



DAN JOHNSON
DIRECTOR

DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT
DEVELOPMENT SERVICES BUILDING
150 BEAVERCREEK ROAD OREGON CITY, OR 97045

August 14, 2025

BCC Agenda Date/Item: _____

Board of County Commissioners
Clackamas County

Approval of a Funding Agreement with the Clackamas County Arts Alliance for support to artistic organizations and public art exhibitions throughout the County. Agreement Value is \$110,000 for 10 months. Funding is through County Allocated Lottery Dollars. No County General Funds are involved.

Previous Board Action/Review	Issues/Updates June 17, 2025, Agenda item: Lottery Dollars: Membership Dues Request		
Performance Clackamas	1. Grow a Vibrant Economy		
Counsel Review	Yes, CH	Procurement Review	N/A
Contact Person	Laura Edmonds	Contact Phone	503-742-4366

EXECUTIVE SUMMARY: On June 17, 2025, staff presented to the Board of County Commissioners a proposed list of funding requests including non-competitive grants for arts and cultural organizations. The Board approved funding for CCAA at \$110,000, with funding to come from State of Oregon Lottery Dollars.

CCAA may use the funds for the following eligible purposes:

- Partially support training and capacity-building work for businesses, organizations, and entrepreneurs;
- Provide public art exhibitions throughout the County that are listed for sale supporting the artists business endeavors;
- Support local artists and creative businesses to prevent closures;
- Advance career opportunities and grow workforce;

Additionally, CCAA will serve as both liaison and advocate for the county arts and culture community, providing leadership, resources, and direction as well as functioning as a convener for individual artist groups, and to the various arts and culture organizations throughout Clackamas County.

RECOMMENDATION: Staff respectfully recommends approval of the Funding Agreement in the amount of \$110,000 between Clackamas County and the CCAA.

Respectfully submitted,

Dan Johnson

Dan Johnson, Director
Department of Transportation & Development

For Filing Use Only

**FUNDING AGREEMENT BETWEEN CLACKAMAS COUNTY
AND THE ARTS ACTION ALLIANCE FOUNDATION
DBA THE CLACKAMAS COUNTY ARTS ALLIANCE**

THIS FUNDING AGREEMENT (this “Agreement”) is entered into by and between **CLACKAMAS COUNTY**, a political subdivision of the State of Oregon (“County”), and the **ARTS ACTION ALLIANCE FOUNDATION** dba the **CLACKAMAS COUNTY ARTS ALLIANCE**, an Oregon nonprofit corporation (“CCAA”), together referred to as the “Parties” and each a “Party.”

RECITALS

- A.** On June 17, 2025, the Clackamas County Board of Commissioners appropriated one hundred and ten thousand dollars (\$110,000.00) in funding to support CCAA.

TERMS

NOW, THEREFORE, in consideration of the mutual promises set forth below and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

- 1. Term.** This Agreement shall be effective upon execution by the Parties and shall expire on June 30, 2026, unless otherwise terminated or extended as provided herein.
- 2. Funding.** County shall grant CCAA a sum not to exceed one hundred and ten thousand dollars (\$110,000.00) (the “Funds”). CCAA shall use the Funds solely for the purposes set forth in Exhibit A, attached hereto and incorporated herein by this reference.
- 3. Monitoring.** CCAA shall allow County access to conduct financial and performance audits for the purpose of monitoring use of the Funds in accordance with Generally Accepted Auditing Standards. County and its duly authorized representatives shall have access to such records, books, documents, papers, plans, records of shipments and payments, and writings of CCAA that are pertinent to this Agreement, whether in paper, electronic, or other form, to perform examinations and audits and make excerpts, copies, and transcripts. CCAA shall provide County reasonable access to its employees for the purpose of monitoring. Audits may be performed onsite or offsite, at County’s discretion. If any audit or financial review finds that payments to CCAA were in excess of the amount to which CCAA was entitled, then CCAA shall repay that amount to County.
- 4. Reporting.** CCAA shall provide reports to County as set forth in Exhibit A.

- 5. Financial Management.** CCAA shall comply with Generally Accepted Accounting Principles (GAAP) or another equally accepted basis of accounting, use adequate internal controls, and maintain documentation of all uses of the Funds.
- 6. Payment.** Upon execution of this Agreement, CCAA shall remit an invoice to County for full payment of the Funds. County shall grant CCAA the Funds in a single payment to be made within thirty (30) days of County's receipt of the invoice.

