

Applicant: City of Hermiston

Project Name: Hermiston Urban Renewal Area (HURA) Utility & Park Improvements

Sec	tion I: Property Acquisition / Ownership / Operation		
A.	Is the project a "Development Project" for the acquisition, improvement, construction, demolition or redevelopment of municipally owned utilities, buildings, land, transportation facilities, or other facilities that assist the economic and community development of the municipality?	Yes Yes	No
	If yes, answer questions B. through E. of this section. If no, please contact your Regional Development Officer.		
B.	What is the physical location of the project?		
	353 Acres in Hermiston, near OR207 and Feedville Road		
C.	Will the applicant own the facility / improvements once constructed? <i>If no, explain:</i>	🛛 Yes	🗌 No
D.	Will the applicant operate and maintain the facility / improvements once constructed?	🛛 Yes	🗌 No
	If no, describe:		
E.	Does the project include any acquisition of real property, including permanent easements and rights-of-way, which are directly related to or necessary for the project?	🛛 Yes	🗌 No
	<i>If yes, describe:</i> ROW for Utility Mains, Water Tower Site, & Park Site all to be dedicated at no cost by private developer to City of Hermiston.		
F.	Does the project include the purchase of motor vehicle(s)?	Yes	🛛 No
	If yes, describe:		
G.	Does the project include the purchase of any other equipment which is <u>not</u> directly related to or necessary for the project?	Yes	🛛 No
	If yes, describe:		
H.	Will a private entity or business have a special legal entitlement to the project? (e.g., through either a transfer of, or partnership in ownership, a lease, management contract, special user rates or development fees, or priority for use)	Yes	🔀 No
	If yes, describe:		

Sec	tion	II: Project Results		
Pleas	e an	swer each of the following items and provide a brief explanation below for each ite	m marked	"Yes."
A.	Will the project result in <u>direct</u> job creation or retention of permanent industrial or commercial jobs <u>within two years of completion of the project</u> ?		Yes	No Skip to question B.
	1.	Is the project a "firm business commitment" project in response to a specific business development, expansion or retention proposal where assistance is necessary to enable the proposal to proceed?	Yes	🗌 No
		If yes, describe:		
	2.	Does the "firm business commitment" project include industrial or commercial jobs for traded sector businesses, e.g., those selling goods or services in markets for which national or international competition exists?	Yes	🗌 No
		If yes, describe:		
	3.	Will the identified business be relocating from another part of the state?	Yes	🗌 No
		If yes, describe:		
B.		ll the project result in business growth or expansion that would not occur in egon without an investment from the Special Public Works Fund?	Yes Yes	🗌 No
	Ify			
C.	inf	Il the project include improvement, expansion or new construction of rastructure systems necessary to maintain usable industrial and mmercial lands?	Yes Yes	🗌 No
	is i the Th	<i>bes, explain:</i> Construction of a 2MG water storage tank in SW Hermiston dentified as a critical need in the 2019 Water System Master Plan within a next 10 years to accommodate generalized growth throughout the City. a location of this reservoir will allow all business & industrial lands within be City to benefit from this stored water capacity.		

