

**URBAN RENEWAL AGENCY BOARD OF DIRECTORS
MEETING AGENDA**

Tuesday, April 15, 2008
Following the City Council Meeting

City of Sherwood City Hall
22560 SW Pine Street
Sherwood, Oregon

1. CALL TO ORDER

2. ROLL CALL

3. CONSENT AGENDA

- A. Approval of March 18, 2008 URA Board Meeting Minutes
- B. URA Resolution 2008-007 Reappointing Mark Cottle to SURPAC
- C. URA Resolution 2008-008 Reappointing Charlie Harbick to SURPAC
- D. URA Resolution 2008-009 Appointing Scott Johnson to SURPAC

4. NEW BUSINESS

- A. URA Resolution 2008-010 to approve purchase of Machine Shop property**
(Tom Nelson, Economic Development Manager)
- B. URA Resolution 2008-011 to direct URA Manager to sign Memo of Understanding (MOU) with Capstone Partners, LLC.**
(Tom Nelson, Economic Development Manager)
- C. URA Review of RFP for Old School House, No Legislation** (Staff Report & RFP Attached) (Tom Nelson, Economic Development Manager)

5. ADJOURN

**SHERWOOD URBAN RENEWAL AGENCY BOARD OF DIRECTORS
MEETING MINUTES**

March 18, 2008

EXECUTIVE SESSION

1. **CALL TO ORDER:** Chair Keith Mays called the Executive Session to order at 6:24pm.
2. **BOARD PRESENT:** Chair Keith Mays, Vice Chair Dave Grant, Board members Dave Heironimus, Linda Henderson, Dave Luman and Lee Weislogel. Board member Dan King was absent.
3. **STAFF PRESENT:** Assistant City Manager Jim Patterson, Economic Development Manager Tom Nelson and District Recorder Sylvia Murphy.
4. **OTHERS PRESENT:** Kelly Moyer with the Sherwood Gazette.
5. Chair Mays announced the URA Board of Directors would meet in Executive Session and asked the District Recorder to read the required statement. The District Recorder stated the following:

The Urban Renewal Agency Board of Directors will meet in Executive Session for the purpose of discussing Real Property Transactions pursuant to ORS 192.660 (2)(e).

Representatives from the news media and designated staff shall be allowed to attend the Executive Session. All other members of the audience are asked to remain in the community room. Representatives of the news media are specifically directed not to report on any deliberations during the Executive Session except to state the general subject of the session as previously announced. No decisions shall be made in Executive Session. At the end of the Session, the Urban Renewal Board will return to an open City Council meeting.

5. **DISCUSSION:** The Board discussed Cannery property, Machine Shop & Old School House property.
6. **ADJOURNED:** Chair Mays adjourned the Executive Session at 6:55pm and convened to a City Council meeting. See City Council meeting files for record.

REGULAR MEETING

1. **CALL TO ORDER:** Chair Keith Mays called the URA Board meeting to order at 8:03 pm.

2. BOARD PRESENT: Chair Keith Mays, Vice Chair Dave Grant, Board members Dave Heironimus, Linda Henderson, Dave Luman and Lee Weislogel. Board member Dan King was absent.

3. STAFF PRESENT: Assistant City Manager Jim Patterson, Economic Development Manager Tom Nelson and District Recorder Sylvia Murphy.

4. CONSENT AGENDA

A. Approval of February 19, 2008 URA Board of Directors Meeting Minutes

MOTION: FROM MR. HEIRONIMUS TO APPROVE THE CONSENT AGENDA SECONDED BY MR. WEISLOGEL, APPROVED BY ALL MEMBERS PRESENT.

Chair Mays addressed the next agenda item and asked the District Recorder if a Public Hearings statement is required. Economic Development Manager Tom Nelson interjected and stated these items do not require a public hearing.

Vice Chair Dave Grant suggested the Board receive public comments even if not required. Chair Mays replied he would ask for public comments and addressed the first item.

District Recorder note: The URA Board received an amended agenda and walk-on documents provided by staff. The amended agenda and additional documents resulted in legal counsel review of the original meeting packet and discussion held in the URA Executive Session held earlier this evening. (See record for handouts printed on yellow paper).

5. PUBLIC HEARINGS

A. URA Resolution 2008-002 Authorizing the Urban Renewal Manager to complete the purchase of the Cannery property from the City of Sherwood for \$3,065,000

Chair Mays called Tom Nelson Economic Development Manager to come forward. Tom explained the Board had previously discussed this in a City Council meeting and stated the Cannery site was purchased for redevelopment and the URA is in the best position to do a planned development at this location. Staff is asking the URA Board to approve the purchase of this property. Tom stated the price is based on appraised value minus any other realtor costs that may have been incurred. The money will go to pay back the inter fund loan the City Council made to originally purchase the property, to assist with clean up and any remaining funds will assist the general fund.

Chair Mays asked for public testimony on URA Resolution 2008-002. With none heard, he asked for Board questions.

Mr. Dave Luman asked if the yellow handouts (walk on documents) supersede the documents in the meeting packet. Chair Mays replied yes.

Mr. Luman asked if the purchase price needs to be stated in the Resolution. Tom Nelson replied, the City attorney drafted the documents and the Board can certainly add the price to the Resolution and stated it was not necessary because the City Council has already authorized to sell it for this amount.

Chair Mays, confirmed and stated, because the City Council has already stated the price the Urban Renewal District has to agree to that price.

Chair Mays asked for other Board questions, with none heard he asked for a motion.

MOTION: MR. HEIRONIMUS MOVED TO ADOPT URA RESOLUTION 2008-002, SECONDED BY MR. WEISLOGEL.

Chair Mays asked for discussion on the motion. Mr. Luman replied he believes the price should be noted on the resolution and asked for an amendment.

Mr. Heironimus withdrew his motion and Mr. Weislogel withdrew his second.

Mr. Luman stated his motion:

MOTION: TO AMEND RESOLUTION 2008-002 TO INCLUDE THE PURCHASE PRICE FOR \$3,065,000.

Chair Mays asked for a motion to amend the Resolution.

MOTION SECONDED BY MR. HEIRONIMUS. ALL BOARD MEMBERS VOTED IN FAVOR TO AMEND THE RESOLUTION TO STATE THE PURCHASE PRICE OF \$3,065,000.

Chair Mays asked for discussion on the amended Resolution, with none heard he asked for a motion to adopt the amended Resolution.

MOTION: MR. HEIRONIMUS MOVED TO ADOPT AMENDED URA RESOLUTION 2008-002, SECONDED BY MR. WEISLOGEL. APPROVED BY ALL MEMBERS PRESENT.

