

BEFORE THE BOARD OF COUNTY  
COMMISSIONERS, sitting as the COLUMBIA COUNTY  
DEVELOPMENT AGENCY  
BOARD OF DIRECTORS

AGENDA

Wednesday, December 7, 2016  
11:00 a.m.  
Room 308, County Courthouse

- 1) Call to Order
- 2) Approve Minutes of:  
- October 12, 2016 Board meeting
- 3) Discussion Items:
  - Response to Fire District IGA Budget Request;
  - Review Port Westward URA Status Update
  - Updated TIF Forecast for FY 2017
- 4) Executive Session under ORS 192.660(2)(h)
- 5) Other business as necessary

Pursuant to ORS 192.640(1), the Board of County Commissioners reserves the right to consider and discuss, in either open session or Executive Session, additional subjects which may arise after the agenda is published.

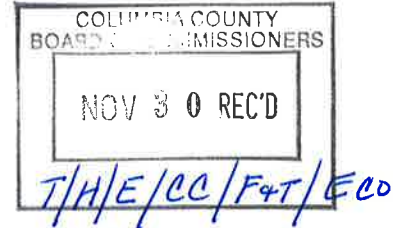


# CLATSKANIE RURAL FIRE PROTECTION DISTRICT

PO Box 807 / 280 SE Third St. Clatskanie, OR 97016  
Phone (503) 728-2025 Fax (503) 728-4388 Email [crfpd@clatskanie.com](mailto:crfpd@clatskanie.com)

November 9, 2016

Tony Hyde  
Chair, Columbia County Board of Commissioners  
Columbia County Courthouse Room 331  
St Helens, Oregon 97051



Dear Chairman Hyde;

As you are aware, the Port Westward Urban Renewal Plan as adopted by Columbia County (Resolution 2001-06) concluded that the Fire and life safety services provided by Clatskanie Rural Fire Protection District (CRFPD) were inadequate to serve anticipated industrial development at Port Westward. For that reason, the Columbia County Development Agency (CCDA) included in its budget for use of tax increment finance (TIF) funds \$565,000.00 to assist CRFPD in making improvements to those services. To date, CRFPD has asked for and received approximately \$163,000.00 of those funds and has used that money, along with our own budgeted funds, to purchase new equipment and do a comprehensive review of our agency to better serve all of our customers, including and especially the industrial customers at Port Westward.

CRFPD is now in a position to use the remainder of these allocated funds, along with our own budgeted money, to make significant improvements to our Quincy substation, located along Quincy Mayger Road near Port Westward. This station presently has limited room for two fire apparatus and a small meeting room and staff area. Our plans are to construct a new station that will be able to house more apparatus, along with specialized equipment and supplies for response to potential large scale emergencies at or near Port Westward, its docks and rail lines. The new station will also incorporate modern crew quarters to provide for 24 hour staffing of this facility and have the ability to be used as an emergency operations center in case of a large scale event at Port Westward. These improvements will give us a significantly faster and better primary response to Port Westward and the surrounding communities of Quincy and Mayger as well as improved response throughout our district and subsequently all of Columbia County.

Our project is currently moving from planning phase into site and building design. Because we will be moving forward on this project as funds allow, we would request the CCDA to allocate these funds in your budget for CRFPD as follows:

Fiscal year 2017-18	\$100,000.00	
Fiscal year 2019-19	\$100,000.00	
Fiscal year 2019-20	\$100,000.00	
Fiscal year 2020-21	\$102,000.00	Approximate remaining balance

If the CCDA would like more information, we would be happy to share the details of our plan for the Quincy Station with you at one of your commission meetings or on site.

Clatskanie RFPD would also like to thank you Commissioner Hyde, and the CCDA for all the work you have put into economic development at Port Westward over the past 20 years. Your vision and stewardship have cultivated the investments and jobs at Port Westward that will play a critical role in the economic future of our community for many years to come.

Sincerely,  
Clatskanie Rural Fire Protection District  
Board of Directors

A handwritten signature in cursive script that reads "Robert Keyser". The signature is written in dark ink and is positioned above the printed name and title.

Robert Keyser  
President



November 21, 2016

Mr. Robert Keyser  
Clatskanie Rural Fire Protection District  
280 SE 3<sup>rd</sup> Street, PO Box 807  
Clatskanie, OR 97016

We received the Clatskanie Rural Fire Protection District (CRFPD) request for funding from the Columbia County Development Agency (CCDA) for fire and life safety capital improvements to serve the Port Westward Urban Renewal Area (URA).

This budget request is consistent with the adopted Port Westward Urban Renewal Plan (Plan), as well as the Intergovernmental Agreement (IGA) between the CCDA and CRFPD signed on June 23, 2004. Both the Plan and the IGA recognize the CRFPD as an important partner to the CCDA for implementing the economic development goals of the URA. Specifically, these documents identify "fire and life safety facility improvements" as an eligible use of urban renewal funds. The Plan includes a non-binding estimated of the total cost of these fire and life safety improvements to be \$565,000. Furthermore, the IGA establishes a process for the CRFPD to request these funds for the reimbursement of actual expenditures, and limits the total amount of that reimbursement to no more than \$565,000.

