

# GRESHAM REDEVELOPMENT COMMISSION AGENDA

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## COMMISSION CHAIR TRAVIS STOVALL

COMMISSION VICE CHAIR DINA DINUCCI  
COMMISSION ACTING CHAIR JERRY HINTON  
COMMISSIONER JANINE GLADFELTER

COMMISSIONER VINCENT JONES-DIXON  
COMMISSIONER EDDY MORALES  
COMMISSIONER SUE PIAZZA

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## GRESHAM REDEVELOPMENT COMMISSION February 20, 2024

OPEN SESSION – 2:30 P.M.

Gresham Civic Center, Public Safety & Schools Building, Council Chambers  
1331 NW Eastman Parkway, Gresham, Oregon

### **PLEASE NOTE**

The Gresham Redevelopment Commission is transitioning back to in-person meetings. Members of the public are now welcome to attend in-person in the Council Chambers.

This meeting will also be broadcast live at [GreshamOregon.gov/Agendas](https://greshamoregon.gov/Agendas) and via Zoom, an online meeting platform.

The City's business hours are Monday through Friday from 8:00 a.m. to 5:00 p.m.

Persons who desire to access the meeting and are unable to access the meeting via the livestream at [GreshamOregon.gov/Agendas](https://greshamoregon.gov/Agendas) or via Zoom are encouraged to contact Johntae Ivory, Program Technician, by calling 503-618-2473 or emailing [johntae.ivory@greshamoregon.gov](mailto:johntae.ivory@greshamoregon.gov) by 5:00 p.m. two (2) business days before the meeting, so that the City can provide alternate arrangements.

Persons who desire translation services for this meeting must notify Johntae Ivory, Program Technician, by calling 503-618-2473 or emailing [johntae.ivory@greshamoregon.gov](mailto:johntae.ivory@greshamoregon.gov) by 5:00 p.m. three (3) business days before the meeting, so that the City can make arrangements for translation services.

### **ZOOM ACCESS LINK AND CALL-IN NUMBERS FOR THIS MEETING**

Click the link below to join the webinar:

<https://greshamoregon.zoom.us/j/87895316107?pwd=YTIJZFJrcTV5SU8xa1NoVWdXWXhsZz09>

Passcode: 4xERZB5sqX

**Or One Tap Mobile:**

US: +16699006833,,87895316107#,,,,\*4983688933# or +12133388477,,87895316107#,,,,\*4983688933#

**Or Telephone:**

Dial (for higher quality, dial a number based on your current location):

US: +1 669 900 6833 or +1 213 338 8477 or +1 253 215 8782 or +1 646 876 9923

Webinar ID: 878 9531 6107

Passcode: 4983688933

International numbers available: <https://greshamoregon.zoom.us/j/87895316107?pwd=YTIJZFJrcTV5SU8xa1NoVWdXWXhsZz09>

### **PLEASE NOTE**

Instructions for signing up for **written or oral testimony** are provided on this agenda under section A (2): Instructions to Citizens on Signing Up for Public Testimony Regarding Agenda and Non-Agenda Items.

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**TIME ESTIMATE (Minutes)**

**GRESHAM REDEVELOPMENT COMMISSION AGENDA - REVISED  
FEBRUARY 20, 2024 – PAGE 2**

<b>A. CALL TO ORDER BY PRESIDING OFFICER</b>	<b>5</b>
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1. **ROLL CALL OF THE GRESHAM REDEVELOPMENT COMMISSION**
2. **INSTRUCTIONS TO CITIZENS FOR TESTIFYING ON AGENDA AND NON-AGENDA ITEMS**

**Written Testimony** must be received by 10:00 a.m. on Tuesday, February 20, 2024, via email to Johntae Ivory, Program Technician, at [johntae.ivory@greshamoregon.gov](mailto:johntae.ivory@greshamoregon.gov)

**Oral Testimony:** Persons wishing to provide oral testimony must register their request to Johntae Ivory, Program Technician, by calling 503-618-2473 or emailing [johntae.ivory@greshamoregon.gov](mailto:johntae.ivory@greshamoregon.gov) by 10:00 a.m. on Tuesday, February 20, 2024 and include their name, email address, phone number, and subject matter of the oral testimony.

*Mr. Ivory will send persons who wish to provide oral testimony via Zoom a Zoom link to use to provide the oral testimony.*

<b>B. CITIZEN AND COMMUNITY GROUP COMMENTS FOR AGENDA (EXCEPT PUBLIC HEARING) AND NON-AGENDA ITEMS</b>	<b>10</b>
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1. **CITIZEN AND COMMUNITY GROUP COMMENTS**

<b>C. CONSENT AGENDA</b>	<b>5</b>
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Commission actions are taken in one motion on Consent Agenda items; however, Commission members can remove items from the Consent Agenda to be addressed separately.

1. **GRESHAM REDEVELOPMENT COMMISSION MEETING MINUTES**  
Commission approval of this item will approve the minutes of the Commission meeting of January 23, 2024.

<b>D. PUBLIC HEARING</b>	
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None.

<b>E. COMMISSION BUSINESS</b>	<b>60</b>
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1. **SUNRISE SITE/ ROCKWOOD B188: TERM SHEET**  
Staff will be seeking approval of the Term Sheet for the Disposition and Development of the Rockwood Sunrise Site and direct the Executive Director to proceed with negotiations to finalize the Disposition and Development Agreement.
2. **APPROVAL OF PROPERTY ACQUISITION: 18450 SE STARK**  
Staff will be seeking approval to approve the purchase of 18450 SE Stark for \$1,050,000 and direct the Executive Director to proceed with closing consistent with the Purchase and Sale Agreement.
3. **STOREFRONT IMPROVEMENT GRANT PROGRAM**  
Staff will be seeking policy direction and move the Executive Director to proceed with the Storefront Improvement Grant Program.

<b>F. COMMISSION MEASURES AND PROPOSALS</b>	
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None.

**GRESHAM REDEVELOPMENT COMMISSION AGENDA - REVISED  
FEBRUARY 20, 2024 – PAGE 3**

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**G. ADJOURNMENT OF MEETING**

**TOTAL ESTIMATED TIME (MINUTES): 80**

**MEETING BROADCAST AND REPLAY SCHEDULE**

**Live Broadcast**

- Comcast Channel 22 (322 HD) or Frontier Channel 33
- City of Gresham website: [GreshamOregon.gov/Videos](https://GreshamOregon.gov/Videos). (Under “Upcoming Events,” select the Redevelopment Commission “Agenda.” An active link to the Zoom meeting is posted on page 1 of the Agenda. Phone numbers are also posted for the option of attending the meeting by phone.)

**Replays**

- 4<sup>th</sup> Monday of the same month at 6:00 p.m. on Comcast Channel 30 (330 HD) or Frontier Channel 38
- 1<sup>st</sup> Friday of the following month at 11:30 p.m. on Comcast Channel 30 (330 HD) or Frontier Channel 38
- Any time after 72 hours following the meeting: [GreshamOregon.gov/Videos](https://GreshamOregon.gov/Videos)

# GRESHAM

## REDEVELOPMENT COMMISSION

### AGENDA ITEM TYPE: DECISION

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### Gresham Redevelopment Commission Meeting Minutes

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**Meeting Date:** February 20, 2024

**Agenda Item Number:** C-1

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#### REQUESTED COMMISSION ACTION

Move to approve minutes from the Gresham Redevelopment Commission meeting of January 23, 2024.

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#### ATTACHMENTS

A. Meeting Minutes: January 23, 2024

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#### FROM

Johntae Ivory, Program Technician

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#### REVIEWED THROUGH

Brian Monberg, Executive Director of the Gresham Redevelopment Commission

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#### FOR MORE INFORMATION

Staff Contact: Johntae Ivory, Program Technician

Telephone: (503) 618-2473

Staff E-Mail: [Johntae.Ivory@GreshamOregon.gov](mailto:Johntae.Ivory@GreshamOregon.gov)

Website: [GreshamOregon.gov/Urban-Renewal](http://GreshamOregon.gov/Urban-Renewal)

**A. CALL TO ORDER BY PRESIDING OFFICER**

**Chair Travis Stovall** called the Gresham Redevelopment Commission (GRDC) meeting to order on Tuesday, January 23, 2024, at 2:35 P.M. via Conference Call +1 253 215 8782, Meeting ID 878 9531 6107 or <https://greshamoregon.zoom.us/j/87895316107>

**1. ROLL CALL OF THE GRESHAM REDEVELOPMENT COMMISSION**

**Chair Stovall** called the roll.

COMMISSION PRESENT: Commission Chair Travis Stovall  
Commission Vice Chair Dina DiNucci  
Commissioner Janine Gladfelter  
Commissioner Acting Chair Jerry Hinton  
Commissioner Eddy Morales  
Commissioner Sue Piazza  
Commissioner Vincent Jones-Dixon

COMMISSION ABSENT: None

STAFF PRESENT: Helen Toloza, Interim City Attorney  
Eric Schmidt, Assistant City Manager  
Brian Monberg, Gresham Redevelopment Commission Executive Director  
Michael Gonzales, Gresham Redevelopment Project Coordinator  
Johntae Ivory, Program Technician, Recording Secretary

**2. INSTRUCTIONS TO CITIZENS ON SIGNING UP FOR PUBLIC TESTIMONY REGARDING AGENDA AND NON-AGENDA ITEMS**

**Chair Travis Stovall** read the instructions.

**B. CITIZEN AND COMMUNITY GROUP COMMENTS FOR AGENDA (EXCEPT PUBLIC HEARING) AND NON-AGENDA ITEMS**

**1. CITIZEN AND COMMUNITY GROUP COMMENTS**

**Johntae Ivory**, Recording Secretary, reported that we have 1 public testimony today:

**Catherine Nicewood** – Rockwood Neighborhood Association President

**C. CONSENT AGENDA**

**1. GRESHAM REDEVELOPMENT COMMISSION MEETING MINUTES**

Commission approval of this item would approve the minutes of the Commission meetings of January 23, 2024.

**Chair Stovall** called for a motion on the Consent Agenda.

Motion was made by **Commissioner Gladfelter** and seconded by **Commissioner Hinton** APPROVE CONSENT AGENDA ITEM C-1.

**Chair Stovall** asked if there was any discussion on the Consent Agenda or motion.

Hearing none, **Chair Stovall** called for the vote. The motion passed as follows:

Commission Chair Travis Stovall	YES
Commissioner Eddy Morales	YES
Commission Acting Chair Dina DiNucci	YES
Commissioner Janine Gladfelter	YES
Commissioner Jerry Hinton	YES
Commissioner Sue Piazza	YES
Commissioner Vincent Jones-Dixon	YES

**D. PUBLIC HEARING**

None

**E. COMMISSION BUSINESS**

**1. 2029 COMMUNITY INVESTMENT FRAMEWORK: PROJECT DEVELOPMENT**

Staff will be presenting an updated proposal for programming the priority projects over the next five years. The framework provides guidance for decisions to be made in the upcoming budget cycle and will be reviewed annually.

**Brian Monberg, Gresham Redevelopment Commission Executive Director**, presented the staff report.  
(PowerPoint presentation attached as Exhibit A.)

**Commissioner Gladfelter** appreciates the thoughtfulness and is glad he's waiting to get the information on the funds before proceeding and getting the fire department involved with the discussions. She is all for the new plan.

**Commissioner Hinton** agrees with **Commissioner Gladfelter** and is happy we are showing good faith to our fire station and firefighters that we want to try and remedy the shortfalls that we have in our stations. He believes this is a good start in principle but there is so much more to be done. He asked if there's any short-term transfers that need to be done for the budget.

**Mr. Monberg** said no budget transfers were needed.

**Commission Vice Chair DiNucci** asked **Mr. Monberg** to remind her again about what the Urban Renewal budget we expect of the remaining funds and how much would it cost for the schematic designs for the station 74 fire station.

**Mr. Monberg** said approximately 21-23 million dollars of discretionary capital funds would be available for capital improvement projects or technical assistance programs. He explained the scope of work over the next 6 months could cost around \$200,000 and we have identified funds within this year's budget to allow for that schematic design.

**Commission Vice Chair DiNucci** asked if the new fire station would have any uses for training or other uses.

**Scott Lewis, Gresham Fire Chief** explained the adjacent Fire training center belongs to Fire station 10. We have a land use agreement as part of the contract with them. We will continue to use station 10 for training. He believes we may need a bigger lot size for Fire station 74 and is open to a lot line adjustment for more space.

**Commissioner Piazza** is in favor of the new fire station plan. She asked if there's been discussions about the potential for a community center or spaces for future use.

**Mr. Monberg** said there could be an opportunity to develop our existing property or and future property for additional community recreational uses. Contained within the Urban Renewal plan, staff can find where those opportunities are and the highest investment as we proceed. He acknowledged there was a city-based study done a few years ago and it would exceed the remaining funds we have available, but we want to make sure we can manage in terms of what we can achieve through the remaining investments.

**Commissioner Piazza** said she had discussions with people who would love to see more business that provides to the economy or recreation like pickleball and indoor courts for the residents to do with tournaments that will bring people and help provide to the local economy. She suggested in the future we look into public-private partnerships.

**Commission Vice Chair DiNucci** asked if there have been any partnerships we have considered in funding a community center or programs. She suggested we could partner with other organizations and get resources to do the same things as a community center.

**Chair Stoval** is very supportive of everything outlined today and is ready to move forward with the RFP for a new fire station for station 74 with urgency. He believes the investments laid out today are critical components that we need to make in the Urban Renewal district, and we should continue to generate what we have already accomplished so far with the economic engine, vibrancy, and safety.

**Commissioner Jones-Dixon** is supportive of everything presented today. He asked about the housing capacity and noticed it's not on the radar until 4-5 years from now.

**Mr. Monberg** explained the housing investment is scalable and we want to make sure we have a good cost estimate for the contribution of some of the other more intensive capital investments like a fire station before we go all in. We could proceed in the sooner fiscal years with a housing plan. With the direction from the council today, staff will proceed with the 2029 Community Investment Framework: Project Development.

**Chair Stoval** is looking forward to seeing some outcomes moving forward.

**F. COMMISSION MEASURES AND PROPOSALS**

**1. ELECTION OF OFFICERS**

**Chair Stovall** explained that every year we elect a Vice Chair and Acting Chair. Our previous Vice Chair was Commissioner DiNucci, and our previous Acting Chair was Commissioner Vincent-Jones Dixon. The purpose of the Vice Chair is to take over the duties of the Chair if the Chair is not available, and the purpose of the Acting Chair is to take over the duties of Chair or Vice Chair if they are not available.

