



## HRA Board Meeting Agenda

August 09, 2022

6:30 PM

Immediately following the City Council Meeting

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Chair Person: Robert Duncan  
Vice Chair Person: Mike Caughey  
Members: Kimberly Downey, Robert Boese, Adam Keaton, Randy Klemm, and Charlotte Thomas  
Meeting Location: Harrisburg Municipal Center Located at 354 Smith St

### **PUBLIC NOTICES:**

1. *This meeting is open to the public and will be tape-recorded.*
2. *Copies of the Staff Reports or other written documents relating to each item on the agenda are on file in the office of the City Recorder and are available for public inspection.*
3. *The City Hall Council Chambers are handicapped accessible. Persons with disabilities wishing accommodations, including assisted listening devices and sign language assistance are requested to contact City Hall at 541-995-6655, at least 48 hours prior to the meeting date. If a meeting is held with less than 48 hours' notice, reasonable effort shall be made to have an interpreter present. The requirement for an interpreter does not apply to an emergency meeting. ORS 192.630(5)*
4. *Persons contacting the City for information requiring accessibility for deaf, hard of hearing, or speech-impaired persons, can use TTY 711; call 1-800-735-1232, or for Spanish voice TTY, call 1-800-735-3896.*
5. *The City of Harrisburg does not discriminate against individuals with disabilities and is an equal opportunity provider.*
6. *Masks are not required at this time. The City does ask that anyone running a fever, having an active cough or other respiratory difficulties, not to attend this meeting.*
7. *For information regarding items of discussion on this agenda, please contact City Recorder Lori Ross, at 541-995-6655*

**CALL TO ORDER AND ROLL CALL BY CHAIR PERSON ROBERT DUNCAN**

**CONCERNED CITIZEN(S) IN THE AUDIENCE.** (Please limit presentation to two minutes per issue.)

**APPROVAL OF MINUTES**

- 1. MOTION TO APPROVE THE MINUTES FROM THE JUNE 14, 2022 AND JUNE 28, 2022 HRA BOARD MEETING**

**NEW BUSINESS**

- 2. THE MATTER OF APPROVING THE FINDINGS IN RELATION TO SOLE SOURCE PROCUREMENT, AND THE PERSONAL SERVICES WITH ELAINE HOWARD CONSULTING, LLC, AND AUTHORIZING THE EXECUTIVE DIRECTOR TO SIGN THE AGREEMENT**

**STAFF REPORT:**

Exhibit A: Professional Services Agreement

Exhibit B: Services and Experience listing for Elaine Howard

Consulting, LLC .

**ACTION: MOTION TO APPROVE THE FINDINGS IN RELATION TO SOLE SOURCE PROCUREMENT AS ALLOWED IN ORS 279B.075, THE PERSONAL SERVICES AGREEMENT WITH ELAINE HOWARD CONSULTING, LLC, AND TO AUTHORIZE THE EXECUTIVE DIRECTOR TO SIGN THE AGREEMENT**

- 3. THE MATTER OF A PRESENTATION & BRIEFING FROM ELAINE HOWARD CONSULTING, LLC, IN RELATION TO STARTING WHAT WOULD BE HARRISBURG REDEVELOPMENT AGENCY SUBSTANTIAL AMENDMENT NO.6**

**STAFF REPORT:**

Exhibit A: Staff Report from June 28, 2022

**ACTION: REVIEW THE INFORMATION PROVIDED BY ELAINE HOWARD CONSULTING, LLC, AND MOTION TO START THE FORMAL PROCESS OF SUBSTANTIAL AMENDMENT NO. 6**

**OTHER**

**ADJOURN**



## HRA Board Meeting Minutes

June 14, 2022

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Chairperson: Robert Duncan, Presiding  
 Vice Chairperson: Mike Caughey, Absent  
 Members Present: Robert Boese, Adam Keaton, Randy Klemm, and Charlotte Thomas  
 Members Absent: Kim Downey  
 Staff Present: City Administrator Michele Eldridge, Public Works Director Chuck Scholz, Finance Officer Cathy Nelson and City Recorder Lori Ross  
 Location: Harrisburg Municipal Court Located at 354 Smith St

**CALL TO ORDER AND ROLL CALL BY CHAIRPERSON ROBERT DUNCAN at the hour of 7:44pm**

**CONCERNED CITIZEN(S) IN THE AUDIENCE.** All present were there for items on the agenda.

### APPROVAL OF MINUTES

- Klemm motioned to approve the minutes for the December 21, 2021, January 11, 2022, February 8, 2022, and February 22, 2022 HRA Board Meetings and was seconded by Thomas. The HRA Board then voted unanimously to approve the minutes for the December 21, 2021, January 11, 2022, February 8, 2022, and February 22, 2022

### THE MATTER OF CONSIDERATION OF AN HRA GRANT REQUEST FOR A \$41,882 PROPERTY IMPROVEMENT GRANT FROM THE OWNERS OF THE FARMER'S AND MERCHANT BANK/ GOLDEN CHOPSTIX RESTAURANT

**STAFF REPORT:** Eldridge introduced Wen Zhen (aka Chloe) as the owner of the Golden Chopstix located at 203 Smith St. Eldridge stated that this building is on the historic list and has been a restaurant since the 70's. The applicants are applying for an HRA Grant in order to repair the roof and paint the exterior of the building for a project value of \$84,000. They will not be making any structural changes to the outside of the building. Eldridge feels the applicant meets the criteria and recommends the HRA approve the request.

- Zhen informed the committee that the new color is similar to the existing and she will be keeping the siding for now. She stated the roofing company has been scheduled to

June 14, 2022

begin on July 11<sup>th</sup> and hopes to be finished by August 19<sup>th</sup> and will then be followed by the painting company. The painting company hopes to be done by the end of August.

- Heather Keaton, resident, ask Zhen if the Golden Chopstix sign would be going back up and Zhen replied that it would.
- Klemm asked if there was a guarantee on the roof and Zhen replied there was a 15-year warranty for the materials.
- Boese asked if she received multiple quotes and Zhen replied that she received three quotes that ranged from \$57,000 to \$83,000 and that she feels very comfortable with the company she chose which was River Roofing.
- Chairperson Duncan asked what kind of roof she was getting and Scholz replied that it was PVC.
  - Keaton **motioned to approve the Property Improvement Grant Application for Victor and Chloe Wen Zhen in the amount of \$41,882 upon completion of the work described in the Grant Application and was seconded by Klemm. The HRA Board then voted unanimously to approve the Property Improvement Grant Application for Victor and Chloe Wen Zhen**
- Eldridge stated that she would have the development agreement available for the next meeting.

**OTHERS:** No others

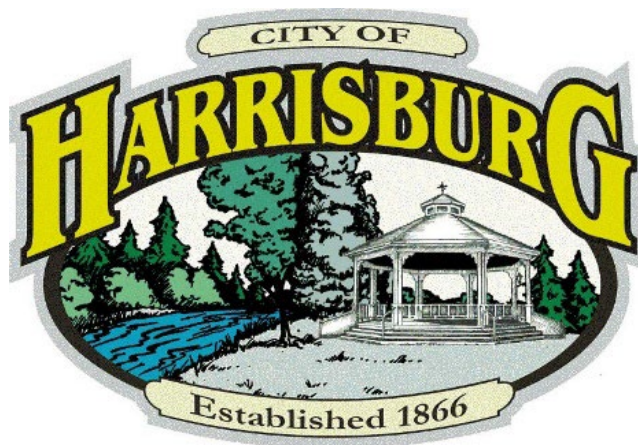
**ADJOURN:** With no further discussion, the HRA meeting was adjourned at the hour of 8pm.

