

PORTLAND DEVELOPMENT COMMISSION
Portland, Oregon

RESOLUTION NO. 6837

AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A DISPOSITION AND DEVELOPMENT AGREEMENT WITH GLOBE HOTEL, LLC and GLOBE BUILDING, LLC FOR THE DEVELOPMENT OF CERTAIN REAL PROPERTY LOCATED AT 88 SW DAVIS STREET BETWEEN 1ST AVENUE AND SW NAITO PARKWAY IN THE DOWNTOWN WATERFRONT URBAN RENEWAL AREA; AND AUTHORIZING FINANCIAL ASSISTANCE IN A TOTAL AGGREGATE AMOUNT NOT TO EXCEED \$6,224,000.

WHEREAS, the Urban Renewal Plan for the Downtown Waterfront Urban Renewal Area (the "Plan") was adopted by the Portland City Council on April 25, 1974, by Ordinance No. 31395, and has been amended from time to time;

WHEREAS, in December 2006, the Portland Development Commission ("PDC") adopted the Ankeny Burnside Development Framework Plan with the assistance of stakeholders participating in an extensive public involvement process, in order to determine the appropriate implementation strategy to stimulate catalytic development within the Skidmore/Old Town Historic Landmark District;

WHEREAS, in 2005, PDC purchased the real property (the "Property") located between NW 1st Avenue and Naito Parkway, and NW Davis and Couch Streets, for the construction of a new Fire Station #1;

WHEREAS, the City terminated the Fire Station #1 project due to escalating costs for the new facility, and the Property was designated a catalytic development opportunity site;

WHEREAS, in fall 2008 the Oregon College of Oriental Medicine ("OCOM") expressed interest in the relocation of its campus headquarters to Old Town/Chinatown into the historic Globe Hotel building located on the Property at 88 NW Couch (the "Project");

WHEREAS, OCOM is a specialized graduate institution founded in 1983, and is one of the most successful and oldest acupuncture and oriental medicine colleges in the United States;

WHEREAS, OCOM partnered with BEAM Construction and Management, LLC ("BEAM"), and together they have formed Globe Hotel, LLC to develop the Project;

WHEREAS, the PDC Executive Director authorized staff to negotiate with Globe Hotel, LLC a disposition and development agreement ("DDA") for the redevelopment of the Property;

WHEREAS, the PDC Executive Director, upon a recommendation by the PDC Loan Review Committee, approved a \$200,000 predevelopment loan (the "Predevelopment Loan") to Globe Hotel, LLC to assist with certain predevelopment costs;

WHEREAS, the Project will consist of the historic rehabilitation of the Globe Hotel;

WHEREAS, in order to facilitate utilizing New Markets Tax Credits available under Federal Internal Revenue Code (the "Code") Section 45D as part of the financing of the Project, Globe Hotel, LLC intends to form Globe Building, LLC to serve as a qualified active low income community business, as defined under Section 45D(d)(2) of the Code;

WHEREAS, PDC, OCOM, and BEAM have agreed to the terms of a DDA substantially in the form attached hereto that sets forth the public and private obligations for the financing and redevelopment of the Property;

WHEREAS, PDC finds that the Project supports the Plan goals to eliminate blight, encourage private conservation, rehabilitation, and development within the urban renewal area and encourages land uses that will help create a well-balanced physical and economic environment;

WHEREAS, construction of the Project will pay prevailing wages;

WHEREAS, the Project will comply with the PDC Green Building policy; and

WHEREAS, the Project planning occurred during the deterioration of financial markets, which has necessitated a higher than anticipated level of PDC financial participation as a gap lender to attract a commercial lender to the Project.

NOW, THEREFORE, BE IT RESOLVED that the Executive Director is hereby authorized to enter into an Agreement for the Disposition and Development of Property for the property located at SW Davis Street between 1st Avenue and SW Naito Parkway in the Downtown Waterfront Urban Renewal Area with Globe Hotel, LLC and Globe Building, LLC, substantially in the form attached hereto as Exhibit A;

BE IT FURTHER RESOLVED that the Executive Director is hereby authorized to prepare and execute such loan documents and agreements, subject to approval by PDC General Counsel, necessary to amend the Predevelopment Loan to increase the principal amount by \$545,000 on terms recommended by PDC Loan Review Committee for a total aggregate principal amount not to exceed Seven Hundred Forty-Five Thousand and NO/100 Dollars (\$745,000);

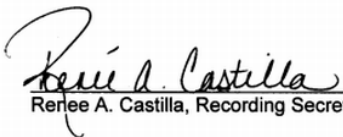
BE IT FURTHER RESOLVED that the Executive Director is hereby authorized to prepare and execute such loan documents and agreements, subject to approval by PDC General Counsel, necessary for PDC to provide a Commercial Property Redevelopment Loan to OCOM on terms recommended by PDC Loan Review Committee in an amount not to exceed Seven Hundred Forty-Five Thousand and NO/100 Dollars (\$745,000), including the following exceptions;

BE IT FURTHER RESOLVED that the Executive Director is hereby authorized to prepare and execute such loan documents and agreements, subject to approval by PDC General Counsel, necessary for PDC to provide a Real Estate Loan to OCOM on terms recommended by PDC Loan Review Committee in an amount not to exceed Two Million Two Hundred Thirty-Four Thousand and NO/100 Dollars (\$2,234,000);

BE IT FURTHER RESOLVED that the Executive Director is hereby authorized to prepare and execute such loan documents and agreements, subject to approval by PDC General Counsel, necessary for PDC to provide a Bridge Loan to OCOM on terms recommended by PDC Loan Review Committee in an amount not to exceed Two Million Five Hundred Thousand and NO/100 Dollars (\$2,500,000); and

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

Adopted by the Portland Development Commission on November 10, 2010.


Renee A. Castilla, Recording Secretary

AGREEMENT FOR DISPOSITION AND DEVELOPMENT OF PROPERTY

IN THE DOWNTOWN WATERFRONT URBAN RENEWAL AREA

BETWEEN

THE PORTLAND DEVELOPMENT COMMISSION

AND

GLOBE HOTEL, LLC

DATED

**AGREEMENT FOR DISPOSITION AND DEVELOPMENT OF PROPERTY
IN THE DOWNTOWN WATERFRONT URBAN RENEWAL AREA**

88 NW Davis (Globe Hotel)

THIS AGREEMENT FOR DISPOSITION AND DEVELOPMENT OF PROPERTY IN THE DOWNTOWN WATERFRONT URBAN RENEWAL AREA (this "**Agreement**") is entered into as of _____, 2010 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**"), **GLOBE HOTEL, LLC**, an Oregon limited liability company ("**Developer**"), and Globe Building, LLC, an Oregon limited liability company ("**QALICB**"). PDC, Developer, and QALICB are referred to jointly in this Agreement as "**Parties**" and individually as a "**Party**".

RECITALS

- A. In furtherance of the objectives of Oregon Revised Statutes, Chapter 457, and Chapter XV of the Charter of the City of Portland, PDC has undertaken a program for the development and redevelopment of blighted areas in the City and in connection therewith prepared and approved an Urban Renewal Plan for the Downtown Waterfront Urban Renewal Area, which was approved by the City Council of the City on April 28, 1974 (as amended from time to time, the "**Urban Renewal Plan**" or the "**Plan**").
- B. A copy of the Urban Renewal Plan, as amended, as constituted on the date hereof has been recorded in the real property records of Multnomah County, Oregon, and is by this reference made a part hereof.
- C. PDC, finding it necessary and in the public interest to implement the Plan, acquired the property located at 88 NW Davis, Portland, Oregon (as further described in the Definitions section below, the "**Property**") in the Downtown Waterfront Urban Renewal Area for redevelopment as a fire station.
- D. In July 2006, PDC and the City of Portland, Bureau of Fire and Rescue, decided not to proceed with redevelopment of the Property as a fire station.
- E. PDC now desires to sell the Property to a developer or a single purpose limited liability company of which a developer is the manager and majority member who will, among other things, rehabilitate the historic Globe Hotel, located on the Property, to be used as the headquarters for the Oregon College of Oriental Medicine, with a ground floor clinic for patient visits, as well as educational and training facilities on upper floors including a new penthouse addition with a rooftop garden, and including at least 50% active ground floor use, along 1st Avenue and Couch Street (as further described in the Definitions section below, the "**Project**").
- F. PDC believes that completion of the Project will serve as a catalyst for further redevelopment in the Downtown Waterfront Urban Renewal Area, consistent with Goals A, B, C, and E of the Plan.
- G. In furtherance of that redevelopment objective, PDC entered into negotiations with Developer for conveyance of the Property to Developer and for Developer's completion of the Project on the Property.
- H. The Parties are now prepared to enter into a definitive agreement for Developer or QALICB to acquire the Property and undertake development and operation of the Project.

- I. The completion of the Project according to the terms of this Agreement, including the Scope of Development (defined below) and the Schedule of Performance (defined below), is a material inducement to PDC to enter into this Agreement.
- J. PDC finds that the fulfillment, generally, of this Agreement, and the intentions set forth herein, are in the vital and best interest of the City and the health, safety, and welfare of its residents, and are in accord with the public purposes and provisions of the applicable state and federal laws and requirements under which the Urban Renewal Plan was adopted.

AGREEMENT

NOW, THEREFORE, for and in consideration of the premises set forth above and the conditions, covenants and agreements set forth below, the Parties hereby agree as follows:

DEFINITIONS

The following words and phrases have the designated meanings in this Agreement:

1. **“Agreement”** means this Agreement for the Disposition and Development of Property and all attached Exhibits.
2. **“Beam”** means BEAM Construction & Management, LLC, an Oregon limited liability company.
3. **“Business and Workforce Equity Policy”** means the Business and Workforce Equity Policy adopted by the PDC Board of Commissioners on April 28, 2010, a copy of which is attached hereto as Exhibit H.
4. **“Business Day”** means a day of the year on which banks are not required or authorized to close in Portland, Oregon.
5. **“Business Energy Tax Credits”** means the business energy tax credit available under ORS 315.354.
6. **“CDE Lender”** means, collectively, one or more to be formed limited liability company(ies), each of which will be a qualified community development entity as defined in Code Section 45D(c)(1).
7. **“Certificate of Completion”** means a certificate issued by PDC to Developer pursuant to Section 3.8 of this Agreement.
8. **“City”** means the City of Portland, Oregon and its constituent bureaus and agencies, except PDC.
9. **“Close”** means the conveyance of the Property to Developer by PDC through recordation of the Deed.
10. **“Closing”** means the date on which the Deed from PDC to Developer is recorded and the Transaction Documents have been executed and the Real Estate Loan funded.
11. **“Code”** means the Internal Revenue Code of 1986, as amended.
12. **“Conceptual Plans”** means the preliminary plans, site drawings and cost estimates for the Project.
13. **“Construction Documents”** means documents, based upon the Design Review Documents, that set forth in detail the requirements for construction of the Project pursuant to the terms of this Agreement, approved by PDC and the appropriate City agencies. Construction Documents shall include drawings and specifications that establish in detail the quality levels of materials and systems required for the Project.
14. **“Conveyance”** means, collectively, the transfer of fee simple title to the Property by PDC to Developer or QALICB by Deed and the granting of the Easement from PDC to the Developer or QALICB.

15. **“Deed”** means the form of Bargain and Sale Deed which will be used to convey fee simple title to the Property, as attached to this Agreement as Exhibit A and incorporated herein by this reference.
16. **“Demolition”** means the removal of certain improvements on the Property, including but not limited to the removal of debris from the Property and its lawful disposal.
17. **“Design Review Documents”** means the detailed plans submitted to the City of Portland, Bureau of Development Services (BDS), for Design Review in accordance with Title 33.825 of the Code of the City of Portland, including but not limited to:
 - Architectural site plans showing all structures upon the site together with all connections to existing or proposed utilities, roads, sidewalks and alleys;
 - A general landscaping concept plan;
 - Elevations of the buildings to determine the site lines and the specific configuration and relationship of design elements of the building exteriors, which describe the aesthetic and technical aspects, including materials, of the building exteriors;
 - A calculation of gross building areas, floor areas, height ratios and open spaces;
 - A preliminary Exterior Finish Schedule;
 - Proposed layouts for exterior signage, graphics, and exterior lighting;
 - A description of servicing requirements, trash collection locations, loading docks and related functional areas.
18. **“Developer”** means Globe Hotel, LLC, an Oregon limited liability company.
19. **“Easement”** means the surface easement for light, air, and access purposes, granted by PDC to the Developer or QALICB, certain terms of which are further described in Exhibit K, attached hereto and incorporated herein by this reference.
20. **“Easement Agreement”** means the final form of agreement memorializing the terms of the Easement.
21. **“Effective Date”** means the date stated in the first paragraph of this Agreement.
22. **“Environmental Condition”** means the physical condition of the Property measured by the standards of the Environmental Laws.
23. **“Environmental Laws”** means all federal, state and local laws, ordinances, rules and regulations relating to the protection or regulation of the environment that apply to the Property or the Project, including without limitation, Chapter 466 of the Oregon Revised Statutes, Chapter 341 of the Oregon Administrative Rules, RCRA (as defined in the definition of Hazardous Substances, below), CERCLA (defined in the definition of Hazardous Substances, below), the Safe Drinking Water Act, the Clean Air Act, the Clean Water Act, and the Toxic Substances Control Act.
24. **“Environmental Reports”** means Environmental Assessments and Reports included in the list of Environmental Reports attached hereto as Exhibit J and incorporated herein by this reference.
25. **“Escrow Agent”** means _____.
26. **“Final Construction Plans and Specifications”** means all plans and specifications required to complete the Project pursuant to the terms of this Agreement, approved by PDC and the appropriate City agencies.
27. **“Final Project Budget”** means the estimated sources and uses of funds and Project costs approved by PDC.
28. **“Green Building Policy”** means PDC’s Green Building Policy Guidelines in effect as of June 22, 2005.

29. “**Green Building Principles**” means building design, siting, construction and operations practices that conserve natural resources and improve the performance of the building, other site improvements, and their users.
30. “**Hazardous Substances**” means any pollutant, dangerous substance, toxic substance, asbestos, petroleum, petroleum product, hazardous waste, hazardous materials or hazardous substance as defined in or regulated by Chapter 466 of the Oregon Revised Statutes, the Resource Conservation Recovery Act, as amended, 42 USC Section 6901, et seq. (“RCRA”), the Comprehensive Environmental Response, Compensation and Liability Act, as amended, 42 USC Section 9601, et seq. (“CERCLA”), or any other Environmental Law.
31. “**Historic Tax Credits**” means the tax credits available under Section 47 of the Code.
32. “**HTC Bridge Loan**” means the loan from USBNA to Investment Fund in an original principal amount up to \$2,010,000, the proceeds of which will be used by Investment Fund, together with other sources, to make the Qualified Equity Investment in CDE Lender.
33. “**HTC Equity Contribution**” means the capital contribution by CDE Lender in Master Tenant in an amount up to \$2,010,000, which will be used by Master Tenant to make the Master Tenant HTC Contribution to QALICB.
34. “**Infrastructure**” means public streets, sidewalks, alleys, and driveway approaches, connections to garages, planting street trees and grass in planting strips, stormwater mitigation, street and parking lot lighting, construction and connection of the Project to abutting potable water and sewer and storm sewer mains, connecting the Project to gas and electric and other necessary utility services, and all permitting for any of the above as further described in the Scope of Development set forth in Exhibit E attached hereto and incorporated herein by this reference.
35. “**Investment Fund**” means the Globe Hotel Investment Fund, LLC, a Missouri limited liability company, to be formed and owned by Tax Credit Investor for the purpose making a Qualified Equity Investment in CDE Lender.
36. “**LEED**” means Leadership in Energy and Environmental Design, which is the trademarked rating system that is intended to serve as an impartial method of evaluating overall Project sustainability across four levels of certification. Major categories of evaluation are: sustainable sites, water efficiency, energy and atmosphere, materials and resources, indoor environmental quality, and innovation and design process.
37. “**Lot Line Adjustment**” means the relocation of the common property line between the Property and the adjacent PDC-owned parcel approved by the City of Portland Bureau of Development Services, under Title 33 of the Code of the City of Portland, which will result in incorporating a four feet by one hundred feet (4’ x 100’) area of land into the Property as depicted in Exhibit L.
38. “**Lot Line Exchange Deed**” means the deed effectuating the Lot Line Adjustment.
39. “**Master Tenant**” means Globe Master Tenant, LLC, a to be formed limited liability company, the sole member of which is CDE Lender and the Non-Member Manager of which is Developer.
40. “**Master Tenant HTC Contribution**” means the capital contribution made by Master Tenant to QALICB in exchange for up to a 49% membership interest in QALICB, which capital contribution will be funded by the HTC Equity Contribution.
41. “**Mortgage**” means a mortgage or deed of trust against the Property, or any portion thereof, approved by PDC and recorded in the real property records of Multnomah County, Oregon.
42. “**Mortgagee**” means the holder of any Mortgage, together with any successor or assignee of such holder. The term “Mortgagee” shall include any Mortgagee as owner of the Property or any part thereof as a result of foreclosure proceedings, or action in lieu thereof, or any insurer or guarantor of any obligation or condition secured by a Mortgage but shall not include (a) any other party who thereafter obtains title to the Property or such part from or through a Mortgagee or (b) any other purchaser at foreclosure sale other than a Mortgagee.

