THE URBAN RENEWAL AGENCY OF THE CITY OF TIGARD, Grantee, the following described real property free of encumbrances created or suffered by the Grantor except as specifically set forth herein:

See Exhibit A attached hereto.

The true consideration for this conveyance is \_\_\_\_\_. This conveyance is made subject to the matters set forth on Exhibit B attached hereto.

**BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND**

**195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.**

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2012.

GRANTOR

Saxony-Pacific, LLC, an Oregon limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

STATE OF OREGON            )  
  ) ss.  
County of \_\_\_\_\_ )

This instrument was acknowledged before me on this \_\_\_\_ day of \_\_\_\_\_, 2012, by \_\_\_\_\_ of Saxony-Pacific, LLC, an Oregon limited liability company

\_\_\_\_\_  
NOTARY PUBLIC FOR OREGON  
My Commission Expires: \_\_\_\_\_

ACCEPTED:

GRANTEE

CITY CENTER DEVELOPMENT AGENCY, THE URBAN RENEWAL AGENCY OF THE CITY OF TIGARD

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

STATE OF OREGON            )  
  ) ss.  
County of \_\_\_\_\_ )

This instrument was acknowledged before me on \_\_\_\_\_, 20\_\_\_\_, by \_\_\_\_\_ as \_\_\_\_\_ of the City Center Development Agency, the Urban Renewal Agency of the City of Tigard.

\_\_\_\_\_  
NOTARY PUBLIC FOR OREGON  
My Commission Expires: \_\_\_\_\_

## **Exhibit A**

**EXHIBIT B**  
**Exceptions**

**EXHIBIT C**  
**Assignment of Leases**



**Workshop Meeting****Meeting Date:** 09/18/2012**Length (in minutes):** 10 Minutes**Agenda Title:** Briefing on an Intergovernmental Agreement with Clackamas River Water Providers**Prepared For:** John Goodrich**Submitted By:** Greer Gaston, Public Works**Item Type:** Update, Discussion, Direct Staff**Meeting Type:** Council Workshop Mtg.**Information****ISSUE**

The council will be briefed on an intergovernmental agreement (IGA) with Clackamas River Water Providers (CRWP).

**STAFF RECOMMENDATION / ACTION REQUEST**

No action is required: consideration of the IGA will take place on the council's consent agenda at a future meeting.

**KEY FACTS AND INFORMATION SUMMARY**

The CRWP is a coalition made up of municipal water providers that get their drinking water from the Clackamas River. The purpose of the organization is to collectively fund and coordinate efforts regarding water resource planning, management, and water conservation to preserve the Clackamas River as a high quality drinking water source and to minimize future drinking water treatment costs. Lake Oswego is a founding member of the CRWP.

The CRWP was established via IGA in 2007; this IGA was amended in 2011.

When the Lake Oswego-Tigard Water Partnership projects come online in 2016, Tigard's water will be drawn from the Clackamas River.

The Public Works Department informed the council it was pursuing membership in the CRWP in a memo dated March 14, 2012. A copy of that memo is attached.

Joining CRWP will enable Tigard to:

- Contribute to the stewardship of our future water supply.
- Establish relationships with other CRWP members.
- Have a voice on various CRWP issues.
- Demonstrate its commitment to the Lake Oswego-Tigard Water Partnership.

A majority of the existing CRWP members approved Tigard's membership on July 9, 2012. With this approval, Tigard has the opportunity to join the CRWP as a non-voting member in fiscal year 2012-2013 and would attain full, voting member rights beginning in fiscal year 2013-2014.

To obtain membership, council will be asked to authorize the mayor to sign the existing CRWP IGA. This action is slated as a consent agenda item at a future council meeting.

The city attorney's office has reviewed the IGA.

**OTHER ALTERNATIVES**

The council could decide not join the CRWP. In doing so, Tigard would have to rely on Lake Oswego to represent its interests on the CRWP. Lake Oswego would also have to fund the full CRWP water diversion cost allocations for both cities. Rather than paying membership dues directly to the CRWP, Tigard would likely have to reimburse Lake Oswego for Tigard's Clackamas River water usage.

**COUNCIL OR CCDA GOALS, POLICIES, MASTER PLANS**

2012 Tigard City Council Goal 1.a. - "Continue oversight of design, permits, rate implementation and costs for the Lake Oswego-Tigard Water Partnership."

**DATES OF PREVIOUS CONSIDERATION**

This is the first time this IGA has come before the council. The Public Works Department informed the council it was pursuing membership in the CRWP in a memo dated March 14, 2012. A copy of that memo is attached.

---

**Fiscal Impact**

**Cost:** \$10,000  
**Budgeted (yes or no):** Yes  
**Where Budgeted (department/program):** Water Fund

**Additional Fiscal Notes:**

Annual dues are based on each CRWP member's proportionate annual water usage. However, Tigard is not drawing any water from the Clackamas River at this time, so this allocation method can not be used to determine dues. In lieu of this method, the CRWP will assess Tigard \$10,000 per year in membership dues until Lake Oswego-Tigard Water Partnership projects are operational in 2016. Once these projects are online, Tigard's assessment will be based on its annual water usage; staff estimates this number will be approximately \$50,000 per year.

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**Attachments**

CRWP IGA

Memo to Council on CRWP Membership - Dated March 14, 2012

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**INTER-GOVERNMENTAL AGREEMENT**

**OF**

**THE CLACKAMAS RIVER WATER PROVIDERS**

(as Amended in 2011)

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## **CLACKAMAS RIVER WATER PROVIDERS**

This Inter-Governmental Agreement is entered into by and among the undersigned municipalities and special districts, herein after called “Participants”, to establish and operate the Clackamas River Water Providers (CRWP).

### **RECITALS**

WHEREAS, ORS Chapter 190 authorizes units of local government to enter into written agreements with any other unit or units of local government for the performance of any or all functions and activities that any of them has the authority to provide, and that the agreement may provide that such functions and activities may be performed by an intergovernmental entity created by the agreement and governed by a board or commission appointed by, responsible to and acting on behalf of the units of local government that are parties to the agreement; and

WHEREAS, all the Participants are thus authorized to enter into an inter-governmental agreement; and

WHEREAS, the Participants through separate authorizations from the State Water Resources Department, hold permits or rights to the use of public waters from the Clackamas River for beneficial uses without waste; and/or

WHEREAS, the Participants own and operate structures on the Clackamas River the purpose of which are to divert the waters of the Clackamas River for beneficial uses without waste; and

WHEREAS, the signatories to this Agreement recognize that their respective customers can benefit through cooperative planning, management and development of water supply from the Clackamas Basin.

The parties, NOW, THEREFORE, agree as follows:

### **Section 1. Definitions**

For the purpose of this Agreement the following terms shall be defined as follows:

“Agreement” – This document and any authorized amendments thereto.

“Clackamas River Water Providers” (herein CRWP) – Shall mean all Participants and Joinder Entities to this Agreement acting pursuant and under the terms of the Agreement.

“CRWP Board” – Shall mean the Board of Directors established under Section 8 of this Agreement, consisting of one representative from each Participant organization.

“CRWP Funds” – CRWP funds shall consist of all dues/cost shares, grant monies and funding from any other source provided to CRWP to conduct the activities and business of the CRWP.

“Fiscal Year” - Shall mean the period beginning on July 1 of any given year and ending June 30 the following year.

“Joinder Entity” – Shall mean any dues-paying member that is not a public water supply agency.

“Members” – Shall mean both Participants and Joinder Entities

“Participant” – Shall mean any dues-paying member that is a public water supply agency.

## **Section 2.     Establishment of CRWP**

There is hereby created an intergovernmental entity to be known as the Clackamas River Water Providers (“CRWP”).

## **Section 3.     Purposes**

The purposes of the CRWP are as follows:

- A.     To coordinate efforts regarding water resource planning, management, conservation and beneficial use of the waters of the Clackamas River and its supporting watershed;
- B.     To fund and/or support public outreach and education programs;
- C.     To fund and/or support water resource activities that may include (but are not limited to) watershed assessments, water quality monitoring and analyses, and water supply planning;
- D.     To fund staff, services, and contracts to implement the activities and programs of the CRWP as they may be identified and approved by the CRWP Board.
- E.     To provide a forum for the study and discussion of water resource issues of mutual interest to the Members and to allow for common understanding and collaborative decision-making related to these issues.

#### **Section 4. Cooperation and Participants' Retained Authority**

CRWP shall act through the process laid out herein in the spirit of cooperation among its Members. By entering into this Agreement, no Participant has assigned or granted to another or to the CRWP its water rights or authority to plan, construct, and operate its water system or perform any other obligation or duty assigned to it under law.

#### **Section 5. Clackamas River Water Provider's Authority**

In accomplishing its purposes, and utilizing the organizational structure and decision-making processes contained herein, the CRWP is authorized to:

- A. Adopt by-laws and other operating procedures consistent with the terms of this Agreement to govern operations and administration including budgeting , finance, accounting, reporting, meeting arrangements, voting procedures, elections of officers, notice procedures, and procedures for execution of contracts;
- B. Adopt and implement an annual Work Plan, and Budget;
- C. Collect regular dues (or reimbursements) from Participants and Joinder Entities to support the activities of the CRWP in the amounts established as provided herein;
- D. Expend CRWP funds and establish accounts and accounting processes to manage such funds;
- E. Execute contracts to obtain goods and services needed to conduct the activities of CRWP;
- F. Establish a procedure and criteria whereby other units of government or entities may become Members of the CRWP, either as a Participants or Joinder Entities, subsequent to the effective date of this Agreement;
- G. Establish procedures for managing its own staff, including hiring, development, compensation, and termination;
- H. Apply for and receive grants and accept other funds from any person or entity to carry out CRWP activities.
- I. Take other action within the powers specifically granted to CWRP in this section and to carry out the purposes stated in Section 3 above.