D.	Will the project support future industrial growth and commercial enterprise to create or retain employment opportunities with buildings , land or other facilities ?	Xes Yes	🗌 No
	<i>If yes, explain:</i> Hermiston was one of 2 finalist sites for the 250 employee Autozone Distribution Center in 2016. When we lost it to Pasco, WA, the justification given was that we "lacked available workforce." Meanwhile, the Hermiston area sees a net inflow from Benton & Franklin Counties (WA) of approximately 1,000 workers on a daily basis. We simply need more homes in Hermiston, at all income levels, to be able to help Eastern Oregon legitimately compete for larger commercial & industrial development opportunities.		
E.	Is the project necessary to encourage economic revitalization in an urban or rural area where economic growth is prevented by existing conditions, such as an absence of community facilities, developable industrial or commercial land, or lack of capacity in infrastructure systems?	Yes Yes	🗌 No
	<i>If yes, explain:</i> This 353 acre site has sat undeveloped within the Hermiston UGB since 2004, entirely due to a lack of nearby water and sewer infrastructure. As Hermiston runs out of developable residential land within it's UGB, it is critical for the continued growth of the community to be able to develop those lands already located within it.		
F.	Will the project promote or contribute to the economic and community development goals of the municipality?	Yes Yes	🗌 No
	<i>If yes, explain:</i> Additional Housing has been one of the Hermiston City Council's annual goals every year since 2017. The decennial update of the community's 20-year vision, with significant community outreach, also included additional housing and housing affordability as top priorities of the community when adopted by the City Council in 2022.		
G.	Will the project provide the local match for an emergency project receiving federal disaster relief?	Yes	🛛 No
	If yes, briefly describe the emergency project activities:		
	<i>Note</i> : Attach copies of the FEMA <u>approved</u> "Project Worksheets" as Attachment Q.		
H.	Will the project result in the restoration, rehabilitation or new construction of essential community facilities that provide support services to public health and safety, including but limited to police and fire protection, medical treatment, public utilities, transportation and auxiliary shelter facilities?	🔀 Yes	🗌 No
	<i>If yes, explain:</i> This project will increase Hermiston's stored water capacity by approximately 20%, which is critical in the event of a significant sustained power outage.		

	OAR 123-042-0038 - land acquisition only; a privately owned railroad; telecommunication system; energy system; marine facility; or a utility system connected to another municipality's utility system?	
	If yes, explain:	
Sec	tion III: Additional Project Information	
A.	What is the estimated useful life of the improvements included in the project?	
	50 Years	

Yes

No

Is there documentation of substantial local commitment to the project's success? \boxtimes Yes ∐ No Β.

If yes, describe (public hearings held; project is included entity's adopted budget, CIP, master plan; private partnership or foundations are involved in *funding project, et cetera*):

Is the project one of the special types of development projects listed in

Improvements are included in the 2019 Water System Master Plan and the 2020 Sewer Collection System Master Plan.

C. Please list the permits and regulatory authorizations needed for the project to be ready to proceed with construction and indicate whether they have been obtained or not.

Permit Type	Review Agency	Status of Approval		If pending, anticipated approval date
		Obtained	Pending	

For Drinking Water System Improvement Projects Only

Water system identification number: **41-00372** D.

E.	Are all service connections to your drinking water system metered?	Yes Yes	🗌 No	
	If yes, skip to question "F" below. If no, has a plan been adopted to install the meters?	Yes	🗌 No	

F. If a plan has been adopted, describe:

I.

Sec	Section IV: Financial Information				
A.	Are user rates for the project-funded utility system(s) expected to change in the \square Yes	🗌 No			
	next five years?				

If yes, describe: Automatic annual increases tied to a 3yr average of CPI.

What sources of revenue are being pledged to repay a loan? Β.

Urban Renewal TIF, backed-up by Utility Fund

Is other debt serviced or secured by those revenues? C.

If yes, is the other debt described in the applicant's audit reports?

If the other debt is not described in the audit report, refer to the specific authorization, such as an ordinance or resolution. List below and attach a copy as Attachment N.

Lender		Amount of Note	Year Incu	rred
D.	Has the applicant ever defaulted on a debt?		Yes	🖂 No
	If yes, provide a complete summary of the circumstance	ces related to the defau	lt:	
E.	Is there actual/pending litigation that could impair the repay debt?	applicant's ability to	Yes	🔀 No
	If yes, describe:			
Se	ction V: Budget Information			
A.	Does the project budget (as included on the General A project management expenses?	Application) propose di	rect 🛛 Yes	
	(Direct project management is defined as expenses the directly related to and necessary solely to support or and are not routine or ongoing expenses of the munic current staff that are already included in the municip	manage project activit cipality or expenses for	ies	
	If yes, describe how the direct project management se	ervices will be provided	l:	
	Anderson Perry Engineering will provide all Constru oversight of the project during construction.	ction Management &		
B.	A current engineer's cost estimate must be included a prepared the cost estimates for the project?	as Attachment U . Who)	
	<i>Note:</i> To be considered current, the cost estimate mu within the past 6 months.	st have been completed	!	
	Name: Joshua Lott, P.E. Title: Project Engineer I Company: Anderson Perry & Associates, Inc. Phone Number: 541-963-8309 Date of project cost estimate: April, 2022			