43. **“New Markets Tax Credits”** or **“NMTC”** means credits against tax payer tax liability available pursuant to Code Section 45D.
44. **“Notice”** means any summons, citation, order, claim, litigation, investigation, proceeding, judgment, letter or other communication, written or oral, issued by the Oregon Department of Environmental Quality (“DEQ”), the United States Environmental Protection Agency, PDC, or other federal, state or local authority or any other government having jurisdiction with respect to the Property.
45. **“OCOM”** means the Oregon College of Oriental Medicine, an Oregon nonprofit corporation.
46. **“OCOM Leverage Loan”** means that loan from OCOM to Investment Fund in the original principal amount of \$6,079,000, the proceeds of which will be used by Investment Fund, together with other sources, to make the Qualified Equity Investment in CDE Lender.
47. **“Oregon Prevailing Wage Law”** has the meaning set forth in Section 3.4.
48. **“PDC Bridge Loan”** means the loan from PDC to OCOM in a principal amount not to exceed \$2,500,000, the proceeds of which will be used by OCOM, along with other sources, to fund the Leverage Loan.
49. **“PDC Bridge Loan Documents”** means the promissory note, loan agreement, trust deed, financing statement and any other documents required by PDC to evidence the PDC Bridge Loan.
50. **“PDC Commercial Property Redevelopment Loan”** means the loan from PDC to OCOM in a principal amount not to exceed \$745,000 for the financing of certain construction costs of the Project, the proceeds of which will be used by OCOM, along with other sources to fund the Leverage Loan.
51. **“PDC Commercial Property Redevelopment Loan Documents”** means the promissory note, loan agreement, trust deed, financing statement and any other documents required by PDC to evidence the PDC Commercial Property Redevelopment Loan.
52. **“PDC Land and Easement Loan”** means the loan from PDC to OCOM in a principal amount not to exceed \$2,234,000 for acquisition of the Property and construction of the Project, the proceeds of which will be used by OCOM, along with other sources, to fund the Leverage Loan.
53. **“PDC Land and Easement Loan Documents”** means the promissory note, loan agreement, trust deed, financing statement and any other documents required by PDC to evidence the PDC Land and Easement Loan.
54. **“PDC’s knowledge”** means the actual current knowledge of the PDC Project Manager, without any duty of inquiry or investigation.
55. **“PDC Project Manager”** has the meaning set forth in Section 11.1.
56. **“Performance Guaranty Fee”** means the sum of \$25,000 paid by Developer and held by PDC pursuant to section 1.10 hereof, to guarantee performance according to the terms of this Agreement.
57. **“Permitted Exceptions”** and **“Final Permitted Exceptions”** have the meaning set forth in Section 1.4.
58. **“Predevelopment Loan”** means the predevelopment loan made by PDC to Developer described in Section 3.1.7.
59. **“Predevelopment Loan Documents”** means the promissory note, loan agreement, assignment of contract and work product, financing statement and any other documents required by PDC to evidence the Predevelopment Loan, as such documents may be amended.
60. **“Project”** means the Property, the existing improvements on the Property to be rehabilitated by QALICB, and the new improvements to be constructed by QALICB on the Property as described in the Scope of Development set forth in Exhibit E.
61. **“Project Budget”** means the summary financial analysis for the Project set forth in Exhibit B, attached hereto and incorporated herein by this reference. The Project Budget represents the estimated sources and uses of funds, including detailed Project costs, and cash flow as of the Effective Date.

62. **“Property”** means the real property located at 88 NW Davis, commonly known as the Globe Hotel, in the City of Portland, County of Multnomah and State of Oregon, and as described in Section 1.2 and Exhibit C.
63. **“Purchase Price”** means the price Developer or QALICB shall pay to PDC for the Property and the Easement to be conveyed by PDC to Developer or QALICB. The Purchase Price is set forth in Section 1.3.
64. **“QALICB”** means Globe Building, LLC, an Oregon limited liability company, of which Developer is the sole manager and majority member, and which is intended to qualify as a qualified active low income community business, as defined in Section 45D(d)(2) of the Code.
65. **“Qualified Equity Investment”** or **“QEI”** means the investment of \$15,363,364 by Investment Fund in CDE Lender that is intended to generate New Markets Tax Credits in accordance with Code Section 45D(b)(1), the proceeds of which will be used by CDE Lender to pay certain fees and to make the Real Estate Loan and the HTC Equity Contribution.
66. **“Real Estate Loan”** means the loan or loans in the aggregate principal amount of \$12,585,196 made by CDE Lender to QALICB for acquisition of the Property and construction of the Project pursuant to this Agreement and the Real Estate Loan Documents, which loan is intended to be a qualified low income community investment (“QLICI”), as defined in Code Section 45D(d)(1).
67. **“Real Estate Loan Documents”** means the loan agreement(s) by and between CDE Lender and QALICB, and all other agreements, instruments and documents related to the Real Estate Loan and approved by PDC, including, without limitation, the promissory note(s) made by QALICB payable to CDE Lender, and the trust deed(s) given by QALICB in favor of CDE Lender.
68. **“Release”** means releasing, spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, disposing or dumping.
69. **“Required Commercial Excavation”** means the excavation of soils for the utilities that will directly serve the Project, and the excavation of soils for the placement of structural support within the ground less than 5 feet deep for the Project.
70. **“Schedule of Performance”** means the document describing the schedule by which construction and development of the Project will occur, attached hereto as Exhibit D and incorporated herein by this reference.
71. **“Schematic Design Documents”** means:
 - Documents based on a mutually agreed-upon program and schedule;
 - Documents establishing the schematic level design of the Project illustrating the scale and relationship of the Project components;
 - Documents that include a schematic level site plan, elevations, preliminary building plans, sections and elevations;
 - Three-dimensional representations of the Project in the site that may include study models, perspective sketches, electronic modeling or combinations of this media;
 - Preliminary selections of major building systems and construction material shall be noted on the drawings or described in writing.
72. **“Scope of Development”** means the description of the rehabilitation of the existing improvements and the improvements to be built comprising the Project, attached hereto as Exhibit E and incorporated herein by this reference.
73. **“Senior Leverage Loan”** means the loan from USBNA to Investment Fund in the original principal amount of \$3,200,000, the proceeds of which will be used by Investment Fund, together with other sources, to make the Qualified Equity Investment in CDE Lender
74. **“Tax Credit Investor”** means US Bancorp Community Development Corporation, a Missouri corporation.

75. “**Transaction Documents**” means the agreements, instruments, and documents necessary or appropriate to implement the financing structure described in Section 3.1.
76. “**Transportation Management Plan**” means Transportation Management Plan prepared by Developer as described in Section 7.3.
77. “**USBNA**” means U.S. Bank National Association, a nationally chartered bank.
78. “**USGBC**” means the U.S. Green Building Council, a coalition of building industry representatives working to promote buildings that are environmentally responsible, profitable, and healthy places to live and work. The USGBC manages the LEED rating system and is responsible for certification of registered projects.

1. GENERAL TERMS OF CONVEYANCE OF PROPERTY

- 1.1. **Agreement for Disposition and Development.** PDC agrees to sell and convey to Developer or QALICB, and Developer and QALICB agree to purchase from PDC and develop the Property upon the terms and conditions set forth in this Agreement.
- 1.2. **Description of the Property.** The Property which is subject to this Agreement consists of the following: The land located at 88 NW Davis, Portland, Oregon, as more particularly described in Exhibit C attached hereto (the “**Land**”), together with (i) all rights, privileges and easements appurtenant to the Land owned by PDC, including, without limitation, all minerals, oil, gas, and other hydrocarbon substances on and under the Land, as well as development rights, air rights, water rights related to the Land, and any other easements, rights-of-way, or appurtenances used in connection with the beneficial use and enjoyment of the Land; and (ii) all improvements and fixtures located on the Land, including, without limitation all buildings and structures presently located on the Land, all apparatus, equipment and appliances used in connection with the operation or occupancy of the improvements and fixtures (which Land, together with the elements described above in (i) and (ii), is collectively referred to herein as the “**Property**”).
- 1.3. **Purchase Price.** The Purchase Price for the Property and the Easement is TWO MILLION TWO HUNDRED THIRTY-FOUR THOUSAND AND NO/100 DOLLARS (\$2,234,000). Developer or QALICB shall pay or cause the payment of the Purchase Price by wire transfer.
- 1.4. **Title Review.**
 - 1.4.1. Within ten (10) days after the Effective Date, PDC will deliver to Developer a preliminary title report on the Property and copies of all exception documents (the “**Title Report**”). Developer will have twenty (20) days after receiving the Title Report to notify PDC in writing if Developer objects to any item in the Title Report. Those items to which Developer does not object are the “Permitted Exceptions”. If Developer objects to any item, then PDC shall have twenty (20) days after receiving Developer's written objection to notify Developer in writing of its intention to remove or not remove the objected to exceptions to title prior to Closing. If PDC does not give its response to Developer’s objections within the twenty (20) day time period or if PDC refuses to remove any such objected to exceptions, Developer shall have twenty (20) days to terminate this Agreement by written notice to PDC. If this Agreement is not terminated in accordance with the preceding sentence, the Permitted Exceptions together with the exceptions, if any, that Developer originally objected to and that PDC refused to remove or failed to respond to will be deemed the “**Final Permitted Exceptions**”.

1.4.2. Developer may obtain an update to the Title Report at any time prior to the Closing. Developer shall promptly give to PDC a copy of any updated Title Report. Developer shall give PDC notice, in writing, of any objections to the exceptions (that are not Permitted Exceptions) to title that appear on the updated Title Report as a result of PDC's actions or inactions. Within twenty (20) days of Developer's written notice to PDC described in the preceding sentence, PDC shall notify Developer in writing of its intention to remove or not remove the objected to exceptions to title prior to Closing. If PDC does not give its response to Developer's objections within the twenty (20) day time period of if PDC refuses to remove any such objected to exceptions, Developer shall have twenty (20) days to terminate this Agreement by written notice to PDC. If this Agreement is not terminated in accordance with the preceding sentence, the exceptions that Developer objected to and that PDC refused to remove or failed to respond to will be included as "Final Permitted Exceptions." Any exceptions that Developer accepts at Closing are the "Final Permitted Exceptions".

1.5. **Title Insurance.** PDC, at its expense, shall provide Developer with a standard coverage Owner's Policy of Title Insurance, issued by Escrow Agent, and covering the Property when conveyed, and insuring Developer in the amount of the Purchase Price, free and clear of encumbrances, except Final Permitted Exceptions. Developer, at its option and its expense, may elect to obtain extended coverage under such policy of title insurance and PDC agrees to execute any affidavits or other documents reasonably required by the Escrow Agent to enable Developer to obtain such coverage. Developer may also elect to obtain a survey at its own expense.

1.6. **Closing**

1.6.1. **Manner of Closing.**

- (a) The Closing of the purchase and sale of the Property will occur in an escrow to be administered by the Escrow Agent.
- (b) The Parties agree to provide the Escrow Agent with escrow instructions consistent with the terms of this Agreement.
- (c) On the Closing Date, the Escrow Agent shall deliver or cause to be delivered the sums and documents pursuant to the Escrow Instructions. In the event that the Escrow Agent cannot, or refuses to, handle this transaction, the Parties shall appoint an escrow company mutually satisfactory to the Parties, which is licensed in the State of Oregon.

1.6.2. **Closing Date.**

- (a) The Closing Date shall occur concurrently with or no later than five days after the closing of the Real Estate Loan and the financing transactions related thereto.
- (b) The Closing Date may not be extended without the consent of both Parties. If the Parties agree to extend the date for Closing, absent contrary agreement at the time of agreement, the Purchase Price shall be increased by the percentage increase in the Consumer Price Index between the Execution Date and the Closing Date. In no event shall the Purchase Price be lower than the amount set forth above in Section 1.3.

1.6.3. **Payment of Purchase Price.** Subject to satisfaction of the Conditions Precedent to Closing set forth in this Agreement, at the Closing Developer or QALICB shall accept the conveyance of the Property and pay the Purchase Price to PDC in the manner set forth in Section 1.3. The payment terms are specific to Developer's and QALICB's unique characteristics and are not assignable except as allowed under Section 5 below.

- 1.6.4. **Conveyance by Deed.** Subject to satisfaction of the Conditions Precedent to Closing set forth in this Agreement and upon Developer's or QALICB's paying to PDC the Purchase Price, at the Closing PDC will convey the Property to the Developer or QALICB by a statutory Bargain and Sale Deed, substantially in the form of Exhibit A ("**Deed**").
- 1.6.5. **Documents to Be Deposited Into Escrow by PDC.** On or before the Closing Date, PDC shall deposit into Escrow all of the following:
- (a) A duly executed and acknowledged Deed and Lot Line Exchange Deed, subject to the City of Portland Bureau of Development Services approving the Lot Line Adjustment;
 - (b) An original certificate of non-foreign person duly executed by PDC and notarized.
 - (c) Such documents as the Escrow Agent may require to establish the authority of PDC to complete the sale of the Property as contemplated by this Agreement.
- 1.6.6. **Documents and Sums to Be Deposited Into Escrow by Developer.** On or before the Closing Date, Developer shall deposit into Escrow such funds (by wire transfer) as are necessary to complete payment of the Purchase Price in accordance with Section 1.3 of this Agreement and to pay Developer's portion of the closing costs. Developer shall also deposit into Escrow such documents as the Escrow Agent may require to complete the sale of the Property as contemplated by this Agreement.
- 1.6.7. **Prorations and Costs.**
- (a) **Closing Costs.** The costs for recording a Memorandum of this Agreement, a form of which is attached as Exhibit I, shall be paid by PDC. The costs for recording the Deed and any other documents required by Developer or QALICB to be recorded will be paid by Developer or QALICB. Each Party shall pay one-half (1/2) of any escrow fees charged by Escrow Agent. All other closing costs, if any, shall be allocated in accordance with the customary practice in Multnomah County.
 - (b) **Prorations of Taxes.** All property taxes attributable to the year in which the Closing occurs shall be prorated and adjusted as of the Closing Date as an adjustment at the Closing (regardless of whether such taxes and special assessments are then due and payable or delinquent). PDC agrees that any taxes, assessments and encumbrances that will be a lien against the Property at the Closing, whether or not those charges would constitute a lien against the Property at settlement, shall be satisfied by PDC. If PDC shall fail to do so, Developer or QALICB may pay any such tax, assessment, encumbrance or other charge and deduct an amount equal to any such payment from the Purchase Price of the Property. Regular real property taxes payable during the year in which the Closing occurs and any rents or income applicable to the Property shall be prorated as of the Closing Date. Developer or QALICB shall pay any property taxes accruing to the Property as a result of the transfer of the Property from public ownership, and therefore the change of the Property's status from tax exempt to taxable. In addition, the Developer or QALICB shall pay property taxes on the Property from and after the Closing.
 - (c) **Utilities.** PDC shall cause all meters for electricity, gas, water, sewer or other utility usage at the Property, if any to be read on the Closing Date and PDC shall pay all charges for such utility charges which have accrued on or prior to the Closing Date. If the utility companies are unable or refuse to read the meters on the Closing Date, all charges for such utility charges to the extent unpaid shall be

prorated and adjusted as of the Closing Date based on the most recent bills therefore.

- (d) **Other Prorations and Costs.** Except as otherwise provided herein, all other items to be prorated, including rents, operating expenses, revenues, and other income, if any, shall be prorated as of the Closing Date. For the purpose of calculating prorations, the Developer shall be deemed to be entitled to the Property and, therefore, entitled to the income and responsibility for the expenses for the entire day following the Closing Date. PDC shall pay only the annual payments due through the Closing date for the Property's pro rata share of any special assessments that have been paid in annual installments. Developer shall assume liability for payment of any annual payments due after the Closing Date for any special assessments that have been paid in annual installments. Developer and the PDC shall each pay their own legal and professional fees of other consultants incurred by Developer and PDC, respectively.

1.7. Conditions Precedent to Conveyance.

1.7.1. **Conditions.** Developer and PDC are not obligated to close the Conveyance unless the following conditions are satisfied prior to Closing. The Party benefited by a particular condition shall not unreasonably withhold, condition, or delay acknowledgment that the condition has been satisfied.

- (a) The following events shall have occurred:
- (i) Title Company is prepared to issue to Developer or QALICB the form of Title Insurance selected by Developer and/or QALICB under Section 1.5, covering the Property in an amount not less than the Purchase Price, subject only to the Final Permitted Exceptions; and
 - (ii) PDC has caused the completion of the Phase I Environmental Assessment.
 - (iii) The City of Portland Bureau of Development Services has approved the Lot Line Adjustment.
- (b) To the satisfaction of both PDC and Developer or QALICB:
- (i) The Final Construction Plans and Specifications for the Project have been approved by all required governmental entities and agencies, including PDC pursuant to Section 3.2 hereof.
 - (ii) All land use approvals for the Project required by Title 33 of the Code of the City of Portland have been secured and no appeal of any required approval has been filed, and the time for any such appeal has expired. If an appeal was filed, it has been finally resolved.
 - (iii) The City of Portland Bureau of Development Services ("BDS") is ready to issue building permits that are required to construct the Project, subject only to Developer's ownership of the Property.
 - (iv) Developer has demonstrated financial feasibility for the Project, consistent with the Final Project Budget, by providing to PDC: (a) copies of term sheets or commitment letters acceptable to PDC from private lenders, including, without limitation, the CDE Lender(s), for the construction financing for the Project, (b) copies of term sheets or commitment letters acceptable to PDC from private lenders, including, without limitation, the CDE Lender(s), for the permanent financing for the Project after completion of construction and required lease-up as may be required by

- the private lender, (c) written evidence of necessary equity commitments, including the commitment of New Markets Tax Credits, Historic Tax Credits, and/or Business Energy Tax Credits to the Project as further described in Section 3.1 below, and (d) commitments from public funding sources, including the PDC Bridge Loan, the PDC Land and Easement Loan, and the PDC Commercial Property Redevelopment Loan, subject to each lender's underwriting practices, for the acquisition of the Property and construction of the Project.
- (v) The Parties have agreed to the final form of the Deed, the Lot Line Exchange Deed, the Transaction Documents, and any other documents necessary to close the financing described in this Agreement.
 - (vi) No litigation is pending that prevents PDC or Developer or QALICB from performing their respective obligations under this Agreement.
 - (vii) All tasks shown on the Schedule of Performance to be completed as of Closing have been completed.
 - (viii) The Parties shall have agreed to the final form of the Easement Agreement and the Transportation Management Plan.
 - (ix) Developer shall have completed and submitted an application for the Lot Line Adjustment to the City of Portland Bureau of Development Services.
- (c) To Developer's and QALICB's satisfaction:
- (i) No material adverse change in the physical or legal condition of the Property has occurred.
 - (ii) PDC's representations and warranties set forth in Section 1.8 hereof are true and correct as of the Closing.
 - (iii) PDC has completed the demolition activities described in Section 2.5.
 - (iv) PDC is not in default under this Agreement. At the Closing, PDC shall represent to Developer that PDC is not in default under this Agreement and that no event has occurred that, with notice or passage of time or both notice and passage of time, would place PDC in default under this Agreement.
- (d) To PDC's satisfaction:
- (i) Developer and QALICB has provided to PDC reasonable proof that (a) each of Developer and QALICB is a limited liability company existing in the state of Oregon, (b) the Articles of Organization and Operating Agreement of the Developer and QALICB have not been altered since the Effective Date in any manner that may adversely affect PDC's interests after the Closing, (c) Developer and QALICB have full power and authority to enter into and perform its obligations under this Agreement and (d) this Agreement has been executed and delivered, for and on behalf of Developer or QALICB, by an authorized individual.
 - (ii) PDC has determined that the final construction budget for the Project is in substantial conformance with the Final Project Budget.