## **Section 6.     **Membership****

- A. Initial Participants. The initial Participants and signatories to this Agreement include the South Fork Water Board, North Clackamas County Water Commission, City of Lake Oswego, City of Estacada, Clackamas River Water and the Sunrise Water Authority;
- B. Membership. Membership in CRWP shall be comprised of Participants and Joinder Entities, as defined herein. The CRWP Board may establish standards for membership in its by-laws or may allow new Members to join on terms that the CRWP Board considers appropriate, consistent with the terms of this Agreement, provided, however, that no new Members may join CRWP without the affirmative vote of a majority of the CRWP Board;
- C. Withdrawal. Any Member may withdraw from CRWP at the end of a fiscal year by providing written notice to the Chair of the CRWP Board by April 1 of that year. Withdrawing Members shall be responsible for dues for the entire fiscal year during which withdrawal occurs.
- D. Voting Rights. Voting rights on the CWRP Board will be extended only to Participants and shall be limited to one vote per such member.

## **Section 7.     **Dues****

- A. Each Member shall pay annual dues each fiscal year on (at least) a quarterly basis for membership during that fiscal year.
- B. The dues for each Participant shall be established annually by the CWRP Board and shall be based on the proportionate annual water usage among all Participants consumed during the full calendar year prior to the given fiscal year.
- C. The dues for any Joinder Entity shall be established by the CRWP Board at the time the Board approves the entity's membership.
- D. If any Member becomes unable to pay its annual dues obligation for reasons of financial constraint, the CRWP Board may negotiate a payment schedule with that Participant.
- E. Additional Participants shall be allowed to join CRWP only at the beginning of a fiscal year.
- F. The dues of all Joinder Entities will be treated as part of budget reserves for the fiscal year in which the Joinder Entity dues are assessed, and will not impact or change the dues of any Participant for that fiscal year. Budget reserves resulting from any prior fiscal year

operation may be used to offset dues of Participants in subsequent fiscal years, as available and approved by the CRWP Board.

### **Section 8. CRWP Board**

- A. The CRWP Board shall be made up of one representative staff person appointed by each Participant. Each Participant shall also appoint an alternate representative staff person to serve in the absence of the primary representative.
- B. The Board is authorized to: (1) approve CRWP's annual work plan and budget; (2) set CRWP policy; (3) approve new Members; (4) recommend water resource planning, and regional cooperation actions to Participants' governing boards, commissions, or councils; (5) adopt by-laws; (6) exercise any other powers and authority granted to the CRWP by this Agreement necessary to accomplish CRWP's purposes as established in Section 3 of this Agreement.
- C. Consistent with the terms of this Agreement, the by-laws shall, at least, (1) establish the offices of Chair and Vice-Chair and determine their terms, their general duties, and the method for their election; (2) establish a method to allow additional entities to apply for membership; (3) establish a method to determine timing of meetings; (5) establish a method whereby the Board can create subcommittees of the Board and other advisory committees or bodies to assist the Board in conducting its business.
- D. Unless specified otherwise in this Agreement or the bylaws, Board actions must be approved by a vote of a majority of the Board members present and eligible to vote at a meeting at which a simple majority of the Board is present.

### **Section 9. Fiscal Agent**

The Board shall designate a fiscal agent for CRWP from among its Members, unless so authorized from the CRWP Board.

### **Section 10. Term**

The term of this Agreement, unless otherwise terminated according to its provisions, shall be perpetual from the date that the last of the Participants named in Section 6(B) of this Agreement signs this Agreement.

### **Section 11. Dispute Resolution**

Disputes among the Members shall, if possible, be resolved through the use of a mandatory, binding dispute resolution mechanism established by CWRP Board in the by-laws. However, the issues subject to this dispute resolution mechanism shall be limited to interpretation of the terms of the Agreement. No issues related to water supply development or program development by individual members will be raised as part of this dispute resolution mechanism.

### **Section 12. Duration and Dissolution**

This Agreement shall remain in effect, subject to the following: (1) any Participant may withdraw at the end of any fiscal year as provided in this Agreement; (2) should all but one Participant withdraw, the Agreement shall end and CRWP shall be dissolved; (3) CRWP may be dissolved by a majority vote of the CRWP Board.

### **Section 13. Contractual Liability**

Members shall share contractual liability of CRWP, including any judgment, fines or penalties and reasonable attorney fees incurred in a contract action that are levied against CRWP, or against a Member who entered into a contract on behalf of CWRP with authorization of the CWRP Board, on a basis proportionate to the each respective Member's dues, unless otherwise specified by a majority vote of the membership of the CRWP Board. This obligation shall apply to any entity that was a Member at the time the liability arose or the cause of action accrued. Settlement of any claim or action that would impose an obligation to pay upon Members under this provision must be approved by a majority of the membership the CRWP Board. Members who are not signatories to this Agreement shall be required to execute an agreement consistent with the terms of this Section 13 as a condition of membership.

### **Section 14. Indemnification**

To the extent permitted by the Constitution and laws of Oregon relating to units of local government and subject to the limitations of ORS 30.265 to 30.300, each Member shall indemnify, defend and hold the others harmless from any liability arising from that Member's negligence in connection with CRWP activities including but not limited to acts or omissions of the Member's officials, employees and agents. Members who are not signatories to this Agreement shall be required to execute an agreement consistent with the terms of this Section 14 as a condition of membership.

**Section 15. Oregon Law and Forum**

- A. This Agreement shall be construed according to the laws of the State of Oregon.
- B. Any litigation between the Participants under this Agreement or arising out of work performed under this Agreement shall occur, if in the state courts, in the Clackamas County Circuit Court, and if in the federal courts, in the United States District Court for the District of Oregon.

**Section 16. Agreement Amendments**

Amendments to this Agreement shall be recommend by the Board and shall be effective when authorized by the governing board, commission or council, as the case may be, of every Participant.

**Section 17. Prior Agreement**

This Agreement amends, by completely replacing, the terms of the agreement Clackamas River Water Providers IGA entered into by the parties on August 2007.

**SIGNATURES ON FOLLOWING PAGE**

**CLACKAMAS RIVER WATER PROVIDERS**

**CITY OF LAKE OSWEGO**

By: \_\_\_\_\_  
Mayor

Date: \_\_\_\_\_

**NORTH CLACKAMAS COUNTY  
WATER COMMISSION**

By: \_\_\_\_\_  
Chair

Date: \_\_\_\_\_

**SOUTH FORK WATER BOARD**

By: \_\_\_\_\_  
Chair

Date: \_\_\_\_\_

**CITY OF ESTACADA**

By: \_\_\_\_\_  
Mayor

Date: \_\_\_\_\_

**SUNRISE WATER AUTHORITY**

By: \_\_\_\_\_  
Chair

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Secretary

Date: \_\_\_\_\_

**CLACKAMAS RIVER WATER**

By: \_\_\_\_\_  
President

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Secretary

Date: \_\_\_\_\_

**CITY OF TIGARD**

By: \_\_\_\_\_  
                    Mayor

Date: \_\_\_\_\_





## City of Tigard Memorandum

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**To:** The Honorable Mayor and City Council

**From:** Public Works Director Dennis Koellermeier

**Re:** Clackamas River Water Providers Membership

**Date:** March 14, 2012

When the Lake Oswego-Tigard Water Partnership projects come online in 2016, Tigard's water will be drawn from the Clackamas River.

The Public Works Department is pursuing city membership in the Clackamas River Water Providers (CRWP). The CRWP is a coalition made up of municipal water providers that get their drinking water from the Clackamas River. The purpose of the organization is to collectively fund and coordinate efforts regarding water resource planning, management, and water conservation to preserve the Clackamas River as a high quality drinking water source and to minimize future drinking water treatment costs.

Joining CRWP at this early stage will enable Tigard to:

- Contribute to the stewardship of our future water supply.
- Become familiar with other CRWP members.
- Demonstrate its commitment to the Lake Oswego-Tigard Water Partnership.

Current CRWP members must approve our membership. Staff will keep the council apprised of our progress and will bring any membership agreement(s) before the council.

**Workshop Meeting****Meeting Date:** 09/18/2012**Length (in minutes):** 30 Minutes**Agenda Title:** Discuss a request for allowing social gaming in the City of Tigard**Prepared For:** Kent Wyatt**Submitted By:** Kent Wyatt, City Management**Item Type:** Update, Discussion, Direct Staff**Meeting Type:** Council Workshop Mtg.**Information****ISSUE**

Should the City of Tigard allow social gaming? If so, how should the City restrict the scope of the gaming activity?

**STAFF RECOMMENDATION / ACTION REQUEST**

Decide whether staff should draft a social gaming ordinance.

**KEY FACTS AND INFORMATION SUMMARY**

In April 2012, the owner of New King's Buffet on Pacific Highway requested that the City consider allowing social gaming. (A "social game" is one in which all the money wagered is returned to the players in the form of prizes.) Since that time, staff has researched the issue through input from Jordan Ramis, feedback from the Tigard Police Department, and a survey of other cities who have addressed social gaming.

It important to note charitable gaming is categorized differently and is defined as activity in which the proceeds are used to fund the activities of charitable organizations. Charitable gaming is regulated by the Oregon Department of Justice.

Absent local government consent, Oregon law prohibits 'social gaming.' Requests for allowing social gaming in cities throughout Oregon have increased with the popularity of games such as 'Texas Hold'em.' Cities have reached different verdicts with some (Fairview, Gresham, Hillsboro, Portland) allowing it while others (Canby and Sandy) choosing to not allow it. Discussions in area cities focused on the three main considerations - accessing the community interest, understanding potential impacts to safety, and understanding the allowable restrictions on social gaming.

Social gaming has been occurring for several years in Tigard and at least two restaurants continue to offer social gaming on a regular basis. Social gaming activity, according to the Tigard police, has not led to complaints or other safety issues. An informal poll of Tigard businesses (see attachment #2) indicates businesses are indifferent on whether Council should pass a social gaming ordinance. Tigard police support an ordinance that would allow regulating social gaming with enforcement being complaint driven.

