RESOLUTION No.

Accept *Eighth Amendment to South Waterfront Central District Project Development Agreement* and direct implementation (Resolution)

WHEREAS, pursuant to the Charter of the City of Portland and ORS Chapter 457, the City adopted the North Macadam Urban Renewal Plan on August 11, 1999 by Ordinance No. 173651, (the “UR Plan”), establishing an urban renewal area (“UR Area”) within which PDC will focus efforts to encourage private development to cure blight and enhance economic development opportunities; and

WHEREAS, on November 13, 2002, by Ordinance No. 177082 and Resolution 36111, the City Council adopted the South Waterfront Plan as a subdistrict plan in the Central City (“South Waterfront Plan”) superceding the North Macadam District Framework Plan which the Council had adopted by Resolution 35815 in August 1999; and

WHEREAS, the Portland Development Commission (“PDC”) is responsible for coordinating and guiding development of the South Waterfront Plan Area on behalf of the City in accordance with the vision and goals of the South Waterfront Plan; and

WHEREAS, North Macadam Investors, LLC (“NMI”), River Campus Investors, LLC (“RCI”), Oregon Health & Science University (“OHSU”), and Block 39, LLC (collectively the “Developer Parties”) and PDC negotiated a development agreement to provide for the development of a 31-acre area within the South Waterfront Plan area (“Project Area”) in accordance with the vision and goals of the South Waterfront Plan; and

WHEREAS, on July 9, 2003, by Resolution No. 6029, and on August 13, 2003, by Resolution No. 6041, the Portland Development Commission authorized the South Waterfront Central District Project Development Agreement (“Agreement”) and on August 14, 2003, by Resolution 36163, the City Council accepted the Agreement, and on August 22, 2003, Developer Parties and PDC (collectively, the “Parties”) signed the Agreement; and

WHEREAS, on February 18, 2004, the Parties executed the First Amendment to the Agreement to document public and private obligations for completion of street and utility improvements, and on April 1, 2004, the Parties executed the Second Amendment to the Agreement to extend the termination date to June 30, 2004 in the event Basic Contingencies are not satisfied, waived, or otherwise resolved by that date, and on June 25, 2004, the Parties executed the Third Amendment to the Agreement to update and advance a number of key issues including, adopting a workforce diversity strategy, updating the project Funding and Financing Plan and reaching affordable housing goals,
and on October 29, 2004, the Parties executed the Fourth Amendment to the Agreement to extend the termination date to November 24, 2004 in the event Basic Contingencies are not satisfied, waived, or otherwise resolved by that date, and on November 24, 2004, the Parties executed the Fifth Amendment to the Agreement to extend the termination date to December 17, 2004 in the event Basic Contingencies are not satisfied, waived, or otherwise resolved by that date, and on December 17, 2004, the Parties executed the Sixth Amendment to the Agreement to extend the termination date to January 28, 2005 in the event Basic Contingencies are not satisfied, waived, or otherwise resolved by that date and to modify the Parties’ obligations with respect to the Neighborhood Park, and on June 8, 2005, the Parties executed the Seventh Amendment to the Agreement to increase funds for the Tram and provide parking for the affordable housing to be built on Block 33; and

WHEREAS, the Developer Parties and PDC desire to execute an eighth amendment to the Agreement (the “Eighth Amendment”) comprising amendments to extend the schedule for certain Project Contingencies, to modify the Funding and Financing Plan, to modify certain elements of the Agreement the implementation of which have proved impractical, or which, if modified, will enhance the overall quality or utility of various Projects contemplated by the Agreement; and

WHEREAS, the nature of the proposed Eighth Amendment requires approval of the Commission and acceptance of City Council; and

WHEREAS, in Resolution No. 36400, adopted by the City Council on April 19, 2006 the City Council acknowledged that PDC’s execution of the proposed Eighth Amendment to the Development Agreement would require the City to undertake certain formal actions, including adoption of a resolution formally accepting the Eighth Amendment;

NOW, THEREFORE, BE IT RESOLVED, that the City accepts the Eighth Amendment to the Agreement substantially in the form attached hereto as Exhibit A and has no objection to the incorporation of all the prior amendments into a restated Agreement; and

(remainder of this page intentionally left blank)
BE IT FURTHER RESOLVED, that the City directs the Office of Management and Finance, Portland Office of Transportation, and Portland Parks & Recreation to work with PDC to make such revisions to Intergovernmental Agreements as are needed to assist PDC in the implementation of the public obligations that PDC has undertaken as modified by the Eighth Amendment to the Agreement.

Adopted by the Council,

Mayor Tom Potter
Prepared by: Lisa Gramp, PDC
August 18, 2006

GARY BLACKMER
Auditor of the City of Portland

By:______________________