

Memorandum Date: April 18, 2007
Order Date: May 2, 2007

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TO: Board of County Commissioners

PRESENTED BY: Mike McKenzie-Bahr, Community and Economic Development Coordinator

AGENDA ITEM TITLE: ORDER/IN THE MATTER OF AWARDING FUNDING FOR PROJECTS SELECTED THROUGH THE 2007 ECONOMIC DEVELOPMENT RFP GENERAL ALLOCATION CYCLE.

I. MOTION

Move to recommend approval of the following projects for video lottery funding:

- Sheriff's Department – Preparing inmates for work - \$170,384
- Department of Youth Services – MLK Education Center \$160,000
- Information Services – Wireless Internet in the Public Service Building - \$106,000

II. AGENDA ITEM SUMMARY

Each year, the County Board of Commissioners makes video lottery funds available to County departments through the General Allocation Economic Development Cycle. A total of \$465,000 is available for 2007-08 General Allocation Economic Development funding for Lane County Government projects.

As per the direction of the Board of Commissioners, the allocation was based on a competitive process similar to the other video lottery award cycles. County Department heads were notified of the available funding and six projects were submitted by the March 14 deadline. The total amount requested was \$831,184. The six projects and the amount of funds requested were as follows:

- Information Services – Wireless Internet in the Public Service Building - \$180,000
- Information Services – Expansion of videoconferencing - \$44,800
- Sheriff's Department – Preparing inmates for work - \$170,384
- Land Management – Long-Range Planning Projects - \$170,000
- Department of Youth Services - MLK Education Center - \$160,000

The Lane County Economic Development Standing Committee met with each of the applicants on March 22. That meeting was used to ask questions of the applicants. Each applicant was then given two more weeks to respond to the questions and clarify their proposal where needed. On April 12, the EDSC again met with applicants, reviewed their responses and then ranked the proposals.

The EDSC unanimously (5-0) agreed to recommend the Board Of Commissioners fund the following three projects at the listed levels:

- Sheriff's Department – Preparing inmates for work - \$170,384
- Department of Youth Services - \$160,000
- Information Services – Wireless Internet in the Public Service Building - \$106,000

The total amount of funding recommended is \$436,384. If that funding level is approved, the \$28,616 difference between what is budgeted and what is being recommended would rollover into the video lottery strategic reserve.

III. BACKGROUND/IMPLICATIONS OF ACTION

A. Board Action and Other History

Each year, the Board of Commissioners makes video lottery funds available through the Strategic Investment fund for job creation and work force development projects. Awarding is done in three cycles: the Initial Cycle, the Open Cycle and the General Allocation Cycle.

In February 2007, the Economic Development Standing Committee to the Board of Commissioners released a request for proposals (RFP) for the General Allocation Cycle to implement the Economic Development Strategic Investment Program, as described in Lane Manual Chapter 4.110.

The RFP included instructions on how the money is to be used, how to prepare a project application and how project applications will be scored. The RFP was e-mailed to each County Department head with a deadline date of March 14, 2007.

Six project proposals were received. In addition, there were queries from several other departments. Those departments decided not to submit applications when they determined that their projects would not meet the funding criteria.

The six project proposals went through an extensive review and ranking process by the EDSC. As per the RFP guidelines, proposals were initially rated and ranked against other proposals. The rating criteria are shown below.

- 1) Addresses Lane County Strategic Plan economic development goals (25 points)
- 2) Increases work readiness (15 points)
- 3) Readiness to proceed (15 points)
- 4) Opportunities for future development (20 points)
- 5) Leverage of other funds (15 points).
- 6) Partnerships (10 points)
- 7) Budget presentation (10 points)
- 8) Audit and accounting adequacy (10 points)
- 9) Promotes sustainable use of resources and energy (10 points)

Individual committee members' scores were totaled and then averaged for each rating criterion. Proposals receiving at least 80% of the total points available (80% = 104 points) were considered for final rating and ranking by the committee. The score received by each proposal is shown in the chart below.