Chair Mays addressed the next agenda item.

B. URA Resolution 2008-003 Authorizing a minor amendment to the URA Plan for acquisition of property adding the Old School

Chair Mays stated this resolution is in the original packet and asked Tom Nelson how the language has changed.

Tom Nelson replied the yellow handouts provided this evening were prepared by the City attorney with the thought that it was a better way to describe the resolution. Tom informed the Board the format of the documents produced by the attorney will be used as templates for future business. Tom explained URA Resolution 2008-003 was required to allow the Board to adopt legislation to amend the Plan as did the City Council.

Chair Mays asked for Board questions, with none heard he asked for public testimony, with none heard he asked for a motion.

MOTION: MS. HENDERSON MOVED TO ADOPT URA RESOLUTION 2008-003, SECONDED BY MR. WEISLOGEL. APPROVED BY ALL MEMBERS PRESENT.

Chair Mays addressed the next agenda item.

C. URA Resolution 2008-004 Authorizing the Urban Renewal Manager to accept transfer of the Old School property from the City of Sherwood

Tom explained this is a housekeeping measure that requires the URA Board to accept the transfer of the property and prepare a warranty deed.

Chair Mays asked for public testimony, with none heard he asked for Board questions, with none heard he asked for a motion.

MOTION: MS. HENDERSON MOVED TO ADOPT URA RESOLUTION 2008-004, SECONDED BY MR. LUMAN. APPROVED BY ALL MEMBERS PRESENT.

Chair Mays addressed the next agenda item.

Tom Nelson explained this resolution is for acquisition of the Machine Shop and staff is asking the Board to adopt a resolution authorizing a minor amendment for acquisition of property to include the Machine Shop in the URA Plan. The resolution number would be assigned as 2008-005.

District Recorder note: The amended URA Agenda lists Item D & E without a specific resolution number due to the fact these issues were discussed in Executive Session and decisions are not permissible in Executive Sessions. Resolution titles and numbers were proposed and provided to the Board in the yellow walk on documents.

D. URA Resolution 2008-005 Authorizing a minor amendment to the URA Plan for acquisition of property

Chair Mays asked for public testimony, no one came forward.

Tom explained the defining factor on the resolution is where it states in the 4th paragraph the property known as the Machine Shop located at 120 SW Washington Street.

Chair Mays asked for Board questions, with none heard he asked for a motion.

MOTION: VICE CHAIR GRANT MOVED TO ADOPT URA RESOLUTION 2008-005, SECONDED BY MS. HENDERSON. APPROVED BY ALL MEMBERS PRESENT.

Tom explained the next agenda item.

E. URA Resolution 2008-006 Of the Urban Renewal Agency of the City of Sherwood for purchase of real property

Tom stated URA Resolution 2008-006 authorizes the URA Manager to negotiate the purchase of the Machine Shop and accept the commitments imposed by the URA Plan.

Chair Mays commented this resolution directs staff to negotiate a transaction and would require staff to bring a proposal back to the URA Board for approval. Tom confirmed this was correct.

Chair Mays asked for Board questions, with none heard he asked for a motion.

MOTION: VICE CHAIR GRANT MOVED TO ADOPT URA RESOLUTION 2008-006, SECONDED BY MR. HEIRONIMUS. APPROVED BY ALL MEMBERS PRESENT.

Chair Mays thanked the Board members and staff.

Assistant City Manager Jim Patterson commended Tom Nelson for his work and stated with legal counsel review of the documents, this resulted in the walk on

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documents printed on yellow paper and this was not standard operating procedure.

5. ADJOURN: Chair Mays adjourned the URA Board meeting at 8:15pm and reconvened to the City Council meeting to adjourn.

Submitted by:

Approved:

Sylvia Murphy, District Recorder

Keith S. Mays, Chairman



URA RESOLUTION 2008-007

A RESOLUTION RE-APPOINTING MARK COTTLE TO SHERWOOD URBAN RENEWAL PLANNING ADVISORY COMMITTEE (SURPAC)

WHEREAS, Mark Cottle was appointed to SURPAC via City Council Resolution 2004-097 on December 14, 2004; and

WHEREAS, Mr. Cottle has requested reappointment; and

WHEREAS, Board Chair Cam Durrell and Council Liaison Lee Weislogel have recommended the reappointment of Mr. Cottle.

NOW, THEREFORE, THE URA BOARD OF DIRECTORS RESOLVES AS FOLLOWS:

Section 1. Mark Cottle is hereby reappointed to SURPAC for a two year term ending March 31, 2010.

Duly passed by the URA Board of Directors this 15th day of April 2008.

Keith S. Mays, Board Chairman

ATTEST:

Sylvia Murphy, District Recorder



URA RESOLUTION 2008-008

A RESOLUTION RE-APPOINTING CHARLIE HARBICK TO SHERWOOD URBAN RENEWAL PLANNING ADVISORY COMMITTEE (SURPAC)

WHEREAS, Charlie Harbick was appointed to SURPAC via URA Resolution 2006-001 on April 18, 2006; and

WHEREAS, Mr. Harbick has requested reappointment; and

WHEREAS, Board Chair Cam Durrell and Council Liaison Lee Weislogel have recommended the reappointment of Mr. Harbick.

NOW, THEREFORE, THE URA BOARD OF DIRECTORS RESOLVES AS FOLLOWS:

Section 1. Charlie Harbick is hereby reappointed to SURPAC for a two year term ending March 31, 2010.

Duly passed by the URA Board of Directors this 15th day of April 2008.

Keith S. Mays, Board Chairman

ATTEST:

Sylvia Murphy, District Recorder



URA RESOLUTION 2008-009

A RESOLUTION APPOINTING SCOTT JOHNSON TO SHERWOOD URBAN RENEWAL PLANNING ADVISORY COMMITTEE (SURPAC)

WHEREAS, A vacancy for a Citizen at Large position currently exists and Mr. Scott Johnson has applied for the position;

WHEREAS, Board Chair Cam Durrell and Council Liaison Lee Weislogel have interviewed Mr. Johnson and are recommending appointment.

NOW, THEREFORE, THE URA BOARD OF DIRECTORS RESOLVES AS FOLLOWS:

Section 1. Scott Johnson is hereby reappointed to SURPAC for a two year term ending March 31, 2010.

Duly passed by the URA Board of Directors this 15th day of April 2008.

