



Notice of Funding Availability for New Construction or Major Rehabilitation of Industrial/ Warehouse/Incubator Space

April 19, 2022

**Recommended*
Response Submittal Date:
June 3, 2022, 4:00 p.m.**

**While there is not a formal deadline for submittals, the County suggests that submittals be provided by the date above. The County reserves the right to accept submittals after this deadline, until such time as the County has allocated its funds for this effort.*





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For more information on the County or this Notice of Funding Availability (NOFA), please contact:

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 66 SE D Street
 Madras, Oregon 97741
 (541) 475-2449
 jrasmussen@jeffco.net

Visit the NOFA Website:

<https://www.jeffco.net/administration/page/2022-jefferson-county-mfg-industrial-space-grant>

Map of Available Industrial Properties:



01

Introduction & Requirements

Jefferson County, Oregon, in close coordination with the cities of Culver, Madras, and Metolius and EDCO (Economic Development of Central Oregon), is pleased to announce the availability of up to \$750,000 in grant funding for new construction or major rehabilitation of industrial space. This program is intended to help fund projects in light of the extraordinary increases in construction costs due to the pandemic. The space can serve a variety of purposes – manufacturing, warehouse & distribution, flex space, start-up/incubator space, etc. Applicants need not have a specific user/tenant commitment to apply. The source of the grant fund is the federal ARPA (“American Rescue Plan Act”). Grant proceeds may be taxable, and awardees will have to comply with applicable requirements, including the requirement that funds be awarded and expended no later than June 24, 2024.

\$750,000 in grant funding for new construction or major rehabilitation of industrial space

About the Partners

Jefferson County was named after Mount Jefferson, the second highest peak in Oregon with an elevation of 10,497 feet, which dominates the County’s western skyline. Madras is the County seat and largest city, with about 7,000 residents. County government is administered by a three-member Board of Commissioners. The County’s growth in the early 20th century was generated largely by agricultural prosperity which in turn was spurred by the arrival of the railroad in 1911 and subsequent irrigation projects. In recent decades Jefferson County has experienced solid population growth (currently about 25,000). It is an outdoor recreation hub, with easy access to multi-use trails, hiking, fishing, and nearby skiing. EDCO is one of the State’s leading organizations for business recruitment, retention and expansion. It is a public private partnership with members from both government and business, promoting a vital economy for greater Central Oregon.

The Partners are eager to support projects from experienced developers that can be up and running soon (preferred construction start by mid-2023). They also seek to support projects that generate new jobs (preferably good-paying positions). A full list of the County’s requirements is stated below (“Description and Requirements”); the criteria on which the County will base its award decisions is found on page 12.

Description and Requirements of the Funding Opportunity

This program is intended to assist in new construction or major rehabilitation of industrial buildings in Jefferson County. A total of \$750,000 is available. The County and its partners anticipate awarding funds to three qualifying projects, at \$250,000 each; however, the County may award the entirety of the fund to a single project. It may also award amounts smaller than \$250,000 depending on the number and responsiveness of qualified proposals.

Below are the requirements for program participation (“must haves”), along with features that are desired but not required (“nice to haves”).

“Must Haves”

- Must be suitably zoned, either as a use allowed by right (preferred) or a conditional use. Since the grant funds have a June 30, 2024 expiration, if a conditional use is required, the applicant should include the timeline for a conditional use approval.
- Must be an industrial use, broadly defined. This may include manufacturing, warehouse & logistics, flex space, start-up/incubator space, etc. Ancillary non-industrial uses are allowed (e.g., a small retail component where products manufactured at the business are sold to the general public). Uses that are primarily or exclusively for personal purposes (e.g. storage of someone’s personal collections) will generally not be eligible.
- Can be under construction by Summer, 2023, and completed no later than June 30, 2024.
- Site Control: developer/company either has title to the property, or some other suitable form of property control (option to purchase, ground lease, etc.).
- Will allow for the attraction of a business that is new to Jefferson County or for the expansion of an existing business.