- (iii) Developer or QALICB has registered the Project for LEED certification and has provided PDC with documentation of the Project's LEED credits, evidencing anticipated credits sufficient to reach at least the LEED EB Silver Certification level.
- (iv) Developer's and/or QALICB's representations and warranties set forth in Section 1.9 hereof are true and correct as of the Closing.
- (v) Neither Developer nor QALICB is in default under this Agreement. At the Closing, Developer and QALICB shall represent to PDC that Developer and QALICB are not in default under this Agreement and that no event has occurred that, with notice or passage of time or both notice and passage of time, would place Developer or QALICB in default under this Agreement.
- (vi) Developer or QALICB shall have entered into, or shall be prepared to enter into at Closing, the Compliance Agreement described in Section 3.4.
- (vii) Title Company has issued to PDC a binding commitment, satisfactory to PDC, to issue the lender's extended title insurance policy in the amount of the PDC Bridge Loan covering the real estate securing the PDC Bridge Loan as further described in the PDC Bridge Loan Documents.

1.7.2. **Elections upon Non-Occurrence of Conditions.** Except as provided below, if any condition in Section 1.7.1 is not fulfilled to the satisfaction of the benefited Party or Parties on the date scheduled for Closing as set forth in the Schedule of Performance, then such benefited Party or Parties may elect to:

- (a) Terminate this Agreement by written notice to the other Party;
- (b) Waive in writing the benefit of that condition precedent to Closing and proceed in accordance with the terms hereof; or
- (c) Designate in writing a later date for Closing, to allow additional time for the condition to be fulfilled, if the condition can be fulfilled and the other Party agrees in writing to the later date.

1.7.3. **Final Termination Date.** If all of the conditions precedent to Closing set forth in Section 1.7.1 have not been fulfilled or waived by the later of (a) the date scheduled for Closing as set forth in the Schedule of Performance or (b) such later Closing date, if any, designated pursuant to Section 1.7.2(c) or determined in accordance with Section 10.8.2, then this Agreement, if not sooner terminated, shall automatically terminate sixty (60) days after the later of the foregoing dates (the "Final Termination Date").

1.7.4. **Effect of Termination for Failure of Conditions Precedent.** If this Agreement terminates or is terminated for failure of fulfillment of the conditions precedent to Closing and neither Party is in default under this Agreement, then all rights and obligations of the Parties under this Agreement shall terminate upon termination of this Agreement other than the obligation to cooperate in preparing, executing and recording such documents as may be necessary or desirable to reflect the termination of this Agreement in the real property records of Multnomah County. If this Agreement terminates or is terminated for failure of fulfillment of the conditions precedent to Closing and Developer is not in default under this Agreement, then PDC shall, within ten (10) days after the date this Agreement terminates, refund to Developer the Performance Guaranty Fee together with interest earned thereon. If a Party is in default under this Agreement on the date this Agreement terminates, then the rights and

remedies accruing to the other Party under this Agreement as a result of such default shall survive termination of this Agreement.

1.8. PDC Representations and Warranties. PDC's representations and warranties under this Agreement are limited to the following. PDC represents that:

- 1.8.1. To PDC's knowledge, except as has been disclosed to Developer in the Environmental Reports, there has been no generation, manufacture, refinement, transportation, treatment, storage, handling, disposal, transfer, Release or production of Hazardous Substances on the Property, or underground storage tanks existing on the Property, except in compliance with Environmental Laws currently in effect, and PDC has not received notice of the Release of any Hazardous Substances on the Property.
- 1.8.2. PDC has full power and authority to enter into and perform this Agreement in accordance with its terms, and all requisite action has been taken by PDC to authorize the execution of this Agreement and the transactions contemplated hereby.
- 1.8.3. This Agreement and all documents required to be executed by PDC are and shall be valid, legally binding obligations of and enforceable against PDC in accordance with their terms.
- 1.8.4. PDC is not a "foreign person" within the meaning of Section 1445(f) (3) of the Internal Revenue Code of 1986, as amended.
- 1.8.5. To PDC's knowledge, there is no litigation, action, suit, or any condemnation, environmental, zoning, or other government proceeding pending or threatened, which may affect the Property, PDC's ability to perform its obligations under this Agreement, or Developer's ability to develop the Project.
- 1.8.6. To PDC's knowledge, and except as disclosed in writing to Developer, the Property is in compliance with all applicable laws, rules, regulations, ordinances and other governmental requirements.
- 1.8.7. To PDC's knowledge, except for notice from the City of Portland Bureau of Development Services pertaining to the lack of a double check valve for the fire line serving the Property, PDC has not received or given any notice stating that the Property is in violation of any applicable laws, rules, regulations, ordinances or other governmental requirements.
- 1.8.8. No representation, warranty or statement of PDC in this Agreement or any of the exhibits attached hereto contains any untrue statement of a material fact or omits a material fact necessary to make the representation, warranty or statement not misleading.
- 1.8.9. As of the Effective Date, PDC is not in default under this Agreement and no event has occurred that, with the passage of time or the giving of notice or both, would constitute a default of PDC under this Agreement.

1.9. Developer Representations and Warranties. Developer's and QALICB's representations and warranties under this Agreement are limited to the following. Developer and QALICB each represents that:

- 1.9.1. OCOM and Beam are the sole members of Developer. Developer is the sole manager and majority member of QALICB.

- 1.9.2. Developer and QALICB has full power and authority to enter into and perform this Agreement in accordance with its terms and all requisite action has been taken by Developer and QALICB to authorize the execution of this Agreement and the transactions contemplated hereby. Developer's and QALICB's execution and delivery of this Agreement and the performance of each of their obligations hereunder do not require the consent of any third party that has not been obtained.
 - 1.9.3. This Agreement and all documents required to be executed by Developer and/or QALICB are and shall be valid, legally binding obligations of and enforceable against Developer or QALICB in accordance with their terms.
 - 1.9.4. No representation, warranty or statement of Developer or QALICB in this Agreement or any of the exhibits attached contains any untrue statement of a material fact or omits a material fact necessary to make the representation, warranty or statement not misleading.
 - 1.9.5. As of the Effective Date, neither Developer nor QALICB is in default under this Agreement and no event has occurred that, with the passage of time or the giving of notice or both, would constitute a default of Developer or QALICB under this Agreement.
 - 1.9.6. Developer and QALICB enter into this Agreement without reliance on verbal representations by PDC, its employees, agents or consultants, regarding any aspect of the Property, the Project or its feasibility or financing, or compliance with any governmental regulation.
- 1.10. **Performance Guaranty Fee.** Within ten (10) days after the Effective Date, Developer or QALICB shall pay Twenty-Five Thousand Dollars (\$25,000) to PDC as a Performance Guaranty Fee. The Performance Guaranty Fee will be held by PDC to guarantee performance by Developer and QALICB according to the terms of this Agreement. The Performance Guaranty Fee, with interest earned thereon, shall be returned to Developer or QALICB upon PDC's issuance of the Certificate of Completion.

2. **INFRASTRUCTURE, UTILITIES AND LAND CONDITION**

- 2.1. **Infrastructure Improvements.** As part of the Project, Developer and/or QALICB, at its own cost, will design, construct, fund and obtain permits for all Infrastructure.
- 2.2. **Site Preparation.** As part of the Project, Developer and/or QALICB will, at its own cost, complete all necessary site preparation in accordance with the Schedule of Performance.
- 2.3. **Utility Service.** As part of the Project, Developer and/or QALICB shall install, connect, and upgrade new and existing utilities necessary to serve the Project.
- 2.4. **Subsurface, Surface and Building Conditions.** PDC shall convey the Property to Developer or QALICB, and Developer or QALICB shall accept the Property, in "AS IS" condition on the Closing date, without warranty of any kind except as otherwise specifically set forth in this Agreement. In particular, PDC makes no warranties or representations that the soil conditions, environmental conditions or any other conditions of the Property or structures thereon are suitable for any improvements. Developer and QALICB each acknowledges that it has not relied on any verbal representations made by the PDC as to the soil conditions, environmental conditions or any other conditions of the Property. Developer and QALICB each

acknowledges that it has had free access to PDC's records with respect to the condition of the Property, specifically including the Environmental Reports.

- 2.5. **Demolition.** Prior to conveyance of the Property, PDC shall demolish the adjacent (to the east) two story structure located at 1 NW Davis (commonly known as the former Oregon Mountain Community building), separate and terminate all utilities, and provide temporary painted plywood in-fill coverings on all open doorways, windows and portals on the east wall of the Property. The 1 NW Davis site will be graded evenly to the adjacent sidewalks and parking area and hydroseeded. In addition, PDC will upgrade the double check valve fire line that serves the Property to meet code requirements.

3. DEVELOPMENT

- 3.1. **Project Financing.** Except as described below in this Section 3.1, Developer and/or QALICB will be responsible for obtaining from third parties all funds and financing necessary to complete construction and operate the Project at a total acquisition and construction cost not to exceed Fifteen Million Six Hundred Seventy-Eight Thousand Seven Hundred Four Dollars (\$15,678,704). The Parties acknowledge an intricate financing structure for the Project, which, by its nature, requires a series of complex transactions to convey the Property to Developer and/or QALICB and to provide the public and private funds necessary to acquire the Property and develop the Project. The following is a general description of the financing structure.

- 3.1.1. **General.** QALICB will pay for the acquisition of the Property and development of the Project using funds from the Real Estate Loan, combined with an equity contribution from Master Tenant in a financing transaction using New Markets Tax Credits and Historic Tax Credits in a NMTC "leveraged structure" twinned with an Historic Tax Credit "lease pass-through structure," in which:

- (a) OCOM will use the proceeds from the PDC Land and Easement Loan, the PDC Bridge Loan, the PDC Commercial Property Redevelopment Loan and certain other resources to make the OCOM Leverage Loan to Investment Fund;
- (b) USBNA will make the Senior Leverage Loan and the HTC Bridge Loan to Investment Fund;
- (c) Investment Fund will combine the proceeds of the OCOM Leverage Loan, the Senior Leverage Loan, and the HTC Bridge Loan with the proceeds of a capital contribution from Tax Credit Investor to make the Qualified Equity Investment in CDE Lender;
- (d) CDE Lender will use the proceeds of the Qualified Equity Investment to pay certain fees, to make the Real Estate Loan, and to make the HTC Equity Contribution to Master Tenant;
- (e) Master Tenant will use the proceeds of the HTC Equity Contribution to make the Master Tenant HTC Contribution;
- (f) Master Tenant and QALICB will enter into (i) a Master Lease, pursuant to which QALICB will lease the Project to Master Tenant, and (ii) a Tax Credit Pass-Through Agreement, pursuant to which QALICB will agree to make an election, in accordance with Code Section 50(d)(5) (relating to former Code Section 48(d)), to pass the HTC through to Master Tenant; and
- (g) Master Tenant will enter into subleases with OCOM and other tenants with respect to the occupancy and use of the Project in accordance with and in furtherance of the Plan.

- 3.1.2. **PDC Bridge Loan.** Subject to review and recommendation by the PDC Loan Review Committee and approval by the PDC Executive Director, PDC agrees to provide bridge financing in the form of the PDC Bridge Loan in an amount not to exceed TWO MILLION FIVE HUNDRED THOUSAND AND NO/100 DOLLARS (\$2,500,000).

The terms and conditions of the PDC Bridge Loan will be determined by the PDC Executive Director upon review and recommendation of the PDC Loan Review Committee. The PDC Bridge Loan shall be evidenced by the PDC Bridge Loan Documents.

- 3.1.3. **PDC Commercial Property Redevelopment Loan.** Subject to review and recommendation by the PDC Loan Review Committee and approval by the PDC Executive Director, PDC agrees to make the PDC Commercial Property Redevelopment Loan in an amount not to exceed SEVEN HUNDRED FORTY-FIVE THOUSAND AND NO/100 DOLLARS (\$745,000). The terms and conditions of the PDC Commercial Property Redevelopment Loan will be determined by the PDC Executive Director upon review and recommendation of the PDC Loan Review Committee. The PDC Commercial Property Redevelopment Loan shall be evidenced by the PDC Commercial Property Redevelopment Documents.
- 3.1.4. **PDC Land and Easement Loan.** Subject to review and recommendation by the PDC Loan Review Committee and approval by the PDC Executive Director, PDC agrees to make the PDC Land and Easement Loan in an amount not to exceed TWO MILLION TWO HUNDRED THIRTY-FOUR THOUSAND AND NO/100 DOLLARS (\$2,234,000). The terms and conditions of the PDC Land and Easement Loan will be determined by the PDC Executive Director upon review and recommendation of the PDC Loan Review Committee. The PDC Land and Easement Loan shall be evidenced by the PDC Land and Easement Loan Documents.
- 3.1.5. **Commitments and Conditions of PDC Financing.** This Agreement does not constitute a commitment to lend. Any commitment(s), if made, shall not be made until PDC has completed its normal underwriting and approval process and has issued a formal commitment letter.

The conditions for closing the PDC financing described in this Section 3.1 will be determined by the PDC Executive Director upon review and recommendation by the PDC Loan Review Committee. At a minimum, however, the PDC financing will not close unless and until:

- (a) The Investment Fund has been organized and PDC, in its reasonable discretion, has approved the form and substance of the Operating Agreement;
 - (b) A Qualified CDE has been organized and PDC, in its reasonable discretion, has approved the form and substance of the Operating Agreement;
 - (c) PDC, in its reasonable discretion, shall have approved the form and content of Transaction Documents; and
 - (d) Any other funds to be invested in the Investment Fund for financing the Project are available for funding in a simultaneous closing with the PDC funds.
- 3.1.6. **PDC Right to Approve the Real Estate Loan.** PDC shall have the right to approve the terms of the Real Estate Loan and the form of the Real Estate Loan Documents.
- 3.1.7. **Predevelopment Loan.** The PDC Loan Committee approved, and PDC and Developer entered into, the Predevelopment Loan before the Effective Date making up to \$200,000 available to Developer to fund the activities listed in the Predevelopment Loan Documents. PDC agrees to increase the principal balance of the Predevelopment Loan by up to \$545,000 for a total aggregate principal loan amount not to exceed \$745,000, subject to PDC and Developer executing amended Predevelopment Loan Documents in a form and substance acceptable to PDC and its legal counsel. All loan

funds disbursed by PDC to Developer under the Predevelopment Loan Documents must be repaid to PDC from the first construction loan draw for the Project.

3.2. Plans, Drawings and PDC Design Review and Approval.

3.2.1. PDC Design Review and Approval, in General. The Scope of Development is described in Exhibit E. Developer has prepared Conceptual Plans and Schematic Design Documents for the Project that is the basis for entering into this Agreement. Developer shall prepare Design Review Documents, Construction Documents, and Final Construction Plans and Specifications and submit them to PDC for review and written approval as discussed below and in accordance with the Schedule of Performance. Review meetings with the design team and PDC representatives are encouraged to facilitate the review and approval process. PDC approval of Design Review Documents must be obtained prior to submission for City Design Review. All plans and specifications referred to in this Section 3.2 are referred to herein as the "**Drawings**".

3.2.2. Standards for PDC Design Review and Approval. PDC will not withhold its approval of any Drawings for the Project that, in PDC's opinion, adequately address the following design objectives:

- (a) **Urban and Pedestrian Environment.** The Project should be designed to foster active pedestrian environments along 1st Avenue and along Couch Street that enhance the level of commercial activity. The Project should create an urban environment that feels safe and friendly to pedestrians, with window glass that is transparent and non-reflective, and with landscape improvements and storefront entries located on the street.
- (b) **Neighborhood Compatibility.** The Project should be designed such that the building details, site improvements, and landscaping build pride, reflect neighborhood character, and show commitment to the cultural and architectural heritage of the neighborhood. The design should include elements that provide an interface and link from the Property to the Japanese American Historical Plaza. Designs and materials should incorporate high-quality, durable materials and colors complementary to and compatible with the neighborhood and consistent with the Design Guideline Update, pending adoption by City Council.
- (c) **Pedestrian Environment.** The design and materials of the Project should meet customary design standards intended to foster a safe, friendly, and active pedestrian environment in the Project area, including window glass that is transparent and non-reflective, landscape improvements, and storefront entries located on the street.
- (d) **Green Building Principles.** Consistent with the PDC Green Building Policy, the Project should be designed to achieve at least LEED NC Silver Certification, incorporating Green Building Principles. Specific aspects to be incorporated are described in Exhibit E, Scope of Development.

3.2.3. Limitations on Review of Design. PDC's review and approval of Drawings will occur in stages and approvals will be progressive in nature, but limited to the following elements:

- (a) **Conceptual Plans.** Elements depicted in the Conceptual Plans that were not approved, that were not at a level of detail to be approved, or that are not in conformance with the RFP Submittal Drawings;

- (b) **Schematic Design Documents.** Elements, including green building elements and schematic design cost estimates, depicted in the Schematic Design Documents that were not approved, that were not at a level of detail to be approved, or that are not in conformance with the approved Conceptual Plans;
 - (c) **Draft Design Review Documents (80%).** Elements, including green building elements, Draft Design Review Application and Narrative, Design Review Material and Color Samples, and draft Design Review Documents cost estimate, depicted in the Draft Design Review Documents that were not approved, that were not at a level of detail to be approved, or that are not in conformance with the approved Schematic Design Documents;
 - (d) **Final Design Review Documents.** Elements, including green building elements, Final Design Review Application and Narrative, Design Review Material and Color Samples, and Design Review Documents cost estimate, depicted in the Final Design Review Documents that were not approved, that were not at a level of detail to be approved, or that are not in conformance with the approved Draft Design Review Documents;
 - (e) **Draft Construction Documents (50%).** Elements, including green building elements, 50% Construction Documents Cost Estimate, and material and color samples, depicted in the Draft Construction Documents (50%) that were not approved, that were not at a level of detail to be approved, or that are not in conformance with the approved Final Design Review Documents;
 - (f) **Draft Construction Plans and Specifications (80%).** Elements, including green building elements, 80% Construction Documents Cost Estimate, and material and color samples, depicted in the Draft Construction Documents (80%) that were not approved, that were not at a level of detail to be approved, or that are not in conformance with the approved Draft Construction Documents (50%);
 - (g) **Final Construction Plans and Specifications.** Elements, including green building elements, Final Construction Plans and Specifications Cost Estimate, and material and color samples, depicted in the Final Construction Plans and Specifications that were not approved, that were not at a level of detail to be approved, or that are not in conformance with the approved Draft Construction Documents (80%);
 - (h) **Construction Specification and Product ‘Cut Sheets’.** Construction specification and product ‘Cut Sheets’ for the Project must be submitted to PDC for review of elements that were not approved, that were not at a level of detail to be approved, or that are not in conformance with the Final Construction Plans and Specifications. The Developer shall provide summaries for base standards of compliance to the criteria within each Construction Specification Institute division. During construction, any changes to these selected features and approved details, materials, and features shall be submitted for review consideration.
- 3.2.4. **Changes in Approved Drawings.** If Developer wants to substantially change any Drawings after approval by PDC or the City, including design build changes and bidder design features, Developer shall submit the proposed changes to PDC for approval. A substantial change shall mean any change that would have a material impact on the function, appearance or cost of the Project. Developer acknowledges that it may be required to secure separate City approval of such changes. Any separate City approvals shall be sought after PDC has approved the changes. PDC shall assist Developer throughout any City or PDC design review process of the appropriate

bureaus or agencies within the City, but PDC does not represent or warrant that its assistance will guarantee approval.