Keith S. Mays, Board Chairman

ATTEST:

Sylvia Murphy, District Recorder

URA Board Meeting Date: April 15, 2008

Agenda Item: New Business

To: Sherwood Urban Renewal Agency

From: Tom Nelson, Economic Development Manager

SUBJECT: URA Resolution 2008-010 to Authorize Execution of Documents to Purchase Machine Shop Property

Issue & Background:

At the last board meeting on March 18, 2008, the URA Board adopted a resolution to direct staff to negotiate the purchase of the Machine Shop property adjacent to the Old Cannery site subject to due diligence. Staff has successfully negotiated purchase of the property and performed due diligence in the way of a Phase I and Phase II Environmental Site Assessment. Minimal clean-up will be required, and the cost of such clean-up is reflected in a discounted purchase price of the property.

Recommendation: Staff recommends that the URA Board adopt the attached resolution authorizing the proper agents to execute the necessary documents to purchase the property described in the resolution.

Actions Needed: Adopt URA Resolution 2008-010.



URA RESOLUTION 2008-010

A RESOLUTION OF THE URBAN RENEWAL AGENCY OF THE CITY OF SHERWOOD FOR PURCHASE OF REAL PROPERTY

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”) which Plan was approved by the City Council of the City (“Council”) on August 29, 2000 by Ordinance No. 2000-1098; and

WHEREAS, the Plan’s goals and objectives include the elimination of blighting influences and the promotion of private development found in the Renewal Area, as defined in the Plan; and

WHEREAS, the real property known as the Machine Shop located at 120 SW Washington Street also known as 22832 SW Washington Street in the City of Sherwood is currently a blighting influence in the Renewal Area; and

WHEREAS, the Agency plans for the Machine Shop to be privately redeveloped as set forth in Sections 501 and 600 of the Plan; and

WHEREAS, the City has approved an amendment to the Plan to add for acquisition the Machine Shop; and

WHEREAS, the Owner, Arcadian Enterprises, Inc., has or is expected to authorize a warranty deed to transfer ownership of the Machine Shop to the Agency.

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

Section 1. The Agency authorizes the proper agent(s) to execute the necessary documents to purchase the real property known as the Machine Shop, and described above

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

Duly passed by the URA District Board this 15th day of April 2008.

Keith S. Mays, Board Chairman

ATTEST:

Sylvia Murphy, District Recorder

URA Board Meeting Date: April 15, 2008

Agenda Item: New Business

To: Sherwood Urban Renewal Board of Directors

From: Tom Nelson, Economic Development Manager

SUBJECT: URA Resolution 2008-011 Accepting Memo of Understanding (MOU) for development of URA Owned Old Cannery Site with Capstone Partners, LLC

Issue

Should the URA approve the attached Memo of Understanding (MOU) with Capstone Partners, LLC?

Background

The Old Cannery Site was purchased so that it could be redeveloped. In 2005, the City engaged Leland Consulting Group (LCG) to recommend a development and implementation strategy for the redevelopment of the Cannery property acquired by the City. As a result of the Leland Group's recommendation, a Request For Proposals (RFP) for development was solicited in 2007. Of the proposals received, the proposal from Capstone Partners, LLC most closely matched the development criteria specified. Staff, with the assistance of the URA's Real Estate Brokers, has negotiated extensively to develop a redevelopment MOU that will serve in the best interest of the Urban Renewal Area and the City of Sherwood.

Other Factors:

- The City sold the property to the URA to cover the City's costs and allow for flexibility in redevelopment of the property.
- Redevelopment of the Old Cannery Property is the top priority of SURPAC and is listed as one of the top goals of the Sherwood City Council.
- The URA has sufficient debt capacity and cash flow to accept the terms of the MOU, as well as complete other priority projects on the URA project list.

- Upon full development of the project as projected by Capstone, an additional \$50 million will be invested in the Urban Renewal Area, and be placed on property tax rolls. This will result in an additional projected tax increment of \$270,000 per year, initially to the URA, and subsequently to all taxing authorities serving the area.
- The synergy of this development will achieve the true results being sought in urban renewal redevelopment, the removal of “blight”, and restoration and improvement of property values in the URA, and consequently meets the goals of the Sherwood Urban Renewal Plan.

Recommendation: Adoption of the attached resolution to direct staff to sign the Memo of Understanding (MOU) with Capstone Partners, LLC.

Actions Needed: To select Capstone Partners, LLC as the developer of the Old Cannery property, the following actions should be taken:

1. The URA Board needs to adopt a Resolution to authorize the Urban Renewal Manager to sign the MOU with Capstone.
2. The URA needs to hold a public hearing to sell property at a subsequent meeting.
3. The URA needs to adopt a resolution based on the findings of the public hearing to sell / transfer property to Capstone and authorize the proper parties to sign the necessary documents to complete the transaction.



URA RESOLUTION 2008-011

A RESOLUTION DIRECTING THE URBAN RENEWAL MANAGER TO SIGN A MEMORANDUM OF UNDERSTANDING FOR THE REDEVELOPMENT OF REAL PROPERTY

WHEREAS, the City of Sherwood Urban Renewal Agency wishes to develop the property known as The Old Cannery at what was previously 220 SE Willamette Street in Sherwood; and

WHEREAS, the City engaged a consultant to recommend redevelopment plan that would be in the best interest of the City; and

WHEREAS, the City has requested proposals for said redevelopment; and

WHEREAS, the City Council has decided to dispose of the real property and use this process in keeping with ORS 221.725;

WHEREAS, the City has subsequently transferred ownership of the property to the Urban Renewal Agency; and

WHEREAS, Capstone Partners, LLC has responded with a proposal that most closely reflects the aforementioned redevelopment plan; and

NOW, THEREFORE, THE URBAN RENEWAL AGENCY OF THE CITY OF SHERWOOD RESOLVES AS FOLLOWS:

Section 1. The Urban Renewal Manager is directed to sign the attached Memorandum of Understanding (MOU), Exhibit A negotiated with Capstone Partners, LLC.

Duly passed by the Urban Renewal Agency this 15th day of April 2008.

Keith S. Mays, Chairman

ATTEST:

Sylvia Murphy, District Recorder

**MEMORANDUM OF UNDERSTANDING
REGARDING THE DEVELOPMENT OF REAL PROPERTY**

**OLD CANNERY SITE REDEVELOPMENT
Portland Oregon, Walnut Park Addition, Block 10, Western 30' Feet**

This Memorandum of Understanding (“**MOU**”), is entered into this ___ day of April, 2008, between the City of Sherwood Urban Renewal Agency or the City of Sherwood (“**Agency**”/”**Seller**”), Capstone Partners, LLC (“**Developer**”), Capstone Partners, LLC and/or Assigns (“**Purchaser**”). Capstone Partners will remain the manager and/or managing member of any entity to which it may assign its interests. Seller and Purchaser are referred to herein individually as “**Party**” and collectively as the “**Parties**”.