“Nice to Haves”

- County funding should constitute no more than 25% of total project cost.
- Desired physical features:
 - Insulated walls and ceilings (R-30 Minimum) for entire building.
 - Minimum ceiling average height of 20 feet.
 - Warehouse floor strength the equivalent of either (Engineer attestation required):
 - 4” concrete over 8” gravel, or
 - Concrete slab rated at a minimum of 250 lbs/sq ft live load.
- Minimum of 5,000 square feet floor area.
- Include at least 400 square feet of office space and restroom.
- Project will help increase the County’s average wage (\$44,127 in 2020) by adding new jobs.
- Ready to begin construction no later than Spring 2023.
- The project will result in the introduction of a new type of business to one of the Jefferson County markets.
- The project will result in a new business that supports or augments the supply chain for an

existing business(es), thereby helping to create a new, or expand an existing, industry cluster.

Other Parameters

- To be eligible to apply, the applicant must be either the property owner, have some other reasonable form of site control, or be the owner of a business that intends to occupy the space.
- Funds may be used for soft or hard costs associated with the project.
- The County intends to phase award payments. First payment (25% of awarded grant funds) to be awarded upon satisfactory demonstration of property ownership that allows the construction of proposed project (without needing a conditional use). An additional 25% of the awarded grant funds will be provided upon all building permits issued. The balance of the grant funding will be paid at Certificate of Occupancy or substantial completion, as determined by the County. The County will consider other phasing approaches, as appropriate. First and second payments shall require the property owner accepting liens against the property to be released upon Certificate of Occupancy. The County is willing to allow these liens to take a third position against the property.

Preferred Grant Timeline/Deadlines

- 3 monthsSecure land purchase or long-term land lease (release up to 25% of grant award)
- 9 monthsSecure all building permits/SDCs (release up to an additional 25%)
- 12 monthsBegin construction
- 24 monthsReceive certificate of occupancy (remaining funds to be paid)



Lake Billy Chinook reservoir

02

Background & Additional Incentives

Background: Spotlight on the Economy of Jefferson County

Jefferson County is dynamic, growing, and economically diverse. It boasts an extraordinary natural setting with the magnificent Cascade Mountain Range and the high desert as backdrops. These physical settings provide an array of outdoor recreation activities – hiking, biking, fishing, hunting, rock-climbing, water sports, and golf. The area is attractive to young families, with local jobs as well as ample opportunities for distance workers in spectacular setting with small-town charm and quality-of-life. It also attracts many retirees who bring with them their talents and their disposable incomes.



The community is a blend of industry, agriculture and recreation. Area residents enjoy a rural-urban lifestyle with a variety of employment opportunities, including manufacturing, aviation, agriculture, retail, education, tourism and health care. Commercial air service is a short drive from Madras in Redmond. Madras also has a branch of Central Oregon Community College, with the Oregon State University Cascades campus less than an hour away in Bend. Madras boasts excellent access, located at a crossroads of two major State highways (26 and 97), in addition to freight rail and a private airport. Madras is only a two-hour drive from Portland and less than an hour from Bend.

Major private sector employers (2021) include:

- Brightwood Corporation, a building products manufacturer (800+ employees).
- Keith Manufacturing, a transportation equipment manufacturer (nearly 200 employees).
- Warm Springs Composite Products, another building products company (61 employees).
- Erickson Aero Tanker & Collection, a manufacturer of fire suppression products (45 employees).
- Helena Chemical, an agricultural products company with nearly 40 employees.

A more detailed list of the top 25 public and private employers can be found [here](#).



Cycling on bike trail overlooking Mt. Jefferson

Additional Incentives

The Partners encourage respondents to this NOFA to consider other incentives, above and beyond the County’s grant funding. Below are some of the resources, both local and non-local, financial and otherwise, for which projects may be eligible. Questions about these incentives and their locational and programmatic requirements should be directed to Jeff Rasmussen (contact information at end of this document). Applicants are encouraged to identify how the County grant funds will be leveraged with other public and private resources.

1. **Enterprise Zone:** Some of the sites may be eligible for the State-authorized Enterprise Zone, under which certain uses receive a 3 or 5 year abatement on new improvements. Note that this abatement does not apply to retail, most offices, or residential uses. Enterprise Zone program information can be found [here](#).
2. **Urban Renewal Funding** The City of Madras has established an Urban Renewal Area covering much of its commercial corridor (along Highway 97). The 260 acre URA provides funding to promote new private development within its boundaries. Eligible expenditures include funding of pre-development studies (appraisal, environmental, geotechnical, traffic, preliminary design, etc.); gap financing (grants and loans); and fee assistance. More information is available [here](#).
3. **Assistance with Other Financing Sources:** The County and its Partners will provide support to developer teams seeking potential non-City/URA financing sources for the project, including but not limited to conventional loans, Opportunity Zone funding (map can be found [here](#)), New Market Tax Credits, and EB-5.

