



Home of the Tualatin River National Wildlife Refuge

URBAN RENEWAL AGENCY MEETING PACKET

FOR

Tuesday, November 3, 2009

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

URA Board of Directors Meeting
(Following the City Council Meeting at 7:00pm)

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

Tuesday, November 3, 2009
Following the City Council Meeting

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

REGULAR URA MEETING

1. CALL TO ORDER

2. ROLL CALL

3. CONSENT AGENDA

A. Approval of September 15, 2009 URA Board Meeting Minutes

4. NEW BUSINESS

A. URA Resolution 2009-013 of the Urban Renewal Agency of the City of Sherwood accepting the transfer of real property known as the Robin Hood Theater lots and the commitments imposed thereon by the City of Sherwood, Oregon (Tom Nelson, Economic Development Manager)

B. URA Resolution 2009-014 of the Sherwood Urban Renewal Agency approving a minor amendment to the Sherwood Urban Renewal Plan dated August 29, 2000 to allow for the acquisition of additional property located on SW Sherwood Boulevard (Tom Nelson Economic Development Manager)

C. URA Resolution 2009-015 of the Urban Renewal Agency of the City of Sherwood for purchase of real property located on SW Sherwood Boulevard (Tom Nelson Economic Development Manager)

D. URA Resolution 2009-016 of the Urban Renewal Agency of the City of Sherwood directing the Agency Manager to sign the first amendment to the Development Services Agreement for the public infrastructure in the Cannery Redevelopment (Tom Nelson Economic Development Manager)

- E. URA RESOLUTION 2009-017 of the Urban Renewal Agency of the City of Sherwood directing the Agency Manager to sign the first amendment to the Purchase and Sales Agreement for the Cannery Redevelopment**
(Tom Nelson Economic Development Manager)

- F. URA RESOLUTION 2009-018 of the Urban Renewal Agency of the City of Sherwood directing the Agency Manager to sign the first amendment to the Site Development Agreement for the Cannery Redevelopment** (Tom Nelson Economic Development Manager)

5. STAFF REPORTS

6. ADJOURN

SHERWOOD URBAN RENEWAL AGENCY BOARD OF DIRECTORS
MEETING MINUTES
September 15, 2009
22560 SW Pine Street, Sherwood Oregon 97140

1. **CALL TO ORDER:** Chair Keith Mays called the meeting to order at 10:15 pm.

2. **URA BOARD PRESENT:** Chair Keith Mays, Dave Heironimus, Linda Henderson, Lee Weislogel, Del Clark and Robyn Folsom. Dave Grant was absent.

3. **STAFF PRESENT:** City Manager Jim Patterson, Economic Development Manager Tom Nelson, Community Development Director Tom Pessemier, Public Works Director Craig Sheldon, Police Chief Jeff Groth and District Recorder Sylvia Murphy.

4. **CONSENT AGENDA:**
 - A. Approval of June 16, 2009 URA Board Meeting Minutes
 - B. Approval of August 18, 2009 URA Board Meeting Minutes

MOTION: FROM DAVE HEIRONIMUS TO APPROVE THE CONSENT AGENDA, SECONDED BY LINDA HENDERSON. ALL PRESENT BOARD MEMBERS VOTED IN FAVOR.

Chair Mays stated item B under New Business will be tabled and staff is to bring back corresponding documents at a future meeting.

5. **NEW BUSINESS:**
 - A. **URA Resolution 2009-011** A Resolution of the Sherwood Urban Renewal Agency of the City of Sherwood approving a minor amendment to the Sherwood Urban Renewal Plan dated August 2000 to allow for the acquisition of additional property

 - B. **URA Resolution 2009-012** A Resolution of the Urban Renewal Agency of the City of Sherwood accepting the transfer of real property and the commitments imposed thereon by the City of Sherwood Oregon

Tom Nelson Economic Development Manager came forward and stated item A is corresponding to the Resolution adopted tonight by the City Council.

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

MOTION: FROM LEE WEISLOGEL TO ADOPT URA RESOLUTION 2009-011, SECONDED BY DAVE HEIRONIMUS. ALL PRESENT BOARD MEMBERS VOTED IN FAVOR.

6. **STAFF REPORTS:** None.

7. **ADJOURN:** Chair Mays adjourned at 10:19 pm.

Submitted by:

Approved:

Sylvia Murphy, District Recorder

Keith S. Mays, Chairman

URA Board Meeting Date: November 3, 2009

Agenda Item: New Business

To: Sherwood Urban Renewal Agency

From: Tom Nelson, Economic Development Manager

SUBJECT: Purchase of City Owned Robin Hood Lot by URA

Issue

Should the URA purchase the City-owned property known as the Robin Hood Lot at 16020 SW 1st Street (Block 1, Lots 1 and 2) for \$250,000 from the City?

Background

The City purchased this property in 1998 for \$200,000. The URA has more flexibility to redevelop this property, and has sufficient proceeds. According to an appraisal performed by Zell and Associates on October 1, 2009, the value of the property is \$250,000.

Other Factors:

1. At its August 19, 2009 Meeting SURPAC recommended URA purchase of the property.
2. The 2009/10 Budget includes this transaction.
3. The URA Board amended the URA plan on September 15, 2009 to allow for this acquisition.

Financial Analysis

The URA has sufficient debt capacity and cash flow to purchase and develop the property, along with other prioritized projects.

Recommendation

Based on the willingness and the ability of the URA to redevelop the site in adherence to the Urban Renewal Plan, staff recommends a purchase of the property by the URA for \$250,000 and the adoption of the attached resolutions to amend the plan and accept transfer of the property.

Actions Needed: The following actions need to be taken:

1. The Council needs to adopt a resolution based on the findings of the public hearing to sell / transfer property to the URA and authorize a Warranty Deed to be executed and subsequently recorded with the County Clerk.

2. The URA needs to adopt a Resolution to make a minor amendment to the plan for property acquisition.
3. The URA needs to adopt a Resolution to purchase / accept transfer of the property.



URA RESOLUTION 2009-013

A RESOLUTION OF THE URBAN RENEWAL AGENCY OF THE CITY OF SHERWOOD ACCEPTING THE TRANSFER OF REAL PROPERTY, KNOWN AS THE ROBIN HOOD THEATER LOTS, AND THE COMMITMENTS IMPOSED THEREON BY THE CITY OF SHERWOOD, OREGON

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 City is authorized under ORS Chapter 271 to transfer ownership of real property to a governmental body; and

WHEREAS, the Agency is authorized under ORS Chapter 457 to accept transfer of ownership from the City of real property for which it has a plan for use; and

WHEREAS, the real property consisting of two lots known as the Robin Hood Theater lots at 16020 SW 1st Street 9Block 1, Lots 1 and 2) in Sherwood, Oregon is owned by the City, said property consists of parcels R555269 - .11 acres and R555250 - .11 acres is currently a blighting influence in the renewal area ; and

WHEREAS, the agency plans for the property may 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, Resolution 2009-071 to add for acquisition the property; and

WHEREAS, the City has authorized a warranty deed, Resolution 2009-081 to transfer ownership of the property to the Agency.

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

Section 1. The Agency accepts transfer of ownership of the property and the commitments imposed thereon by the City. The Agency's approval is subject to the Agency's amendment to the plan, the City's approval of said amendment and the City's agreement to transfer of ownership of the property described herein.

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

Duly passed by the Urban Renewal Agency District Board this 3rd day of November, 2009

Keith Mays, Board Chairman

ATTEST:

Sylvia Murphy, District Recorder

URA Board Meeting Date: November 3, 2009

Agenda Item: New Business

TO: Sherwood Urban Renewal Agency Board of Directors

FROM: Tom Nelson, Economic Development Manager

SUBJECT: Amendment to URA Plan to allow for the purchase of Sherwood Boulevard Property by the Urban Renewal Agency (URA)

Issue

Should the URA amend the URA Plan to allow for the URA to purchase 5.32 acres located at 21949 SW Sherwood Boulevard, Sherwood, Oregon?

Background

The property is within the Urban Renewal District and is blighted with overgrown foliage and a vacant house that needs demolition. It was previously sold for \$800,000 to a developer who subsequently lost it in foreclosure. The property is currently owned by Washington Federal Bank which has offered the property to the City for \$325,000. An October 2, 2009 appraisal by Zell and Associates indicates a value of \$350,000.