**Chair Stovall** called for nominations for Vice Chair.

**Commissioner Jones-Dixon** nominated **Commissioner DiNucci** for Vice Chair because she's a strong advocate for the community and has a lot of great relationships within the community.

There were no additional nominations.

**Chair Stovall** called for the vote.

The election of **Commissioner DiNucci** to serve as Vice Chair for calendar year 2024 passed as follows:

Commission Chair Travis Stovall	YES
Commissioner Eddy Morales	YES
Commission Acting Chair Dina DiNucci	YES
Commissioner Janine Gladfelter	YES
Commissioner Jerry Hinton	YES
Commissioner Sue Piazza	YES
Commissioner Vincent Jones-Dixon	YES

**Chair Stovall** called for nominations for Acting Chair.

**Commissioner Piazza** nominated **Commissioner Hinton** for Acting Chair

There were no additional nominations.

**Chair Stovall** called for the vote.

The election of **Commissioner Hinton** to serve as Acting Chair for calendar year 2024 passed as follows:

Commission Chair Travis Stovall	YES
Commissioner Eddy Morales	YES
Commission Acting Chair Dina DiNucci	YES
Commissioner Janine Gladfelter	YES
Commissioner Jerry Hinton	YES
Commissioner Sue Piazza	YES
Commissioner Vincent Jones-Dixon	YES



**GRESHAM REDEVELOPMENT COMMISSION MEETING MINUTES  
JANUARY 23, 2024 – PAGE 5 OF 5**

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**Commissioner Gladfelter** acknowledged the Fire department that was in attendance and thanked them for all the work they put out and during the storms it didn't go unnoticed.

**Chair Stoval** said the entire commission is very much in support of what Commissioner Gladfelter said and noted he's received plethora of accolades from community members about the services of our response teams. He thanked them for their service to the community.

**Commissioner Jones-Dixon** as a follow up question about the testimony earlier asking if we have a work source center in the new Rockwood building.

**Chair Stoval** explained that its more of an employment department with limited job training capacity but acknowledges there's phenomenal workforce training right in Rockwood lead by the Oregon Tradeswomen and is a huge proponent to expand workforce training efforts.

**Commission Vice Chair DiNucci** asked if any of the proگرامing related to the downtown Rockwood project that was left off could be considered for future use. She also would like updates on the Downtown Market Hall.

**Mr. Monberg** explained we're certainly looking for investments that would increase skills, training, workforce training, and the desire for a maker's space type facility. Our staff is actively pursuing the kind of partnerships that would be needed to have a third party able to operate a resource like that within the community. He acknowledged the Market Hall has close to 100% occupancy in the ground floor space. He is very excited about the restaurant space demand and the new vendors that will round out the very diverse set of offerings that we currently have on the property.

**Commission Vice Chair DiNucci** asked us to encourage people to get to the Market Hall and support the vendors, especially during rough times like the winter storm that just hit.

**G. ADJOURNMENT OF MEETING**

Hearing no further business, Chair Stovall adjourned the meeting at 3:41 PM

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TRAVIS STOVALL  
CHAIR

Respectfully submitted,

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/s/ Johntae Ivory  
Johntae Ivory  
Recording Secretary

# GRESHAM

## REDEVELOPMENT COMMISSION

### AGENDA ITEM TYPE: DECISION

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### Sunrise Site / Rockwood B188: Term Sheet

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**Meeting Date:** February 20, 2024

**Agenda Item Number:** E-1

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#### REQUESTED COMMISSION ACTION

Move to approve the Term Sheet for the Disposition and Development of the Rockwood Sunrise Site, and direct the Executive Director to proceed with negotiations to finalize the Disposition and Development Agreement.

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#### PUBLIC PURPOSE AND COMMUNITY OUTCOME

A private developer partner will provide capital and resources in the design, permitting, construction, tenant selection, and operations of the Sunrise Site.

Redevelopment of the Sunrise Site furthers the following Rockwood-West Gresham Urban Renewal Plan Goals: Goal 1 (Public Involvement), Goal 2 (Improve Rockwood Town Center), Goal 3 (Increase Availability of Quality Housing), Goal 4 (Help Create and Retain Family Wage Jobs by Improving Industrial and Commercial Areas), Goal 7 (Improve Transportation), and Goal 8 (Promote Quality Development).

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#### BACKGROUND

The term sheet contains the primary points for the future disposition of land, and development and construction of improvements at the Sunrise Site/Rockwood B188.

On May 17, 2022 the Gresham Redevelopment Commission (GRDC) directed the Executive Director to proceed with a non-binding Exclusive Negotiation Agreement (ENA) with HMS Development for the redevelopment of the Sunrise Site. Today's meeting is an opportunity to review the work of HMS Development to date, including refinements to the site program and plan.

On September 26, 2022, the Executive Director entered into the ENA to proceed with due diligence work and project refinements. This has included tasks such as title review, environmental and soils reports, market and marketing study, land use review and initial schematic design. HMS has proceeded with these tasks consistent with the ENA, in anticipation of future negotiation of a development agreement and disposition of the property. The HMS team has been meeting weekly with GRDC staff.

HMS Development is using the name "Rockwood B188" for this new investment during the development process. This is in reference to the location at Burnside and E 188<sup>th</sup>. This name will change as the project proceeds to construction and opening.

Dunn Carney is representing the GRDC as outside legal counsel and developed the term sheet.

## **Primary Terms**

**Phases:** The property will be developed in two phases. The first phase is a mixed-use building comprising ground floor retail, gymnasium, administrative offices, and a high school operated by Portland Opportunities Industrialization Center (POIC). The site will include an outdoor plaza and on-site parking. The second phase will comprise new construction of a mixed-use building including ground floor retail and additional uses.

**Project Budget:** The proposed project budget is estimated to be approximately \$44 million for phase one of development, subject to refinement after further design and construction estimates.

**GRDC Contribution:** Financial contribution by the GRDC will include the \$500,000 pre-development fund as part of the previously approved Exclusive Negotiating Agreement (ENA), and any amount to be agreed to in exchange for use and programming of the gymnasium, pending a future agreement.

**Sequencing and Operations:** Property management of the site, buildings, and exterior will be the responsibility of HMS and POIC. The future Disposition and Development Agreement will specify programming, security, and activation of undeveloped portions of the site prior, during, and after phase one construction.

**GRDC Approvals:** Project design will be subject to GRDC review and approval at key milestones, including 30%, 60%, and 90% of design.

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## **RECOMMENDATION and ALTERNATIVES**

Move to approve the Term Sheet for the Disposition and Development of the Rockwood Sunrise Site, and direct the Executive Director to proceed with negotiations to finalize the Disposition and Development Agreement.

Alternatives: GRDC options include directing staff not to proceed with the term sheet, or to recommend different terms.

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## **BUDGET / FINANCIAL IMPACT**

Funding for the pre-development work that is stipulated within the term sheet is budgeted for in the Urban Renewal Capital Improvement Program, Sunrise Site: CIPUR00004. Final approval of budget items related to the capital construction of the site will be stipulated as part of the future Disposition and Development Agreement.

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## **PUBLIC INVOLVEMENT**

Public involvement over the last year has included presentations to the neighborhood association, public workshop, participation at community events including Rock the Block and the Yamhill block party, and presentations to the GRDC and GRDCAC.

As part of the Term Sheet, HMS Development will be including a public outreach process to solicit community feedback and engagement about the Project at key decision points. This will include participation in community events, interested parties communication list, open houses over the course of the year, presentations to the advisory committee and a community liaison program comprised of community representatives to share regular feedback. The public

participation process will include key milestones as part of the land use process.

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**NEXT STEPS**

Based on Commission direction, staff will proceed with negotiations to finalize the Disposition and Development Agreement for GRDC approval later this year.

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**ATTACHMENTS**

Attachment A: Proposed Terms for the Disposition and Development of the Rockwood Sunrise Site.

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**FROM**

Brian Monberg, GRDC Executive Director

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**REVIEWED THROUGH**

Eric Schmidt, Interim City Manager  
Helen Toloza, Assistant City Attorney

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**FOR MORE INFORMATION**

Staff Contact: Brian Monberg  
Telephone: 503-618-2418  
Staff E-Mail: [Brian.Monberg@GreshamOregon.gov](mailto:Brian.Monberg@GreshamOregon.gov)  
Website: [www.GreshamOregon.gov/UrbanRenewal](http://www.GreshamOregon.gov/UrbanRenewal)

**PROPOSED TERMS FOR  
DISPOSITION AND DEVELOPMENT OF  
ROCKWOOD SUNRISE SITE**

**February \_\_, 2024**

1. Parties

- 1.1. **Gresham Redevelopment Commission**, the duly authorized and acting urban renewal agency of the City of Gresham ("**GRDC**").
- 1.2. **HMS Development LLC**, and Oregon limited liability company ("**HMS**").

Each of the GRDC and HMS may be referred to in this Proposed Terms for Development and Disposition of Rockwood Sunrise Site ("**Term Sheet**") as a "**Party**" and collectively, the "**Parties.**"

2. Site Ownership

- 2.1. GRDC owns the Sunrise Site located at 18801 and 18901 E Burnside Street, Gresham, OR, as described in greater detail at attached **Exhibit A** ("**Site**").
- 2.2. The Parties intend to establish a definitive Disposition and Development Agreement ("**DDA**"), consistent with this Term Sheet, for the design, financing, and construction of the Project (as defined below). The Parties agree to negotiate in good faith with the shared goal of presenting the DDA for GRDC approval by the end of the first quarter of 2024.
- 2.3. The Parties anticipate reconfiguring the two existing lots that comprise the Site via property line adjustment. The resulting lot alignment will reflect the area intended for development of Phase 1 ("**Phase 1 Lot**") and the area intended for development of Phase 2 ("**Phase 2 Lot**"). Phase 1 Lot and Phase 2 Lot are also collectively referred to as the Site.
- 2.4. The Parties anticipate transferring good and marketable title to Phase 1 Lot to HMS concurrent with closing of the construction financing for development of Phase 1 ("**Closing**"), in exchange for payment of \$1.00 to GRDC ("**Purchase Price**").
- 2.5. The Parties anticipate further exploration of the development program for Phase 2. GRDC will transfer the Phase 2 Lot to HMS upon closing of the construction financing for development of Phase 2 in exchange for payment of \$1.00 to GRDC. The GRDC obligation to transfer the Phase 2 Lot: (1) is contingent on GRDC consent, in the sole and unlimited discretion of GRDC, to the Phase 2 development program prior to Closing, and (2) shall expire three years after Closing.
- 2.6. The Parties intend to transfer the Site subject to covenants that will limit the use of the Site consistent with construction and operation of the Project.

3. Site Redevelopment

- 3.1. HMS proposed a conceptual redevelopment of the Site, which was selected by GRDC to advance into predevelopment scoping, consistent with the terms of that certain Exclusive Negotiating Agreement dated September 26, 2022 ("**ENA**"), between the Parties.
- 3.2. During the term of the ENA, the Parties refined the conceptual redevelopment financing and design plans, and intend to enter into a Development and Disposition Agreement ("**DDA**") to redevelop the Site in two (2) phases.
  - 3.2.1. The first phase consists of a mixed-use building comprising ground floor retail, gymnasium, administrative offices and a high school operated by Portland Opportunities Industrialization Center ("**POIC**"), outdoor plaza, and on-site parking stalls to be located on the Phase 1 Lot ("**Phase 1**"). POIC will allow use of the school facilities constructed in Phase 1 by the City Parks and Recreation Department, in a manner compatible with POIC's operation of the school, pending terms for gymnasium use and programming to be further defined by the Parties in the DDA. POIC, with input from GRDC and HMS, to provide collaborative programming of indoor and outdoor space to serve the community, and to be documented in a future agreement between POIC and the GRDC.
  - 3.2.2. The second phase will be comprised of new construction to be located on the Phase 2 Lot of a mixed-use building consisting of ground floor retail and additional uses to be proposed by developer and subject to GRDC consent in its sole discretion ("**Phase 2**").
  - 3.2.3. Collectively, Phase 1 and Phase 2 are referred to as the "**Project.**" Project illustrations are at attached **Exhibit B**.
- 3.3. HMS and POIC continue to determine their respective roles in the financing, construction, and ownership of Phase 1. Depending on the ultimate structure of Phase 1, POIC may be included as a party to the DDA.
- 3.4. The Parties and POIC, intend to explore, and specify in the DDA, programming, security, and activation of vacant portions of the Site, prior, during, and after Phase 1 construction. Property management of the Site, buildings, and exterior will be the responsibility of HMS and POIC.

#### 4. Design and Construction

- 4.1. Project Design. HMS and POIC, at its cost and expense, will design and construct the Project in accordance with all applicable laws, rules, and regulation, including compliance with any and all ADA requirements. Project design will be subject to GRDC approval at 30%, 60%, and 90% design (collectively, "**Project Design Milestones**"), which approval shall not be unreasonably withheld. GRDC may make material recommendations to the Project design at the 30% Project Design

Milestone, but material recommendations at the 60% and 90% Project Design Milestones shall be limited to those responsive to material changes in Project design or programming following the 30% Project Design Milestone.

- 4.2. Project Approvals. Subject to securing the necessary land use and permit approvals from the City of Gresham ("**City**") in its regulatory capacity, HMS intends to achieve Closing and construct the Project pursuant to the construction schedule attached as **Exhibit C**. The Parties anticipate the DDA to include a process for HMS to trigger limited schedule extensions. The design and construction of the Project will comply with all City and State requirements that apply to the Project, except to the extent that HMS obtains adjustments and waivers to such requirements from the governmental bodies with authority to grant such adjustments and waivers.
- 4.3. Community Engagement. The Parties will make good faith efforts to participate in a public outreach process to solicit community feedback and engagement about the Project. Outreach will continue as appropriate through construction and occupancy.

Consistent with the project Construction Schedule, HMS and GRDC will identify and engage in public outreach opportunities to diverse community stakeholders and other interested parties. The public engagement approach will serve to create a communication protocol, establish a list of interested parties within the community, and provide opportunities for stakeholder groups to get updates on the Project and input at key decision points. The public engagement approach will include a) establishment of interested parties communication list and email updates; b) feedback on the proposed program and site plan that will include at least two open houses during land use approval; c) establishment of a community liaison program comprised of community representatives to share regular feedback; d) presentations to the GRDC Advisory Committee at Project Design milestones.

Community engagement will include feedback in the following areas: a) Project Design at Project Design Milestones; b) Project Program including strategies for a business incubator and retail leasing, programming for proposed innovation lab, recreation opportunities, youth engagement strategies, and an art program that reflects Rockwood's history and diversity; c) Construction opportunities including strategies for Industry Apprenticeship Programs/Partners: Professional (A/E), construction trades and mentoring.