7. Representations and Warranties.

- A. CCAA's Representations and Warranties.** CCAA represents and warrants to County that CCAA has the power and authority to enter into and perform this Agreement and that this Agreement, when executed and delivered, shall be a valid and binding obligation of CCAA, enforceable in accordance with its terms.
- B. County's Representations and Warranties.** County represents and warrants to CCAA that County has the power and authority to enter into and perform this Agreement and that this Agreement, when executed and delivered, shall be a valid and binding obligation of County, enforceable in accordance with its terms.
- C.** The warranties set forth in this section are in addition to, and not in lieu of, any other warranties provided.

8. Termination.

- A. Termination for Convenience.** Either Party may terminate this Agreement at any time prior to County distributing the Funds to CCAA. After County has distributed the Funds to CCAA, either Party may terminate this Agreement upon 30 days' written notice to the other Party. In the event a Party terminates this Agreement under this Section, CCAA shall immediately return all unspent funds to County.
- B. Termination for Breach.** Either Party may terminate this Agreement in the event of a breach of the Agreement by the other Party. Prior to such termination, however, the Party seeking the termination shall give the other Party written notice of the breach and of the Party's intent to terminate. If the breaching Party has not entirely cured the breach within fifteen (15) days of deemed or actual receipt of the notice, then the Party giving notice may terminate the Agreement at any time thereafter by giving written notice of termination stating the effective date of the termination. If the default is of such a nature that it cannot be completely remedied within such fifteen (15) day period, this provision shall be complied with if the breaching Party begins correction of the default within the fifteen (15) day period and thereafter proceeds with reasonable diligence and in good faith to effect the remedy as soon as practicable. The Party giving notice shall not be required to give more than one (1) notice for a similar default in any twelve (12) month period. Upon termination for CCAA's breach, County shall

have all remedies available to it at law, in equity, or under this Agreement, including, but not limited to, requiring CCAA to return all unspent funds and to repay County for any funds used by CCAA in violation of this Agreement.

C. Termination for Non-Appropriation or Change in Law. Either Party may terminate this Agreement in the event County fails to receive expenditure authority sufficient to allow County, in the exercise of its reasonable administrative discretion, to perform under this Agreement. Additionally, either Party may terminate this Agreement if federal or state laws, regulations, or guidelines are modified or interpreted in such a way that performance under this Agreement is prohibited. In the event of termination under this Section, CCAA shall immediately return all unspent funds to County.

D. Waiver. Neither Party shall be deemed to have waived any breach of this Agreement by the other Party except by an express waiver in writing. An express written waiver as to one breach shall not be deemed a waiver of any other breach not expressly identified, even though the other breach is of the same nature as that waived.

E. Reservation of Remedies. The termination of this Agreement, regardless of cause, shall not prejudice any rights or obligations accrued to the Parties prior to termination. Each Party shall have all rights and remedies available to it at law, in equity, or under this Agreement.

9. Indemnification. CCAA agrees to indemnify, hold harmless, and defend County and its officers, elected officials, agents, and employees from and against all claims, actions, losses, and liabilities, including reasonable attorney and accounting fees, and expenses incidental to the investigation and defense thereof, arising out of or based upon CCAA's acts or omissions in performing under this Agreement, including, but not limited to, any claim that CCAA used the Funds for ineligible purposes under ORS 461.540. However, neither CCAA nor any attorney engaged by CCAA shall defend the claim in the name of County or any of its departments, or purport to act as legal representative of County or any of its departments, without first receiving authority from the Clackamas County Counsel's Office to do so, nor shall CCAA settle any claim on behalf of County without the approval of the Clackamas County Counsel's Office. County may, at its election and expense, assume its own defense and settlement. CCAA shall not be required to indemnify County for any such liability arising solely out of negligent acts or omissions of the County in performing under this Agreement.

10. Insurance. CCAA shall secure at its own expense and keep in effect during the term of this Agreement the required insurance and minimum coverage indicated below. The insurance requirements outlined below do not in any way limit the amount or scope of CCAA's potential liability under this Agreement. CCAA shall provide proof of said insurance and name County as an additional insured on all required liability policies. Proof of insurance and notice of any material change should be submitted

to the following address: Clackamas County Procurement Division, 2051 Kaen Road, Oregon City, OR 97045 or emailed to the County Contract Analyst.

<input checked="" type="checkbox"/> –Workers’ Compensation: statutory workers’ compensation requirements in ORS 656.017, unless exempt under ORS 656.027 or 656.126.
<input checked="" type="checkbox"/> Commercial General Liability: combined single limit, or the equivalent, of not less than \$1,000,000 per occurrence, with an annual aggregate limit of \$2,000,000 for Bodily Injury and Property Damage.
<input type="checkbox"/> Professional Liability: combined single limit, or the equivalent, of not less than \$1,000,000 per claim, with an annual aggregate limit of \$2,000,000 for damages caused by error, omission, or negligent acts.
<input type="checkbox"/> Automobile Liability: combined single limit, or the equivalent, of not less than \$1,000,000 per accident for Bodily Injury and Property Damage.
<input type="checkbox"/> Abuse & Molestation endorsement with limits not less than \$1,000,000 per occurrence if not included in the Commercial General Liability policy.

