

RESOLUTION NO. 789-R

A RESOLUTION AUTHORIZING THE TRANSFER OF PREPAID SEWER SYSTEM DEVELOPMENT CHARGES.

WHEREAS, It has been general City policy to disallow the transfer, sale, exchange, or the use of any other mechanism that requires financial responsibility from the City of Troutdale for the "buy back" of prepaid sewer reserves; and

WHEREAS, Ordinance No. 530, Section 9, requires Council authorization for any transfers; and

WHEREAS, An offer of real property needed by the City has been made in exchange for a collection/payment agreement; and

WHEREAS, The City desires this real property for access to its public utilities.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF TROUTDALE THAT:

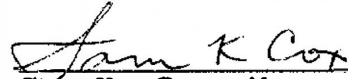
1. The City collect the full amount of the current sanitary sewer system development charge at the time building permits are issued on each and every lot (excluding Lot 5, Block 14) together with all other charges, fees and applicable costs.
2. The City reimburse Benj Fran Development Corporation a total of \$52,400 on a lot by lot basis (\$717.81 per lot).
3. The City accepts no responsibility for interests, loan fees, or any other charges, and agrees only to pay Benj Fran Development Corporation a total of \$52,400 as "reimbursement" and makes no commitment to time. Payments will be commensurate with development permits.
4. The Mayor be authorized to enter into agreements with Tri-West Group and Benj Fran Development Corporation commensurate with the provisions of this resolution.
5. The agreement, attached as Exhibit "A", shall be considered and made part of this resolution.

ADOPTED BY THE COMMON COUNCIL OF THE CITY OF TROUTDALE THIS
12th DAY OF DECEMBER, 1989.

YEAS 5

NAYS 1 (FOWLER)

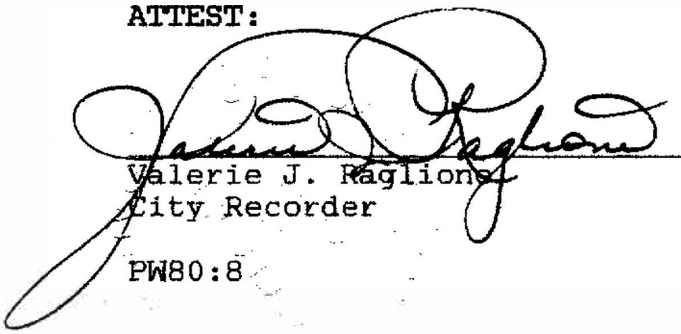
ABSTAINED 0



Sam K. Cox, Mayor

Date Signed: 12/12/89

ATTEST:



Valerie J. Raglione
City Recorder

PW80:8

**AGREEMENT FOR SEWER HOOK-UP FEE
REIMBURSEMENT - SANDEE PALISADES IV**

PARTIES: The parties to this Agreement are the City of Troutdale ("City") and Sandee Palisades IV, Inc. ("Sandy Palisades IV").

PURPOSE: Sandee Palisades IV will dedicate certain property to the City, and the City will, in turn, process certain paper work on behalf of Sandee Palisades IV for repayment to Benj. Fran Development Corporation of paid system development charges.

AGREEMENTS:

Section (1): Sandee Palisades IV agrees to dedicate to the City, free of any claim interest, lien, or encumbrances Lot 5, Block 14, Sandee Palisades.

Section (2): The City shall thereafter, collect the system development charge for sewer reserves at the time building permits are taken out for the 73 remaining lots in Sandee Palisades IV development. These SDC's shall be collected at the prevailing rate established by ordinance.

Section (3): As each such fee is collected, the City shall repay to the original purchaser of deposits on the sewer reserves (SDC's). Such payments are to be made on behalf of Sandee Palisades IV to Benj. Fran Development Corporation, in the sum of \$717.81 for each of the 73 lots.

Section (4): Such reimbursements to Benj. Fran shall only be made by the City as building permit fees and system developments changes are collected on a lot-by-lot basis.

Section (5): In making this Agreement, the City does not undertake or assure any independent liability to Benj. Fran for payment of Sandee Palisades IV's obligation to Benj. Fran. The City is merely acting as collecting and disbursing agent on behalf of Sandee Palisades IV.

Section (6): The collection agreement is structured to amortize the SCD charges over the 73 lots remaining for sale. The City is not obligated to pay SDC charges for that lot dedicated to the City under this Agreement.

