



Deschutes County Board of Commissioners
1300 NW Wall St, Bend, OR 97703

(541) 388-6570 – Fax (541) 385-3202 – <https://www.deschutes.org/>

AGENDA REQUEST & STAFF REPORT

For Board of Commissioners Business Meeting of October 24, 2016

DATE: October 18, 2016

FROM: Deborah Cook, Administrative Services, 541-385-3205

TITLE OF AGENDA ITEM:

Consideration of Board Signature of Document 2016-689, an Addendum to an Intergovernmental Agreement Between Deschutes County and the City of La Pine.

PUBLIC HEARING ON THIS DATE?: No

BACKGROUND AND POLICY IMPLICATIONS:

Pursuant to the authority granted in ORS 190.003 through 190.110, Deschutes County and the City of La Pine entered into an Intergovernmental Agreement regarding the marketing, negotiating and sale of property in La Pine commonly known as the La Pine Industrial Park (Deschutes County Document Number 2014-568). Through the Agreement, the County and City acknowledged that the City is better able to locally assess, market and respond to prospective purchasers and Economic Development opportunities needing industrial land in the City, thereby serving the entirety of southern Deschutes County. The term of the original agreement is 5 years (3 years remaining), during which time the City has the authority for the marketing, promotion and sale negotiations for the Real Property for Economic Development, but the County retains ownership. Upon sale, the County and City share the proceeds from the sale (50% each, with the City to absorb hard costs associated with the sale).

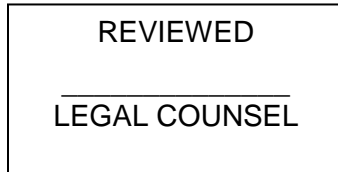
The proposed addendum provides for a 3% commission to be paid to a licensed real estate broker who represents a qualified buyer for County owned property. This provision does not provide for a realtor of record for the City, and does not specify any realtor in particular. The commission will be paid from the gross sales price (revenue) of the property upon closing of the sale. This method of payment provides for 1 ½% commission being paid equally by both the County and City.

In addition to the commission payment referenced above, the Addendum adds 30 County owned industrial zoned properties in the Newberry Business Park to Exhibit A of the original IGA. These properties were referenced in the body of the original IGA as part of the industrial land for which the City of La Pine would now be responsible for under the terms of the IGA, but were omitted from the Exhibit attached thereto. The addition of these properties is a corrective measure only.

FISCAL IMPLICATIONS:

The fiscal implications to the County include the potential loss of revenue equal to 1 ½% of the revenue that the County receives for the sale of the Real Property (which is 50% of the gross sales price) at the time the property transaction is complete. This is offset though by the increased potential to sell industrial land for economic development purposes as is the intent of the original IGA with the City of La Pine.

The amendment to add the provisions for the payment of the 3% commission (split evenly between the County and the City at 1 ½% each), was discussed at a work session with the Board in July, 2016, with authorization to proceed with the amendment.



FIRST ADDENDUM TO INTERGOVERNMENTAL AGREEMENT
LA PINE INDUSTRIAL LAND SALES

Parties:

County: DESCHUTES COUNTY, a political subdivision of the State of Oregon

City: CITY OF LA PINE, an Oregon municipal corporation

WHEREAS, County and City entered into an Intergovernmental Agreement (DC 2014-568) with an effective date of November 1, 2014, (the "Agreement") providing terms and conditions upon which the City will list, market and promote the sale of County owned Real Property zoned for Industrial uses; and

WHEREAS, the parties desire to amend the Agreement to add a new provision and exhibit;

NOW, THEREFORE, the parties agree that the Agreement is hereby amended as follows:

- 7.1 Notwithstanding the provisions of Section 7 above, when a licensed real estate broker represents (through closing) a buyer to which real property included in this agreement is sold, and upon verification satisfactory to the County, that broker shall be entitled to a 3% commission of the Gross Sales Price. Such commission shall be paid from the proceeds of the sale, with distribution of the remaining proceeds allocated among County and City as provided in Section 6, above.

Exhibit A

On Tax Assessors Map 22-10-14AB

- Tax Lot 108 – Lot 4, Newberry Business Park
- Tax Lot 111 – Lot 1, Newberry Business Park
- Tax Lot 126 – Lot 63, Newberry Business Park
- Tax Lot 129 – Lot 41, Newberry Business Park
- Tax Lot 131 – Lot 15, Newberry Business Park
- Tax Lot 132 – Lot 14, Newberry Business Park
- Tax Lot 133 – Lot 13, Newberry Business Park
- Tax Lot 137 – Lot 17, Newberry Business Park
- Tax Lot 138 – Lot 18, Newberry Business Park
- Tax Lot 139 – Lot 19, Newberry Business Park
- Tax Lot 141 – Lot 43, Newberry Business Park
- Tax Lot 142 – Lot 44, Newberry Business Park
- Tax Lot 151 – Lot 70, Newberry Business Park
- Tax Lot 152 – Lot 48, Newberry Business Park
- Tax Lot 153 – Lot 47, Newberry Business Park
- Tax Lot 154 – Lot 46, Newberry Business Park

- Tax Lot 155 – Lot 25, Newberry Business Park
- Tax Lot 156 – Lot 24, Newberry Business Park
- Tax Lot 157 – Lot 23, Newberry Business Park
- Tax Lot 161 – Lot 27, Newberry Business Park
- Tax Lot 162 – Lot 28, Newberry Business Park
- Tax Lot 163 – Lot 29, Newberry Business Park
- Tax Lot 164 – Lot 30, Newberry Business Park
- Tax Lot 165 – Lot 31, Newberry Business Park
- Tax Lot 166 – Lot 32, Newberry Business Park
- Tax Lot 167 – Lot 33, Newberry Business Park
- Tax Lot 170 – Lot 51, Newberry Business Park
- Tax Lot 171 – Lot 52, Newberry Business Park
- Tax Lot 172 – Lot 53, Newberry Business Park
- Tax Lot 173 – Lot 74, Newberry Business Park

Except as otherwise provided in this Addendum, the terms and conditions of the Agreement remain in effect.

COUNTY: DATED this ____ day of _____, 2016

BOARD OF COUNTY COMMISSIONERS
OF DESCHUTES COUNTY, OREGON

ALAN UNGER, CHAIR

ATTEST: TAMMY BANEY, VICE CHAIR

Recording Secretary

ANTHONY DEBONE, COMMISSIONER

CITY: DATED this ____ day of _____, 2016

CITY MANAGER, CITY OF LA PINE

CORY MISLEY, CITY MANAGER