11. Notices and Contacts. Legal notice provided under this Agreement shall be sent by certified mail, sent by email, or personally delivered to the individuals identified below. Any communication or notice sent by certified mail shall be deemed to be given upon receipt. Any communication or notice sent by email shall be deemed to be given two (2) hours after the time sent (as recorded on the device from which the sender sent the email) unless the sender receives an automated message or other indication that the email has not been delivered. Any communication or notice personally delivered shall be deemed to be given when actually delivered. Either Party may change their contact information, or their invoice or payment address, by giving prior written notice thereof to the other Party.

A. County.

Laura Edmonds, Economic Development Manager
Clackamas County Office of Economic Development
150 Beaver Creek Road
Oregon City, OR 97045
ledmonds@clackamas.us | (503) 742-4366

B. CCAA.

Dianne Alves, Executive Director
Arts Action Alliance Foundation dba Clackamas County Arts Alliance
PO Box 2181
Oregon City, OR 97045
dianne@clackamasartsalliance.org | (503) 481-1288

12. General Provisions.

- A. Oregon Law and Forum.** This Agreement, and all rights, obligations, and disputes arising out of it, shall be governed by and construed in accordance with the laws of the State of Oregon and the ordinances of Clackamas County without giving effect to the conflict of law provisions thereof. Any claim between County and CCAA that arises from or relates to this Agreement shall be brought and conducted solely and exclusively within the Circuit Court of the State of Oregon for Clackamas County; provided, however, that, if a claim must be brought in a federal forum, it shall be brought and conducted solely and exclusively within the United States District Court for the District of Oregon. In no event shall this section be construed as a waiver by County of any form of defense or immunity, whether sovereign immunity, governmental immunity, immunity based on the Eleventh Amendment to the United States Constitution, or otherwise, from any claim or from the jurisdiction of any court.
- B. Compliance with Applicable Law.** The Parties shall comply with all applicable local, state, and federal ordinances, statutes, laws, and regulations, including, but not limited to, the requirement that the Funds be used for purposes consistent with ORS chapter 461 and other applicable law. Failure to comply with such obligations is a material breach of this Agreement.
- C. Non-Exclusive Rights and Remedies.** Except as otherwise expressly provided herein, the rights and remedies expressly afforded under the provisions of this Agreement shall not be deemed exclusive and shall be in addition to and cumulative with any and all rights and remedies otherwise available at law or in equity. The exercise by either Party of any one or more of such remedies shall not preclude the exercise by it, at the same or a different time, of any other remedies for the same default or breach, or for any other default or breach, by the other Party.
- D. Access to Records.** CCAA shall retain, maintain, and keep accessible all records relevant to this Agreement for a minimum of six (6) years following termination or expiration of this Agreement, or for any longer period as may be required by applicable law, or until the conclusion of an audit, controversy, or litigation arising out of or related to this Agreement, whichever is later. CCAA shall maintain all financial records in accordance with GAAP. All other records shall be maintained to the extent necessary to clearly reflect actions taken. During this record retention period, CCAA shall permit County's authorized representatives access to the records at reasonable times and places for purposes of examining and copying.
- E. Debt Limitation.** This Agreement is expressly subject to the limitations of the Oregon Constitution and Oregon Tort Claims Act, and is contingent upon the appropriation of funds. Any provisions herein that conflict with the above-referenced laws are deemed inoperative to that extent.