Hillsboro is an example of a city which has recently debated allowing social gaming. Because gaming was already occurring, Hillsboro felt obligated to create an ordinance allowing and regulating "social gaming." These regulations prohibit anyone less than 18 years of age in the immediate area of play and must be posted with signs approved by the city. Regulations also include that a business only be able to host the games one night a week or only on 25 percent of the floor space. If a business breaks those rules, the department suggests a \$1,000 fine -- rather than the normal \$250 code violation fine.

The City of Portland Social Game permit program regulates the operators of social games, restricting location, age, dollar amount of play, and other rules to protect the public peace, safety and morals. An annual permit fee of \$500 per location is required. Portland's enforcement of the program is complaint driven.

Should the City Council wish to authorize social gaming, it may restrict the scope of the activity. For instance, it is likely that Tigard could provide a set number of license, so that the number of "social gaming" centers could be limited.

Tigard could also limit the proximity of the social gaming centers to schools or use other reasonable criteria. The types of social gaming, and role that the "house" plays in the gaming is strictly limited.

**OTHER ALTERNATIVES**

Request staff provide additional information on social gaming.

**COUNCIL GOALS, POLICIES, APPROVED MASTER PLANS**

N/A

**DATES OF PREVIOUS COUNCIL CONSIDERATION**

N/A

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**Attachments**

Background on Social Gaming

Informal Poll on Social Gaming in Tigard

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# City of Tigard Memorandum

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**To:** Marty Wine, City Manager

**From:** Kent Wyatt, Senior Management Analyst

**Re:** Framework for Addressing Social Gaming Request

**Date:** June 11, 2012

This memo outlines a framework for the consideration of allowing social gaming in the City of Tigard. A “social game” is one in which all the money wagered is returned to the players in the form of prizes.

Absent local government consent, Oregon law prohibits ‘social gaming.’ Requests for allowing social gaming in cities throughout Oregon has increased with the popularity of games such as ‘Texas Hold’em.’ Cities have reached different verdicts with some (Fairview, Hillsboro, Portland) allowing it while others (Canby and Sandy) choosing to not allow it.

This memo was developed from a combination of legal advice from Jordan Ramis, feedback from the Tigard Police Department, and experiences of other Oregon cities. First, three main considerations are addressed. Then, case studies of several Oregon cities are included for your review.

## MAIN CONSIDERATIONS

### 1. Accessing Community Interests

Public perception is an important consideration related to social gaming. Understanding the will of the people is often done through an informal process of outreach to the local chamber of commerce, area business, and area police departments. Judging from recent examples of cities dealing with social gaming, a formal public perception poll is infrequently used as a decision-making tool. Citizen options are also shared after the item appears on the Council agenda, through public testimony and communication with council members and city staff.

**Tigard Action Item:** City staff could work through the Tigard Chamber of Commerce to gauge the reaction from the business community. Individual council members could gather the pulse of their constituents through informal meetings. The City could engage a research polling firm to do a public opinion survey.

### 2. Understanding Potential Impacts to Safety

While social gaming ordinances vary in each city, the issues considered before adoption are similar. The most common concern expressed is safety. Tigard Police completed an informal survey of

Oregon cities allowing social gaming to gauge potential public safety issues. Respondents indicated little or no increase in crime.

The safety issues that were reported include:

- Clubs routinely pay poker dealers or allow them to accept tips, flouting city and state rules.
- Players complain of cheating and unfair application of rules.
- Some clubs have permitted illegal cash poker games on their premises.
- And many poker parlor operators make allegations against their peers, to eliminate competitors.

**Tigard Action Item:** Tigard Police could solicit input on safety concerns from Tigard businesses and suggest regulations for any potential ordinance.

### **3. Options for Licensing, Regulating, and Enforcing a Social Gaming Policy**

The majority of Oregon cities address social gaming through an ordinance. An exception is Cave Junction which allowed residents to decide via a ballot measure whether to allow social gaming within the city, gambling in a private or public place where there are no house odds. The measure was defeated.

In those cities enacting ordinances, most require a per-event license. The license is typically \$100 but varies on the amount needed for law enforcement to administer and enforce the regulations. The application required for obtaining a license serves to legitimize the process and focus otherwise unbridled discretion to deny a license. A reason for denying an application would be a pattern of violations of previous license conditions.

Should the Tigard City Council consider a social gaming ordinance there are a number of ways to regulate the activity to protect city interests. Examples of regulations used by area cities include:

- Age (18 or 21)
- Dollar amount of play
- Hours of play
- Cover charge
- Winnings must come from player buy-ins
- Tournament format
- Area of play
- No fees, membership, cover charge, change in menu prices for players, tips or gratuities given, or rental/lease fees for the game room or equipment is allowed.
- Permit-holding restaurants and bars must pass a background check and agree to law enforcement inspections.

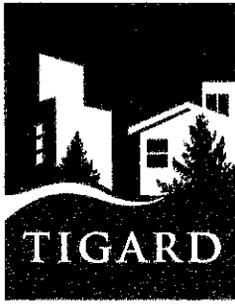
**Tigard Action Item:** The City Manager may wish to gauge the Council's interest in proceeding with an ordinance through informal discussions with City Council members. The

City Council could table the issue without a hearing. In an effort to better understand social gaming and the public sentiment toward it, the Tigard City Council may direct staff to draft an ordinance for discussion.

## CASE STUDIES

Tigard's ability to frame the discussion around social gaming can be enhanced by understanding the experiences of other cities.

- **Wilsonville** licenses social gaming by private clubs, businesses, and places of accommodation. The code calls for a \$300 license fee per event. This approach was adopted in the early eighties when such social gaming was infrequent and reserved for special events.
- Because gaming was already occurring, **Hillsboro** felt obligated to create an ordinance allowing and regulating "social gaming." These regulations prohibit anyone less than 18 years of age in the immediate area of play and must be posted with signs approved by the city. Regulations also include that a business only be able to host the games one night a week or only on 25 percent of the floor space. If a business breaks those rules, the department suggests a \$1,000 fine -- rather than the normal \$250 code violation fine.
- **Fairview** allows restaurants and bars to hold card games where money can trade hands between players. The rules institute a maximum of \$5 bets with three raises, and businesses are barred from making money off the game. The ordinance aims at creating "social gaming" where players get together for fun and not to make piles of money. The ordinance will allow any businesses to apply for the \$50 permit to add social gaming to its attractions.
- **Corvallis** requires that businesses or individuals hosting the games receive a license, pay a fee and abide by rules prohibiting a house take, odds or bank. Other restrictions limit games to between 10 a.m. to 2 a.m., and players must be 18 and older. Bars and restaurants that host games cannot advertise them off-premise, they must provide equal access to people interested in playing, and can only charge an entry fee for playing. Businesses cannot offer a reduced or increased cost for food or beverages for game participants.
- **Sandy** recently considered the request of a local business to adopt an ordinance that would allow social gaming business in the city. After researching the issue, the Sandy City Council decided not to adopt a new ordinance. Safety was not a factor in the decision. The decision was based on a lack of support from residents, availability of gambling offerings from the State of Oregon, and the presence of social gaming businesses in area cities.



# MEMORANDUM

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TO: Assistant Chief de Sully  
FROM: Sergeant McDonald *SM*  
DATE: 08/01/2012  
RE: Social Gaming Informal Survey

Over the past week and a half I have had the opportunity to make physical contact with 11 different businesses in the City which would fit the model of providing a place for social gaming. Of these businesses all of them have current liquor licenses with OLCC, serve beer wine and/or spirits and provide areas in their business where, at least at certain times, there are no minors allowed. Most, if not all, are also current Oregon Lottery dealers.

Businesses surveyed were:

Bounty Hunter	11445 SW Pacific Hwy
Gators	11475 SW Pacific Hwy
Richards Deli	11945 SW Pacific Hwy
Blitz Sports Pub	10935 SW 68 <sup>th</sup> Pkwy.
John Barleycorns	14610 SW Sequoia Parkway
Keystone Café	15700 SW Upper Boones Ferry
JB O'Brien's	11555 SW Durham Rd
Bull Mt Bar and Grill	13727 SW Pacific Hwy
Home Turf	13500 SW Pacific Hwy
Tigardville Station	12370 SW Main St
Carmichael's	12740 SW Pacific Hwy

Of the 11 businesses surveyed none of them were against the idea of the Council passing an ordinance. Most of them, 8, said they were indifferent to the idea. Of those, they who offered told me, they had in the past tried having poker games but it was a money losing venture for them. They explained that when the games are held they would have to pay a company to come put the game on and the patrons that come for the games don't buy anything. They drink water or soda and buy no food. I had managers at Bull Mt Bar and Grill, Home turf, Tigardville Station, Gators, Keystone Cafe, and Blitz tell me that they would not likely bring it back even if there were a new code in place.

Some of the businesses also said they would choose to not have social gaming because of the possible impact on their Oregon Lottery earnings. Richard's and Bull Mt Bar and Grill said they would not want to jeopardize that relationship for poker games.

There are at least two businesses who confirmed they currently host games. Bounty Hunter, who uses a company to administer the games and Carmichael's who uses their own staff to run it.

Only one business suggested one of the reasons they have chosen not to do it and would not in the future was because of concern for the type of clientele it may bring in. At Gator's they prefer to advertise in small ways and use word of mouth and try to stay away from the activities that may bring a bad element to the bar.

One business owner, Pete Louw, of Tigardville Station offered to discuss the issue further if we would like and even offered to speak to Council if needed. His opinion was mainly neutral but added he would not be likely to add it if an ordinance were passed.

All in all the response from those surveyed was generally positive. None of the businesses were against the idea of passing an ordinance. During my conversations with the managers and owners I explained the main reason for the contact. I explained the current law and that they would be notified if the approach from the Police Department changes from current practice. From the survey it does not appear that there are that many businesses engaged in the practice as they do not find it profitable and it certainly does not appear that would change should we pass an ordinance.

**Workshop Meeting****Meeting Date:** 09/18/2012**Length (in minutes):** 45 Minutes**Agenda Title:** Update on the River Terrace Community Plan**Submitted By:** Darren Wyss, Community Development**Item Type:** Update, Discussion, Direct Staff**Meeting Type:** Council Business Mtg - Study Sess.**Information****ISSUE**

Staff will update the council on a refined schedule and scope of work for the project.