The purpose of this MOU is to outline the intent of the Parties for the redevelopment of the Old Cannery site, and describes the Parties respective objectives and the manner in which they propose to contribute to the preliminary design and preconstruction work necessary for the redevelopment of 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. Said property consists of parcels R0555599; R0556017 and R0555615 with a combined land area of approximately 6.06 +/- gross acres in total, Sherwood, Washington County, Oregon (“**Property**”). In addition to the development of the project design as herein defined the Developer shall also pursue the goals of the Agency herein described, and will in concert with the Agency, conduct a community outreach and involvement process to secure the support of the surrounding community. The Agency also wishes to engage Developer to provide development advisory services to conduct pre-acquisition due diligence, cost estimating and adaptive re-use assessments on the adjacent “warehouse” property (“**Warehouse Site**”) it is under letter of intent to acquire. If the Agency closes on the Warehouse Site, Developer shall act as a construction and development advisor to the Agency so it can incorporate this property with the overall Master Plan for the Old Cannery Site to insure a compatible and seamless integration of the two properties.

- 1. Development Agreement.** The Parties acknowledge and agree that the transaction will require further documentation and approvals, including the preparation and approval of a formal Disposition and Development Agreement or Purchase and Sale (the “**DDA**” or “**PSA**”) agreement setting forth the terms and conditions of the conveyance and development of the Property in accordance with the program of development set forth below (the “**Project**”). The Parties execute this MOU to evidence their intention to proceed in mutual good faith to complete work required to negotiate terms of a DDA that are consistent with this MOU. The DDA will contain representations, warranties and covenants, conditions, and understandings customary for the development of projects of similar size and type and will provide a schedule of the timeline within which the Parties shall complete due diligence and underwriting activities to confirm the feasibility of the Project. The DDA shall contain a schedule of performance which requires Developer to

commence construction of Phase I of the Project on or before July 1, 2009, subject to delays beyond the control of Developer which shall include force majeure, acts of terrorism or war, weather delays, public agency delays (including appeals) and unavailability of acceptable debt capital. The Parties intend to negotiate and enter into a definitive DDA on a date as soon as feasible.

2. Program. The Project development program is summarized below:

Developer shall be responsible for the design, implementation, and execution of a phased Planned Unit Development incorporating both retail/commercial, residential housing elements, and the possible redevelopment of the existing Warehouse Site being acquired by the City of Sherwood for public and potentially private uses more particularly described below.

3. City of Sherwood Urban Renewal Agency Goals. The DDA will, without limitation, reflect the following Agency goals and objectives of the Request for Proposals for the City of Sherwood Old Cannery Site dated July 5, 2007 and the Sherwood Cannery Development Strategy dated June 17, 2005:

- 3.1 The project shall have a medium-density mixed-use development for both residential and retail-commercial uses.
- 3.2 Primary goal of the development shall be the stimulation of new investment and development in Old Town and surrounding areas.
- 3.3 Project elements shall contribute to a “small town” feel and shall have a unified architectural character.
- 3.4 Character of the development shall be complementary to the major investment the City of Sherwood has made in new streets, sidewalks, and street improvements north of the railroad tracks.
- 3.5 The Redevelopment shall incorporate a public plaza or similar community gathering place, and, if acquired by the Agency and determined desirable by Agency for integration into the Cannery site project, a public/private use redevelopment of the Warehouse Site to be incorporated with the overall Master Plan and development of the Old Cannery Property.
- 3.6 Elements of the Project shall demonstrate substantial conformance with the Overlay District standards for Sherwood Old Town.
- 3.7 The Project will be constructed utilizing private financing secured by Developer. The Agency’s financial contribution shall be limited to donation of the land for and

funding the cost of the development and construction of Public Plaza as well as a contribution of the land for the street right-of-ways and funding the cost of the development and construction of the new public streets and related infrastructure. The Agency shall be responsible for the maintenance of the public plaza, streets and infrastructure when completed.

4. **Land Disposition.** The sales price of the property takes into account its fair market value and the nature of the Project being constructed by Developer.

Said purchase shall consist of the two phase at a takedown schedule and price as herein provided as follows:

4.1 The Parties acknowledge that the Area and resulting Gross Price for each of the Subdivision Sites is subject to change based on the final ALTA survey to be completed by Seller and affirmed by Developer on or before closing. For the purpose of this MOU, please reference attachment titled Sherwood Land Plan date 3/28/08.

Subdivision Site	Area (SF)	Price (\$/SF)	Gross Price
Phase I			
Site A - SWC Pine St. & Railroad	20,108	\$12.50	\$251,350.00
		\$15.00 for land area net of Plaza	
Phase I Site B & Plaza *	46,771	SF (TBD) *	TBD
Phase I Site C & D- N/S Willamette Street	79,390	\$8.00 - \$12.00**	\$635,120 - \$952,680
Phase I			
Public Rights of Way – Proposed Columbia Street extension, Proposed Highland Drive and additional S.E. Willamette Street dedication	60,201	No cost to developer	
Phase II Future Phase	50,171	\$16.00	\$802,736.00
TOTAL	256,641		TBD

** Note: The actual size of the Plaza is yet to be determined, but should be a minimum of 10,000 (SF) and not greater than 20,000 (SF). The Public Plaza land area will be netted out of the indicated site area to be purchased by Developer.*

*** Note: The actual purchase price per square foot will be not less than \$8.00/sf and not greater than \$12.00/sf. The actual purchase price shall be a “Residual Land Value” to be determined by a mutually acceptable multi-family appraiser in the form a “Letter Opinion of Value”. Developer will share actual cost assumptions, revenue and operating expense assumptions to assist the appraiser in determining the Residual Land Value.*

4.2 **Phased Purchase.** Developer shall complete an initial Phase I purchase of Sites A, B, C, & D as Phase I of the Project. Total consideration for Phase I shall be determined based on the per-square-foot prices outlined above, net of the land area to be dedicated to the Plaza.. The purchase of Sites A and B shall be funded at Close of Escrow. The purchase of Sites

C & D of shall be funded when the completed apartment project has achieved stabilization after initial lease-up (95% occupied).