X0

\boxtimes Yes	∐ No
🛛 Yes	🗌 No

C.	Will reimbursement be requested from the expenses that have been, or will be, incurre	Yes	🔀 No				
	If yes, identify and describe the amount and	type of pre-award expenses below:					
	<i>Note: Pre-award expenses must be included as a separate line-item in the project budget in the General Application Form.</i>						
	1. Preliminary design or engineering incur	red within the past 12 months?	Yes	🗌 No			
	If yes, describe:						
	2. Construction activities, including land a mobilization and similar costs incident		Yes	🗌 No			
	If yes, describe:						
	3. Other activities necessary to allow the p	roject to proceed?	Yes	🗌 No			
	If yes, describe:						
	4. Are pre-award expenses less than 20%	of the total cost of the project?	Yes	🗌 No			

If no, describe:

Attachments

	Attachment Description	For IFA Use (X Attached?)
	Documentation from the appropriate entity (city or condepartment) that indicates that the project is consistent acknowledged local comprehensive plan.	
	B Map(s) showing the location of the project, including ta road widths, etc.	ax lots / parcels and
	 The preliminary architectural / engineering / planning v conducted to determine the feasibility of the proposed system or other improvements. The documents must b professional architect / registered engineer licensed in 	building, utility e certified by a
	D Applicant's adopted budget.	
Required with all	E Applicant's last three audit reports (if not available at the state website: http://www.sos.state.or.us)	the Secretary of
applications	 List the ten largest property tax payers in the applicant type of business, local taxes and current assessed value from your drinking water and/or sewer system will be loan, also complete the "Summary of Users, Consumpt "System's Ten Largest Customers" tables for the applic Attachment F). 	e. If net revenues bledged to repay the ion and Rates" and
	G A Schedule of Pro Forma Revenues and Expenditures for fund(s) that will be pledged to repay the loan for each G and any underlying assumptions used in the Applicant' (see Attachment G).	of the next five years
	U Current engineer's cost estimate (see Section 5 B).	
Check If Applicable	Check box at left and include any of the followir that are applicable to the project prop	-
	 If the project is for improvement or expansion of a drin sewer system, submit a copy of the Water System Mas Wastewater Facilities Plan for the system(s). 	
	 If the project is for improvement or expansion of a drin and/or sewer system, attach a copy of the current rate rates for System Development Charges (SDCs). 	
	If the project is for improvement or expansion of a drinsewer system, attach a copy of the most recent resolutthat adopts the current rate schedule.	
	 If the project overlaps municipal boundaries, attach an intergovernmental cooperation agreement that sets or obligations of each entity. 	
	 If project includes a firm business commitment where point be created or retained, submit the "Job Creation and R Average Wages" form completed by the business (see a second seco	etention and
	M If available, the plans and specifications for the project	

	N	Copies of all ordinances/resolutions that authorize debt that is supported by the source of repayment for this financing (<i>refer to the Section IV:</i> <i>Financial Information, Item B.</i>).	
	ο	If the applicant will own the facility and another entity will operate the facility, attach an executed copy of the operating agreement between the parties.	
	Р	If the project is for downtown revitalization, attach a copy of the downtown revitalization plan.	
	Q	If the project is an emergency project with the commitment of federal disaster relief assistance , attach a copy of the FEMA approved "Project Worksheet(s)" that are the basis for this funding request.	
		If a Telecommunications Project	
	R	If the project is for telecommunications infrastructure, attach a resolution that includes findings and states that project is necessary and would not otherwise be provided by a for-profit entity within a reasonable time/for a reasonable cost.	
	s	If the project is for telecommunications infrastructure, attach a copy of the notice and minutes of the public hearing at which the above resolution was adopted.	
If a gran	t is l	ikely and it is possible the grant could exceed the property value	
		One of the following:	
	т	1) real market value (obtained from the county tax assessor) of the property and improvements that will be put on the tax assessment roll, <u>after</u> the project improvements have been completed; or	
		2) an appraisal (conducted by an independent appraiser) of the future fair market value of the subject property <u>after</u> the project improvements have been completed.	