Section (7): Sandee Palisades IV represents and warrants as follows:

- (a) Sandee Palisades IV is now a corporation organized, validly existing and in good standing under the laws of the State of Oregon. Sandee Palisades IV has all requisite power and

authority to own and develop property for residential sale, and to carry on its business as now being conducted.

(b) The execution, delivery and performance for this Agreement has been duly authorized and approved by the Board of Directors, and Stockholders of Sandee Palisades IV, and that such authority has been delegated to its officers.

(c) Sandee Palisades IV warrants its holds title to such property as described, subject to the claims of Benj. Fran Development, and that such title is unemcumbered by other liens, pledges or changes.

Section (8): City represents as follows:

(a) It is a municipal corporation duly authorized and organized under the laws of the State of Oregon.

(b) Its City Council, by charter, is authorized to enter into such an Agreement, as approved by Resolution No. 789-R which is attached as Exhibit "A".

Section (9): Sandee Palisades IV agrees to indemnify and hold City harmless from:

(a) Any and all claims, liabilities or obligations of any description arising out of ownership of said property.

(b) Any and all damage arising from material misrepresentations, breach of contract or non-fulfillment of any agreement in regard to this property.

Section (10): This Agreement may be terminated by mutual consent of both parties at anytime.

(a) This Agreement may be terminated by either party by notice to the other of:

The terminating party discovers a material error, misstatement or omission in the representations made by the other which shall not have been cured within 30 days after written notice to such other party specifying in detail the asserted error, misstatement, or omission.

Section (11): IN THE EVENT either party defaults under this Agreement, the defaulting party shall reimburse all reasonable costs and attorney's fees incurred by the non-defaulting party in connection with the default. IN THE EVENT there is any litigation between the parties to enforce any provision of this Agreement, the prevailing party in addition to any other costs or expenses shall be entitled to its costs and reasonable attorney's fees incurred in such litigation, in both trial and all appellate courts.

Section (12): This Agreement shall be governed by and construed in accordance with the laws of the State of Oregon.

Sam K Cox

By:
For the City of Troutdale

Dated: 12/13/89

Alex E. Kanga

By:
Sandee Palisades IV, Inc.

Dated: 12/22/89

PW80:32

**AGREEMENT FOR DEVELOPMENT OF SANDEE PALISADES IV
WAIVER OF RIGHT OF REMONSTRANCE**

PARTIES: The parties to this Agreement are the City of Troutdale ("City"), and Sandee Palisades IV, Inc. ("Sandee Palisades IV") Development.

PURPOSE: Sandee Palisades IV waives all rights of remonstrance, and the City will form a local improvement district (LID) for construction of City sewerlines, waterlines, storm sewers, fire hydrants and roadways, along with requirements for underground power conduit and street lighting.

AGREEMENTS:

Section (1): The City shall form an LID for the property generally encompassing Sandee Palisades IV, residential property development now owned by Sandee Palisades IV.

Section (2): This LID shall be for construction of approximately 2,500 lineal feet of storm sewer and required appurtenances, 2,550 lineal feet of sanitary sewer and appurtenances, 3,250 lineal feet of waterline with fire hydrants and associated appurtenances along with 3,200 lineal feet of roadway. The LID may also include underground electrical conduit and appurtenances and street lighting. The specified feet required and scope of project are estimates only, and variations are expected and will not affect this Agreement's validity.

Section (3): The City will have total control over selection and supervision of the engineers, contractors, inspectors and all other work necessary to complete this LID. The City will have sole authority to request, open and award construction bids commensurate with engineering estimates and to thereafter encumber through the LID process, the 73 residential lots in the proposed development for the full amount of all costs necessary for the completed project as described.

Section (4): The construction and development costs are to be equally divided among the 73 lots regardless of the individual lot's frontage, configuration, or square footage. Any property dedicated to or acquired by the City shall not be assessed and any distribution of assessments shall assign all costs on City property to the remaining lots.

Section (5): The City will prepare, issue and sell Bancroft Bonds, pursuant to Oregon law, for the full cost of development, plus such costs as are incurred in the Bancroft bonding processing, including but not limited to attorney's fees, financial advisor and bond rating fees, publication costs, and printing costs.