3.2.5. **Project Rendering.** Developer will provide PDC with at least one color rendering of the Project at the time the Project is submitted for City Design Review.

3.2.6. **PDC Design Review Process.**

(a) **PDC Staff Review of Design.** PDC and Developer acknowledge that the Schedule of Performance for the Project requires expeditious review and response from PDC and responsiveness and cooperation from Developer and its design team in connection with the design review process. The parties agree that efficient communication between all concerned is necessary to resolve design issues in a timely manner. PDC staff may attend regularly scheduled design meetings for the Project on a schedule mutually agreeable to PDC staff and Developer. The PDC Project Manager will meet with Developer and its design team regularly as scheduled by the Parties, or upon the request of either Party to the other, to review progress on the resolution of design and related issues. The scope of PDC's review will be consistent with Sections 3.2.2 and 3.2.3 of this Agreement.

(b) **Community Input.** PDC and the Developer have coordinated on outreach efforts regarding the Project and its design. It is expected that if Developer changes the design of the Project in a material way from that presented to Visions Committee, and the Old Town / Chinatown Neighborhood Association, Developer will present the revised Project design to the foregoing groups for their input and advice.

3.3. **Development Services Agreement; Diligent Completion.** Subject to the terms and conditions of this Agreement, on or before the Closing Date, Developer and QALICB shall enter into the Development Services Agreement pursuant to which Developer shall agree to develop the Project on behalf of QALICB. Developer covenants to complete the development of the Project in substantial conformance with the Final Construction Plans and Specifications and in accordance with the Schedule of Performance. Developer shall complete development of the Project no later than the date for completion of construction set forth in the Schedule of Performance. Developer agrees to keep PDC informed of its progress with respect to development of the Project during construction, with periodic reports to be issued no less frequently than once a month until PDC issues the Certificate of Completion for the Project. Project development shall include:

- (a) Entering into all necessary architectural and construction contracts;
- (b) Securing all necessary public entitlements and building permits;
- (c) Securing all financing necessary to complete the Project, consistent with the Project Budget.

3.4. **Prevailing Wage Laws.** The Parties hereby acknowledge that the Project is a "public work" subject to ORS 279C.800 to 279C.870 and the administrative rules adopted thereunder (the "**Oregon Prevailing Wage Law**"). Accordingly, the Parties have entered into, and shall perform and discharge their obligations under, that certain Compliance Agreement of even date herewith, which is hereby incorporated into this Agreement by this reference, to implement their compliance with the Oregon Prevailing Wage Law with respect to the Project.

3.5. **Inspection and Property Access.**

- 3.5.1. **Before Conveyance of Property.** Before Closing, PDC may allow Developer, QALICB, and Developer's employees, agents and consultants to enter upon the Property pursuant to a written permit of entry provided by PDC. Developer agrees not to interfere with other PDC-permitted occupants or users of the Property.
 - 3.5.2. **After Conveyance of Property.** After Closing, during construction of the Project, and until the Certificate of Completion is issued for the Project, Developer's work shall, upon reasonable notice, be accessible at all reasonable times for inspection by representatives of PDC. PDC agrees not to interfere with the work occurring on the Property or other property on which the Project is being constructed.
 - 3.6. **Safety Matters and Indemnification.** Developer shall:
 - 3.6.1. **Safety.** Comply with all safety laws and take all safety measures necessary to protect its employees, and PDC's employees, agents, contractors, subcontractors, licensees and invitees, and the personal property and improvements of each, from injury or damage caused by or resulting from the performance of its construction.
 - 3.6.2. **Indemnity from Liability Claims.** Indemnify, defend (at PDC's request) and hold harmless PDC, and its successors and assigns, from and against all claims, costs, expenses, losses, damages and liabilities whatsoever arising from or in connection with the death of, or, injury, loss or damage whatsoever caused to, any person or to the property of any person as occurs in the process of the construction work or the performance of Developer's other obligations under this DDA, except for those caused solely by the negligence or intentional acts of PDC. The indemnity set forth in this Section 3.6.2 shall survive the issuance of the Certificate of Completion and any termination of this Agreement.
 - 3.6.3. **Indemnity from Liens.** Indemnify, defend (at PDC's request) and hold harmless PDC, and its successors and assigns, from and against all claims, costs, expenses, losses, damages and liabilities whatsoever arising from or in connection with any mechanics', materialmen's, laborers' or other construction or statutory liens filed against any portion of the Property or the Project or arising from or related to construction on the Property or the Project performed by or at the request of Developer or Developer's contractors or agents. The indemnity set forth in this Section 3.6.3 shall survive the issuance of the Certificate of Completion and any termination of this Agreement.
- 3.7. **Liens.** If any statutory lien shall be filed, prior to PDC's issuance of the Certificate of Completion, against any portion of the Property or the Project by reason of labor, services or materials supplied to or at the request of Developer or Developer's contractors or agents or in connection with any construction on the Property or the Project, Developer shall, within thirty (30) days after the filing thereof, take whatever action is necessary and proper (including posting a bond or a cash deposit and taking such further action as may be required by the Oregon Construction Lien Law), to discharge the same of record so that the Property and the Project shall thereafter be entirely free of the lien. Alternatively, Developer may elect to leave the lien of record and to contest its validity, amount or applicability by appropriate legal proceedings, but only if Developer shall, within the 30-day period following the filing of the lien, furnish an indemnity against such lien in an amount and form satisfactory to induce the title insurance company which insured title to the Property to insure over such lien or to reissue or update its existing policy, binder or commitment without showing any title exception by reason of such lien; provided, further, that in such event, (i) Developer shall indemnify and hold harmless PDC from all loss, damage, liability, expense or claim whatsoever (including attorneys' fees and other costs of defending against the foregoing) resulting from the assertion of any such lien, and (ii) in the event such legal proceedings shall be finally concluded (so that

no further appeal may be taken) adversely to Developer, Developer shall within fifteen (15) days thereafter cause the lien to be discharged of record.

3.8. **Certificate of Completion.**

3.8.1. **When Developer is Entitled to Certificate of Completion.** Upon substantial completion of the Project as described in this Section 3.8 on or before the date for completion of the construction set forth in the Schedule of Performance and provided that neither Developer nor QALICB is in default under this Agreement, PDC will furnish Developer and QALICB with a Certificate of Completion for the Project, substantially in the form of Exhibit F attached hereto and incorporated herein by this reference. The Project will be deemed to be substantially complete when (i) PDC determines that the Project has been completed according to the Final Construction Plans and Specifications, except for punch-list items that do not materially affect the use of the Project for the purposes intended under this Agreement, (ii) the City has issued a temporary or permanent Certificate(s) of Occupancy with respect to the Project, (iii) Developer has submitted all materials to the United States Green Building Council necessary to obtain the applicable level of LEED certification required by the Green Building Policy, and (iv) PDC determines that any other improvements required by the terms of this Agreement to have been completed at the time the Project are complete in all material respects.

3.8.2. **Meaning and Effect of the Certificates of Completion.** The Certificate of Completion shall provide for termination of obligations under this Agreement and limitation of remedies of PDC as expressly provided for in the Certificate of Completion. Upon issuance of a Certificate of Completion for the Project, PDC will return the Performance Guaranty Fee, together with interest earned thereon, to Developer.

3.8.3. **Form of Certificate of Completion; Procedure Where PDC Refuses to Issue.** A Certificate of Completion shall be in a form that can be recorded in the real property records of Multnomah County. At Developer's or QALICB's request, the Certificate of Completion for the Project shall state which terms and conditions of this Agreement are of no further force and effect. If PDC refuses or fails to provide a Certificate of Completion in accordance with this section, then PDC, within fifteen (15) days after written request by Developer or QALICB for such Certificate of Completion, shall provide Developer or QALICB with a written statement indicating in detail in what respects Developer has failed to complete the Project in accordance with the provisions of this Agreement or is otherwise in default and what measures or acts Developer must take or perform to obtain such Certificate of Completion. PDC's failure to furnish Developer and QALICB with such detailed written statement within such fifteen (15) day period shall be deemed PDC's approval of Developer's request for the Certificate of Completion.

4. **ENVIRONMENTAL CONDITIONS AND DEVELOPER INDEMNITY**

4.1. **Environmental Condition of the Property and Parties' Responsibilities.**

4.1.1. **Environmental Due Diligence Reports.** Developer acknowledges receipt of copies of all Environmental Due Diligence Reports other than the Phase 1 Environmental Assessment described in Section 4.1.2 below, a copy of which PDC will provide to Developer promptly after PDC's receipt thereof.

- 4.1.2. **Phase I Environmental Assessment.** Within 180 days prior to the date scheduled for Closing as set forth in the Schedule of Performance, PDC shall undertake a Phase I Environmental Assessment of the Property in conformance with the ASTM E 1527-05 process in compliance with the United States Environmental Protection Agency All Appropriate Inquiries (40 CFR Part 312). PDC shall provide a copy of the Phase I Environmental Assessment promptly after PDC's receipt thereof.
- 4.1.3. **Environmental Cleanup.** Except for any environmental cleanup necessary to be performed by the Developer to abate existing hazardous building materials, to the best of PDC's knowledge there are no Recognized Environmental Conditions existing on the Property as described in the Environmental Due Diligence Reports.
- 4.1.4. **Unforeseen Environmental Conditions.** If Developer encounters, after Closing and prior to issuance of the Certificate of Completion, an Unforeseen Environmental Condition on the Property that was not caused, directly or indirectly by Developer, Developer shall suspend all related construction activities pending PDC's investigations under this Section 4.1.4. Developer shall also, promptly thereafter, notify DEQ (to the extent required by applicable law) and PDC of the Unforeseen Environmental Condition and provide PDC with any documentation regarding the circumstances of the discovery of the Unforeseen Environmental Condition, including but not limited to any documentation on the release of a Hazardous Substance on the Property. After discovery of an Unforeseen Environmental Condition on the Property, Developer shall allow PDC access to the Property to make such surveys and conduct such tests and investigations as PDC deems reasonably necessary or desirable to determine the nature and extent of the Unforeseen Environmental Condition. Developer hereby grants a license to PDC for PDC to enter on the Property to perform the foregoing surveys, tests and investigations which PDC shall conduct in accordance with applicable Environmental Laws. PDC will provide Developer with copies of any reports arising from such surveys, tests and investigations. Promptly after PDC's completion of the surveys, tests and investigations, the Parties shall meet to agree upon a source and method for funding the remediation or abatement, as applicable, of the Unforeseen Environmental Condition, which Developer shall then complete as part of the Project, as a condition to issuance of the Certificate of Completion and in a manner necessary to obtain a No Further Action Letter or other approval as may be required from DEQ. Developer shall comply with all restrictions, limitations, conditions and obligations set forth in the No Further Action Letter or other approval once issued by DEQ. If the Parties are unable to agree on a source and method for funding the remediation or abatement, then PDC shall have the right, but not the obligation, in its sole discretion, to pursue other responsible parties of the Unforeseen Environmental Condition or perform remediation or abatement of the Unforeseen Environmental Condition itself, as it determines necessary or appropriate, and Developer shall permit PDC access to the Property to do so.
- 4.1.5. **Indemnification.** Developer shall be responsible for compliance with all Environmental Laws with respect to the Property, its business and the operation of the Project from and after Closing, including but not limited to compliance with all restrictions, limitations, conditions and obligations imposed by DEQ pursuant to a No Further Action Letter, Underground Storage Tank Closure letter or Easement and Equitable Servitude applicable to the Property, if any. In addition Developer shall be responsible for all environmental remediation and abatement of Recognized Environmental Conditions and Unforeseen Environmental Conditions on the Property as and to the extent such obligations are imposed on Developer under Sections 4.1.3 or 4.1.4 above. Developer shall defend (at PDC's request), indemnify and hold harmless PDC, its successors and assigns, from and against all claims, costs, expenses, losses, damages, and liabilities, including, without limitation, reasonable legal, accounting, consulting, engineering and other expenses which may be imposed on or incurred by

PDC, its successors or assigns, or asserted against PDC, its successors or assigns, by any other person or entity, including, without limitation, a governmental entity, arising out of or in connection with any violation of Environmental Laws by Developer, Developer's failure to comply with a restriction, limitation, condition or obligation imposed by DEQ pursuant to a No Further Action Letter, Underground Storage Tank Closure Letter or Easement and Equitable Servitude applicable to the Property, if any, or Developer's failure to complete any environmental remediation or abatement of Recognized Environmental Conditions or Unforeseen Environmental Conditions on the Property required of Developer by Sections 4.1.3 or 4.1.4 above. The indemnity set forth in this Section 4.1.4 shall survive the issuance of the Certificate of Completion and any termination of this Agreement.

- 4.1.6. **Contribution.** The foregoing indemnity does not limit any rights of contribution that the parties may have against others under applicable law or agreement. The indemnity is intended only as an allocation of responsibility between the parties to this Agreement.

5. ASSIGNMENT AND TRANSFER PROVISIONS

- 5.1. **Restrictions on Transfer of the Property and Assignment of the Agreement Prior to Issuance of Certificate of Completion.** Because it is a municipal entity, PDC is uniquely benefited by completion of the Project. Developer and QALICB are uniquely qualified to finance, construct and manage the Project. The anti-assignment provisions of this Section 5 are reasonable and necessary to provide to each Party the benefit of the transaction implemented through this Agreement.

- 5.1.1. Except as provided in Section 5.2, Developer shall not partially or wholly transfer or dispose of or agree to transfer or dispose of the Property, the Project, or Developer's interest in this Agreement without the prior written approval of the PDC, which may be withheld in PDC's sole discretion. Without limiting PDC's discretion to withhold its approval in any event, PDC is unlikely to approve a transfer or disposition if (a) the transfer or disposition violates another provision of this Agreement, (b) the proposed transferee does not possess qualifications and financial capacity equal to or superior to that of Developer, or (c) the transfer or disposition will cause a material delay in completion of the Project.

- 5.1.2. BEAM and OCOM ("**Developer's Principals**") shall retain a controlling ownership interest in the Developer and retain control of the operations of the Developer.

- 5.2. **Approved Transfers Prior to Issuance of Certificate of Completion.** Notwithstanding Section 5.1 above, and provided that Developer provides PDC with copies of all agreements related to the transfer at least fifteen (15) days prior to the effective date of the proposed transfer, and any other information reasonably necessary for PDC to determine whether such transfer complies with the requirements of this Agreement, PDC hereby consents to:

- 5.2.1. Any and all transfers, assignments, or leases with respect to an interest in the Property or the Project necessary or appropriate to effect the financing transactions described in Section 3.1 above, including, without limitation, the master lease between QALICB and Master Tenant, the subleases between Master Tenant and OCOM and any other tenants with respect to the occupation and use of the Project, and a Mortgage; and

- 5.2.2. Any assignment by Developer, or other agreement between Developer and QALICB with Beam or any affiliate of Beam with respect to the development and construction of the Project, including, without limitation, the Development Services Agreement
- 5.2.3. Notwithstanding an assignment under this Section 5.2, Developer and QALICB shall remain fully responsible to PDC for performance of this Agreement.

5.3. **Transfers After Issuance of Certificate of Completion.** After PDC's issuance of a Certificate of Completion for the Project, Developer or QALICB may transfer or dispose of the Property, the Project, or Developer's or QALICB's interest in this Agreement with the consent or approval of PDC, which consent may not be unreasonably withheld, conditioned, or delayed.

6. **COMPLIANCE WITH CONSTRUCTION WAGE POLICY, BUSINESS AND WORKFORCE EQUITY POLICY, GREEN BUILDING POLICY AND EEO CERTIFICATION PROGRAM**

6.1. **Construction Wage Policy.** PDC's Construction Wage Policy is not applicable to the Project.

6.2. **Business and Workforce Equity Policy.** PDC adopted the Business and Workforce Equity Policy attached hereto as Exhibit H to ensure fair and equitable opportunities to Portland's diverse populations, promote prosperity in all segments of Portland's diverse communities, foster economic growth, and expand competition in the market. Developer shall acquire the specifications for the Business and Workforce Equity Policy from PDC's Contract Compliance Coordinator prior to executing a construction contract with the General Contractor. The Business and Workforce Equity Policy is comprised of two (2) separate and distinct programs

The Business and Workforce Equity Policy is comprised of two (2) separate and distinct programs:

- The Business Equity Program; and
- The Workforce Equity Program

PDC has determined that the Project is subject to both the Business Equity Program and the Workforce Equity Program as follows:

6.2.1. **Business Equity Program.** The purpose of the Business Equity Program is to ensure that PDC provides professional, supplier and construction contracting opportunities to State certified minority-owned, women-owned and emerging small businesses (collectively, "**Certified Firms**") and to encourage the participation of businesses owned by veterans in connection with PDC projects. The utilization goal for Certified Firms in connection with the Project is twenty percent (20%) of the Project's hard construction costs. The Developer shall comply with the Business Equity Program by: (i) including provisions in its contract with its General Contractor that require the General Contractor to comply with the Business Equity Program and otherwise causing its General Contractor, and the subcontractors thereof, to comply with the Business Equity Program in connection with the Project; and (ii) complying with all portions of the Business Equity Program applicable directly to Developer. The failure of Developer or Developer's General Contractor, or the subcontractors thereof, to comply with the procedural requirements of the Business Equity Program shall constitute a breach of a material provision of this Agreement. Provided that the procedural requirements of the Business Equity Program are followed, failure to meet the specific

utilization goal for Certified Firms shall not constitute a breach of a material provision of this Agreement.

