



## URA RESOLUTION 2012-022

### **A RESOLUTION OF THE URBAN RENEWAL AGENCY OF THE CITY OF SHERWOOD, DIRECTING THE AGENCY MANAGER TO SIGN THE LETTER OF AGREEMENT FOR THE CANNERY DEVELOPMENT**

**WHEREAS**, the Urban Renewal Agency of the City of Sherwood ("Agency"), as the duly designated Urban Renewal Agency for the City of Sherwood, Oregon ("City"), is undertaking to carry out The Sherwood Urban Renewal Plan ("Plan") as amended which Plan was originally approved by the City Council of the City ("Council") on August 29, 2000 by Ordinance No. 2000-1098; and

**WHEREAS**, the real property known as the Old Cannery site, consisting of approximately 6.06 acres of real property intersected by Pine Street with frontage along Willamette Street and bordered on the north by the Union Pacific railroad right of way. The legal description of land is set forth on the Sherwood Cannery Square Plat No. 2011-089523, Washington County, Oregon plat records; and

**WHEREAS**, the Agency approved a Memorandum of Understanding on April 15, 2008 with Capstone Partners, LLC to purchase and develop the property; and

**WHEREAS**, the Agency approved Agreements with Capstone Partners, LLC to purchase and develop the property on August 19, 2008; and

**WHEREAS**, the Agency approved the First Amendment to the Agreements with Capstone Partners, LLC to purchase and develop the property on November 3, 2009; and

**WHEREAS**, the Agency approved Amended and Restated Agreements in 2012; and

**WHEREAS**, the Amended and Restated Agreements noted a future Development Agreement for items not contemplated in those Agreements; and

**WHEREAS**, the attached not legally binding Letter of Agreement (Attachment A) defines the general terms and conditions agreed upon with Capstone Partners, LLC.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SHERWOOD URBAN RENEWAL AGENCY:**

**Section 1.** The Agency directs the Agency Manager to sign the Letter of Agreement with Capstone Partners, LLC., attached as Exhibit A.

**Section 2.** This Resolution shall be effective from and after its adoption by the Agency Board.

**Duly passed by the Sherwood Urban Renewal Agency Board this 18<sup>th</sup> day of September, 2012.**

  
Keith S. Mays, Chair

Attest:

  
Sylvia Murphy, CMC, Agency Recorder

September 14, 2012

**SENT VIA MAIL AND EMAIL**

Capstone Partners LLC  
Attn: Chris Nelson  
1015 NW 11<sup>th</sup> Avenue, Suite 243  
Portland, Oregon 97209

Re: Sherwood Cannery Property Development Agreement

As discussed during meetings between the Sherwood Urban Renewal Agency (URA) and Capstone Partners, LLC (Capstone) during the week of August 27, 2012, both parties have agreed to negotiate a development agreement to address development and construction issues pertaining to several parcels – Lots 1, 9 and 10 as shown on the Sherwood Cannery Square Plat No. 2011-089523 (Exhibit A) - currently owned by the URA and which are set to be sold to Capstone.

This letter is an expression of intent but is not legally binding and does provide the basis of preparation of a legally binding Development Agreement (Agreement) between the URA and Capstone. Both the URA and Capstone acknowledge this letter does not address all the issues the Development Agreement may have to include and as such those additional issues will be the subject of further negotiations. If the parties are unable to agree upon/execute - for any reason whatsoever - a mutually acceptable agreement, each party reserves the right to cancel all negotiations and consider other options. If a binding agreement can be executed and delivered by the parties, the terms of such agreements will supersede all prior discussions, negotiations and agreements relating to the topics they cover.

With the foregoing in mind, Capstone accepts the general terms and conditions to be included as part of the Agreement as set forth below. All the terms and conditions set forth below are subject to URA Board approval.

The parties agree to negotiate the following as part of the Agreement:

On Lot 1

- URA agrees to design and construct a parking lot on a portion of Lot 1 which may ultimately be a separate legal parcel of its own, the total square footage of which being determined by both parties at a future date.

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- Developer agrees to pay URA a pro-rated amount for the total cost to design and construct the parking lot based on the total square footage of the parking lot that will be conveyed to Developer which shall include a reasonable construction management fee based on the total cost for design and construction of the parking lot.
- Both parties agree to negotiate and record reciprocal shared parking, access and public utility easements.

On Lots 9 and 10

- URA will pay Developer an amount not to exceed \$40,000.00 should Developer be required to do "wet weather construction work" for earthwork on Sites 9 and 10. Developer must provide URA with detailed invoices substantiating all wet weather construction work costs necessary for Lots 9 and 10 in advance of any payment by URA to Developer. As used above, the phrase "wet weather construction work" shall mean work identified in a geo-technical report that has been specifically prepared for wet weather construction on lots 9 and 10.

**Agreed and Accepted:**

**Agreed and Accepted:**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

By: \_\_\_\_\_  
Its: \_\_\_\_\_

Sherwood Urban Renewal Agency

Capstone Partners, LLC