4. **Zoning & Entitlements:** The Commission will work with the selected developer team to ensure that the permitting process goes forward efficiently and expeditiously.
5. **Other Regulatory Assistance:** The Commission will assist the selected developer in securing any permits or other types of regulatory conditions, including coordination of any necessary authorizations from the Oregon Department of Environmental Quality.
6. A list of additional incentives available to Central Oregon Projects can be found [here](#).



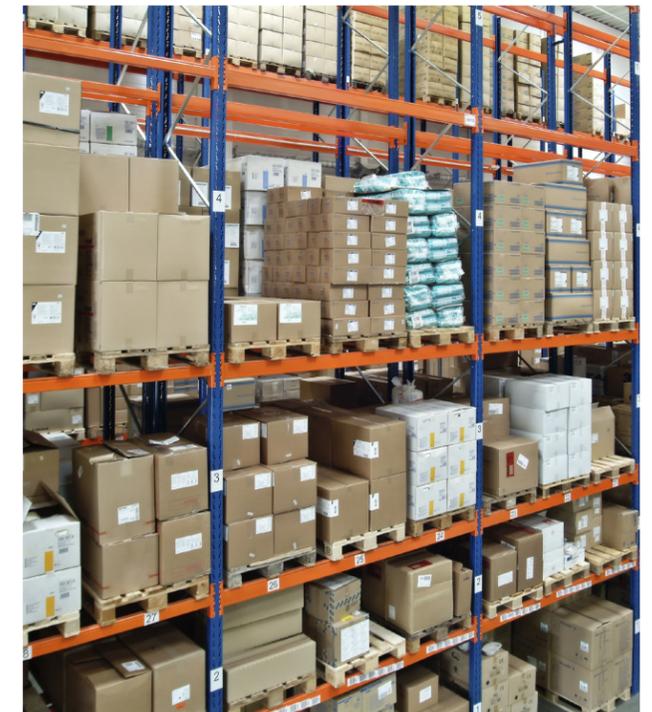
03

Selection Criteria & Process

Selection Criteria

The following are the criteria that the County (in consultation with its partners) will use in evaluating which projects to fund:

- Demonstrated compliance with the applicable Program requirements set forth in the “Description & Requirements of the Funding Opportunity” above.
- Likelihood of the project to result in new jobs (preferably good-paying jobs), either by allowing for the expansion of an existing business or the attraction of a new company/companies to the County.
- Ability to have the project under construction expeditiously (target construction start of Summer, 2023), and completed by June 30, 2024.



- Demonstrated experience of applicant and team members in delivering on industrial development.
- Capacity of the project to generate ROI (Return on Investment) as measured by new jobs, value of investment, property tax revenue, leverage of other funds, and demonstrated local benefit (e.g. local contractors/vendors/suppliers).
- Preference for a project that will result in a new business that supports or augments the supply chain for an existing business(es), thereby helping to create or build a new industry cluster.

Selection Process & Schedule

The Board of County Commissioners will be responsible for the ultimate decision as to which project/s to fund under this NOFA.

The County does not anticipate interviews for this NOFA. The County also reserves the right to solicit additional information and/or clarifications from respondents to this NOFA. It may also choose to contact references.

All meetings of the Board of County Commissioners are public, and the Board’s decision regarding which projects to fund will occur in a public hearing. All responses to this NOFA are public records and may be reviewed by any member of the public (see further information about confidentiality in General Conditions on page 15).