Attachment F

Information for the following tables should be the most current available and may be found from these sources: **Ten largest taxpayers:** Comprehensive Annual Financial Report (CAFR), County Assessor, Financial Audit Report **Summary of users:** billing records

Populations served: your system's service area information; 2010 Census, <u>Portland State University</u> System's ten largest customers: billing records

Taxpayer	Type of Business	Total Taxes	Current Assessed Value
Wal-Mart Stores East LP	Distribution/Warehousing	\$728,284	\$44,014,660
HD Development of Maryland	Home Depot Store	\$173,878	\$8,830,870
Wal-MartSams ClubBPPUSO6037	Wal-Mart Store	\$169,244	\$10,228,480
Retail Trust #2	Retail Stores	\$167,674	\$8515,830
Hermiston Station, LLC	Retail Stores	\$153,126	\$7,776,940
AGCO Finance, LLC	Food Distribution	\$145,560	\$7,392,690
Charter Communications	Telecommunications	\$139,373	\$6,518,300
Umatilla Electric Coop Assn	Electric Utility	\$133,680	\$6,515,120
Good Shepherd Hosp of Herm OR	Medical Center	\$119,010	\$6,044,270
CDS Hermiston, LLC	Ag Processing	\$112,533	\$5,197,920

Ten Largest Property Taxpayers (in applicant's jurisdiction)

If Water or Sewer Project, also Complete These Tables

Summary of Users, Consumption and Populations Served

	Connections		Equivalent Dw	elling Units**	Annual Water Consumption (in gallons)	
User	Current	Future*	Current	Future	Current	
Residential	5,110	7,000	7,000	9,500	1,116,440,122	
Commercial	549	650			209,332,522	
Industrial	1	3			69,777,507	
Other	0	0				
Totals	5,660	7,653	7,000	9,500	1,395,550,151	

*20-year project life

**1 EDU = 7,500 gallons of water consumption per month per residential user

Populations Served

	All Residents	Permanent Residents*	*Evaludas transiant and
Number served by system	19,696	19,696	*Excludes transient and
Number served by this project	3,645	3,645	part-time residents

System's 10 Largest Customers

Customer	Annual Water Consumption	% Total Water Consumption for	Annual Revenue Received by	% Total Annual Revenue Received by	
	(in gallons)	System	System	System	
Good Shepherd #1	25,864,000	2%	97,057	1%	
Village MH Park #1	15,876,000	1%	59,502	1%	
Good Shepherd #2	12,695,000	1%	47,542	1%	
5-Star Auto Wash	10,692,000	0%	40,010	0%	
Village Mobile Home Park #2	9,889,000	0%	36,991	0%	
Swaggart Brothers	8,155,000	0%	30,471	0%	
Chateaubri Mobile Home Park #1	8,809,000	0%	32,930	0%	
Sandstone Middle School	7,862,000	0%	29,369	0%	
Umatilla County 4 th St. Aspens	6,788,000	0%	25,331	0%	
Viewcrest Apartments	6,822,000	0%	25,459	0%	