- 4.3 Product type for Phase I development as depicted in Attached Schematic Exhibit A shall be as follows:
- Site A – One 5,000 SF single story brick commercial building fronting on SW Pine Street (“Single story commercial”). The Parties agree that the development of Site A may change so as to allow for integrated and compatible Master Plan uses between the Warehouse Site currently being acquired by the Agency and the Old Cannery Site.
 - Site B – One 14,000 SF two-story brick mixed-use commercial building located adjacent to the new proposed public plaza (“Two-story commercial”)
 - Site C&D – Two, 50 unit (100 units total) three-story Class A apartment buildings with brick facades on public streets (“Multi-family for rent”)
- 4.4 Phase II development purchase shall consist of approximately 50,171 SF at an aggregate price of \$802,736. Phase II purchase shall occur not later than December 31, 2012.
- 4.5 If determined by Agency to be desirable for integration into the Cannery site project, redevelopment of the Warehouse Site to the highest and best use determined by the Agency and Developer. Agency shall compensate Developer with an advisory fee equal to 5% of the managed costs of the redevelopment. Managed costs shall include hard costs and all architectural and engineering costs related to the project.

5. Development Principles. In order to achieve the stated goals and objectives, the following development principles and guidelines will be applied to all negotiations and program and project development activities:

- 5.1 The Project will be subject to Agency’s design review and approval. Developer will submit schematic and preliminary design drawings to Agency at the appropriate stage of the development process.
- 5.2 Developer will be required to demonstrate the financial feasibility of the Project by submitting a preliminary project proforma not later than August 1, 2008.
- 5.3 The Project will demonstrate community support through a community outreach process.

6. **Due Diligence.** Agency shall grant Developer/Purchase a period of 150 days following full execution of the this MOU to complete all detailed due diligence it requires in its sole discretion, including, by not limited to title review, an environmental site assessment(s), geotechnical study, zoning and land use research, and development cost analysis. Seller shall grant Developer and Purchaser, as well as, their consultants, access to the Property for the purposes of performing due diligence. Developer/Purchaser shall bear all costs of their due diligence efforts, and in event of failure of Developer/Purchaser to complete Phase I and II purchase of subject Property copies of all studies, reports, and pertinent documents commissioned by Developer/Purchaser shall be provided to Seller at no cost provided that Developer terminates the MOU. In the event the Agency/Seller does not perform under the terms of the definitive DDA or PSA, the Agency/Seller agrees to reimburse Developer for their reasonable due diligence, architectural and engineering costs.

To ensure all parties are aware of ongoing activity during the due diligence period, a monthly update report from the developer to the city's agents (or the city) is requested. While not meant to be a comprehensive report, the document should specifically reference the progress and action items being addressed.

7. **Developer/Purchaser Contingencies**

- 7.1 Waiver of all items described in the Due Diligence paragraph above.
- 7.2 Full execution of the DDA and/or PSA by all Parties and approval from the Agency Board.
- 7.3 Final approval of the PUD, subdivision, proposed public improvements, and any other approvals required for the development of the Property.
- 7.4 Legal separation of the Property so as to form separate legal parcels for the Phase I development sites, Public Plaza, and Infrastructure and Remainder Site.
- 7.5 Commitment from the City of Sherwood Urban Renewal Agency for cost of development and construction of the Public Plaza and public right-of-ways and infrastructure, as well as commitment from the Agency for dedication land areas needed for the public right-of-ways.
- 7.6 Developer's receipt of a construction financing commitment for all Phase I development upon terms and from a lender reasonably acceptable to Developer/Purchaser.

- 7.7 Developer's obtaining pre-lease or pre-sale commitments for a minimum of 40% of the proposed Phase I retail, office, and/or commercial buildings, subject to approval by Developer's lender.
- 7.8 Developer's obtaining a financing commitment for the development of 100 +/- apartment units on a 100% speculative basis (no pre-leasing).
- 7.9 Title commitment for Phase I sites from a title company acceptable to Developer/Purchaser.
- 7.10 Receipt of all permits necessary for construction of the Phase I improvements, Public Plaza, and infrastructure as approval.

8. Developer Responsibilities.

- 8.1 Develop a preliminary master plan for the property including public roads, potential lot configurations, public plaza, and specific building site plans.
- 8.2 Create a new Planned Unit Development (“**PUD**”) zoning on the Property.
- 8.3 Negotiate and document all separate agreements between Seller, Agency, and Developer.
- 8.4 Subdivide, partition, and/or adjust lot lines as required to meet the master plan and to respond to market demand.
- 8.5 Coordinate design, permit, and manage construction of Public Plaza, new streets and related infrastructure, and redevelopment of the Warehouse Site.
- 8.6 Purchase land from Seller/Agency in accordance with to be negotiated DDA or PSA.
- 8.7 Develop and finance buildings for sale or lease.
- 8.8 Provide Agency with schematic and design documents as soon as prepared by Developer's architect.
- 8.9 Provide Agency with financial information relative to letter of interest and/or commitment from commercial banks or private leading sources for Project funding.
- 8.10 Develop a marketing program for sale or lease of buildings, including the Warehouse Site provided private uses are programmed for the building and that

Agency determines it desirable to integrate said property into the Old Cannery site project.

8.11 Participate in Agency's community outreach/public input process.

9. Seller/Agency Responsibilities.

9.1 Provide all information in its possession related to environmental condition including environmental assessments and reports; zoning condition; soils; survey and preliminary title information.

9.2 Cooperate with Developer in facilitation of all required zoning approvals, design review, and other approvals necessary for development of the Project.

9.3 Fund construction of Public Plaza element and all public streets and related infrastructure including a fee for construction management to be paid to Developer. The actual fee shall be fixed and determined once construction costs have been determined based on the actual bids utilized for the construction of these public improvements, but shall not be less than five percent (5%) of project costs. The fee shall be paid on a monthly straight-line basis, starting at Closing and running through the estimated course of construction of the Phase I project.

9.4 Provide ALTA Extended Owner's Title Policy to Developer at closing.

9.5 Pay brokerage commission due to GVA Kidder Mathews incident to sale of the Property as per separate agreement.

10. Term and Exclusivity. This MOU shall be effective when executed by both Parties. Developer/Purchaser, or its designated representative, will retain the exclusive right to negotiate a DDA or P&S with Agency, and Agency will refrain from negotiating with other parties for development of the Property until August 1, 2008, as long as Developer meets the Schedule of Performance under Section 11.

11. Schedule of Performance.

3/31/08	Execute MOU
6/30/08	DDA or P&S Approved and Executed by Agency
8/31/08	Developer Due Diligence Ends
9/01/08	Developer Provides Master Plan for Development to Agency
9/30/08	Agency Approves Master Plan
10/01/08	Developer Initiates PUD/Zoning Approval Process

- 06/30/09 Developer Acquires Land from Agency/Seller for Phase I Construction
- 07/01/09 Developer begins Phase I Construction. Developer shall have the right to extend the Phase I Construction Date for delays which are not in the Developer's control, which shall include force majeure, acts of terrorism or war, weather delays, public agency delays (including appeals) and unavailability of acceptable debt capital.

