

Memorandum Date: July 8, 2009
Order Date: July 22, 2009

T. 8. b.

TO: Board of County Commissioners

PRESENTED BY: Mike McKenzie-Bahr, Community and Economic
Development Coordinator

AGENDA ITEM TITLE: IN THE MATTER OF AWARDING FUNDING FOR
PROJECTS SELECTED IN THE 2009-10 ECONOMIC
DEVELOPMENT RFP GENERAL ALLOCATION CYCLE

I. AGENDA ITEM SUMMARY

Move that we award funding to the following projects:

- Lane County Sheriff's Office: Preparing Inmates for the Community Workforce: \$175,000.
- Lane County Youth Services: Martin Luther King Jr. Education Center: \$175,000

And authorize \$50,000 be moved from the Strategic Opportunity Reserve Fund to the Strategic Investment Fund within the Special Revenue Fund to be used for funding the above projects.

II. AGENDA ITEM SUMMARY

The Lane County Economic Development Standing Committee (EDSC) has completed reviewing and ranking proposals received in the 2009-10 Economic Development Request for Proposal General Allocation Cycle.

The EDSC voted to make the following recommendations to the BCC regarding the spending of video lottery funds:

- 1) Allocate \$175,000 to Lane County Sheriff's Office.
- 2) Allocate \$175,000 to Lane County Youth Service, MLK Jr. Education Center.

The total amount of video lottery funds recommended for award is \$350,000.

Anticipating state legislative cuts to the County video lottery allocation, only \$300,000 was budgeted by Lane County Community and Economic Development to General Allocation program. However, the legislative cuts were not as severe as anticipated, and it is pretty certain that the County will receive at least \$350,000 for this program this year.

Since these funds are paid to the County quarterly, in order to make a \$350,000 award, the BCC would need to authorize \$50,000 be moved from the Strategic Opportunity Reserve Fund (General Expense Operational Contingency) to the Strategic Investment Fund (Intergovernmental agreements) within the Special Revenue Fund to be used for funding the above projects. Currently there is \$456,426 in the Strategic Opportunity Reserve Fund.

The EDSC committee also recommended that the Board of Commissioner's consider funding both projects at their full requested amount if additional funding becomes available. (Staff will monitor the funding and come back later in the fiscal year with a status update).

The project awards would be the culmination of the competitive General Allocation process. The total amount requested by five agencies was \$678,381, as follows:

- Lane County Sheriff's Office: Preparing Inmates for the Community Workforce: \$196,563.
- Lane County Youth Services: Martin Luther King Jr. Education Center: \$210,000
- Junction City Water Control District: Storm Water Engineering and Design Capacity Review: \$12,500.
- Lane County Public Works Department, Land Management Division: Oregon eBuildingPermits: \$179,318.
- Lane County Government: Working for You Video Series Proposal: \$80,000.

III. BACKGROUND/IMPLICATIONS OF ACTION

A. Board Action and Other History

Each year, the Board of Commissioners makes video lottery funds available through the Strategic Investment fund for job creation and work force development projects. Awarding is done in three cycles: the Initial Cycle, the Open Cycle and the General Allocation Cycle.

In February 2009, the Economic Development Standing Committee to the Board of Commissioners released a request for proposals (RFP) for the General Allocation Cycle to implement the Economic Development Strategic Investment Program, as described in Lane Manual Chapter 4.110.

The RFP included instructions on how the money is to be used, how to prepare a project application and how project applications will be scored. The RFP was e-mailed to each County Department head with a deadline date of March 18, 2009.

Five project proposals were received. In addition, there were queries from several other departments. Those departments decided not to submit applications when they determined that their projects would not meet the funding criteria.

At the April 15, 2009 BCC meeting, after hearing presentations from the five proponents, the Board instructed that the application process be reopened. C&ED staff then sent out a notice informing potential applicants about the availability of the funds.

That extended application period ended on May 29, 2009. No additional applications were received.

On July 7 and July 9, the EDSC committee reviewed and scored the original submitted applications and made the recommendations before you today. (The project score sheet is attached for your reference).

B. Policy Issues

The BCC has the following policy issue to consider:

- 1) Should any or all of the projects be funded as recommended by the EDSC?
- 2) Should projects that did not meet the funding threshold be considered for funding if the BCC decides that said projects are important enough to warrant using Strategic Opportunity Reserve Fund monies?

C. Board Goals

The awarding of general allocation video lottery funds helps meet the BCC goal to "Develop Lane County's economic engine."

D. Financial and/or Resource Considerations

The total amount of General Allocation Economic Development Cycle funds initially budgeted for award for the 2009-10 fiscal year was \$472,000. This is the same amount as in the past three years. That amount of money is capped by the formula used to allocate video lottery funds in Lane Manual 4.110, which reflects state guidelines for the use of the funds: "Through the annual budget process, the Board shall appropriate a maximum of 50% of the annual receipts to general allocation programs and the remainder (50% minimum) of the annual receipts for economic development strategic investment projects."

