

**RESOLUTION NO. 2022-22**

**RESOLUTION AUTHORIZING CITY MANAGER TO ENDORSE AN INTERGOVERNMENTAL AGREEMENT BETWEEN CORNELIUS, FOREST GROVE, KING CITY, TIGARD, AND WASHINGTON COUNTY RELATING TO BUSINESS OREGON COMMUNITY DEVELOPMENT BLOCK GRANT PROJECT**

**WHEREAS**, the City of Forest Grove desires to enter into an Intergovernmental Agreement (Agreement) with Washington County and the cities of, Tigard, King City, and Cornelius concerning the parties' application for and subsequent provision of funding to assist low-and moderate-income (LMI) businesses located within the jurisdictions respond to the economic impacts on them resulting from the COVID-19 pandemic through Business Oregon Development Department's Community Development Block Grant (CDBG) COVID-19 Emergency Small Business and Micro-Enterprise Assistance Program; and

**WHEREAS**, Forest Grove and partners have a collective need to assist LMI businesses located with their jurisdictions recover from impacts on them resulting from the pandemic and furthermore desire to provide for and expand LMI businesses' economic opportunities; and

**WHEREAS**, the establishment and expansion of businesses in Forest Grove will bring new customers and activity that also benefits existing businesses; and

**WHEREAS**, should the Parties' application be successful, the Project will be granted up to \$500,000, which will be allocated equally and to be conditionally used within the boundaries of each jurisdiction; and

**WHEREAS**, Tigard has agreed, in order to ensure programmatic efficiencies to be the Project's Sole Representative relative to the application, management and administration of the Program funds using one or more non-profit service providers.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF FOREST GROVE AS FOLLOWS:**

Section 1. The City Council of the City of Forest Grove hereby approves the Agreement between Cornelius, Forest Grove, King City, Tigard, Washington County relating to Business Oregon Community Development Block Grant Project as stated in the Agreement and subject to the conditions of this Agreement (Exhibit A)

Section 2. The City Manager is hereby authorized to endorse the Agreement (Exhibit A) on behalf of the City of Forest Grove.

Section 3. This resolution is effective immediately upon its enactment by the City Council.

**PRESENTED AND PASSED** this 11<sup>th</sup> day of April, 2022.

  
\_\_\_\_\_  
Anna D. Ruggles, City Recorder

**APPROVED** by the Mayor this this 11<sup>th</sup> day of April, 2022.

  
\_\_\_\_\_  
Peter B. Truax, Mayor

**INTERGOVERNMENTAL AGREEMENT  
BETWEEN CORNELIUS, FOREST GROVE, KING CITY, TIGARD  
WASHINGTON COUNTY RELATING TO  
BUSINESS OREGON COMMUNITY DEVELOPMENT BLOCK GRANT PROJECT**

This AGREEMENT is made and entered into by and between Cornelius, Forest Grove, King City, Tigard, all Oregon municipal corporations ("Cities") and Washington County, an Oregon home rule county ("County"), Cities and County hereinafter collectively referred to as "Parties" and their joint application for funding from the Oregon Business Development Department's Community Development Block Grant Program.

**WHEREAS**, Parties believe it is their mutual interest to enter into an agreement ("Agreement") concerning Parties' application for and subsequent provision of funding to assist low-and moderate-income (LMI) businesses located within their jurisdictions respond to the economic impacts on them resulting from the COVID-19 pandemic ("Project") through a Business Oregon Development Department's Community Development Block Grant (CDBG) COVID-19 Emergency Small Business and Micro-Enterprise Assistance Program ("Program"); and

**WHEREAS**, the Parties have a collective need to assist LMI businesses located within their jurisdictions recover from the economic impacts on them resulting from the pandemic and furthermore desire to provide for and expand LMI businesses' economic opportunities; and

**WHEREAS**, should the Parties' application be successful, the Project will be granted up to \$500,000, which will be allocated equally and to be conditionally used within the boundaries of each jurisdiction; and

**WHEREAS**, Tigard has agreed, in order to ensure programmatic efficiencies to be the Project's Sole Representative relative to the application, management and administration of the Program funds using one or more non-profit service providers.