12. Non-Binding Agreement. This MOU is a statement of the current intent of the Parties, and does not create a binding agreement between the Parties, except as specified in Section 10 as it relates to Term and Exclusivity and except as specified in Section 16 as it relates to the Termination of this MOU and cure rights of the Parties. This MOU shall not be relied upon as a basis for a contract by estoppels or serve as the basis for a claim based on detrimental reliance or any other theory. The Parties understand that no Party shall be bound until the DDA or P&S has been negotiated, executed, delivered, and approved by the Members of Developer and the Agency Board. The Parties will make a good faith effort to negotiate the DDA or P&S as soon as feasible.

13. Communications. The Parties agree that all public communications concerning the Property, e.g., press releases or information provided to the media and all substantive discussions with public agencies having jurisdiction over the Property, will be undertaken jointly by Agency and Developer and shall be subject to the prior approval of the other Party.

14. Notices

14.1 All notices or other communications required by or relating to this MOU or the Property will be in writing, and sent by personal delivery, by overnight delivery, or by fax with a telephonic confirmation of receipt.

14.2 Correspondence concerning the Property shall be addressed to:

City of Sherwood:

Jim Patterson
 City of Sherwood
 22560 SW Pine Street
 Sherwood, Oregon 97214
 Phone: (503) 625-4260

For: Capstone Partners, LLC:

Chris Nelson
 Capstone Partners
 1015 NW 11th Avenue, Suite 243

Portland, OR 97209
(503) 226-1972

15. Authorization. Agency and Developer and its members will seek all approvals required by law, bylaws, operating agreements, and pertinent corporate documents in order to enter into this MOU.

16. Termination.

16.1 Agency may unilaterally terminate this MOU with fifteen (15) days prior written notice if Developer fails to satisfy the following benchmark:

- Failure to remove Due Diligence contingencies by August 31, 2008.

16.2 Prior to the end of the Due Diligence Period, Developer may terminate this MOU by providing written notice to Agency/Seller of its election to terminate.

16.3 For reasons other than those described in Section 16.1, either Party may terminate this MOU (the “terminating Party”) in writing for cause related to non performance stating the specific non-performance issue. However, the nonterminating Party will be given thirty (30) days to cure the reasons for termination given by the terminating Party, if cure is possible, and must notify the terminating Party in writing of its desire to cure. If the cure is not completed within such 30-day period, the terminating Party may thereafter notify the nonterminating Party of its failure to cure and this MOU shall terminate on the date of such written notice.

Upon termination, all of the respective rights and obligations of the Parties hereunder shall be of no further force or effect. In the event of termination each Party shall be solely responsible for their own expenses incurred during the term of the MOU.

17. DISCLAIMER OF CONSEQUENTIAL DAMAGES. IN NO EVENT SHALL ANY PARTY BE LIABLE TO THE OTHER PARTY HERETO FOR ANY LOST OR PROSPECTIVE PROFITS OR ANY OTHER SPECIAL, PUNITIVE, EXEMPLARY, CONSEQUENTIAL, INCIDENTAL OR INDIRECT LOSSES OR DAMAGES (IN TORT, CONTRACT OR OTHERWISE) UNDER OR IN RESPECT OF THIS AGREEMENT OR FOR ANY FAILURE OF PERFORMANCE RELATED HERETO HOWSOEVER CAUSED, WHETHER OR NOT ARISING FROM SUCH PARTY’S SOLE, JOINT OR CONCURRENT NEGLIGENCE.

Signatures on following page.

MEMORANDUM OF UNDERSTANDING: OLD CANNERY SITE

URA Resolution 2008-011
April 15, 2008 Exhibit A

AGREED AND ACCEPTED:

SHERWOOD URBAN RENEWAL DISTRICT AGENCY

By: _____
Jim Patterson, District Manager

Date: _____

DEVELOPER

CAPSTONE PARTNERS LLC

By: _____

Date: _____

By: _____

Date: _____

URA Board Meeting Date: April 15, 2008

Agenda Item: New Business

To: Sherwood Urban Renewal Agency Board of Directors

From: Tom Nelson, Economic Development Manager

Date: April 15, 2008

SUBJECT: Request For Proposals (RFP) for Development of the Old Schoolhouse Property

Issue & Background

The URA purchased the Old Schoolhouse property for redevelopment and received direction from the URA Board to develop an RFP for development.

Recommendation: Staff has developed the attached RFP, and seeks input and concurrence from the Board to proceed with this solicitation.

Actions Needed: No official action is needed at this time.



Home of the Tualatin River National Wildlife Refuge

Sherwood Old Schoolhouse Property Redevelopment Request for Proposal

Owner

Sherwood Urban Renewal Agency

22560 SW Pine St

Sherwood, OR 97140

Tom Nelson, Economic Development Manager

503.625.4247 T

503.625.5524 F

I. INTRODUCTION

A. Request for Proposal

The Sherwood Urban Renewal Agency is soliciting Proposals in response to this Request for Proposal (RFP) to redevelop the property known as the Old Schoolhouse at 16023 SW 3rd in Sherwood. The City invites and welcomes respondents who can provide such service to submit proposals.



B. Background

The Old Schoolhouse, as depicted above, was built in 1912 on .67 acres or 29,185 square feet according to Oregon State plat maps. The property has an irregular shape and has street frontage on two sides. There are about 134 feet of frontage along NW 3rd Street and 130 feet along SW Sherwood Boulevard, a major connector between the historic downtown and the newer section of Sherwood known as six corners. The property is identified on Washington County Tax Map 2S1W Section 32BB as Tax Lot 500.

The original structure had four floors, including the basement. However the top floor was removed when the Sherwood Grange #272 purchased the building in 1950. The building was subsequently purchased by a private party and converted into a business known as Starbuck Interior Designs. In 2000 the building and property was purchased by the City of Sherwood, and subsequently sold to the Sherwood Urban Renewal Agency for \$550,000.

In December of 2007, the building was demolished. Due to its age, disrepair, and the diminished structural integrity due to the removal of the top floor, the building was deemed to be unsafe. However, public sentiment varied from attempts to preserve the building to calls for the rebuilding of a replica of the original building.

C. Proposal

The Sherwood Urban Renewal Agency is requesting a redevelopment proposal for property at 16023 SW 3rd in Sherwood, known as the Old Schoolhouse Site.

