



URBAN RENEWAL AGENCY MEETING AGENDA

MONDAY, JULY 13, 2020
WEBEX COMMUNITY AUDITORIUM
1915 MAIN STREET

9:05 PM URBAN RENEWAL AGENCY MEETING

NOTICE: VIDEO CONFERENCE MEETINGS & CHANNEL 30 LIVE

COVID-19: Due to the emergency declaration resulting from COVID-19 (Coronavirus disease) and protocols, the Urban Renewal Agency (URA) Board is limiting in-person contact and social distancing. The URA meeting will be conducted remotely by video conferencing. The public may attend and observe in the Community Auditorium. Social distancing protocols. However, the Board encourages the public to observe the meetings through technology rather than in person. The meetings will be televised live at the start time, or shortly thereafter, by Tualatin Valley Community Television (TVCTV) Government Access Programming LIVE [Channel 30](#) and Live Streamed on [YouTube Channel 30](#). Written comments on an item not on the URA Agenda may be submitted by July 13, 2020, 3:00 p.m. via e-mail to: aruggles@forestgrove-or.gov.

PETER B. TRUAX, DIRECTOR BOARD CHAIR

Malynda H. Wenzl, Director Board President
Kristy L. Kottkey, Director
Timothy A. Rippe, Director

Elena Uhing, Director
Mariana Valenzuela, Director
Adolph "Val" Valfre, Jr., Director

All regular meetings of the Urban Renewal Agency are open to the public and persons are permitted to attend any meeting except as otherwise provided by ORS 192. The public may address the Urban Renewal Agency Board as follows:

Public Hearings are held on each matter required by state law or City policy. Anyone wishing to testify should sign in prior to the meeting. The presiding officer will review the complete hearing instructions prior to testimony. The presiding officer will call the individual or group by the name given on the sign in form. When addressing the Board, please use the witness table (center front of the room). Each person should speak clearly into the microphone and must state his or her name and give an address for the record. All testimony is electronically recorded. In the interest of time, Public Hearing testimony is limited to three minutes unless the presiding officer grants an extension. Written or oral testimony is heard prior to any Board action.

Citizen Communications: Anyone wishing to address the Board on an issue not on the agenda should sign in for Citizen Communications prior to the meeting. The presiding officer will call the individual or group by the name given on the sign in form. When addressing the Board, please use the witness table (center front of the room). Each person should speak clearly into the microphone and must state his or her name and give an address for the record. All testimony is electronically recorded. In the interest of time, Citizen Communications is limited to two minutes unless the presiding officer grants an extension.

The public may not address items on the agenda unless the item is a public hearing. Routinely, members of the public speak during Citizen Communications and Public Hearings. If you have questions about the agenda or have an issue that you would like to address to the Urban Renewal Agency Board, please contact the City Recorder, aruggles@forestgrove-or.gov, 503-992-3235.

All meetings are handicap accessible. Assistive Listening Devices (ALD) or qualified sign language interpreters are available for persons with impaired hearing or speech. For any special accommodations, please contact the City Recorder, aruggles@forestgrove-or.gov, 503-992-3235, at least 48 hours prior to the meeting.

FOREST GROVE URBAN RENEWAL AGENCY AGENDA

JULY 13, 2020

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- 9:05**
1. **URBAN RENEWAL AGENCY MEETING:** Call to Order and Roll Call. The Urban Renewal Agency will convene and be video conferencing remotely during the meeting.
 2. **CITIZEN COMMUNICATIONS:** Anyone wishing to speak to Board on an item not on the agenda may be heard at this time. *Please sign-in before the meeting on the Citizen Communications form posted in the foyer.* In the interest of time, please limit comments to two minutes. Written comments may be submitted by July 13, 2020, 3:00 p.m. via e-mail to: aruggles@forestgrove-or.gov. Thank you.
 3. **CONSENT AGENDA:** Items under the Consent Agenda are considered routine and will be adopted with a single motion, without separate discussion. Board members who wish to remove an item from the Consent Agenda may do so prior to the motion to approve the item(s). Any item(s) removed from the Consent Agenda will be discussed and acted upon following the approval of the remaining Consent Agenda item(s).
 - A. Approve Urban Renewal Agency Regular Meeting Minutes of June 22, 2020.
 4. **ADDITIONS/DELETIONS:**
 5. **PRESENTATIONS:** None
 6. **URA RESOLUTION NO. 2020-06 OF THE CITY OF FOREST GROVE URBAN RENEWAL AGENCY AUTHORIZING APPROVAL OF EXCLUSIVE NEGOTIATING AGREEMENT WITH WELSHCORP, LLC, FOR THE PROPERTY KNOWN AS SITE B ON THE FORMER TIMES LITHO PROPERTY AND AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE THE AGREEMENT ON BEHALF OF THE URBAN RENEWAL AGENCY**
 7. **ADJOURNMENT:**
- 9:30**

Paul Downey, Administrative
Services Director
Jesse VanderZanden, City Manager

9:10



Minutes are unofficial until approved by the Urban Renewal Agency.

