



URA RESOLUTION 2011-002

A RESOLUTION AUTHORIZING PERSONAL SERVICES CONTRACT WITH TASHMAN JOHNSON, LLC FOR THE PURPOSE OF CONDUCTING FINANCIAL SERVICES FOR THE SHERWOOD URBAN RENEWAL DISTRICT

WHEREAS, ORS 457.220 was amended in 2009 to allow an urban renewal agency to amend the urban renewal plan (URP) to include an indexing factor for maximum indebtedness; and

WHEREAS, the Sherwood Urban Renewal Agency (URA) may wish to amend the Sherwood URP to include the allowed indexing factor; and

WHEREAS, in determining whether to proceed with an amendment, a number of financial issues need to be evaluated including past project revenues and expenditures, projected revenue and project costs, and the current level of indebtedness; and

WHEREAS, a comprehensive financial analysis of the URA is necessary to substantiate the need for a URP amendment including the indexing factor for maximum indebtedness; and

WHEREAS, the URA may negotiate with a single source to provide a special service if the prospective contractor has unique skills and or experience that are required for the performance of the services; and

WHEREAS, the URA finds that Tashman Johnson LLC possesses specialized skills uniquely required for the performance of these services and not possessed by other businesses in Oregon as demonstrated by the following:

- Tashman Johnson LLC specializes in assisting cities and counties in Oregon and Washington with urban renewal planning and implementation;
- Tashman Johnson LLC has extensive knowledge and experience with urban renewal plans, especially with financial planning and bond feasibility analysis;
- Jeff Tashman has been working with urban renewal districts since 1979 and began his consulting career in 1991; and
- Jeff Tashman is the author of Policy Guidelines and Administrative Procedures for Oregon, which is relied upon by urban renewal agencies state-wide; and

WHEREAS, the URA is also required to provide an annual report for 2010, and

WHEREAS, in order to complete the annual report by January 31, 2010 as required by ORS 457.460, and in recognition of the special nature of the task and Tashman Johnson's unique qualifications, the URA Administrator executed the attached contract on behalf of the URA.

NOW, THEREFORE, THE SHERWOOD URBAN RENEWAL AGENCY RESOLVES AS FOLLOWS:

Section 1: The personal services contract for a comprehensive financial and legal analysis in an amount not to exceed \$10,500.00 and attached as Exhibit A to this resolution is awarded to Tashman Johnson LLC.

Section 2: The personnel services contract with Tashman Johnson LLC executed on behalf of the URA by the Agency Administrator is hereby ratified.

Section 3: This Resolution shall be in effect upon its approval and adoption.

Duly passed by the Board of Directors for the Sherwood Urban Renewal Agency this 18th day of January, 2011.



Keith S. Mays, Chair

Attest:



Sylvia Murphy, CMC, District Recorder

CONSULTANT SERVICES AGREEMENT – TASHMAN JOHNSON LLC

THIS AGREEMENT is between the Sherwood Urban Renewal Agency, (“Client”), an agency organized under ORS Chapter 457, and Tashman Johnson LLC (“Consultant”), a planning and policy consulting firm located at 735 SW St. Clair Avenue, #1906, Portland, Oregon 97205-1439. In exchange for the promises and other considerations set forth below, the parties agree as follows:

1. Duration.

This personal services Agreement shall become effective and remain in effect for a period of 90 calendar days beginning on the latest date executed below unless terminated or extended as provided in this Agreement.

2. Scope of Work.

Consultant shall provide all services and materials specified in the attached “Exhibit A -- Scope of Work and Budget” (“Scope of Work”) which is incorporated into this Agreement by reference. All services and materials shall be provided by Consultant in accordance with the Scope of Work, in a competent and professional manner.

3. Payment.

Client will pay Consultant for services performed and materials delivered in the amount and manner specified in the Scope of Work an amount not to exceed ten thousand five hundred dollars (\$10,500.00), exclusive of costs. Consultant will submit monthly invoices in a form and level of detail satisfactory to the Client, which shall make payment within 30 days of receipt of the monthly bill.

4. Indemnification.

Consultant shall indemnify and hold Client harmless from any and all claims, demands, damages, actions, losses and expenses, including attorney's fees, arising out of or in any way connected with its performance of this Agreement.

5. Insurance

Consultant maintains commercial liability insurance and businesses auto insurance. On request of Client, Consultant will provide certificates of insurance naming Client as an additional insured.

