

Exhibit K — General

Exhibits K-1 through K-6 set forth the maximum, not-to-exceed LID amounts for OHSU, RCI, NMI and Block 39, based on property control shown on Exhibit A to the Development Agreement and after the distributions of Blocks by RCI to OHSU and NMI as set forth in the Recitals. Should additional properties be acquired, the maximum, not-to exceed LID amount will be adjusted by the amount of the assessment allocation to the additional property under the LID petitions. Exhibits K-1 through K-6 do not represent specific proposals for LID allocation methodologies. City Council has final authority over the definition of benefited property, the assessment methodology, LID boundaries, the amount to be spread, and the type and manner of improvements.

The Maximum LID Amount for each LID as reflected on Exhibits K-1 through K-6 is the maximum amount which may be assessed for each of the described LIDs, not including finance and administrative costs. The amount of each LID allocated to the Parties, individually or collectively, may not be exceeded without the approval of the Parties, except as follows:

- 1) Additional land is acquired by the parties to the Development Agreement which is benefited by the LID; and/or
- 2) The project cost amount of the LID is not changed, but there are changes to benefiting area, for example through replatting; assessments for properties referenced in the Development Agreement can also change as a result of changes of benefiting area to other properties; and
- 3) Auditor's costs including financing costs for the Portland Aerial Tram LID are not included within the amounts noted within this Development Agreement, and are neither capped nor guaranteed.
- 4) The estimates contained within this 8th Amendment to the Development Agreement are current estimates expected to be approved by City Council following the first reading of an ordinance for the Portland Aerial Tram LID on 9/14/06, and are not expected to materially change except for conditions cited in paragraphs 1 through 3 above. However, in the event of any minor discrepancy, the amounts set forth in the Portland Aerial Tram LID will supersede those set forth in this 8th Amendment to the Development Agreement.

Exhibit K-1

Streetcar - PSU to RiverPlace

Maximum LID Amount: \$3,000,000

Project Description: Extend the Central City Streetcar to RiverPlace via Harrison Street, including the new Harrison Street Connector. The terminus for this project will be in River Parkway just to the west of the River Parkway/Moody Avenue intersection. This LID was approved by City Council.

Maximum, not-to-exceed amount for OHSU, RCI, NMI, Block 39: \$0.00

Exhibit K-2

Tram - South Waterfront Area and Marquam Hill

Maximum LID Amount:

\$36,600,000, subject to OHSU's elections pursuant to Section 6.2.2.3.

Project Description: Design and construct a bicable aerial tram connecting the South Waterfront District to Marquam Hill. The lower terminus for the Tram will be located within the Gibbs Street right-of-way, between Bond and Moody Avenues. This is the point at which public access will be provided to the Tram within the South Waterfront District. The upper terminus for the Tram is on the Marquam Hill OHSU campus.

Maximum, not-to-exceed amount for OHSU, RCI, NMI, Block 39 (not including finance and administrative costs): \$32,365,318. NMI and OHSU agree that such amount shall be allocated between their respective ownerships as follows:

OHSU: \$30,831,857

NMI Land: \$1,533,461

Exhibits K-3 and K-4 are deleted in their entirety.

Exhibit K-5

Streetcar - RiverPlace to Gibbs

Maximum LID Amount \$2,020,000

Project Description: Extend the Central City Streetcar along either the Moody Avenue or River Parkway alignment to a new terminus at or near the intersection of Gibbs Street and Moody Avenue.

Maximum, not-to-exceed amount for OHSU, RCI, NMI, Block 39 (not including finance and administrative costs) \$556,957. NMI and OHSU agree that such amount shall be allocated between their respective ownerships as follows:

OHSU: \$280,353.

NMI Land: \$276,604.

Exhibit K-6

Streetcar - Gibbs to Lowell

Maximum LID Amount: \$4,800,000

Project Description: Extend the Central City Streetcar along Moody and Bond Avenues or an alternative alignment to Bancroft or Lowell at the southern end of the district. The project may also be part of a larger extension project to Lake Oswego along the Willamette Shore Trolley alignment.

Maximum, not-to-exceed amount for OHSU, RCI, NMI, Block 39 (not including finance and administrative costs) \$2,203,074 as follows:

OHSU: \$679,760.