**NOW, THEREFORE**, in consideration of the mutual promises made herein as well as the programmatic efficiencies and benefits resulting from the Parties' collective engagement, the Parties agree as follows:

**1. Decision-making.**

- A. Parties will cooperate to undertake or assist in undertaking, community renewal and LMI business assistance activities.
- B. Parties agree to each take an equitable role in reviewing and analyzing potential service providers who will implement the Program funds according to the scope of work agreed upon by the coalition within the Program Limits.

C. Parties agree the selection and appointment of service providers for the Project must be agreed to unanimously by the Parties.

D. Any modification of this Agreement shall be reduced to writing and signed by the Parties.

## **2. Responsibility, Obligations, Administration of Funds.**

### **A. City of Tigard**

- i. Tigard has final, full and sole responsibility for compliance with administrative or statutory obligations / requirements imposed on an applicant to the Program as the same may be set out in either/or federal and Oregon law as well as for being the designated contractor acting on the Parties' behalf with service provider(s) as well as administering Program funds for each jurisdiction. Program application regulations, restrictions, and specifications are incorporated herein by reference.
- ii. Tigard may not sell, trade or otherwise transfer any portion of Program funds remaining unused at the end of the Project's duration without the unanimous consent of the Parties and approval by Business Oregon.

## **3. Term.**

This Agreement's effective date is from either the date Tigard receives the Program fund distribution from the State or the Date this Contract is approved and signed by all the Parties, whichever occurs later and runs until final funding disbursement and all administrative contract obligations with Business Oregon are satisfied, or by September 1, 2023, whichever occurs later.

## **4. Project Managers.**

Tigard will appoint Lloyd Purdy, Economic Development Manager, or her/his designate as Project Manager. The City of Tigard shall give the other Parties written notification of any change in their Project Manager within 14 days of such change.

## **5. Project Information.**

Each Party is responsible for providing its own information, news, or press releases related to the Project in its jurisdiction to representatives of newspapers, magazines, television and radio stations, social media, or any other news medium on or offline.

## **6. Access to Records.**

Each Party shall have access to the books, documents, and various records of the other Parties which are related to this Agreement for the purpose of examination, copying, and audit, unless otherwise limited by law.

## **7. Duty to Inform.**

Tigard, via its Project Manager, shall give written notice within 7 days to the other Parties if, at any time during the performance of this Agreement, it becomes aware of actual or potential problems, faults or defects in the Program, any nonconformity with contracts with non-profit

service providers, or with any federal, state, or local law, rule or regulation. Any delay or failure on the part of the City of Tigard through its Project Manager to provide such notice shall not constitute a waiver of any of Party's rights.

Each City shall designate a specific contact for this project. Those contacts shall be specified in an Exhibit "A".

### **8. Indemnity and Insurance.**

Subject to the conditions and limitations of the Oregon Constitution and the Oregon Tort Claims Act, ORS 30.260 through 30.300, each Party shall indemnify, defend and hold harmless each other from and against all liability, loss, and costs arising out of or resulting from the acts of the individual Parties, their officers, employees and agents, including intentional or willful misconduct, in the performance of this agreement. If any aspect of this indemnity shall be found to be illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of this indemnification. The term "costs" as used in this indemnification section shall include attorney fees at arbitration, mediation, trial or on appeal.

The Parties agree to each maintain insurance or self-insurance consistent with provisions of the Oregon Tort Claims Act, ORS 30.270, and customary for public agencies of the same size and type.

### **9. Laws of Oregon.**

The Agreement shall be governed by the laws of the State of Oregon. Venue shall be in Washington County, Oregon.

### **10. Successors and Assignments.**

Each party binds itself, and any partner, successor, executor, administrator, or assign to this Agreement. None of the Parties shall assign, or transfer their interest or obligation hereunder in this Agreement without the written consent of the others. Any assignment, transfer, or subcontract attempted in violation of this subparagraph shall be void.