**STAFF RECOMMENDATION / ACTION REQUEST**

Council is requested to receive briefing from staff, ask questions and provide input as desired.

**KEY FACTS AND INFORMATION SUMMARY**

The city has agreed via an intergovernmental agreement (IGA) with Washington County to refine its West Bull Mt. Concept Plan into the River Terrace Community Plan. The community plan will put into place a means to implement the vision of the concept plan through zoning, development code regulations and other measures that will make urban development possible. The process will also include updates to utility, parks and transportation master plans, including financial strategies necessary to fund and maintain required infrastructure improvements.

One of the first tasks the city will need to undertake is setting the expectations for stakeholders. This can be accomplished by adopting the West Bull Mt. Concept Plan into the Tigard Comprehensive Plan. Staff recommends this action because the concept plan was the result of three years of investment and involvement of the community and would be consistent with the expectations of Washington County, the concept plan stakeholder working group, and other participants in the process. This action will also create the canvas that the city will then use to get appropriate zoning and regulations into place for development. If there are necessary tweaks along the way, these can be worked out during the public process. An additional benefit of adopting the concept plan into the Tigard Comprehensive Plan is being able to access the construction excise tax (CET) monies. The IGA committed \$134,000 of CET funds to the city, but these funds will be released only when the final task, adoption of the community plan, is complete. Conversations with Metro indicate adopting the concept plan as an interim task would show progress towards completing the community plan and they would release some monies to help fund the rest of the scope tasks. Staff is seeking Council direction on this recommendation.

The development of the community plan will require coordination between city departments, as well as with other government agencies. This includes close coordination with the City of Beaverton as it develops a concept plan for the South Cooper Mountain area. Involvement and input of citizen stakeholders will also be necessary and very important.

Additionally, the city has begun work on a few tasks that are required to complete the community plan. These include: a tree grove inventory and an ESEE analysis for both the tree grove inventory and for the local wetland inventory that was completed as part of the concept planning process; an initial meeting with the technical advisory committee; and a community kick-off meeting scheduled for late October. Several more tasks are scheduled to begin by the end of the year.

**OTHER ALTERNATIVES**

N/A

## COUNCIL OR CCDA GOALS, POLICIES, MASTER PLANS

1. Take the Next Step on Major Projects

### DATES OF PREVIOUS CONSIDERATION

Project Update - May 15, 2012

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#### Fiscal Impact

**Cost:** \$134,000

**Budgeted (yes or no):** Yes

**Where Budgeted (department/program):** CD

**Additional Fiscal Notes:**

Washington County transferred CET funds to the city for completing the community plan. Metro administers these funds and will require the completion of tasks before releasing funds.

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C I T Y O F T I G A R D

Respect and Care | Do the Right Thing | Get it Done



# Tigard City Council

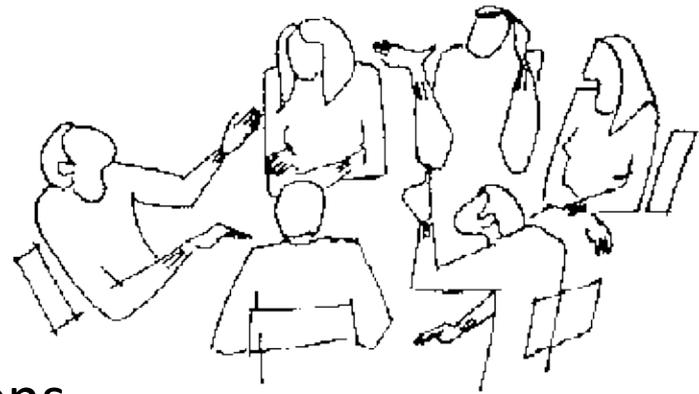
## River Terrace Community Plan Update

City Council Workshop

September 18, 2012

## Purpose of the Presentation

- ▶ Tasks to Complete
  - ▶ Schedule/Timeline
  - ▶ Planning Area
- ▶ Public Involvement Process
- ▶ Funding
- ▶ Follow-up on Council Questions
- ▶ Adoption of Concept Plan
- ▶ Tasks Under Way
- ▶ Council Involvement



## Tasks to Complete

- ▶ Goal 5 Natural Resources
  - ▶ Wetlands & Stream Corridors Map
  - ▶ Significant Habitat Map
  - ▶ Significant Tree Groves Map
- ▶ Public Facility Plan Update
  - ▶ Stormwater, Sewer, Water, Transportation, Parks
- ▶ Comp Plan/Zoning Maps & Regulations
- ▶ Infrastructure Financing Strategy



## Tasks to Complete

### ▶ Schedule/Timeline

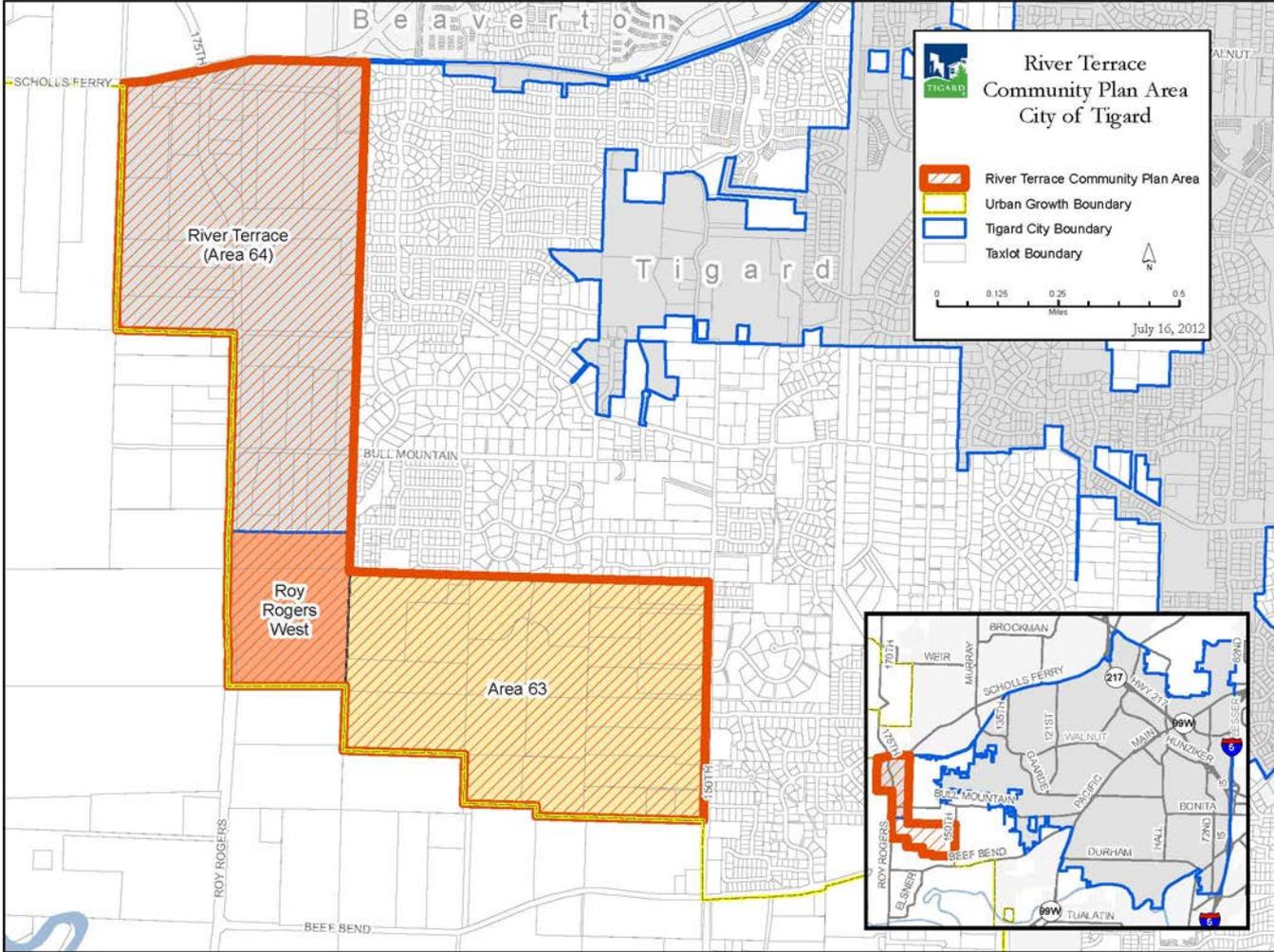
- ▶ Adopt Elements Along the Way
  - Natural Resource Maps
  - Master Plan Updates
- ▶ Community Plan Complete – March 2014
- ▶ DLCDC Acknowledgement



### ▶ Planning Area

- ▶ Infrastructure Planning for River Terrace & Urban Reserves
- ▶ Comp Plan/Zoning Regulations for Areas 63/64/RRW

# CITY OF TIGARD



## Public Involvement Process

- ▶ Public Involvement Plan
  - ▶ Planning Commission – Oct. 1
- ▶ Stakeholder Working Group
  - ▶ Concept Plan Group
  - ▶ Additional Invitees
- ▶ Technical Advisory Committee
  - ▶ Subcommittees
- ▶ Community Meetings



## Funding of Community Plan

- ▶ CET Funds
  - ▶ Consultants for Scope Tasks
  - ▶ Metro Release of Funds
    - Final Task is Community Plan
    - Interim Task
- ▶ Washington County Hours
  - ▶ Planning – 150 hours
  - ▶ Transportation – 200 hours
- ▶ Leverage Utility Funds



## Follow-up on Council Questions

- ▶ Transfer of Density
  - ▶ 10 units/acre requirement (63 & 63) – Title 11
  - ▶ Roy Rogers West – specific number of units
  - ▶ Title 1 – avenue for density transfer
- ▶ Location of Commercial Area
  - ▶ Neighborhood focus, not auto-oriented
- ▶ Roshak Road Connection to Roy Rogers Road
  - ▶ Designated Collector
  - ▶ Roy Rogers – 5 lane cross section