NMI Land: \$1,523,314.

EXHIBIT N

Tram Oversight Committee

Group	OHSU	City	PDC
Oversight	OHSU President	Mayor Potter Commissioner Adams	PDC Commissioners
Leadership	Steve Stadum	Sue Keil	Bruce Warner
Steering	Mark Williams	Don Gardner	Larry Brown

Responsibilities

Oversight – Convene now to initiate and charge the groups below, meet as necessary.
Leadership – Meet Quarterly, resolve cost and responsibility issues, track risk issues.
Steering – Monthly review of project schedule, budget compliance, recommend budget changes.

EXHIBIT O

Final Greenway and Neighborhood Park Improvements

Project / Program	Proposed New Funding Agreement (\$M)	Schedule for New TIF Funding Draws (\$M)				Explanation / Rationale	DA Commitment
		FY 06-07	FY 07-08	FY 08-09	FY 09-10		
Neighborhood Park Final Improvements	\$4.0	\$0.20	\$1.80	\$2.00		Fund design and construction of permanent Neighborhood Park improvements	Phase 1, Tier 2
Greenway Development	\$4.0	\$0.15	\$2.75	\$1.10 ¹		Accelerate capital improvements following Greenway Implementation Strategy. Park SDCs to fund an additional \$2.00 million in FY 08-09.	Phase 1, Tier 1

¹ Additional funds from Parks. Any MTIP funds received for the Greenway will reduce NMI's Gap Payment Obligation under Section 18.2 of the Development Agreement.

Exhibit V
Gap Obligation Calculation Schedule
 DA Section 18.2

		FY05/06 Actual/ Obligation/ Baseline	FY06/07 Fcast/ Obligation	FY07-08 Fcast/ Obligation	FY08-09 Fcast/ Obligation	FY09-10 Fcast/ Obligation	FY10-11 Fcast/ Obligation	FY11-12 Fcast/ Obligation	FY12-13 Fcast/ Obligation	FY13-14 Fcast/ Obligation	FY14-15 Fcast/ Obligation	FY15-16 Fcast/ Obligation	FY16-17 Fcast/ Obligation	FY17-18 Fcast/ Obligation	FY18-19 Fcast/ Obligation	FY19-20 Fcast/ Obligation
North Macadam URA																
Obligation from previous agreement (Exhibit V & V-1)																
Condo Project # 1&2 (Block 30E & 30W Gap Obligations transferred to Block 30 (R543808) Meriwether)	Tax Bill FY05/06 Actual, Future Years' Forecast	13,356	13,612	1,432,979	1,637,055	1,677,981	1,719,931	1,762,930	1,807,002	1,852,178	1,898,482	1,945,945	1,994,593	2,044,458	2,095,569	2,147,958
Condo Project #3 (Block 27E plus Exhibit V-1 Gap Obligations transferred to Block 35 (R562914) John Ross)	Tax Bill FY05/06 Actual, Future Years' Forecast	6,678	6,806	6,932	540,992	618,758	634,227	650,083	666,335	682,993	700,068	717,570	735,509	753,896	772,744	792,063
Apartment Project #1 (Block 27W Gap Obligations transferred to Block 39 (R129240 & R129241))	Tax Bill FY05/06 Actual, Future Years' Forecast	6,458	6,581	6,704	6,872	7,044	7,220	7,400	7,585	7,775	7,969	8,168	8,373	8,582	287,021	294,196
Total - Original Exhibit V		26,492	26,998	1,446,615	2,184,919	2,303,783	2,361,378	2,420,412	2,480,922	2,542,945	2,606,519	2,671,682	2,738,474	2,806,936	3,155,334	3,234,217
Condo Project #3 (Block 27E plus Exhibit V-1 Gap Obligations transferred to Block 35 (R562914) John Ross)	Total--Exhibit V-1	0	0	0	447,660	447,660	447,660	447,660	447,660	447,660	447,660	447,660	447,660	447,660	447,660	447,660
Increase in Obligation for Amendment #8																
Condo Project #4 - Block 34 (R562913) Atwater Place Condo was transferred with a Gap Obligation to be determined later	Tax Bill FY05/06 Actual, Future Years' Forecast	17,142	17,656	18,186	18,731	1,589,816	1,637,510	1,686,635	1,737,234	1,789,352	1,843,032	1,898,323	1,955,273	2,013,931	2,074,349	2,136,579
Condo Project #5 - Block 38 (R562915) was transferred with a Gap Obligation to be determined later	Tax Bill FY05/06 Actual, Future Years' Forecast	18,979	19,549	20,135	20,739	21,362	1,645,483	1,694,847	1,745,693	1,798,063	1,852,005	1,907,566	1,964,792	2,023,736	2,084,448	2,146,982
Condo Project #6 - expected to be Block 46 (R129293 & R129344)	Tax Bill FY05/06 Actual, Future Years' Forecast	11,285	11,623	11,972	12,331	12,701	1,426,541	1,469,338	1,513,418	1,558,820	1,605,585	1,653,753	1,703,365	1,754,466	1,807,100	1,861,313
Total		73,898	75,826	1,496,908	2,684,381	4,375,322	7,518,572	7,718,892	7,924,927	8,136,840	8,354,801	8,578,983	8,809,564	9,046,729	9,568,891	9,826,751
Less: Baseline			(73,898)	(73,898)	(73,898)	(73,898)	(73,898)	(73,898)	(73,898)	(73,898)	(73,898)	(73,898)	(73,898)	(73,898)	(73,898)	(73,898)
Target Tax Increment Revenue			1,928	1,423,010	2,610,483	4,301,423	7,444,674	7,644,994	7,851,029	8,062,942	8,280,903	8,505,085	8,735,666	8,972,831	9,494,993	9,752,853