HMS and GRDC will coordinate both in-person and online project communications. Media requests and inquiries will be coordinated through the GRDC Executive Director and City Communications Manager.

- 4.4. Construction Contracting. HMS and/or POIC will be responsible for entering into the general contract for and managing the construction of the Project, with a general contractor that is approved by the GRDC in its reasonable discretion. The general contract for construction will have a guaranteed maximum price ("**GMP**"). The GRDC will have no obligation to

contribute money to The Project other than the GRDC Contributions, and the entirety of the cost of the Project, including and Cost Overruns, will be borne by HMS.

- 4.5. Construction Completion. To ensure Project Completion and each phase thereof, one or more individuals or entities acceptable to GRDC in its sole and absolute discretion ("**Guarantor**"), shall provide GRDC with a completion guaranty that requires the Guarantor to finally complete the all phases of the Project for which construction has commenced and make all payments, including payments for all costs and expenses associated with the Project and Project Cost Overruns.
- 4.6. Prevailing Wage. The Parties are exploring whether the Project is subject to prevailing wage under Oregon Revised Statutes 279C.800-870. However, HMS shall bear the ultimate responsibility for determining if the Project is subject to prevailing wage, and the opportunity for waiver. HMS will indemnify and, at the request of GRDC, defend and hold harmless GRDC, from and against all claims, costs, expenses, losses, damages, and liabilities whatsoever arising from or in connection with a determination that the Project is subject to Oregon prevailing wage rate laws and/or federal Davis Bacon wages.

## 5. Financial Terms

- 5.1. Project Cost. The Parties recognize the importance of keeping the total Project cost for Phase 1 within HMS's estimated budget for Phase 1, attached at **Exhibit D** ("**Phase 1 Budget**"). HMS and/or POIC shall pay all Project costs, including but not limited to the cost of designing, permitting, constructing, and managing the Project, and including any cost in excess of the Project Budget, the GMP, or both (collectively, "**Cost Overruns**"), with the sole exception of the GRDC Contributions.
- 5.2. GRDC Contributions. Financial contribution by GRDC to the Project shall be limited to: (1) \$500,000 for uses identified in the ENA predevelopment fund approved budget included, attached at **Exhibit E**, which were previously advanced pursuant to the ENA, and (2) any amounts agreed to contribute to partially fund construction of the Phase 1 gymnasium in exchange for shared use and programming of the gymnasium by the Parties (collectively, "**GRDC Contributions**").

## 6. Miscellaneous

- 6.1. Non-Binding Terms Sheet. The purpose of this Terms Sheet is to outline the general understanding of the Parties with respect to the Project. This Term Sheet is not legally binding, and neither Party shall be bound until each Party has executed the DDA to implement the Project as contemplated by this Term Sheet.
- 6.2. Counterparts. This Term Sheet may be signed in counterparts, each of which shall be deemed an original and when taken together shall be deemed one and the same document.



- 6.3. Entire Agreement. This Term Sheet constitutes the entire agreement between the Parties relating to the subject matter hereof and supersedes all prior agreements, letters of intent, understandings and negotiations, whether oral or written, of the Parties, including the ENA.

*<Signatures on following page.>*

**HMS:**

HMS DEVELOPMENT LLC, an Oregon limited liability company

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

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

Date: \_\_\_\_\_

**GRDC:**

GRESHAM REDEVELOPMENT COMMISSION,  
the duly authorized and acting urban  
renewal agency of the City of Gresham

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

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

Date: \_\_\_\_\_

**APPROVED AS TO FORM:**

By: \_\_\_\_\_  
City Attorney

Exhibits:

- A Site Legal Description
- B Project Illustration
- C Project Construction Schedule
- D Phase 1 Budget
- E Pre-Development Fund Approved Budget

**Exhibit A**  
Site Legal Description

18801 E Burnside:

A portion of Lot 4, SEROR PARK, in the City of Gresham, County of Multnomah and State of Oregon, described as follows:

Beginning at a point on the West line of said Lot 4, 500 feet South of the Northwest corner of said Lot 4; thence East parallel with the North line of said Lot 4, 182 feet at the Northwest corner of the tract of land conveyed to Frank Stepanek, recorded November 18, 1953 in Book 1632 Page 130; thence Southerly along the West line of the Stepanek Tract, 203.75 feet to the North line of Burnside Road No. 1273; thence North 59°30' West 185.36 feet to the Easterly line of S.E. 188th Avenue Road No. 1549; thence North 112 feet, more or less, to the point of beginning.

EXCEPTING THEREFROM that portion conveyed to the State of Oregon, by and through its Department of Transportation, Highway Division by Deed recorded May 22, 1984 in Book 1749, Page 74.

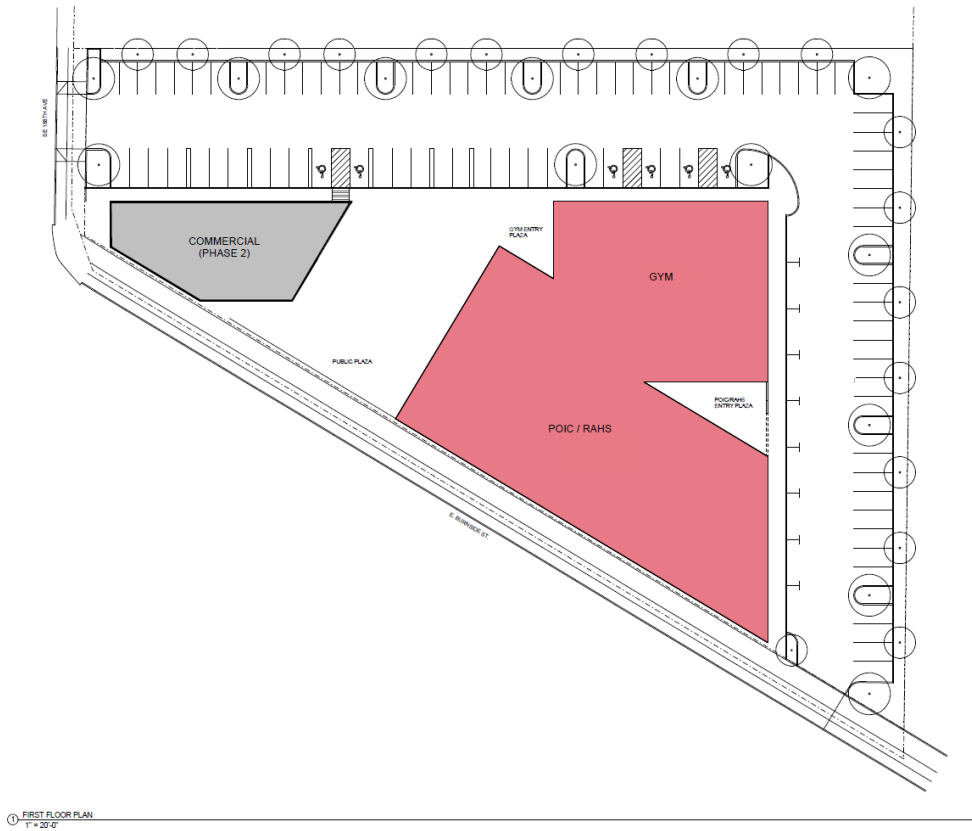
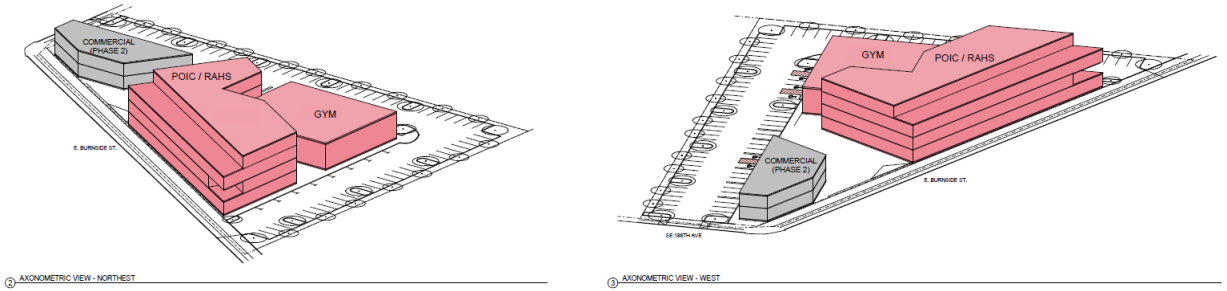
18901 E Burnside:

**A portion of Lots 3 and 4, SEROR PARK, in Section 32, Township 1 North, Range 3 East, of the Willamette Meridian, in the City of Gresham, County of Multnomah and State of Oregon, described as follows:**

**Beginning at an iron pipe driven at the Northwest corner of Lot 4, SEROR PARK; thence Southerly along the Westerly side line of said Lot 4 in SEROR PARK, 500 feet to a point; thence Easterly parallel with the Northerly side line of said Lot 4 in SEROR PARK, 182 feet to an iron pipe which is the true point of beginning of the tract of land herein described; thence Easterly parallel with the North line of Lots 3 and 4 in SEROR PARK, 218 feet to the Easterly sideline of Lot 3, in SEROR PARK, which point is marked with an iron pipe; thence Southerly tracing the Easterly side line of said Lot 3, in SEROR PARK, 345.5 feet to an iron pipe in the Northerly line of E. Burnside Street; thence North 59°30' West tracing the Northerly line of E. Burnside Street, 275 feet to an iron pipe in the Northerly line of said E. Burnside Street; thence Northeasterly 203.75 feet to a true point of beginning.**

**EXCEPTING THEREFROM that portion acquired by the State of Oregon in Case No. 8510-06500 filed October 21, 1985 in the Circuit Court of Multnomah County, Oregon.**

**Exhibit B**  
Project Illustration<sup>1</sup>



*1-Subject to change based on final design and land use review process. Lot 2 has not been designed and is being depicted for representative purposes only.*

**Exhibit C**  
Project Construction Schedule<sup>1</sup>

<b>Initial Schematic/Concept Design:</b>	August 2023-October 2023
<b>Term Sheet &amp; DDA Negotiations:</b>	November 2023-March 2024
<b>Complete Schematic Design:</b>	8-10 Weeks (end April/May 2024)
<b>Design Development:</b>	12-14 Weeks (end July/August 2024)
<b>Construction Documents:</b>	14-16 Week (end October/November 2024)
<b>Permitting:</b>	12-20 weeks (end February-April 2025)
<b>Construction:</b>	16-18 months (est. end 2H2026/1H2027)

*1-Project schedule subject to project costing exercises and project adjustments, entitlement/land-use process to occur during the design development phase, permitting review period, and financing availability and closing.*

**Exhibit D**  
Phase 1 Budget

**POIC Project Budget<sup>1</sup>**

<b>Estimated Project Hard Costs</b>	<b>\$33,880,000</b>
<b>Estimates Project Soft Costs</b>	<b>\$10,164,000</b>
<b>Estimated Total Development Costs</b>	<b>\$44,044,000</b>

*1-Proposed Project Budget subject to change after further design and construction revisions.*

**Exhibit E**  
Pre-Development Fund Approved Budget

<b>Item</b>	<b>Cost (\$)</b>	<b>Spent</b>	<b>Remaining</b>
Environmental Phase I	\$2,500	\$2,500	\$0
Environmental Phase II	\$15,290	\$9,340	\$5,950
CMMP	\$3,815	\$2,939	\$876
Geotechnical Report	\$17,000	\$17,000	\$0
Market Study	\$22,000	\$22,000	\$0
Parking/Traffic - Phase 1	\$6,500	\$0	\$6,500
Community engagement consultants	\$15,000	\$0	\$15,000
ALTA + Topographic Survey	\$8,900	\$8,900	\$0
A&E - Concept & Feasibility	\$350,000	\$178,441	\$171,559
Project Financing Consultant	\$18,750	\$6,402	\$12,348
Legal review (contracts, title, land use)	\$25,000	\$0	\$25,000
Appraisal	\$5,500	\$5,500	\$0
Contingency	\$9,745	\$0	\$9,745
<b>TOTAL USE OF FUNDS</b>	<b>\$500,000</b>	<b>\$253,022</b>	<b>\$246,978</b>

# GRESHAM

## REDEVELOPMENT COMMISSION

### AGENDA ITEM TYPE: DECISION

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### Approval of Property Acquisition: 18450 SE Stark

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**Meeting Date:** February 20, 2024

**Agenda Item Number:** E-2

---

#### REQUESTED COMMISSION ACTION

Move to approve the purchase of 18450 SE Stark for \$1,050,000, and direct the Executive Director to proceed with closing consistent with the Purchase and Sale Agreement.

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#### PUBLIC PURPOSE AND COMMUNITY OUTCOME

Purchase of this property will ensure quality redevelopment in the Rockwood Town Center as well as contribute to the long-term vitality of the Rockwood neighborhood. The proposed acquisition supports the following goals of the Rockwood-West Gresham Renewal Plan: Goal 2, "Improve Rockwood Town Center" and Goal 8, "Promote Quality Development."

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#### BACKGROUND

The parcel under consideration for purchase by Gresham Redevelopment Commission (GRDC) is strategically located in the Rockwood Town Center. This parcel (property ID R153561) is located at 18450 SE Stark. It is approximately 1.0 acre in size and adjacent to the East County Courthouse, Rockwood Village Apartments and the Downtown Rockwood Development. GRDC ownership of the site would ensure that the site is redeveloped in the future in a manner consistent with the goals of the Urban Renewal Plan and the GRDC.

The site consists of one warehouse building and one accessory building. The warehouse building is a single-story building totaling approximately 3,920 square feet of building area. It was reportedly constructed in 1957 on a 1-acre of land with approximately two parking spaces and two accessibility spaces. The property has operated as a family-run business since the 1950s, primarily for custom cabinetry and wood working. The warehouse building includes machinery and tools to operate a commercial wood shop. The seller prefers for the equipment and machinery to remain on site, and offers to sell them as part of the property transaction. Staff have conducted due diligence to determine the price of this equipment. This equipment could be used for a future business or community-related use, pending future redevelopment. There is a significant area of undeveloped green space on the property. The building is owner-occupied.

The property is currently privately owned, and while not on the market, the seller is willing to sell the property to the GRDC. A Letter of Intent was agreed to on November 20, 2023, and staff subsequently proceeded with due diligence. Kohler Meyers O'Halloran, Inc. (KMO Real Estate) has represented the GRDC as the brokerage in this transaction. This property is one of the few remaining of this size within the Rockwood Town Center.





