

Urban Renewal Agency Action Item Cover Sheet

DATE: July 3, 2018

Agenda Item:

URA Intergovernmental Agreement

Item Summary/Background:

Business Oregon is requiring an intergovernmental agreement (IGA) between the Urban Renewal Agency (URA) & the City. This agreement outlines how the URA will pay the City for the South Reservoir Project.

Person/Group Initiating Request:

City Manager

Question Before Urban Renewal Agency Board:

Does the URA move to adopt the IGA and authorize the Agency Chair to sign?

INTERGOVERNMENTAL AGREEMENT

This Agreement is made and entered into between the Urban Renewal Agency of the City of Yachats (Agency), an urban renewal agency pursuant to ORS Chapter 457, and the City of Yachats (City), a municipal corporation of the State of Oregon.

RECITALS

- A. ORS Chapter 190 authorizes local governments to enter into intergovernmental agreements.
- B. Agency and City are parties to an Agreement executed in 2007 that provides for the City to assist the Agency in carrying out the Agency's renewal projects and Agency's administrative obligations.
- C. In the 2007 Agreement, the Agency agreed to use tax increment funds or any other funds which may become available to repay the City for the completion of all projects and improvements identified in the Urban Renewal Plan and Report of August 2006 and such other materials and services as are necessary to complete Agency's obligations.
- D. The City undertook construction of the South Reservoir Project to create a new water reservoir to serve the south end of the City of Yachats. The South Reservoir Project is an Agency project listed in the Agency's urban renewal plan.
- E. The parties wish to confirm the Agency's obligations to reimburse City under the 2007 Agreement and specifically set out a reimbursement schedule for City's completion of the South Reservoir Project. The Agency's obligation to reimburse the City is within the Agency's authority under ORS 457.170 for the development of projects listed in its urban renewal plan.
- F. The parties agree that they have the authority to execute this intergovernmental agreement pursuant to ORS Chapter 190.

NOW THEREFORE, it is agreed by and between the parties hereto as follows:

- 1. This Agreement shall take effect upon the date it is signed by both parties. It shall remain in effect until Agency's reimbursement obligations are satisfied.
- 2. Agency confirms that the City acted as Agency's agent in undertaking the South Reservoir Project and that the Agency will reimburse the City for a portion of the project's costs.
- 3. Starting in fiscal year 2018-2019 and continuing each fiscal year thereafter for a total of 14 years, Agency shall make a single annual payment of \$100,000 to City. The total payments from Agency to City under this obligation is \$1,400,000.

4. The Agency hereby agrees to use tax increment funds or any other funds which may become available to pay the City.
5. The Agency and the City acknowledge that the obligation to make payments from the tax increment funds of the Agency collected from the Yachats Urban Renewal District constitutes indebtedness incurred in carrying out the Yachats Urban Renewal Plan and Agency pledges the tax allocations from the Yachats Urban Renewal District to pay such indebtedness under the provisions of ORS Chapter 457.
6. The terms of this Agreement may be terminated or amended only by mutual agreement of the parties.
7. The City Council of the City of Yachats approved this agreement and authorized the Mayor to sign at its meeting on July 3 2018.
8. The Urban Renewal Agency of Yachats approved this agreement and authorized the Chair to sign at its meeting on July 3, 2018.

IT IS SO AGREED:

Gerald Stanley, Mayor Date

Gerald Stanley, Agency Chair Date

Shannon Beaucaire, City Manager

Shannon Beaucaire, Agency Manager