Goals of the URA for redevelopment:

- Purchase of the property, giving the URA a condominium interest in a portion of the basement level of the structure to be built to be used as a "Data Co-location Center".
- Construction of a close replica of the original "Old Schoolhouse" using materials that are reasonably similar and architecturally sound.
- Development of a business on the main floor that would be compatible with the businesses in the Old Town area.
- Development of the other space that would be compatible with businesses found in Old Town or office space and/or Community Space for training and meetings.
- Design and development that meets the requirements of the City of Sherwood development code.

D. Solicitation Schedule

Task	Due Date
RFP issued	April 16, 2008
Proposals due at Sherwood City Hall	May 7, 2008
Interviews	May 12, 2008
Staff Makes Recommendation to URA Board	May 21, 2008
Transaction Completed	June 30, 2008

II. PROPOSAL FORMAT

In order to facilitate the analysis of responses to this RFP, Respondents are required to prepare their proposals in accordance with the instructions outlined in this section. At the sole discretion of the City of Sherwood, respondents whose proposals deviate from these instructions may be considered non-responsive and may be removed from consideration.

Proposals shall be prepared as simply as possible and provide a straightforward, concise description of the Respondent's capabilities to satisfy the requirements for this RFP. Expensive bindings, color displays, promotional material, etc., are not necessary or desired. EMPHASIS SHOULD BE ON ACCURACY, COMPLETENESS AND CLARITY OF CONTENT. All part, pages, figures, and tables should be numbered and clearly labeled. The Proposals shall be organized into the following major sections.

A. Cover Letter

The Proposal shall contain a cover letter with the Respondent's name, address, and signature of an authorized person. The cover letter should describe why you or your firm should be considered for this opportunity.

B. Development Plan

The Development Plan shall include the following:

1. Narrative description of how the proposed business supports the goals in Section I(C), above.
2. Proposal must identify available financing.
3. Analysis of market conditions that makes this proposal viable.
4. A list of any financial expectations the respondent has of the City relative to the space.

C. Experience

In order to determine the experience of both the Respondent and the key staff assigned, the City is asking Respondent to provide evidence of current and past experience managing a successful business. Evidence should include resumes of all key personnel including the project manager who would be assigned to the development project and the manager responsible for establishing and managing the proposed business.

D. Miscellaneous Information

Any miscellaneous proposal information the respondent would like to include in the response to the RFP shall be included in this section

III. SELECTION PROCESS

A. Selection Process

A six member selection committee made up of representatives of SURPAC, Cultural Arts Commission, URA Board and City staff will evaluate all responses received and score each proposal, weighted as noted below. Scores will be summed and no more than the 3 highest scored proposals will be invited to an interview with the Committee. Once the interview is complete the most qualified respondent will be selected.

B. Selection Criteria

Criteria	Weight
Probability of successful business	45
<ul style="list-style-type: none"> o Business experience o Familiarity with proposed business concept 	
Financial Strength	25
City resources required to accomplish business	20
How the proposal fits with URA Goals	5
Innovative approach for the use of space	5

IV. REQUEST FOR PROPOSALS INSTRUCTION AND CONDITIONS

A. Clarification of Responses

The City reserves the right to request clarification of any item in a firm’s response or to request additional information necessary to properly evaluate particular qualifications. All requests for clarification and responses shall be in writing.

B. Submission of Proposals

Responses to the Request for Proposal must be received by 5:00 PM May 7, 2008. Six copies of the Proposal must be delivered to the following address in sealed envelopes clearly marked:

Attn: Tom Nelson
 Old School Redevelopment
 City of Sherwood
 22560 SW Pine Street
 Sherwood, OR 97140

Respondents are responsible for ensuring that Proposals are received by the above office prior to the deadline. The City may, at its sole discretion, decline to consider late submissions.

C. Public Disclosure of Proposals

Any information provided to the City pursuant to this RFP may be subject to disclosure under Oregon’s public records law (ORS 192.410 to 192.508). Any information deemed by the Respondent to be privileged, confidential or otherwise exempt from disclosure should be plainly marked as such and separated from the remainder of the Proposal in a separate envelope.

D. Rejection of Request for Proposals

The City of Sherwood reserves the right to reject all submissions and not select any respondent to this RFP.

E. Investigations

The City of Sherwood may make such independent investigation as deemed necessary to determine the responsiveness and/or ability of any respondent to perform the work, and the respondent shall furnish to the City of Sherwood all such information and data for this purpose as the City of Sherwood may request.

V. APPEALS

Respondents may appeal only deviations from laws, rules, regulations or procedures. Disagreement with the scoring by evaluators may not be appealed.

All appeals must be in writing and physically received by City of Sherwood Economic Development Manager no later than 5:00 PM May 20, 2008.

Address appeals to:

APPEAL OF DISQUALIFICATION
ATTN: Tom Nelson, Economic Development Manager
City of Sherwood
22560 SW Pine Street
Sherwood, OR 97140

Appeals must specify the grounds for the appeal including the specific citation of law, rule, regulation, or procedure upon which the protest is based. The judgment used in scoring by individual evaluators is not grounds for appeal.

Appeals not filed within the time specified in the paragraph above, or which fail to cite the specific law, rule, regulation or procedure upon which the appeal is based shall be dismissed.

Approved Minutes

**SHERWOOD URBAN RENEWAL AGENCY BOARD OF DIRECTORS
MEETING MINUTES**

April 15, 2008

REGULAR MEETING

1. CALL TO ORDER: Chair Keith Mays called the URA Board meeting to order at 8:10 pm.

2. BOARD PRESENT: Chair Keith Mays, Vice Chair Dave Grant, Board members Dave Heironimus, Linda Henderson, Dan King and Lee Weislogel. Board member Dave Luman was absent.

3. STAFF PRESENT: City Manager Ross Schultz, Assistant City Manager Jim Patterson, Economic Development Manager Tom Nelson and District Recorder Sylvia Murphy.

Prior to addressing the Consent Agenda, Board Member Lee Weislogel mentioned an error to URA Resolution 2008-009, as Mr. Scott Johnson was being appointed not reappointed to SURPAC. District Recorder Sylvia Murphy acknowledged the error and will make the correction.

4. CONSENT AGENDA

- A. Approval of March 18, 2008 URA Board Meeting Minutes
- B. URA Resolution 2008-007 Reappointing Mark Cottle to SURPAC
- C. URA Resolution 2008-008 Reappointing Charlie Harbick to SURPAC
- D. URA Resolution 2008-009 Appointing Scott Johnson to SURPAC

MOTION: FROM MR. LEE WEISLOGEL TO APPROVE THE CONSENT AGENDA SECONDED BY MR. DAVE GRANT, APPROVED BY ALL MEMBERS PRESENT.