*Location of 18450 SE Stark*

**Terms of the Transaction:**

Following negotiations between the Seller and the GRDC, the Letter of Intent was completed on November 20, 2023. The terms include:

- Purchase price: \$1,000,000, as established by an MAI appraiser.
- Earnest money: \$25,000, applicable to purchase price and refundable if Purchaser (the GRDC) terminates the Agreement before closing;
- Buyer Approval: Purchase must be approved by the Purchaser before closing;
- Closing Costs: Purchaser will be responsible for one-half of closing fees charged by escrow agent and/or title company.
- Personal Property: Seller is inventorying machinery and equipment related to woodworking operations and intends to offer to Purchaser the equipment for a purchase price of \$50,000.
- Site Conditions: As-is, subject to approval by the Buyer as a result of its due diligence investigations. Personal property and debris, except any included in the sale of machinery and equipment, shall be removed prior to closing.

**Due Diligence**

Staff coordinated the following due diligence activities:

- **Title Report:** GRDC review of the preliminary Title Report determined that there are no significant issues related to the Title.
- **Appraisal:** Zell & Associates completed an appraisal of the market value of the property, which concluded the value to be \$1,000,000. Staff is satisfied that the purchase price reflects a good investment to secure a property in the Rockwood Town Center.

- **Phase I Environmental Site Assessment:** Hahn and Associates, Inc. completed a Phase I Environmental Site Assessment summarizing environmental records for the site. No significant issues were identified, and a Phase II investigation was not deemed necessary.
- **Building Inspection:** Terracon Consultants, Inc. did a physical inspection of the building structure, foundation, building envelope, and mechanical, electrical, and plumbing systems, and found no significant issues with the building systems other than minor repairs. These include some roof leaking, an automatic seismic shut-off device, and fire extinguisher repair that will be required prior to closing.

In the course of this research, staff identified no significant impediments to acquisition of the site.

### **Future Redevelopment**

In the future and at the direction of the GRDC, staff will develop a plan for redevelopment of the site. This plan would include uses that would complement the Central Rockwood Plan, Downtown Rockwood, and adjacent properties.

Consistent with the public engagement recommendations provided to the GRDC as part of the 2029 Community Investment Framework, there is significant interest to increase education, workforce training, and maker-space facilities in the Rockwood Town Center, as well as increasing opportunities for youth and families. Given the proximity to housing and schools, there is opportunity to explore a redevelopment plan to include these uses. The redevelopment plan will identify potential development strategies, financing tools, and partnerships that could support a future use on the site.

---

## **RECOMMENDATION and ALTERNATIVES**

Recommendation: Move to approve the purchase of 18450 SE Stark for \$1,050,000, and direct the Executive Director to proceed with closing consistent with the Purchase and Sale Agreement.

Alternatives: GRDC options include directing staff not to proceed with the acquisition.

---

## **BUDGET / FINANCIAL IMPACT**

Funding for this acquisition is budgeted for in the Urban Renewal Capital Improvement Program (CIPUR00006). While there are available funds within this fiscal year, an adjustment to CIPUR00006 will be required to complete the transaction.

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## **PUBLIC INVOLVEMENT**

The Gresham Redevelopment Commission Advisory Committee reviewed and recommended this acquisition at the February 14, 2024 meeting. This transaction has been a confidential real estate negotiation with a willing seller for a property not currently on the market.

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## **NEXT STEPS**

Staff will work with the City Attorney's Office, the Budget and Finance Department, and the broker to complete the purchase of the property. Closing will be scheduled according to the terms of the Purchase and Sale Agreement.

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## **ATTACHMENTS**

Attachment A: Purchase and Sale Agreement

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**FROM**

Brian Monberg, GRDC Executive Director

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**REVIEWED THROUGH**

Sharron Monohon, Budget and Finance Director  
David Ross, Senior Assistant City Attorney  
Eric Schmidt, Assistant City Manager  
Mark Takahata, Capital Improvement Program Analyst

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**FOR MORE INFORMATION**

Staff Contact: Brian Monberg  
Telephone: 503-618-2418  
Staff E-Mail: [Brian.Monberg@GreshamOregon.gov](mailto:Brian.Monberg@GreshamOregon.gov)  
Website: [www.GreshamOregon.gov/UrbanRenewal](http://www.GreshamOregon.gov/UrbanRenewal)

COMMERCIAL ASSOCIATION OF BROKERS OREGON/SW WASHINGTON  
PURCHASE AND SALE AGREEMENT AND RECEIPT FOR EARNEST MONEY  
(Oregon Commercial Form)

AGENCY ACKNOWLEDGMENT

Buyer shall execute this Acknowledgment concurrent with the execution of the Agreement below and prior to delivery of that Agreement to Seller. Seller shall execute this Acknowledgment upon receipt of the Agreement by Seller, even if Seller intends to reject the Agreement or make a counter-offer. In no event shall Seller's execution of this Acknowledgment constitute acceptance of the Agreement or any terms contained therein.

Pursuant to the requirements of Oregon Administrative Rules (OAR 863-015-0215), both Buyer and Seller acknowledge having received the Oregon Real Estate Agency Disclosure Pamphlet, and by execution below acknowledge and consent to the agency relationships in the following real estate purchase and sale transaction as follows:

(a) Seller Agent: \_\_\_\_\_ of \_\_\_\_\_ firm (the "Selling Firm") is the agent of \_\_\_\_\_ (check one):  
 Buyer exclusively;  Seller exclusively;  both Seller and Buyer ("Disclosed Limited Agency").

(b) Buyer Agent: Sue O'Halloran of Kohler Meyers O'Halloran, Inc. firm (the "Buying Firm") is the agent of \_\_\_\_\_ (check one):  
 Buyer exclusively;  Seller exclusively;  both Seller and Buyer ("Disclosed Limited Agency").

If the name of the same real estate firm appears in both Paragraphs (a) and (b) above, Buyer and Seller acknowledge that a principal broker of that real estate firm shall become the Disclosed Limited Agent for both Buyer and Seller, as more fully set forth in the Disclosed Limited Agency Agreements that have been reviewed and signed by Buyer, Seller and the named real estate agent(s).

ACKNOWLEDGED

Buyer: (print) Gresham Redevelopment Commission (sign) \_\_\_\_\_  
Date: \_\_\_\_\_

Buyer: (print) \_\_\_\_\_ (sign) \_\_\_\_\_ Date: \_\_\_\_\_

Seller: (print) The Jones Family Trust, Christopher Jones, Trustee (sign) \_\_\_\_\_  
Date: \_\_\_\_\_

Seller: (print) \_\_\_\_\_ (sign) \_\_\_\_\_ Date: \_\_\_\_\_

[No further text appears on this page.]

PURCHASE AND SALE AGREEMENT AND RECEIPT FOR EARNEST MONEY  
SALE AGREEMENT No. STARK18450

1 This PURCHASE AND SALE AGREEMENT AND RECEIPT FOR EARNEST MONEY (this "Agreement")  
2 dated \_\_\_\_\_, 2024\_\_, for reference purposes only, shall be effective on the date when this Agreement has  
3 been executed and delivered by Seller and Buyer (the "Execution Date"):

4  
5 BETWEEN: The Jones Family Trust, Christopher Jones, Trustee ("Seller")

6 Address: 465 NE 181st PO Box 623, Portland, OR 97230

7 Home Phone:

8 Office Phone: 503-781-9662

9 Fax No.:

10 E-Mail:

11  
12 AND: Gresham Redevelopment Commission ("Buyer")

13 Address: 1333 NW Eastman Parkway, Gresham, OR 97030

14 Home Phone:

15 Office Phone: 503-949-6510

16 Fax No.:

17 E-Mail:

18  
19  
20 1. Purchase and Sale.

21  
22 1.1 Generally. In accordance with this Agreement, Buyer agrees to buy and acquire from Seller, and  
23 Seller agrees to sell to Buyer the following, all of which are collectively referred to in this Agreement as the  
24 "Property:" (a) the real property and all improvements thereon generally described or located at 18450 SE Stark St.  
25 in the City of Gresham, County of Multnomah, Oregon, and legally described on Exhibit A (the "Real Estate") (if no  
26 legal description is attached, the legal description shall be the legal description of the Real Estate in the  
27 Preliminary Report (described in Section 5), subject to the review and approval of both parties hereto),  
28 including all of Seller's right, title and interest in and to all fixtures, appurtenances, and easements thereon or related  
29 thereto; (b) all of Seller's right, title and interest, if any, in and to any and all leases to which the Real Estate is subject  
30 (each, a "Lease"); and (c) any and all personal property located on and used in connection with the operation of the  
31 Real Estate and owned by Seller (the "Personal Property"). If there are any Leases, see Section 22.1, below. The  
32 occupancies of the Property pursuant to any Leases are referred to as the "Tenancies" and the occupants thereunder  
33 are referred to as "Tenants." If there is any Personal Property, see Section 22.2, below.

34  
35 1.2 Purchase Price. The purchase price for the Property shall be one million dollars (\$1,000,000.00  
36 ) (the "Purchase Price"). The Purchase Price shall be adjusted, as applicable, by the net amount of credits and  
37 debits to Seller's account at Closing (defined below) made by Escrow Holder pursuant to the terms of this  
38 Agreement. The Purchase Price shall be payable as follows:

39  
40 1.2.1 Earnest Money Deposit.

41 (a) Within 5 days of the Execution Date, Buyer shall deliver into Escrow (as  
42 defined herein), for the account of Buyer, \$25,000.00 as earnest money (the "Earnest Money") in the form of:

43  promissory note in the form of Exhibit B (the "Note");  check; or  cash equivalent (wire transfer;  
44 cashier's or certified check) or other immediately available funds.

45  
46 (b) If the Earnest Money is in the form of a Note, it shall be due and payable  no later  
47 than 5:00 PM Pacific Time three (3) days after the Execution Date;  after satisfaction or waiver by Buyer of the  
48 Conditions to Buyer's obligation to purchase the Property set forth in Section 2.1 of this Agreement; or  Other: \_\_\_\_.

49 If the terms of the Note and this Agreement conflict, the terms of this Agreement shall govern. If the Note is not  
50 redeemed and paid in full when due, then: (i) the Note shall be delivered and endorsed to Seller (if not already in  
51 Seller's possession); (ii) Seller may collect the Earnest Money from Buyer, either pursuant to an action on the Note or  
52 an action on this Agreement; and (iii) Seller shall have no further obligations under this Agreement.  
53

54 (c) The purchase and sale of the Property shall be accomplished through an escrow (the  
55 "Escrow") that Seller has established or will establish with Fidelity National Title Gresham, Kim McFeron, Branch  
56 Manager (the "Escrow Holder") within 5 days after the Execution Date. Except as otherwise provided in this  
57 Agreement: (i) any interest earned on the Earnest Money shall be considered to be part of the Earnest Money; (ii)  
58 the Earnest Money shall be non-refundable upon satisfaction or waiver of all Conditions as defined in Section 2.1;  
59 and (iii) the Earnest Money shall be applied to the Purchase Price at Closing.  
60

61 1.2.2 Balance of Purchase Price. Buyer shall pay the balance of the Purchase Price at Closing  
62 by  cash or other immediately available funds; or  Other:     .  
63

64 1.3 Section 1031 Like-Kind Exchange. Each party acknowledges that either party (as applicable, the  
65 "Exchanging Party") may elect to engage in and effect a like-kind exchange under Section 1031 of the Internal  
66 Revenue Code, involving the Property (or any legal lot thereof) (a "1031 Exchange"). The non-Exchanging Party with  
67 respect to a 1031 Exchange is referred to herein as the "Cooperating Party." Buyer and Seller each hereby agree to  
68 reasonably cooperate with the other in completing each such 1031 Exchange; provided, however, that such  
69 cooperation shall be at the Exchanging Party's sole expense and shall not delay the Closing for the Property. An  
70 assignment of this Agreement by the Exchanging Party to a 1031 Exchange accommodator shall be permitted but  
71 shall not delay Closing or release the Exchanging Party from its obligations under this Agreement. The Cooperating  
72 Party shall not suffer any costs, expenses or liabilities for cooperating with the Exchanging Party and shall not be  
73 required to take title to the exchange property. The Exchanging Party agrees to indemnify, defend and hold the  
74 Cooperating Party harmless from any liability, damages and costs arising out of the 1031 Exchange.  
75

76 2. Conditions to Purchase.  
77

78 2.1 Buyer's obligation to purchase the Property is conditioned on the following:  
79

- 80  None;  
81  Within      days of the Execution Date, Buyer's approval of the results of (collectively, the  
82 "General Conditions"): (a) the Property inspection described in Section 3 below; and (b) the  
83 document review described in Section 4 below;  
84  Within      days of the Execution Date, Buyer's receipt of confirmation of satisfactory financing  
85 (the "Financing Condition"); and/or  
86  Due diligence completed to buyer satisfaction. [Other conditions must be specifically  
87 identified].  
88

89 The General Conditions, Financing Condition and any other conditions in Section 2.1 above shall be collectively  
90 defined as the "Conditions."  
91

92 2.2 If, for any reason in Buyer's sole discretion, Buyer has not timely given written waiver of the  
93 Conditions, or stated in writing that such Conditions have been satisfied, by notice given to Seller within the time  
94 periods for such Conditions set forth above, this Agreement shall be deemed automatically terminated, the Earnest  
95 Money shall be promptly returned to Buyer, and thereafter, except as specifically provided to the contrary herein,  
96 neither party shall have any further obligation, right or remedy hereunder.  
97

98 3. Property Inspection. Seller shall permit Buyer and its agents, at Buyer's sole expense and risk, to enter  
99 the Property at reasonable times after reasonable prior notice to Seller and after prior notice by Seller to the Tenants



100 as required by the applicable Leases, if any, to conduct any and all inspections, tests, and surveys concerning the  
101 structural condition of the improvements, all mechanical, electrical and plumbing systems, hazardous materials, pest  
102 infestation, soils conditions, wetlands, Americans with Disabilities Act compliance, zoning, and all other matters  
103 affecting the suitability of the Property for Buyer's intended use and/or otherwise reasonably related to the purchase  
104 of the Property including the economic feasibility of such purchase. If the transaction contemplated in this Agreement  
105 fails to close for any reason (or no reason) as a result of the act or omission of Buyer or its agents, Buyer shall  
106 promptly restore the Property to substantially the condition the Property was in prior to Buyer's performance of any  
107 inspections or work. Buyer shall indemnify, hold harmless, and defend Seller from all liens, liability, damages, costs,  
108 and expenses, including reasonable attorneys' fees and experts' fees, arising from or relating to Buyer's or its  
109 agents', contractors' or consultants' entry on and inspection of the Property. This agreement to indemnify, hold  
110 harmless, and defend Seller shall survive Closing or any termination of this Agreement.