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Chairperson

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City Recorder



## Harrisburg Redevelopment Agency Meeting Minutes

June 28, 2022

Chairperson: Robert Duncan, Presiding  
 Vice Chairperson: Mike Caughey, Present  
 Members Present: Kimberly Downey, Robert Boese, and Adam Keaton  
 Members Absent: Randy Klemm and Charlotte Thomas  
 Staff Present: City Recorder Michele Eldridge, Finance Officer Cathy Nelson and City Recorder Lori Ross  
 Meeting Location: Harrisburg Municipal Center Located at 354 Smith St

**CALL TO ORDER AND ROLL CALL BY CHAIRPERSON ROBERT DUNCAN** at the hour of 8:21pm

**CONCERNED CITIZEN(S) IN THE AUDIENCE:** All present were there for items on the agenda.

### **THE MATTER OF A DISCUSSION IN RELATION TO STARTING THE PROCESS OF ENTERING INTO A SUBSTANTIAL AMENDMENT OF THE HRA**

**STAFF REPORT:** Eldridge stated there was \$2.1 million sitting in the HRA and this money was funds left over from the Street Improvement Project and funding from paid back loans. She contacted Bond Counsel and Elaine Howard and they believe we may be able to borrow funds, but it would require a substantial amendment. Eldridge stated we will need to rewrite the HRA to support the Water Bond Project and will need to obtain approval from four of the seven taxing districts. She noted the total cost will be around \$35,000 and will take about six months, but felt it was a reasonable cost to be able to use \$1.6 million and by revising the HRA, it will allow us to have more projects like the new community center project. Eldridge asked the Board if they would like to move forward with Elaine Howard.

- Caughey thinks we should move forward with it and Keaton does as well.
- Boese asked if we begin this, do we have to finish it and Eldridge answered yes.
- Downey thinks that we have to do it for the residents.
- Chairperson Duncan commented our residents have waited many years and if we need to borrow our own money, then we need to.

June 28, 2022

- Keaton motioned to direct the Executive Director of the HRA to set up a briefing with Elaine Howard Consulting to go over the process and timeline for a Substantial Amendment of the HRA and was seconded by Downey. The HRA Board then voted unanimously to direct the Executive Director of the HRA to set up a briefing with Elaine Howard Consulting to go over the process and timeline for a Substantial Amendment of the HRA

**THE MATTER OF APPROVING THE HRA BUDGET FOR FISCAL YEAR 2022-23 AND APPROVING HRA BUDGET APPROPRIATIONS FOR FY 2022-2023 BY ADOPTING RESOLUTION NO. HRA-64**

**STAFF REPORT:** Nelson stated this was the same budget that the Budget Committee passed. Downey asked if we get the substantial amendment do we have to go back to the Budget Committee? Nelson replied the funds would still be in Capital Improvement, which is where they are now.

- Downey motioned to approve the HRA Budget for Fiscal Year 2022-2023 and Resolution No. HRA-64, "A RESOLUTION MAKING APPROPRIATIONS FOR THE HARRISBURG REDEVELOPMENT AGENCY, HARRISBURG, OREGON, FOR THE FISCAL YEAR 2022-2023" and was seconded by Caughey. The HRA Board then voted unanimously to approve the HRA Budget for Fiscal Year 2022-2023 and Resolution No. HRA-64

**THE MATTER OF APPROVING THE HARRISBURG REDEVELOPMENT AGENCY 3RD QUARTER 2021/2022 EXPENSE REPORT**

**STAFF REPORT:** Nelson stated that we are looking at 75% of the budget and the HRA is in good shape. She noted the investment revenue is down due to rates, and the miscellaneous revenue due to someone paying off their loan early.

- Downey motioned to approve the HRA 3<sup>rd</sup> Quarter Expense Report and was seconded by Caughey. The HRA Board then voted unanimously to approve the HRA 3<sup>rd</sup> Quarter Expense Report.

**OTHERS:** None

**ADJOURN:** With no further discussion, the HRA Board Meeting closed at the hour of 8:46pm.

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Chairperson

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City Recorder

# Agenda Bill

## **Harrisburg Redevelopment Agency Board**

### Harrisburg, Oregon

**THE MATTER OF APPROVING THE FINDINGS IN RELATION TO SOLE SOURCE PROCUREMENT, AND THE PERSONAL SERVICES AGREEMENT WITH ELAINE HOWARD CONSULTING, LLC, AND AUTHORIZING THE EXECUTIVE DIRECTOR TO SIGN THE AGREEMENT.**

**STAFF REPORT:**

Exhibit A: Professional Services Agreement

Exhibit B: Services and Experience listing for Elaine Howard Consulting, LLC .

**ACTION: MOTION TO APPROVE THE FINDINGS IN RELATION TO SOLE SOURCE PROCUREMENT AS ALLOWED IN ORS 279B.075, THE PERSONAL SERVICES AGREEMENT WITH ELAINE HOWARD CONSULTING, LLC, AND TO AUTHORIZE THE EXECUTIVE DIRECTOR TO SIGN THE AGREEMENT**

**THIS AGENDA BILL IS DESTINED FOR:** Regular Agenda – August 9, 2022

| <b>BUDGET IMPACT</b> |                  |   |
|----------------------|------------------|---|
| <b>COST</b>          | <b>BUDGETED?</b> | <b>SOURCE OF FUNDS</b>                                |
| \$28,000 - \$35,000  | Yes              | HRA Capital Outlay – Infrastructure Construction Fund |

**STAFF RECOMMENDATION:**

**Staff recommend the HRA Board Approve the findings in relation to a Sole Source Procurement, and the Personal Services Agreement with Elaine Howard Consulting, LLC**

**BACKGROUND INFORMATION:**

At the meeting held on June 28, 2022, the HRA Board discussed the information provided about the possibilities of using the \$2,127,955 that was confirmed in the Capital Outlay-Infrastructure Construction Fund. The Board was told that in order to use the funds, that the water bond project would need to be added to the overall HRA plan. In addition, the City property on which the water storage reservoirs and water filtration plants would be constructed, would need to be added to the boundaries of the HRA.

The HRA Board directed Staff to move forward with contacting Elaine Howard Consulting, LLC, and to arrange for the next step in the process being recommended by that agency. That was to set up a briefing to go over the process and timeline. Elaine Howard, or her employee Scott Vanden Bos will be providing us with the presentation following this approval.



The City has had Elaine Howard Consulting LLC as a specific consultant for the Harrisburg Redevelopment Agency for some time now. They consulted for us from 2013 to 2016, as well as entering into a specific agreement to work through both Substantial Amendment No. 4, and Substantial Amendment No. 5. As such, they have very specific data and financial information available to them from that process that will save on staff time, as we don't need to pull up all of the historical information on the HRA plan that the City would be required to do with a new consultant. In addition, there are extremely limited companies in the State of Oregon who can work through the level of complexities that proposed Substantial Amendment No. 6 will require. Some of this also includes the consultant's familiarity with recent legislative changes in relation to urban renewal. Elaine Howard Consulting, LLC is one of the experts used by the Oregon Economic Development Association in training sessions to explain the intricacies of tax-increment financing.

Under the City's Public Contracting code in HMC 3.10, Staff believes that this contractor can be hired under the Sole Source Procurement Exemption allowed by ORS 279B.075. The HRA board through these provisions can approve the written findings as noted below.