### **12. Dispute Resolution.**

The Parties shall attempt in good faith to resolve any dispute arising out of or related to this Agreement. In addition, the Parties may agree to utilize a jointly selected mediator or arbitrator (for non-binding arbitration) to resolve the dispute short of litigation. Each party will be responsible for its own costs and fees, including attorney fees, in any dispute resolution proceeding.

### **13. Integration.**

This Agreement and its exhibits constitute the entire agreement between the Parties on the subject matter hereof. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Agreement. No waiver, consent, modification or change of terms of this Agreement shall bind a Party unless in writing and signed by an authorized representative of the Party charged with the waiver. Such waiver, consent, modification or change, if made, shall be effective only in the specific instance and for the specific purpose given. The failure of a Party

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

**14. Change in State or Federal Regulations.**

If state or federal regulations related to the Parties’ use of COVID-19 Emergency Small Business and Micro-Enterprise Assistance Program funds change or are issued after the Effective Date and materially affect the terms of this Agreement, the Parties shall amend the Agreement accordingly. If the Parties cannot mutually agree on an amendment that complies with the change in regulations, the Agreement shall terminate upon thirty (30) days’ written notice to the other Parties.

**15. Federal Grant Requirements.**

Exhibit B, Federal Grant Funds Terms and Conditions, and Exhibit C, COVID-19 Response, are attached and hereby incorporated into the Agreement. The parties acknowledge and agree to the terms in these exhibits because the Agreement is funded in whole or in part by Federal Grant Funds.

**16. Counterparts and Severability.**

This Agreement may be executed in several counterparts (facsimile or otherwise) all of which when taken together shall constitute one agreement binding on all Parties, notwithstanding that all Parties are not signatories to the same counterpart. Each copy of this Agreement so executed shall constitute an original.

If any provision, or any portion thereof, contained in this Agreement is held to be unconstitutional, invalid, or unenforceable, the remainder of this Agreement, or portion thereof, shall be deemed severable and shall not be affected, and shall remain in full force and effect.

**IN WITNESS WHEREOF**, the Parties have entered into this Agreement on the \_\_ day of \_\_\_\_\_, 2022.

**CITY OF CORNELIUS**

By \_\_\_\_\_  
Name  
Title  
Date \_\_\_\_\_

**CITY OF FOREST GROVE**

By \_\_\_\_\_  
Name  
Title  
Date \_\_\_\_\_

*Signatures continue*

**CITY OF KING CITY**

By \_\_\_\_\_  
Name  
Title  
Date \_\_\_\_\_

**CITY OF TIGARD**

By \_\_\_\_\_  
Name  
Title  
Date \_\_\_\_\_

**WASHINGTON COUNTY**

By \_\_\_\_\_  
Name  
Title  
Date \_\_\_\_\_

EXHIBIT "A"

Project Contacts

Contact Name	Phone Number	Email	Address
Barbara Fryer	503.357.3011	barbara.fryer@corneliusor.gov	1355 North Barlow Street Cornelius, OR 97113
Brenna Fulks	503.992.3293	bfulks@forestgrove-or.gov	1924 Council Street Forest Grove, OR 97116
Michael Weston	503.639.4082	mweston@ci.king-city.or.us.	15300 SW 116 <sup>th</sup> Avenue King City, OR 97224
Lloyd Purdy	503.597.9642	lloydp@tigard-or.gov	13125 SW Hall Blvd. Tigard, OR 97223
Matt Craigie	503.846.8295	matt.craigie@co.washington.or.us	155 N First Avenue Hillsboro, OR 97124



*A place where families and businesses thrive.*

<i>CITY RECORDER USE ONLY:</i>	
AGENDA ITEM #:	<u>F. 3.</u>
MEETING DATE:	<u>4/11/2022</u>
FINAL ACTION:	<u>RESO 2022-22</u>