However, action by the State of Oregon reduced Lane County's 8th quarter lottery payment by 40%. That cut reduced by \$42,000 the amount available for general allocation awards. If the State continued this practice for the entire 2009-2010 budget year, to meet state budget shortfalls, and those cuts were shared equally between the County's video lottery programs, this would have reduced the amount of funds available for the 2009-2010 general allocation program to \$300,000.

The Community and Economic Development program submitted its budget based on the scenario that the State would continue to cut by 40% video lottery funds to the County. That budget scenario reduced the amount of video lottery general

allocation available for award to \$300,000. However, the cut from the State was only 15%. This would make \$350,000 available in the General Allocation round.

To appropriate the full \$350,000 will require the BCC to authorize \$50,000 be moved from the Strategic Opportunity Reserve Fund (General Expense Operational Contingency) to the Strategic Investment Fund (Intergovernmental agreements) within the Special Revenue Fund to be used for funding the above projects. Currently there is \$456,426 in the Strategic Opportunity Reserve Fund.

Such a budget move is contained in the attached Board Order.

E. Analysis

The EDSC scored the projects in nine different categories:

- 1) Addresses Lane County Strategic Plan economic development goals (30points)
- 2) Increases work readiness (15 points)
- 3) Readiness to proceed (15 points)
- 4) Opportunities for future development (15 points)
- 5) Leverage of other funds (15 points)
- 6) Partnerships (10 points)
- 7) Budget presentation (10 points)
- 8) Audit and accounting adequacy (10 points)
- 9) Promotes sustainable use of resources and energy (10 points)

A project had to receive at least 104 points (80% of the 130 points possible) to be considered for a funding recommendation. Each of the projects that met the funding threshold were recommend for funding. A summary of the projects follows:

Lane County Sheriff's Office

Proposal Title / Organization	Amount Recommended for funding	POINTS	Percentage
Lane County Sheriff's Office	\$196,563	106	81.54%

The Lane County Adult Corrections' (LCAC) Education and Workforce Development program supports economic development in Lane County by enhancing employment opportunities for ex-offenders, thereby increasing family wage income, contributing to the tax base, and reducing dependency on government services. The program supports Lane County's strategic goals addressing poverty reduction, independent living, adult and juvenile crime, intervention, incarceration, and parole and probation. County residents' personal safety and security of property are also enhanced by the program's existence.

In 2009-10, they anticipate the number of inmates participating in the program will increase, largely as a result of increased capacity at the Sherman Defendant and Offender Management Center classroom.

Lane County Youth Services

Proposal Title / Organization	Amount Recommended for funding	POINTS	Percentage
Lane County Youth Services	\$210,000	109	84.18%

The Martin Luther King, Jr. Education Center is an education and vocational program run by the Lane County Department of Youth Services in collaboration with Lane Education Services Dist., Lane Workforce Partnership, local businesses, the U.S. Forest Service, the Bureau of Land Management, the City of Eugene, the University of Oregon and the U.S. Department of Labor.

This collaborative program targets Lane County Strategic plan economic development goals by developing internships, jobs and other revenue opportunities for delinquent youth and by linking rural areas of the county with Eugene and Springfield through Catering, the MLK Horticulture Crew and contracts with the Forest Service and BLM. Through our work with Lane Workforce Partnership, we place youth in the Lane County cluster industries of secondary forest wood products, manufacturing, medical technologies and green technology work such as stream and habitat restoration, landscaping, gardening and computer refurbishing,

F. Alternatives/Options

The Board may:

- 1) Approve ORDER awarding grants as recommended by the EDSC, or
- 2) Determine to award only some grants, at either reduced or full funding levels or
- 3) Allocate funding to other applications not recommended by the EDSC, or
- 4) Decide not to award strategic economic development funds at this time.

IV. TIMING/IMPLEMENTATION

Upon Board approval of funding for projects, staff will work with project applicants and fiscal staff to get the project funding to the departments

V. RECOMMENDATION

The EDSC recommends awarding the Lane County Sheriff's Office and Lane County Youth Services at an amount of \$175,000 each.

VI. FOLLOW-UP

Staff will keep the EDSC updated on all project elements. Any issues needing Board attention will be brought to the Board in a timely manner.