**Criteria: ORS 279B.075 Sole-Source Procurements:**

**(2) The determination of a sole source must be based on written findings that may include:**

**(d) Other findings that support the conclusion that the goods or services are available from only one source.**

**Findings:**

1. The City of Harrisburg utilizes existing staff members labor in order to provide the data needed by the consultant as specified in the Harrisburg Urban Renewal Substantial Amendment Scope & Budget Document. **(Exhibit A)** This consultant has spent hours with staff reviewing current materials, and those provided during the Substantial Amendments No. 4, and 5. As such, the use of this consultant will reduce the time spent by Staff that they would need to spend in providing the raw data required by a different consultant. This includes the use of the sub-contractor, Tiberius Solutions LLC, who provided financial analysis for the HRA in the past, as required by statute. This consultant has also worked specifically with the City's current Bond Counsel, reducing the time and money involved in that agency working on the HRA bonds.

2. There are very few specialized contractors available in the State of Oregon that have dealt with the intricacies of tax-increment financing (TIF) in relation to using the proportionality approach for a public building project. Elaine Howard Consulting is an Economic Development 'expert' with over 30-years of experience working in both the State of Oregon, and Washington. That extensive service includes multiple projects with cities all over the State of Oregon, as shown in **Exhibit B**. The consultant has also specialized knowledge in relation to recent legislative changes.

**Based upon these findings, this criterion has been met.**



The City Council, and the HRA Board are the local contract review boards of the City and HRA respectively, and have the right to adopt these findings in relation to the sole source procurement. If the contract review board agrees with the findings, they can motion using the language at the top of this staff report. If for some reason, the HRA Board decides that they don't agree with Staff's findings, or to approve the agreement, then the HRA will need to pay Elaine Howard Consulting LLC for the work done for this presentation at their current standard rate of pay.

REVIEW AND APPROVAL:



08.03.22

Michele Eldridge  
City Administrator

Date

## PROFESSIONAL SERVICES AGREEMENT

This Professional Services Agreement (this “Agreement”) is dated August 2, 2022, but made effective for all purposes as of the Effective Date (as defined below) between the Harrisburg Redevelopment Agency (“Agency”), whose address is PO Box 378, Harrisburg, Oregon 97446 and Elaine Howard Consulting, LLC (“Contractor”), an Oregon limited liability company, whose address is 4763 SW Admiral Street, Portland, Oregon 97221.

### RECITAL:

Agency desires to contract with Contractor to perform certain urban renewal consulting services. Subject to the terms and conditions contained in this Agreement, Contractor will perform the Services (as defined below) for and on behalf of Agency.

### AGREEMENT:

NOW, THEREFORE, in consideration of the parties’ mutual obligations contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

#### 1. Contractor Services.

1.1 Services. Subject to the terms and conditions contained in this Agreement, Contractor will perform the following services for and on behalf of Agency (collectively, the “Services”): (a) those services identified in Contractor’s scope of work titled “Harrisburg Urban Renewal Substantial Amendment Scope and Budget” attached hereto as Exhibit A (the “Scope of Work”); (b) any other necessary or appropriate services customarily provided by Contractor in connection with its performance of those services identified in the Scope of Work.

1.2 Conditions Precedent. Notwithstanding anything contained in this Agreement to the contrary, Agency’s performance of its obligations under this Agreement is conditioned on Contractor’s performance of its obligations under this Agreement, including, without limitation, those Contractor obligations described under Section 4.4.

1.3 Subcontractors. Subject to the terms and conditions contained in this Agreement, Contractor will contract with Tiberius Solutions LLC (“Subcontractor”), an Oregon limited liability company, to perform certain portions of the Services as identified in the Scope of Work. Except as expressly provided in the immediately preceding sentence, Contractor is not permitted to subcontract and/or assign all or any part of the Services without Agency’s prior written consent.

#### 2. Compensation.

2.1 Compensation. Subject to the terms and conditions contained in this Agreement, in consideration of Contractor’s timely performance of the Services in accordance with this Agreement, Agency will pay Contractor for the Services at the hourly rates and fees identified in the Scope of Work. Contractor will submit monthly invoices to Agency concerning the Services performed by Contractor during the immediately preceding month (each an “Invoice”). Subject to the terms and conditions contained in this Agreement, Agency will pay the amount due under each Invoice within thirty (30) days

after Agency has reviewed and approved the Invoice. No compensation will be paid by Agency for any portion of the Services not performed. Agency's payment will be accepted by Contractor as full compensation for performing subject Services. Notwithstanding anything contained in this Agreement to the contrary, the compensation payable by Agency under this Agreement for performance of the Services will not exceed the amount(s) Agency and Contractor agree upon in the Scope of Work; provided, however, in no event will total compensation payable by Agency under this Agreement exceed \$28,000.

2.2 No Benefits. Agency will not provide any benefits to Contractor, and Contractor will be solely responsible for obtaining Contractor's own benefits, including, without limitation, insurance, medical reimbursement, and retirement plans. Contractor will provide, at Contractor's cost and expense, all materials, equipment, and supplies necessary or appropriate to perform the Services. Agency will reimburse Contractor for any expenses Contractor incurs to perform the Services including mileage and payments to the Assessor's office, if any.

### 3. Relationship.

3.1 Independent Contractor. Contractor is an independent contractor of Agency. Contractor is not an employee of Agency. Contractor will be free from direction and control over the means and manner of performing the Services, subject only to the right of Agency to specify the desired results. This Agreement does not create any Agency relationship between Agency and Contractor and does not establish a joint venture or partnership between Agency and Contractor. Contractor does not have the authority to bind Agency or represent to any person that Contractor is an agent of Agency. Contractor has the authority to hire other persons to assist Contractor in performing the Services (and has the authority to fire such persons).

3.2 Taxes; Licenses. Agency will not withhold any taxes from any payments made to Contractor, and Contractor will be solely responsible for paying all taxes arising out of or resulting from Contractor's performance of the Services, including, without limitation, income, social security, workers' compensation, and employment insurance taxes. Contractor will be solely responsible for obtaining all licenses, approvals, and certificates necessary or appropriate to perform the Services.

### 4. Representations; Warranties; Covenants.

In addition to any other Contractor representation, warranty, and/or covenant made in this Agreement, Contractor represents, warrants, and covenants to Agency as follows:

4.1 Authority; Binding Obligation; Conflicts. Contractor is duly organized, validly existing, and in good standing under applicable Oregon laws. Contractor has full power and authority to sign and deliver this Agreement and to perform all Contractor's obligations under this Agreement. This Agreement is the legal, valid, and binding obligation of Contractor, enforceable against Contractor in accordance with its terms. The signing and delivery of this Agreement by Contractor and the performance by Contractor of all Contractor's obligations under this Agreement will not (a) breach any agreement to which Contractor is a party, or give any person the right to accelerate any obligation of Contractor, (b) violate any law, judgment, or order to which Contractor is subject, or (c) require the consent, authorization, or approval of any person, including, without limitation, any governmental body.

4.2 Quality of Services. Contractor will perform the Services to the best of Contractor's ability, diligently, in good faith, in a professional manner, free from errors, omissions, and/or defects, and consistent with the terms and conditions contained in this Agreement and the Scope of Work. The Services will be performed in accordance with the Laws (as defined below). Contractor will be solely responsible for the Services. Contractor will make all decisions called for promptly and without unreasonable delay. All materials and documents prepared by Contractor will be accurate, complete, unambiguous, prepared properly, and in compliance with the Laws.