Section (6): Sandee Palisades IV agrees to pay to the City, as each lot is sold, that lot's assessed share of all costs for development and bonding. In the event the sales of lots do not provide enough funds to pay the quarterly or semi-annual bond payments when due, Sandee Palisades IV agrees to pay the difference between lot sale revenues due the City and bond retirement payments.

Section (7): In consideration of the above Agreement and other considerations recited herein, the undersigned hereby waives rights to remonstrate against the formation of a local improvement district(s) for the construction of the above described improvements.

Section (8): In reliance upon this waiver, the City shall proceed to study the feasibility of constructing the local improvement.

Section (9): The waiver shall continue and be binding upon the undersigned and the above described property for a period of ten (10) years or until superseded by the formation of a local improvement district.

Section (10): This waiver is made on the basis that the total cost of the improvement shall be determined at the time the preliminary assessment role is prepared and shall be apportioned equally to all 73 saleable lots and that the benefit to the property must equal or exceed the cost of those benefits (improvements).

Section (11): The undersigned agrees that this waiver shall be binding upon successors, heirs and assigns including any subsequent purchaser or owner of the above described property. The undersigned also agrees to inform any purchaser of the property of this waiver so long as this waiver remains in effect.

Section (12): The City specifically obligates itself under this agreement to, but not limited by, the following:

- A. Select a professional engineer, engineering company with surveying capability, qualified to provide technical assistance in contract/bid document preparation including quantity take offs and technical specifications. Selection process and criteria is at the sole discretion of the City. Said engineer shall further provide construction staking services and general inspection supervision.
- B. Perform construction inspection services as determined to be necessary by the City to verify compliance with plans and specifications. Any prepaid inspection charges will be credited to this project and will not be duplicated.
- C. Select a general contractor, through a public bid solicitation and opening process. Award the contract to the lowest responsible bidder. City and developer recognize that contractor must pay "minimum prevailing wages".

- D. Provide, after construction, "As Built" measurements and records for sanitary sewer and water service locations.
- E. Solicit bids or negotiate for construction warrants and for Bancroft Bonds and award the same according to lowest submitted interest bid therefore.
- F. At project completion, prepare a final assessment roll, adding together all project costs which include, but are not limited to the following:
 - 1. Pre-design costs including attorney fees and staff time to prepare the agreement.
 - 2. Fees charged by the consulting engineer/surveyor.
 - 3. Construction costs for the following items:
 - a. Sanitary sewers with manholes and services.
 - b. Water mains with gate valves, services and fire hydrants.
 - c. Storm drains with manholes and catch basins.
 - d. Streets including excavation, subgrade shaping, base rock placement, curb placement, asphaltic concrete placement, and sidewalk as required.
 - e. Casing crossings of the public streets for power, telephone and TV cable conduits as specified by the respective utilities.
 - 4. Costs incurred by the City of Troutdale for the following items:
 - a. Construction inspection and system testing (operational and TV sewer inspection less any prepaid credits, charges or fees categorically identified.
 - b. Contract and bid administration.
 - c. "As Built" measurements and plan revision.
 - d. Staff time for Bancroft Bond payment notices.
 - 5. City Attorney fees for any special resolutions, ordinances agreements and opinions.
 - 6. Bond Attorney fees (legal opinion(s)).
 - 7. Bond printing costs.
 - 8. Public notice costs.
 - 9. Warrant interest.

10. Assessment roll preparation.

11. Any other expenditures specifically required due to City involvement in the project.

Section (13): Sandee Palisades specifically obligates itself under this agreement to, but not limited by, the following:

- A. Convey to City of Troutdale the rights to the construction plans (6 sheets) prepared by David Evans and Associates dated June 1981 and last revised September 25, 1981, including providing the original transparent plan set. Verify that the plans and the project are free of all liens and full payment to David Evans and Associates for the design has been made.
- B. Provide access to the public streets, lots and all other areas of the site necessary to construct the items proposed in the local improvement district.
- C. Provide general guidance to preferred location for "on-site" spoils disposal (street core out excess soils and trench excavated soils not used in backfill). Provide permission for on-site spoils disposal and waiver of all recourse therefore.
- D. Obtain title rights to the subdivision plat name of "Sandee Palisades".
- E. Engage and pay for professional surveyor, licensed in the State of Oregon, to accomplish the following tasks:
 - 1. Revise and redraw the subdivision final plat so as to conform to the current Oregon Revised Statutes and Multnomah County Surveyor's requirements.
 - 2. Prior to construction, place lot corner iron rods, and show them as part of the re-drafting of the plat, along the back lot lines of all lots on the plat lot exterior.
 - 3. Immediately after construction, verify that the exterior lot corners remain or replace to same to the proper location.
 - 4. Immediately after construction set all front property corners and street centerline points shown on the plat (interior monumentation) and all lot corners not set prior to construction.
 - 5. Provide, as part of the routing to the County Surveyor for approval, a letter to the County indicating the cost of interior monumentation.
 - 6. Revise the subdivision plat and monumentation as required by the County Surveyor during his review.

