

**AGENDA COVER MEMO**

W. S. A.  
03-10-15-3

**DATE:** October 15, 2003

**TO:** Lane County Board of Commissioners

**PRESENTED BY:** Sandy Halonen, NEDCO  
Betty Mishou, Engineering Administration

**AGENDA ITEM TITLE:** In the Matter of Designating \$114,417 for Construction of Road Fund Eligible Improvements to Assist the Santa Clara Glen Affordable Housing Project

**I. MOTION**

**THAT THE BOARD ORDER BE APPROVED DESIGNATING THE USE OF COUNTY ROAD FUNDS IN THE NOT-TO-EXCEED AMOUNT OF \$114,417 FOR CONSTRUCTION OF ROAD FUND ELIGIBLE IMPROVEMENTS TO ASSIST THE SANTA CLARA GLEN AFFORDABLE HOUSING PROJECT, WAIVING PROJECT ASSESSMENTS AND AUTHORIZING THE COUNTY ADMINISTRATOR TO EXECUTE AN AGREEMENT WITH THE NEIGHBORHOOD ECONOMIC DEVELOPMENT CORPORATION**

**II. ISSUE/PROBLEM**

Should the Board commit \$114,417 in road funds for road improvements associated with the Neighborhood Economic Development Corporation's (NEDCO) Santa Clara Glen affordable housing project in Eugene?

**III. DISCUSSION**

**A. Background.**

Santa Clara Glen is a low-income home ownership housing development to be located on Green Lane in Eugene. This project will consist of 13 single-family detached residences with garages. It is anticipated that the Housing Policy Board will approve the Santa Clara Glen project at its October 13, 2003 meeting.

**B. Analysis.**

With the support of Lane County road funds, NEDCO is able to reduce costs by approximately \$8,800 per family. Other public assistance provided to the project includes a City of Eugene HOME grant of \$13,000, a City of Eugene SDC waiver of \$50,000, a Eugene Water & Electric Board grant of \$24,180, and \$13,000 from private foundation funding. The road funds, along with the other grant funding, various down payment assistance programs, and the homeowner's down payment, will enable the mortgage loan to be 80% of the value of the home, which means the home buyer will not have to pay private mortgage insurance. The anticipated monthly payment including taxes and insurance will be approximately \$770. Without road funds, it would be approximately \$70-80 higher.

Green Lane will be constructed to urban standards with curb, gutter and sidewalk. LC 15.636 states these costs are assessed to the benefiting property owners on a front footage basis. NEDCO owns the land on which the project will be constructed. Previously, Board direction has been that road funds set aside for assisted housing projects are to be used on eligible road work to lower development costs so that, to the extent possible, the prices charged for the affordable housing units can be as low as possible. Consequently, we have not assessed other parcels occupied by assisted housing units on other projects and we would not assess the Santa Clara Glen parcels. If the Board chooses to assess for improvements, the City of Eugene will be asked to grant the County authority to assess within city limits.

In order to waive the assessments, the Board must find the road project to generally benefit the County pursuant to Chapter II, Section 9(2) of the Lane County Charter and in accordance with LC 15.605.

The Santa Clara Glen project is scheduled for construction during the fall of 2003. NEDCO has retained its own private engineer to design the project and will have a private contractor construct the project.

**C. Alternatives/Options.**

1. Support the allocation of \$114,417 and direct the County Administrator to enter into the appropriate agreements.
2. Deny the allocation of \$114,417.

**IV. IMPLEMENTATION/FOLLOW-UP**

Upon approval by the Board, the necessary agreements will be processed for execution by the County Administrator in order to proceed with this project.