4.3 Insurance. During the term of this Agreement, Contractor will obtain and maintain, in addition to any other insurance required under this Agreement, the following minimum levels of insurance: (a) general liability insurance for any and all losses or claims arising out of or related to Contractor's performance of its obligations under this Agreement (including, without limitation, damages as a result of death or injury to any person or destruction or damage to any property) with limits of not less than \$1,000,000 per occurrence, \$2,000,000 in the aggregate; (b) professional liability insurance with limits of not less than \$1,000,000 per occurrence, \$2,000,000 in the aggregate; and (c) workers' compensation insurance in form and amount sufficient to satisfy the requirements of applicable Oregon law.

4.3.1 Workers' Compensation Insurance. No workers' compensation insurance has been or will be obtained by the Agency for the Independent Contractor. The Independent Contractor must provide his/her/its own workers' compensation coverage and provide the Agency with evidence of such coverage or verification of its election not to be covered pursuant to ORS 656.027(7) (exception for sole proprietors). The Independent Contractor will assume full responsibility for any liability and exposure under law relating to workers' compensation because of any performance of services under this Agreement and will hold the Agency harmless for and from any industrial accident or liability that occurs or arises.

4.4 Compliance With Laws. Contractor will comply and perform the Services in accordance with the Laws. Without otherwise limiting the generality of the immediately preceding sentence, Contractor will comply with each obligation applicable to Contractor and/or this Agreement under ORS 279B.220, 279B.225, 279B.230, and 279B.235, which statutes are incorporated herein by reference. Prior to the Effective Date, Contractor obtained all licenses, approvals, and/or certificates necessary or appropriate to perform the Services. For purposes of this Agreement, the term "Law(s)" means all applicable federal, state, and local laws, regulations, restrictions, orders, codes, rules, and ordinances related to or concerning, whether directly or indirectly, Contractor, this Agreement, and/or the Services, including, without limitation, all applicable Agency and/or Agency ordinances, resolutions, policies, regulations, orders, restrictions, and guidelines, all as now in force and/or which may hereafter be amended, modified, enacted, or promulgated.

4.5 Indemnification. Contractor shall defend, indemnify, hold harmless, and insure Agency from any and all damages, expenses or liability resulting from or arising out of any negligence or misconduct on Contractor's part, or from any breach or default of the Agreement which is caused by Contractor. Contractor shall take all actions necessary to comply with the terms and conditions set forth in this Agreement. Contractor shall name Agency as an additional insured on all related insurance policies, including workers compensation and general liability.

## 5. Term; Termination.

5.1 Term of Agreement. Subject to the terms and conditions contained in this Agreement, the term of this Agreement commenced on the Effective Date and will remain in full force and effect until June 30, 2023, unless sooner terminated as provided in this Agreement. This Agreement may be extended for one additional term of one year by the parties' mutual written agreement.

5.2 Termination by Mutual Agreement or Agency's Prior Notice. Notwithstanding anything contained in this Agreement to the contrary, this Agreement may be terminated (a) at any time by the mutual written agreement of Agency and Contractor, and/or (b) by Agency for convenience and without cause by giving thirty (30) days' prior written notice of such termination to Contractor.

## 6. Miscellaneous.

6.1 Severability; Assignment; Binding Effect. Each provision contained in this Agreement will be treated as a separate and independent provision. The unenforceability of any one provision will in no way impair the enforceability of any other provision contained herein. Any reading of a provision causing unenforceability will yield to a construction permitting enforcement to the maximum extent permitted by applicable law. Subject to this Section (6.1), Contractor will not subcontract or assign any of Contractor's rights and/or obligations under this Agreement to any person. Subject to the immediately preceding sentence, this Agreement will be binding on the parties and their respective heirs, personal representatives, successors, and permitted assigns, and will inure to their benefit. This Agreement may be amended only by a written agreement signed by each party. This Agreement will be deemed binding and effective for all purposes as of the date this Agreement is fully executed by the parties (the "Effective Date").

6.2 Attachments; Further Assurances; Notices. Any exhibits, schedules, instruments, documents, and other attachments referenced in this Agreement are part of this Agreement.

6.3 Waiver; Entire Agreement. No provision of this Agreement may be modified, waived, or discharged unless such waiver, modification, or discharge is agreed to in writing by Agency and Contractor. No waiver of either party at any time of the breach of, or lack of compliance with, any conditions or provisions of this Agreement will be deemed a waiver of other provisions or conditions hereof. This Agreement contains the entire agreement and understanding between the parties with respect to the subject matter of this Agreement and contains all the terms and conditions of the parties' agreement and supersedes any other oral or written negotiations, discussions, representations, or agreements. Contractor has not relied on any promises, statements, representations, or warranties except as set forth expressly in this Agreement.

6.4 Attorney Fees. If any arbitration, suit, or action is instituted to interpret or enforce the provisions of this Agreement, to rescind this Agreement, or otherwise with respect to the subject matter of this Agreement, the party prevailing on an issue will be entitled to recover with respect to such issue, in addition to costs, reasonable attorney fees incurred in the preparation, prosecution, or defense of such arbitration, suit, or action as determined by the arbitrator or trial court, and, if any appeal is taken from such decision, reasonable attorney fees as determined on appeal.

6.5 Venue. Any action or proceeding seeking to enforce any provision of this Agreement or based on any right arising out of this Agreement must be brought against any of the parties in Lincoln County Circuit Court of the State of Oregon or, subject to applicable jurisdictional requirements, in the

United States District Court for the District of Oregon, and each of the parties consents to the jurisdiction of such courts (and of the appropriate appellate courts) in any such action or proceeding and waives any objection to such venue.

**IN WITNESS WHEREOF, the undersigned have caused this Agreement to be binding and effective for all purposes as of the Effective Date of August 9, 2022.**

**AGENCY:**  
**Urban Renewal Agency of Harrisburg**

**CONTRACTOR:**  
**Elaine Howard Consulting, LLC**  
**an Oregon limited liability company**

\_\_\_\_\_  
**By: Michele Eldridge, Executive Director**

\_\_\_\_\_  
**By: Elaine E. Howard, Managing Member**

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

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

Exhibit A  
Scope of Work





# Harrisburg Urban Renewal Substantial Amendment Scope and Budget

## Proposal Overview

The City of Harrisburg Redevelopment Agency (Agency) has asked for a scope of work for an amendment to the existing urban renewal plan to add property and projects and complete other plan updating. This will require a substantial amendment to the plan. A substantial amendment requires the same notice, hearing, and approval procedure required of the original plan. The approval process shall also include public involvement, consultation with taxing districts, presentation to the Planning Commission and adoption by the City Council by non-emergency ordinance after hearing notice of which is provided to individual households within the City of Harrisburg.

Elaine Howard and Scott Vanden Bos of Elaine Howard Consulting, LLC (Consultant) will work on this project teaming with Tiberius Solutions LLC for financial analysis as required by statute.

The budget for a substantial amendment is \$28,000 which includes a \$2,112 contingency. The process would begin with a staff briefing and a city council briefing to go over the process and timeline.