Other Factors:

1. At its September 16, 2009 Meeting SURPAC recommended URA purchase of the property.
2. HUD Consultant, Robin Smith, is applying for a HUD Grant to develop senior affordable housing on the 1.21 acres deemed developable. The URA's donation of this piece will strengthen the HUD application and allow for much needed senior affordable housing in Sherwood.
3. Much of the un-developable portion of the property will be a valuable addition to Stella Olsen Park, and includes area needed for the extension of Cedar Creek Trail.
4. The City has been invited by METRO to apply for a "Nature in Neighborhood" grant for protection of the sensitive area and development of the trail and park space.
5. Washington Federal Bank has given the URA Board 15 days to accept its offer and 60 days to close the transaction.

Financial Analysis

The URA has sufficient debt capacity and cash flow to purchase and develop the property, along with other prioritized projects.

Recommendation

Based on the willingness of the City Council to amend the URA Plan and the ability of the URA to redevelop the site in adherence to the Urban Renewal Plan, staff recommends that the URA Board adopt the resolution to amend the URA Plan and adopt the resolution to authorize purchase of the property.

Actions Needed: The following actions need to be taken:

1. The City needs to adopt a Resolution to make a minor amendment to the plan for property acquisition.
2. The URA needs to adopt a Resolution to make a minor amendment to the plan for property acquisition.
3. The URA needs to adopt a resolution to purchase the property.



URA RESOLUTION 2009-014

A RESOLUTION OF THE SHERWOOD URBAN RENEWAL AGENCY APPROVING A MINOR AMENDMENT TO THE SHERWOOD URBAN RENEWAL PLAN, DATED AUGUST 29, 2000, TO ALLOW FOR THE ACQUISITION OF ADDITIONAL PROPERTY LOCATED ON SW SHERWOOD BOULEVARD

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 (“Council”) on August 29, 2000 by Ordinance No. 2000-1098; and

WHEREAS, the Plan requires, under Section 503(A)(1), that the Council approve certain minor amendments to the Plan by the Agency; 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 consisting of 5.32 acres and located at 21949 SW Sherwood Blvd. is currently a blighting influence in the Renewal Area; and

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

WHEREAS, the Agency may amend the Plan from time to time as authorized by Section 700(B) of the Plan; and

WHEREAS, the Plan should be amended at Section 503(C) by adding property to be acquired, and to allow for acquisition of the property.

NOW, THEREFORE, BE IT RESOLVED BY THE SHERWOOD URBAN RENEWAL AGENCY FOR THE CITY OF SHERWOOD AS FOLLOWS:

Section 1. The Sherwood Urban Renewal Agency does hereby approve amendment to the plan at Section 503(C) to add additional property for acquisition, described as 5.32 acres at 21949 SW Sherwood Blvd in Sherwood, Oregon.

Section 2. This Resolution shall be effective upon its adoption by the URA Board.

Duly passed by the City of Sherwood Urban Renewal Agency Board of Directors this 3rd day of November 2009.

Keith S. Mays, Board Chairman

ATTEST:

Sylvia Murphy, District Recorder



URA RESOLUTION 2009-015

A RESOLUTION OF THE URBAN RENEWAL AGENCY OF THE CITY OF SHERWOOD FOR PURCHASE OF REAL PROPERTY LOCATED ON SW SHERWOOD BOULEVARD

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 consisting of 5.32 acres at 21949 SW Sherwood Boulevard in the City of Sherwood is currently a blighting influence in the Renewal Area; and

WHEREAS, the Agency plans for the property 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 property; and

WHEREAS, the Owner, Washington Federal Bank has or is expected to authorize a warranty deed to transfer ownership of the property 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 consisting of 5.32 acres at 21949 SW Sherwood Boulevard in the City of Sherwood

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

Duly passed by the URA Board of Directors this 3rd day of November 2009.

Keith S. Mays, Board Chairman

ATTEST:

Sylvia Murphy, District Recorder

URA Board Meeting Date: November 3, 2009

Agenda Item: New Business

To: Sherwood Urban Renewal Agency Board of Directors

From: Tom Nelson, Economic Development Manager

SUBJECT: Amendment of Cannery Agreements with Capstone Partners, LLC

Issue

Should the URA Board amend agreements with Capstone Partners, LLC pertaining to the purchase and development for the Cannery project?

Background

In 2008 the URA Board approved agreements with Capstone Partners, LLC pertaining to the purchase of property and development of the Cannery project. Subsequently, the City has not been able to meet certain timelines indicated in the agreements, and market conditions have dramatically changed, making development timelines impossible for Capstone Partners, LLC to meet.

Other Factors:

- The City and Capstone Partners, LLC have negotiated in good faith to amend the agreements in a way that allows for new development timelines and better reflects the current development environment.
- The City's attorneys have reviewed and recommend the amendments to the agreements.

Recommendation

Staff recommends the adoption of the three resolutions that will amend the Cannery Purchase and Sale Agreement, the Cannery Site Development Agreement, and the Cannery Development Services Agreement.



URA RESOLUTION 2009-016

A RESOLUTION OF THE URBAN RENEWAL AGENCY OF THE CITY OF SHERWOOD, DIRECTING THE AGENCY MANAGER TO SIGN THE FIRST AMENDMENT TO THE DEVELOPMENT SERVICES AGREEMENT FOR THE PUBLIC INFRASTRUCTURE IN THE CANNERY REDEVELOPMENT

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 real property known as the Old Cannery site, consisting 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 - 5.46 acres; R0556017 – 0.09 acres and R0555615 – 0.51 acres located at what was previously 220 SE Willamette Street, Sherwood is planned for private redevelopment as set forth in Sections 501 and 600 of the Plan; and

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

WHEREAS, the Board approved the Development Services Agreement defining the terms and conditions negotiated with Capstone Partners, LLC to manage the development of the public infrastructure as identified in the MOU by Resolution 2008-022 on August 19, 2008;

WHEREAS, changes in timelines and market conditions have warranted an amendment to that agreement;

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 First Amendment to the Development Services Agreement with Capstone Partners, LLC. (Attachment A)

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

Duly passed by the Urban Renewal Agency District Board this 3rd day of November 2009.

Keith S. Mays, Board Chairman

ATTEST:

Sylvia Murphy, District Recorder

**FIRST AMENDMENT TO DEVELOPMENT SERVICES AGREEMENT
OLD CANNERY SITE, SHERWOOD, OREGON**

This **First Amendment to Development Services Agreement, Old Cannery Site** (the "First Amendment") and together with the Development Services Agreement (as hereinafter defined), the "Amended Development Services Agreement") is made this ____ day of October 2009, by and between the Sherwood URD Urban Renewal District ("Sherwood URD") and Capstone Partners LLC ("Development Manager").

BACKGROUND:

Sherwood URD and Development Manager entered into that certain Development Services Agreement, Old Cannery Site dated September 3, 2008 (the "Development Services Agreement") pursuant to which Sherwood URD desired to construct the certain public improvements and Development Manager agreed to provide comprehensive services for managing, planning, developing and constructing of those public improvements. Since the effective date of the Development Services Agreement, the scope of the public improvements has become better defined and has been expanded to include the Machine Works building. The parties now desire to amend the Development Services Agreement as more particularly set forth herein to reflect the updated project plans.

In consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Recitals. The foregoing background is incorporated into this Amended Development Services Agreement as if fully set forth herein. Capitalized terms not otherwise defined in this First Amendment shall be as defined in the Development Services Agreement.