6. Maintenance of Records.

Consultant shall maintain all of its records relating to the Scope of Work on a generally recognized accounting basis and allow Client the opportunity to inspect and/or copy such records at a convenient place during normal business hours. All required records shall be maintained by Consultant for three years after Client makes final payment and all other pending matters are closed.

7. Ownership of Documents.

With the exception of the underlying structure of quantitative spreadsheet models, all documents and other products produced by Consultant pursuant to this Agreement are the property of Client, and it is agreed by the parties that such documents and products are works made for hire. Consultant hereby conveys transfers, and grants to Client all rights of reproduction and the copyright to all such documents.

8. Project Information.

Consultant shall share all project information and fully cooperate with Client, informing Client of all aspects of the project including actual or potential problems or defects. Consultant shall abstain from releasing any information or project news without the prior approval of Client. Client agrees to provide such information as is specified in the Scope of Work.

9. Independent Consultant Status.

Consultant shall be an independent contractor for all purposes and shall be entitled only to the compensation provided for in this Agreement. Under no circumstances shall Consultant be considered an employee of Client. Consultant shall provide all tools or equipment necessary to carry out this Agreement. Consultant is solely responsible for its performance under this Agreement and the quality of its work; for obtaining and maintaining all licenses and certifications necessary to carry out this Agreement; for payment of any fees, taxes, royalties, or other expenses necessary to complete the work except as otherwise specified in the Scope of Work; and for meeting all other requirements of law in carrying out this Agreement.

10. Right to Withhold Payments.

Client shall have the right to withhold from payments due to Consultant such sums as necessary to protect Client against any loss, damage, or claim which may result from Consultant's performance or failure to perform under this Agreement.

11. Situs.

The situs of this Agreement is Sherwood, Oregon. Any litigation over this Agreement shall be governed by the laws of the State of Oregon under the jurisdiction of Washington County.

12. Assignment.

This Agreement is binding on each party, its successors, assigns, and legal representatives and may not, under any circumstance, be assigned or transferred by either party. Other than stated in this paragraph, consultant shall not subcontract for services under this Agreement without prior written approval of Client. Consultant may subcontract with one or more qualified persons for the purpose of researching, creating and analyzing as necessary the database of parcels within the boundary of the urban renewal district as further described in the Scope of Work.

13. Termination.

This Agreement may be terminated by mutual consent of the parties. In addition, either party may terminate this Agreement by giving the other party 30 days prior written notice of intent to terminate, without waiving any claims or remedies it may have against Consultant. Termination by

Client shall not excuse payment for expenses properly incurred prior to notice of termination, but neither party shall be liable for indirect or consequential damages arising from termination under this section.

14. No Waiver of Claims

The failure to enforce any provision of this Agreement shall not constitute a waiver by Client of that or any other provision.

15. Modification.

Notwithstanding and succeeding any and all prior agreement(s) or practice(s), this Agreement constitutes the entire Agreement between the parties, and may only be expressly modified in writing(s), signed by both parties.

By:  _____

TASHMAN JOHNSON LLC

By: 

Title: Administrator, Sherwood
Urban Renewal Agency

Title: Principal/Member

Date: Dec. 14, 2010

Date: 13 December 2010

Exhibit A - Scope of Work and Budget

The services requested are:

1. Determine how much debt has been issued or incurred by the Urban Renewal Agency since the Plan was adopted on August 29, 2000, and determine indebtedness capacity remaining under the maximum indebtedness
2. Review the Agency's analysis of the maximum indebtedness indexing provision in ORS 457.220 (as amended by HB 3056) to determine what the Plan's maximum indebtedness would be if indexed in a given fiscal year.
3. Prepare a financial update of the Plan showing actual and anticipated revenues and expenditures that can be used as the basis for a Plan amendment.
4. Review Agency's revenue and expenditure reports for FY 2009 and 2010 and the audits for FY 2009 and FY 2010 if available.
5. Prepare the current annual financial report required by ORS 457.460. This would become the template for future annual reports.
6. Determine the maximum indebtedness balance available to the Agency under both the initial maximum indebtedness of \$35,347,600 and the maximum indebtedness as indexed.

SCOPE OF WORK

Task 1 will consist of our reviewing the Agency's budgets that contain actual figures for the Fiscal Years ending June 30 ("FYE") 2002 through 2009 and the Agency's most complete end-of-year revenue and expense report for FYE 2010 and the debt service schedules for any long term indebtedness issued or incurred by the Agency, including refinancings if any.