## Consultant shall provide:

1. Preparation of all documents including:
  - Urban Renewal Plan Amendment
  - Report on Urban Renewal Amendment
  - Q and A on the Proposed Urban Renewal Plan Amendment
  - Agency Staff Report
  - Planning Commission Report
  - Taxing Jurisdictions Memorandum (this doubles as the report for the County Commission)
  - Resolution for County approval as there will be property included that is out of the city limits
  - City Council Report
  - City Council Ordinance
  - Notice for Open Public Meeting
  - Notice for Planning Commission Meeting
  - Notice for City Council Meeting
  - Notice of Adoption

- Letter of transmittal to County Assessor/Recorder
- Copies of our GIS shapefiles
- A copy of our Excel financial spreadsheet

2. Meetings:

- One virtual meeting for defining components of amendment with Harrisburg staff
- One virtual meeting for describing amendment components (City Council/Agency)

Staff and Public meetings

- Telephone meetings with Harrisburg staff (6)
- Preparation of materials for online Open House and attendance at one virtual meeting

Required Adoption meetings attendance

- Agency (1 virtual meeting)
- County Commission (1 virtual meeting)
- Planning Commission (1 virtual meeting) – This is not a required public hearing, nor a land use action. However, we recommend the Planning Commission take testimony if people desire to provide testimony. Their specific role is to find the urban renewal plan in conformance with the comprehensive plan.
- City Council (1 virtual meeting, attended by consultant with notice to all citizens of Harrisburg.

Additional meetings will be approximately \$500 – 1,000 each, depending on the amount of preparation time required for the meeting and which consultants attend. The additional cost for an in person meeting versus a virtual meeting is approximately \$800 plus mileage.

## The City of Harrisburg/Harrisburg Redevelopment Agency will provide:

- Analysis of initial acreage in urban renewal area and any deletions or additions
- Analysis of maximum indebtedness used through FY 2021/22. (if you do not have this, it will be a contract add-on for us to complete the analysis)
- Budget for FY 2021/22 and proposed budget for FY 2022/23
- Confirmation of boundary, with consultant assistance, including tax lots and right of way of the Area.
- Information on projects to be included in the Plan including provision of project descriptions and rough cost estimates, with consultant assistance.
- Information on any known potential development in Area which will increase the assessed value of the Area if necessary for financial analysis.
- Meeting space for all meetings and copying of documents for all meetings.
- Costs for publishing notice for all meetings (open public meeting and planning commission meetings). Notice language provided by consultant.
- Preparation and mailing of super-notice required for the city council meeting to review and vote on a new urban renewal plan and report (utility bills is most cost effective). Notice language provided by consultant.
- Printing and mailing of taxing jurisdictions letters. Letter prepared by consultant.
- Preparation of legal description for Area. (There will be a cost for this item for the city contract with a consultant to prepare the legal description)
- Publish notice of adoption.
- Record plan on adoption. Recording cover letter provided by consultant.
- Legal counsel review of documents.

## Proposed Budget

Substantial Amendment

\$28,000

| Harrisburg               | Billing rate | Amend<br>ment  | Meetings<br>and Prep | Report          | PC Report    | Agency<br>Report | TD letter      | CC<br>report | Notices/<br>Ordinance | Total Hours   | Total Cost      |
|--------------------------|--------------|----------------|----------------------|-----------------|--------------|------------------|----------------|--------------|-----------------------|---------------|-----------------|
| Elaine Howard, Principal | 210.00       | 5              | 12.50                | 10              | 1            | 1                | 1              | 3            | 3                     | 36.50         | \$7,665         |
| Scott Vanden Bos         | 160.00       | 10             | 17.00                | 15              | 2            | 2                | 6              | 1            | 1                     | 54.00         | \$8,640         |
| Nick Popenuk             | 170.00       |                | 2.25                 | 20              |              |                  |                |              |                       | 22.25         | \$3,783         |
| Ali Danko                | 120.00       |                |                      | 30              |              |                  |                |              |                       | 30.00         | \$3,600         |
| Rob Wyman                | 110.00       |                |                      | 20              |              |                  |                |              |                       | 20.00         | \$2,200         |
| <b>Total Hours</b>       |              | <b>15</b>      | <b>31.75</b>         | <b>95</b>       | <b>3</b>     | <b>3</b>         | <b>7</b>       | <b>4</b>     | <b>4</b>              | <b>162.75</b> |                 |
| <b>Total Costs</b>       |              | <b>\$2,650</b> | <b>\$5,728</b>       | <b>\$13,700</b> | <b>\$530</b> | <b>\$530</b>     | <b>\$1,170</b> | <b>\$790</b> | <b>\$790</b>          |               | <b>\$25,888</b> |
| contingency              |              |                |                      |                 |              |                  |                |              |                       |               | \$2,112         |
| Total                    |              |                |                      |                 |              |                  |                |              |                       |               | \$28,000        |

Contingency will be accessed only with client approval and may include in-person meeting with the County for their approval.

## Timeline

Substantial Amendment - Due to the required steps in ORS 457, a substantial amendment takes approximately 6 months to complete. If there are additional issues with the county on approval, the process could take longer.

[Home](#) [Services & Experience](#) [Distinguishing Qualities](#) [Client Feedback](#) [Resources](#) [Blog](#) [Background](#) [Contact Us](#)

## Services of Elaine Howard Consulting, LLC

We are presently working with a number of cities on potential urban renewal plan amendments and new urban renewal plans. We have recently worked with Tiberius Solutions on a Tax Increment Finance plan for the Port of Vancouver Terminal 1 project. We are presently working with Tiberius on a second state of Washington Tax Increment Finance project. We are excited for this expansion and assisting cities, counties and ports in Washington with the tax increment finance tool.

The types of services Elaine Howard Consulting provides are:

- [Tax Increment Finance/Urban Renewal Feasibility Studies](#)
- [Tax Increment Finance/Urban Renewal Plan Updates](#) - including review of projects, goals and objectives and financial updating
- [Tax Increment Finance/Urban Renewal Plans and Reports](#)
- [Tax Increment Finance/Urban Renewal Plan Amendments](#)
- Annual Reports
- Tax Increment Finance/Urban Renewal 101 Presentation: this has become a popular service for both city staff and elected officials. With many urban renewal agencies having new members or new advisory committee members, this presentation gives them background on why to use urban renewal, how urban renewal produces revenue to complete projects, where it is used in Oregon, describes some great Oregon projects, and explains why urban renewal shows up on the property tax bill
- Helping cities decide whether tax increment financing/urban renewal would be an effective tool in their community
- Communications with stakeholders including other taxing districts
- We have either been the principal or a team member on the following projects:

## Urban Renewal Plans

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| DATE | CLIENT                              | PLANS AND REPORTS  |
|------|-------------------------------------|--|
| 2022 | City of Newberg                     | Newberg Urban Renewal Plan                                       |
| 2022 | City of Talent                      | Talent Urban Renewal Plan - ongoing                              |
| 2022 | Port of Vancouver                   | Terminal 1 Tax Increment Area Plan                               |
| 2021 | Toledo                              | Toledo Urban Renewal Plan  |
| 2021 | Burns                               | Burns Urban Renewal Plan   |
| 2021 | Tualatin                            | Southwest and Basalt Creek Urban Renewal Plan                    |
| 2021 | Cully Neighborhood/Prosper Portland | Cully TIF Plan and Report - in progress                          |
| 2021 | Sherwood                            | Sherwood 2021 Urban Renewal Plan                                 |
| 2020 | Lincoln City                        | Roads End/Villages at Cascade Head Urban Renewal Plan and Report |
| 2020 | Bend                                | Core Area Tax Increment Finance Plan                             |
| 2020 | Salem                               | Jory Apartments TIF District (affordable housing)                |
| 2020 | Sutherlin                           | Sutherlin Tax Increment Finance Plan and Report                  |