111  
112 4. Seller's Documents. Within \_\_\_\_ days after the Execution Date, Seller shall deliver, physically or  
113 electronically, to Buyer or Buyer's designee, legible and complete copies of the following documents, including  
114 without limitation, a list of the Personal Property, and other items relating to the ownership, operation, and  
115 maintenance of the Property to the extent now in existence and to the extent such items are or come within Seller's  
116 possession or control, including, without limitation, surveys, building and site plans, environmental reports, Leases,  
117 service contracts, rent roll, operating statements for the previous two years and current year-to-date, governmental  
118 notices, and See Addendum A.

119  
120 5. Title Insurance. Within three (3) days after the Execution Date, Seller shall instruct a title company  
121 selected by Seller (the "Title Company") to deliver to Buyer a preliminary title report from the Title Company (the  
122 "Preliminary Report"), showing the status of Seller's title to the Property, together with complete and legible copies of  
123 all documents shown therein as exceptions to title ("Exceptions"). Buyer shall have ten (10) days after receipt of a  
124 copy of the Preliminary Report and Exceptions within which to give notice in writing to Seller of any objection to such  
125 title or to any liens or encumbrances affecting the Property. Within ten (10) days after receipt of such notice  
126 from Buyer, Seller shall give Buyer written notice of whether it is willing and able to remove the objected-to  
127 Exceptions. Without the need for objection by Buyer, Seller shall, with respect to liens and encumbrances that can  
128 be satisfied and released by the payment of money, eliminate such exceptions to title on or before Closing. On or  
129 before the last day for Buyer to approve the results of the General Conditions set forth in Section 2.1 above (the "Title  
130 Contingency Date"), Buyer shall elect whether to: (i) purchase the Property subject to those objected-to  
131 Exceptions which Seller is not willing or able to remove; or (ii) terminate this Agreement. If Buyer fails to give Seller  
132 notice of Buyer's election, then such inaction shall be deemed to be Buyer's election to terminate this Agreement.  
133 On or before the Closing Date (defined below), Seller shall remove all Exceptions to which Buyer objected and which  
134 Seller agreed, or is deemed to have agreed, to remove. All remaining Exceptions set forth in the Preliminary Report  
135 and those Exceptions caused by or agreed to by Buyer shall be deemed "Permitted Exceptions."

136  
137 6. Default; Remedies. Notwithstanding anything to the contrary contained in this Agreement, in the event  
138 Buyer fails to deposit the Earnest Money in Escrow strictly as and when contemplated under Section 1.2.1 above,  
139 Seller shall have the right at any time thereafter, but prior to Buyer's deposit of the Earnest Money in Escrow, to  
140 terminate this Agreement and all further rights and obligations hereunder by giving written notice thereof to Buyer. If  
141 the conditions, if any, to Buyer's obligation to close this transaction are satisfied or waived by Buyer and Buyer fails,  
142 through no fault of Seller, to close on the purchase of the Property, Seller's sole remedy shall be to retain the Earnest  
143 Money paid by Buyer as liquidated damages. If the conditions, if any, to Seller's obligation to close this transaction  
144 are satisfied or waived by Seller and Seller fails, through no fault of Buyer, to close the sale of the Property, Buyer  
145 shall be entitled as its sole and exclusive remedy to either: (i) terminate this Agreement, receive a refund of the  
146 Earnest Money, and be reimbursed for Buyer's out-of-pocket costs related to this transaction; or (ii) to pursue the  
147 remedy of specific performance. If Buyer has not filed an action for specific performance within sixty (60) days after  
148 the scheduled Closing Date, Buyer shall be deemed to have elected remedy (i) above. In no event shall either party  
149 be entitled to punitive or consequential damages, if any, resulting from the other party's failure to close the sale of the  
150 Property. **BUYER AND SELLER EACH AGREE THAT IF BUYER DEFAULTS UNDER THIS AGREEMENT, THE**

151 DAMAGES TO SELLER WOULD BE EXTREMELY DIFFICULT AND IMPRACTICABLE TO ASCERTAIN, AND  
152 THAT THEREFORE, IF BUYER DEFAULTS HEREUNDER THE LIQUIDATED DAMAGES AMOUNT SHALL  
153 SERVE AS DAMAGES FOR THE DEFAULT BY BUYER, AS A REASONABLE ESTIMATE OF THE DAMAGES  
154 TO SELLER, INCLUDING COSTS OF NEGOTIATING AND DRAFTING THIS AGREEMENT, COSTS OF  
155 COOPERATING IN SATISFYING CONDITIONS TO CLOSING, COSTS OF SEEKING ANOTHER BUYER,  
156 OPPORTUNITY COSTS IN KEEPING THE PROPERTY OUT OF THE MARKETPLACE, AND OTHER COSTS  
157 INCURRED IN CONNECTION HEREWITH.

158  
159 7. Closing of Sale.

160  
161 7.1 Buyer and Seller agree the sale of the Property shall be closed ("Closing"), in Escrow,  on or  
162 before \_\_\_ or  \_\_\_ days after the Conditions set forth in Sections 2.1 have been satisfied or waived in writing by  
163 Buyer (the "Closing Date"). The sale of the Property shall be deemed closed when the document(s) conveying title to  
164 the Property is/are delivered and recorded and the Purchase Price is disbursed to Seller.

165  
166 7.2 At Closing, Buyer and Seller shall deposit with the Escrow Holder all documents and funds  
167 required to close the transaction in accordance with the terms of this Agreement. At Closing, Seller shall  
168 deliver a certification confirming whether Seller is or is not a "foreign person" as such term is defined by applicable  
169 law and regulations.

170  
171 7.3 At Closing, Seller shall convey fee simple title to the Property to Buyer by  statutory warranty  
172 deed or  \_\_\_ (the "Deed"). At Closing, Seller shall cause the Title Company to deliver to Buyer a standard ALTA  
173 form owner's policy of title insurance (the "Title Policy") in the amount of the Purchase Price insuring fee simple title  
174 to the Property in Buyer subject only to the Permitted Exceptions and the standard preprinted exceptions contained in  
175 the Title Policy. Seller shall reasonably cooperate in the issuance to Buyer of an ALTA extended form policy of title  
176 insurance. Buyer shall pay any additional expense resulting from the ALTA extended coverage and any  
177 endorsements required by Buyer.

178  
179 8. Closing Costs; Prorations. Seller shall pay the premium for the Title Policy, provided, however, if Buyer  
180 elects to obtain an ALTA extended form policy of title insurance and/or any endorsements, Buyer shall pay the  
181 difference in the premium relating to such election. Seller and Buyer shall each pay one-half (1/2) of the escrow fees  
182 charged by the Escrow Holder. Real property taxes for the tax year of the Closing, assessments (if a Permitted  
183 Exception), personal property taxes, rents and other charges arising from existing Tenancies paid for the month of  
184 Closing, and interest on assumed obligations shall be prorated as of the Closing Date based on amounts collected.  
185 Seller shall use reasonable efforts to cause any applicable utility meters to be read on the day prior to the Closing  
186 Date, and will be responsible for the cost of any utilities used prior to the Closing Date. If applicable, prepaid rents,  
187 prepaid common area maintenance charges, reserves, security deposits, and other unearned refundable deposits  
188 relating to Tenancies shall be assigned and delivered to Buyer at Closing.  Seller  Buyer  N/A shall be  
189 responsible for payment of all taxes, interest, and penalties, if any, upon removal of the Property from any special  
190 assessment or program. If any of the aforesaid prorations cannot be definitely calculated on the Closing Date, then  
191 they shall be estimated at Closing and definitely calculated as soon after the Closing Date as feasible.

192  
193 9. Possession. Seller shall deliver exclusive possession of the Property, subject to the Tenancies (if any)  
194 existing as of the Closing Date and the Permitted Exceptions, to Buyer  on the Closing Date or  \_\_\_.

195  
196 10. Condition of Property. Seller represents and warrants to Buyer that: (i) Seller has received no written  
197 notices of violation of any laws, codes, rules, or regulations applicable to the Property ("Laws") that were not  
198 delivered to Buyer pursuant to Section 4 above; (ii) to the best of Seller's knowledge without specific inquiry, the  
199 Property is not in violation of any Laws and there are no concealed material defects in the Property; (iii) Seller has  
200 delivered complete copies of all Leases and service contracts for the Property to Buyer; and (iv) to the best of Seller's  
201 knowledge, the documents prepared by Seller and delivered to Buyer pursuant to Section 4 are accurate in all



202 material respects. Unless caused by Buyer, Seller shall bear all risk of loss and damage to the Property until  
203 Closing, and Buyer shall bear such risk at and after Closing. Except for Seller's representations and warranties set  
204 forth in this Section 10, Buyer shall acquire the Property "AS IS" with all faults and Buyer shall rely on the results of  
205 its own inspection and investigation in Buyer's acquisition of the Property. It shall be a condition of Buyer's Closing  
206 obligation that all of Seller's representations and warranties stated in this Agreement are materially true and correct  
207 on the Closing Date. Seller's representations and warranties stated in this Agreement shall survive Closing for one  
208 (1) year.

209  
210 11. Condemnation or Casualty. If, prior to Closing, all or any material part of the Property is (a) condemned  
211 or appropriated by public authority or any party exercising the right of eminent domain, or is threatened thereby, or  
212 (b) if there occurs a fire or other casualty causing material damage to the Property or any material portion thereof,  
213 then, at the election of Buyer by written notice to Seller, either: (i) this Agreement shall terminate, whereupon all  
214 Earnest Money and any interest accrued thereon shall be promptly refunded to Buyer; or (ii) this Agreement shall  
215 remain in effect and Seller shall assign to Buyer at Closing Seller's entire right, title and interest in the taking award or  
216 casualty insurance proceeds attributable to the portion of the Property taken or destroyed, as the case may be. If  
217 Buyer fails to make such election within twenty (20) days after written notice from Seller, Buyer shall be deemed to  
218 have elected option (ii) above. Seller will promptly notify Buyer as to the commencement of any such action or any  
219 communication from a condemning authority that a condemnation or appropriation is contemplated, and will  
220 cooperate with Buyer in the response to or defense of such actions.

221  
222 12. Operation of Property. Between the Execution Date and the Closing Date, Seller shall: (i) continue to  
223 operate, maintain and insure the Property consistent with Seller's current operating practices; (ii) provide Buyer with  
224 copies of any proposed new leases, agreements or contracts described below; and (iii) not, without Buyer's prior  
225 written consent, which consent shall not be unreasonably withheld, conditioned, or delayed, enter into: (a) any new  
226 leases or occupancy agreements for the Property; (b) any material amendments or modification agreements for any  
227 existing Leases or occupancy agreements for the Property; or (c) any service contracts or other agreements affecting  
228 the Property that are not terminable prior to Closing.

229  
230 13. Assignment. Assignment of this Agreement:  is PROHIBITED; or  is PERMITTED, without  
231 consent of Seller; provided, that assignment of this Agreement by Buyer to an entity owned or controlled by Buyer or  
232 to a 1031 Exchange accommodator is permitted without Seller's consent. If Seller's written consent is required for  
233 assignment, such consent may be withheld in Seller's reasonable discretion. In the event of any assignment, Buyer  
234 shall remain liable for all Buyer's obligations under this Agreement.

235  
236 14. Arbitration. IF AND ONLY IF THIS SECTION IS INITIALED BY BUYER AND SELLER, THE  
237 FOLLOWING SHALL APPLY TO THIS AGREEMENT:

238  
239 ANY DISPUTE BETWEEN BUYER AND SELLER RELATED TO THIS AGREEMENT, THE PROPERTY, OR THE  
240 TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT WILL BE RESOLVED BY ARBITRATION GOVERNED  
241 BY THE OREGON UNIFORM ARBITRATION ACT (ORS 36.600 et seq.) AND, TO THE EXTENT NOT  
242 INCONSISTENT WITH THAT STATUTE, CONDUCTED IN ACCORDANCE WITH THE RULES OF PRACTICE AND  
243 PROCEDURE FOR THE ARBITRATION OF COMMERCIAL DISPUTES OF THE ARBITRATION SERVICE OF  
244 PORTLAND ("ASP"). THE ARBITRATION SHALL BE CONDUCTED IN PORTLAND, OREGON AND  
245 ADMINISTERED BY ASP, WHICH WILL APPOINT A SINGLE ARBITRATOR HAVING AT LEAST FIVE (5) YEARS  
246 EXPERIENCE IN THE COMMERCIAL REAL ESTATE FIELD IN THE \_\_\_ GEOGRAPHIC AREA (IF BLANK IS NOT  
247 COMPLETED, PORTLAND METROPOLITAN AREA). ALL ARBITRATION HEARINGS WILL BE COMMENCED  
248 WITHIN THIRTY (30) DAYS OF THE DEMAND FOR ARBITRATION UNLESS THE ARBITRATOR, FOR SHOWING  
249 OF GOOD CAUSE, EXTENDS THE COMMENCEMENT OF SUCH HEARING. THE DECISION OF THE  
250 ARBITRATOR WILL BE BINDING ON BUYER AND SELLER, AND JUDGMENT UPON ANY ARBITRATION  
251 AWARD MAY BE ENTERED IN ANY COURT HAVING JURISDICTION. THE PARTIES ACKNOWLEDGE THAT,  
252 BY AGREEING TO ARBITRATE DISPUTES, EACH OF THEM IS WAIVING CERTAIN RIGHTS, INCLUDING ITS

253 RIGHTS TO SEEK REMEDIES IN COURT (INCLUDING A RIGHT TO A TRIAL BY JURY), TO DISCOVERY  
254 PROCESSES THAT WOULD BE ATTENDANT TO A COURT PROCEEDING, AND TO PARTICIPATE IN A CLASS  
255 ACTION.

256 \_\_\_\_\_  
257 Initials of Buyer

\_\_\_\_\_  
Initials of Seller

258  
259 15. Attorneys' Fees. In the event a suit, action, arbitration, or other proceeding of any nature whatsoever,  
260 including without limitation any proceeding under the U.S. Bankruptcy Code, is instituted, or the services of an  
261 attorney are retained, to interpret or enforce any provision of this Agreement or with respect to any dispute relating to  
262 this Agreement, the prevailing or non-defaulting party shall be entitled to recover from the losing or defaulting party its  
263 attorneys', paralegals', accountants', and other experts' fees and all other fees, costs, and expenses actually incurred  
264 in connection therewith (the "Fees"). In the event of suit, action, arbitration, or other proceeding, the amount of Fees  
265 shall be determined by the judge or arbitrator, shall include all costs and expenses incurred on any appeal or review,  
266 and shall be in addition to all other amounts provided by law.