- F. Severability.** If any provision of this Agreement is found to be unconstitutional, illegal, or unenforceable, this Agreement nevertheless shall remain in full force and effect, and the offending provision shall be stricken. The court or other authorized body finding such provision unconstitutional, illegal, or unenforceable shall construe this Agreement without such provision to give effect, to the maximum extent possible, to the intentions of the Parties.
- G. Integration, Amendment, and Waiver.** Except as otherwise set forth herein, this Agreement constitutes the entire agreement between the Parties on the matter of the Funds. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Agreement. No waiver, consent, modification, or change of terms of this Agreement shall bind either Party unless in writing and signed by both Parties and all necessary approvals have been obtained. Such waiver, consent, modification, or change, if made, shall be effective only in the specific instance and for the specific purpose given. The failure of either Party to enforce any provision of this Agreement shall not constitute a waiver by such Party of that or any other provision.
- H. Interpretation.** The titles of the sections of this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.
- I. Independent Contractors.** Each Party shall be deemed an independent contractor for purposes of this Agreement. No representative, agent, employee, or contractor of one Party shall be deemed to be a representative, agent, employee, or contractor of the other Party for any purpose, except to the extent specifically provided herein. Nothing herein is intended, nor shall it be construed, to create between the Parties any relationship of principal and agent, partnership, joint venture, or any similar relationship, and each Party specifically disclaims any such relationship.
- J. No Third-Party Beneficiary.** CCAA and County are the only parties to this Agreement and are the only parties entitled to enforce its terms. Nothing in this Agreement gives, is intended to give, or shall be construed to give or provide any benefit or right, whether directly, indirectly, or otherwise, to third persons unless such third persons are individually identified by name herein and expressly described as intended beneficiaries of the terms of this Agreement.
- K. Subcontract and Assignment.** CCAA shall not enter into any subcontracts for any of the work required by this Agreement, or assign or transfer any of its interest in this Agreement, by operation of law or otherwise, without obtaining prior written approval from County, which shall be granted or denied in County's sole discretion. County's consent to any subcontract shall not relieve CCAA of any of its duties or obligations under this Agreement.

- L. Counterparts.** This Agreement may be executed in several counterparts (electronic or otherwise), each of which shall be an original, and all of which shall constitute the same instrument.
- M. Survival.** All provisions in Sections 7, 9, and 12 (A), (C), (D), (E), (F), (G), (H), (I), (J), (M), (O), and (Q) shall survive the termination of this Agreement, together with all other rights and obligations herein which by their context are intended to survive.
- N. Necessary Acts.** Each Party shall execute and deliver to the others all such further instruments and documents as may be reasonably necessary to carry out this Agreement.
- O. Successors in Interest.** The provisions of this Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective authorized successors and assigns.
- P. Force Majeure.** Neither Party shall be held responsible for delay or default caused by events outside of that Party's reasonable control, including, but not limited to, fire, terrorism, riot, acts of God, or war. However, CCAA shall make all reasonable efforts to remove or eliminate the cause of such delay or default and shall, upon the cessation of the cause, diligently pursue performance of its obligations under this Agreement.
- Q. No Attorney Fees.** In the event any arbitration, action, or proceeding, including any bankruptcy proceeding, is instituted to enforce any term of this Agreement, each Party shall be responsible for its own attorney fees and expenses.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the dates set forth beneath their names below.

Clackamas County

**Arts Action Alliance Foundation
dba Clackamas County Arts Alliance**

Dianne Alves

Craig Roberts
Chair, Board of County Commissioners

Dianne Alves
Executive Director

Date

Date

Approved as to Form:

[Signature]

County Counsel

7/31/2025

Date

EXHIBIT A

Use of Funds. The Funds are included in the Clackamas County Office of Economic Development's FY 2025-26 adopted budget. The Funds are proceeds from the Oregon State Lottery and, as such, are subject to the limitations of use set forth in Article XV, section 4, of the Oregon Constitution and ORS 461.540. Use of the Funds is restricted to the following:

- Creating jobs;
- Furthering economic development in Oregon; and
- Financing public education.

Specifically, CCAA may use the Funds for the following eligible purposes:

- Partially support training and capacity-building work for businesses, organizations, and entrepreneurs;
- Provide public art exhibitions throughout the county where the art is listed for sale to support the artists' business endeavors;
- Support local artists and creative businesses to prevent closures; and
- Advance career opportunities and grow the workforce.

In addition, CCAA agrees to:

- Serve as both liaison and advocate for the county's arts and culture community, providing leadership, resources, and direction, and functioning as a convener for individual artist groups (by discipline) as well as the various arts and culture organizations throughout the county;
- Be available to advise local businesses, chambers of commerce, and city governments seeking arts and culture expertise, and to connect local businesses and governments with the county's arts and culture community for collaboration in support of local economic development and cultural tourism; and
- Support the Board of County Commissioners in a proactive way, enabling them to understand the various needs and the positive impact of the arts and culture community in the county.

Reporting. CCAA shall provide one preliminary and one final report to County regarding use of the Funds. The reports shall include CCAA's full financials, a balance sheet, a spreadsheet detailing how the Funds were spent, a narrative summary detailing how the Funds were used to support CCAA's operations, the names and positions of any staff the Funds were used to support, program outcomes, and other information reasonably requested by County, including, but not limited to, information necessary to fulfill County's obligations under ORS chapter 461.

The preliminary report, which is a draft final report, is due by June 1, 2026, in order to give staff time to review the report and request modifications for the final report. The final report is due on July 30, 2026, in order to give staff time to provide copies to the Board of County Commissioners. The Board may, at its discretion, request a presentation at a public meeting.