- 6.2.2. **Workforce Equity Program.** The purpose of the Workforce Equity Program is to maximize apprenticeship opportunities in the construction trades and ensure employment opportunities for People of Color and women and encourage the employment of people with disabilities and veterans in connection with PDC projects. In connection with the Project, Developer shall comply with the Workforce Equity Program by: (i) including provisions in its contract with its General Contractor that require the General Contractor to comply with the Workforce Equity Program and otherwise causing its General Contractor, and the subcontractors thereof, to comply with the Workforce Equity Program in connection with the Project; and (ii) complying with all portions of the Workforce Equity Program applicable directly to Developer. Projects subject to the Workforce Equity Program require contractors to ensure that a minimum of 20% of labor hours in each apprenticeable trade performed by the General Contractor and subcontractors are worked by state-registered apprentices. The failure of Developer or Developer's General Contractor, or the subcontractors thereof, to comply with the procedural requirements of the Workforce Equity Program or to meet the required percentage of apprentice hours (not the specific goals for participation by People of Color or women on the Project) of the Workforce Equity Program shall constitute a breach of a material provision of this Agreement.
- 6.3. **Green Building Policy.** In connection with the Project, Developer shall comply with the Green Building Policy. Among other things, this policy requires Developer to construct the Project in the manner necessary to meet the applicable Green Building standard set forth in the Green Building Policy. Within ten (10) days after the Effective Date, Developer shall provide PDC with the initial Green Building Progress Report, and Developer shall submit subsequent Green Building Progress Reports to PDC every thirty (30) days thereafter until PDC has issued a Certificate of Completion for the Project. If the applicable Green Building standard is some level of LEED certification, then Developer shall submit all materials necessary to obtain the applicable level of LEED certification for the Project to the USGBC prior to PDC's issuance of a Certificate of Completion for the Project and submission of such materials is a condition precedent to PDC's obligation to issue the Certificate of Completion. Developer will cooperate with PDC staff in the follow-up and monitoring of the effectiveness of the green building standards, including for example, providing information on the installation and operating of the measures and practices, and will provide PDC access to the building utility bills.
- 6.4. **EEO Certification.** Developer shall comply with the City's EEO Certification Program by including provisions in its contract with its General Contractor that require the General Contractor to comply with the EEO Certification Program and otherwise causing its General Contractor, and the subcontractors thereof, to comply with the EEO Certification Program. Developer shall also comply with all portions of the EEO Certification Program applicable directly to Developer and with all applicable provisions of Federal or state statutes and regulations and City ordinances concerning equal employment opportunities for persons engaged in the Project. The failure of Developer or Developer's General Contractor, or the subcontractors thereof, to comply with the EEO Certification Program or other applicable equal employment opportunity law shall constitute a breach of a material provision of this Agreement. The EEO Certification Program is set forth in Attachment C of the Fair Contracting and Hiring Guideline Index, and made a part hereof.

7. COMPLIANCE WITH OTHER PDC POLICIES

- 7.1. **Approval of Building Tenants.** It is PDC's intent to ensure that the commercial portion of the Project provides products and services to meet unmet demand in the Old Town/Chinatown community and serve as a catalyst to stimulate adjacent and nearby businesses. A tenant mix is sought that will be compatible with adjacent residential uses, not unreasonably contributing to negative immediate-neighbor impacts, such as traffic, outdoor activities, garbage and noise.
- 7.1.1. The Developer and QALICB shall make, and Developer in its capacity as Non-Member Manager of Master Tenant shall make, a good faith attempt to attract locally owned commercial tenants to the project following execution of this Agreement and until all initial spaces are leased. A "good faith attempt" means that the Developer will:
- (a) Hold at least two (2) informational meetings to describe the leasing opportunities for interested persons before construction begins;
 - (b) Advertise the leasing opportunities and the informational meetings in *The Skanner*, *The Portland Observer*, *El Hispanic News*, *the Asian Reporter*, and other emerging community and immigrant media publications;
 - (c) Send written notice of the leasing opportunities and informational meetings to the Oregon Association of Minority Entrepreneurs, the Urban League, the Old Town / Chinatown Neighborhood Association, the Old Town / Chinatown Business Association, and the Portland Minority Chambers of Commerce; and
 - (d) Provide documentation to PDC to verify the above attempts and any additional attempts to meet the goals.
- 7.1.2. The Developer shall notify and allow comment from the University of Oregon and the Old Town / Chinatown Business Association or both, regarding commercial tenants, the ownership mix of commercial tenants, and the good faith attempts made to attract locally owned commercial tenants, beginning on the Effective Date. If changes are made to the above, Developer shall notify and allow comment until five years after completion of construction of the Project.
- 7.1.3. For the term of any outstanding PDC financing, the following user types are specifically prohibited: commercial parking, vehicle servicing or repair, self-service storage, heavy industrial uses, drive-throughs, and businesses that exclude minors. PDC, as third party beneficiary of this section 7.1.3 only, may institute legal action to void any lease entered into contrary to these provisions.
- 7.2. **Public Participation Plan.** PDC and Developer shall formulate and implement a Public Participation Plan consistent with PDC's Public Participation Policy. The Public Participation Plan will serve to create a communication protocol, establish a list interested parties within the neighborhood, and provide opportunities for neighborhood and city wide stakeholder groups to get periodic updates on the project and provide input at key decision points.
- 7.3. **Transportation Management Plan.** Developer agrees to formulate a Transportation Management Plan acceptable to PDC that addresses the transportation impacts of the Project, including a description of anticipated building tenant and public parking. The Transportation Management Plan should encourage the use of mass transit and will explore the use of methods including, without limitation, the implementation of TriMet's PassPort program, providing bike lockers and showers for bike commuters, encouraging carpooling and use of Zipcar or other similar short term rental service. The Transportation Management Plan shall require OCOM to monitor the parking utilization on an annual basis and provide annual reports to PDC; name a Transportation Demand Management Coordinator who will be the contact for PDC in these

matters; and provide PDC with a certificate of compliance with the Transportation Management Plan on the first three anniversaries of OCOM's occupancy of the Project.

8. CONTINUING COVENANTS SURVIVING TERMINATION OF AGREEMENT OR COMPLETION OF CONSTRUCTION; COVENANTS RUNNING WITH THE LAND

8.1. **Surviving Sections.** The following Sections of this Agreement (the "**Surviving Sections**") shall survive and remain in effect for the periods identified in this Agreement notwithstanding issuance of the Certificate of Completion: Section 3.6.2 (LIABILITY CLAIMS), Section 3.6.3 (INDEMNITY FROM LIENS), Section 4.1.5 (INDEMNIFICATION), Section 7.1 (APPROVAL OF BUILDING TENANTS), and Section 6 (COMPLIANCE WITH CONSTRUCTION WAGE POLICY, BUSINESS AND WORKFORCE EQUITY POLICY, GREEN BUILDING POLICY AND EEO CERTIFICATION PROGRAM).

8.2. Covenants Running with the Land.

8.2.1. Developer and QALICB covenant and agree that for a period of 10 years from the date of the Certificate of Completion it will use the Property only for purposes substantially consistent with this Agreement, including the Scope of Development and the Final Construction Plans and Specifications.

8.2.2. Developer and QALICB covenant and agree that prior to the issuance of the Certificate of Completion the Design Review and Comment provisions contained in section 3.2 of this Agreement shall survive any foreclosure or transfer of the Property by a deed in lieu of foreclosure or any other transfer of the Property.

8.2.3. Consistent with that certain Settlement Agreement dated January 19, 2005, between PDC, Developer, Mary Naito Building, LLC, an Oregon limited liability company, and Bill Naito Lot, LLC, an Oregon limited liability company, Developer and QALICB covenant and agree that prior to January 19, 2015, neither Developer nor QALICB shall locate or operate Single Residential Occupancy Housing or Low Income Housing (Low Income Housing means housing for those whose income is at or below 30% of median family income) on the Property.

8.2.4. Developer, QALICB, and PDC hereby declare and agree that the covenants set forth in this section 8.2 shall be deemed covenants running with the land and shall pass to and be binding upon the Developer's or QALICB's successors in title, including, without limitation, any Mortgagee, purchaser, grantee, or lessee of any portion of the Property and any other person or entity having any right, title, or interest in the Property and upon the respective heirs, executors, administrators, devisees, designees, successors, and assigns of any Mortgagee, purchaser, grantee, or lessee of any portion of the Property and any other person or entity having any right, title, or interest in the Property.

9. PERMITTED MORTGAGES

9.1. Mortgage Protection Provisions.

9.1.1. **Effect of Revesting on Mortgages.** Any reversion and revesting of the Property or any portion thereof in PDC pursuant to this Agreement shall always be subject to and

limited by, and shall not defeat, render invalid, or limit in any way any Mortgage approved in writing by PDC and authorized by this Agreement.

- 9.1.2. **Mortgagee Not Obligated To Construct.** Notwithstanding any of the provisions of the Agreement, except those that are covenants running with the Property, a Mortgagee or its designee for purposes of acquiring title at foreclosure shall in no way be obligated by the provisions of this Agreement to construct or complete the improvements in the Property or to guarantee such construction or completion; provided, however that nothing in this Agreement shall be deemed or construed to permit or authorize any such Mortgagee to devote the Property or any part thereof to any uses, or to construct any improvements thereon other than those uses or improvements provided or permitted in this Agreement.
- 9.1.3. **Copy of Notice of Default to Mortgagee.** If PDC delivers a notice or demand to Developer and QALICB with respect to Developer's or QALICB's breach of this Agreement, PDC shall at the same time send a copy of such notice or demand to each Mortgagee approved by PDC, at the last address of such holder shown in the records of PDC.
- 9.1.4. **Mortgagee's Options to Cure Defaults.** After Developer's or QALICB's breach of this Agreement and if Developer or QALICB fails to cure or remedy said breach within the required time period (or commence the cure or remedy if such default cannot be completely cured or remedied within the required time period), then each Mortgagee shall have thirty (30) days after passage of the latest date for Developer's or QALICB's cure or remedy of the breach, to cure or remedy the breach itself (or cause the cure or remedy of the breach), if cure or remedy thereof is permitted by this Agreement. If a Mortgagee does cure or remedy the breach within said thirty (30) day period, the Mortgagee may add the cost thereof to the Mortgage debt and the lien of its Mortgage, if permitted by its loan documents. If the breach is with respect to construction of the improvements, nothing contained in this Agreement shall be deemed to prohibit such Mortgagee, or any person who acquires the Property either before or after foreclosure or action in lieu thereof, from undertaking or continuing the construction or completion of the improvements, provided that the Mortgagee notifies PDC in writing of its intention to complete the Project according to the approved Final Construction Plans and Specifications. Any Mortgagee or other person who acquires the Property and who properly completes the Project shall be entitled to issuance of a Certificate of Completion, upon written request made to PDC following the procedures set forth in Section 3.8 above.
- 9.1.5. **Amendments Requested by Mortgagee.** PDC shall execute amendments to this Agreement or separate agreements to the extent reasonably requested by a Mortgagee proposing to make a loan to Developer or QALICB secured by a security interest in all or any part of the Property or the Project, provided that such proposed amendments or other agreements do not materially and adversely affect the rights of PDC or its interest in the Property.

10. DEFAULT AND REMEDIES

10.1. Default and Cure.

10.1.1. Default by Developer.

- (a) Developer and QALICB shall be in default under this Agreement if Developer or

QALICB breaches any material provision of this Agreement, whether by action or inaction, and such breach continues and is not remedied within thirty (30) days after Developer and QALICB receive written notice from PDC specifying the breach. In the case of a breach that cannot with due diligence be cured within a period of thirty (30) days, Developer and QALICB shall be in default under this Agreement if Developer or QALICB does not commence the cure of the breach within thirty (30) days after Developer and QALICB receive written notice from PDC and thereafter diligently prosecute to completion such cure within sixty (60) days after the written notice from PDC. Failure of conditions precedent not caused by the Developer or QALICB shall not constitute a default but any such failure shall be subject to Sections 1.7.2, 1.7.3 and 1.7.4 above.

- (b) Developer and QALICB shall also be in default under this Agreement if Developer or QALICB makes any assignment for the benefit of creditors, or is adjudicated a bankrupt, or has a receiver, trustee or creditor's committee appointed over it that is not removed within one hundred eighty (180) days after appointment.
- (c) Developer and QALICB shall also be in default under this Agreement, and PDC shall be irreparably harmed by such default, if Developer or QALICB constructs or operates any portion of the Project in a manner materially inconsistent with Final Construction Plans and Specifications.

10.1.2. **Default by PDC.** PDC shall be in default under this Agreement if PDC breaches any material provision of this Agreement, whether by action or inaction, and such breach continues and is not remedied within thirty (30) days after PDC receives written notice from Developer or QALICB specifying the breach. In the case of a breach that cannot with due diligence be cured within a period of thirty (30) days, PDC shall be in default under this Agreement if PDC does not commence cure of the breach within thirty (30) days after PDC receives written notice from Developer or QALICB and thereafter diligently prosecute to completion such cure within sixty (60) days after the written notice from Developer. Failure of conditions precedent not caused by the PDC shall not constitute a default but any such failure shall be subject to Sections 1.7.2, 1.7.3 and 1.7.4 above.

10.2. **PDC's Pre-Conveyance Remedies.** If a Developer default (as described in Section 10.1.1) occurs before the Property is conveyed to Developer, PDC may, at its option: (i) terminate this Agreement by written notice to Developer and retain the Performance Guaranty Fee and any interest earned thereon as liquidated damages, (ii) seek monetary damages against Developer, or (iii) specifically enforce the obligations of Developer under this Agreement. If PDC terminates this Agreement as provided in this Section 10.2, then Developer shall deliver to PDC within thirty (30) days after such termination, copies of all Project market research, design documents, engineering documents, proformas and financial projections prepared for Developer by unrelated third parties, and which Developer is authorized to release. PDC may use any of the foregoing documents in any manner that PDC deems appropriate with the consent of any party having approval rights thereunder. PDC shall pay no compensation to Developer for the foregoing Project documents. If, prior to Closing, Developer performs any construction activities on the Property and Developer fails to acquire the Property, Developer agrees to restore the Property to substantially the condition that existed prior to the time that Developer performed any activities thereon, or to such condition as PDC shall reasonably approve.

10.3. **PDC's Post-Conveyance Remedies.** If a Developer or QALICB default (as described in Section 10.1.1) occurs after the Property is conveyed to Developer, including but not limited to Developer's and QALICB's failure to complete the Project as required by Section 3.3, then PDC shall have the following remedies:

- 10.3.1. Subject to the Mortgagee protections specified in Section 9.1, PDC shall have the right to re-enter and take possession of the Property and to terminate (and revert in PDC) the estate conveyed by the Deed, terminate Developer's right to develop the Project, and resell the Property pursuant to Section 10.4 hereof. It is the intent of this provision together with other provisions of this Agreement, that the conveyance of the Property to Developer shall be made upon, and that the Deed to the Property shall provide for, a condition subsequent to the effect that, in the event of a Developer default (as described in 10.1.1), subject to the Mortgagee protections specified in Section 9.1, PDC, at its option, may upon 30 days written notice (hereinafter "Notice of Termination") to Developer and the Escrow Agent, declare a termination in favor of PDC of the title, and of all the rights and interest in the Property. After delivery of such Notice of Termination, and in the event Developer fails to remedy, end or abrogate such default within the 30-day period in the manner stated in the Notice of Termination, all the title and rights and interest in the Property conveyed to Developer by Deed, or to any successors or permitted assigns of Developer, shall be reconveyed to PDC by quitclaim deed and pursuant to the escrow instructions, each as set forth in Exhibit G. Any delay by PDC in instituting or prosecuting any such actions or proceedings or otherwise asserting its rights under this section 10.3 shall not operate as a waiver of such rights or to deprive it of or limit such rights in any way (it being the intent of this provision that PDC should not be constrained because of concepts of waiver, laches or estoppel so as to avoid the risk of being deprived of or limited in the exercise of the remedy provided in this section or otherwise to exercise such remedy at a time when it may still hope otherwise to resolve the problems created by the default involved); nor shall any waiver in fact made by PDC with respect to any specific default by the Developer be considered or treated as a waiver of the rights of PDC with respect to any other defaults by the Developer or with respect to any particular default except to the extent specifically waived.
- 10.3.2. Developer shall deliver to PDC within thirty (30) days after reconveyance of the Property pursuant to Section 10.3.1, copies of all Project market research, design documents, engineering documents, proformas and financial projections prepared for Developer by unrelated third parties, and which Developer is authorized to release. PDC may use any of the foregoing documents in any manner that PDC deems appropriate with the consent of any party having approval rights thereunder. PDC shall pay no compensation to Developer for the foregoing Project documents.
- 10.3.3. PDC shall retain the Performance Guaranty Fee, plus any interest accrued thereon, as liquidated damages.
- 10.4. **PDC Resale.** If title to the Property shall revert in PDC in accordance with the provisions of Section 10.3, PDC may, at its option, bring the improvements to a state of completion deemed by PDC as reasonably necessary to protect the improvements from the elements or other dangers, and shall, pursuant to its responsibilities under Oregon Revised Statutes, Chapter 457, and Chapter XV of the Charter of the City of Portland, use its best efforts consistent with prudent business practices and generally in accordance with the terms of this Agreement to resell at a reasonable price, the Property and such improvements (subject to any Mortgages permitted by this Agreement) as soon and in such a manner as PDC shall find feasible and consistent with the objectives of such laws and the Urban Renewal Plan, to a qualified and responsible party or parties (as determined by PDC in its sole discretion) who will assume the obligation of making or completing the improvements or such other improvements in their stead as shall be satisfactory to PDC. Upon such resale, the proceeds thereof shall be applied as follows:
- 10.4.1. **PDC Reimbursement.** First, to PDC on its own behalf to reimburse PDC for all costs and expenses reasonably incurred by it in retaking, completing and selling the Property and its improvements, including, but not limited to, the following: (a) salaries of

personnel in connection with the recapture, management and resale of the Property, (b) any expenditures made or costs incurred in completing the construction of the Project improvements that were Developer's or QALICB's responsibility to construct but were done by or on behalf of PDC, (c) any payments made or necessary to be made to discharge any encumbrances or liens existing on the Property or the Project at the time of revesting of title thereto in PDC or to discharge or prevent from attaching or being made any subsequent encumbrances or liens due to obligations, defaults, or acts of the Developer or QALICB, their successors or transferees excluding any Mortgage if the Property or improvements are sold subject to such Mortgage, (d) all taxes, assessments and water and sewer charges with respect to the Property or part thereof (or, in the event the Property is exempt from taxation or assessment of such charges during the period of ownership thereof by PDC or Developer or QALICB, an amount equal to such taxes, assessment, or charges (as determined by the County assessing official) as would have been payable if the Property were not so exempt), and (e) any amounts owed to the City as lease or license fees, and any amounts otherwise owing PDC by Developer or its successor or transferee;

10.4.2. **Developer Reimbursement.** Second, to reimburse Developer or QALICB, up to the amount equal to the sum of (a) any portion of the Purchase Price of the Property that Developer or QALICB has paid to PDC and (b) the PDC-approved development costs for the Project paid by Developer or QALICB, or for which Developer or QALICB remains liable, that were not funded by the PDC (if PDC provided financing for the Project), less any gains or income withdrawn or made as to the Project; and

10.4.3. **Balance to PDC.** Third, any balance remaining after the reimbursements described above shall be retained by PDC.