Schedule of Pro Forma Revenues and Expenditures

Attachment G

	Pro Forma	Current FY						
1	Year (ending June 30)	2022	2023	2024	2025	2026	2027	Please contact your RDO if you have questions
2	Beginning Fund Balance	1,632,187	2,156,304	3,234,716	3,540,290	3,699,806	3,725,542	completing this form.
	Operating Revenues							Primary revenue source (e.g., user charges).
3	Primary Revenue Source	9,284,215	10,398,000	10,605,960	10,818,079	11,034,440	11,255,128	Include, on lines 4 or 5, revenues such as taxes,
4	Other Revenue Source 1	377,500	377,500	377,500	377,500	377,500	377,500	hook-up fees and rent/lease income. Do not
5	Other Revenue Source 2							include interest, SDCs, etc., in this section; rather,
	Total Operating Revenues	9,661,715	10,775,500	10,983,460	11,195,579	11,411,940	11,632,628	enter these revenues on line 15.
	Operation, Maintenance & Replacement (OM&R) Expenses							Include short-lived asset replacement with a
6	Personal Services	2,114,851	2,275,503	2,321,013	2,367,433	2,414,781	2,463,076	
7	Materials & Services	2,197,250	2,537,150	2,587,893	2,639,650	2,692,443	2,746,291	capital outlay, transfers, depreciation, etc; rather,
8	Other Operating Expenses	2,142,000	2,142,000	2,500,000	2,750,000	3,000,000	3,250,000	enter these revenues to lines 12–17.
	Total Operating Expenses	6,454,101	6,954,653	7,408,906	7,757,083	8,107,224	8,459,367	
	Debt Services							
	Funds Avail for Debt Service	3,207,614	3,820,847	3,574,554	3,438,496	3,304,716	3,173,261	Enter and specify annual debt service amounts for
9	Existing Debt 1	2,125,797	2,109,850	2,100,000	2,090,000	2,075,000	2,060,000	existing and proposed debt support by this fund,
10	Existing Debt 2							including any proposed non-IFA debt for this
11	Other Proposed Debt		47,000	568,980	568,980	568,980	568,980	project, e.g., USDA, DEQ, etc.
	Total Debt Service	2,125,797	2,156,850	2,668,980	2,658,980	2,643,980	2,628,980	
	Other Activities							
	Cash Avail After Debt Service	1,081,817	1,663,997	905,574	779,516	660,736	544,281	Anticipated drawdown schedule for requested
12	Loan Proceeds / Drawdowns		500,000	9,000,000	3,000,000			loans. Include capital outlay in brackets (negative amount) for this project. Anticipated
13	Capital Outlay		-500,000	-9,000,000	-3,000,000			contributions for system replacement. Asset
14	System Replacement Reserves							sales, SDCs, interest income (specify [†]).
15	Other Non-Operating Activity							
	Net Other Activity	0	0	0	0	0	0	Include transfers to reserve accounts (specify ⁺).
16	Net Transfers IN (OUT)	(557,700)	(585 <i>,</i> 585)	(600,000)	(620,000)	(635,000)	(650,000)	Explain any adjustments
17	Adjustments							
	Net Transfers & Adjustment	(557,700)	(585,585)	(600,000)	(620,000)	(635,000)	(650,000)	
	Ending Fund Balance	2,156,304	3,234,716	3,540,290	3,699,806	3,725,542	3,619,823	
18	Connections	5,660	5,773	5,888	6,006	6,126	6,248	
19	EDUs	7,000	7,140	7,282	7,427	7,575	7,726	
20	Monthly Rate per EDU	110.52	121.00	121.37	121.38	121.39	121.40	

[†]Describe any assumptions used in calculating above figures, such as changes in user rates, EDU/connection growth, loan repayments, operating expenses, transfers, adjustments: #3 Assumes 2% annual increases in rate revenue as well as personell and materials costs after FY 23. #8 "Other Operating" is our annual Capital

Improvement projects. #11 "Other Proposed Debt" is the debt for *this* project from IFA. #20- Note this is for the entire Utility Fund, both Water and Sewer, so the \$110/mo/EDU figure is a combined Water & Sewer average.