VII. ATTACHMENTS

- A: Board Order
- B: Scoring Sheet

IN THE BOARD OF COUNTY COMMISSIONERS, LANE COUNTY, OREGON

ORDER NO.) ORDER/IN THE MATTER OF AWARDING FUNDING
) FOR PROJECTS SELECTED THROUGH THE 2009-
) 10 ECONOMIC DEVELOPMENT RFP GENERAL
ALLOCATION CYCLE

WHEREAS, the Economic Development Standing Committee to the Board of Commissioners released a request for proposals (RFP) for the General Allocation Cycle to implement the Video Lottery Economic Development Strategic Investment Program, and

WHEREAS, the Economic Development Standing Committee has completed rating and ranking of proposals received in accordance with the RFP, and

WHEREAS, the Lane County Board of Commissioners has reviewed the ranked list of projects and determined those that are in the public interest to fund, now, therefore,

IT IS HEREBY ORDERED that the following General Allocation Projects are awarded for the 2009-2010 Economic Development RFP General Allocation Cycle as follows:

- a. Lane County Sheriff's Office: Preparing Inmates for the Community Project:
\$175,000
- b. Lane County Youth Services: Martin Luther King Jr. Education Center:
\$175,000

FURTHER ORDERED that \$50,000 is moved from the Strategic Opportunity Reserve Fund (General Expense Operational Contingency) to the Strategic Investment Fund (Intergovernmental agreements) within the Special Revenue Fund to be used for funding the above projects.

Signed this 22nd day of July, 2009.

APPROVED AS TO FORM
Date _____ Lane
County

OFFICE OF LEGAL COUNSEL

Pete Sorenson, Chair
Lane County Board of Commissioners

APPROVED AS TO FORM

Date 7-14-09 lane county

OFFICE OF LEGAL COUNSEL

ATTACHMENT B

Proposal Title / Organization	Amount Requested	Reviewer	Addresses Strategic Plan and Oregon benchmark(s)	Work Readiness	Readiness to Proceed	Opportunities for Future Development	Leverage of Other Funds	Partnerships	Budget	Audit and Accounting Adequacy	Sustainability	Total	Percentage	Ranking		
Lane County Sheriff's Office	\$196,563	Forster	30	15	15	15	15	10	10	10	10	130	80			
		Mackey	20	15	15	15	15	10	10	10	10	105				
		Poling	22	15	15	12	12	10	10	10	10	114				
		Pape	20	15	15	15	15	10	10	10	10	120				
		Kohley	30	15	15	15	15	10	10	10	0	100				
		Crenshaw	22	14	15	14	14	9	8	8	8	109				
		Winkler-Rios	30	15	15	15	15	10	10	10	10	130				
		Winkler-Rios	15	10	12	7	5	7	4	4	4	64		210		
		Total	159	102	88	91	91	66	62	62	52	52	32	742	81.54%	
		Average												106		
IMLK	\$210,000	Forster	20	15	15	7	15	10	10	10	10	2	104			
		Mackey	22	15	15	12	15	10	10	10	10	9	114			
		Poling	20	15	15	15	15	10	10	10	10	10	120			
		Pape	10	5	15	15	15	10	10	10	10	0	90			
		Kohley	24	14	15	14	14	10	9	9	9	7	116			
		Crenshaw	30	15	15	15	15	10	10	10	10	10	130			
		Winkler-Rios	20	12	15	7	12	10	7	6	6	3	92			
		Total	146	105	85	101	101	70	66	65	65	41	41	766	84.18%	
		Average												109		
		Land Management Dept.	\$179,318	Forster	20	5	10	15	15	10	10	10	10	5	100	
Mackey	20			10	10	10	10	8	8	10	10	10	96			
Poling	20			15	15	15	15	10	10	10	10	10	120			
Pape	30			10	510	10	10	10	10	10	10	10	125			
Kohley	22			15	14	12	13	8	8	8	8	4	104			
Crenshaw	10			15	15	14	15	5	1	10	10	10	104			
Winkler-Rios	5			0	10	12	15	5	5	5	4	7	63			
Total	127			70	584	88	93	56	52	62	62	56	56	712	78.24%	
Average														102		
Lane County Government	\$80,000			Forster	5	0	15	0	15	10	10	10	10	0	65	
		Mackey	10	10	15	8	10	8	10	10	10	5	86			
		Poling	10	10	10	10	10	10	10	10	10	10	90			
		Pape	0	0	10	10	10	10	10	10	10	0	60			
		Kohley	22	6	14	6	13	9	6	6	6	0	82			
		Crenshaw	10	10	15	5	7	5	5	5	5	1	63			
		Winkler-Rios	5	0	10	10	15	7	7	7	6	5	65			
		Total	62	36	89	49	80	59	58	57	57	21	21	611	56.15%	
		Average												73		
		Junction City Water District	\$12,500	Forster												
Mackey																
Poling																
Pape																
Kohley																
Crenshaw																
Winkler-Rios																
Total	20			0	15	16	5	6	10	10	10	0	0	80	Not scored	
Average														11	10.78%	