Completion RMV by Project (referred to in Section 18.2.8.1)

Condo Project # 1&2 (Block 30 Gap Obligation)	125,341,619
Condo Project #3 (Block 35 Gap Obligation)	77,656,670
Apartment Project #1 (Block 39 Gap Obligation)	17,281,221
Condo Project #4 (Block 34 Gap Obligation)	146,318,125
Condo Project #5 (Block 38 Gap Obligation)	151,406,475
Condo Project #6	131,015,400
	649,019,510

Exhibit V
Gap Obligation Calculation Schedule
 DA Section 18.2

Project Detail	FY05/06 Actual	FY06/07 Fcast/ Obligation	FY07-08 Fcast/ Obligation	FY08-09 Fcast/ Obligation	FY09-10 Fcast/ Obligation	FY10-11 Fcast/ Obligation	FY11-12 Fcast/ Obligation	FY12-13 Fcast/ Obligation	FY13-14 Fcast/ Obligation	FY14-15 Fcast/ Obligation	FY15-16 Fcast/ Obligation	FY16-17 Fcast/ Obligation	FY17-18 Fcast/ Obligation	FY18-19 Fcast/ Obligation	FY19-20 Fcast/ Obligation	
Condo Project # 1&2 (Block 30E & 30W Gap Obligations transferred to Block 30 (R543808) Meriwether)	RMV ¹	3,398,570	1,033,454	112,165,659	125,341,619	125,341,619	125,341,619	125,341,619	125,341,619	125,341,619	125,341,619	125,341,619	125,341,619	125,341,619	125,341,619	
	Exception RMV	0	0	111,132,205	13,175,960	0	0	0	0	0	0	0	0	0	0	
	Assessed Value	2,090,120	746,164	79,046,343	90,303,648	92,561,239	94,875,270	97,247,152	99,678,330	102,170,289	104,724,545	107,342,659	110,026,225	112,776,882	115,596,303	118,486,211
	Tax Bill	41,385	13,612	1,432,979	1,637,055	1,677,981	1,719,931	1,762,930	1,807,002	1,852,178	1,898,482	1,945,945	1,994,593	2,044,458	2,095,569	2,147,958
Condo Project #3 (Block 27E plus Exhibit V-1 Gap Obligations transferred to Block 35 (R562914) John Ross)	RMV ¹	2,328,010	516,727	516,727	72,625,871	77,656,670	77,656,670	77,656,670	77,656,670	77,656,670	77,656,670	77,656,670	77,656,670	77,656,670	77,656,670	
	Exception RMV	0	0	0	72,109,144	5,030,799	0	0	0	0	0	0	0	0	0	
	Assessed Value	958,530	373,082	382,409	29,842,330	34,132,083	34,985,385	35,860,020	36,756,520	37,675,433	38,617,319	39,582,752	40,572,321	41,586,629	42,626,295	43,691,952
	Tax Bill	18,979	6,806	6,932	988,652	1,066,418	1,081,887	1,097,743	1,113,995	1,130,653	1,147,728	1,165,230	1,183,169	1,201,556	1,220,404	1,239,723
Apartment Project #1 (Block 27W Gap Obligations transferred to Block 39 (R129240 & R129241))	RMV ¹	1,894,400	516,727	516,727	17,281,221	17,281,221	17,281,221	17,281,221	17,281,221	17,281,221	17,281,221	17,281,221	17,281,221	17,281,221	17,281,221	