|         |                          |   |
|---------|--------------------------|---|
| 2019    | Scappoose                | Scappoose Urban Renewal Plan and Report                                 |
| 2019    | Madras                   | Madras Housing Urban Renewal District Plan and Report                   |
| 2019    | Happy Valley             | Happy Valley Urban Renewal Plan and Report                              |
| 2019    | Cornelius                | Cornelius Urban Renewal Plan and Report                                 |
| 2018    | Fairview                 | Fairview Urban Renewal Plan and Report                                  |
| 2018    | Lebanon                  | Lebanon Downtown Urban Renewal Plan and Report                          |
| 2018    | Creswell                 | Creswel Urban Renewal Plan and Report                                   |
| 2018    | Myrtle Creek             | Myrtle Creek Urban Renewal Plan and Report                              |
| 2018-19 | Corvallis                | South Corvallis Urban Renewal Plan and Report 85% voter approval        |
| 2018    | John Day                 | John Day Housing Incentives Plan  |
| 2018    | Roseburg                 | Diamond Lake Urban Renewal Plan and Report                              |
| 2017    | Klamath Falls            | Spring Street Urban Renewal Plan and Report                             |
| 2017    | Banks                    | Banks Downtown Urban Renewal Plan and Report                            |
| 2017    | Seaside                  | Southeast Seaside Urban Renewal Plan and Report                         |
| 2017    | Turner                   | Turner Downtown Urban Renewal Plan and Report                           |
| 2016    | Tigard                   | Tigard Triangle Urban Renewal Plan and Report - approved by voters 2016 |
| 2016    | Wilsonville              | Coffee Creek Urban Renewal Plan and Report                              |
| 2016    | Milwaukie                | Milwaukie Urban Renewal Plan and Report                                 |
| 2016    | Grants Pass              | Grants Pass Urban Renewal Plan and Report- 2016                         |
| 2015    | Newport                  | McLean Point Urban Renewal Plan and Report                              |
| 2015    | Newport                  | Newport Northside Urban Renewal Plan and Report                         |
| 2014    | La Pine                  | La Pine Urban Renewal Plan and Report                                   |
| 2013    | Wilsonville              | Building 83 26440 SW Parkway Avenue Urban Renewal Plan and Report       |
| 2013    | Wilsonville              | 9805 SW Boeckman Road Urban Renewal Plan and Report                     |
| 2013    | Wilsonville              | 25600 SW Parkway Center Drive Urban Renewal Plan and Report             |
| 2013    | Wilsonville              | 26755 SW 95th Avenue Urban Renewal Plan and Report                      |
| 2013    | Wilsonville              | 27255 SW 95th Aveune Urban Renewal Plan and Report                      |
| 2013    | Wilsonville              | 29899 SW Boones Ferry Road Urban Renewal Plan and Report                |
| 2012-13 | Gold Beach               | Gold Beach Urban Renewal Plan and Report                                |
| 2012-13 | McMinnville              | McMinnville Urban Renewal Plan and Report                               |
| 2012    | Lake Oswego              | Foothills Urban Renewal Plan and Report                                 |
| 2012    | Lake Oswego              | Lake Grove Village Center Urban Renewal Plan and Report                 |
| 2011    | Hood River               | Hood River Heights Urban Renewal Plan and Report                        |
| 2011    | Wilsonville              | Wilsonville SW 95th Avenue Urban Renewal Plan and Report                |
| 2010    | Wood Village             | Wood Village Urban Renewal Plan and Report                              |
| 2008    | Boardman                 | Central Boardman Urban Renewal Plan and Report                          |
| 2008    | Lebanon                  | North Gateway Urban Renewal Plan and Report                             |
| 2008    | Lowell                   | Lowell Urban Renewal Plan and Report                                    |
| 2008    | Bend                     | Murphy Crossing Urban Renewal Plan and Report                           |
| 2008    | Bend                     | Bend Airport Urban Renewal Plan and Report                              |
| 2008    | Hood River City and Port | Hood River Waterfront Urban Renewal Plan and Report                     |
| 2007    | Hood River County        | Hood River Windmaster Urban Renewal Plan and Report                     |
| 2007    | Albany                   | Oak Creek Urban Renewal Plan and Report                                 |



## Urban Renewal Amendments in Oregon

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### AMENDMENTS AND UPDATES: URBAN RENEWAL

2021 - Coos Bay Empire Substantial Amendment  
2021 - Sisters Minor Amendment  
2021 - Molalla Minor Amendment  
2021 - Tualatin Leveton Minor Amendment  
2021 - Tigard Substantial Amendment to increase MI - concurrence received  
2021- Prosper Portland Interstate Urban Renewal Area Substantial Amendment - Increase MI  
2020 - Salem Fairview Urban Renewal Area- Substantial Amendment  
2019 - Veneta Substantial Amendment - MI increase and boundary adjustment  
2019 - Warrenton Substantial Amendment and concurrence for MI Increase  
2019 Bend - Minor Amendment Juniper Ridge  
2019 Gold Beach - Minor Amendment - Add Housing Project  
2019 Jefferson County - UR 101  
2019 Jacksonville - MI Reconciliation  
2019 Pendleton - meeting with Advisory Committee  
2019 Tualatin - UR Basics Course  
2019 Talent - MI Reconciliation  
2019 Wood Village - Minor Amendment  
2018 Coos Bay - Empire Substantial Amendment  
2018 Wilsonville - Y2000 Plan Substantial Amendment  
2018 Medford - Downtown Revitalization Area Substantial Amendment  
2018 Dallas Oregon - Minor Amendment  
2018 Hood River - ongoing work with Advisory Committee on Heights Implementation  
2017 Prosper Portland - Interstate Urban Renewal Plan Minor Amendment  
2017 Coos Bay - Downtown Urban Renewal Plan Council Approved Amendment  
2017 Hood River County - Windmaster Urban Renewal Plan Minor Amendment  
2017 Estacada - Urban Renewal Plan Minor Amendment  
2017 Coos County - North Bay Urban Renewal Plan Substantial Amendment  
2016 Tigard - Downtown Urban Renewal Plan Substantial Amendment - approved by voters 2016  
2016 Gladstone Urban Renewal Plan Review  
2016 Hood River County - Windmaster Urban Renewal Plan Minor Amendment  
2016 Coos Bay Downtown Amendment and Goal Setting/Project Prioritization  
2016 Clackamas Town Center Urban Renewal Plan Substantial Amendment  
2016 Astor West Urban Renewal Plan Substantial Amendment  
2016 Independence Urban Renewal Plan Substantial Amendment  
2015 Lake Grove Village Center Urban Renewal Plan First Amendment - Substantial Amendment  
2015 Sandy Urban Renewal Plan Minor Amendment  
2015 Sandy - Substantial Amendment - required concurrence  
2015 Harrisburg - Substantial Amendment 2 - required concurrence  
2014 Wilsonville - Y2000 Minor Amendment

