

PORTLAND DEVELOPMENT COMMISSION

Portland, Oregon

RESOLUTION NO. 7059

AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A PURCHASE AND SALE AGREEMENT GRANTING THE PORTLAND DEVELOPMENT COMMISSION THE RIGHT TO ACQUIRE A 7,762 SQUARE FOOT PARCEL LOCATED ON THE NORTHEAST CORNER OF NW 4TH AVENUE AND WEST BURNSIDE IN THE RIVER DISTRICT URBAN RENEWAL AREA IN THE AMOUNT OF \$1,200,000 PLUS RELATED OPTION PAYMENTS

WHEREAS, by virtue of the laws of the State of Oregon, the Portland Development Commission (“PDC”) is authorized and empowered to acquire by purchase real property for the purpose of carrying out a duly adopted urban renewal plan;

WHEREAS, it has been determined that a certain 7,762 square foot unimproved real property located on the northeast corner of NW 4th Avenue and West Burnside (the “Property”) in the River District Urban Renewal Area (“URA”) is strategic for the future redevelopment of the URA and the Old Town/Chinatown community;

WHEREAS, PDC and the owners of the Property have negotiated terms (the “Term Sheet”) granting to PDC the right to acquire the Property, a copy of which is attached as Exhibit A; and

WHEREAS, PDC believes it is in its best interest to finalize a Purchase and Sale Agreement (“PSA”) and conduct due diligence during the option period to determine whether it desires to acquire the Property.

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is authorized to negotiate and execute a PSA on terms outlined in the Term Sheet attached as Exhibit A, and to accept legal ownership of the Property;

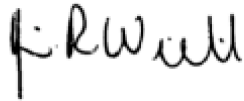
BE IT FURTHER RESOLVED, that the Executive Director will undertake appropriate due diligence and analysis of the Property during the proposed option period;

BE IT FURTHER RESOLVED, that upon completion of such due diligence, and subject to the Executive Director determining that the Property does not have material defects in title or environmental condition or other materially adverse characteristics, the Executive Director is authorized to proceed with the acquisition of the Property as he/she determines appropriate;

BE IT FURTHER RESOLVED, that the Executive Director is authorized to modify the terms of the agreement so long as the modifications, in the opinion of the Executive Director after consultation with the General Counsel, do not materially increase PDC’s obligations or risks; and

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

Adopted by Portland Development Commission on June 25, 2014

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

Gina Wiedrick, Recording Secretary

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EXHIBIT A

AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A PURCHASE AND SALE AGREEMENT GRANTING THE PORTLAND DEVELOPMENT COMMISSION THE RIGHT TO ACQUIRE A 7,762 SQUARE FOOT PARCEL LOCATED ON THE NORTHEAST CORNER OF NW 4TH AVENUE AND WEST BURNSIDE IN THE RIVER DISTRICT URBAN RENEWAL AREA IN THE AMOUNT OF \$1,200,000 PLUS RELATED OPTION PAYMENTS

Exhibit A includes this cover page and contains four pages:

- April 9, 2014, Letter-of-Intent to Purchase Parcel on the corner of 4th and Burnside



PORTLAND
DEVELOPMENT
COMMISSION
www.pdc.us

J. Scott Andrews
Commission Chair

Aneshka Dickson
Commissioner

Tom Kelly
Commissioner

John C. Mohlis
Commissioner

Charles A. Wilholte
Commissioner

Charlie Hales
Mayor

Patrick Quinlan
Executive Director

April 9, 2014

David Premysler, Principal Broker
Endeavor Equity Partners
pregroup@gmail.com
EndeavorEP.com

Re: Letter-of-Intent ("LOI") to Purchase Parcel on the corner of 4th and Burnside

Dear David:

Pursuant to our recent discussions, PDC is pleased to forward this offer to purchase the property located at the NEC of NW 4th Avenue and West Burnside, Portland, OR ("Property"), subject to the terms and conditions of a final agreement between the Portland Development Commission ("PDC" or "Buyer") and your client ("Seller") for the sale of the Property (the "Agreement"), which shall not be legally binding unless and until approved by PDC's Board of Commissioners (the "Board"). PDC offers the following price, terms and conditions:

Property: NEC of NW 4th Avenue, and West Burnside, Portland, OR, a parcel of approximately 7,762 sq.ft. Seller shall deliver property with clear title, with the exception of Item #9 as outlined in the Preliminary Title Report, clean of all debris and all residents shall have been relocated.