2. Amendments. The Development Services Agreement is hereby amended as follows:

a. Recitals. Recital A is deleted in its entirety and replaced with the following:

Sherwood URD desired to construct: (i) the public plaza containing not less than 10,000 square feet nor more than 20,000 square feet (currently contemplated and depicted herein to be approximately 12,004 square feet) at the southeast corner of the intersection of SW Pine Street and the Southern Pacific Railroad tracks (the "Plaza"); (ii) new public rights of way, including streets, sidewalks, utilities,

and storm water treatment facilities, for the proposed SW Columbia Street east of Pine Street and the proposed SW Highland Drive north of Willamette Street; (iii) the improvement on the north side of SW Willamette Street adjacent to the West Residential Phase and the East Residential Phase of the Conveyed Property, the improvement of SW Pine Street between the railroad and Willamette Street, the improvement (including approximately 17 angle parking stalls) of SW Columbia Street west of Pine Street, the improvement of the east side of SW Washington Street between the railroad and SW Columbia Street, the improvement of approximately one-half of the shared surface parking lot on the southeast corner of SW Washington Street and the railroad tracks, and the improvement of the existing gravel parking lot along the south side of the railroad, west of SW Washington Street, that the City of Sherwood leases from the Southern Pacific Railroad; (iv) a storm water treatment facility located on the west side of the existing Machine Works building (the "Storm Water Garden"); (v) the grading and gravel base on the Conveyed Property; (vi) the shell and structural renovation of the existing Machine Works building located on the northwest corner of SW Pine and SW Columbia Streets, and (vii) work required to mitigate the impact on the existing wetlands buffer pursuant to the Service Provider Letter provided by Clean Water Services issued as of June 8, 2009.

b. Section 3. Development Services Fee. Add the following sentence to the end of Section 3 of the Development Services Agreement: "The Development Services Fee shall be payable monthly."

3. Reaffirmation. The Development Services Agreement, as amended hereby, is in full force and effect. Except as expressly modified by this First Amendment, the terms, provisions, covenants and conditions of the Development Services Agreement shall remain unchanged and is hereby ratified and confirmed as being in full force and effect. In the event of any conflict or inconsistency between the terms of this First Amendment and the Development Services Agreement, the terms of this First Amendment shall control.

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment as of the date first above written.

Sherwood URA Urban Renewal District

By: _____
Jim Patterson, District Manager

Capstone Partners LLC, an Oregon limited liability company

By: _____
Chris Nelson, Member

By: Triangle Development Company, an Oregon corporation, Member

Jeffrey M. Sackett, President



URA RESOLUTION 2009-017

A RESOLUTION OF THE URBAN RENEWAL AGENCY OF THE CITY OF SHERWOOD DIRECTING THE AGENCY MANAGER TO SIGN THE FIRST AMENDMENT TO THE PURCHASE AND SALES AGREEMENT FOR THE CANNERY REDEVELOPMENT

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 real property known as the Old Cannery site, consisting 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 - 5.46 acres; R0556017 – 0.09 acres and R0555615 – 0.51 acres located at what was previously 220 SE Willamette Street, Sherwood is planned for private redevelopment as set forth in Sections 501 and 600 of the Plan; 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 Board approved the Purchase and Sales Agreement defining the terms and conditions negotiated with Capstone Partners, LLC by Resolution 2008-020 on August 19, 2008;

WHEREAS, changes in timelines and market conditions have warranted an amendment to that agreement;

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 First Amendment to the Purchase and Sales Agreement with Capstone Partners, LLC. (Attachment A)

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

Duly passed by the Urban Renewal Agency District Board this 3rd day of November 2009.

Keith S. Mays, Board Chairman

ATTEST:

Sylvia Murphy, District Recorder

**FIRST AMENDMENT OF
PURCHASE AND SALE AGREEMENT**

This **First Amendment of Purchase and Sale Agreement** (this "First Amendment" and together with the Purchase and Sale Agreement (as hereinafter defined), the "Agreement") is made this ____ day of October 2009, by and between the City of Sherwood Urban Renewal Agency ("Seller") and Capstone Partners LLC ("Purchaser"). The Seller and Purchaser are herein referred to collectively as the "Parties".

BACKGROUND:

A. Seller and Buyer entered into a certain Purchase and Sale Agreement dated September 3, 2008 (the "Purchase Agreement") pursuant to which Seller agreed to convey to Buyer and Buyer agreed to acquire from Seller a portion of that certain real property commonly know as the Old Cannery Site and consisting of Tax parcels R0555599, R0556017, and R0555615 in Washington County, Sherwood, Oregon (the "Current Seller Property"). Certain outside dates within the Purchase Agreement were extended by letter agreement between the Parties dated January 26, 2009 to allow the Seller to resolve certain physical issues with the Current Seller Property.

B. The Parties now desire to amend the Purchase Agreement as more particularly set forth herein.

In consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Recitals. The foregoing background is incorporated into this First Amendment as if fully set forth herein. Capitalized terms not otherwise defined in this Amendment shall be as defined in the Purchase Agreement.

2. Amendments. The Purchase Agreement is hereby amended as follows:

a. Recitals.

Recital A. **Exhibit A-2** referenced in Recital A. of the Purchase Agreement is deleted and replaced in its entirety by the attached Amended Exhibit A-2.

Recital A. The first sentence of Recital A is amended as follows:

"Seller owns certain real property commonly known as the Old Cannery Site and consisting of Tax parcels R0555599, R0556017 and R0555615 in Washington County, in Sherwood, Oregon (the "Current Seller Property"). A legal description of the Current Seller Property is attached as Exhibit A-1 and made a part of this Agreement. Purchaser desires to purchase from Seller a portion of the Current Seller Property depicted as West Phase (Site A-1), East Phase (Site B-1), South Phase (Site B-2), West Residential

Phase (Site C), and East Residential Phase (Site D), and NE Phase on the attached Exhibit A-2 (the “Land”).”

b. Phases. **Section 1.2** of the Purchase Agreement shall be deleted and replaced with the following:

1.2 It is contemplated that the Property will be purchased in multiple phases or takedowns. Each Phase is depicted on the attached Amended Exhibit A-2, provided however that the exact size and location of each Phase shall be determined during the land division process. Each Phase may be purchased individually or in any combination and/or sequence. It is contemplated that the purchase of at least one Phase will occur on or before the date that is the second anniversary of the completion of the Old Cannery Site Infrastructure Improvements (the “First Takedown Outside Date”). The Seller will provide written notice to the Purchaser when the Old Cannery Site Infrastructure Improvements have been completed. The First Takedown Outside Date shall be extended for “Delay Events” subject to Purchaser’s written notice to Seller. In the event the Purchaser extends the First Takedown Outside Date beyond two hundred seventy (270) days, Seller retains the right to terminate the Purchase Agreement. Purchaser agrees to diligently market and pursue financing for the remaining Phases of the Property. If Seller reasonably determines Purchaser is not diligently marketing and/or pursuing financing for the remaining Phases, Seller may exercise the right to terminate the Purchase Agreement at any time. The Purchaser agrees to purchase the remaining Phases between the First Takedown Outside Date and the Last Takedown Outside Date. The Last Takedown Outside Date is the seventh (7th) anniversary of the date of the completion of the Old Cannery Site Infrastructure Improvements. The Last Takedown Outside Date shall be extended for “Delay Events” subject to Purchaser’s written notice to Seller. For purposes of this section, “Delay Events” include delays due to force majeure events, acts of terrorism, war, weather delays, public agency delays, and delays in obtaining governmental approvals (including appeals), strikes and unavailability of obtaining debt capital on terms reasonably acceptable to Purchaser.

c. Development Goals. **Section 2.6** of the Purchase Agreement shall be deleted and replaced with the following:

It is contemplated that West Phase (Site A-1) shall be developed as one (1) approximately 3,750 square foot single story brick commercial building fronting on SW Pine Street; provided however, Purchaser may change how Purchaser develops Site A-1 to allow for integrated and compatible master plan uses between the Property and the existing property located to the east of Site A-1 (the “Warehouse Property”).

d. Purchase Price Amounts. **Section 3.3** of the Purchase Agreement shall be deleted and replaced with the following:

The Purchase Price for West Residential Phase (Site C) and East Residential Phase (Site D) shall be the product of the actual land area of the Residential Phase to be acquired (but not more than \$12.00 per square foot nor less than \$8.00 per square foot), which residual land value shall be determined by a multi-family appraiser mutually selected by Purchaser (subject to approval by Seller, which approval shall not be unreasonably withheld, conditioned or delayed) using Purchaser's actual cost assumptions, revenue and operating expense assumptions to assist such appraiser in determining such residual land value.

e. Purchase Price Amounts. Section 3.4 of the Purchase Agreement shall be deleted and replaced with the following:

The Purchase Price for any Phase or lot within the NE Phase shall be \$16.00 per square foot of land that comprises the Phase or lot to be acquired.

f. Timing of Payment. **Section 4.3** of the Purchase Agreement shall be deleted and replaced with the following:

The Purchase Price for the NE Phase shall be paid in cash on the closing of the purchase by Purchaser of the NE Phase.

g. Seller Pre-closing Obligations. **Section 5.1(ii)** of the Purchase Agreement is amended by adding at the end "including, but not limited to, vacation of the existing public right of way located between the West Phase (Site A-1) and the Machine Works to the west of SW Pine Street and to the east of SW Washington Street". **Section 5.1** of the Purchase Agreement is further amended by adding (ix) "and obtain a "service provider letter" from Clean Water Services in form and content acceptable to Purchaser allowing for the proposed development of the Old Cannery Site".

h. Due Diligence. The definition of "Due Diligence Contingency Date" as contained in the third sentence of **Section 6.2** of the Purchase Agreement is amended to read: "As used herein, the Due Diligence Contingency Date shall be ninety (90) days after the later to occur of: (i) Purchaser's receipt of the 'no further action letter' from the Oregon Department of Environmental Quality, and (ii) final binding approval in form acceptable to Purchaser of the preliminary PUD and Subdivision for the proposed development of the Old Cannery Site".

i. Purchaser's Contingencies. **Section 7.9** of the Purchase Agreement shall be deleted and replaced with the following:

Purchaser's obligations under this Agreement are contingent upon the receipt of a construction financing commitment with respect to the development of the portion of the Property to be acquired

upon such terms and from such lender as is reasonably acceptable to Purchaser.

j. Purchaser's Contingencies. Section 7.10 of the Purchase Agreement shall be deleted and replaced with the following:

Purchaser's obligations under this Agreement are contingent upon obtaining pre-lease or pre-sale commitments for a minimum of 40% of the proposed retail, office and/or commercial buildings contemplated to be developed on the portion of the Property to be acquired, or as may be required by the Purchaser's construction lender.

k. Seller's Contingencies. Section 7.14 of the Purchase Agreement shall be deleted and replaced with the following:

Seller's obligations under this Agreement are contingent upon Purchaser providing evidence, reasonably acceptable to Seller that Purchaser has obtained a loan commitment for construction of the development on the specific Phase or Phases to be acquired, which commitment shall include a typical completion guarantee in favor of the construction lender.

l. Purchaser's Responsibilities: **Section 8.1** of the Purchase Agreement is amended by deleting "two (2) weeks after the Due Diligence Contingency Date" and replacing it with "sixty (60) days following Purchaser's notice to Seller of its intent to purchase a Phase or Phases of the Property".

m. The first sentence of Section 8.2 of the Purchase Agreement is amended to change the word "monthly" to "quarterly".

n. Milestones. The schedule in **Section 8.3** of the Purchase Agreement is deleted and replaced with the following:

Date	Milestone
August 2009	Purchaser to submit Preliminary PUD and Subdivision application and request for TSP Amendment
January 2010	Projected approval of Preliminary PUD and Subdivision and TSP Amendment
April 2010	Due Diligence Contingency Date (90 days following full approval of the proposed PUD and Subdivision)
Spring 2010	Construction begins on public infrastructure (120 days following the later to occur of (i) final PUD and Subdivision approval and TSP Amendment and (ii) Sherwood URD authorization to commence CD's).

Date	Milestone
Summer 2010	Construction begins on public plaza (210 days following Sherwood URD authorization to commence CD's).
Fall 2010	Construction begins on Machine Works shell rehab (240 days following Sherwood URD authorization to commence CD's).
Fall 2010	Projected completion of public infrastructure and plaza and recording of Final Plat.
Winter 2010	Projected completion of Machine Works shell rehab.
Fall 2012	Projected First Takedown Outside Date (two years following completion of public infrastructure).
Fall 2017	Projected Last Takedown Outside Date (seven years following completion of public infrastructure).

o. Closing. The first sentence of **Section 9.1** of the Purchase Agreement is amended to read: "The Closing of the purchase and sale of the Property shall occur in multiple phases to allow for the purchase of any individual Phase or lot or combination of Phases or lots."

p. Closing. Section 9.2 of the Purchase Agreement shall be deleted and replaced with the following:

The Closing for the first Phase purchased shall occur on a date selected by the Purchaser that is on or before the First Takedown Outside Date. The Closing for the last Phase to be purchased shall occur on a date selected by Purchaser that is on or before the Last Takedown Outside Date. All Closings related to other Phases shall occur on a date selected by Purchaser on a date that is after the First Takedown Outside Date but before the Last Takedown Outside Date.

q. Warranties. **Section 10.1.G** of the Purchase Agreement is amended by adding to the end of the sentence, "except for (i) the impact of wetlands buffer zones as identified by the 2009 wetlands delineation and (ii) environmental soil contamination which the Seller is in the process of cleaning up and is responsible for obtaining a 'no further action letter' from the Oregon Department of Environmental Quality."

r. Exhibit A-2. Exhibit A-2 of the Purchase Agreement is deleted and replaced with the attached Revised Exhibit A-2.

3. Reaffirmation. The Purchase Agreement, as amended hereby, is in full force and effect. Except as expressly modified by this Amendment, the terms, provisions, covenants and conditions of the Purchase Agreement shall remain

unchanged and are hereby ratified and confirmed as being in full force and effect. In the event of any conflict or inconsistency between the terms of this First Amendment and the Purchase Agreement, the terms of this Amendment shall control.

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment as of the date first above written.

SELLER:

City Of Sherwood Urban Renewal Agency

By: _____
Jim Patterson, District Manager

PURCHASER:

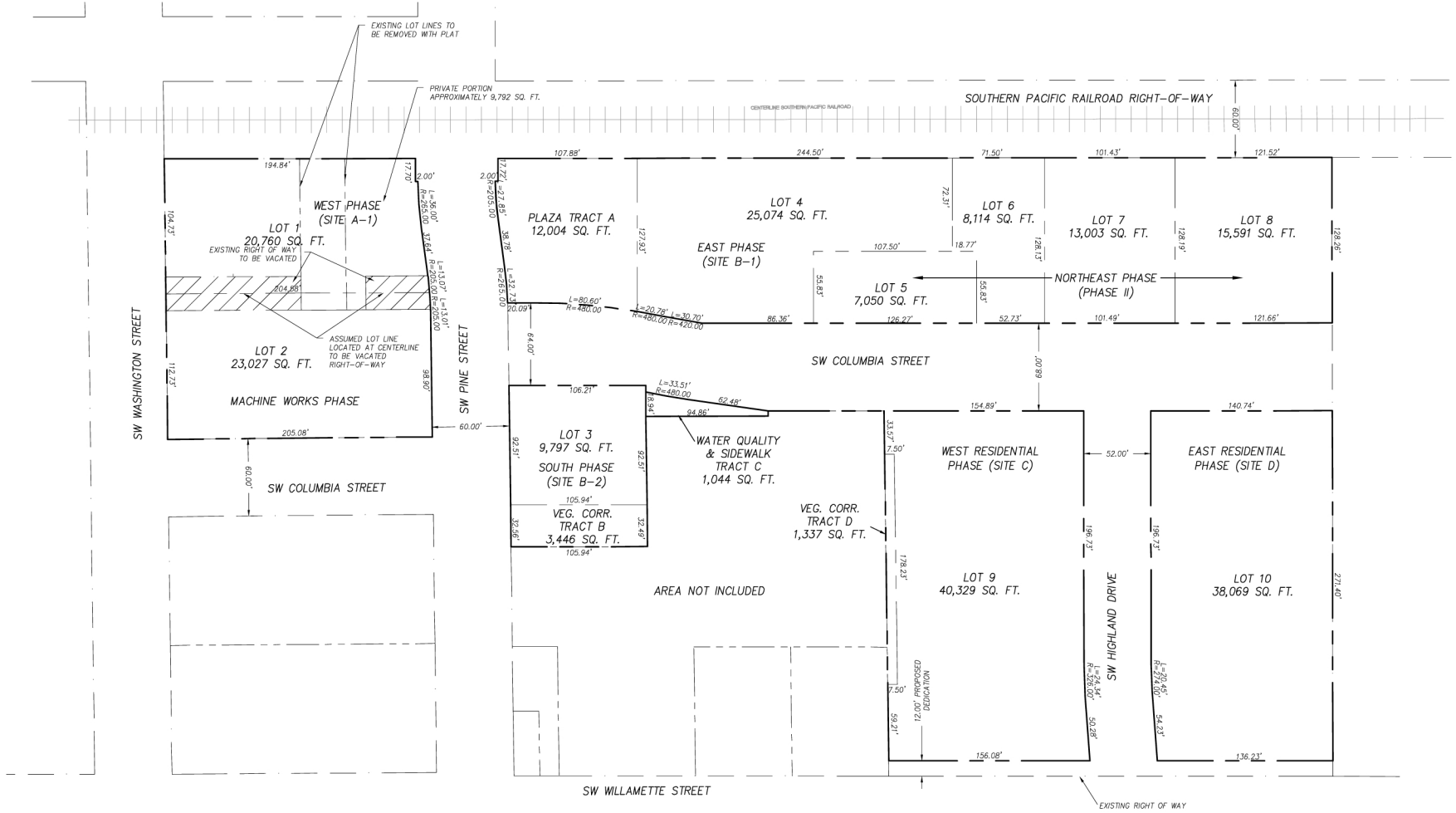
Capstone Partners LLC, an Oregon limited liability company