7. Reproduce the final subdivision plat sheets creating at least the 7 mil mylar "original" plat sheet(s), one 4 mil mylar reproduction sheet(s) for the County Surveyor, and one 4 mil mylar reproduction sheet(s) for the City of Troutdale.
- F. Process the final subdivision plat and reproductions for approvals through the City of Troutdale, Multnomah County surveyor, Multnomah County Board of County Commissioners, County Tax Assessor and recording with the County Recorder.
- G. Provide to the City of Troutdale a land title insurance policy indicating that they have clear title with no encumbering liens to all portions of the plat.
- H. Pay all costs, as required, to process the final subdivision plat to recordation including but not limited to:
 1. Multnomah County survey plat check fee.
 2. Bond cost or cash deposit for interior monumentation completion.
 3. Multnomah County Recorder's fee.
 4. Current taxes and any pre-payment of taxes as required by the Multnomah County Assessor.
- I. Record the final subdivision plat with the Multnomah County Recorder's office prior to commencement of construction.
- J. Provide, prior to curb construction, if known, the driveway locations for each lot.
- K. Deed to the City of Troutdale Tract "0" and separately Lot 5, Block 14 as previously agreed, and as set forth in a separate agreement.
- L. Sign a blank Bancroft Bond Application form with the agreement.
- M. Engage a contractor to excavate and backfill all trenches required by the power, telephone, and TV cable companies including providing and placing power vaults.
- N. Paying, as required by the City, for all street light poles and luminaries.
- O. Paying all capitol costs as required by the power company for initial investment for underground cable (primary and secondary, transformers and appurtenances). Some or all of these costs are reimbursed from the power company to the developer upon permanent power service request for each lot.
- P. Coordinate all other utility installations (power, telephone, TV cable and gas) such that no damage occurs to public

improvements, installations are timely and consecutive. Power, Telephone and TV cable will probably be placed in a common trench.

Section (14): Sandee Palisades represents and warrants as follows:

1. Sandee Palisades IV is now a corporation organized, validly existing and in good standing under the laws of the State of Oregon. Sandee Palisades IV has all requisite power and authority to own and develop property for residential sale, and to carry on its business as now being conducted.
2. The execution, delivery and performance of this Agreement has been duly authorized and approved by the Board of Directors, and Stockholders of Sandee Palisades IV, and that such authority has been delegated to its officers.
3. Sandee Palisades IV warrants its hold title to such property as described and that such title is unencumbered by other liens, pledges or changes.

Section (15): Sandee Palisades agrees to deposit, on execution of this Agreement a sum equal to the anticipated costs beginning the LID (not less than \$15,000), including preliminary engineering costs, legal costs, and administrative costs. IN THE EVENT Sandee Palisades is unable to secure clear title to the subject property by March 31, 1990, or IN THE EVENT that the LID proposed cannot be formed, such sums deposited shall be paid to the City as reimbursement for their costs incurred as described, and the remainder over costs to be refunded to Sandee Palisades IV. Upon formation of the LID, such funds deposited will be released.

Section (16): City represents as follows:

1. It is a municipal corporation duly authorized and organized under the laws of the State of Oregon.
2. Its City Council, by Charter, is authorized to enter into such an Agreement, as approved by Resolution No. 789 of which is attached as Exhibit (A).

Section (17): Sandee Palisades IV agrees to indemnify and hold City harmless from:

1. Any and all claims, liabilities or obligations of any description arising out of ownership of said property.
2. Any and all damage arising from material misrepresentations, breach of contract or non-fulfillment of any agreement in regard to this property.

Section (18): This Agreement may be terminated by mutual consent of both parties at any time.

1. This Agreement may be terminated by either party by notice to the other of:

The terminating party discovers a material error, misstatement or omission in the representations made by the other which shall not have been cured within 30 days after written notice to such other party specifying in detail the asserted, error, misstatement, or omission.