2014 Wilsonville - West Side Substantial Amendment  
2014 Troutdale - Minor Amendment  
2014-15 Portland Development Commission - Education District Minor Amendment  
2014-15 Portland Development Commission - Airport Way Minor Amendment  
2014-15 Portland Development Commission - North Macadam Substantial Amendment  
2014-15 Portland Development Commission - River District Minor Amendment  
2014-15 Portland Development Commission - Central Eastside Substantial Amendment  
2014-15 Portland Development Commission - Willamette Industrial Minor Amendment  
2014 Harrisburg - Substantial Amendment 1  
2014 - Jacksonville - Minor Amendment  
2014 Lincoln City - Year 2000 Substantial Amendment  
2013 Astoria - Astor East Minor Amendment  
2013 Veneta - Minor Amendment  
2013- 2014 Jacksonville - Minor Amendment  
2013 Molalla - Minor Amendment  
2012 Lebanon - Northwest Lebanon Urban Renewal Area Substantial Amendment  
2011-12 Sherwood - Urban Renewal Area Substantial Amendment  
2011-12 Keizer - North River Road Economic Development Area Substantial Amendment  
2011-12 Phoenix - Urban Renewal Plan Update  
2011-12 Tillamook - Urban Renewal Plan Substantial Amendment  
2011-12 Bandon - Area One Urban Renewal Plan Substantial Amendment  
2011 Interstate Corridor Urban Renewal Plan Substantial Amendment: Portland Development Commission  
2011 Oregon Convention Center Urban Renewal Plan Amendment: Portland Development Commission  
2011 Bandon - Area Two Urban Renewal Plan Amendment  
2010 Astoria - Astor East Urban Renewal Plan Amendment  
2010 Philomath - Urban Renewal Plan Substantial Amendment  
2009 The Dalles - Urban Renewal Plan Amendment  
2009 Astoria - Astor East Urban Renewal Plan Amendment (2nd time)  
2009 Coos Bay (2 Plan amendments)  
2009 Milton Freewater - Urban Renewal Plan Amendment  
2009 Lincoln City - Year 2000 Urban Renewal Plan Amendment  
2008 Portland Development Commission - Downtown Waterfront Plan Amendment  
2008 Redmond - Urban Renewal Plan Substantial Amendment  
2008 Portland Development Commission - Lents Town Center Urban Renewal Plan Amendment  
2008 Portland Development Commission - South Park Blocks Plan Amendment  
2008 Portland Development Commission - River District Urban Renewal Plan Substantial Amendment

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## Feasibility Studies/Economic Studies/Ongoing Consulting Services in Oregon

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### FEASIBILITY STUDIES/ONGOING CONSULTING SERVICES/ URBAN RENEWAL 101

2021 - Lafayette Urban Renewal Feasibility Study  
2020 - Newberg Urban Renewal Feasibility Study  
2019 - Madras Housing Urban Renewal District  
2019 - Lincoln City Roads End

2019 - Lincoln City Nelscott

2017 - Cottage Grove - Urban Renewal 101

2017 - The Dalles - Urban Renewal Best Practices workshop

2017 - Roseburg - Analysis of Two Alternatives for Urban Renewal

2017 - Creswell - UR 101, followed by Feasibility Study

2017 - La Grande - Urban Renewal Best Practices workshop

2016 - Myrtle Creek - UR 101, followed by Feasibility Study

2015 - Milwaukie Feasibility Study

2015 - Klamath Falls Feasibility Study

2015 - Grants Pass Feasibility Study

2015/16 - Work with Hood River Urban Renewal Advisory Committee

2015 - AORA - Assistance with Messaging Materials

2015 - Coos Bay - Assistance with Review and Updating of Plans

2015 - McMinnville - Forum on Successful Implementation of Urban Renewal

2015 - Pendleton Development Commission - Assistance with Goal Setting

2015 - Estacada - Assitance with Goal Setting

2015 - Assistance with Annual Report: Albany, Talent, Phoenix, La Grande, Sherwood, Jacksonville, Winston, Harrisburg

2015 - Urban Renewal 101 - Milwaukie

2015 - Assistance with next steps - Hood River Heights

2015 - Talent City Council and Advisory Committee Review of Plan

2015 Tigard Advisory Committee Goal Session

2015 - Waldport - Review of Plan

2014 Wilsonville - Economic Analysis of Parks Survey

2013 Wilsonville - Economic Analysis of Parks Survey

2013-14 Wilsonville Urban Renewal Strategic Plan

2013 Oregon City - Urban Renewal 201

2013 Winston - ongoing urban renewal consulting

2013 La Pine - Urban Renewal 101

2013 Talent - assistance with annual report and ongoing consulting

2013 The Dalles - Briefing with new mayor

2013 Madras - ongoing consulting

2013 Klamath Falls - assistance in questions on an existing plan, maximum indebtedness

2013 Sisters - assistance in projecting future revenues

2013 Tigard Urban Renewal Agency - general review of plan, briefing with agency, UR 201

2013 Oregon City - Urban Renewal 201

2013 Corvallis - Urban Renewal 101

2013 Albany - Annual Report

2013 Milton-Freewater - potential close out consulting services (ongoing), assistance with minor amendment

2013 La Grande - Urban Renewal 101, Annual Report

2013 Coos Bay - ongoing consulting services: codifying urban renewal plan, Urban Renewal Advisory Committee and Agency training

2013 Veneta - Urban Renewal 101

2013 Prineville - Urban Renewal 101

2012 Talent - Urban Renewal Agency Annual Report

2012-13 Astoria - ongoing consulting services: writing website content, business brochure, storefront program design

2012 Brookings - Airport Urban Renewal Feasibility Study

2012-13 Sherwood - Urban Renewal Agency Annual Report

2012-13 Phoenix -Urban Renewal Agency ongoing consulting services

2012 Warrenton Urban Renewal Annual Report

2012 La Grande - Urban Renewal ongoing consulting services

2012 Gold Beach Urban Renewal Feasibility Study

2012 McMinnville - Urban Renewal Feasibility Study

2011-12 Winston - Urban Renewal Agency ongoing consulting services

2011 Lake Oswego - Lake Grove Village Center Implementation Plan Economic Analysis

2011 Ashland - Financial Analysis and Urban Renewal Feasibility Study for two areas

2011 Lake Oswego - Foothills Financial Analysis and Urban Renewal Feasibility

2010 Wood Village - Urban Renewal Feasibility

2010 Beaverton - Urban Renewal Feasibility

2010 Hood River Heights Business District Feasibility

2009 Milwaukie - Urban Renewal Feasibility

2009 Lowell - Urban Renewal Feasibility

2009 Sweet Home - Urban Renewal Feasibility

2007 Albany - Oak Creek Urban Renewal Feasibility

2007 Salem - South Waterfront Urban Renewal Feasibility

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# Agenda Bill

## **Harrisburg Redevelopment Agency Board**

### Harrisburg, Oregon

**THE MATTER OF A PRESENTATION & BRIEFING FROM ELAINE HOWARD CONSULTING, LLC IN RELATION TO STARTING WHAT WOULD BE HARRISBURG REDEVELOPMENT AGENCY SUBSTANTIAL AMENDMENT NO. 6**

**STAFF REPORT:**

Exhibit A: Staff Report from June 28, 2022

**ACTION: REVIEW THE INFORMATION PROVIDED BY ELAINE HOWARD CONSULTING, LLC, AND MOTION TO START THE FORMAL PROCESS OF SUBSTANTIAL AMENDMENT NO. 6**

**THIS AGENDA BILL IS DESTINED FOR:** Regular Agenda – August 9, 2022

| <b>BUDGET IMPACT</b> |                  |  |
|----------------------|------------------|--|
| <b>COST</b>          | <b>BUDGETED?</b> | <b>SOURCE OF FUNDS</b>                           |
| \$28,000-\$35,000    | Yes              | HRA Capital Outlay – Infrastructure Construction |

**STAFF RECOMMENDATION:**

**Staff recommend the HRA Board listen to the presentation and ask questions in relation to the process of entering into Substantial Amendment No. 6.**

**BACKGROUND INFORMATION:**

At the meeting held on June 28, 2022, the HRA Board made a decision to set up the briefing and presentation by Elaine Howard Consulting, LLC in relation to a possible Substantial Amendment No. 6 to the HRA Plan.