By: _____
Chris Nelson, Member

By: Triangle Development Company, an Oregon corporation, Member

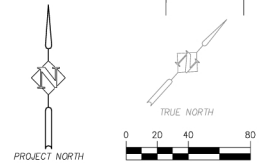
Jeffrey M. Sackett, President

Attach Revised Exhibit A-2
Depiction of Land



AREA SUMMARY	
LOT/TRACT	AREA
1, 3 - 10	177,787 SQ. FT.
2	23,027 SQ. FT.
TRACT A	12,004 SQ. FT.
TRACT C	1044 SQ. FT.
NET BUILDABLE	213,862 SQ. FT.
NET BUILDABLE	213,862 SQ. FT.
NEW RIGHT OF WAY	56,416 SQ. FT.
VEG. CORR TRACTS	4,783 SQ. FT.
TOTAL	275,061 SQ. FT.

REVISED EXHIBIT A-2
(TO PURCHASE & SALE AGREEMENT)
DEPICTION OF LAND



ANKROM MOISAN
ARCHITECTURE INTERIORS PLANNING
PORTLAND: 6720 SW MACADAM, PORTLAND, OR 97219 | 503-545-7100
SEATTLE: 117 S MAIN STREET, SUITE 400, SEATTLE, WA 98104 | 206-276-1600

Sherwood Cannery Square PUD
Sherwood, Oregon
Capstone Partners LLC

MARK	DATE	DISCUSSION

DATE: 10-23-2009
JOB: ANK112-EXHIBITS
DRAWN:
CHECKED:

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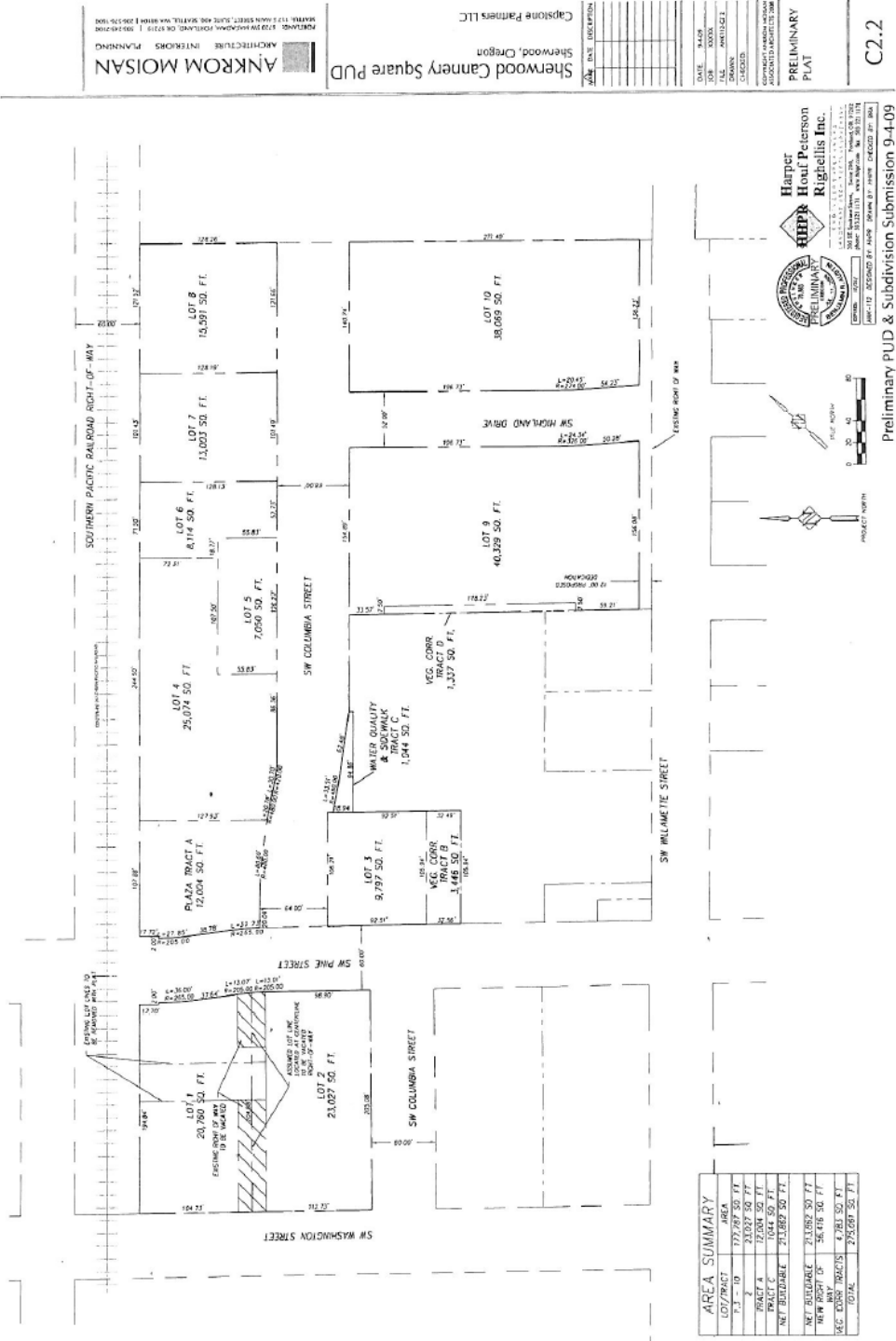
Harper Houf Peterson Righellis Inc.

ENGINEERS PLANNERS
LANDSCAPE ARCHITECTS SURVEYORS
205 SE SWANSON STREET, SUITE 200, PORTLAND, OR 97202
PHONE: 503.221.1131 WWW.HHPR.COM FAX: 503.221.1171

REVISED EXHIBIT A-2

PROJECT: BURN E. AUSTIN, 607332009 9:50 AM
DRAWN BY: ANKROM MOISAN ARCHITECTS

Exhibit A-3 Public Right of Way to be Vacated



PRELIMINARY PLAT

Copyright © 2014 Heather Hout Peterson Rignellis Inc. All Rights Reserved.