	Exception RMV	0			16,764,494											
	Assessed Value	998,520	360,794	369,814	379,059	388,536	398,249	408,205	418,410	428,871	439,592	450,582	461,847	473,393	15,832,717	16,228,535
	Tax Bill	19,771	6,581	6,704	6,872	7,044	7,220	7,400	7,585	7,775	7,969	8,168	8,373	8,582	287,021	294,196
Condo Project #4 - Block 34 (R562913) Atwater Place Condo was transferred with a Gap Obligation to be determined later	RMV ¹	2,102,630	2,102,630	2,102,630	2,102,630	146,318,125	146,318,125	146,318,125	146,318,125	146,318,125	146,318,125	146,318,125	146,318,125	146,318,125	146,318,125	
	Exception RMV	0	0	0	0	144,215,495	0	0	0	0	0	0	0	0	0	
	Assessed Value	865,730	891,702	918,453	946,007	80,292,909	82,701,696	85,182,747	87,738,230	90,370,376	93,081,488	95,873,932	98,750,150	101,712,655	104,764,035	107,906,956
	Tax Bill	17,142	17,656	18,186	18,731	1,589,816	1,637,510	1,686,635	1,737,234	1,789,352	1,843,032	1,898,323	1,955,273	2,013,931	2,074,349	2,136,579
Condo Project #5 - Block 38 (R562915) was transferred with a Gap Obligation to be determined later	RMV ¹	2,328,060	2,328,060	2,328,060	2,328,060	2,328,060	151,406,475	151,406,475	151,406,475	151,406,475	151,406,475	151,406,475	151,406,475	151,406,475	151,406,475	
	Exception RMV	0	0	0	0	0	149,078,415	0	0	0	0	0	0	0	0	
	Assessed Value	958,550	987,307	1,016,926	1,047,433	1,078,856	83,104,350	85,597,481	88,165,405	90,810,368	93,534,679	96,340,719	99,230,940	102,207,869	105,274,105	108,432,328
	Tax Bill	18,979	19,549	20,135	20,739	21,362	1,645,483	1,694,847	1,745,693	1,798,063	1,852,005	1,907,566	1,964,792	2,023,736	2,084,448	2,146,982
Condo Project #6 - expected to be Block 46 (R129293 & R129344)	RMV ¹	1,222,480	1,222,480	1,222,480	1,222,480	1,222,480	131,015,400	131,015,400	131,015,400	131,015,400	131,015,400	131,015,400	131,015,400	131,015,400	131,015,400	
	Exception RMV	0	0	0	0	0	129,792,920	0	0	0	0	0	0	0	0	
	Assessed Value	569,940	587,038	604,649	622,789	641,472	72,046,823	74,208,227	76,434,474	78,727,508	81,089,334	83,522,014	86,027,674	88,608,504	91,266,759	94,004,762
	Tax Bill	11,285	11,623	11,972	12,331	12,701	1,426,541	1,469,338	1,513,418	1,558,820	1,605,585	1,653,753	1,703,365	1,754,466	1,807,100	1,861,313

Completion RMV (by year) 118,852,283 220,901,881 370,148,175 649,019,510
 67,980,490 Other Project Area development not supported by gap obligations
717,000,000

¹ RMV is net of any Property Tax Exemptions