## Adoption of Concept Plan into Comp Plan

- ▶ Staff Recommendation
  - ▶ Confirm Expectations
    - 3 years investment and involvement
    - Consistency (WBMCP and IGA)
    - Solid starting point for community plan process
  - ▶ Release CET Funds
    - Help meet scope timeline
  - ▶ Necessary tweaks through public process
- ▶ Seeking Council Direction



## Tasks Under Way

- ▶ First Meeting with TAC
- ▶ First Community Meeting in Late October
- ▶ Land Use
  - ▶ Compatibility – Comp Plan and WBMCP
  - ▶ Zoning Options to meet 10 units/acre
- ▶ Natural Resources
  - ▶ Tree Grove Inventory
  - ▶ ESEE Analysis
- ▶ Detailed Scoping for Master Plan Updates

## Council Involvement in Process

- ▶ Adoption of WBMCP?
- ▶ Public Hearings
  - ▶ Goal 5 Maps
  - ▶ Land Use Designations
  - ▶ Public Facility Plan
- ▶ Adoption of Infrastructure Financing Strategy
- ▶ Staff Updates
- ▶ Stakeholder Working Group Membership?
- ▶ Attendance at Community Meetings

**Questions?**

**Workshop Meeting****Meeting Date:** 09/18/2012**Length (in minutes):** 45 Minutes**Agenda Title:** Downtown Connectivity Code Amendments Workshop**Submitted By:** Sean Farrelly, Community Development**Item Type:** Update, Discussion, Direct Staff      **Meeting Type:** Council Workshop Mtg.**Information****ISSUE**

Update on the proposed code amendments to implement the Downtown Connectivity Plan which will be the subject of a Planning Commission public hearing on October 15, 2012. The Council hearing is tentatively scheduled for December 11, 2012.

**STAFF RECOMMENDATION / ACTION REQUEST**

Receive update and provide feedback prior to Planning Commission public hearing

**KEY FACTS AND INFORMATION SUMMARY**

The Tigard Downtown Improvement Plan (TDIP) found one of the major constraints for the development of Downtown to be the lack of connectivity which impedes pedestrian, bicycle and vehicle circulation in the Downtown. To address this, the city produced, with stakeholder input, the Tigard Downtown Conceptual Connectivity Plan (Connectivity Plan).

**Connectivity Plan**

The intent of the Connectivity Plan is to establish a framework for improved multi-modal connectivity and circulation in Downtown Tigard. There are three objectives in the proposals for new Downtown streets:

- **Connectivity:** Foster the creation of smaller block structures, consistent with the walkable urban village envisioned by the Tigard Downtown Improvement Plan.
- **Circulation:** Create efficient routes into and around the Downtown.
- **Capacity:** Create parallel streets to accommodate the demand created by new Downtown development.

The plan was originally developed by a consultant team, led by SERA Architects, who worked with city staff and a technical advisory team of public agency representatives. Tigard City Council, Planning Commission, the City Center Advisory Commission, and the Tigard Transportation Advisory Committee reviewed and provided input to the plan.

The City Council last reviewed the plan in a workshop in January 2010. Between that time and now, the City Center Advisory Commission reviewed the plan over several months, endorsing it in fall 2010. Starting in November 2011, Angelo Planning Group was engaged to develop proposed development and comprehensive plan code language. Small group meetings were held with potentially affected property owners in March 2012. Work sessions were held with the City Center Advisory Commission and Planning Commission. A public open house was held on July 19, 2012. Feedback from these meetings was incorporated into the code language and proposed street map.

**Implementation**

The Connectivity Plan itself will not be adopted, but will be implemented through amendments to the Tigard Development Code (TDC) and the City of Tigard 2035 Transportation System Plan (TSP). The concepts in the plan will be implemented through development code requirements and maps of street connections in the TSP (the maps have been refined from what was in the Connectivity Plan document.) With redevelopment, if there is a desired street connection, depending on the impact of the development, it will need to be designed so as not to preclude the connection in the future.

The amendments address the future connectivity improvements and the new downtown street cross sections called for in the Connectivity Plan. The intent of these proposed amendments is to provide the city with some tools for implementing its vision for downtown Tigard while recognizing that improvements will likely be done incrementally over 10 to 20 years or longer as individual properties redevelop. The proposed language also aims to provide some flexibility for the city and property owners in terms of when and where the cross sections and connectivity improvements apply.

### **Connectivity Improvements**

The future street connection alignments of the Connectivity Plan were further refined after meetings with property owners and other stakeholders. Wherever possible, alignments were adjusted to minimize the impacts to property owners, while still achieving the desired connections. Attachment 1 shows the proposed locations of new streets superimposed on an aerial map of Downtown. The width of the proposed future streets would be based on the new downtown cross section designs, shown in Attachments 2 and 3. Detailed maps showing the future streets would be added to the TSP so that it is clear where future streets are expected to go and how much right-of-way is needed.

Unless a future street is also added to the city's Capital Improvement Program, it will likely only get built when there is new development or major redevelopment (e.g., redevelopment valued at more than 60% of total current value) on an affected property. At the time of development, applicants will be required to dedicate right-of-way and construct the portion of the street that is on their property. In some circumstances, they might be able to dedicate a public easement instead of right-of-way. In all cases, the city will work to ensure that the required improvements are "roughly proportional" to the impacts of the development.

For smaller projects (e.g. redevelopment valued at less than 60% of total current value), the applicant will only be required to keep the future alignment clear of buildings. Surface parking, landscaping, temporary structures, driveways and similar types of development could be allowed within the areas where new connections are planned. The applicant could also be asked to sign a non-remonstrance to future Local Improvement District (LID) to help pay for the identified street or alley improvement.

Because these future streets aren't fully designed as yet, there will also need to be an adjustment process that provides some flexibility for property owners and the city. For example, this would be important when application of the connectivity standards would preclude reasonable economic use of the site or would result in an adverse impact on natural features such as wetlands, bodies of water, significant habitat areas, steep slopes, or existing mature trees.

### **New Downtown Street Cross Sections**

Currently the TSP includes a map showing the street classification (e.g., arterial, collector, etc.) and TDC Chapter 18.810 describes all of the cross sections, showing the required width of travel lanes, on-street parking, sidewalks, etc. As part of the Connectivity Plan project, the special street cross sections (Attachment 3), which provide an enhanced pedestrian environment, were designed for the downtown. To implement these special cross sections, a new street classification map for the downtown will need to be added to the TSP and the new cross sections will need to be added to Chapter 18.810. These cross sections apply to existing streets as well as future street connections and will be applied when the city improves a street or when a private developer has to make full- or half-street improvements as a part of their development.

The new street classifications and cross sections with the recommended right-of-way widths, sidewalk, vehicle and bike lanes were developed based on the present and potential contexts of the streets i.e. the narrowest streets are proposed for areas that are likely to develop with primarily residential uses.

The purpose of the workshop is to prepare for the December public hearing and solicit any Council questions or concerns prior to the October 15 Planning Commission hearing. At the December 11 public hearing, Council will be asked to review and adopt the code amendments.

### **Schedule**

These proposed amendments will be brought to the Planning Commission at a public hearing to be held on October 15, 2012. The Council public hearing is tentatively scheduled for December 11, 2012.

### **Plan and Code Amendments**

Proposed amendments will amend the Transportation System Plan as well as a number of chapters in the TDC:

- Amendments to the Transportation System Plan to add background and figures.
- Amendments to 18.370 to address adjustments to the connectivity requirements.
- Amendments to 18.610 to add purpose, applicability and connectivity standards.
- Amendments to 18.810 to add new downtown cross-sections.

### **OTHER ALTERNATIVES**

Council may choose to direct staff to further revise the proposed plan and code amendments