267  
268 16. Statutory Notice. THE PROPERTY DESCRIBED IN THIS INSTRUMENT MAY NOT BE WITHIN A  
269 FIRE PROTECTION DISTRICT PROTECTING STRUCTURES. THE PROPERTY IS SUBJECT TO LAND USE  
270 LAWS AND REGULATIONS THAT, IN FARM OR FOREST ZONES, MAY NOT AUTHORIZE CONSTRUCTION OR  
271 SITING OF A RESIDENCE AND THAT LIMIT LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS  
272 DEFINED IN ORS 30.930 (Definitions for ORS 30.930 to 30.947), IN ALL ZONES. BEFORE SIGNING OR  
273 ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE  
274 PERSONS RIGHTS, IF ANY, UNDER ORS 195.300 (Definitions for ORS 195.300 to 195.336), 195.301 (Legislative  
275 findings) AND 195.305 (Compensation for restriction of use of real property due to land use  
276 regulation) TO 195.336 (Compensation and Conservation Fund) AND SECTIONS 5 TO 11, CHAPTER 424,  
277 OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO  
278 7, CHAPTER 8, OREGON LAWS 2010. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON  
279 ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY  
280 PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY  
281 ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 (Definitions for ORS 92.010 to  
282 92.192) OR 215.010 (Definitions), TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO VERIFY  
283 THE EXISTENCE OF FIRE PROTECTION FOR STRUCTURES AND TO INQUIRE ABOUT THE RIGHTS OF  
284 NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300 (Definitions for ORS 195.300 to  
285 195.336), 195.301 (Legislative findings) AND 195.305 (Compensation for restriction of use of real property due to  
286 land use regulation) TO 195.336 (Compensation and Conservation Fund) AND SECTIONS 5 TO 11, CHAPTER 424,  
287 OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO  
288 7, CHAPTER 8, OREGON LAWS 2010.

289  
290 17. Cautionary Notice About Liens. UNDER CERTAIN CIRCUMSTANCES, A PERSON WHO  
291 PERFORMS CONSTRUCTION-RELATED ACTIVITIES MAY CLAIM A LIEN UPON REAL PROPERTY AFTER A  
292 SALE TO THE PURCHASER FOR A TRANSACTION OR ACTIVITY THAT OCCURRED BEFORE THE SALE. A  
293 VALID CLAIM MAY BE ASSERTED AGAINST THE PROPERTY THAT YOU ARE PURCHASING EVEN IF THE  
294 CIRCUMSTANCES THAT GIVE RISE TO THAT CLAIM HAPPENED BEFORE YOUR PURCHASE OF THE  
295 PROPERTY. THIS INCLUDES, BUT IS NOT LIMITED TO, CIRCUMSTANCES WHERE THE OWNER OF THE  
296 PROPERTY CONTRACTED WITH A PERSON OR BUSINESS TO PROVIDE LABOR, MATERIAL, EQUIPMENT  
297 OR SERVICES TO THE PROPERTY AND HAS NOT PAID THE PERSONS OR BUSINESS IN FULL.

298  
299 18. Brokerage Agreement. The Agency Acknowledgement on page 1 this Agreement is incorporated into  
300 this Agreement as if fully set forth herein. Seller agrees to pay a commission to Selling Firm in the amount of either:  
301   percent (\_\_\_%) of the Purchase Price or  \$\_\_\_\_. Such commission shall be divided between Selling Firm  
302 and Buying Firm such that Selling Firm receives \_\_\_ percent (\_\_\_%) and Buying Firm receives \_\_\_ percent (\_\_\_%).  
303 Seller shall cause the Escrow Holder to deliver to Selling Firm and Buying Firm the real estate commission on the

304 Closing Date or upon the failure of this transaction to Close on account of Seller's default under this Agreement,  
305 whichever occurs first. If the Earnest Money is forfeited by Buyer and retained by Seller in accordance with this  
306 Agreement, in addition to any other rights the Selling Firm and Buying Firm may have, the Selling Firm and the  
307 Buying Firm, together, shall be entitled to the lesser of: (i) fifty percent (50%) of the Earnest Money; or (ii) the  
308 commission agreed to above, and Seller hereby assigns such amount to the Selling Firm and the Buying Firm.  
309

310 19. Notices. Unless otherwise specified, any notice required or permitted in, or related to this Agreement  
311 must be in writing and signed by the party to be bound. Any notice will be deemed delivered: (a) when personally  
312 delivered; (b) when delivered by facsimile or electronic mail transmission (in either case, with confirmation of  
313 delivery); (c) on the day of delivery of the notice by reputable overnight courier; or (d) on the day of delivery of the  
314 notice by mailing by certified or registered U.S. mail, postage prepaid, return receipt requested, unless that day is a  
315 Saturday, Sunday, or federal or Oregon State legal holiday, in which event such notice will be deemed delivered on  
316 the next following business day. All notices shall be sent by the applicable party to the address of the other party  
317 shown at the beginning of this Agreement.  
318

319 20. Miscellaneous. Time is of the essence of this Agreement. If the deadline under this Agreement for  
320 delivery of a notice or performance of any obligation is a Saturday, Sunday, or federal or Oregon State legal holiday,  
321 such deadline will be deemed extended to the next following business day. The facsimile and/or electronic mail  
322 transmission of any signed document including this Agreement shall be the same as delivery of an original, and  
323 digital signatures shall be valid and binding. At the request of either party, the party delivering a document by  
324 facsimile and/or electronic mail will confirm such transmission by signing and delivering to the other party a duplicate  
325 original document. This Agreement may be executed in counterparts, each of which shall constitute an original and  
326 all of which together shall constitute one and the same Agreement. This Agreement contains the entire agreement  
327 and understanding of the parties with respect to the subject matter of this Agreement and supersedes all prior and  
328 contemporaneous agreements between them. Without limiting the provisions of Section 13 of this Agreement, this  
329 Agreement shall be binding upon and shall inure to the benefit of Buyer and Seller and their respective successors  
330 and assigns. Solely with respect to Sections 15 and 18, Selling Firm and Buying Firm are third party beneficiaries of  
331 this Agreement. The person signing this Agreement on behalf of Buyer and the person signing this Agreement  
332 on behalf of Seller each represents, covenants and warrants that such person has full right and authority to enter into  
333 this Agreement and to bind the party for whom such person signs this Agreement to its terms and provisions. Neither  
334 this Agreement nor a memorandum hereof shall be recorded unless the parties otherwise agree in writing.  
335

336 21. Governing Law. This Agreement is made and executed under, and in all respects shall be governed  
337 and construed by, the laws of the State of Oregon.  
338

339 22. Lease(s) and Personal Property.

340 22.1 Leases.

341 22.1.1 Seller shall use commercially reasonable efforts to deliver to Buyer, at least \_\_\_ days  
342 **(three (3) if not filled in)** before the Closing Date, a tenant estoppel certificate, reasonably acceptable to Buyer,  
343 pertaining to each Lease at the Property in effect as of the Closing Date (each, a "Tenant Estoppel") for each Tenant  
344 occupying 5,000 square feet or more of the Property and Tenants occupying not less than eighty percent (80%) of  
345 the remaining leasable square feet of the Property. Such Tenant Estoppels shall be dated no more than \_\_\_ days  
346 **(thirty (30) if not filled in)** prior to the Closing Date and shall certify, among other things: (a) that the Lease is  
347 unmodified and in full force and effect, or is in full force and effect as modified, and stating the modifications; (b) the  
348 amount of the rent and the date to which rent has been paid; (c) the amount of any security deposit held by Seller;  
349 and (d) that neither party is in default under the Lease or if a default by either party is claimed, stating the nature of  
350 any such claimed default. If Seller has not obtained Tenant Estoppels from all Tenants of the Property, then Seller  
351 shall have the right, but not the obligation, to execute and deliver to Buyer a Tenant Estoppel with respect to any  
352 such Lease setting forth the information required by this Section 22.1.1 and confirming the accuracy thereof. Buyer's  
353  
354

355 timely receipt of Tenant Estoppels from all Tenants satisfying the foregoing requirements shall be a condition to  
356 Buyer's obligation to Close this transaction.

357  
358 22.1.2 If applicable, the assignment of the Lease(s) by Seller, and assumption of the Lease(s) by  
359 Buyer, shall be accomplished by executing and delivering to each other through Escrow on the Closing Date an  
360 Assignment of Lessor's Interest under Lease substantially in the form of Exhibit C (the "Assignment").

361  
362 22.2 Personal Property. If applicable, Seller shall convey all Personal Property to Buyer by  
363 executing and delivering to Buyer at Closing through Escrow (as defined below), a Bill of Sale substantially in the  
364 form of Exhibit D (the "Bill of Sale"). A list of such Personal Property shall be attached to the Bill of Sale.

365  
366 23. Residential Lead-Based Paint Disclosure. IF THE PROPERTY CONSISTS OF RESIDENTIAL  
367 HOUSING BUILT PRIOR TO 1978, BUYER AND SELLER MUST COMPLETE THE LEAD-BASED PAINT  
368 DISCLOSURE ADDENDUM ATTACHED HERETO AS EXHIBIT E.

369  
370 24. Addenda; Exhibits. The following named addenda and exhibits are attached to this Agreement and  
371 incorporated within this Agreement:

- 372  Exhibit A – Legal Description of Property  
373  Exhibit B – Form of Earnest Money Promissory Note  
374  Exhibit C – Assignment of Lessor's Interest under Lease (if applicable)  
375  Exhibit D – Bill of Sale (if applicable)  
376  Exhibit E – Lead Paint Disclosure Addendum (if applicable)

377  
378 25. OFAC Certification. The Federal Government, Executive Order 13224, requires that business persons  
379 of the United States not do business with any individual or entity on a list of "Specially Designated nationals and  
380 Blocked Persons" - that is, individuals and entities identified as terrorists or other types of criminals. Seller and Buyer  
381 hereinafter certify to each other that:

382  
383 25.1 It is not acting, directly or indirectly, for or on behalf of any person, group, entity, or nation  
384 named by any Executive Order or the United States Treasury Department as a terrorist, specially designated national  
385 and/or blocked person, entity, nation, or transaction pursuant to any law, order, rule, or regulation that is enforced or  
386 administered by the Office of Foreign Assets Control; and

387  
388 25.2 It has not executed this Agreement, directly or indirectly on behalf of, or instigating or  
389 facilitating this Agreement, directly or indirectly on behalf of, any such person, group, entity, or nation.

390  
391 Seller and Buyer hereby agree to defend, indemnify, and hold harmless each other from and against any and all  
392 claims, damages, losses, risks, liabilities, and expenses (including attorney's fees and costs) arising from or related  
393 to any breach of the foregoing certification. This certification and agreement to indemnify, hold harmless, and defend  
394 shall survive Closing or any termination of this Agreement.

395  
396 CONSULT YOUR ATTORNEY. THIS DOCUMENT HAS BEEN PREPARED FOR SUBMISSION TO YOUR  
397 ATTORNEY FOR REVIEW AND APPROVAL PRIOR TO SIGNING. NO REPRESENTATION OR  
398 RECOMMENDATION IS MADE BY THE COMMERCIAL ASSOCIATION OF BROKERS OREGON/SW  
399 WASHINGTON OR BY THE REAL ESTATE AGENTS INVOLVED WITH THIS DOCUMENT AS TO THE LEGAL  
400 SUFFICIENCY OR TAX CONSEQUENCES OF THIS DOCUMENT.

401  
402 THIS FORM SHOULD NOT BE MODIFIED WITHOUT SHOWING SUCH MODIFICATIONS BY REDLINING,  
403 INSERTION MARKS, OR ADDENDA.

406 Buyer The Jones Family Trust

407

408 By: \_\_\_\_\_

409 Name: \_\_\_\_\_

410 Title: \_\_\_\_\_

411 Date: \_\_\_\_\_

412

413

414 Seller Gresham Redevelopment Commission

415

416 By: \_\_\_\_\_

417 Name: \_\_\_\_\_

418 Title \_\_\_\_\_

419 Date: \_\_\_\_\_

420

421 Time for Acceptance. If the second party to execute this Agreement has not executed and delivered this Agreement  
422 within \_\_\_\_ days (**five (5) if not filled in**) after the date this Agreement was signed by the first party to execute this  
423 Agreement set forth above, then any Earnest Money deposited shall be promptly refunded to Buyer and neither party  
424 shall have any right or obligation hereunder.

425

DRAFT

**Addendum to Real Estate Agreement**

**Sale Agreement STARK18450**

Buyer: Gresham Redevelopment Commission

Addendum A

Seller: The Jones Family Trust, Chris Joes, Trustee

Property: 18450 SE Stark Street, Gresham OR 97030

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Seller and Buyer agree the following will be a part of the Sale Agreement referenced above.

1. Section 2: Conditions to Purchase: Buyer is satisfied with Due Diligence.
2. Section 4 Seller's Documents: Seller has provided a list of the personal property to be included in the sale. Sellerr has not provided any other documents to Buyer. Seller hereby states it has not received any government notices pertinent to the property.
3. Section 5 Title Insurance: Buyer has reviewed the Preliminary Title Report and is satisfied therewith.
4. Section 7 Closing of Sale: Buyer and Seller agree Closing shall occur on or before March 29, 2024, subject to Redevelopment Commission final approval of Purchase and Sale Agreement and Exhibits and Addendum A thereto.
5. Section. 10 Condition of Property: Seller shall have uncovered sprinkler head of foam insulation; replace lighting fixture "exit sign light"; provide automatic seismic shut-off device at natural gas service prior to Closing Date.
6. Section 18 Brokerage Agreement: Seller is unrepresented by a Broker in this transaction. Buyer's Broker representative is Sue O'Halloran, Principal Broker of Kohler Meyers O'Halloran, Inc., and Darren O'Halloran, Senior Broker of Kohler Meyers O'Halloran, Inc. A Broker Service Agreement has been delivered to Fidelity National Title for compensation by Buyer at Closing of this transaction.
7. Section 22 Leases: The parties acknowledge there are no leases existing in regard to the Property
8. Section 22.2 Personal Property: Buyer has inspected the personal property on February 7, 2024, and is satisfied the personal property contained on Seller's iist, attached to Bill of Sale and made part hereof, is located within the building; and the purchase price for the personal property is \$50,000.00 to be paid to Seller by Buyer at Closing. The purchase of the personal property is in addition to the purchase of the real property.