Chair Mays addressed the next agenda item and Tom Nelson Economic Development Manager came forward.

5. NEW BUSINESS

A. URA Resolution 2008-010 a Resolution of the Urban Renewal Agency of the City of Sherwood for Purchase of Real Property

Chairs Mays stated odds are strong that this property will be purchased and questioned language in the Resolution. Tom Nelson stated the language in question gives the ability to make the purchase and said the process for

purchasing the property was done with the previous amendment of the URA Plan and the amendment of the Plan gave the right to develop the property.

Chairs Mays replied, then its redevelopment, it's not saying how redevelops it. Tom Nelson replied this was correct.

Ms. Henderson asked if the language "privately" can be removed. Tom Nelson replied, what the language is saying is that we *may* privately redevelop it.

Mr. Heironimus commented the language states "to be" privately redeveloped and Tom Nelson replied it can be changed to say "may be" privately redeveloped.

The Board concurred to amend URA Resolution 2008-010 and remove the language of "privately" and replace with "may be".

District Recorder Note: Board members are referring to the fourth "whereas" in the Resolution that reads: "Whereas, the agency plans for the Machine Shop to be privately redeveloped as set forth in Sections 501 and 600 of the Plan"

Mr. Heironimus commented in regards to buying a piece of property, if the Board needed to state a public purpose other than stating condemnation or friendly sale. Tom Nelson replied we have basically stated the purpose of redeveloping the property due to blight.

City Manager Schultz commented the reasons the Board can spend URA District funds is because it meets criteria for dealing with blight and this is stated in the language of the Resolution.

Chair Mays asked for other questions, with none heard he asked for a motion.

The District Recorder reminded the Chair that a motion to amend the Resolution was needed.

Chair Mays asked for a motion to amend the Resolution to strike the language "to be" and replace with "may be".

MOTION: FROM VICE CHAIR DAVE GRANT TO AMEND THE RESOLUTION SECONDED BY MS. HENDERSON, APPROVED BY ALL MEMBERS PRESENT.

Chairs Mays asked for discussion on the amended Resolution, with none heard he asked for a motion to approve the amended Resolution.

MOTION: FROM VICE CHAIR DAVE GRANT TO ADOPTED URA RESOLUTION 2008-010 AS AMENDED, SECONDED BY MR. LEE WEISLOGEL, APPROVED BY ALL MEMBERS PRESENT.

Chair Mays addressed the next agenda item.

B. URA Resolution 2008-011 A Resolution directing the Urban Renewal Manager to sign a Memorandum of Understanding for the Redevelopment of Real Property

Tom Nelson came forward and explained staff has negotiated with Capstone Partners and they are here this evening to make a presentation on projects their firm has worked on. Tony Reser and Colleen Colleary, Commercial Realtors with GVA Kidder Matthews are also present this evening.

Tony Reser and Colleen Colleary came forward and stated they were engaged by the City of Sherwood to solicit for the redevelopment of the Cannery site property and have developed a detailed and comprehensive RFP (Request for Proposal) which was put forth to developers locally, nationally and regionally in retail, commercial and housing segments. Mr. Reser explained a website for the RFP was created which linked to the City of Sherwood website and advertisements were run in the Tigard Times, Portland Business Journal and Daily Journal of Commerce for a three week period. Mr. Reser informed the Board the RFP process took approximately 90 days and they are pleased to have secured Capstone Partners.

Colleen Colleary informed the Board that City Manager Schultz and Assistant City Manager Patterson were very helpful through the process and stated Capstone Partners has been very responsive partner.

The Board thanked Mr. Reser and Ms. Colleary and welcomed Capstone Partners.

Chris Nelson, Jeff Sackett, Eric Lindahl, Scott Wagner and Murray Jenkins with Capstone Partners made a presentation to the Board showing projects their firm has worked on.

Mr. Heironimus briefly recapped his involvement in the process and stated he felt Capstone was a good match for the project and thanked the group and staff for their work.

Ms. Henderson commented in regards to the MOU she was pleased with section 3.6, "Elements of this project shall demonstrate substantial conformance with the overlay district standards for Old Town Sherwood".

Chair Mays asked for other Board comments, with none heard he thanked Mr. Heironimus for his participation in the process.

Chair Mays asked for staff comments. Tom Nelson came forward and stated staff is asking the Board to approve the Resolution authorizing the MOU.

Chairs Mays asked for a motion.

MOTION: FROM MR. DAVE HEIRONIMUS TO ADOPT URA RESOLUTION 2008-011, SECONDED BY MR. DAVE GRANT, APPROVED BY ALL MEMBERS PRESENT.

Chair Mays addressed the next agenda item.

C. Review of the RFP for the Old School House (No legislation)

Tom Nelson came forward and stated at the last URA Board meeting the Board discussed this and directed staff to proceed with the RFP for this property. Staff is seeking Board member comments on the RFP.

Mr. Heironimus asked in regards to page 32 of the meeting packet (page 3 of the RFP), Item C and asked for clarification on the Data Co-location Center, who will own it and how much space will this take.

Tom Nelson stated common interest will give us ownership of a portion that we will determine in the future with the successful bidder what this will be. At this time we would like to just address it. Mr. Heironimus asked if the bidder was not in support of this would the RFP be disqualified. Tom Nelson replied that will have to be determined after everything is reviewed and decide at that time.

Ms. Henderson asked where will the RFP be advertised. Tom Nelson replied, locally as well as a broader base. City Manager Schultz replied the standard is to post in the Daily Journal of Commerce and in the Tigard Times and there is not reason why we can't post in the Gazette. Mr. Heironimus recommended posting in the Portland Business Journal.

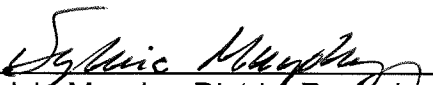
Chair Mays asked if the board was comfortable with the time line. Ms. Henderson replied it was aggressive, but this was not necessarily a bad thing and Mr. Weislogel replied it was good.

Ms. Henderson commented to Tom Nelson, he had a very aggressive schedule and in regards to the selection committee, she would like to participate on this committee.

Chair Mays commented if anyone else was interested in serving to please email staff. Chair Mays thanked staff and asked for Board comments or announcements. With none heard he adjourned the URA Board Meeting.

6. ADJOURNED: Chair Mays adjourned the URA Board of Directors meeting at 8:35pm and announced the City Council would reconvene to an Executive Session. (see City Council minutes).

Submitted by:



Sylvia Murphy, District Recorder

Approved:



Keith S. Mays, Chairman