### **COUNCIL GOALS, POLICIES, APPROVED MASTER PLANS**

Goal 3: Downtown

### **DATES OF PREVIOUS COUNCIL CONSIDERATION**

January 19, 2010

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### **Attachments**

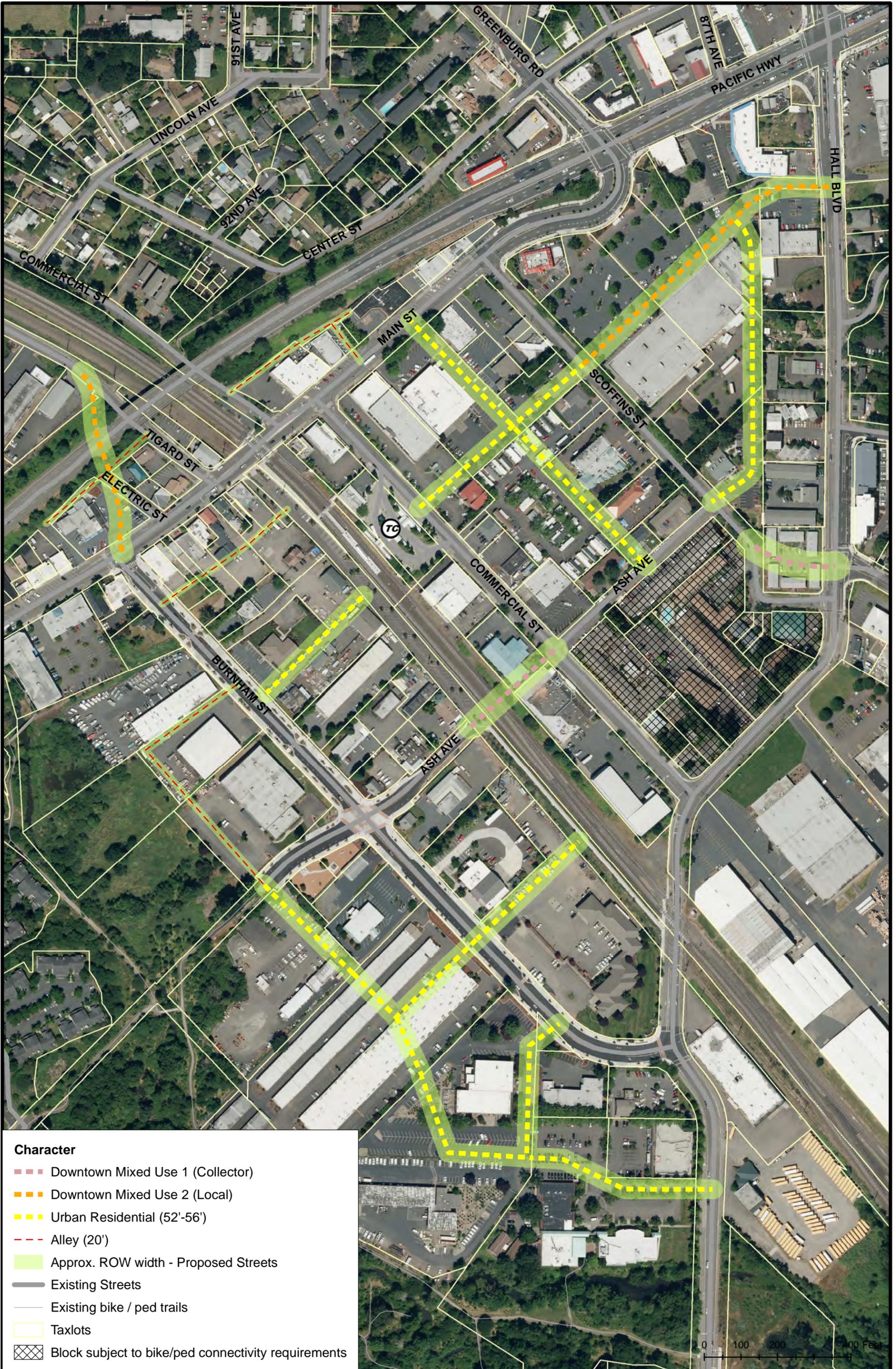
Attachment 1: Aerial

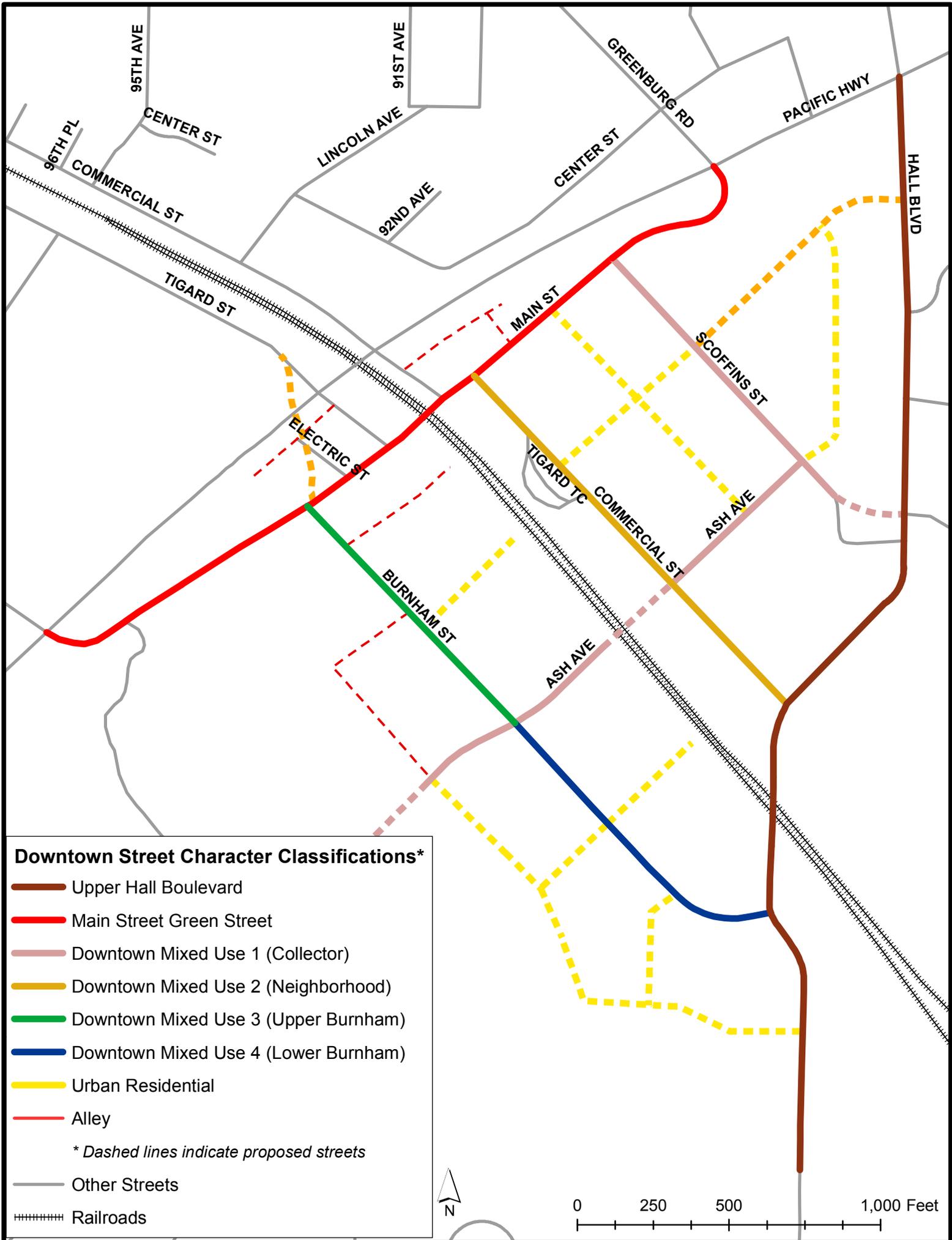
Attachment 2: Street Character Map

Attachment 3: Street Cross Sections

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# Proposed New Downtown Streets - Street Character Classifications





## Attachment 3: Proposed Cross Sections

**Table 18.810.1 (proposed)**  
**Minimum Widths for Street Characteristics**

Type of Street	Right-of-Way Width	Paved Width	Number of Lanes	Min. Lane Width	On-street Parking Width	Bike Lane Width	Sidewalk Width	Landscape Strip Width (exclusive of curb)	Median Width
Hall Boulevard - Downtown – Upper	94'	64'	3	11'	8'	6'	11'	4'	14'
Downtown Mixed Use 1 – Downtown Collector	66'-70'	46'	2	10'	8'	5'	6-8'	4'	N/A
Downtown Mixed Use 2 – Downtown Neighborhood	58'-62'	38'	2	11'	8'	N/A	6-8'	4'	N/A
Downtown Mixed Use 3 – Upper Burnham	62'-74'	38'	2	11'	8'	N/A	6-10'	6 – 8'	N/A
Downtown Mixed Use 4 – Lower Burnham	68'-72'	48'	2	10'	8'	N/A	6-8'	4'	12'
Downtown – Urban Residential	52'-56'	32'	1	18'	7'	N/A	6-8'	4'	N/A
Downtown - Alley	20'	20'	1	20'	N/A	N/A	N/A	N/A	N/A



**Hall Boulevard - Downtown – Upper**



**Downtown Mixed Use 1 – Downtown Collector**



**Downtown Mixed Use 2 – Downtown Neighborhood**



**Downtown Mixed Use 3 – Upper Burnham**



**Downtown Mixed Use 4 – Lower Burnham**



**Downtown – Urban Residential**

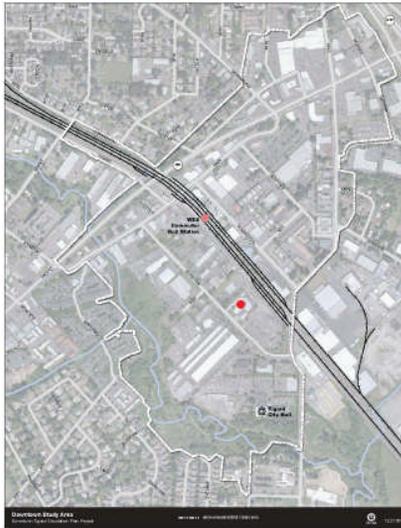


**Downtown - Alley**



# Downtown Connectivity Plan Code Amendments

City Council Workshop | September 18, 2012



## Existing Conditions

**Area:**  
Tigard Downtown Urban  
Renewal District (193 acres)

**Existing conditions :**  
Limited connections  
and connectivity

### Tigard Downtown Improvement Plan



### Foundation Documents



### **Conceptual Connectivity Plan Objectives**

- Connectivity: Foster the creation of smaller block structures, consistent with the walkable urban village envisioned by the Tigard Downtown Improvement Plan.
- Circulation: Create efficient routes into and around the Downtown.
- Capacity: Create parallel streets to accommodate the demand created by new Downtown development.