DATE: 10/15/14

PROJECT: 14101

PREPARED BY: ANNE CHERRY

CHECKED BY: BOB

PROJECT NUMBER: 9-4-09

Preliminary PUD & Subdivision Submission 9-4-09

ANKROM MOISAN ARCHITECTURE INTERIORS PLANNING

PO BOX 117200 PORTLAND, OREGON 97211-0200

PHONE: 503 253 3333 FAX: 503 253 3333

Sherwood, Oregon Capstone Farms LLC

C2.2



URA RESOLUTION 2009-018

A RESOLUTION OF THE URBAN RENEWAL AGENCY OF THE CITY OF SHERWOOD DIRECTING THE AGENCY MANAGER TO SIGN THE FIRST AMENDMENT TO THE SITE DEVELOPMENT AGREEMENT FOR THE CANNERY REDEVELOPMENT

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 real property known as the Old Cannery site, consisting 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 - 5.46 acres; R0556017 – 0.09 acres and R0555615 – 0.51 acres located at what was previously 220 SE Willamette Street, Sherwood is planned for private redevelopment as set forth in Sections 501 and 600 of the Plan; and

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

WHEREAS, the a Site Development Agreement defining the terms and conditions negotiated with Capstone Partners, LLC to develop the property as identified in the MOU was approved by Resolution 2008-021 on August 19, 2008;

WHEREAS, changes in timelines and market conditions have warranted an amendment to that agreement;

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 First Amendment to the Site Development Agreement with Capstone Partners, LLC. (Attachment A)

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

Duly passed by the Urban Renewal Agency District Board this 3rd day of November 2009.

Keith S. Mays, Board Chairman

ATTEST:

Sylvia Murphy, District Recorder

**FIRST AMENDMENT TO OLD CANNERY
SITE DEVELOPMENT AGREEMENT**

This **First Amendment to the Old Cannery Site Development Agreement** (the "First Amendment") and together with the Site Development Agreement (as hereinafter defined), the "Amended Site Development Agreement") is made this ____ day of October 2009, by and between the Sherwood URA Urban Renewal Agency ("Sherwood URA") and Capstone Partners LLC ("Developer").

BACKGROUND:

Sherwood URA and Developer entered into that certain Old Cannery Site Development Agreement dated September 3, 2008 (the "Site Development Agreement") pursuant to which Sherwood URA and Developer agreed to coordinate development and construction of the Project Improvements and the Infrastructure Improvements.

Since the effective date of the Site Development Agreement, certain new information has come to light and the parties desire to amend the Site Development Agreement as more particularly set forth herein to reflect updated project plans.

In consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Amendments. The Site Development Agreement is hereby amended as follows:

a. Article I. Definitions. Capitalized terms not otherwise defined in this Amended Site Development Agreement shall be as defined in the Site Development Agreement. The following definitions are amended or added.

Conveyed Property. Exhibit B-1 -- Depiction of Conveyed Property is deleted in its entirety and replaced with the attached Revised Exhibit B-1.

Infrastructure Improvements. Exhibit B-2 – General Description of Infrastructure Improvements is deleted in its entirety and replaced with the attached Revised Exhibit B-2.

Infrastructure Property. Exhibit B-3 – Depiction of Infrastructure Improvements is deleted in its entirety and replaced with the attached Revised Exhibit B-3.

Machine Works. The existing concrete tilt, industrial manufacturing building which is located on the northwest corner of SW Pine and SW Columbia Streets currently owned by Sherwood URA.

b. **Section 4.1. Additional Covenants.** Section 4.1 of the Development Services Agreement is amended to delete everything from the “,” after “Development Services Agreement” in the second sentence through to the end of Section 4.1.

c. Exhibit B-1 to the Site Development Agreement is deleted and replaced with the attached Revised Exhibit B-1.

d. Exhibit B-2 to the Site Development Agreement is deleted and replaced with the attached Revised Exhibit B-2.

e. Exhibit B-3 to the Site Development Agreement is deleted and replaced with the attached Revised Exhibit B-3.

f. Exhibit B-4 to the Site Development Agreement is deleted and replaced with the attached Revised Exhibit B-4.

2. **Reaffirmation.** The Site Development Agreement, as amended hereby, is in full force and effect. Except as expressly modified by this First Amendment, the terms, provisions, covenants and conditions of the Site Development Agreement shall remain unchanged and are hereby ratified and confirmed as being in full force and effect. In the event of any conflict or inconsistency between the terms of this First Amendment and the Site Development Agreement, the terms of this Amendment shall control.

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment as of the date first above written.

Sherwood URA Urban Renewal District

By: _____
Jim Patterson, District Manager

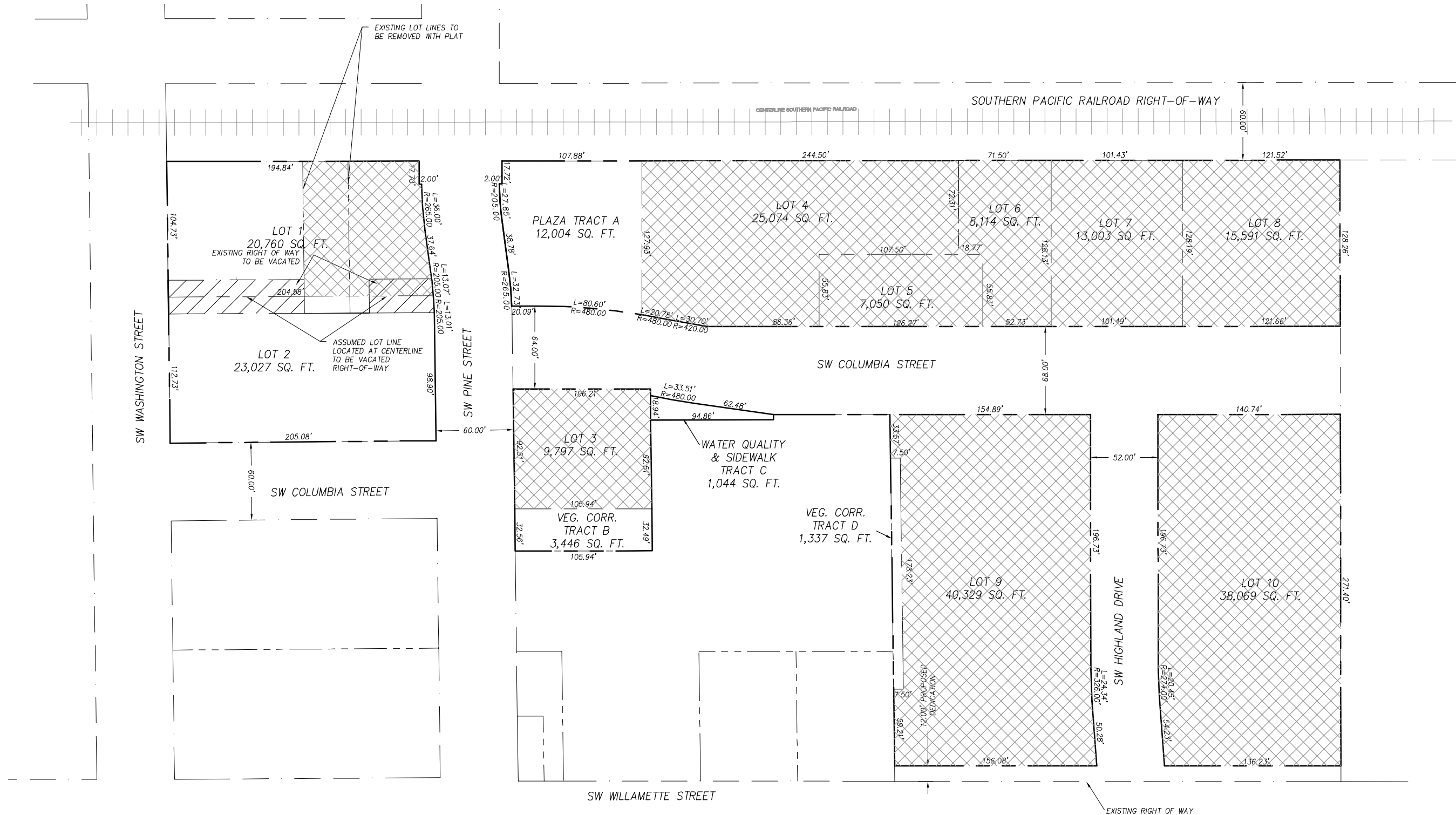
Capstone Partners LLC, an Oregon limited liability company

By: _____
Chris Nelson, Member

By: Triangle Development Company, an Oregon corporation, Member

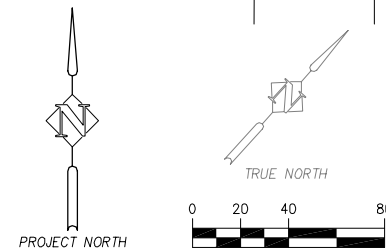
Jeffrey M. Sackett, President

Attach Revised Exhibit B-1
Depiction of Conveyed Property



 CONVEYED PROPERTY

REVISED EXHIBIT B-1
 (TO SITE DEVELOPMENT AGREEMENT)
 DEPICTION OF CONVEYANCE PROPERTY



HHPR Harper Houf Peterson Righellis Inc.

