

PORTLAND DEVELOPMENT COMMISSION
Portland, Oregon

RESOLUTION NO. 6690

**AUTHORIZING FIRST AMENDMENT TO DISPOSITION AND
DEVELOPMENT AGREEMENT WITH THE HOUSING
AUTHORITY OF PORTLAND FOR THE RESOURCE ACCESS
CENTER INCREASING THE \$500,000 EXPENDITURE
AUTHORITY ON ENVIRONMENTAL REMEDIATION TO
\$750,000;**

WHEREAS, on January 29, 2009, the Portland Development Commission ("PDC") Board of Commissioners (the "Board") adopted Resolution No. 6638 authorizing that certain Disposition and Development Agreement of even date therewith (the "DDA") with the Housing Authority of Portland ("HAP") for the development of the Resource Access Center and housing on the western lots of Block U;

WHEREAS, the DDA provides that PDC is responsible for the cost of performing environmental remediation work on Block U to the extent that such costs do not exceed \$500,000;

WHEREAS, during cleanup of Block U, unforeseen contamination was discovered and PDC has determined that the cost of environmental remediation will be \$750,000 including hard construction costs of \$650,000 and soft costs of \$100,000;

WHEREAS, because the cost to clean up the discovered contamination exceeds the amount authorized in the DDA, the DDA will require an amendment by and between PDC and HAP to allow PDC to continue with the environmental remediation work on Block U for the increased cost of \$750,000 (the First Amendment");

NOW, THEREFORE, BE IT RESOLVED that the Board authorizes the First Amendment, substantially in the form attached hereto as Exhibit A, and

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

Adopted by the Portland Development Commission on March 25, 2009.



Emily Swenson, Recording Secretary

March 25, 2009

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**FIRST AMENDMENT TO AGREEMENT FOR DISPOSITION AND DEVELOPMENT
OF PROPERTY IN THE RIVER DISTRICT URBAN RENEWAL AREA KNOWN AS
PORTION OF BLOCK “U”**

This **FIRST AMENDMENT TO AGREEMENT FOR DISPOSITION AND DEVELOPMENT OF PROPERTY IN THE RIVER DISTRICT URBAN RENEWAL AREA KNOWN AS PORTION OF BLOCK “U”** (this “First Amendment”) is effective as of March 25, 2009 (the “**Effective Date**”) between the **CITY OF PORTLAND**, a municipal corporation of the State of Oregon (the “**City**”), acting by and through the **PORTLAND DEVELOPMENT COMMISSION**, the duly designated urban renewal agency of the City of Portland (which, together with any successor public agency designated by or pursuant to law, is herein called “**PDC**”), and the **HOUSING AUTHORITY OF PORTLAND**, an Oregon public body corporate and politic (“**Developer**” or “**HAP**”). PDC and Developer may be referred to jointly in this Agreement as the “**Parties**” or individually as a “**Party**.”

RECITALS

- A.** PDC and HAP entered into that certain AGREEMENT FOR DISPOSITION AND DEVELOPMENT OF PROPERTY IN THE RIVER DISTRICT URBAN RENEWAL AREA KNOWN AS PORTION OF BLOCK “U” dated January 28, 2009 (the “Original DDA”).
- B.** The Original DDA as amended by this First Amendment shall be referred to herein as the “DDA”.
- C.** In connection with the Original DDA, PDC undertook certain environmental remediation activities on Block U in preparation for the Project.
- D.** During the environmental remediation work PDC determined that the cost of such work would exceed the \$500,000 cap on PDC’s costs related to the clean-up of Block U as stipulated in the Original DDA.
- E.** The Parties desire that the clean-up of Block U be completed in preparation for the construction of the Project.
- F.** Accordingly, PDC and HAP desire to amend the Original DDA to increase PDC’s cap on the environmental remediation costs related to the clean-up of Block U, update the Schedule of Performance and correct certain scrivener’s errors as set forth herein.

NOW THEREFORE, in consideration of the undertakings and mutual covenants of the Parties, and for other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, PDC and HAP agree as follows:

AGREEMENT

1. **Definitions.** Capitalized terms used herein without definition shall have the meaning ascribed to them in the Original DDA.
2. **Schedule of Performance.** The Schedule of Performance attached to the Original DDA as Exhibit C is hereby deleted in its entirety and replaced with the Schedule of Performance attached hereto as Exhibit A.
3. **Construction and Permanent Financing for the Project.** The amount “FIVE HUNDRED THOUSAND DOLLARS (\$500,000.00)” referenced in the fifth sentence of Section 3.1.1 of the Original DDA is hereby deleted and replaced with “SEVEN HUNDRED FIFTY THOUSAND DOLLARS (\$750,000.00)”.
4. **Environmental Remediation Plan and Cleanup.** The amount “\$500,000.00” and the reference to “Section 4.1.4” in the third sentence of Section 4.1.4 of the Original DDA are hereby deleted and replaced, respectively, with the following: “\$750,000.00” and “Section 4.1.5”.
5. **Unforeseen Environmental Conditions.** The reference to “Section 4.1.4” in the first sentence of Section 4.1.5 of the Original DDA is hereby deleted and replaced with “Section 4.1.5”.
6. **Developer Indemnification.** All references to “Section 4.1.3” in Section 4.1.6 of the Original DDA are hereby deleted and replaced with “Section 4.1.4”. All references to “Section 4.1.4” in Section 4.1.6 of the Original DDA are hereby deleted and replaced with “Section 4.1.5”. The reference to “Section 4.1.4” in the final sentence of Section 4.1.6 of the Original DDA is hereby deleted and replaced with “Section 4.1.6”.
7. **Miscellaneous.** Except as expressly modified hereby, the DDA remains unmodified and in full force and effect. This First Amendment may not be amended except by a writing signed by the Parties. This First Amendment may be executed in counterparts, each of which shall constitute one agreement.

(Signatures appear on the following page.)

March 25, 2009

IN WITNESS WHEREOF, the Parties have executed this First Amendment to be effective on the Effective Date.

PDC:

CITY OF PORTLAND, a municipal corporation in the State of Oregon, acting by and through the Portland Development Commission as the duly designated Urban Renewal Agency of the City of Portland.

By: _____
Bruce A. Warner, Executive Director

APPROVED AS TO FORM:

Lisa Gramp, Assistant General Counsel
Portland Development Commission

HAP:

HOUSING AUTHORITY OF PORTLAND,
an Oregon public body corporate and politic

By: _____

Name: _____

Title: _____

March 25, 2009

Exhibit A

Schedule of Performance

(See attached)

PDC

PORTLAND DEVELOPMENT COMMISSION

Resolution Number 6690

Title:

AUTHORIZING FIRST AMENDMENT TO DISPOSITION AND DEVELOPMENT AGREEMENT WITH THE HOUSING AUTHORITY OF PORTLAND FOR THE RESOURCE ACCESS CENTER INCREASING THE \$500,000 EXPENDITURE AUTHORITY ON ENVIRONMENTAL REMEDIATION TO \$750,000;

Adopted by the Portland Development Commission on March 25, 2009.

PRESENT FOR VOTE	COMMISSIONERS	VOTE		
		Yea	Nay	Abstain
<input checked="" type="checkbox"/>	Charles Wilhoite, Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Scott Andrews	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Bertha Ferrán	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	John Mohlis	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	Vacant	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/> Consent Agenda		<input 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 duly recorded in the official minutes of the meeting.



Emily Swenson, Recording Secretary

Date: April 3, 2009