Buyer: **Gresham Redevelopment Commission** By \_\_\_\_\_ Date \_\_\_\_\_

Seller: **The Jones Family Trust** By \_\_\_\_\_ Date \_\_\_\_\_  
Chris A. Jones, Trustee

EXHIBIT A  
LEGAL DESCRIPTION OF PROPERTY

The South 185.36 feet of the East 235 feet of Lot 10, EASTWOOD, together with that non-exclusive easement over Lot 10 described as follows:

A strip of land 15 feet in width, being 7.5 feet on each side of the following described line:

Beginning on the south line of SE Stark Street, as it presently exists, 143.5 feet East of the West line of Lot 10, EASTWOOD, Multnomah county, State of Oregon; thence Southerly and parallel to the West line of said Lot 10, 250 feet; thence south 45 degrees West to a point which is 103.5 feet East of the West line of Lot 10, and thence southerly parallel to the West line of Lot 10 to the North boundary of the South 185.36 feet to the East 235 feet of Lot 10, Eastwood

All in the County of Multnomah, State of Oregon.

DRAFT

EXHIBIT D  
BILL OF SALE

The Jones Family Trust ("Seller"), for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, does hereby bargain, transfer, convey and deliver to Gresham Redevelopment Commission ("Buyer"), its successors and/or assigns:

All of the personal property owned by Seller (collectively, "Personal Property") located in or on the real property located at 18450 SE Stark St. in the City of Gresham, County of Multnomah, State of OR, which Personal Property is more particularly described on Schedule 1 attached hereto and incorporated herein by reference.

Seller hereby covenants with Buyer that said Personal Property is free and clear of and from all encumbrances, security interests, liens, mortgages and claims whatsoever and that Seller is the owner of and has the right to sell same. Seller, on behalf of itself and its successors, does hereby warrant and agree to defend the title in and to said Personal Property unto Buyer, its successors or assigns against the lawful claims and demands of all persons claiming by or through Seller.

IT IS UNDERSTOOD AND AGREED THAT BUYER HAS EXAMINED THE PERSONAL PROPERTY HEREIN SOLD AND THAT THIS SALE IS MADE "AS IS, WHERE IS" AND SELLER DISCLAIMS ANY EXPRESS OR IMPLIED WARRANTY OTHER THAN THE WARRANTY OF TITLE SET FORTH ABOVE, AS TO THE PERSONAL PROPERTY INCLUDING WITHOUT LIMITATION THE IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

Buyer and Seller agree that this Bill of Sale shall be effective upon the delivery thereof by Seller to Buyer.

IN WITNESS WHEREOF, the parties have caused this Bill of Sale to be executed this \_\_\_\_\_ day of \_\_\_\_\_,

SELLER:

The Jones Family Trust

BUYER:

Gresham Redevelopment Commission



Tool + Machine  
Contents of Hawthorne Woodworking  
1-25-24 D

- 1 Sandmaster-2000 wide belt sander 3ph 36"
- 2 Bighouse-Murphy Rodgers #imrq 12/12 4-D
- 3 Atlantic work bandsaw 34" throat 15" high cut
- 4 OOTI system w/ spark detector
- 5 Ritter Horizontal Belt Sander #R703 single phase
- 6 Cantor hollow chisel mortiser #1913 single phase
- 7 Maschinen-Bar-Hebrock edgebander RV165
- 8 1HP Delta Shaper  $\frac{1}{2}$  arbor 36x27 top 34" high  
Single Phase 220
- 9 3HP Powermatic Shaper model 23  $\frac{1}{2}$  arbor  
3 Phase 220
- 10 Hammer multi-try Rley Shaper model 2 3phase
- 11 Jet Power feed model 5PF-3-1 1hp 1ph
- 12 Porter cable Pocket Cutter model 552
- 13 Delta Drill Press  $\frac{3}{4}$  Hp 1 Ph
- 14 Continental Heavy Duty Drill press 12-speed  
 $\frac{3}{4}$  Hp 1ph
- 15 Rockwell screw saw #85-3765 24" throat  
 $\frac{1}{3}$  hp 1ph
- 16 Delta table saw 10" 1hp 3ph
- 17 Power Craft table saw 12" 3hp 3ph
- 18 America 8" Joiner Cast Iron 3hp 3ph

- 19 Barton 13" planer 3hp 3ph
- 20 Biesmeyer saw fence 42"
- 21 Radkin Planer 24" model T63D 3ph 7½ hp
- 22 Air compressor Kellogg American  
Model 335 TV 5hp 3ph
- 23 Double head Tenoning machine 2¾ Hp 3ph
- 24 Millburg machine Tenon 2-1 hp 3ph Model BT 111
- 25 Walker Turner Bench Grinder ½ hp 1ph
- 26 Chas Parker # 264 Bench vice
- 27 Delta wood lathe 7' Bed
- 28 10" Lathe chisel stand Fread
- 29 2- Reynor model XL-170-3 gas furnaces
- 30 12" swing saw wall mount 2hp 3ph
- 31 Dewalt compound miter saw DW705
- 32 Porter cable omni jig 24
- 33 Bar clamps 1-12" 1-9" 2-8" 3-8" 2-7" 2-6"  
4-54", 10-36", 5-30"
- 34 Standard C clamps 4-10", 17-8", 4-5", 2-4"  
4-3", 2-2½", 4-2"
- 35 2-Kanters fix clamp edge clamp
- 36<sup>2</sup> Merle adjustable corner clamp
- 37<sup>2</sup> Pony 8510 face frame clamps
- 38 2- Leichtung clamps
- 39 Jorgensen adjustable wood clamps 4-8" 2-10"

- 40 2- Belt strap clamps
- 41 1- Bessey W93 corner clamp
- 42 2 18" W use grips
- 43 10" Miter spring clamps - multiclamp
- 44 4-10" Hargrave spring clamps #3
- 45 1- Grosstabil F clamp 20x7
- 46 1- Bessey tradesman clamp 7x42
- 47 Shop Fox F clamps 2-36", 1-24", 2-18"
- 48 Air wrench CP 732
- 49 2- National detroit finish sanders
- 50 1 CP 870 Air sander
- 51 1-m-562 DB 3/8 impact wrench air
- 52 1 UT 2208 3/8 Ratchet wrench air
- 53 1- AT 140 Cut off tool air
- 54 1- Rodac Pneumatic drill air
- 55 Rockwell model 508 Heavy duty Circular <sup>Saw</sup>
- 56 Skill home builder Saw model 687
- 57 Routers
- 1 1- Porter cable 6912
- 2 2- " " 6902
- 3 4- Stanley 1/4 hp
- 4 1- Stanley 1/2 hp 9015
- 5 1 Porter cable 75192 3/4 hp
- 6 1 Stanley 90300 B2 1 hp

- 7 1- Makita 3600B2 plunge
- 8 1- Bosch 061905439  $\frac{3}{4}$ hp
- 9 1- Ryobi R160 Router
- 10 1- Bosch trim router
- 58 Black & Decker Sander Polaris  $\frac{3}{4}$ hp
- 59 Bosch Sander B7000
- 60 Porter Cable Plate joiner #555
- 61 McCulloch angle grinder  $4\frac{1}{2}$ "
- 62 Makita power plane KPO800
- 63 4- Porter cable 5" Random orbit  
2 need base
- 64 2- Dewalt jigsaws W333
- 65 1 Bosch jigsaw 1587 VS Broke
- 66 1- Dewalt  $\frac{3}{8}$  VCR drill #21008
- 67 1- Makita  $\frac{1}{2}$  chuck drill 4700 drill
- 68 1- Skil 1x02 Lithium drive
- 69 flipout Fosh 2014 Cordless screw driver
- 70 Bosch 1 Driver 10.8V Cordless Right angle
- 71 1- Bosch 2124 12V Lithium ion screwdriver
- 72 1 Bosch 3825 12V " " "
- 73 1 Bosch 1276 Belt Sander
- 70 1 Porter Cable Belt Sander
- 71 1 Porter Cable Belt Sander 362
- 72-1 Rigid Belt Sander R2040

- 73 1 porter cable sander # 505  
74 1 Skill belt sander 24" # 323  
75 1- Milwaukee Heavy duty sander/grinder # 6052  
76 Dremel moto tool # 395  
77 Delta 16" jointer  
78 Ja Fay egans universal trimmer miter  
45°  
79 Skill model 676 power plane

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Tool + Machine  
Contents of Hawthorne Woodworking  
1-25-24 D

- 1 Sandmaster-2000 wide belt sander 3ph 36"
- 2 Beighouse-Murphy Rodgers #imrq 12/12 4-D
- 3 Atlantic works bandsaw 34" throat 15" high cut
- 4 OOTI system 624 spark detector
- 5 Ritter Horizontal Belt Sander #R703 single phase
- 6 Carter hollow chisel mortiser #1913 single phase
- 7 Maschinen-Ban-Hebrock edgebander RV165
- 8 1HP Delta Shaper 1/2 arbor 36x27 top 34" high  
Single Phase 220
- 9 3HP Powermatic Shaper model 23 1/2 arbor  
3 Phase 220
- 10 Hammer multi-triplex Shaper model 2 3phase
- 11 Jet Power feed model SPF-3-1 1hp 1ph
- 12 Porter cable Pocket Cutter model 552
- 13 Delta Drill Press 3/4Hp 1Ph
- 14 Continental Heavy Duty Drill press 12 speed  
3/4Hp 1ph
- 15 Rockwell screw saw #85-3765 24" throat  
1/3hp 1ph
- 16 Delta table saw 10" 1hp 3ph
- 17 Power Craft table saw 12" 3hp 3ph
- 18 America 8" Joiner Cast Iron 3hp 3ph

- 19 Barton 13" planer 3hp 3ph
- 20 Biesmeyer saw fence 42"
- 21 Madkin Planer 24" model T63D 3ph 7½ hp
- 22 Air compressor Kellogg American  
Model 335 TS 5hp 3ph
- 23 Double head Tenoning machine 2¾ Hp 3ph
- 24 Muellerburg machine Iron 2-1 hp 3ph Model BT 111
- 25 Walker Turner Bench Vicer ½ hp 1ph
- 26 Chas Parker # 264 Bench vice
- 27 Delta wood lathe 7' Bed
- 28 10<sup>4</sup> Lathe chisels Broad F head
- 29 2- Reynor model XL-170-3 gas furnaces
- 30 12" swing saw wall mount 2hp 3ph
- 31 Dewalt compound miter saw DW 705
- 32 Porter cable omni Jig 24
- 33 Bar clamps 1-12" 1-9" 2-8" 3-8" 2-7" 2-6"  
4-54" 10-36" 5-30"
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- 75 1- Milwaukee Heavy duty sander/grinder #6052
- 76 Dremel moto tool #395
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# GRESHAM

## REDEVELOPMENT COMMISSION

### AGENDA ITEM TYPE: DISCUSSION AND POLICY DIRECTION

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#### Storefront Improvement Grant Program

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**Meeting Date:** February 20, 2024

**Agenda Item Number:** E-3

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#### REQUESTED COMMISSION ACTION

Move to direct the Executive Director of the Gresham Redevelopment Commission to proceed with the Storefront Improvement Grant Program.

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#### PUBLIC PURPOSE AND COMMUNITY OUTCOME

The public purpose is to provide resources to help businesses and property owners improve the appearance and operation of their buildings. Storefront Improvement grants will fund improvements to the street-facing exteriors of eligible buildings along the major commercial arterials of the Rockwood-West Gresham Urban Renewal Area (URA). Owners of buildings and tenants of eligible buildings may apply for funds, which are paid to the Grantee after the agreed-upon improvements are completed and paid for by the grantee.

This program furthers the following Rockwood-West Gresham Renewal Plan Goals: Goal 1 (Public Involvement), Goal 2 (Improve Rockwood Town Center), Goal 4 (Help Create and Retain Family Wage Jobs by Improving Industrial and Commercial Areas) and Goal 8 (Promote Quality Development).

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#### BACKGROUND

The presentation today will provide a proposal for grant funds to support enhancements to businesses and property owners within the district. This draft proposal is reflective of the urban renewal plan, previous GRDC administered grant programs, and current best practices.

The Storefront Improvement grant program was previously established in January 2005 to improve the commercial vitality and appearance of Rockwood building owners or tenants proposing exterior, street-facing improvements to commercial properties facing major arterials along Stark, Burnside and 181st are eligible for 50% reimbursement of the total cost up to \$20,000. The program was administered for seven years.

With the successful 2022 ballot measure which extended the Urban Renewal Program to the year 2029, there is an opportunity to invest funds to support business development. The previously administered grant program provided significant enhancements to grantees. The program also incentivized further private investment in the district.

Over the last year staff has been reviewing best practices for storefront grant programs, including talking to previous program, other cities, and proposing a draft framework for a 2024 grant program. The current proposal is also reflective of current business conditions, as many businesses are recovering from significant economic challenges during the pandemic.

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**RECOMMENDATION and ALTERNATIVES**

Staff recommends the Gresham Redevelopment Commission move to direct the Executive Director of the Gresham Redevelopment Commission to proceed with the Storefront Improvement Program.

The Commission can also choose to make revisions to the proposed Storefront Improvement Grant or direct staff not to proceed with the program.

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**BUDGET / FINANCIAL IMPACT**

Funds for this program are budgeted within the FY 2023-24 urban renewal budget for business grant programs. Funds are not to exceed \$250,000 for implementation this fiscal year.

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**PUBLIC INVOLVEMENT**

The proposed Storefront Improvement Program was presented to the Gresham Redevelopment Commission Advisory Committee on January 10, 2024, for review and feedback. With direction to proceed with the program, staff will prepare recorded information session, and mailing to eligible businesses within the district.

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**NEXT STEPS**

With GRDC direction, staff will proceed with the administration of the Storefront Improvement Program.

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**ATTACHMENTS**

- A. Program Guidelines
  - B. Grant Process Steps
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**FROM**

Johntae Ivory, Urban Renewal, Program Technician

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**REVIEWED THROUGH**

Brian Monberg, GRDC Executive Director  
Conner Harmon, Management Analyst I

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**FOR MORE INFORMATION**

Staff Contact: Johntae Ivory  
Telephone: 503-618-2473  
Staff E-Mail: [johnetae.ivory@GreshamOregon.gov](mailto:johnetae.ivory@GreshamOregon.gov)  
Website: [www.GreshamOregon.gov/UrbanRenewal](http://www.GreshamOregon.gov/UrbanRenewal)

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## **Guidelines**

The Storefront Improvement grant program is administered by the Gresham Redevelopment Commission (GRDC). The grant provides financial and technical assistance to commercial property and business owners who wish to restore or update their storefront façades on buildings located in the Rockwood-West Gresham Urban Renewal Area (URA).