10.5. **Developer's Pre-Conveyance Remedies.** If a PDC default (as described in Section 10.1.2) occurs before PDC conveys the Property to Developer or QALICB, Developer or QALICB may, at its option: (i) terminate this Agreement by written notice to PDC and receive a refund of the Performance Guaranty Fee (including interest earned thereon) without waiving any cause of action Developer may have against PDC, (ii) specifically enforce the obligations of PDC under this Agreement, or (iii) seek monetary damages against PDC. Notwithstanding the preceding sentence, Developer and QALICB shall not seek consequential damages from PDC in connection with PDC's default.

10.6. **Developer's Post-Conveyance Remedies.** If a PDC default (as described in Section 10.1.2) occurs after PDC conveys the Property to Developer or QALICB, Developer or QALICB may specifically enforce the obligations of PDC under this Agreement, or seek monetary damages against PDC. Notwithstanding the preceding sentence, neither Developer nor QALICB shall seek consequential damages from PDC in connection with PDC's default.

10.7. **Nonexclusive Remedies.** The rights and remedies provided by this Agreement shall not be deemed exclusive, except where otherwise indicated, and shall be in addition to any and all rights and remedies otherwise available at law or in equity. The exercise by either Party of one or more of such remedies shall not preclude the exercise by it, at the same or different times, of any other such remedies for the same default or of any of its remedies for any other default by the other Party, including, without limitation, the right to compel specific performance. Any limitation of remedies set forth herein shall not limit or affect the obligations of a Party under any contractual indemnities set forth herein.

10.8. **Unavoidable Delay**

10.8.1. Neither a Party nor a Party's successor in interest shall, to the extent described in Section 10.8.2 below, be considered in breach of any obligation created hereunder or progress in respect thereto if the delay in performance of such obligation (the

“Unavoidable Delay”) is due to causes that are unforeseeable, beyond its control, and without its fault or negligence, such as acts of God, acts of the public enemy, fires, floods, epidemics, quarantine restrictions, freight embargoes, earthquake, explosion, mob violence, riot, malicious mischief.

10.8.2. It is the purpose and intent of this provision that, in the event of the occurrence of any such Unavoidable Delay, the time or times for performance of the obligations of PDC or Developer or QALICB, as the case may be, shall be extended for the period of the Unavoidable Delay; provided, however, that the Party seeking the benefit of this Section shall, within thirty (30) days after the Party becomes aware of the causes of any such Unavoidable Delay, notify the other Party in writing of the cause or causes of the delay and the estimated time of correction and, provided further, that in no event shall the time or times for performance of an obligation be extended for more than 180 days in aggregate.

11. MISCELLANEOUS PROVISIONS

11.1. **PDC Project Manager.** For the purposes of managing the implementation of the provisions of this Agreement on behalf of PDC, the Director of Development of the Portland Development Commission shall designate a Project Manager. At the Effective Date, the PDC Project Manager is Kevin Brake.

11.2. **Discrimination.** Developer, for itself and its successor and assigns, agrees that, during the construction of the Project, Developer and QALICB will not discriminate against any employee or applicant for employment because of race, color, religion, age, gender, sexual orientation or national origin.

11.3. **Notice.** Any notice or communication under this Agreement by either Party to the other shall be deemed given and delivered (a) forty-eight (48) hours after being dispatched by registered or certified U.S. mail, postage prepaid, return receipt requested, or (b) when received if personally delivered, and:

In the case of a notice or communication to Developer, addressed as follows:

with a copy to:

In the case of a notice or communication to QALICB, addressed as follows:

with a copy to:

In the case of a notice or communication to PDC, addressed as follows:

Kevin Brake
Portland Development Commission
222 NW 5th Ave.
Portland, OR 97209

with a copy to:

Portland Development Commission
Attn. General Counsel
222 NW 5th Ave.
Portland, OR 97209

or addressed in such other way in respect to either Party as that Party may, from time to time, designate in writing dispatched as provided in this Section. Notice given in any other manner shall be effective upon receipt by the Party for whom the same is intended.

- 11.4. **Merger.** None of the provisions of this Agreement are intended to or shall be merged by reason of any Deed transferring title to the Property from PDC to Developer or QALICB or any successor in interest, and any such Deed shall not be deemed to affect or impair the provisions and covenants of this Agreement, but shall be deemed made pursuant to this Agreement.
- 11.5. **Headings.** 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.
- 11.6. **Waivers.** No waiver made by either Party with respect to the performance, or manner or time thereof, of any obligation of the other Party or any condition inuring to its benefit under this Agreement shall be considered a waiver of any other rights of the Party making the waiver. No waiver by PDC or Developer or QALICB of any provision of this Agreement or any breach thereof, shall be of any force or effect unless in writing and no such waiver shall be construed to be a continuing waiver.
- 11.7. **Attorneys' Fees.** If a suit, action, arbitration, or other proceeding of any nature whatsoever, including, without limitation, any proceeding under U.S. Bankruptcy Code, is instituted to interpret or enforce any provision of this Agreement, or with respect to any dispute relating to this Agreement, including, without limitation, any action in which a declaration of rights is sought or an action for rescission, the prevailing party shall be entitled to recover from the losing party its reasonable attorneys', paralegals', accountants', and other experts' fees and all other fees, costs and expenses actually incurred and reasonably necessary in connection therewith, as determined by the judge at trial or on any appeal in addition to all other amounts provided by law. This provision shall cover costs and attorney fees related to or

with respect to proceedings in Federal Bankruptcy Courts, including those related to issues unique to bankruptcy law.

- 11.8. **Governing Law, Venue, Consent to Jurisdiction.** This Agreement shall be governed by Oregon law, without regard to principles of conflicts of law. Any action or suit to enforce or construe any provision of this Agreement by any Party must be brought in the Circuit Court of the State of Oregon for Multnomah County or, if the action or suit must be brought in a federal forum, the United States District Court for the District of Oregon in Portland, Oregon. Each Party, by execution of this Agreement, hereby consents to the in personam jurisdiction of said courts.
- 11.9. **Calculation of Time.** All periods of time referred to herein shall include Saturdays, Sundays, and legal holidays in the state of Oregon, except that if the last day of any period falls on any Saturday, Sunday or legal holiday, the period shall be extended to include the next day which is not a Saturday, Sunday or legal holiday.
- 11.10. **Construction.** In construing this Agreement, singular pronouns shall be taken to mean and include the plural and the masculine pronoun shall be taken to mean and include the feminine and the neuter, as the context may require.
- 11.11. **Legal Purpose.** Developer and QALICB agree to use the Project solely for lawful purposes.
- 11.12. **Severability.** If any clause, sentence or any other portion of the terms and conditions of this Agreement becomes illegal, null or void for any reason, the remaining portions will remain in full force and effect to the fullest extent permitted by law.
- 11.13. **Entire Agreement.** This Agreement and the attachments hereto are the entire agreement between the Parties pertaining to the sale of the property or development of the Project. There is no other oral or written agreement between the Parties with regard to this subject matter. There are no oral or written representations made by either Party, implied or express, pertaining to the sale of the Property or development of the Project other than those contained in this Agreement.
- 11.14. **Amendments and Modifications.** Any modifications to this Agreement must be made in writing and executed by all Parties, with the approval of the PDC Board of Commissioners, if required. Notwithstanding this general requirement, the PDC Executive Director may approve minor modifications to this Agreement without Board of Commissioners approval. Any modifications to this Agreement made without the approval of the PDC Board of Commissioners must include an acknowledgement by PDC's General Counsel that such approval is not necessary.
- 11.15. **Successors and Assigns.** Subject to the provisions of Section 5, the benefits conferred by this Agreement, and the obligations assumed thereunder, shall inure to the benefit of and bind the successors and assigns of the Parties.
- 11.16. **No Partnership.** Nothing contained in this Agreement or any acts of the Parties hereby shall be deemed or construed by the Parties, or by any third person, to create the relationship of principal and agent, or of partnership, or of joint venture, or any association between any of the Parties.
- 11.17. **Non-waiver of Government Rights.** Subject to the terms and conditions of this Agreement, by making this Agreement and delivery of the Deed, PDC is specifically not obligating itself, the City, or any other agency with respect to any discretionary action relating to development or operation of the improvements to be constructed on the Property, including, but not

limited to, rezoning, variances, environmental clearances or any other governmental approvals which are or may be required, except as expressly set forth herein.

- 11.18. **Approvals.** Where this Agreement requires the approval(s) of PDC, PDC will approve or disapprove within twenty (20) Business Days after receipt of the material to be approved, except where a longer or shorter time period is specifically provided to the contrary, and further excepting construction change orders which will be processed according to the applicable loan documents. Failure by PDC to approve or disapprove within said period of time shall be deemed approval. Any disapproval shall state in writing the reasons for such disapproval. Approvals will not be unreasonably withheld, conditioned, or delayed, except where rights of approval are expressly reserved to PDC's sole discretion in this Agreement. Developer or QALICB, upon receipt of such disapproval, shall revise such disapproved portions in a manner responsive to the stated reasons for disapproval and resubmit the same to PDC within forty-five (45) days after receipt of the notice of disapproval.
- 11.19. **Approval by PDC Executive Director.** Except as provided for elsewhere in this Agreement, whenever consent or approval by PDC is required under the terms of this Agreement, all such consents or approvals shall be given in writing from the Executive Director of PDC or his or her designee.
- 11.20. **Time of Essence.** Time is of the essence of this Agreement.
- 11.21. **No Third-Party Beneficiary Rights.** 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.
- 11.22. **Recording of Memorandum of Agreement.** PDC shall provide for recording a Memorandum of this Agreement within thirty (30) days after the Effective Date. Developer or QALICB shall pay the recording costs pursuant to Section 1.6. The form of the Memorandum of Agreement is attached as Exhibit I to this Agreement. When PDC issues to Developer a Certificate of Completion or if the Agreement is terminated, the Parties shall cooperate to promptly record an Amended Memorandum of Agreement to reflect the surviving covenants of this Agreement.
- 11.23. **STATUTORY WARNING.** THE PROPERTY DESCRIBED IN THIS INSTRUMENT MAY NOT BE WITHIN A FIRE PROTECTION DISTRICT PROTECTING STRUCTURES. THE PROPERTY IS SUBJECT TO LAND USE LAWS AND REGULATIONS THAT, IN FARM OR FOREST ZONES, MAY NOT AUTHORIZE CONSTRUCTION OR SITING OF A RESIDENCE AND THAT LIMIT LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, IN ALL ZONES. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, AND SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO VERIFY THE EXISTENCE OF FIRE PROTECTION FOR STRUCTURES AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, AND SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009.

Executed in multiple counterparts as of the day and year first above written.

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:

_____, Attorney
Portland Development Commission

DEVELOPER:

GLOBE HOTEL, LLC,
an Oregon limited liability company

By: _____

Name: _____

Title: _____

QALICB:

GLOBE BUILDING, LLC,
an Oregon limited liability company

By: _____

Name: _____

Title: _____

EXHIBITS

Exhibit A	Form of Deed
Exhibit B	Project Budget
Exhibit C	Property Description
Exhibit D	Schedule of Performance
Exhibit E	Scope of Development
Exhibit F	Form of Certificate of Completion
Exhibit G	Form of Quitclaim Deeds and Escrow Instructions
Exhibit H	Business and Workforce Equity Policy
Exhibit I	Form of Memorandum of Agreement
Exhibit J	List of Environmental Documents
Exhibit K	Easement Term Summary
Exhibit L	Lot Line Adjustment and Easement Diagram

EXHIBIT A
FORM OF
BARGAIN AND SALE DEED

After Recording Return to and
Tax Statements to be sent to:

BARGAIN AND SALE DEED

KNOW ALL MEN BY THESE PRESENTS, that the **CITY OF PORTLAND**, a municipal corporation of the State of Oregon, acting by and through the **PORTLAND DEVELOPMENT COMMISSION**, as 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"), does hereby grant, bargain, sell and convey to Globe Hotel, LLC, an Oregon limited liability company (the "Developer"), and unto its successors and assigns, all the following described real property, with the tenements, hereditaments and appurtenances (herein called the "Property"), situated in the County of Multnomah and State of Oregon:

Lots 2 and 3, Block 8, COUCH'S ADDITION TO THE CITY OF PORTLAND, in the City of Portland, County of Multnomah and State of Oregon

EXCEPTING THEREFROM the Westerly 5 feet of Lots 2 and 3, lying within the boundaries of NW First Avenue, formerly North First Street.

The conveyance is made pursuant to that certain Agreement for Disposition and Development of Property in the Downtown Waterfront Urban Renewal Area (88 NW Davis (Globe Hotel)), between Developer and PDC, dated _____, 20__, a Memorandum of which was recorded on _____, 20__ as Document No. _____, Records of Multnomah County, Oregon (the "DDA"). Any capitalized terms in this Deed shall have the meanings set out in the DDA, unless otherwise defined herein. The Developer has given other value as a portion of the consideration for this conveyance.

The conveyance is subject to the following:

1. The covenants set forth in the DDA that the parties intend by the terms of the DDA to be real covenants running with the land.
2. A condition subsequent to this conveyance, that PDC shall have the option, in the event of a default by Developer before PDC issues a Certificate of Completion for the Project, and upon 30 days written notice (hereinafter "Notice of Termination") to said Developer and the Escrow Agent, to declare a termination in favor of PDC of the title, and of all the rights and interest of Developer in the Property. After delivery of such Notice of Termination, and in the event Developer fails to remedy, end or abrogate such default within the 30-day period in the manner stated in the Notice of Termination, Developer shall reconvey the Property to PDC by quitclaim deed, pursuant to the Escrow Instructions in Exhibit G to the DDA.
3. After the Certificate of Completion is recorded, PDC shall thereafter have, or be entitled to exercise, no rights or remedies or controls that it may otherwise have been entitled to exercise

under the DDA with respect to the construction of the Project, including but not limited to the right of re-entry to the Property and reversion in PDC described in subparagraph 2 immediately above. This Deed is made by PDC pursuant to powers exercised by it under Oregon Revised Statutes Chapter 457, and Chapter XV of the Charter of the City of Portland, and for the purpose of carrying out an urban renewal plan for the Downtown Waterfront Urban Renewal Area approved by the City Council of the City on _____, as amended.

It is intended that the delivery of this Deed shall not effect a merger of those provisions of the DDA that are intended by the terms of said Agreement to continue after the delivery of this Deed.

TO HAVE AND TO HOLD the same unto the said Developer and unto its successors and assigns forever.

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, AND SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, AND SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009.

IN WITNESS WHEREOF, the City of Portland Development Commission, as the duly designated urban renewal agency of the City of Portland, a municipal corporation of the State of Oregon, has caused this Deed to be executed this ____ day of _____, 20__.

CITY OF PORTLAND, a municipal corporation of 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: _____
Chairman

By: _____
Secretary

STATE OF OREGON)
) ss.
County of Multnomah)

The foregoing instrument was acknowledged before me this ____ day of _____, by _____ as Chairman of the City of Portland Development Commission, on its behalf.

Notary Public for Oregon
My commission expires: _____

STATE OF OREGON)
) ss.
County of Multnomah)

The foregoing instrument was acknowledged before me this ____ day of _____, by
_____ as Secretary of the City of Portland Development Commission, on its behalf.

Notary Public for Oregon
My commission expires: _____

EXHIBIT B

PROJECT BUDGET

**GLOBE HOTEL RENOVATION
ESTIMATED DEVELOPMENT COSTS**

LAND COSTS	SF	\$/SF	Total
Land Purchase	39,442	\$49.44	1,950,000
Lot Line Adjustment	400	\$95.00	38,000
Easement	2,940	\$83.67	246,000
Tax Proration			
Closing Costs			
Geotech Study			24,069
Appraisals			11,000
Legal - Lender			15,000
Legal - Buyer			35,000
Other-Title & Recording			22,070
Subtotal			2,341,139
Contingency			-
Total Land Cost	39,442	\$59.36	2,341,139

HARD COSTS

By Division			
1 - General Conditions	39,580	\$8.35	330,399
2 Seismic Rehab		\$11.33	448,507
3 Structural to Support Penthouse Addition		\$17.15	678,645
4 Office Core / Shell & Interiors		\$7.51	297,219
5 Retail Core & Shell		\$6.57	260,072
6 Retail White Box Construction		\$15.02	594,381
7 - Moisture Protection		\$7.49	296,520
8 - Doors & Windows		\$16.89	668,447
9 - Finishes		\$13.24	524,167
10 - Specialties		\$1.60	63,287
11 - Equipment			-
12 - Furnishings			-
13 - Specialty Construction			-
14 - Elevators		\$5.85	231,500
15 - Mechanical			-
Plumbing		\$4.82	190,847
Fire Sprinklers		\$2.67	105,500
HVAC		\$17.74	702,000
16 - Electrical		\$13.19	522,000
Perimeter/Alleyway landscape & Furnishings		\$2.53	100,000
Tenant Improvements (from drawings)		\$14.54	575,400
Contractor Controlled Contingency		\$0.00	
Preconstruction Services		\$1.26	50,000
Building Weather Protection		\$0.13	5,000
Overhead & Fees		\$4.51	178,649
Contractor Insurance		\$1.05	41,479
Subtotal			6,864,019
Owner Controlled Contingency	10%		686,402
Total Hard Cost	39,580	\$190.76	7,550,421

SOFT COSTS			
Block 8 - Globe	SF	\$/SF	Total
Architectural - Schematic, Design	39,580	\$4.50	178,000
Architectural - CD's, Bidding, As-Built's		\$6.88	272,250
Architectural - Construction Administration		\$2.27	90,000
Feng Shui Consultant		\$0.32	12,500
Structural		\$3.42	135,500
Civil		\$0.13	5,050
Landscape		\$0.19	7,500
Acoustical		\$0.13	5,000
MEP (Design Build Spec)		\$1.50	59,200
Envelope		\$1.26	50,000
LEED Consultant		\$2.78	110,000
Interior Design (AMAA)		\$4.72	187,000
Design Staff Reimbursables	5%	\$1.02	40,238
Traffic Study		\$0.00	-
Land Use Review		\$0.50	19,946
Historical Consultant		\$1.01	40,000
Permitting-Plan Review		\$0.74	29,116
Permitting-Building Permit		\$4.18	165,591
SDC - Parks		\$0.77	30,600
SDC - Transit		\$0.21	8,151
SDC - Water		\$1.59	62,895
SDC - Projected Increase		\$1.19	47,000
Developer's Overhead		\$0.26	10,200
Project Manager/Owner Rep		\$2.27	90,000
Signage & Advertising		\$0.13	5,000
Non-Wrap Insurance (Course of Construction)		\$0.71	28,000
Developer's Bond (Developer's liability)		\$0.08	3,000
Brokerage Commissions-Retail		\$0.35	14,000
Brokerage Commissions-Purchase		\$1.26	50,000
Leasing Legal Fees		\$0.13	5,000
Marketing Costs		\$0.13	5,000
Market Analysis		\$0.20	8,000
Property Tax - during construction		\$0.00	
Title Policy - Construction		\$0.53	21,000
Developer's Fee		\$18.57	735,000
Deferred Developer's Fee		\$21.48	850,000
Accounting Fees-Closing & Project Management		\$1.12	44,250
Closing Costs/Sales (Incl Title Ins)		\$0.64	25,500
Appraisal		\$0.19	7,500
Security		\$0.39	15,300
Tax Credit Transaction Costs-Internal		\$2.53	100,000
Survey		\$0.03	1,020
Construction Inspector		\$1.59	63,000
3rd Party Consultants		\$2.53	100,000
Subtotal			3,736,307
Contingency	7.5%		280,223
Total Soft Costs	39,580	\$101.48	4,016,530
INTEREST FEES/CARRY COST			
Construction Financing Interest	39,580	\$12.30	486,805
Construction Financing Fees			96,764
Tax Credit Fees - Annual			18,877
Capitalized NMTC Reserves			768,168
NMTC Transaction Cost			400,000
Total Financing Costs			1,770,614
TOTAL DEVELOPMENT COSTS	39,580	\$396.13	15,678,704

EXHIBIT C
Property Description

Lots 2 and 3, Block 8, COUCH'S ADDITION TO THE CITY OF PORTLAND, in the City of Portland, County of Multnomah and State of Oregon

EXCEPTING THEREFROM the Westerly 5 feet of Lots 2 and 3, lying within the boundaries of NW First Avenue, formerly North First Street.