**V. ATTACHMENTS**

1. Draft Agreement

**IN THE BOARD OF COMMISSIONERS OF LANE COUNTY  
STATE OF OREGON**

**ORDER NO.**

**(IN THE MATTER OF DESIGNATING THE USE  
(OF \$114,417 FOR CONSTRUCTION OF ROAD  
FUND ELIGIBLE IMPROVEMENTS TO ASSIST  
THE SANTA CLARA GLEN AFFORDABLE  
HOUSING PROJECT**

**WHEREAS**, Lane County has entered into an Intergovernmental Agreement to participate in an effort with the City of Eugene, City of Springfield, and the Housing Authority and Community Services Agency (HACSA) to coordinate local resources in addressing the housing needs of Lane County; and

**WHEREAS**, in this agreement, Lane County agreed to consider requests for Lane County Road Funds for eligible improvements to assist in the development of additional low income housing; and

**WHEREAS**, it is anticipated the Housing Policy Board will approve the Santa Clara Glen project at their October 13, 2003 meeting; and

**WHEREAS**, the cost of the road improvements and related services are road fund eligible costs. The Neighborhood Economic Development Corporation (NEDCO) is responsible for any ineligible costs associated with the project. The project will be constructed to urban standards with curb, gutter and sidewalk in the fall of 2003; and

**WHEREAS**, Lane County has allocated funding for use on affordable housing projects in the adopted FY 04-08 Capital Improvement Program; and

**WHEREAS**, the Board hereby finds that this project will generally benefit the County and the improvement assessments should therefore be waived so that the development cost savings can be passed on to future homeowners; **NOW, THEREFORE, IT IS HEREBY**

**ORDERED**, THAT LANE COUNTY ROAD FUNDS IN THE NOT-TO-EXCEED AMOUNT OF \$114,417 BE DESIGNATED TO CONSTRUCT ROAD-FUND ELIGIBLE IMPROVEMENTS ASSOCIATED WITH THE AFFORDABLE HOUSING DEVELOPMENT KNOWN AS SANTA CLARA GEN, LOCATED ON GREEN LANE IN EUGENE, OREGON.

**IT IS FURTHER ORDERED** THAT THE COUNTY ADMINISTRATOR IS AUTHORIZED TO TAKE THE NECESSARY ADMINISTRATIVE ACTIONS TO ACCOMPLISH THIS EXPENDITURE INCLUDING ENTERING INTO AN AGREEMENT WITH THE NEIGHBORHOOD ECONOMIC DEVELOPMENT CORPORATION.

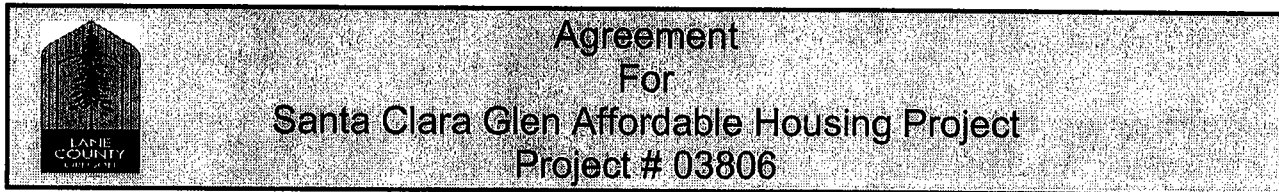
**IT IS FURTHER ORDERED** THAT THE ROAD IMPROVEMENT ASSESSMENTS FOR THIS PROJECT BE WAIVED PURSUANT TO CHAPTER II, SECTION 9(2) OF THE LANE COUNTY CHARTER AND IN ACCORDANCE WITH LC 15.605.

**DATED** this \_\_\_\_\_ day of \_\_\_\_\_, 2003.

\_\_\_\_\_  
Peter Sorenson, Chair  
Lane County Board of Commissioners

**APPROVED AS TO FORM**

Date 10-8-03 Lane County  
\_\_\_\_\_  
OFFICE OF LEGAL COUNSEL



**THIS AGREEMENT** entered into by and between Lane County, a political subdivision of the State of Oregon, hereinafter referred to as **COUNTY** and Neighborhood Economic Development Corporation (NEDCO), a private, non-profit organization organized under the State of Oregon, hereinafter referred to as **NEDCO**.

