

PORTLAND DEVELOPMENT COMMISSION

Portland, Oregon

RESOLUTION NO. 7158

AUTHORIZING THE NINTH AMENDMENT TO THE DEVELOPMENT AGREEMENT FOR PIONEER PLACE IN THE DOWNTOWN WATERFRONT URBAN RENEWAL AREA

WHEREAS, the Portland Development Commission (“PDC”) is delivering and executing on the 1974 Downtown Waterfront Urban Renewal Plan, supporting a vibrant central city;

WHEREAS, in 1981 PDC adopted the Action Plan for Downtown Retail Development, which recommended a phased development program on four blocks in downtown Portland;

WHEREAS, through a competitive solicitation process, PDC selected Rouse Company as a development partner in the Pioneer Place project, a four-block, mixed-use redevelopment;

WHEREAS, on May 13, 1987, PDC and Rouse Company executed the Amended and Restated Disposition and Development Agreement (“1987 DDA”) to develop the Pioneer Place project;

WHEREAS, the completion and continued success of the Pioneer Place project has been one of the most significant redevelopment efforts in the history of the City of Portland, helping to spur and anchor the development of downtown Portland’s retail and office core;

WHEREAS, the 1987 DDA provided PDC with the right to receive certain defined Participation Payments that expire in 2025;

WHEREAS, General Growth Properties (“GGP”) has offered to make a one-time Termination Payment to PDC that would extinguish the Participation Payment rights; and

WHEREAS, PDC has examined the value of the Participation Payments, and has concluded that it is in the best interests of PDC and the City to accept a payment of \$12,500,000 as consideration for the release of the obligation to make future Participation Payments;

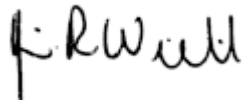
NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to execute the Ninth Amendment to the Development Agreement for Pioneer Place (“Ninth Amendment”), terminating the obligation to make future Participation Payments in exchange for the cash payment of \$12,500,000.

BE IT FURTHER RESOLVED, that that the Executive Director may approve changes to the Ninth Amendment if such changes do not materially increase PDC’s obligations or risks, as determined by the Executive Director in consultation with PDC’s General Counsel; and

BE IT FURTHER RESOLVED, that the Executive Director is directed to pay \$7,400,000 to the Downtown Waterfront URA fund (the land value determined by the PDC Board in the 1987 DDA), pay \$1,137,500 to the City of Portland for its share of the Termination Payment payoff, and pay \$3,962,500 to PDC's Business Management Fund, from the \$12,500,000 payment; and

BE IT FURTHER RESOLVED, that this resolution shall become effective immediately upon its adoption.

Adopted by the Portland Development Commission on December 16, 2015

A handwritten signature in black ink, appearing to read "Gina Wiedrick". The signature is written in a cursive style with a large initial "G".

Gina Wiedrick, Recording Secretary

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RESOLUTION TITLE:

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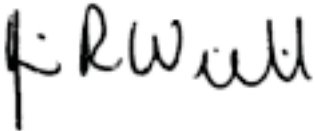
Adopted by the Portland Development Commission on December 16, 2015

PRESENT FOR VOTE	COMMISSIONERS	VOTE		
		Yea	Nay	Abstain
<input checked="" type="checkbox"/>	Chair Tom Kelly	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Commissioner Gustavo Cruz, Jr.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	Commissioner Aneshka Dickson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Commissioner Mark Edlen	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Commissioner William Myers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Consent Agenda		<input checked="" type="checkbox"/> Regular Agenda		

CERTIFICATION

The undersigned hereby certifies that:

The attached resolution is a true and correct copy of the resolution as finally adopted at a Board Meeting of the Portland Development Commission and as duly recorded in the official minutes of the meeting.

	<p>Date:</p> <p>December 17, 2015</p>
<p>Gina Wiedrick, Recording Secretary</p>	