EXHIBIT D

SCHEDULE OF PERFORMANCE

TASK	DUE DATE
1. Substantial Draft DDA	10/27/2010
2. Commission Approval of DDA	11/10/2010
3. PDC to provide Preliminary Title Report to Developer (Section 1.4.1)	10 days after DDA is executed
4. Developer to submit to the City of Portland Bureau of Development Services, a Design Advice Request (DAR)	Completed
5. Developer to re-submit to the City of Portland Bureau of Development Services, a second Design Advice Request (DAR)	Completed
6. Developer to submit to the City of Portland Bureau of Development Services application for Design Review Approval	Completed
7. Developer to provide Schematic Design Documents (Section 3.2.3(b))	Completed
8. PDC to complete review of Schematic Design Documents	Completed
9. Developer to provide 80% Design Review Documents & Project Budget (Section 3.2.3(c))	Completed
10. PDC to complete review of 80% Design Review Documents & Project Budget	Completed
11. Developer to provide final Design Review Documents & Project Budget (Section 3.2.3(d))	Completed
12. PDC to complete review of final Design Review Documents & Project Budget	Completed
13. Developer to provide 50% Construction Documents & Project Budget (Section 3.2.3(e))	Completed
14. PDC to complete review of 50% Construction Documents & Project Budget	Completed
15. Developer to provide to provide 80% Construction Plans and Specifications & Project Budget (Section 3.2.3(f))	Completed
16. PDC to complete review of 80% Construction Plans and Specifications & Project Budget	Completed
17. Developer to provide Final Construction Plans and Specifications & Project Budget (Section 3.2.3(g))	11/30/2010
18. PDC to complete review of Final Construction Plans and Specifications & Project Budget	20 days after submission
19. Developer to provide Construction Specification and Product 'Cut Sheets' (Section 3.2.3(h))	9/17/2010
20. Developer to secure land use approvals (Section 1.7.1(b)(ii))	2/1/2011
21. Developer to secure building permits from BDS (Section 1.7.1(b)(iii))	Complete
22. PDC to provide final form of Deed	On or before closing
23. Developer to provide Articles of Organization, Operating Agreement, Certificate of Good Standing, and Authorizing Resolution (Section 1.7.1(d)(i))	20 days prior to closing
24. Developer to submit Final Construction Budget (Section 1.7.1(d)(ii))	45 days prior to closing
25. PDC to complete review of Final Construction Budget	20 days after submission
26. Developer to provide LEED documentation (Section 1.7.1(d)(iii))	20 days prior to closing
27. Closing/Conveyance of Property to Developer	3/31/2011
28. Developer to begin construction	30 days after closing
29. Final Termination Date (if Closing does not occur by _____) (Section 1.7.3)	60 days after scheduled closing date
30. Developer to complete construction and secure Certificate of Occupancy for the Project (Section 3.8.1)	18 months after closing
31. Developer to request Certificate of Completion from PDC	1 month after Certificate of Occupancy is issued by City.
32. PDC to issue Certificate of Completion (assuming compliance with DDA)	30 days after satisfaction of requirements described in Section 3.8

EXHIBIT E

SCOPE OF DEVELOPMENT

Developer shall perform a historic rehabilitation of the Globe Hotel, located on the Property for use as the academic headquarters for the Oregon College of Oriental Medicine. The rehabilitation must result in active use for at least 50% of the ground floor space, including retail or food service along NW Couch and NW 1st Avenues. Developer must consider designs for the rehabilitation that include elements that provide an interface and link to the Japanese American Historical Plaza, and are compatible with the Skidmore Old Town Historic Design Guidelines.

The project will involve the purchase and renovation of the Historic Globe Hotel building, originally built in 1911. Over the last 3 decades, the Old Town/Chinatown district has witnessed a severe out-migration of jobs and businesses as employers left the largely un-restored older building stock in search of less expensive or more modern facilities. The Portland Development Commission has spent several million dollars over the last 5 years in an effort to recruit new business and activity in the district. The building will have approximately 39,000 SF when complete. OCOM has committed to leasing 30,000 SF immediately with an option to lease an additional 4,500 SF. The Developers have 1 letter of interest from a regional quick-service restaurant chain for an additional 2,400 SF. Renovation of the Globe Hotel for OCOM will have a significant beneficial impact on the Old Town/Chinatown neighborhood. The high intensity use of a graduate-level educational institution will spur economic activity throughout the district and will bring a “24-hour” presence to the district, greatly benefiting this historically high-crime district that has desperately needed more eyes on the street.

EXHIBIT F

FORM OF CERTIFICATE OF COMPLETION

CITY OF PORTLAND (the "City"), a municipal corporation of the State of Oregon, acting by and through the PORTLAND DEVELOPMENT COMMISSION, the duly designated urban renewal agency of the City of Portland ("PDC") hereby certifies that Developer, Globe Hotel, LLC, an Oregon limited liability company ("Developer"), has satisfactorily completed construction of the Project as described in the Agreement for Disposition and Development of Property in the Downtown Waterfront Urban Renewal Area (88 NW Davis (Globe Hotel)), dated _____, 20__ (herein called the "DDA"), a memorandum of which was recorded in the Records of Multnomah County, Oregon as Document No. _____ on _____, 20___. Capitalized terms used herein without definition shall have the meaning ascribed to them in the DDA.

Pursuant to Section 3.8.1 of the DDA, PDC hereby certifies that:

- (i) the Project is completed according to the Final Construction Plans and Specifications, except for punchlist items that do not materially affect the use of the Project for the purposes intended under the DDA,
- (ii) the City of Portland has issued a temporary or permanent Certificate of Occupancy with respect to the Project, and
- (iii) any other improvements required by the terms of the DDA to have been completed at the time the Project is complete are complete in all material respects.

This Certificate of Completion is and shall be a conclusive determination of the satisfaction of all of the agreements, covenants and conditions contained in the DDA with respect to the obligations of Developer, its successors and assigns, as to the construction of the Project, and such obligations are hereby terminated. This Certificate represents and certifies the completion of Developer's construction obligations described herein as to PDC only.

Further,

- (1) Any party acquiring or leasing any portion of the Project shall not (because of such purchase or lease) have any obligation under the DDA with respect to the construction of the Project, and
- (2) The following Sections of the DDA shall survive and remain in effect for the periods identified in the DDA notwithstanding issuance of this Certificate ("Surviving Sections"): Section 3.6.2 (LIABILITY CLAIMS), Section 3.6.3 (INDEMNITY FROM LIENS), Section 4.1.5 (INDEMNIFICATION), Section 6 (COMPLIANCE WITH CONSTRUCTION WAGE POLICY, BUSINESS AND WORKFORCE EQUITY POLICY, GREEN BUILDING POLICY AND EEO CERTIFICATION PROGRAM), and Section 7.1 (APPROVAL OF BUILDING TENANTS).

Other than its right to enforce the Surviving Sections, PDC shall hereafter have, or be entitled to exercise, no rights or remedies or controls that it may otherwise have been entitled to exercise under the DDA with respect to the construction of the Project, or as a result of a breach of any provisions of the DDA relating to construction by the Developer, or by any successors in interest or assigns of Developer. Without limitation, PDC confirms that PDC no longer has any right of re-entry to the Project or termination of the DDA.

IN WITNESS WHEREOF, PDC has caused this instrument to be executed this ____ day of _____, 20__.

CITY OF PORTLAND, a municipal corporation of the State of Oregon, acting by and through the PORTLAND DEVELOPMENT COMMISSION, the duly designated urban renewal agency of the city of Portland

By: _____
Name: _____
Executive Director

STATE OF OREGON)
) ss.
County of Multnomah)

This instrument was acknowledged before me on _____, 20__, by _____, Executive Director of the **PORTLAND DEVELOPMENT COMMISSION**, the duly designated urban renewal agency of the City of Portland.

Notary Public for _____
My commission expires: _____

EXHIBIT G

FORM OF QUITCLAIM DEED AND ESCROW INSTRUCTIONS

After recording return to
and send tax statements to:

Portland Development Commission
222 NW 5th Avenue
Portland, OR 97209
Attn: General Counsel

For a valuable consideration, receipt of which is hereby acknowledged Globe Hotel, LLC, an Oregon limited liability company (“Grantor”), does hereby demise, release and quitclaim to CITY OF PORTLAND acting by and through the PORTLAND DEVELOPMENT COMMISSION, the duly designated Urban Renewal Agency of the City of Portland (“Grantee”), all right, title and interest in and to the following described real property, with the tenements, hereditaments and appurtenances, situated in the County of Multnomah and State of Oregon, to wit:

Lots 2 and 3, Block 8, COUCH’S ADDITION TO THE CITY OF PORTLAND, in the City of Portland, County of Multnomah and State of Oregon

EXCEPTING THEREFROM the Westerly 5 feet of Lots 2 and 3, lying within the boundaries of NW First Avenue, formerly North First Street.

To have and to hold the same unto the said Grantee and Grantee's successors and assigns forever.

The true and actual consideration paid for this transfer, stated in terms of dollars, is \$ -0-. However, the actual consideration consists of or includes other property or value given or promised which is the whole consideration.

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON’S RIGHTS, IF ANY, UNDER ORS 197.352. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY APPROVED USES, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES AS DEFINED IN ORS 30.930 AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 197.352.

IN WITNESS WHEREOF, Grantor has executed this instrument this ____ day of _____, 20__.

Globe Hotel, LLC, an Oregon limited liability company

By: _____
Name: _____
Title: _____

Accepted this ____ day of _____, 20__.

CITY OF PORTLAND
acting by and through the PORTLAND DEVELOPMENT COMMISSION

By: _____
Executive Director

STATE OF OREGON)
) ss.
County of Multnomah)

This instrument was acknowledged before me on _____, 20__, by
_____, _____ of Globe Hotel, LLC, an Oregon limited liability company.

Notary Public for
My commission expires: _____

EXHIBIT G (Continued)

ESCROW INSTRUCTIONS FOR QUITCLAIM DEED

_____ Title Insurance Company

Attention: [INSERT TITLE OFFICER]

Re: Escrow No. _____

Globe Hotel, LLC, an Oregon limited liability company (“Developer”), has entered into that certain Agreement for Disposition and Development of Property in the Downtown Waterfront Urban Renewal Area (88 NW Davis (Globe Hotel) (“DDA”) with the City of Portland, Oregon acting by and through the Portland Development Commission (“Agency”) dated as of _____, 20__, a Memorandum of which was recorded _____, 20__ as Document No. _____, Records of Multnomah County, Oregon, whereby the Agency will convey to the Developer or its assignees certain real property (the “Property”) in the Downtown Waterfront Urban Renewal Area. The Property is the subject of this escrow and is described in the accompanying quitclaim deed (“Quitclaim Deed”).

Section 10.3.1 of the DDA provides that, under certain circumstances, the Agency is entitled to reconveyance of the Property pursuant to a Quitclaim Deed and Escrow Instructions. This document constitutes those escrow instructions and is for the purpose of irrevocably instructing you as to the disposition of the accompanying Quitclaim Deed.

In the event that you receive from Agency a notice signed by the Agency's Executive Director certifying that a copy of said notice has been delivered concurrently to Developer and certifying that a termination in favor of Agency of the title, and of all of the rights and interest of Developer in the Property has occurred, and that rights to the Property described in the Quitclaim Deed have reverted in the Agency pursuant to the DDA (“Notice of Termination”), you shall at the end of thirty (30) days after receipt of said instructions record the subject Quitclaim Deed unless within said thirty (30) day period, you are notified by the Agency that the Agency has withdrawn the Notice of Termination, or unless you are prohibited from recording the Quitclaim Deed(s) by temporary restraining order, preliminary injunction, or other court order.

In the event that you receive a copy of a Certificate of Completion issued by Agency with respect to the Project (either an original or one certified by Developer as being a duplicate of the original), you will forthwith return the Quitclaim Deed to Developer. In the event that there still remains in your possession an undisposed Quitclaim Deed by [insert date eighteen (18) months after DDA scheduled date for completion of improvements] you shall contact Agency and Developer as to its disposition.

These instructions may not be withdrawn or in any way amended, modified or waived without the prior written consent of both of the parties hereto.

Please indicate your acceptance of and agreement to carry out these instructions as indicated below.

Very truly yours,

Globe Hotel, LLC, an Oregon limited liability company

By: _____
Name: _____
Title: _____

Very truly yours,

CITY OF PORTLAND, acting by and through the
PORTLAND DEVELOPMENT COMMISSION

By: _____
Name: _____
Its: _____

Accepted and agreed to this
___ day of _____, 20__

By _____
_____ Title Insurance Company

EXHIBIT H

Business and Workforce Equity Policy (Amended April 28, 2010)

A. OBJECTIVES OF THE POLICY

The objective of the **Business and Workforce Equity Policy** (the “Policy”) is to:

- Ensure that the Portland Development Commission’s (“PDC’s) work provides professional, supplier and construction contracting opportunities to small businesses that have been historically under utilized including businesses owned by People of Color, Women and Emerging Small Businesses (collectively, “M/W/ESBs”) and to encourage the participation of businesses owned by veterans on Direct Contracting, Land Transactions and on work utilizing PDC Resources including Interagency and Intergovernmental Agreements; and
- Maximize apprenticeship opportunities in the construction trades and ensure employment opportunities for People of Color and Women and encourage the employment of people with disabilities and veterans on Direct Contracting, Land Transactions and on work utilizing PDC Resources.

In this way, it is PDC’s aim to ensure fair and equitable opportunities to Portland’s diverse populations, promote prosperity in all segments of Portland’s diverse communities, foster economic growth, and expand competition in the market.

The Policy replaces the existing policy adopted by the Board on December 18, 1997 (Resolution No. 5066) that authorized implementation of the Disparity Study Implementation Plan and policies concerning fair contracting and workforce training, including the Good Faith Effort Program and Workforce Training and Hiring Program.

The Policy objectives are pursued through the establishment of two separate and distinct programs.

- **The Business Equity Program;** and
- **The Workforce Equity Program.**

B. DEFINITIONS

1. “**Board**” means the PDC Board of Commissioners.
2. “**Business Financial Resource Tools**” means certain PDC business financial assistance programs including, but not limited to, the Quality Jobs Program, the Economic Opportunity Fund, the Direct Tax Increment Loan, and the EDA Revolving Loan and Real Estate Fund.
3. “**Certified Firms**” include M/W/ESB firms that have been certified by the State of Oregon as a Minority-owned business, a Women-owned business or an emerging small business.
4. “**DA**” or “**DDA**” means, respectively, a Development Agreement or a Disposition and Development Agreement that is typically entered into by and between a developer and PDC that sets forth the terms and conditions of property conveyance, if any, and the requirements for redevelopment of the property.
5. “**Direct Contracting**” included all professional, supplier and construction services purchased directly by PDC.
6. “**Enterprise Zone**” is a 5-year, 100% tax abatement program designed to encourage existing and new industrial firms to invest in new capital outlays in certain designated areas. Participating firms are required to create or retain quality jobs while maximizing the

economic benefits for residents of Portland who are currently earning at or below 80% Median Family Income.

7. **“Flexible Service Contract”** is a contract for services that has repetitive requirements on an as-needed basis and may include Personal Services Contracts that have such repetitive requirements.
8. **“Hard Construction Costs”** is the cost to build improvements on a property, including all related construction labor and materials, including fixed and built-in equipment costs. Costs not directly related to the construction of an improvement, such as entity overhead, administration or taxes, or other professional services including architectural or engineering, shall not be considered a part of the Hard Construction Costs.
9. **“Intergovernmental Agreement”** is an agreement between PDC and another government entity, including the City of Portland.
10. **“Land Transactions”** is the sale of real property by PDC at any price for the purpose of a private or public project through a DDA.
11. **“PDC-Owned Construction Contracts”** include contracts where PDC has a direct contractual relationship with the contractor and where PDC is the owner of the project.
12. **“PDC Resources”** include:
 - (i) PDC funds in the form of grants, loans or payments. For purposes of calculating PDC Resources, any PDC funds used by a single entity for a single project in the form of grants, loans or payments shall be combined to determine the total amount of PDC Resources; and
 - (ii) The value of a Land Transaction. For purposes of calculating the value of a Land Transaction the value shall be that specified in the DDA.
13. **“PDC Sponsored Projects”** include all projects that are privately owned and constructed involving a Disposition and Development Agreement, Development Agreement, loan agreement, or other type of financial assistance agreement with PDC.
14. **“People of Color”** as used in this Policy includes persons who self identify as being other than Caucasian.
15. **“Personal Services Contract”** is a contract for specialized skills, knowledge or unique resources in the application of highly-technical or scientific expertise, or the exercise of professional, artistic or management discretion or judgment. Such services include, but are not limited to the services of architects, engineers, surveyors, attorneys, auditors and other licensed professionals, artists, designers, computer programmers, performers, consultants and property managers.
16. **“Utilization Goal”** shall mean the percentage goals set for Certified Firms and workforce utilization on contracts and projects subject to the Policy.
17. **“Workforce Goals”** means the goals covering construction trades to utilize People of Color and Women as a percentage of total construction hours worked in a PDC Project.
18. **“Workforce Training and Hiring Program”** means the Workforce Training and Hiring Program originally authorized by the Board on December 18, 1997 (Resolution No. 5066) and further amended on September 16, 1998 (Resolution No. 5171) and reauthorized on February 27, 2008 (Resolution No. 6561) that pertains to apprentice utilization.