### **RECITALS**

**WHEREAS**, Lane County has entered into an Intergovernmental Agreement to participate in an effort with the City of Springfield, the City of Eugene and the Housing Authority and Community Services Agency (HACSA) to coordinate local resources in addressing the housing needs of Lane County; and

**WHEREAS**, through this agreement, Lane County has agreed to consider requests for County road funds for eligible improvements that could assist in the development of additional low income housing; and

**WHEREAS**, Lane County has allocated funding in the adopted FY 04-08 Capital Improvement Program for roads for assisted housing projects; and

**WHEREAS**, **NEDCO** has requested \$114,417 of County road funds for construction of street and road fund eligible improvements to assist the Santa Clara Glen affordable home ownership project, a 13-residence development subdivision for low-income households. Street and road fund eligible improvements to be constructed in conjunction with the Santa Clara Glen development will hereinafter be referred to as **PROJECT**. Those costs deemed County road fund ineligible as defined by the Oregon Constitution will be funded by **NEDCO**; and

**WHEREAS**, the Housing Policy Board, the intergovernmental body for overseeing joint housing development initiatives between jurisdictions in Lane County, has expressed its support for the Santa Clara Glen affordable home ownership project; and

**WHEREAS**, through adoption of Board Order \_\_\_\_\_, the Board has authorized the expenditure of \$114,417 of County road funds for eligible **PROJECT** construction costs; and

**NOW, THEREFORE, THIS AGREEMENT WITNESSETH:** That for and in consideration of the mutual covenants and promises between the parties hereto, the parties agree as follows:

### **AGREEMENT TIME**

1. This Agreement becomes effective on the date of the execution of said Agreement by both parties and remains in effect throughout the term of the Agreement unless extended with the written concurrence of both parties.

2. This Agreement will expire one (1) year from the date of execution of said Agreement or upon satisfaction of all Agreement terms, whichever occurs first, unless the parties mutually agree to extend the expiration date.

### **RESPONSIBILITIES - NEDCO AND COUNTY**

**NEDCO** shall:

1. Designate a representative to serve as project coordinator and point of contact with regard to County activities related to **PROJECT**.
2. Dedicate necessary public right-of-way including preparation of easement and dedication documents for **PROJECT**. **NEDCO** will also provide **COUNTY** with documentation of the City of Eugene's formal acceptance of the road or its eminent intent to do so. **COUNTY** will reimburse **NEDCO** for eligible project costs upon satisfaction of this provision and all other agreement terms.
3. Obtain any required permits.
4. Design and construct **PROJECT**.
5. Coordinate with utility agencies for utility design and scheduling of utility installation.
6. Be responsible for all ineligible costs plus eligible costs exceeding the **COUNTY** allocation. Ineligible costs include but will not be limited to sanitary sewer construction and related engineering costs. In the event the **COUNTY** allocation exceeds eligible project costs, those funds will be returned to **COUNTY** within 30 days of the final accounting of project costs.
7. Invoice **COUNTY** for eligible project costs upon acceptance of project bid in accordance with all pertinent laws and regulations required of and by **COUNTY** and upon satisfaction of all agreement provisions.

**COUNTY** shall:

1. Designate a representative to serve as project coordinator and point of contact with regard to County activities related to **PROJECT**.
2. Issue road funds to **NEDCO** upon receipt of invoice detailing eligible **PROJECT** costs in accordance with all pertinent laws and regulations required of and by **COUNTY** and upon satisfaction of all agreement terms.