County staff corroborate your accounting of previous expenditures related to this IGA. Total expenditures to-date amount to \$162,647.62, with a remaining balance of up to \$402,352.38. Previous expenditures made by the CCDA pursuant to the IGA include \$40,000 for a pick-up truck, \$92,757.62 for a fire engine, and \$28,890 for a facility master plan.

Based on the description of the planned future improvements to the Quincy substation, it appears that this project is consistent with the terms of the IGA, the Plan, and Oregon Revised Statutes governing the use of urban renewal funds. Therefore, the CCDA Board is supportive of the CRFPD funding request. However, CRFPD should be cognizant of the current Board's inability to commit the future Board to any specific budget action. These budget decisions are made on an annual basis each Spring, and it will be the prerogative of future CCDA Board members to make those final budget decisions.

Please note that although the Quincy substation improvements sound as though they will be consistent with the Plan and the terms of the IGA, additional documentation of these project expenditures will be necessary for the CRFPD to receive reimbursement from the CCDA. Below, we reiterate salient points from the IGA regarding the terms of reimbursement.

- The IGA establishes a reimbursement program, which means the CRFPD must incur the costs first, and then submit documentation of those actual costs for reimbursement by the CCDA. This means that the CCDA cannot provide the CRFPD with advanced funding for future projects.
- The IGA states that requests for reimbursement must be approved by the CCDA Board, based on “sufficient information to inform the Agency as to the estimated cost of the proposed Project.” That means the dollar amount for each funding request needs more specific information on the proposed use of those funds. For previous expenditures funded through this IGA that documentation included the detailed specifications of the equipment to be purchased, who the CRFPD planned to purchase the equipment from, and a price quote for the purchase. Similar detail should be provided each year that the CRFPD requests funding from the CCDA. For example, for FYE 2018, how exactly does the CRFPD plan to spend the \$100,000 in requested funds? This question should be answered before the CCDA budget process. This will provide the CRFPD with certainty that their expenditures will be approved by the CCDA for reimbursement.
- The CCDA budget process begins in January and concludes in June. For the CRFPD to have certainty that their requested reimbursement will be approved by the CCDA Board, the detailed project cost information should be provided as early in that process as possible. For the upcoming FYE 2018, we recommend that the CRFPD provide additional detail on the proposed use of funds for the upcoming fiscal year in January 2017.

We appreciate the valuable service provided by the CRFPD to protect the lives and property of residents of Columbia County. We recognize the CRFPD as an important partner in achieving our goals for the Port Westward URA. Hopefully the guidance offered in this letter will ensure the CRFPD is able to successfully work with future CCDA Board members to receive reimbursement for the remaining project costs for fire and life safety facility improvements in the URA, pursuant to the terms of the IGA.

Sincerely,

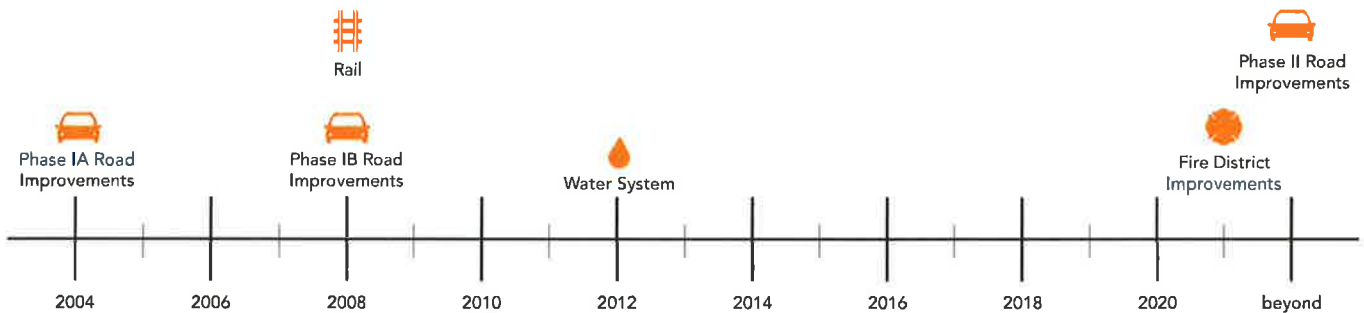
Anthony Hyde  
CCDA Chair

# Port Westward Urban Renewal Area at a Glance

The Columbia County Development Agency ("CCDA") established the Port Westward Urban Renewal Area ("URA") in 2001. Over the past 15 years, the URA has been instrumental in providing funding for infrastructure and economic development projects that support the Columbia County economy. Due to cost savings, leveraging private sources and state grants, and refinement of the eligible project list, the URA is on pace to complete the remaining planned projects at a lower cost to county taxpayers than originally forecast.