C. THE BUSINESS EQUITY PROGRAM

1. **Purpose of the Business Equity Program.** To ensure PDC provides professional, supplier and construction contracting opportunities to Certified Firms and to encourage the participation of businesses owned by veterans on Direct Contracting, Land Transactions

and on work utilizing PDC Resources.

2. **Applicability.** Direct Contracting entities, entities involved in a Land Transaction or entities receiving PDC Resources shall be obligated to comply with the Business Equity Program, upon meeting any one of the following criteria:
 - a) A PDC Personal Services Contract for any amount;
 - b) A PDC-Owned Construction Contract greater than \$200,000;
 - c) A PDC Sponsored Project receiving more than \$300,000 of PDC Resources to finance a project with Hard Construction Costs greater than \$300,000; or
 - d) Intergovernmental Agreement with Hard Construction Costs greater than \$200,000 and more than \$100,000 in PDC Resources, whether performed by PDC or another agency. The Executive Director or the Executive Director's designee may defer to the other agency's program if its program is similar to PDC's program. If PDC defers to the other agency's program, utilization reports shall be provided to PDC by the other agency on a monthly basis.
3. **Utilization Goals for Certified Firms.** The following Utilization Goals are established upon the initial adoption of the Policy. The Executive Director is responsible thereafter for annually reviewing the Utilization Goals, and is authorized to modify them based on such annual analysis:
 - a) Personal Services Contracts: 25 percent of the payments made under such contracts;
 - b) PDC-Owned Construction Contracts: 20 percent of Hard Construction Costs;
 - c) PDC Sponsored Projects: 20 percent of Hard Construction Costs for residential low-rise construction and 20 percent of the Hard Construction Costs for commercial high-rise construction as calculated by an analysis of availability and capacity of Certified Firms for the specific project;
 - d) Interagency and Intergovernmental Agreements: the PDC program shall apply. However, PDC may defer to the other agency's program if their program is similar to PDC's program with monthly reporting provided to PDC; and
 - e) Flexible Service Contracts:
 - (i) 30 percent of the total number of contracts in any fiscal year; AND
 - (ii) 25 percent of the payments made under such contracts.
4. **Notice and Timing.** Should a party receive PDC Resources after it has expended funds on a project, started construction, or taken other action that would impair its ability to comply with the Business Equity Program, PDC (the project manager, with assistance from the M/W/ESB Coordinator) may negotiate a Certified Firm participation level that is reasonable and may provide technical assistance to achieve that negotiated Utilization Goal.
5. **Prompt Payment.** The Contractor and/or Developer shall pay all subcontractors and suppliers within ten calendar days after receiving payment from PDC on all PDC-owned and sponsored construction projects.

D. THE PDC WORKFORCE EQUITY PROGRAM

1. Purpose of the Workforce Equity Program.

- a) To maximize apprenticeship opportunities in the construction trades and ensure employment opportunities for People of Color and Women on Direct Contracting, Land Transactions and on work utilizing PDC Resources; and

- b) To encourage the employment of people with disabilities and veterans on Direct Contracting, Land Transactions and on work utilizing PDC Resources.
- 2. Applicability.** Direct Contracting entities, entities entering into a DA or DDA or entities receiving PDC Resources shall be obligated to comply with the Workforce Equity Program upon meeting any one of the following criteria:
- a) On a PDC-Owned Construction Contract or an Intergovernmental Agreement greater than \$200,000, the Workforce Equity Program shall apply to:
 - (i) The prime contract; and
 - (ii) Any subcontract greater than \$100,000.
 - (iii) The Executive Director or the Executive Director's designee may defer to the other agency's program if its program is similar to PDC's program. If PDC defers to the other agency's program, utilization reports shall be provided to PDC by the other agency on a monthly basis.
 - b) On a PDC Sponsored Project the Workforce Equity Program shall apply if the project receives \$300,000 or more of PDC Resources to finance a project with a Hard Construction Cost greater than \$1,000,000 and shall apply to:
 - (i) The prime contract; and
 - (ii) Any subcontract greater than \$100,000.

3. Requirements.

- a) Projects subject to the Workforce Equity Program shall:
 - (i) Comply with the Workforce Training and Hiring Program to, among other things, ensure that a minimum of twenty percent (20%) of labor hours in each apprenticeable trade performed by the contractor and subcontractors are worked by state-registered apprentices, as such requirements are further described therein; and
 - (ii) Work toward achieving the Workforce Goals phased over a ten-year period as outlined in the table below. The percentage of hours set forth below includes both apprenticeship hours and journey level hours.

Workforce Goals

Fiscal Year	2008/2009	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018
Female	6%	7%	8%	9%	10%	11%	12%	13%	14%	15%
People of Color	25.5%	26%	26.5%	27%	27.5%	28%	28.5%	29%	29.5%	30%

- (iii) Make all reasonable and necessary efforts to employ a workforce that reflects the diversity of the City of Portland, including recruitment of a diverse workforce through the unions, the apprenticeship programs and other community resources.
 - b) Projects subject to the Workforce Equity Program are encouraged to employ people with disabilities and veterans.
- 4. Notice and Timing.** Should a party receive PDC Resources after it has expended funds on a project, started construction, or taken other action that would impair its ability to comply with the Workforce Equity Program, PDC (the Project Manager, with assistance from the M/W/ESB Coordinator) may negotiate a level of compliance that is reasonable and may provide technical assistance to achieve that negotiated Workforce Goal.

E. Equal Employment Opportunity Certification. Contractors and subcontractors subject to the Policy must be certified by the City of Portland as an Equal Employment Opportunity Employer.

F. Damages. The procedural requirements of the Policy are contractual obligations. In the event that PDC determines, in its sole and absolute discretion, that the procedural requirements of the Policy have not been complied with, then PDC's finding may result in one or more of the following:

1. A finding of breach of contract.
2. Disqualification of the developer, contractor or subcontractor to receive future PDC Resources or bid on future PDC solicitations.
3. A claim for liquidated damages.
4. Withholding of progress payments.

G. Administration. The Executive Director shall develop and administer administrative procedures and/or guidelines, and make any determinations necessary, to implement and manage the Policy.

H. Exemptions.

1. The Policy shall not apply to projects within an Enterprise Zone or PDC Resources derived from Business Financial Resource Tools that are intended to be used for working capital or property acquisition.
2. Any exemption or waiver of requirements of the Policy other than those stated in the Policy shall require approval of the Board.

EXHIBIT I

FORM OF MEMORANDUM OF AGREEMENT

After recording return to:

Memorandum of Agreement

THIS MEMORANDUM OF AGREEMENT FOR DISPOSITION AND DEVELOPMENT OF PROPERTY (“Memorandum”) shall serve as notice to all persons that the CITY OF PORTLAND (the “City”), a municipal corporation of the State of Oregon, acting by and through the PORTLAND DEVELOPMENT COMMISSION, the duly designated urban renewal agency of the City of Portland (“PDC”), with an address of Portland Development Commission, 222 NW Fifth Avenue, Portland, Oregon 97209-3859 and Globe Hotel, LLC, an Oregon limited liability company (“Developer”), with an address of _____, entered into an Agreement For Disposition And Development Of Property in the Downtown Waterfront Urban Renewal Area (88 NW Davis, (Globe Hotel)) dated as of _____, 20__ (“Agreement”) relating to the real property located in Multnomah County, Oregon, as more particularly described in Exhibit “A” attached hereto (the “Property”).

Among other things, the Agreement requires PDC to convey the Property to Developer upon the satisfaction of certain conditions precedent, and requires Developer to construct and complete certain infrastructure and project improvements on the Property, all as more particularly set forth in the Agreement. Other property or value was part of the whole consideration given for the Property conveyance referenced herein.

As a condition subsequent to the Property conveyance, in the event of a default by Developer before PDC issues a Certificate of Completion, PDC shall have the option, upon 30 days written notice (“Notice of Termination”) to Developer and Escrow Agent, to declare a termination in favor of the PDC of all the title, rights and interests of Developer in the Property. After delivery of such Notice of Termination and in the event Developer fails to remedy, end or abrogate such default within the 30-day period in the manner stated in the Notice of Termination, Developer shall reconvey the Property to PDC by quitclaim deed, pursuant to the Escrow Instructions in Exhibit G attached to the Agreement. After a Certificate of Completion is recorded as to the Project, PDC shall thereafter have, or be entitled to exercise, no rights or remedies or controls that it may otherwise have been entitled to exercise under the Agreement with respect to the construction of the Project, or as a result of a default in or breach of any provisions of the Agreement by Developer, or by any successors in interest or assigns of Developer, except for those surviving sections described in the Certificate of Completion. PDC shall thereafter have no further right of re-entry to the Property or reversion as described above.

PDC and Developer execute this Memorandum to acknowledge being bound by the Agreement and to give notice of the Agreement to third parties.

CITY OF PORTLAND, a municipal corporation of the State of Oregon, acting by and through the

PORTLAND DEVELOPMENT COMMISSION, the duly designated urban renewal agency of the City of Portland.

By: _____

Title: _____

Date: _____, 200__

Globe Hotel, LLC, an Oregon limited liability company

By: _____

Name: _____

Title: _____

STATE OF OREGON)
) ss.
County of Multnomah)

This instrument was acknowledged before me on _____, 20__, by _____, Executive Director of the **PORTLAND DEVELOPMENT COMMISSION**, the duly designated urban renewal agency of the City of Portland.

Notary Public for
My commission expires: _____

STATE OF OREGON)
) ss.
County of Multnomah)

This instrument was acknowledged before me on _____, 200__, by _____, _____ of the Globe Hotel, LLC, an Oregon limited liability company.

Notary Public for
My commission expires: _____

EXHIBIT A

Legal Description

Lots 2 and 3, Block 8, COUCH'S ADDITION TO THE CITY OF PORTLAND, in the City of Portland,
County of Multnomah and State of Oregon

EXCEPTING THEREFROM the Westerly 5 feet of Lots 2 and 3, lying within the boundaries of NW First
Avenue, formerly North First Street.

EXHIBIT J

ENVIRONMENTAL REPORTS

- Parametrix, Phase I Environmental Site Assessment Block 8, NW Davis Street, August 15, 2003.
- Parametrix Phase II Environmental Site Assessment Block 8, NW Davis Street, September 4, 2003.
- AMEC, Design Level Regulated Building Materials Survey, Fire Station Block 8, January 2005.
- Foundation Engineering, Fire Station No. 1 Geotechnical Feasibility Report, September 2005.
- Berger/ABAM, Globe Hotel Seismic Strengthening Report, January 18, 2006.
- Berger/ABAM, Globe Hotel Update Seismic Strengthening Report, July 31, 2008.

EXHIBIT K

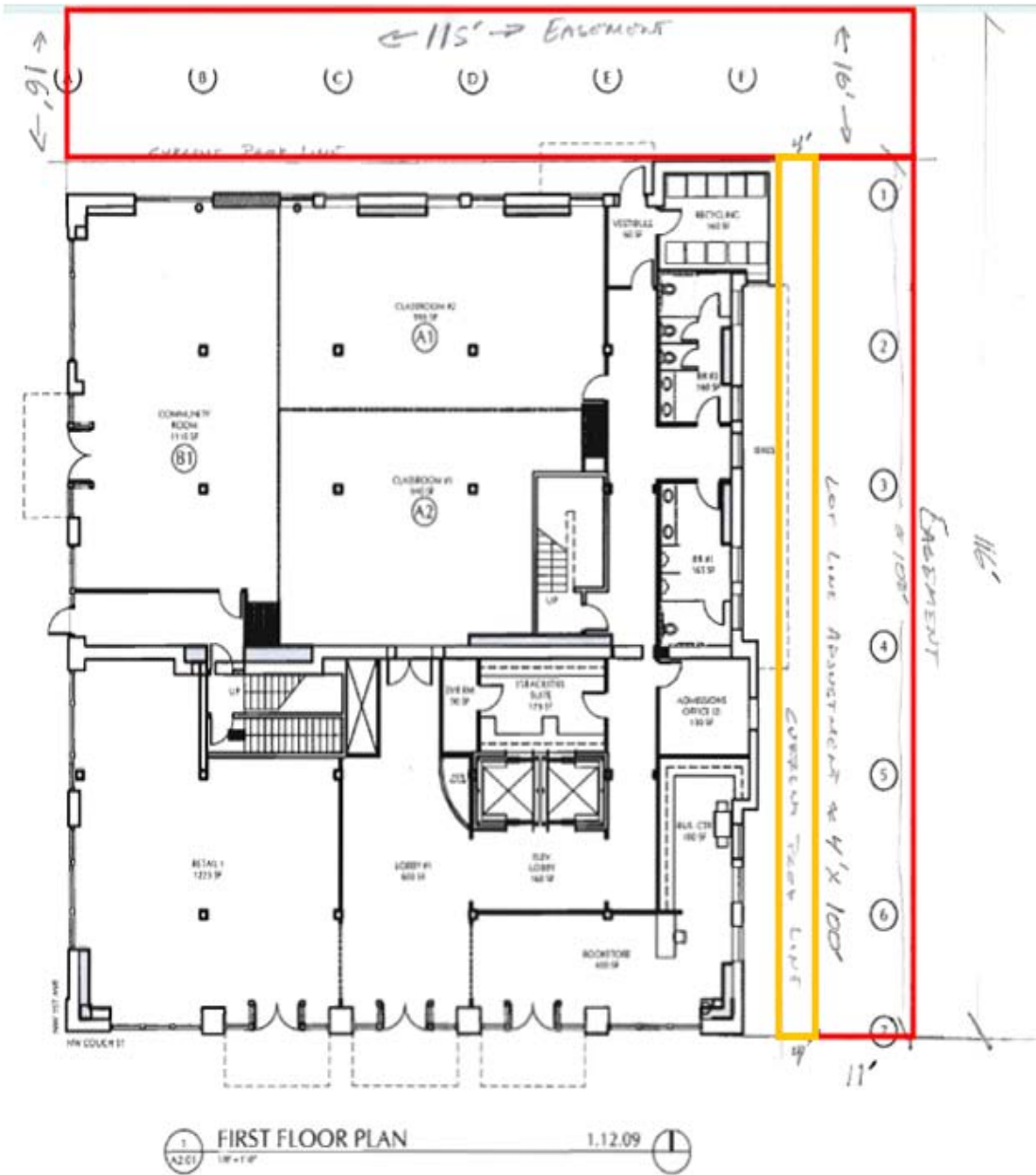
EASEMENT TERMS SUMMARY



Easement Terms

1. PDC will grant a permanent, non-exclusive, surface easement for light, air, and access purposes to Developer or QALICB.
2. It is intended that the easement area be developed as _____ for the mutual benefit of the redevelopment of the Globe Hotel and any future redevelopment of the burdened property (remainder of Block 8).
3. The specific terms of the easement will be memorialized in an easement agreement and may include the following rights and responsibilities:
 - a. Prior to the redevelopment of the burdened property, Developer or QALICB shall have the right to landscape, furnish and otherwise design the appearance of the easement area, subject to PDC's, or its successors' or assigns', approval. In connection with, and subsequent to, the redevelopment of the burdened property, the parties will collaborate in good faith on the design and development of the easement area. If the parties cannot reach agreement, PDC, or its successors or assigns, shall retain the sole right to design and develop the easement area so long as such design and development does not unreasonably interfere with Developer or QALICB's rights to the easement area.
 - b. Developer or QALICB shall obtain the written consent of PDC, or its successors or assigns, prior to constructing or installing any improvements, fixtures, or equipment in the easement area.
 - c. Prior to the redevelopment of the burdened property, Developer or QALICB shall have the responsibility to maintain the easement area. Subsequent to the burdened property is redeveloped, maintenance responsibilities will be shared.
 - d. Developer or QALICB shall have the non-exclusive right to use the easement area for pedestrian access for building ingress and egress.
 - e. Developer or QALICB shall have the non-exclusive right to use the easement area for building services, including but not limited to trash, recycling, mail, deliveries, etc., so long as such use does not unreasonably interfere with PDC's, or its successors' or assigns', use of the burdened property.
 - f. Developer or QALICB shall have the non-exclusive right to use the easement area as a staging area for building maintenance, so long as such use does not unreasonably interfere with PDC's, or its successors' or assigns', use of the burdened property.
 - g. Developer or QALICB shall have the non-exclusive right to enjoy air and light from the easement area.
 - h. Developer or QALICB shall agree to hold harmless and indemnify PDC and its successors or assigns, for any costs or liability arising from or incidental to Developer or QALICB's use of the easement area. Developer or QALICB shall maintain liability insurance in accordance with PDC's requirements.
 - i. PDC, or its successors or assigns, shall retain all rights to the easement area not inconsistent with the uses described above.
 - j. PDC, or its successors or assigns, shall retain the right to permit others to use the easement area for uses not inconsistent with the uses described above.
 - k. PDC, or its successors or assigns, shall retain any and all rights to the subsurface area below the easement area.
 - l. PDC, or its successors or assigns, shall have the right to use the easement area for construction related purposes in connection with the redevelopment of the burdened property.

EXHIBIT L

LOT LINE ADJUSTMENT AND EASEMENT DIAGRAM



-  Easement
-  Lot Line Adjustment

PDC

PORTLAND DEVELOPMENT COMMISSION

Resolution Number 6837

Title:

AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A DISPOSITION AND DEVELOPMENT AGREEMENT WITH GLOBE HOTEL, LLC and GLOBE BUILDING, LLC FOR THE DEVELOPMENT OF CERTAIN REAL PROPERTY LOCATED AT 88 SW DAVIS STREET BETWEEN 1ST AVENUE AND SW NAITO PARKWAY IN THE DOWNTOWN WATERFRONT URBAN RENEWAL AREA; AND AUTHORIZING FINANCIAL ASSISTANCE IN A TOTAL AGGREGATE AMOUNT NOT TO EXCEED \$6,224,000.


Adopted by the Portland Development Commission on November 10, 2010.

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


Renee A. Castilla, Recording Secretary

Date: December 15, 2010