Business Name & Address of Project Business Site:		0	Contact Person:	
(street address, city, zip code):		ddress, city, zip code):	Name:	
			Title:	
			Phone Number:	
Fed	eral	Tax Identification Number (EIN):		
Ore	gon	Business Identification Number (BIN):		
Pro	duct	(s) produced:		
A.	Cı	urrent number of Full-Time Equivalent (FT	E) jobs:	
А.	Cu 1.	urrent number of Full-Time Equivalent (FT Total number of Hours Worked* to Employe months:		
A.	Cu 1.	Total number of Hours Worked* to Employe	es** during the previous 12	0.00
А.	Cu 1. 2.	Total number of Hours Worked* to Employe months:	es** during the previous 12	0.00
A.	1.	Total number of Hours Worked* to Employe months: Divided by 1,820 hours per year = Current I Of the current FTE, how many do you estimate	es** during the previous 12 TTE = te would no longer exist if the 12 12 12 12 12 12 12 1	0.00

Job Creation / Retention and Average Wages

* "Hours worked" for an hourly Employee means all hours the Employee performed work on the job. It does not include sick leave, vacation time or other paid time where no work is performed. This definition was developed to be consistent with the data collected by the Oregon Employment Department for the Oregon Quarterly Reports and Form 132 (for Unemployment Insurance Tax). The 1820 figure represents 35 hours per week and was developed in coordination with the Oregon Employment Department. The 1820 figure assumes 6.5 weeks (260 hours) of paid and unpaid leave each year out of a total 2080 hours (40 hours x 52 weeks) per year. The 6.5 weeks of paid and unpaid leave consists of: 2.5 weeks of vacation, 1.5 weeks of sick leave, 1.5 weeks of holidays and 1 week of other leave (such as family leave). All jobs that are covered under unemployment compensation shall be counted. Contract labor also may be included if the jobs are expected to be permanent, but hired though a third party contract agency.

** "Employee" means:

- A. A person who is paid through a business's normal payroll system;
- B. A person for whom FICA and state and federal income taxes are deducted from gross wages, which are then forwarded to the appropriate agencies by the business on behalf of the person;
- C. A person for whom the business pays state and federal unemployment insurance; and
- D. A person for whom the business contributes to FICA.

An exception to the above is allowed if the business uses a leasing agent for its Employees and the terms of the leasing agreement are such that hiring decisions are made by the business and for all intents and purposes the "Employees" are working for the business. The fees paid by the business to the leasing agent should not be considered as part of the Employees' salary / wages.

An "Employee" is not:

- A. A person hired through a temporary agency; or
- B. A person acting as an independent contractor.

Attachment L

Average annual wage of current FTE jobs:

B.

1. Total wages / salaries paid to Employee during previous 12 months: Total number of Hours Worked* to Employees** during the previous 12 months: Divided by 1,820 hours per year = **Current FTE** = 0.00 Wage divided by current FTE = C. Estimated number of new FTE job that will be created as a result of this project by the end of the second year after beginning operations: (These jobs must then be maintained for a minimum of four consecutive calendar quarters.) 1. Estimated date operations resulting from the proposed project will begin: 2. Estimated annual average wage of these new FTE jobs: 3. How many new FTE jobs do you estimate will be created as a result of this project by the end of the *fifth year* after beginning operations? **First Source Hiring Agreement** D. 1. I acknowledge that execution of a First Source Hiring Agreement between Yes No this business and a publicly funded job training provider will be a condition of the potential funding award the municipality is applying for. I certify and affirm that all statements and information contained herein are true and complete to the best of my knowledge. Business Representative / Preparer's Signature

For IFA Use Only		
Does this business already exist in Oregon?	Yes	No
If yes , has program staff requested a report from the Employment Department for the previous four quarters to establish the business's Base FTE Jobs?	Yes	🗌 No
If no, list other documentation that will be used to establish Base FTE Jobs, or provide report from the Employment Department will be requested.	e the date v	when a

Signature of Project Coordinator

Typed Name and Title

Date

Date