In order to use a portion of the \$2,127,955 in funds located in the HRA Capital Outlay fund, the Water Bond Project would need to be added to the HRA Plan, while the properties belonging to the City on which the water storage facilities and water treatment plants are located will need to be added to the HRA boundary. Exhibit A is the staff report from the last meeting in which this process was discussed.

By revising the plan for the HRA, we will likely be able to add more projects to the list than what was approved in 2015. The HRA has not yet used up the entire maximum indebtedness that is available according to the last substantial amendment, and this process will allow us to explore that as well, if it is needed in the future.

Scott Vander Bos of Elaine Howard Consulting, LLC, will likely start the presentation, which will be via Zoom. Elaine Howard has another engagement with a different

community but hopes to join us during the presentation. A motion to formally start the HRA Substantial Amendment No. 6 process is located at the top of this report.

REVIEW AND APPROVAL:

Michele Eldridge 08/04/2022  
Michele Eldridge Date  
City Administrator

# Agenda Bill

## **Harrisburg Redevelopment Agency Board**

### Harrisburg, Oregon

#### **THE MATTER OF A DISCUSSION IN RELATION TO STARTING THE PROCESS OF ENTERING INTO A SUBSTANTIAL AMENDMENT OF THE HRA**

##### **STAFF REPORT:**

Exhibit A: Harrisburg Urban Renewal Substantial Amendment  
Scope and Budget

**ACTION: TBD – MOTION TO DIRECT THE EXECUTIVE DIRECTOR OF THE HRA TO SET UP A BRIEFING WITH ELAINE HOWARD CONSULTING TO GO OVER THE PROCESS AND TIMELINE FOR A SUBSTANTIAL AMENDMENT OF THE HRA**

**THIS AGENDA BILL IS DESTINED FOR:** Regular Agenda – June 28, 2022

| <b>BUDGET IMPACT</b> |                  |  |
|----------------------|------------------|--|
| <b>COST</b>          | <b>BUDGETED?</b> | <b>SOURCE OF FUNDS</b>                           |
| \$28,000-\$35,000    | Yes              | HRA Capital Outlay – Infrastructure Construction |

##### **STAFF RECOMMENDATION:**

**Staff recommend the HRA Board Direct the City Administrator to set up a Briefing with Elaine Howard Consulting, LLC**

##### **BACKGROUND INFORMATION:**

After waiting for almost two years for the engineering and planning to be completed on the Water Bond Project, the City was excited to put out the bids on the remaining work to be completed last year. The estimate for the cost of the project was based on current, similar projects that had just been completed in other cities. Due to the results of increased prices, specifically for steel, PVC, and electronics (along with supply issues), the bid was almost \$1.7 million over what was estimated. The City Council reluctantly decided to cancel the bid and hoped that prices would come down in the future.

Therefore, this spring, the City once again went out for bid on the remaining projects on the water bond project. At the meeting held on May 10, 2022, the Harrisburg City Council discussed the 2<sup>nd</sup> bid. They were told that the lowest bid for the remaining structures for the Water Bond Project, was now \$2,662,500 over the engineers estimate. The City Council reluctantly concluded that it was better to wait, like many other cities in Oregon, and in the nation, until prices have a chance to drop again.



Staff noted during the budget preparation period, that the HRA had \$2,127,955 remaining in the Capital Outlay/Infrastructure Construction fund. Ironically, these funds came from savings from recent street projects in the HRA District, along with some program funding that resulted from an HRA loan being paid back to the City. After contacting John Hitt and the City Attorney, Staff contacted both Bond Counsel, and our former HRA consultant Elaine Howard, to pursue the possibilities of being able to apply these funds to the gap in funding for the water bond project.

Both of the City owned properties at the south water plant, and in the north, adjacent to the water treatment plant, are not currently inside the HRA District. Therefore, in order to apply HRA funds to these projects, both properties would need to be added to the HRA District. Luckily, for non-taxed (exempt) property, the HRA is not required to use an entire tax lot and can specify square footage instead. Otherwise, the north property would exceed the amount of land that the City is allowed to add to the district. The other limitation is the value of the property being brought into the district. The frozen value of land in the HRA cannot exceed 25% of the overall City property values. In 2015, the revised amount was 2.47% of the assessed value. Current property values have brought that figure up to 9.87% of the total assessed value of the City, which is still well under the maximum allowance.

It's obvious that the water bond project has a citywide benefit and has even been noted as an important part of marketing the downtown area to new businesses. The process of adding this property to the HRA boundaries will require a substantial amendment to the plan. Not only will the City need to obtain approval from at least four of the other taxing districts, but Linn County must also agree to this request, as the property to the north is outside the City's jurisdictional boundaries. Linn County has been a willing partner to the City in past Substantial Amendments, and as the property being added to the HRA is exempt, it will hopefully obtain their approval. As already discussed by the City Council, we think that there will be more support for this substantial amendment than there was for the 5<sup>th</sup> Substantial Amendment. Most people in our community, and who serve on these boards, understand the importance of improving the City's water system.

Under ORS 457.010, the water bond project is not technically a public building project, as defined under the narrow descriptions allowed by statute. This is also not a project that provides direct economic development opportunities. Regardless, many public building projects have been funded by using a proportionality approach. This means that the City can apply a reasonable amount to the water bond project based on its relationship to the TIF (Tax Increment Financing) district. The City should have a fairly strong case for using 20% of the funding in the HRA Budget (to apply to the water bond project), based on the acreage in the HRA boundaries not exceeding 20% of the entire city's acreage. As an example of how this would work; the last bid for the water bond project was \$7,962,500. 20% of this figure is \$1,592,500. Therefore, out of the \$2.6 million in the HRA, the City has the potential of using up to almost \$1.6 million of the HRA funds.

A substantial amendment takes approximately six months, due to the statutory process the HRA Board must follow. In addition, it's somewhat expensive, due to the financial analysis and again, those statutory requirements the consultant must follow. **Exhibit A** is a copy of the Urban Renewal Scope of Work from Elaine Howard Consulting. The approximate cost from her firm for this project is \$28,000 and includes a small contingency. Staff estimates another \$7,000 being the cost for survey work, and other requirements that the HRA would need to provide during this process. Staff feels that \$35,000 is affordable when looking at being able to use a potential \$1.6 million from the HRA to apply to the water bond project.

By revising the plan for the HRA, we will likely be able to add more projects to the list that was approved in 2015. One of the projects still left on the list that Staff has a lot of enthusiasm for, is a new Community Center/Library/Meeting Center. If the HRA is able to apply the full \$1.6 million, there will still be almost \$1,000,000 remaining in the budget, which can be applied to this project, and other projects we may decide on that could be applied to economic development. The HRA has not yet used up the entire maximum indebtedness that is available according to the last substantial amendment, and this process will allow us to explore that as well, if it is needed in the future. Bond Council had no concerns about any of the uses of the HRA fund, nor of utilizing any further maximum indebtedness.

If the HRA Board should decide to move ahead to obtain more information, then they should direct staff to contact Elaine Howard Consulting to provide a staff and City Council briefing to go over the process and timeline. She can also answer more questions. A motion is located at the top of this report.

#### REVIEW AND APPROVAL:

\_\_\_\_\_  
Michele Eldridge  
City Administrator

06/23/2022  
Date