Department	Project	Score
DYS	MLK Education Center	113
Sheriff's Department	Preparing inmates for work	106
Information Services	Wireless Internet in the PSB	104.6
Land Management	Long-Range Planning Projects	84.2
Information Services	Expansion of videoconferencing	76

Three projects received the required amount of points to qualify for funding. The EDSC agreed to recommend all three for funding. Two projects, the Sheriff's Department and Youth Services, are being recommended to be funded at the full amount requested. On the wireless Internet project, the committee is only recommending three phases for funding, as they felt the other phase (service to other county buildings) did not fit the funding criteria. A meeting with Information Services determined that not funding the one phase would not impact the other three phases.

B. Policy Issues

The Board has the following policy issue to consider:

- 1) Should all of the projects be funded as recommended by the EDSC or should additional funds be kept in the strategic opportunity reserve for some future, yet currently unidentified project/s?

C. Board Goals

The awarding of video lottery funds for job creation and training meet the Board's goal to "Work for a strong regional economy to expand the number of family-wage jobs available in Lane County."

D. Financial and/or Resource Considerations

The total amount of General Allocation Economic Development Cycle funds available for award for the 2007-08 fiscal year is \$465,000. That amount of money is capped by the formula used to allocate video lottery funds in Lane Manual 4.110, which reflects state guidelines for the use of the funds: "Through the annual budget process, the Board shall appropriate a maximum of 50% of the annual receipts to general allocation programs and the remainder (50% minimum) of the annual receipts for economic development strategic investment projects."

The total amount of funding being recommended by the EDSC is \$436,384, leaving \$28,616 to be allocated at some future date.

The total amount of funding that was requested by County Departments was \$831,184.

E. Analysis

All of the applications submitted for funding were for good projects. Some clearly met the goals of the funds better as evidenced by all of the scorers recommending the same three projects for funding.

The process allowed each of the applicants the ability to respond to questions and concerns of the EDSC.

The projects recommended for funding were the ones that most strongly fit the scoring criteria.

F. Alternatives/Options

The Board may:

- 1) Approve the Order awarding grants as recommended by the EDSC, or
- 2) Determine to award only some grants, at either reduced or full funding levels or
- 3) Decide not to award any funds at this time.

Project funds not awarded at this time are kept in reserve and may be used by the Board to fund other projects.

IV. TIMING/IMPLEMENTATION

Upon Board approval of funding for projects, staff will work with budget and planning to ensure that the funds are allocated to the respective departments in the 2007-2008 FY.

V. RECOMMENDATION

The EDSC recommends awarding funding to three projects, one of which is at a reduced funding level from what was originally requested.

The Community & Economic Development Coordinator concurs with that recommendation.

VI. FOLLOW-UP

Staff will keep the EDSC updated on all project elements. Any issues needing Board attention will be brought to the Board in a timely manner.

VII. ATTACHMENTS

A: Board Order

Note: The full RFP and the six (6) applications received in the General Allocation Cycle, including the updates responding to EDSC questions are in a binder available from the Board Secretary.

IN THE BOARD OF COUNTY COMMISSIONERS, LANE COUNTY, OREGON

ORDER NO.) ORDER/IN THE MATTER OF AWARDING
) CONTRACTS FOR PROJECTS SELECTED
) THROUGH THE 2007 ECONOMIC DEVELOPMENT
 RFP GENERAL ALLOCATION CYCLE AND
 AUTHORIZING THE COUNTY ADMINSTRATOR TO
 SIGN PROJECT CONTRACTS.

WHEREAS, the Lane County Board of Commissioners established a policy for distributing video lottery economic development funds that is adopted in Lane Manual Chapter 4, and

WHEREAS, the Lane County Board of Commissioners authorized release of a request for proposals (RFP) for the General Allocation Cycle, and

WHEREAS, the Economic Development Standing Committee has completed rating and ranking of proposals received in accordance with the RFP, and

WHEREAS, the Lane County Board of Commissioners has reviewed the ranked list of projects and determined those that are in the public interest to fund, now, therefore,

IT IS HEREBY ORDERED that the following General Allocation Projects are awarded in the amounts indicated:

- a. Lane County Sheriff's Office: Preparing Inmates for the Community Project:
\$170,384
- b. Lane County Youth Services: Martin Luther King Jr. Education Center:
\$160,000
- c. Lane County Information Services: Wireless Internet in the Public Service
Building - \$106,000

Signed this 2nd day of May, 2007.

APPROVED AS TO FORM
Date 4/20/07 Lane
County

Stanley

OFFICE OF LEGAL COUNSEL

Faye Stewart, Chair
Lane County Board of Commissioners