



BOARD OF COMMISSIONERS

AGENDA REQUEST & STAFF REPORT

MEETING DATE: November 4, 2024

SUBJECT: Approval of Document No. 2024-838, an amendment to an Intergovernmental Agreement with the City of La Pine

RECOMMENDED MOTION:

Move approval of Board signature on Document No. 2024-838, amending an Intergovernmental Agreement with the City of La Pine to extend the term of the IGA for an additional five years.

BACKGROUND AND POLICY IMPLICATIONS:

In 1980, Resolution No. 80-230 was approved by the Board of County Commissioners authorizing a hearing on a land exchange between the County and the Bureau of Land Management (BLM). In exchange for 440-acres from BLM, the County's land exchange included property throughout the County totaling 2,510-acres. After the County acquired the 440-acres from BLM, at a portion of the property later became known as the La Pine Industrial area.

In 2014 and again in 2019 (the latter via Document No. 2019-700), Deschutes County and the City of La Pine entered into consecutive five-year term Intergovernmental Agreements (IGAs) to memorialize the roles associated with County-owned property in the La Pine Industrial area.

Because the City and County recognized that the City was in a better position to locally assess, market and respond to prospective buyers and economic development opportunities, the IGAs provided the City with "Full power and authority for the marketing, promotion and sale negotiations for the Real Property for Economic Development, including, without limitation, establishing the Gross Sale Price and acceptance or rejection of an Offer, at no cost to the County." Further, the IGAs defined that sale proceeds would be split 50/50 with the exception of costs associated with a sale, including but not limited to closing costs and broker commissions, which would be deducted from the City's portion of proceeds.

Since 2020, 12 lots representing 20.20-acres have sold for \$1,017,268.44 in gross proceeds. As of current date, there is +/- 148-acres remaining in inventory, with a 0.43-acre lot pending

sale with an anticipated \$32,845 in gross proceeds, and another 0.57-acre lot pending donation to the City of La Pine for zero cost.

The City outsources marketing and business activities to Patricia Lucas with Sunriver La Pine Economic Development (SLED). SLED actively markets and promotes available properties by use of online publications and strategic websites including Oregon Prospector/Business Oregon, as well as email notifications, digital lead generation, and hosts quarterly meetings with Central Oregon Association of Realtors.

Further, SLED works with businesses to identify resources while tailoring assistance provided to buyers to facilitate development projects, with the goal to bring new capital investment and job creation to the region to enhance the local economy. SLED works closely with prospective buyers in the site assessment and selection process, educates buyers on tax incentives, and financing options. SLED also offers workforce development options and assists buyers with navigating the development process. Once a buyer is ready to proceed, SLED drafts the purchase and sale agreement for the City's review prior to engaging the County. This documentation includes a letter from the prospective buyer describing the business, goals for development, and projected job creation. SLED tracks property purchases throughout the closing process.

The City works closely with SLED to ensure that City goals are represented during the marketing process and when engaging prospective buyers. The City reviews and approves all offers prior to submitting to the County. The City tracks property purchases throughout the closing process.

County Property Management presents offers to the Board of County Commissioners, and manages the transaction from that point forward to closing the sales transaction.

This proposed amendment to the 2019 IGA extends the term for another five years through October 31, 2029.

BUDGET IMPACTS:

County and City of La Pine split proceeds associated with the La Pine Industrial area by 50/50.

ATTENDANCE:

Kristie Bollinger, Property Manager