### **BOTH PARTIES agree:**

1. County participation in this project shall be limited to the following:
    - Review project plans and specifications for determination of road fund eligibility;
    - Review and approval of project bid format to ensure road fund eligible activities are identified as separate line items;
    - Review and approval of landscaping costs--not to exceed 6% of County allocation;
    - Review and approval of final project accounting for road fund eligible activities
-

2. Prevailing wage rates are required for this project. No bid will be approved unless the bidding documents contain: (1) a statement that the bidder will comply with the provisions of ORS 279.350. or 40 U.S.C. 276a, and 2) a statement as to whether the bidder is a resident bidder as defined in ORS 279.029.
3. Bids not in compliance with all prescribed public bidding procedures and requirements may be rejected. All bids may, for good cause, be rejected upon a finding by either party that it is in the public interest to so.
4. This agreement constitutes the entire agreement between the **COUNTY** and the **NEDCO** on the subject matter hereof. No waiver, consent, modification or change of terms of this agreement shall bind either party unless in writing and signed by both the **COUNTY** and **NEDCO**. Such waiver, consent, modification or change, if made, shall be effective only in the specific instance and for the specific purpose given. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this agreement. The delay or failure of the Board to enforce any provision of this agreement shall not constitute a waiver by the **COUNTY** of that provision or any other provision. **NEDCO**, by the signature below of its authorized representative, hereby acknowledges that it has read this agreement, understands it, and agrees to be bound by its terms and conditions.

### **INDEMNITY**

1. **NEDCO** agrees to indemnify, defend and hold Lane County, its Commissioners, agents, officers and employees harmless and defend all damages, losses and expenses included but not limited to attorney's fees and to defend all claims, proceedings, lawsuits and judgments arising out of or resulting from the fault of **NEDCO**, its agents, representatives or subcontractors, in the performance of or failure to perform this contract.

### **GENERAL PROVISIONS**

1. No Dual Payment. **NEDCO** shall not be compensated for, or receive any other form of payment for, work performed under this Agreement from any agency of the State of Oregon or the United States of America or any other party.

2. Persons Not To Benefit. No member of or delegate to Congress, resident commissioner, officer, agent or employee of the United States of America, member of the Oregon Legislative Assembly, elected official of the State of Oregon, or official, agent or employee of any political subdivision, municipality or municipal corporation of the State of Oregon shall be admitted to any share or part of this Agreement or derive any financial benefit that may arise there from:

3. No Third Party Beneficiaries. The **COUNTY** and **NEDCO** are the only parties to this Agreement and are the only parties entitled to enforce its terms. Nothing in this Agreement gives, is intended to give, or shall be construed to give or provide any benefit or right, whether directly, indirectly or otherwise, to third persons unless such third persons are individually identified by name herein and expressly described as intended beneficiaries of the terms of this Agreement.

4. Successors and Assigns. The provisions of this Agreement shall be binding upon and shall inure to the benefit of the **COUNTY** and **NEDCO** and their respective successors and assigns; provided however that **NEDCO** may not assign this Agreement or any interest therein without the prior written consent of the **COUNTY**, which consent may be withheld for any reason.

---

5. Severability. The **COUNTY** and **NEDCO** agree that if any term or provision of this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular term or provisions held to be invalid.

6. Notice. Except as otherwise expressly provided in this Agreement, any communications between the parties hereto or notices to be given hereunder shall be given in writing by personal delivery, facsimile, or mailing the same, postage prepaid, to the **COUNTY** or **NEDCO** at the address or number set forth on the signature page of this Agreement, or to such other addresses or numbers as either party may hereafter indicate pursuant to this Section. Any communication or notice so addressed and mailed shall be deemed to be given five (5) days after mailing. Any communication or notice delivered by facsimile shall be deemed to be given when receipt of the transmission is generated by the transmitting machine. Any communication or notice by personal delivery shall be deemed to be given when actually delivered.

\* \* \* \* \*

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement as of the day and year last below written.

**Neighborhood Economic Development Corp.**

**LANE COUNTY**

By: \_\_\_\_\_  
Sandy Halonen

By: \_\_\_\_\_  
William A. Van Vactor

Title: Executive Director

Title: County Administrator

Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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

Phone: \_\_\_\_\_

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

**APPROVED AS TO FORM**

Date \_\_\_\_\_ Lane County

\_\_\_\_\_  
**OFFICE OF LEGAL COUNSEL**