ENGINEERS • PLANNERS
 LANDSCAPE ARCHITECTS • SURVEYORS
 205 SE Spokane Street, Suite 200, Portland, OR 97202
 phone: 503.221.1131 www.hhpr.com fax: 503.221.1171
 10-23-2009

MARK	DATE	DESCRIPTION

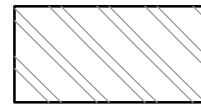
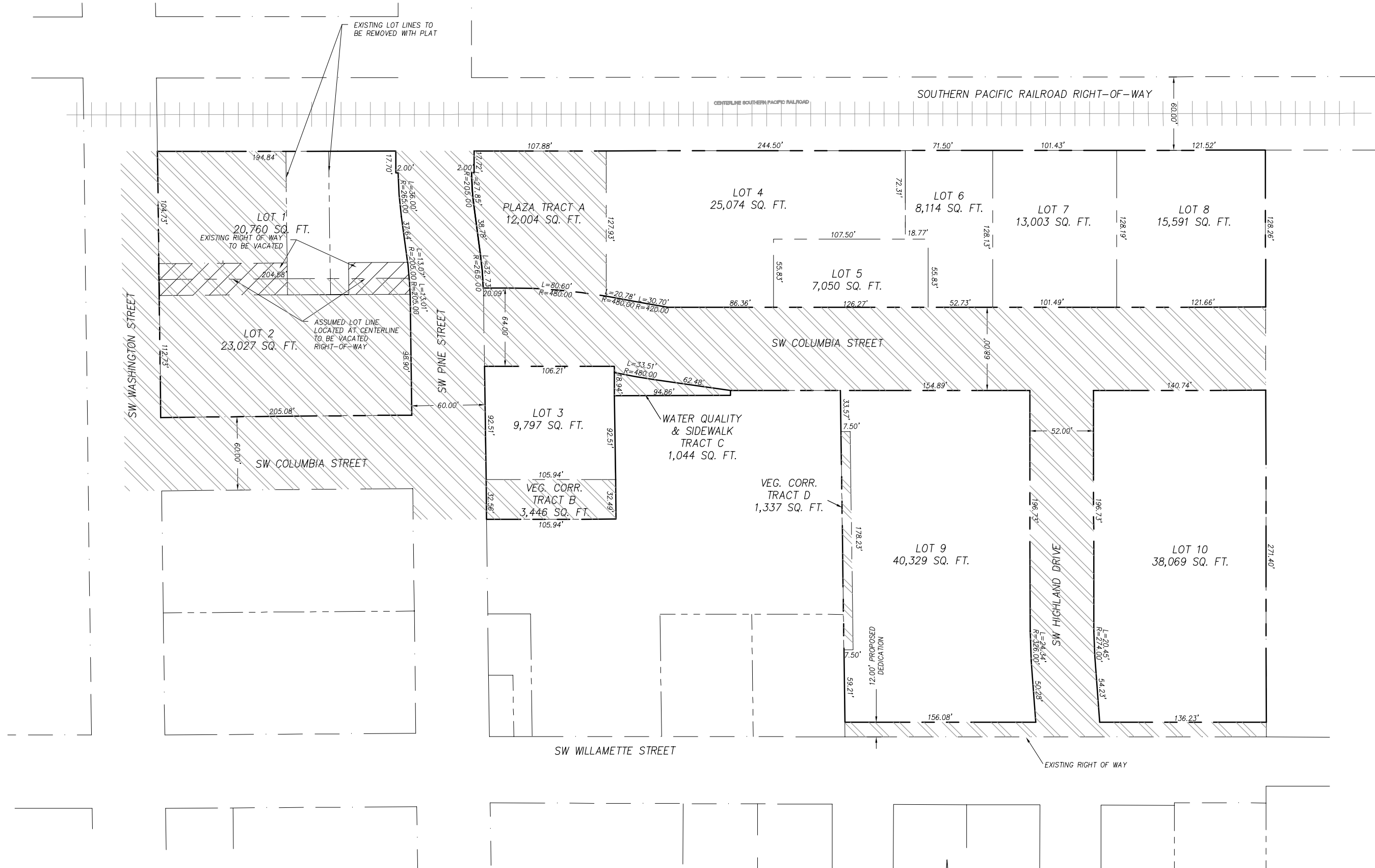
DATE: 10-23-2009
 JOB:
 FILE: ANK112-EXHIBITS
 DRAWN:
 CHECKED:

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REVISED EXHIBIT B-1

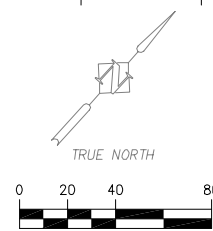
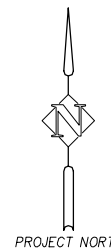
Attach Revised Exhibit B-3
Depiction of Infrastructure Improvements

10/23/2009 9:58 AM
P:\ANK112\ANK112-DWG-SHEETS



AREA OF INFRASTRUCTURE IMPROVEMENTS

REVISED EXHIBIT B-3
(TO SITE DEVELOPMENT AGREEMENT)
DEPICTION OF INFRASTRUCTURE
IMPROVEMENTS



HHPR Harper
Houf Peterson
Righellis Inc.

ENGINEERS * PLANNERS
LANDSCAPE ARCHITECTS * SURVEYORS
205 SE Spokane Street, Suite 200, Portland, OR 97202
phone: 503.221.1131 www.hhpr.com fax: 503.221.1171

10-23-2009

Sherwood Cannery Square PUD
Sherwood, Oregon

Capstone Partners LLC

ANKROM MOISAN

ARCHITECTURE INTERIORS PLANNING

PORTLAND: 6720 SW MACADAM, PORTLAND, OR 97219 | 503-245-7100
SEATTLE: 117 S MAIN STREET, SUITE 400, SEATTLE, WA 98104 | 206-576-1600

MARK	DATE	DESCRIPTION

DATE: 10-23-2009
JOB:
FILE: ANK112-EXHIBITS
DRAWN:
CHECKED:

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ASSOCIATED ARCHITECTS 2008

REVISED
EXHIBIT B-3

Revised Exhibit B-2

General Description of Infrastructure Improvements

The Infrastructure Improvements consists of (i) the public plaza containing not less than 10,000 square feet nor more than 20,000 square feet (currently contemplated and depicted herein to be approximately 12,004 square feet) at the southeast corner of the intersection of SW Pine Street and the Southern Pacific Railroad tracks (“Cannery Square”); (ii) the construction of new public rights of way, including streets, sidewalks, utilities, and storm water treatment facilities, for the proposed SW Columbia Street east of Pine Street and the proposed SW Highland Drive north of Willamette Street; (iii) the improvement of the north side of SW Willamette Street adjacent to the West Residential Phase and the East Residential Phase of the Conveyed Property, the improvement of SW Pine Street between the railroad and Willamette Street, the improvement, including approximately 17 angle parking stalls, of SW Columbia Street west of Pine Street, the improvement of the east side of SW Washington Street between the railroad and SW Columbia Street, the improvement of approximately one-half of the shared surface parking lot on the southeast corner of SW Washington Street and the railroad tracks, and the improvement of the existing gravel parking lot along the south side of the railroad, west of SW Washington Street, that the City of Sherwood leases from the Southern Pacific Railroad; (iv) the storm water treatment facility located on the west side of the existing Machine Works building (the “Storm Water Garden”); (v) the grading and gravel base on the Conveyed Property; (vi) the shell and structural renovation of the existing Machine Works building located on the northwest corner of SW Pine and SW Columbia Streets, and (vii) any work required to mitigate the impact on the existing wetlands buffer pursuant to the Service Provider Letter provided by Clean Water Services issued as of June 8, 2009.

