

STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 17-4815, FOR THE PURPOSE OF APPROVING THE AMENDED AND RESTATED INTERGOVERNMENTAL AGREEMENT AMONG THE STATE OF OREGON, METRO, CLACKAMAS COUNTY, AND OREGON CITY FOR THE WILLAMETTE FALLS LEGACY PROJECT

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BACKGROUND

In 2011, Oregon City, Clackamas County, Metro, and the State of Oregon (the “Partners”) recognized the importance of the Blue Heron Paper Mill site for the region and acknowledged the public interest in four core values: public access, historic and cultural interpretation, healthy habitat, and economic redevelopment. In March 2016, the Partners entered into an intergovernmental agreement, establishing the Partners Group of representatives from each government entity and a consensus based decision making process, and directing the staff team to develop a design concept for the project.

The work included issuing a request for proposals for a design team, soliciting extensive community input on design aspects, and developing the preferred design for the riverwalk. The most significant portion of the effort was the community engagement process.

Four major public events were hosted, each with attendance between 400 and 800 members of the public. Three online surveys were conducted with thousands of responses, numerous small community conversations and stakeholder groups were engaged, and a Tribal Advisory Board was formed to engage with various tribal interests at the site in a more meaningful way than through the permit process alone.

With input from the community, the design team developed a preferred design for the riverwalk and vetted the design with the property owner according to the terms of Metro’s easement on the site. On May 17, 2017 the Partners Group recommended the design for approval by each Partner, a Phase I riverwalk project, and an Amended and Restated Intergovernmental Agreement to be approved by the four Partners. The design was presented to the community on June 3, 2017 at OMSI and was received with high praises from community members and the media.

This Amended and Restated Intergovernmental Agreement continues the partnership established in March 2016 while updating it to provide direction for delivery of the first phase of construction for the riverwalk. The new agreement extends the term until 2023 to allow for the completion of Phase I and to leave space for additional fundraising for the project. A two year budget is established for 2017 through fiscal year 2018/19. Metro will continue to lead the project management and has greater decision making authority for Phase I. The agreement requires that operations and maintenance be addressed prior to the start of construction.

It is expected that the non-profit friends group of the project, Rediscover the Falls (“RTF”), will raise as much as \$15 million to expand the first phase or establish a second phase for the riverwalk. The duration of the new IGA allows RTF time to bring additional funds to the project when they are successful. The

project budget will continue to follow a two year cycle, allowing each agency to appropriate funds according to their process and procedures.

Metro remains on point to deliver on commitments for the State funding and for the Natural Areas Bond funding, and is the holder of the easement. As a result, Metro is given authority around project management and decision making regarding feasibility and constructability of Phase I. The Partners will still be involved in decision making in the event that Phase I becomes substantially different from the concept that was approved by the Partners Group on May 17.

Operations and maintenance of the completed riverwalk will also be addressed under this agreement. An overall plan that identifies the lead agency or agencies for operations and maintenance must be in place prior to beginning construction of the riverwalk. It is anticipated that the agencies will identify a collaborative approach to operations and maintenance that allows each agency to manage those aspects of the riverwalk where their expertise and interest exceeds that of the others.

Under the authority of ORS 190.010 and ORS 190.110, the public partners desire to enter into an intergovernmental agreement to provide the governance structure needed for the Legacy Project during the next phase of work, or over approximately the next six (6) years. The term of this agreement begins on the date that all parties have approved it and will expire on June 30, 2023.

The proposed intergovernmental agreement will formally continue the “Partners Group,” as the advisory body for the Legacy Project and retain the representation from each partner agency. It will focus on delivery the first phase of the riverwalk and set the stage for future phases of continued cooperation.

ANALYSIS/INFORMATION

1. **Known Opposition** None known.

2. **Legal Antecedents**

Metro Council Resolution 14-4556, approved August 14, 2014, for the purpose of approving the Willamette Falls Riverwalk Memorandum of Understanding with City of Oregon City, Clackamas County, and Oregon State Parks

Metro Council Resolution 16-4676, approved March 31, 2016, for the purpose of approving the Willamette Falls Legacy Project governance intergovernmental agreement among the State of Oregon, Clackamas County, Metro and Oregon City.

3. **Anticipated Effects** The IGA establishes a decision-making process, organizational structure for the project, a budget through June 30, 2019, and authorizes Metro to continue work managing the Willamette Falls Legacy Project, the riverwalk design, and Phase I construction of the riverwalk.

4. **Budget Impacts** The IGA includes a budget and staffing commitment for the current and next fiscal years for each of the four project partners. Metro’s total investment is \$3,027,099.

RECOMMENDED ACTION

Staff recommends Council approve Resolution No. 17-4815