

ORDINANCE NO. 1637

AN ORDINANCE APPROVING TRANSFER OF FUNDS FROM THE CITY OF CANBY'S GENERAL FUND, UNALLOCATED REQUIREMENTS, TO THE CANBY ADULT CENTER

WHEREAS, the City of Canby owns the building located at 1250 S. Ivy St., Canby, Oregon ("Ivy St. Building");

WHEREAS, in 1983, pursuant to an intergovernmental agreement, the City received Community Block Development Grant ("CDBG") funds in the amount of \$314,000 from Clackamas County to construct the Ivy St. Building as a senior center. Under its terms, the 1983 IGA shall expire when the Ivy St. Building's useful life as a senior center expires;

WHEREAS, in 1996, the City received additional CDBG funds in the amount of \$170,000 from Clackamas County to make improvements to the Ivy St. Building for the purpose of its continued use for senior-related activities. Under its terms, the 1996 IGA shall expire five years following the close-out of the County's participation in the entitlement CDBG program from which the City received the CDBG funds;

WHEREAS, the City leases the Ivy St. Building to the Canby Adult Center ("CAC"), a non-profit organization whose mission is to provide services to older adults in Canby and the surrounding areas. The CAC uses the Ivy St. Building to provide those services. Specifically, the CAC uses the Ivy St. Building as a senior center to provide senior-related activities. This use is compliant with the requirements of the 1983 and 1996 IGAs;

WHEREAS, the CAC has notified the City that it intends to vacate the Ivy St. Building and move its program and services to a new building that it will purchase. The CAC's reason for moving to a new location is that the Ivy St. Building is no longer useful as a senior center providing senior-related activities;

WHEREAS, the CAC's vacation of the Ivy St. Building may result in a change of use of the Ivy St. Building under the 1983 and 1996 IGAs. The CAC's vacation of the Ivy St. Building may also result in a change of use under CDBG regulations including, but not limited to, 24 C.F.R §570.505;

WHEREAS, the Council finds that the Ivy St. Building's useful life as a senior center has expired;

WHEREAS, the Canby City Charter requires the Council to authorize all expenses greater than \$50,000 via ordinance; and


WHEREAS, so that the CAC may have access to the funds as soon as possible, the Council finds it advisable that this Ordinance shall go into effect immediately upon its enactment.

NOW, THEREFORE, THE CITY OF CANBY, OREGON, ORDAINS AS FOLLOWS:

Section 1. The City Council authorizes the transfer of five hundred and twelve thousand dollars (\$512,000) from the City's General Fund, Unallocated Requirements, to the CAC pursuant to the same terms as or pursuant to substantially similar terms as reflected in Exhibit A to this Ordinance, which is incorporated herein by this reference.

Section 2. This Ordinance shall take effect immediately upon its enactment.

SUBMITTED to the Canby City Council and read the first time at a regular meeting therefore on Wednesday, December 4, 2024, ordered posted as required by the Canby City Charter; and scheduled for second reading on Wednesday, December 18, 2024, commencing at the hour of 7:00 PM in the Council Chambers located at 222 NE 2nd Avenue, 1st Floor Canby, Oregon.

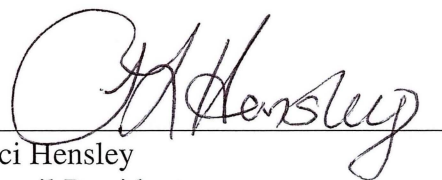


Maya Benham, CMC
City Recorder

PASSED on second and final reading by the Canby City Council at a regular meeting thereof on the 18th of December, 2024 by the following vote:


YEAS 5

NAYS 1



Traci Hensley
Council President

ATTEST:



Maya Benham, CMC
City Recorder

FUNDING AGREEMENT

This Funding Agreement (“Agreement”) is entered into between the City of Canby (“City”) and the Canby Adult Center (“CAC”).

RECITALS

- A. The CAC is a non-profit organization whose mission is to create a community that embraces the opportunities and challenges of older adulthood for the population of Canby, Oregon, and surrounding areas. The CAC is currently located and provides its services at the building located 1250 S. Ivy Street, Canby, Oregon (“Ivy St. Building”), which is owned by the City. The Ivy St. Building’s useful life for the CAC’s mission has expired. Therefore, CAC wishes to purchase and move its program to the building located at 1520 N. Holly St., Canby, Oregon (“Holly St. Building”) in order to better serve its community.
- B. The City has approved an award of \$512,000 (“Funds”) to the CAC to support the transition of CAC’s mission to the Holly St. Building, subject to certain conditions. The City and CAC now enter into this Agreement to specify the terms and conditions under which the City will award the Funds.

TERMS AND CONDITIONS

1. Award of Funds.

The City awards to the CAC five hundred and twelve thousand dollars (\$512,000). The Funds may be used only for the purpose established by this Agreement.

2. Purpose and Term.

- a. The Funds may only be used for any expenses associated with or generated by CAC’s transition from the Ivy St. Building to the Holly St. Building including, but not limited to, down payment for the Holly St. Building and moving costs, improvements, and renovations to the Holly St. Building required for it to serve as a senior center, for CAC to meet the needs of CAC’s mission, and for CAC to provide senior-related activities.
- b. The term of this Agreement shall commence on the date that the Agreement is fully executed by both parties and shall remain in effect for a period of eight years thereafter, unless earlier terminated by mutual written agreement of the parties.