Anticipated Schedule

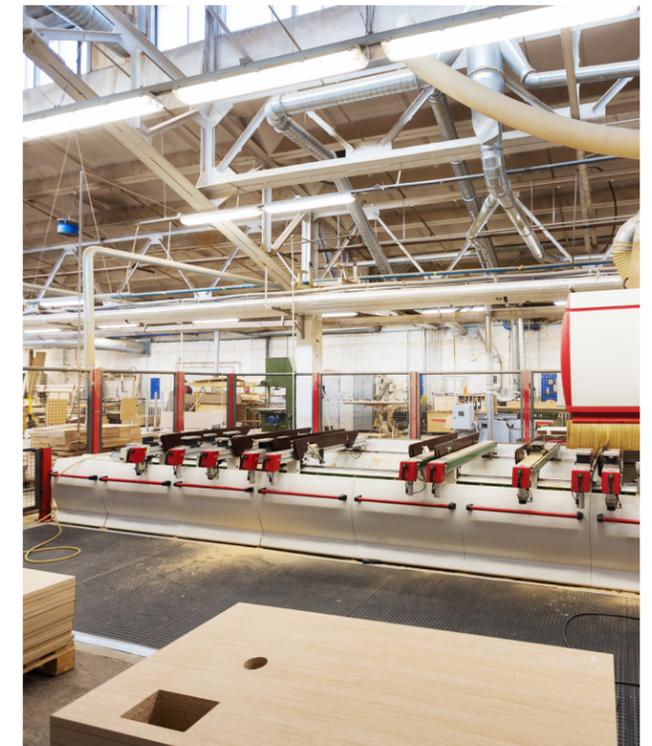
April 19, 2022	Issuance of NOFA
May 13, 2022, 8:30 – 10:30 AM	Optional Pre-Submittal Meeting & Tour (note the meeting will take place at the Daimler Truck Office, 2035 NW Berg Drive, Madras, OR)
May 16, 2022	Deadline for Requests for Clarification
May 17, 2022	County issues clarifications to NOFA, if any (these will be made available on the website)
June 3, 2022, 4:00 PM	Soft Deadline for Responses; Sealed responses must be received in County offices by this time, preferably physically, but the County will accept electronic submittals (see page 13)
June 22, 2022 (tentative)	Preliminary Evaluation of Submissions; possible funding decisions by the Board of Commissioners
July 6, 2022 (tentative)	Decision/issuance of award letters

04

Submission Requirements & General Conditions

Submission Requirements

Responses to this NOFA must be received either in person, by mail/delivery service, or electronically in the offices of Jefferson County, at 66 SE D Street, Suite A, Madras, Oregon, 97741, no later than 4:00 PM on June 3, 2022, at which time all responses will be opened. (As noted earlier, the County will conduct its initial review of responses to the NOFA of all proposals that meet this deadline; the County may but is not obligated to consider responses submitted after the June 3, 2022 deadline). Sealed physical responses must be plainly marked “Industrial Space Grant Jefferson County”. E-mailed responses will only be accepted at agassner@jeffco.net and must include “Industrial Space Grant Jefferson County” in the subject line. Faxed responses will not be accepted. All responses will remain sealed until the deadline (i.e., physical



responses will remain sealed until that time, and emails with the aforementioned subject line will remain un-opened until that time).

A proposal in response to this NOFA must contain a cover letter and a Narrative (five page maximum). Support documents (resumes, letters of reference, lender Letters of Interest, samples of other projects, site plans, etc.) are allowed without page limit, although the County encourages brevity. All documents should be limited to 8 ½ by 11 paper.

The Narrative should address all of the following information, as relevant:

- Name and contact information (including email address) for applicant/point of contact.
- Name and contact information for other team members.
- Location and zoning of Site.
- Site Control/relationship of applicant to the property.
- Description of proposed project (planned building size, new construction or major rehabilitation, demising plan, planned utility investments including power, natural gas, water and sewer meter size); other features such as loading docks, overhead or roll-up door height and site access and mobility; anticipated/known users/tenants; anticipated job count and approximate wage levels (if known). Please include any relevant plans or drawings, if available (site plan, floor plan, elevations).
- Responsiveness to the County’s “Must Haves” and “Nice to Haves” as contained in the “Description & Requirements of the Funding Opportunity”, on page 5.
- Any known major impediments to the project being under construction by mid-2023, related to financing, physical conditions (environmental, geotechnical, conditional use

land use permit, etc.), site control, and/or other factors.