Seller(s): Michael Wright, who also appears of record as Michael J. Wright, and Linda Wright, who also appears of record as Linda M. Wright, as tenants by the entirety as to an undivided 1/2 interest and Daniel L. Cossette, Trustee of the Daniel L. Cossette Revocable Living Trust Dated September 7, 2010, as to an undivided 1/4 interest and Donna L. Cossette, as to an undivided 1/4 interest, as tenants in common.

Buyer: Portland Development Commission
222 NW 5th Ave
Portland, Oregon 97209
Attn: Bruce Wood, Real Estate and Construction Manager
(503) 823-5375

Price: \$1,200,000.

222 NW Fifth Avenue
Portland, OR
97209-3859

503-823-3200 Main
503-823-3368 Fax
503-823-3366 TTY

- Earnest Money:** \$50,000 cash deposited to escrow, applicable to purchase price, non-refundable upon waiver of standard contingencies to be outlined in the Agreement.
- Due Diligence:** Commencing on the effective date of the Agreement by both parties, Buyer shall have 30 months to complete all necessary due diligence and waive Buyer's contingencies. Seller shall use "best efforts" to provide access to Buyer and Buyer's consultants to complete due diligence as further detailed in the Agreement.
- Closing:** Buyer shall give 90 days written notice to Seller to close after waiver of Buyer's contingencies.
- Option Payments:** Buyer shall pay Seller \$10,000/month, non-applicable, non-refundable each month from execution of the Agreement until Closing for a 30 month term as stated in Due Diligence clause above. PDC may elect to close prior to the end of the Due Diligence/Option period, but is still responsible for the 30 month period of option payments.
- Buyer Option to Market Property:** Buyer shall have the option to market the property to other buyers and developers.
- Brokerage:** Seller shall be responsible for brokerage fees paid to Endeavor Equity Parties under separate agreement. PDC is not represented.
- Form of Agreement:** Upon receipt of this signed LOI, Buyer shall prepare the first draft of the Agreement.
- Approvals:** This LOI is contingent upon review and recommendation by the PDC Financial Investment Committee, approval of the PDC Executive Director and approval by the Board of Commissioners.
- Seller's Documents:** Upon mutual execution of this LOI, Seller will provide Buyer with a free copy of all existing, relevant property information, including but not limited to most recent property appraisals, geo tech and environmental reports, surveys, etc.

Due Diligence Material: In the event Buyer does not waive contingencies, Buyer shall provide Seller access to all Buyer's due diligence reports and materials.

Offer: The terms of this LOI are valid until 5:00 pm March 31, 2014.

It is expressly understood by both parties that this LOI does not create any contractual rights or obligations on the part of either party. In no event shall any contractual rights or obligations exist until such time as the Agreement, after approval by the PDC Board of Commissioners is fully executed and delivered by both parties. Accordingly, the parties agree not to rely on the terms of this LOI and that any obligations incurred, funds spent or business opportunities lost are at each party's sole risk.

If the terms outlined in this LOI are acceptable, please sign below where indicated and return. Upon receipt, PDC will prepare a draft Agreement for negotiation.

Sincerely,


Jina Bjelland
Director, Real Estate and Lending

Acknowledged and Agreed:

Date:

BY: Jane M. Wight / Minda Wight 5/8/2014

Daniel L Cossetto

Donna L Cossetto

By & approved
BY Donna Cossetto

RESOLUTION NO. 7059

RESOLUTION TITLE:

AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A PURCHASE AND SALE AGREEMENT GRANTING THE PORTLAND DEVELOPMENT COMMISSION THE RIGHT TO ACQUIRE A 7,762 SQUARE FOOT PARCEL LOCATED ON THE NORTHEAST CORNER OF NW 4TH AVENUE AND WEST BURNSIDE IN THE RIVER DISTRICT URBAN RENEWAL AREA IN THE AMOUNT OF \$1,200,000 PLUS RELATED OPTION PAYMENTS


Adopted by the Portland Development Commission on June 25, 2014

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 Aneshka Dickson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Commissioner Tom Kelly	<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 type="checkbox"/>	Commissioner Charles Wilhoite	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Consent Agenda		<input checked="" type="checkbox"/> Regular Agenda		

CERTIFICATION

The undersigned hereby certifies that:

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

	Date: July 9, 2014
Gina Wiedrick, Recording Secretary	