**CITY COUNCIL STAFF MEMORANDUM**

**TO:** *City Council*

**FROM:** *Jesse VanderZanden, City Manager*

**PROJECT TEAM:** *Brenna Fulks, Economic Development Program Coordinator*

**MEETING DATE:** *April 11, 2022*

**SUBJECT TITLE:** *Intergovernmental Agreement Relating to Business Oregon Community Development Block Grant Project*

<b>ACTION REQUESTED:</b>	<input type="checkbox"/> Ordinance	<input type="checkbox"/> Order	<input checked="" type="checkbox"/> X	<input type="checkbox"/> Resolution	<input checked="" type="checkbox"/> X	<input type="checkbox"/> Motion	<input type="checkbox"/> Informational
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*X all that apply*

**BACKGROUND:**

Business Oregon, a State of Oregon Department that administers business programs, has additional CDBG funding of up to \$500,000 per County to grant to local jurisdictions for assistance in developing micro-enterprises impacted by the COVID-19 pandemic in the form of a combination of technical assistance and grants.

The CDBG primary objective is to benefit low- and moderate-income (LMI) persons. LMI persons receive assistance through local programs and activities funded with a state CDBG grant. Based on the CARES Act, the purpose of CDBG-CV funding is to prevent, prepare for, and respond to the COVID-19 pandemic.

**WASHINGTON COUNTY CONSORTIUM:**

The cities of Tigard, Cornelius, King City, and Forest Grove have expressed interest in partnering with Washington County as a consortium to apply for Business Oregon CDBG funding. Applications are due in May and may be submitted by individual jurisdictions or a group of jurisdictions. Each jurisdiction may apply for a maximum of \$100,000 individually or a consortium can apply for the maximum amount of \$500,000 collectively.

There are many benefits to submitting as a consortium. In State and Federal grant determinations, applications that show increased collaboration and partnership can score higher. Additionally, having one grant administrator significantly reduces operational costs and staff administration, allowing more funding to go towards business that need assistance. In this case, Forest Grove is proposing to apply as 1 of a consortium of 5 jurisdictions, comprising the maximum amount that could be awarded either individually or collectively, however, by applying collectively, the City has a much better opportunity of success.

If funded, the City of Tigard will serve as the grant administrator and receive a 10% administrative fee from the grant. The rest of the funding will be allocated to a service provider to provide technical assistance and grants in each of the four cities and the county. The provider will be selected through a competitive process and the selection committee will include one person from each jurisdiction. The IGA stipulates that \$100,000, less administrative fees, will go towards each participating jurisdiction.

**PRIOR COVID SMALL BUSINESS GRANTS:**

This program differs from prior small business grants as it prioritizes microenterprises (businesses with fewer than five employees), low to moderate income persons, and provides technical assistance for both existing and developing businesses. For reference, prior small business grant programs administered at the City, County, or non-profit level during COVID include:

July, 2020 - Small Business Emergency Assistance Round 1 (City Program): 108 Businesses, \$84,021 in total funding from Urban Renewal funds

September, 2020 - Small Business Emergency Assistance Round 2 (City Program): 52 businesses, \$77,547 in total funding from CARES Act

September, 2020 - Small Business Emergency Assistance Round 3 (City Program): 51 businesses, \$22,666 in total funding from CARES Act

June, 2020 - Washington County/MESO Grant 1 (County): 8 businesses, \$24,000 in total funding from CARES Act

July, 2020 - Washington County MESO Grant 2 (County): 30 businesses, \$152,823 in total funding from CARES Act

July 2020 - Col-Pac Economic Development District Grants (non-profit): 11 businesses, \$35,000 in total funding from CARES Act

March 2022 - Small Business Resilience Grant (City Program): 25 businesses, approximately \$145,000 in total funding from American Rescue Plan (ARPA) funding.

**FISCAL IMPACT:**

None.

**STAFF RECOMMENDATION:**

Staff recommends City Council approve the resolution authorizing the City Manager to endorse the Intergovernmental Agreement (Exhibit) to administer the Business Oregon Community Development Block Grant Project.

**ATTACHMENT(s):**

Resolution

Intergovernmental Agreement (Exhibit A)