- Availability of services (water, sewer, fiber, gas & electricity).
- Funding sources and uses (including letters of interest or other statements from committed or prospective lenders or equity partners), including proposed County grant funding.
- Proposed schedule (pre-development, entitlements, anticipated construction and completion date for project).
- Description of how the team and proposal are responsive to the stated Selection Criteria, pg 11.
- Team Members:
 - Identify development team members and roles, and describe qualifications. Provide resumes for key team members.
 - Describe the team’s recent experience in the development of projects similar in scope and scale to the proposal.
- Financial Capacity:
 - Explain your financial capacity. Please discuss your likely or committed equity and debt sources. Provide as much information as you wish, such as certified financial statements, credit availability letters, or bank references, to make the case that you have the financial capacity to carry out your proposed project. Any financial documents submitted to the County should be placed in a separate enveloped and clearly marked as confidential – the County will maintain the confidentiality of any such information to the extent allowed by law, but please do not submit information you do not wish to be made public. See also the statement about “Proprietary Information” in the General Conditions section, page 16.

General Conditions

- All facts and opinions stated within this NOFA and all supporting documents and data are based on information available from a variety of sources. No representation or warranty is made with respect thereto.
- The County reserves the right in its sole discretion to accept or reject all responses to this NOFA, without cause.
- The County reserves the right in its sole discretion to modify the selection process or other aspects of this NOFA, including canceling the NOFA without selecting a project. The County will take reasonable steps to ensure that any modification or clarification to the NOFA shall be distributed in writing to all persons who have requested a copy of the NOFA.
- The County reserves the right to request additional information following review of initial submissions.
- In the interest of a fair and equitable selection process, the County reserves the right to determine the timing, arrangement, and method of any presentation throughout the selection process. Teams are cautioned not to undertake any activities or actions to promote or advertise their proposals except during County-authorized presentations. Teams are encouraged to contact relevant County and City staff to learn more about the NOFA. However, developers and their representatives are not permitted to make any direct or indirect (through others) contact with members of the County Commission or affected City Council, except in the course of County- or City-sponsored presentations. Violation of these rules is grounds for disqualification of the team.
- Conflicts of Interest. Please disclose any conflicts of interest or potential conflicts of interest that may arise as a result of your firm



or its developer team partners being hired for this Project. Identify and describe fully any family or business relationships which any employees of your company may have or have had with any employee or elected official of the County, City, EDCO or any affiliated entities. The Proposer and sub-consultants shall identify any group, individual or organization that they may have worked for, or currently work for, that has had ownership, lease, development, related or similar interest in the County or City. Failure to disclose any existing or potential conflicts may disqualify the Proposal from consideration.

- Nondiscrimination. The County notifies all possible Proposers that no person shall be excluded from participation in, denied any benefits of, or otherwise discriminated against in connection with the award and performance of any contract on the basis of race, religious creed, color, national origin, ancestry, physical disability, sex, age, ethnicity, or on any other basis prohibited by law.
- Proprietary Information. Only information which is in the nature of legitimate trade secrets of non-published financial data may be deemed proprietary or confidential. Any material within a Proposal identified as such must be clearly marked in the Proposal and will be handled in accordance with the Oregon Public Records Law, and applicable rules and regulations. Any Proposal marked as confidential or proprietary in its entirety may be rejected without further consideration or recourse.
- All submissions shall become the sole and exclusive property of the County. Applicants shall not copyright, or cause to be copyrighted, any portion of their submission. Within the bounds of public records laws, the County will

maintain the confidentiality of submissions. Any proprietary financial information or other information which developer teams submit will be maintained as confidential as allowed by public records law. Submissions or information that the proposal team would like to remain confidential must be marked as such.

- The County makes no representations as to whether or not a project to be developed as a result of this NOFA, or any possible County participation therein, is a "public improvement" project and as such is subject to the prevailing wage requirements of the Oregon Bureau of Labor and Industry.
- News releases by the selected team pertaining to its selection will require prior written approval from the County.
- The County reserves the right to verify and investigate the qualifications and financial capacity of any and all members of the proposing teams.
- The County accepts no responsibility or obligation to pay any costs incurred by any party in the preparation or submission of a proposal or in complying with any subsequent request for information or for participation throughout the evaluation process.

For more information on the County or this Notice of Funding Availability (NOFA), please contact:

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Harriman Building in downtown Madras



Aerial view of Madras