### **Eligibility – Who can apply?**

The business must be located within the Storefront Improvement grant boundaries on a grant eligible street to participate (see Attachment A). Funded projects will increase the assessed value of the property, increase the perception of safety and neighborhood vibrancy, retain and bring new jobs to the area, and utilize vacant or underutilized buildings. Eligible improvements made to the exterior of a building must be durable and of high quality and amount to at least \$20,000 in value. Grant applications are accepted year-round and are available in English, Spanish, Vietnamese, and Russian. Reaching out to speak to a staff member before applying is encouraged, especially if you are new to this grant process.

Both commercial property owners and business lessees with written authorization of the property owner may apply for grant funding. Properties with delinquent property taxes, liens or outstanding City code violations will not be considered for grant approval.

### Eligible Improvements:

- Exterior painting
- Siding replacement
- Windows and door replacement
- New cornices, gutters and downspouts
- Signs and graphics
- Exterior lighting
- Canopies and awnings (durable and high quality, no vinyl)
- Landscaping, fencing, bike racks, and interior window display lighting are allowed as long as they are part of the work that directly affects the building exterior.

Businesses not eligible for Storefront Improvement grant funding include:

- is a corporate or franchise store with more than three existing locations unless the business is an independently owned franchised business that is:
  - a. primarily owned by an individual(s) residing in the City of Gresham, or
  - b. owned by a legal entity that is primarily owned by individuals residing in the City of Gresham;
- includes a drive-thru;
- National franchises/for profit corporations with multiple locations outside of the metro region.
- Buildings in excess of 80,000 square feet;

- Government offices and agencies (non-governmental tenants are eligible) or other non-taxed entities.
- Businesses that exclude minors; and
- Properties primarily in residential use.

#### Ineligible Improvements:

- Roofs
- Structural foundations
- Sidewalks and stand-alone ADA related improvements All bids must be submitted to GRDC staff within 120-days of the date of the Pre-Approval Letter
- Billboards
- Security systems
- Non-permanent fixtures
- Interior window coverings
- Personal property and equipment
- Security bars
- Razor/barbed wire fencing
- Paving
- Advertising, interior modifications, and other projects that do not directly relate to the visual improvement or rehabilitation of the business

#### **Funding Assistance**

The grant funds 50% of total eligible project costs, up to \$40,000.

The grant will reimburse for the following expenses for eligible improvements:

- Materials used in eligible improvements
- Labor costs except those performed by Grantee
- City of Gresham permit and design review fees

Grant funds are paid on a reimbursement basis; the Grantee must pay the entire cost of grant-funded improvements before receiving grant funds.

City of Gresham encourages business to hire firms who are locally based.

Property owners who hire a State-certified COBID Firm to perform approved work will be eligible for a match grant of up to 60% total eligible project costs, up to \$48,000. A Grantee seeking to qualify for the COBID incentive must bring this to the attention of GRDC staff when bids are submitted.

The State of Oregon COBID website offers a directory of certified firms at:

<https://www.oregon.gov/biz/programs/cobid/pages/default.aspx>

#### **Application Process – How to apply?**

*Interested applicants should contact Urban Renewal for an appointment by email at [johntae.ivory@greshamOregon.gov](mailto:johntae.ivory@greshamOregon.gov) or call 503-618-2473*

1. Site Visit: Staff will make a site visit to the property to discuss the applicant's ideas and make recommendations on how to submit an eligible proposal for the next grant cycle.

2. Application: Applications may be submitted at any time. Grants are awarded on a first-come, first-served basis. The applicant completes and submits an application form, project description, and budget.
3. GRDC Approval: The GRDC reviews all applications and has the sole authority to approve a grant award and to determine eligibility of the proposed work. Certain types of work may be required or precluded as a condition of funding.
4. Pre-Approval Letter: Once approved for a grant, Grantees receive a Pre-Approval Letter from the GRDC. This letter will include the GRDC approved scope of work and the next steps in the grant process.
5. Bidding: Three competitive bids are required for most proposed work. For any element of the project that is bid at less than \$20,000, one bid will suffice. The GRDC will fund 50% of the lowest bid for all eligible project's components, not to exceed the maximum grant amount approved by the GRDC. Only bids from contractors licensed within the State of Oregon will be accepted. All construction contracts are between the Grantee and the contractor. [Can you remove the percentage part?]

The applicant obtains quotes and bids from contractors, reviews all necessary codes and permits, and budgets how to provide the required matching funds.

All bids must be submitted to GRDC staff within 120-days of the date of the Pre-Approval Letter.

If bids are not submitted within this time frame, the grant approval will expire. Extensions may be granted by the GRDC Executive Director. The extension must be requested in writing prior to the 120-day submittal deadline.

6. Letter of Commitment: A Letter of Commitment will be issued after all pre-approval conditions are met and the project is approved by the GRDC. The Letter of Commitment outlines the commitment of grant funds and additional terms and conditions of the matching grant. The letter is a binding contractual commitment between the parties that outlines the scope and quality of work and the amount of funds committed to the project.
7. Completion of the Work: The Grantee is responsible for hiring qualified professionals to carry out the grant-funded work. Most work must be completed by contractors licensed within the State of Oregon. A Grantee must make a good faith effort to hire local contractors. For more information regarding the City definition of 'local', please contact GRDC staff. All construction contracts are between the Grantee and the contractor(s). Grantees are responsible for obtaining necessary regulatory approvals, including City of Gresham building and development permits. All work must comply with city, state, and federal regulations.
8. Disbursement of Grant Funds: Once all of the contracted work has been completed, the Grantee will submit copies of receipts showing proof of payment and a Release of Lien from all contractors that completed eligible work. All receipts must be submitted to GRDC staff within 120-days of the date of the Letter of Commitment.

Grant funds will not be disbursed for work completed before:

- A Letter of Commitment has been provided;
- The work has been reviewed by GRDC staff for compliance with the Letter of Commitment;
- Proof of payment and release of liens have been received;
- Proof that all necessary regulatory approvals, including City of Gresham building permits, have been received, and

- Delinquent property taxes, liens or outstanding City code violations are resolved.

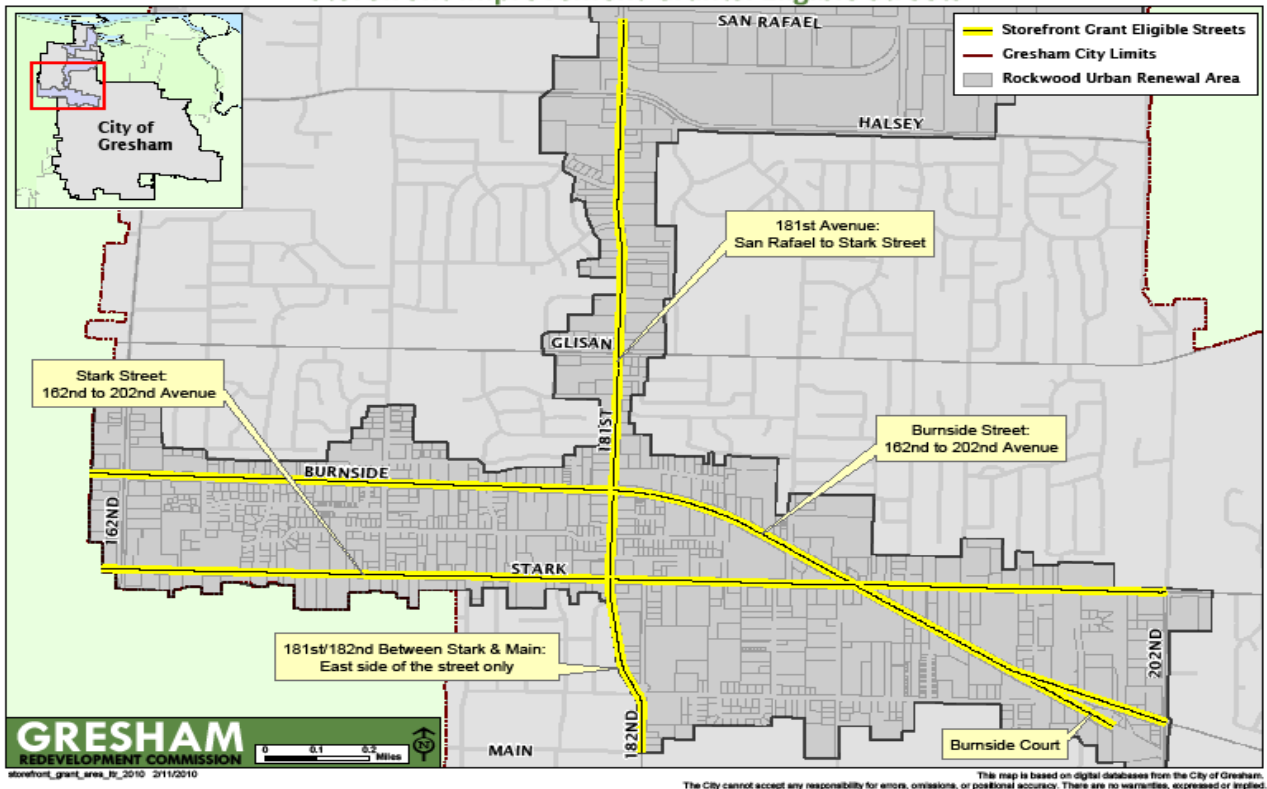
**General Conditions:**

- Improvements funded by the grant will be maintained in good order for a minimum period of five years.
- Upon completion of improvements, the Grantee shall provide a Certificate of Property Insurance evidencing property coverage for improvements in an amount not less than the value of the improvements.
- Eligible buildings qualify for a maximum of \$40,000. The same building is eligible to participate in Storefront Improvement more than once as long as the building does not exceed the maximum grant. The maximum grant will be available again after a five-year period. If a building is sold and the new owner wishes to apply for the grant, the five-year time period still applies. The five-year time period begins on the date the improvements are completed.
- All projects will display signage promoting the GRDC grant assistance for the improvements. The sign will be supplied by the GRDC.
- Grantee agrees to allow the GRDC to publicize the completed project on the City web site and other GRDC materials.
- The GRDC and the GRDC Executive Director reserve the right to consider exceptions to the grant policies and guidelines on a case-by-case basis at their discretion.

For more information, please contact Johntae Ivory, at (503) 618-2473 or by email at [johntae.ivory@greshamoregon.gov](mailto:johntae.ivory@greshamoregon.gov).

**Attachment A**

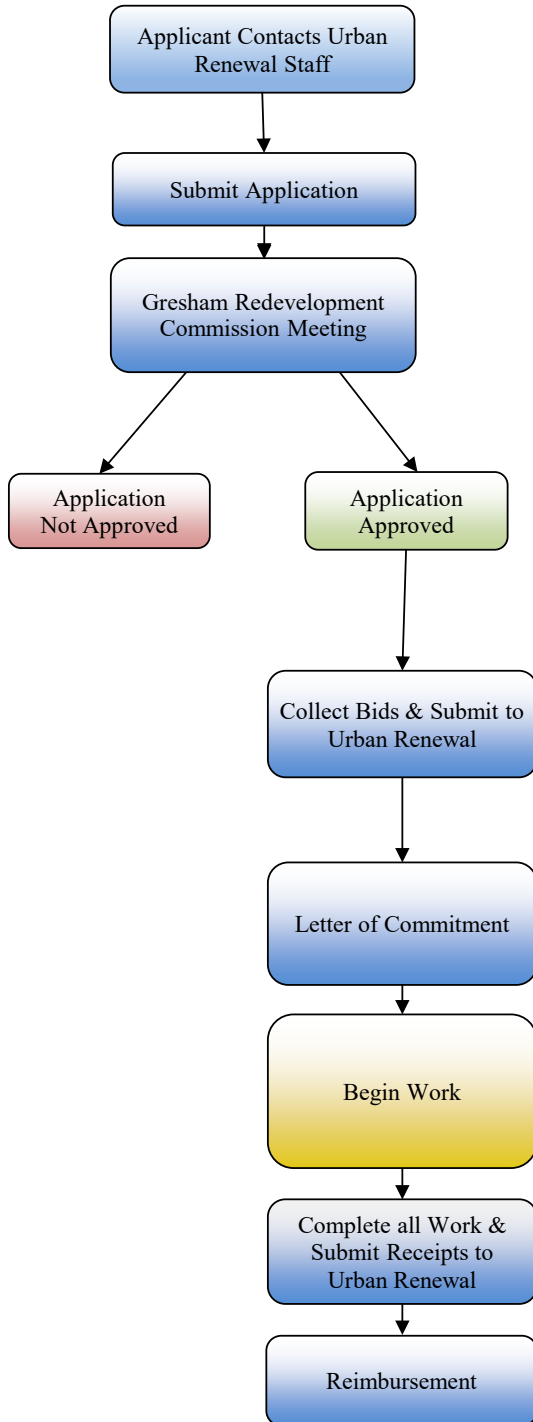
**Storefront Improvement Grants: Eligible Streets**





## ROCKWOOD STOREFRONT GRANT PROCESS STEPS

### SCHEMATIC



### DESCRIPTION

The applicant should contact Urban Renewal staff prior to submitting an application to discuss the grant parameters and what the applicant hopes to accomplish with their grant.

Applicant submits application and scope of work to Urban Renewal staff.

Grant applications are considered for approval by the Gresham Redevelopment Commission (GRDC) at monthly public meetings. Typically, an application will be scheduled for consideration the month following submission. It is recommended that applicants attend the GRDC meeting.

The GRDC will either approve, approve with modifications, or deny the grant request at the public meeting. The applicant is notified in writing of the GRDC's decision.

Within 120-days of the date of the Pre-approval letter, Grantee acquires 3 bids for each element of grant-funded work. Only one bid is required for work up to \$10,000. Grantee is not required to hire lowest bidder, but reimbursement is based on total of lowest bids. Please submit all bids at the same time.

Urban Renewal reviews the bids and prepares Letter of Commitment specifying the work to be completed, maximum grant amount, and the terms and conditions of the grant.

Once the Letter of Commitment has been signed and returned to Urban Renewal, the grant-approved work can begin. Any work completed prior to the Letter of Commitment being signed is not eligible for reimbursement.

After all grant-approved work has been completed, the Grantee submits the payment documentation for all of that work to Urban Renewal.

Urban Renewal reimburses the Grantee for half of the costs of the grant-funded work. The payment shall not exceed the maximum grant award and will be paid out in a single payment.