Attach Revised Exhibit B-4
Amended Development Services Agreement

Approved Minutes

**SHERWOOD URBAN RENEWAL AGENCY BOARD OF DIRECTORS
MEETING MINUTES
November 3, 2009
22560 SW Pine Street, Sherwood Oregon 97140**

1. **CALL TO ORDER:** Chair Keith Mays called the meeting to order at 8:30pm.
2. **URA BOARD PRESENT:** Chair Keith Mays, Dave Heironimus, Dave Grant, Linda Henderson, Lee Weislogel and Robyn Folsom. Del Clark was absent.
3. **STAFF & LEGAL COUNSEL PRESENT:** City Manager Jim Patterson, Police Chief Jeff Groth, Economic Development Manager Tom Nelson, Community Development Director Tom Pessemier and District Recorder Sylvia Murphy. City Attorney Paul Elsner.
4. **CONSENT AGENDA:**
 - A. Approval of September 15, 2009 URA Board Meeting Minutes

MOTION: FROM LINDA HENDERSON TO APPROVE THE CONSENT AGENDA, SECONDED BY LEE WEISLOGEL. ALL PRESENT BOARD MEMBERS VOTED IN FAVOR.

Chair Mays addressed the next agenda item.

5. NEW BUSINESS:

- A. **URA Resolution 2009-013 A Resolution of the Urban Renewal Agency of the City of Sherwood accepting the transfer of real property, known as the Robin Hood Theater lots and the commitments imposed thereon by the City of Sherwood, Oregon**

Tom Nelson Economic Development Manager explained the URA Resolution and stated staff has received a property appraisal as requested by the URA Board and said the market value listed at Washington County was \$268,200, \$134,100 for each lot and the appraisal came in at \$250,000.

Ms. Folsom stated she wants to make sure the City honors the original intent of a Community Arts Center.

Tom Nelson replied the Urban Renewal District has spent close to \$1 million purchasing the machine shop and will spend close to \$3 million in improvements. Tom stated the challenge in funneling the funds from this sale is the funds go to the City's general fund and more than likely Urban Renewal funds will be used for the development of the building.

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

MOTION: FROM LEE WEISLOGEL TO ADOPT URA RESOLUTION 2009-013, SECONDED BY DAVE HEIRONIMUS. ALL PRESENT BOARD MEMBERS VOTED IN FAVOR.

Chair Mays addressed the next agenda item.

B. URA Resolution 2009-014 A Resolution of the Sherwood Urban Renewal Agency approving a minor amendment to the Sherwood Urban Renewal Plan, dated August 29, 2000, to allow for the acquisition of additional property located on SW Sherwood Boulevard

Chair Mays stated this is the property to the left of the Sherwood Senior Center if you're facing the Center and stated the City Council looked at purchasing this property several years ago but did not due to the cost and the opportunity has now presented itself again.

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

MOTION: FROM LINDA HENDERSON TO ADOPT URA RESOLUTION 2009-014, SECONDED BY LEE WEISLOGEL. ALL PRESENT BOARD MEMBERS VOTED IN FAVOR.

Chair Mays addressed the next agenda item and Tom Nelson stated Item C is the approval of the property purchase by the URA Board.

C. URA Resolution 2009-015 A Resolution of the Urban Renewal Agency of the City of Sherwood for purchase of real property located on SW Sherwood Boulevard

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

MOTION: FROM DAVE GRANT TO ADOPT URA RESOLUTION 2009-015, SECONDED BY LINDA HENDERSON. ALL PRESENT BOARD MEMBERS VOTED IN FAVOR.

Chair Mays addressed the next agenda item.

D. URA Resolution 2009-016 A Resolution of the Urban Renewal Agency of the City of Sherwood directing the Agency Manager to sign the first amendment to the Development Services Agreement for the public infrastructure in the Cannery Redevelopment

Tom Nelson Economic Development Manager explained the URA Resolution and stated a work session was held with Capstone Partners last month and they discussed the need to amend the agreements due to the market and timing elements. Tom reminded Council of the handout provided by Capstone Partners explaining the amendments. Tom informed the Board the City's legal counsel has reviewed the amendments.

Ms. Henderson referenced page 18 and asked who is Triangle Development Company?

Jeff Sacket with Capstone Partners came forward and stated he is the president and sole share holder of Triangle Development Company and this company is his individual member representative in Capstone Partners.

Ms. Henderson made reference to language on page 17 in regards to Development Services fees being paid monthly and asked if this is a change from the original agreement.

Martha Shelley with Capstone Partners came forward and stated in the previous document the development services fee or development management fee was handled in two separate documents. They were handled in the development services agreement which is the appropriate place and it was handled in the site development agreement which is not the appropriate place. In the site development agreement there was more detail that stated the fee would be paid monthly

and we are eliminating the language and clarifying it in the development services agreement. It is payable monthly during the process of the project and the URA has been paying it on some of the preconstruction projects as well. Martha explained the development fee is based upon a percentage of actual costs and as those costs are incurred the fee is tacked onto that. Ms. Shelly gave the example of an HHPR fee for engineering of the roadway and HHPR is contracted as part of the public improvement portion of the project.

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

MOTION: FROM LEE WEISLOGEL TO ADOPT URA RESOLUTION 2009-016, SECONDED BY DAVE HEIRONIMUS. ALL PRESENT BOARD MEMBERS VOTED IN FAVOR.

Chair Mays addressed the next agenda item.

E. URA Resolution 2009-017 A Resolution of the Urban Renewal Agency of the City of Sherwood directing the Agency Manager to sign the first amendment to the Purchase and Sales Agreement of the Cannery Redevelopment

Tom Nelson Economic Development Manager explained the URA Resolution.

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

MOTION: FROM LINDA HENDERSON TO ADOPT URA RESOLUTION 2009-017, SECONDED BY DAVE HEIRONIMUS. ALL PRESENT BOARD MEMBERS VOTED IN FAVOR.

Chair Mays addressed the next agenda item.

F. URA Resolution 2009-018 A Resolution of the Urban Renewal Agency of the City of Sherwood directing the Agency Manager to sign the first amendment to the Site Development Agreement for the Cannery Redevelopment

Tom Nelson Economic Development Manager explained the URA Resolution.

Board member Dave Heironimus asked in regards to the Machine Shop and work on the outer shell scheduled for fall of 2010. Tom Nelson replied we would like to do it as soon as possible and it depends on several variables, one is the current tenant and their ability to get their building built. Tom stated staff has asked Capstone to provide three concurrent tracks of public improvement to work on: The plaza, the streets and infrastructure and the building and said they can do the engineering and design for all this right now.

Mr. Heironimus asked in regards to timing of the project and the fall 2010 schedule and stated with processes and public hearings the Board has yet to see any plans. Tom replied he has seen drawings and they have been working on the engineering and financials before they are made public.

Ms. Henderson asked in regards to maps, items B3 and B1 and asked how these are substantially different from the original agreement.

Tom Nelson reminded the Board of prior discussions regarding wetlands and said the street had to be redesigned. Martha Shelly stated a final subdivision map is still to come and they are not looking to make any more alignment changes. Further discussion occurred regarding Capstone Partners coming before the Planning Commission and the PUD application process.

Discussion was held in regards to the Machine Shop and the current tenant and the timing of the tenant vacating the building. City Manager Patterson commented in regards to the timing of the tenant vacating within the agreed to 15 month period and staff working with them to accomplish this.

Discussion was held regarding the Board members seeing information on design and involving the public in the process. Tom Nelson replied staff will have within the next two weeks information the Board or Council can see regarding design of the building shell. Ms. Shelly commented additional information will be coming regarding the design of the inside of the building and indentifying issues and needs. The Board discussed holding a future work session to discuss the project.

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

MOTION: FROM DAVE HEIRONIMUS TO ADOPT URA RESOLUTION 2009-018, SECONDED BY LINDA HENDERSON. ALL PRESENT BOARD MEMBERS VOTED IN FAVOR.

Chairs Mays addressed the next agenda item.

6. STAFF REPORTS: None.

7. ADJOURN: Chair Mays adjourned at 9:05pm.

Submitted by:



Sylvia Murphy, CMC, District Recorder

Approved:



Keith S. Mays, Chairman