Consultant will then analyze this information to ensure that any and all debt subject to the maximum indebtedness is included and to determine the total amount of debt issued and the maximum indebtedness capacity remaining. Questions about the financial data may be required of the URA.

Task 2 will consist of determining the inflation rate ("index") used to estimate project costs in the Urban Renewal Report (and resolving any ambiguity if there was more than one rate) and then applying this rate to the initial maximum indebtedness of the Plan up to the pertinent anniversary date of adoption of the Plan.

Task 3 will consist of (1) a projection annual tax increment revenues resulting from future assessed value growth in the Urban Renewal Area and the consolidated billing rate used to calculate annual tax increment revenues; (2) the borrowing capacity of the revenue stream (multiple scenarios can

be done); and (3) with project cost estimates and project timing provided by the Agency, a projection of tax increment debt proceeds and expenditures by year. The subtasks will consist of:

Reviewing the Urban Renewal Plan, Urban Renewal Report and amendments to those documents.

Compiling historical information on total assessed values and frozen base assessed values within the Urban Renewal Area since adoption of the Urban Renewal Plan.

Obtaining and reviewing building permit and land use action log and discussing with city staff current and likely future development within the Urban Renewal Area.

Obtaining a data base of parcels within the Urban Renewal Area (from the City or Washington County) and analyzing various factors including the amount of vacant and redevelopable land, assessed value to real market value ratios and land use.

Reviewing comprehensive plan and zoning provisions pertaining to the Urban Renewal Area.

Preparing a draft projection of future assessed value within the Urban Renewal Area from fiscal year ending June 30, 2012 and fiscal year ending June 30, 2021.

Preparing a draft projection of future tax increment revenues and projections of borrowing capacity of this revenue stream, for review by staff.

Preparing a draft projection of expenditures, based on information on costs and timing from Agency staff, for review by staff.

Preparing a final projection of tax increment revenues, tax increment debt proceeds and project expenditures.

Task 4 will consist of reviewing, with the assistance of the Agency's finance staff, the Agency's revenue and expenditure reports for FY 2009 and 2010 and the audits for FY 2009 and FY 2010 if available and determining if any ambiguities or other problems may exist.

Task 5 will consist of (1) analyzing the Agency's revenue and expenditure report for FYE 2010 and the adopted Agency budget for FYE 2011 and compiling the required information in items (a) through (d) below and (2) Analyzing data from the Washington County Summary of Assessment and Levies ("SAL") tables to compile the information for item (e).

These analyses will be provided in a clear format that can be used by the Agency for future financial reports.

Annual Financial Report Requirements (ORS 457.460):

- (a) The amount of money received during the preceding fiscal year under ORS 457.420 to 457.460 and from indebtedness incurred under ORS 457.420 to 457.460;
- (b) The purposes and amounts for which any money received under ORS 457.420 to 457.460 and from indebtedness incurred under ORS 457.420 to 457.460 were expended during the preceding fiscal year;
- (c) An estimate of moneys to be received during the current fiscal year under ORS 457.420 to 457.460 and from indebtedness incurred under ORS 457.420 to 457.460;

(d) A budget setting forth the purposes and estimated amounts for which the moneys which have been or will be received under ORS 457.420 to 457.460 and from indebtedness incurred under ORS 457.420 to 457.460 are to be expended during the current fiscal year; and
(e) An analysis of the impact, if any, of carrying out the urban renewal plan on the tax collections for the preceding year for all taxing districts included under ORS 457.430.

Task 6 will be compiled from the results of Tasks 1 and 2.

DATA TO BE PROVIDED BY CITY FOR THE URBAN RENEWAL AREA

In order to complete the proposed scope of work, the following data may be provided by the City for the Urban Renewal Area.

Building permit log from September 09 to present. To include date of issuance, type, project or work description, valuation, map and lot, address, and status (COO issued, etc.)

Log of land use actions, September 09 to present, including date, description of action, map and lot, address, information on permitted development if applicable and available.

Log of pre application conferences, if available, September 09 – present.

Database of parcels in the Urban Renewal Area.

SCHEDULE AND BUDGET

To complete the work within 90 days of notice to proceed.

A not-to-exceed fee of \$10,500 based on hourly rates of \$175.00 for Jeff Tashman and \$225.00 for Jeannette Launer, plus expenses, billed at cost. Expenses will primarily consist of obtaining a database of parcels in the Urban Renewal Area if this cannot be provided by the Agency.