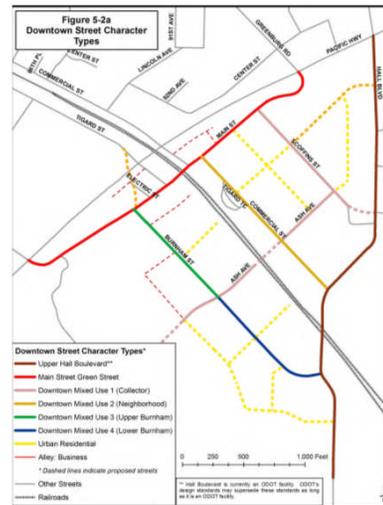
## **How We Got Here**

- CCAC Principles
- Technical Advisory Committee
- Open House
- CCAC review over several meetings
- City Council, Planning Commission, and Tigard Transportation Advisory Committee workshops
- Property owners meetings
- 2<sup>nd</sup> Open House

**Proposed New Streets**



## Proposed Street Classifications



## Street Character



Downtown Mixed Use 1 – Downtown Collector



Downtown Mixed Use 2 – Downtown Neighborhood



## **Implementation of the Plan**

- Two elements – new connections and new cross-sections
- Proposed code requirements to implement vision:
  - Recognize that improvements will likely be done incrementally over 50 years or longer as individual properties redevelop
  - Provide as much flexibility as possible while still ensuring that connections get made

## Connectivity Improvements

Detailed maps showing the future streets would need to be added to the TSP so that it is clear where future streets are expected to go and how much right-of-way is needed



## Connectivity Improvements

- New Development and Major Redevelopment
  - Dedicate right-of-way or a public easement
  - Construct a portion of the street
- Smaller Projects
  - Redevelopment valued at less than 60% of total current value
  - Keep the future alignment clear of buildings
  - Sign non-remonstrance to future Local Improvement District (LID)
- Must be “roughly proportional”
- Allow alternative alignment or design
  - Allow reasonable economic use of the site
  - Avoid adverse impact on natural features such as wetlands

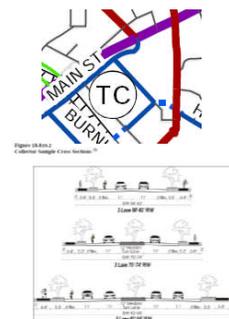
## **New Cross-Sections**

- Special street classifications and cross sections with enhanced streetscape design
  - For existing streets as well as future street connections
  - Applied when the city improves a street or when a private developer has to make full- or half-street improvements as a part of their development

## New Cross-Sections

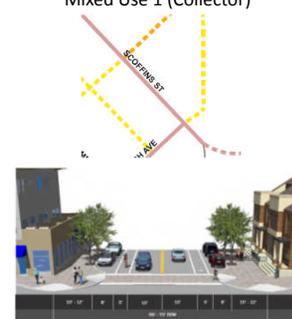
### Current

- Scoffins Street is a Collector



### Future

- Scoffins Street is Downtown Mixed Use 1 (Collector)



## **Proposed Amendments**

- Transportation System Plan to add background and figures
- TDC 18.370 to add adjustments to the connectivity requirements
- TDC 18.610 to add purpose, applicability and connectivity standards
- TDC 18.810 to add new downtown cross-sections

## **Next Steps**

- Planning Commission public hearing:  
October 15, 2012 (notices mailed last week)
- Council public hearing: December 11, 2012
- Adoption of Transportation System Plan and  
Development Code amendments
- Urban Renewal Implementation Strategy

## **Questions**

1. Is there anything we missed?
2. Does it meet your vision for the Downtown?
3. Any comments we can take to the Planning Commission hearing?

## Questions/Discussion

Contact:  
Sean Farrelly  
[sean@tigard-or.gov](mailto:sean@tigard-or.gov)  
503-718-2420



Website:  
[www.tigard-or.gov/connectivity](http://www.tigard-or.gov/connectivity)

**Workshop Meeting****Meeting Date:** 09/18/2012**Length (in minutes):** 30 Minutes**Agenda Title:** Economic Development Discussion**Prepared For:** Marty Wine, City Manager**Submitted By:** Cathy Wheatley, Administrative Services**Item Type:** Update, Discussion, Direct Staff      **Meeting Type:** Council Workshop Mtg.**Information****ISSUE**

Council discussion on setting the course for an economic development strategy for Tigard. Should Tigard pursue city-wide economic development strategies, and what should they be?

**STAFF RECOMMENDATION / ACTION REQUEST**

Council discussion about desired outcomes, city strategy, and actions Tigard could take in furthering economic development, and guidance about preferred next steps.

**KEY FACTS AND INFORMATION SUMMARY**

The City of Tigard has created a foundation of adopted plans and policies that set a course for economic development strategies, many focusing on downtown Tigard, including:

- Tigard Downtown Improvement Plan (2005)
- City Center Urban Renewal Plan (2005)
- Tigard Downtown Streetscape Plan (2006)
- Development Strategy for Downtown Tigard (2007)
- Fanno Creek Park and Plaza Master Plan (2008)
- Tigard Downtown Future Vision (2009)
- Downtown Code Update (2010)
- Downtown Tigard Parking Analysis (2010)
- Downtown Development Strategy Update (2011)
- Capital Improvement Plans (2011-2016)
- Economic Opportunity Analysis (2011)
- Tigard Triangle Master Plan (various)
- Southwest Corridor planning (2010-present)

These plans contain elements of future steps and strategies that Tigard could take to brand the community, recruit and retain businesses, redevelop housing, and use data to focus city efforts and investments for development and redevelopment.

Mayor Dirksen and several councilors have attended trainings and conferences, and have participated locally and regionally, to better understand and focus on economic development approaches that cities can use to develop the local economy.

Councilor Woodard presented a proposal in July for a possible path for the City to focus on economic development in the future, including deciding on a strategy, choosing which action steps to take, and a vision of what economic development looks like for Tigard. The prior presentation is attached for reference.

Recommendations included setting economic development organization goals; increase staffing in the organization; set up a website and links to inventories of developable land and answer the question "Why Tigard?"

## **OTHER ALTERNATIVES**

Council could choose to maintain current efforts and choose not to create a more comprehensive strategy or devote the city's financial resources to furthering economic development efforts. Such a strategy would include partnerships with organizations such as the Tigard Area Chamber of Commerce, neighboring cities, and regional partners.

## **COUNCIL GOALS, POLICIES, APPROVED MASTER PLANS**

Goal 1.b.ii.1 Take the Next Step on Major Projects: Implement the Comprehensive Plan through code revisions, including Contribute to the SW Corridor Plan by adopting Tigard's land use policies and designations and identifying priorities for high capacity transit (HCT) station location alternatives by mid-2012. Determine the economic development opportunities, development plan, city policies and regulations needed to position the Tigard Triangle as an HCT station location.

Goal 3. Identify a geographic-opportunity area in the downtown with the greatest potential to create a catalyst for further development. Concentrate most resources there.

Five year Council goals include: Explore Pacific Highway Urban Renewal District as part of a citywide economic development strategy.

## **DATES OF PREVIOUS COUNCIL CONSIDERATION**

Discussed several times by the City Council. This discussion is a continuation of the July 10, 2012, presentation by Councilor Woodard.

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### **Attachments**

July 2012 ED pres

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City of Tigard

Respect and Care | Do the Right Thing | Get it Done

# Economic Development in Municipalities

OVERVIEW and RECOMMENDATIONS

July 10, 2012 | Councilor Marc Woodard



City of Tigard

NATIONAL  
LEAGUE  
of CITIES

# National League of Cities Training Institute

Presented

## **Formulating Effective Economic Development Policy**

**Marketing and Communications Strategies**

May 17–19, 2012 | Manhattan Beach, CA

## **Building Public–Private Partnerships (P3)**

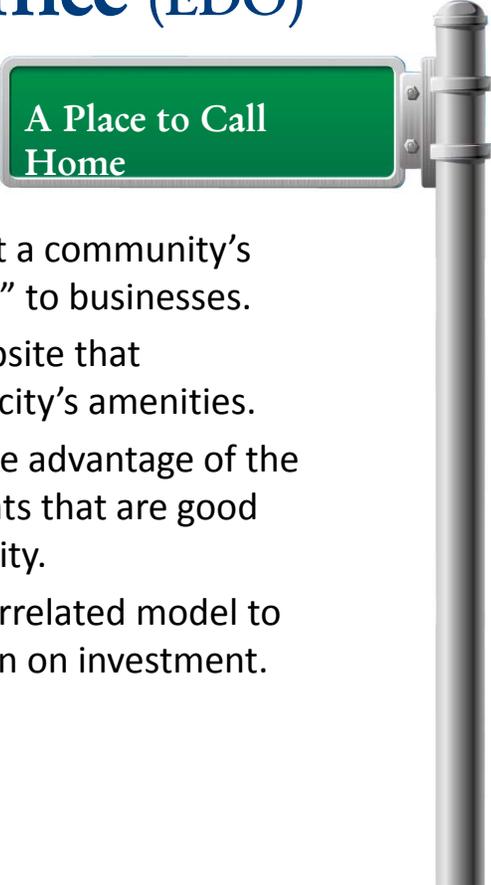
March 10–15, 2012 | Washington D.C.

# Elements of a Successful City Economic Development Office (EDO)

*“Formulating effective economic development policy through marketing and communications strategies by way of Internet technology is now preferred by EDOs in the private sector.”*

[Main seminar speaker:  
Anatalio Ubalde, CEO and  
co-founder of GIS Planning]

[www.zoomprospector.com](http://www.zoomprospector.com)



A Place to Call  
Home

- Ability to market a community’s “quality of place” to businesses.
- An effective website that demonstrates a city’s amenities.
- A strategy to take advantage of the many investments that are good for the community.
- Quantify an interrelated model to determine return on investment.

# Economic Development and Redevelopment Defined

According to Professor of Economics Michael Todaro, economic development is defined by:

- An increase in living standards.
- The creation of more opportunities in the sectors of education, healthcare, employment and the conservation of the environment.
- An implicit increase in the per capita income of every citizen.

[www.diffen.com/difference/Economic Development vs Economic Growth](http://www.diffen.com/difference/Economic_Development_vs_Economic_Growth)

**Wikipedia defines redevelopment:**

<http://en.wikipedia.org/wiki/Redevelopment>

## EDO GIS Website Examples

**Find the right location for your company to grow and succeed.**

[www.zoomprospector.com/](http://www.zoomprospector.com/)

**Oklahoma City Property Locator for Business**

[www.okcedis.com/](http://www.okcedis.com/)

**Grow Your Business in Oregon**

[www.oregon4biz.com/dev/www/BOR/The-Oregon-Advantage/Expand-In-Oregon/](http://www.oregon4biz.com/dev/www/BOR/The-Oregon-Advantage/Expand-In-Oregon/)

**Economic Development Sites and Buildings**

[www.tvasites.com/index.html](http://www.tvasites.com/index.html)

# The Role of an Economic Integrator

An economic integrator is an experienced practitioner and strategist who:

- Administers P3 contracts.
- Finds and coordinates appropriate funding through legislative grant opportunities.
- Has experience in land use negotiations and contractor development.
- Is versed in risk and control policy.
- Facilitates the contract negotiation process and “seals the deal.”