Section (19): IN THE EVENT either party defaults under this Agreement, the defaulting party shall reimburse all reasonable costs and attorney's fees incurred by the non-defaulting party in connection with the default. IN THE EVENT there is any litigation between the parties to enforce any provision of this Agreement, the prevailing party in addition to any other damages shall be entitled to its costs and reasonable attorney's fees incurred in such litigation, in both trial and all appellate courts.

Section (20): This Agreement shall be governed by and construed in accordance with the laws of the State of Oregon.

Sam K Cox

By:
For the City of Troutdale
Dated: 1-16-90

Arlene Korgan

By:
For Sandee Palisades IV, INC.
Dated: 1-18-90



UNITED STATES NATIONAL BANK OF OREGON
 INTERNATIONAL BANKING DIVISION
 309 SOUTHWEST SIXTH AVENUE, P. O. BOX 4412
 PORTLAND, OREGON, U.S.A. 97208-4412
 SWIFT USNBUS66 FAX (503) 275-5132

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IRREVOCABLE STANDBY LETTER OF CREDIT

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JANUARY 17, 1990

BENEFICIARY
 CITY OF TROUTDALE
 104 SE KIBLING STREET

APPLICANT:
 DAVID J. ALEXANDER
 18813 WILLAMETTE DRIVE

TROUTDALE, OREGON 97060-2099

WEST LINN, OREGON 97068

LETTER OF CREDIT NUMBER: S056340
 ^^^^^^^

EXPIRY DATE: APRIL 15, 1990
 AT: ISSUING BANK'S COUNTERS

AMOUNT:
 NOT EXCEEDING U.S. DOLLARS 15,000.00 (FIFTEEN THOUSAND 00/100
 U.S. DOLLARS)

GENTLEMEN:

WE HEREBY ISSUE THIS IRREVOCABLE STANDBY LETTER OF CREDIT
 AVAILABLE BY DRAFT(S) DRAWN AT SIGHT ON U.S. NATIONAL BANK OF
 OREGON AND ACCOMPANIED BY THE FOLLOWING DOCUMENTS IN ONE
 ORIGINAL AND ONE COPY UNLESS OTHERWISE SPECIFIED:

A STATEMENT ISSUED AND SIGNED BY THE BENEFICIARY CERTIFYING AS
 FOLLOWS:

"I, THE UNDERSIGNED, AUTHORIZED SIGNER FOR THE CITY OF TROUTDALE,
 HEREBY CERTIFY THAT THE AMOUNT DRAWN IS DUE FROM SANDEE PALISADES
 IN REIMBURSEMENT FOR THE CITY OF TROUTDALE COSTS INCURRED FOR
 DEVELOPMENT OF THE LOCAL IMPROVEMENT DISTRICT KNOWN AS SANDEE
 PALISADES IV."

SPECIAL CONDITIONS:

+ALL BANKING CHARGES OTHER THAN THOSE OF THE ISSUING BANK
 ARE FOR THE ACCOUNT OF THE BENEFICIARY

DRAFTS DRAWN UNDER THIS CREDIT MUST BEAR THE CLAUSE: "DRAWN UNDER
 UNITED STATES NATIONAL BANK OF OREGON IRREVOCABLE STANDBY LETTER

** THIS PAGE 1 FORMS AN INTEGRAL PART OF CREDIT S056340 **



OF CREDIT NUMBER S056340"

THIS CREDIT IS SUBJECT TO "THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS" (1983 REVISION) INTERNATIONAL CHAMBER OF COMMERCE PUBLICATION NO. 400

WE HEREBY ENGAGE WITH YOU THAT DRAFT(S) DRAWN AND/OR DOCUMENTS PRESENTED AND NEGOTIATED UNDER AND IN COMPLIANCE WITH THE TERMS OF THIS IRREVOCABLE STANDBY LETTER OF CREDIT WILL BE DULY HONORED UPON PRESENTATION TO US

THE AMOUNT OF EACH DRAWING MUST BE ENDORSED ON THE REVERSE OF THIS CREDIT BY THE REMITTING BANK

UNITED STATES NATIONAL BANK OF OREGON


STANDBY LETTERS OF CREDIT

PATTI AUSTIN
LETTERS OF CREDIT OFFICER

** THIS PAGE 2 FORMS AN INTEGRAL PART OF CREDIT S056340 **