3. Disbursement of Funds.

- a. The City’s disbursement of the Funds is contingent upon the County’s written confirmation that the County’s disbursement of the Funds to CAC satisfies any obligations the City may have for the reimbursement of any CDBG funds granted by

the County to the City in relation to the Ivy St. Building. The City shall not, and shall have no obligation to, disburse funds unless and until the County provides such written confirmation.

- b. Subject to Section 3.a and upon execution of this Agreement, the City shall disburse the Funds to CAC.
- c. CAC must expend all Funds within one year of the date of the City's disbursement.

4. Return of Funds.

- a. In the event that CAC uses the Funds or any portion of the Funds for a purpose not permitted under this Agreement, CAC shall immediately reimburse those misused Funds to the City and shall return all remaining Funds to the City.
- b. In the event that CAC ceases to own, occupy, or use the Holly St. Property for its mission sooner than eight (8) years following the date on which CAC purchased the Holly,St. Property, CAC shall return all unused Funds to the City unless the City, in its sole discretion, agrees otherwise.
- c. The obligations under this Section shall survive any termination or expiration of this Agreement.

5. Records and Reports.

- a. CAC shall keep proper books of account and records of all activities and expenses associated with this Agreement including, but not limited to, books of account and records on the expenditure of all Funds. CAC shall maintain these books of account and records in accordance with generally accepted accounting principles and shall retain them for three (3) years after the expiration or termination of this Agreement.
- b. At reasonable times and upon the City's request, CAC shall permit the City to inspect, review, and make copies of its books of account and records associated with this Agreement.

6. Default and Remedies.

- a. CAC's failure to perform any obligation required by this Agreement shall constitute a default under this Agreement.
- b. In the event of CAC's default under this Agreement, the City may exercise any or all of the following remedies, which shall be cumulative:

- i. The City may require CAC to repay all Funds.
 - ii. The City may terminate its obligation to disburse Funds to CAC.
 - iii. The City shall have any other right or remedy available at law or in equity.
- c. The City's failure to exercise or the City's delay in exercising any remedy available under this Agreement or at law or in equity shall not operate as a waiver of any right.

7. Miscellaneous.

- a. CAC shall comply with all federal, state, and local laws, ordinances, rules, and regulations in its use of the Funds.
- b. CAC shall indemnify, defend, and hold the City, its officers, elected and appointed officials, employees, volunteers, and agents harmless from and against any and all liabilities, claims, losses, damages, or expenses (including attorney fees and expenses) which any of them may suffer or incur in connection with any transaction contemplated by this Agreement or the actions or inactions of CAC, or its employees, agents or contractors, related to this Agreement, other than claims, losses, damages, or expenses that arise solely from the gross negligence or willful misconduct of the City. The obligations described in this Section survive any termination or expiration of this Agreement.
- c. Any notice required or permitted under this Grant Agreement shall be in writing and shall be deemed effective (1) when actually delivered in person, (2) one business day after deposit with a commercial courier service for "next day" delivery, (3) two (2) business days after having been deposited in the United States mail as certified or registered mail, or (4) when transmitted by facsimile (answer back or receipt confirmed), addressed to the parties as follows:

For the City:	For CAC:
ATTN: [NAME]	ATTN: [NAME]
[ADDRESS]	[ADDRESS]
[FAX NUMBER]	[FAX NUMBER]

- d. CAC may not assign this Agreement, in whole or in part; without the prior written consent of the City. This Agreement shall be binding upon and shall inure to the benefit of the parties and their respective successors and assigns.

- e. This Agreement shall be governed by and construed in accordance with the laws of the State of Oregon. Any legal action regarding this Agreement shall be brought and conducted in the federal or state court, as appropriate, serving Clackamas County, Oregon, and the parties hereby consent to the jurisdiction and venue of such courts. Each party waives its right to a trial by jury with respect to any claim brought in connection with this Agreement.
- f. This Agreement may not be modified or amended except by an instrument in writing signed by each party. This Agreement reflects and sets forth the entire agreement and understanding of the parties with respect to the subject matter hereof and supersedes all prior agreements and understandings relating to such subject matter.
- g. If any provision of this Agreement is held to be invalid, such event shall not affect, in any respect whatsoever, the validity of the remainder of this Agreement and the remainder shall be construed without the invalid provision so as to carry out the intent of the parties to the extent possible without the invalid provision.
- h. Nothing contained in this Agreement, or any acts of the parties hereto shall be deemed or construed to create the relationship of employer and employee, principal and agent, or of partnership, or of joint venture or of any other association other than that of independent contracting parties.
- i. No person not a party to this Agreement is an intended beneficiary of this Agreement, and no person not a party to this Agreement shall have any right to enforce any term of this Agreement.

For the City:

For CAC:

Eileen Stein
Name: Eileen Stein
City Administrator
Date: 12/19/24

Kathy Robinson
Name: Kathy Robinson
Director
Date: Dec 20 2024