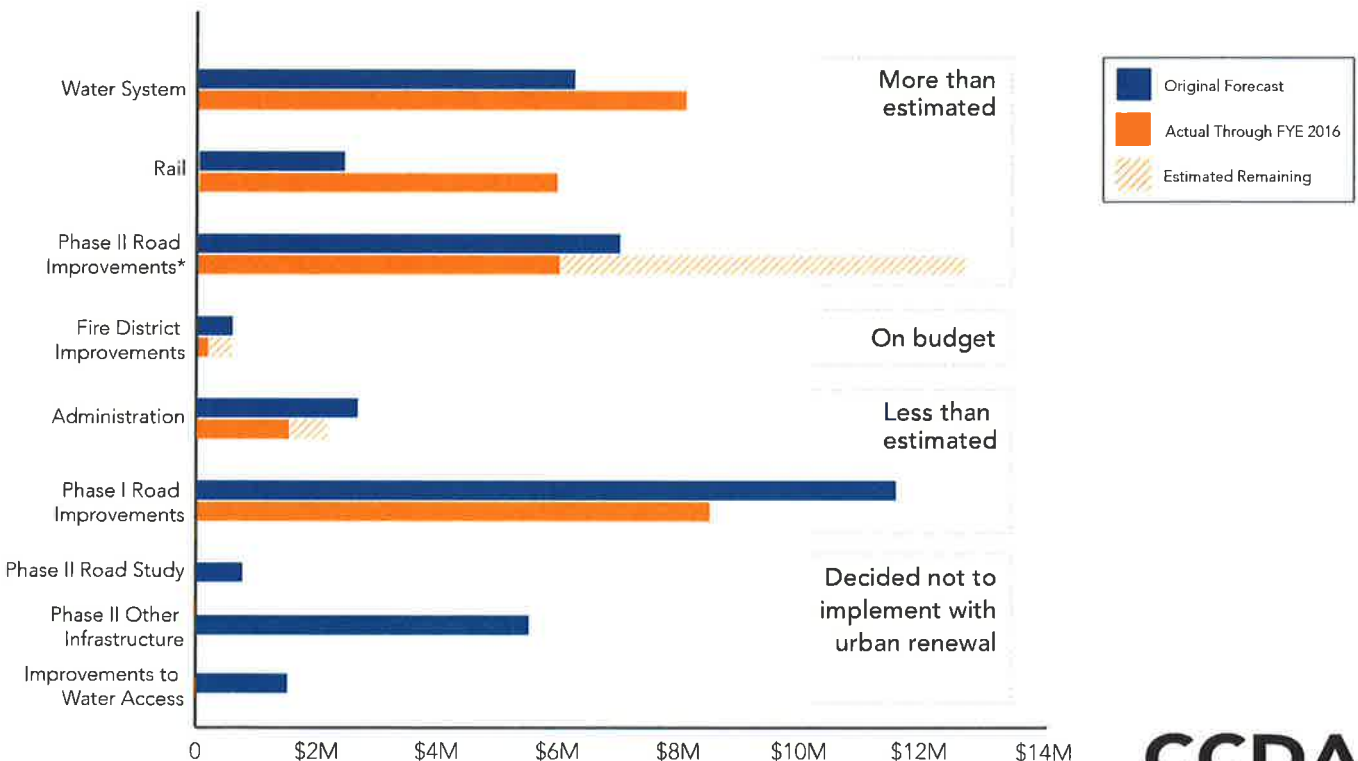
## Project Timeline

Most major public investments are complete. In future years, the CCDA will continue to partner with the Clatskanie Rural Fire Protection District on fire and life safety improvements in the area. Additional improvements to Hermo Road are desired, but the timing depends on funding from private-sector developers that would benefit most from the road improvements.



## Project Costs

Although some projects proved more expensive than originally estimated, others were less expensive, and several planned projects were determined to be unnecessary, and ultimately were not implemented to save taxpayer dollars.



\*For Phase II Road Improvements, actual costs to date are unknown, as all expenditures were made by private industrial tenants

## Sources of Funds

Property tax increment is the primary source of funding for most urban renewal areas. The original projections for the URA assumed tax increment would account for 93% of all project funding. The County, however, was able to secure additional funding from State grants and private sources (including developer contributions and rail tariffs). Updated projections estimate that the URA will save taxpayers \$33.7 million in property tax increment, compared to original projections.

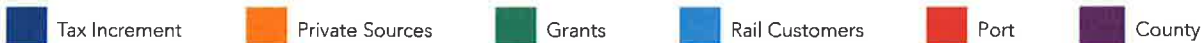
Original Forecast Amount: \$64.1M



Actual Amount through FYE 2016 and Estimated Remaining: \$52M\*



\*Assumes remainder of Phase II Road Improvements are funded by private sources.



## Maximum Indebtedness

Maximum indebtedness is the cumulative limit on the total amount of debt an urban renewal area can enter into using tax increment finance revenues. For the Port Westward URA, the maximum indebtedness is about \$34 million. It is very likely that the CCDA will not use up the full amount of maximum indebtedness. This means that the CCDA will be able to accomplish the goals and objectives identified in the Plan at a lower cost to the tax payers than originally estimated.