## Cities Don't Create Businesses...

While cities may not create businesses, they can help or hurt their ability to succeed and grow. Without an integrated EDO, analyzing land use opportunities will continue to be a planning exercise where desired development may not be implemented “as planned.”



### Work Flow Disciplines of EDOs

It is imperative to:

- Understand the needs of local businesses.
- Create effective lines of communication between businesses and government.
- Coordinate efforts across multiple agencies to provide regulatory support for business development.
- Build sustainable cities that keep living costs down.

*How do you measure the success of your EDO?*

# Lessons Learned from Economic Development Seminars

- **Old economic development mentality is out...**  
*"I don't publicly give out information about my community because I want businesses to call me so I can explain it to them."*
- **Investors look for city economic development opportunities on the Internet.**  
*"Current Internet marketing economic developer operations provide websites with searchable databases of land inventory sites and buildings at a minimum."*
  - Today's business owners and investors want quick access to an inventory of a city's public, private and commercial properties.
- **Investors are interested in specific information:**
  - Analysis, inventories, demographics, transportation, interactive mapping tools, amenities and city fees/taxes.



## After the City Website Review – Investor Follow Up

An in-house meeting is preferable. The investor may want to speak with a city economic development expert after conducting an Internet marketing review.

Topics of discussion may include:

- Public–private partnership policies.
- How to qualify for associated business fee exemptions.
- Investor-contractor-builder incentives.
- Examples of various P3 contract opportunities.



## What Turns Off Developers/Investors During the Market Search?



Long gone are the days when an investor had to work with one contact in an economic development office that held all the city's real estate and demographic information.

Today's Internet marketing technologies can save investors days, weeks or even months in making an informed decision about where to "set up shop."

# What Does Current Economic Development Wisdom Tell Us?

- Those that provide expedient and valued information about opportunities will be successful and remain relevant.
- Maintaining a traditional business-as-usual model can spell failure.

***“The greatest danger in times of turbulence is not the turbulence; it is to act with yesterday’s logic.”***

[Formulating Effective Economic Development Policy Seminar]





## Oregon Provides Economic Development Support and Vision Direction to Cities

The City of Tigard was awarded a State Department of Land Conservation and Development (DLCD) grant to complete an economic opportunities analysis (EOA).

- The Tigard Planning Commission conducted this analysis in 2011 and presented the City Council with options regarding land use rezoning in the Tigard Triangle and Downtown Tigard areas.
- DLCD grant to continue the EOA during 2012–13 fiscal period.

## Other Indicators that Suggest Cities Should Take an Economic Development Role

- The State of Oregon stated that cities are unlikely to see improvements in property tax policies.
  - Governor John A. Kitzhaber, memo dated May 23, 2012, to City of Gresham Mayor Shane Bemis.
- Oregon recommends that cities face budget constraints.
  - The governor's response to 22 city mayors, acknowledging budget constraints and the state's tax quagmire [Measures 5, 47 and 50].
- Governor Kitzhaber recommends: Achieve economic development.
  - *"I believe the January 2009 report is a good starting point. The issue we now face is revenue reform that will be supported by Oregonians. **I would ask for your support for reform efforts that achieve economic development, fairness and simplicity objectives.**"* [Governor Kitzhaber]

## Transportation Policy that Advances Land Use Opportunities will be Posted to Economic Development Website

The Oregon Land Conservation and Development Commission now provides a Summary of Amendments to the Transportation Planning Rule (TPR). [Economic Development–Section 11.]

- Provides cities much greater land use opportunity to direct land use first, then transit planning.
- Provides communities with an option to designate a multimodal mixed-use area (MMA).
- Gone are the days when roadways directed land use planning.
- Priority re/development projects can be spotlighted as MMAs.

## Marketing of Policies that Support City's Economic Development Vision

- Direct land use, transportation and MMA vision.
- Transportation Planning Rules—designation of MMA exemptions and partial traffic mitigation.
- Consistent land use and P3 policies will likely drive developer interest.
  - Fair and balanced equity exchanges for desired city development: SDC, city taxes/fees, credits/exemptions, etc.



# The Making of Ashland's Economic Development Department: A Success Story

Ashland, Oregon made use of the DLCDC grant to complete an economic opportunities analysis, much like Tigard's Planning Commission did in 2011 when it looked at rezoning the Tigard Triangle.



- Ashland's City Council adopted their economic development strategy in July of 2011 with an Economic Development Goal for 2012. Objectives of the goal included:
  - Diversifying the economic base of the community.
  - Supporting creation and growth of businesses that use and provide local and regional products.
  - Increasing the number of family-wage jobs in the community.
  - Leveraging the strengths of Ashland's tourism and repeat visitors.

## Brammo: Electric Vehicle and Charging Station Manufacturer in Ashland

Craig Bramscher is building one of Oregon's most promising new electric vehicle and charging station companies in Ashland. Ashland City Councilor Greg Lemhouse, who is also

Brammo's director for global fleet development notes: ***"Ashland is a community that embraces sustainable business principles and we believe we are an ideal place for high-tech companies to locate."***

- Small communities benefit from the many local supporting suppliers.
- Products made in-state provide jobs and support systems around those jobs.
- Gas-powered vehicles are primarily built outside of the U.S.

[Reference: Local Focus, May 2012, pg 23.]



# CCDA Economic Development Teaching Points

At their April 3, 2012, meeting, the CCDA hosted Ms. Knox of Shiels | Obletz | Johnsen, Inc. (SOJ). SOJ represents business owners in public-private development partnerships to ensure representation with the architect and contractor. Ms. Knox noted:

- Tigard has done a lot of great planning work in infrastructure, long-range planning and financial planning.
- A city in a public-private partnership needs to determine the best first project that can be replicated.
- P3s require a lot of perseverance and stamina. Hiring a project management team with experience in this area is preferred.

## SOJ: The Five Main Risks from a Developer's Perspective



- **Political Environment** – Does the community support its leaders? Is there consensus in the community for the re/development project?
- **Building Approvals** – Is the city permit process predictable and flexible?
- **Site Conditions** – Are there any environmental concerns or access issues?
- **Lenders** – Is financing available for the project?
- **Market** – What projects are desirable in the current market?

# Incorporating Economic Development Internet Marketing into City

## Government

Recall, it is not government's job to create jobs.

- Local government cannot be a proxy for a productive economy, just as infrastructure spending cannot be a proxy for real growth.
- The demand for viable infrastructure needs to emerge from a *productive land use pattern*, just as a healthy and viable local government can only emerge from a productive place.
- Cities can lead a land use vision through effective website marketing and EDO policies.
- If we want stability at the local level, we need to work to make our places more productive.

[Better Cities & Towns (council distribution) The predicament of local government, Charles Marohn, June 11, 2012.]

<http://bettercities.net/news-opinion/blogs/charles-marohn/18277/predicament-local-government>

# Community Investment Toolkit

*Provided to CCDA by Redevelopment Project Manager Sean Farrelly, June 21, 2012*

1. Financial Incentives
2. Innovative Design and Development Codes
3. Eco-efficient Employment

Although loaded with good information, without land use policies in place we cannot effectively prioritize re/development projects. (Ms. Knox, SOJ, Inc.) However, the CCDA deals mostly with downtown urban redevelopment projects.

## **MY TAKE:**

- The information in the investment toolkit is too complex and requires annual updates in order to effectively understand and apply best known methods within the framework of our land use policies.
- Requires an economic development department with an expert knowledge base in P3 investor finances, government policies, real estate and contract negotiations.
- Requires a facilitator knowledgeable in integrating information into a productive, decision-making process flow.



## A Redevelopment Program Directed by CCDA

Although Tigard's economic development program provides some of the tactical redevelopment components of an EDO, we lack the complete re/development land use vision, strategic marketing, P3 policy components and financial expertise that would help council leadership to achieve the voters' land use vision.

In order to be competitive in the 21st century, costs must be sustainable for future generations. We must work strategically to effectively develop and redevelop our community land use vision to foster and sustain our city's market economies.

# Triumph of the City through EDO Best Known Methods

***“How our greatest invention makes us richer, smarter, greener, healthier, and happier.”*** [Triumph of the City, Edward Glaeser]

In order for the City of Tigard to triumph, in accordance with its future re/development, tactical/strategic land use vision, we must decipher and prioritize projects within our various plans relating to:

- Downtown Tigard and Tigard Triangle development and improvement
- Urban renewal
- Capital improvement projects
- Parking Analysis
- Economic opportunities analysis
- Transportation planning in the Southwest Corridor

## Triumph of the City through EDO Best Known Methods (continued)

For Tigard to remain a great place to live, a 21<sup>st</sup> century economic development organization is necessary. The EDO website would offer interactive demographic data, development partnership opportunities as well as a land use inventory.

I personally don't believe we can cost-effectively contract **all** of this expertise out—it will require an in-house team, including a disciplined economic development director, that will help council prioritize EDO functions.



## Tigard City Council EDO

### Goal Recommendation

- Recommend EDO council goals—specific for 2013—during goal setting sessions.
- Consider two CACs: City Center Advisory Committee (CCAC) for redevelopment projects and Tigard Development Advisory Committee (TDAC) for new P3 development projects.
- Determine project priorities and CCDC toolset requirements based on land use goals and priorities.
- Market project priorities via EDO GIS website.
- Determine the best sustainability indicators of success.

# Tigard City Council EDO Goal Recommendation (continued) **2013**

## **At a minimum, City Council could:**

- Set economic development organization goals.
- Begin phase one of an economic development department with:
  - GIS inventories on a website, like a city recreation audit (determine need and then build service supply).
- Discuss future EDO resources:
  - FTE for an economic development director with expertise in integration/facilitation of public-private partnerships.
  - FTE for an assistant economic development director with Internet GIS marketing skills.
  - Incorporate Community Development and EDO into one department.

City of Tigard

## Council Discussion