1. CALLED TO ORDER AND ROLL CALL:

Peter Truax, Urban Renewal Agency (URA) Director Chair, called the URA meeting to order at 9:36 p.m. via Webex Video Conference.

COVID-19: Due to the emergency declaration resulting from COVID-19 (Coronavirus disease) and protocols, the URA Board limited in-person contact and social distancing. **The Board conducted the URA meeting remotely by video conferencing.** The meeting was remotely video conferenced by City Recorder Ruggles and televised live from the projector screen at the Community Auditorium by Tualatin Valley Community Television (TVCTV) Government Access Programming LIVE Channel 30 and Live Streamed on MACC TVCTV YouTube Channel 30. The public was allowed to attend and observe in the Community Auditorium as space allowed. The URA Board accepted written comments on items not on the agenda submitted by June 22, 2020, 3pm, to the City Recorder.

ROLL CALL: URA DIRECTORS PRESENT ATTENDED BY WEBEX REMOTELY: Kristy Kottkey; Timothy Rippe; Elena Uhing; Mariana Valenzuela; Adolph "Val" Valfre; Malynda Wenzl, Vice Chair; and Peter Truax, Chair.

STAFF PRESENT ATTENDED BY WEBEX REMOTELY: Jesse VanderZanden, City Manager (Webex remotely); Paul Downey, Administrative Services Director (Webex remotely); and Anna Ruggles, City Recorder (in the Community Auditorium).

2. CITIZEN COMMUNICATIONS: None.

3. CONSENT AGENDA:

- A. Approve Urban Renewal Agency Work Session (2019 URA Annual Report and Draft URA 2020 Work Plan) Meeting Minutes of April 27, 2020.
- B. Approve Urban Renewal Agency Work Session (Site B Redevelopment Proposal) Meeting Minutes of May 11, 2020.
- C. Approve Urban Renewal Agency Regular Meeting Minutes of May 11, 2020.
- D. Approve Urban Renewal Agency Work Session (Business Assistance Program) Meeting Minutes of May 11, 2020.

MOTION: Director Valfre moved, seconded by Director Uhing, to approve the Consent Agenda as presented. **MOTION CARRIED 7-0 by voice vote.**

4. ADDITIONS/DELETIONS: None.

5. **PRESENTATIONS:** None.

PUBLIC HEARING AND URA RESOLUTION NO. 2020-05 ADOPTING THE BUDGET, MAKING APPROPRIATIONS, AND DECLARING THE TAX INCREMENT FOR FISCAL YEAR COMMENCING JULY 1, 2020, AND ENDING JUNE 30, 2021

Staff Report:

Downey presented the above-proposed resolution for Board consideration, noting the URA Budget Committee approved at its meeting of June 4, 2020, a proposed budget of \$778,830 and declared tax increment be collected for Fiscal Year commencing July 1, 2020, and ending June 30, 2021. In conclusion of the above-noted staff report, Downey advised staff is recommending approval of the proposed URA budget for Fiscal Year commencing July 1, 2020, and ending June 30, 2020, noting staff is not proposing any change to the budget approved by the Budget Committee.

Before proceeding with Public Hearing and Board discussion, Director Chair Truax asked for a motion to adopt URA Resolution No. 2020-05.

VanderZanden read URA Resolution No. 2020-05 by title.

MOTION: Director Uhing moved, seconded by Director Rippe, to adopt URA Resolution No. 2020-05 Adopting the Budget, Making Appropriations, and Declaring the Tax Increment for Fiscal Year Commencing July 1, 2020, and Ending June 30, 2021.

Public Hearing Opened:

Director Chair Truax opened the Public Hearing and explained hearing procedures.

Testimony Heard:

No one testified and no written comments were received.

Public Hearing Closed:

Director Chair Truax closed the Public Hearing.

Board of Directors Discussion:

Hearing no discussion from the Board, Director Chair Truax asked for a roll call vote on the above motion.

ROLL CALL VOTE: AYES: Directors Johnston, Rippe, Thompson, Uhing, Wenzl, Valfre, and Director Chair Truax. NOES: None. MOTION CARRIED 7-0.

7. **ADJOURNMENT:**

Director Chair Truax adjourned the URA regular meeting at 9:44 p.m.

Respectfully submitted,

Anna D. Ruggles, CMC, City Recorder

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<i>CITY RECORDER USE ONLY:</i>	
AGENDA ITEM #:	<u>6.</u>
MEETING DATE:	<u>07/13/2020</u>
FINAL ACTION:	<u>URA RESO 2020-06</u>

URBAN RENEWAL AGENCY STAFF REPORT

TO: *Urban Renewal Agency Board of Directors*

FROM: *Jesse VanderZanden, Executive Director*

MEETING DATE: *July 13, 2020*

PROJECT TEAM: *Paul Downey, Administrative Services Director*

SUBJECT TITLE: *Approve ENA and Authorize Executive Director to Execute ENA*

ACTION REQUESTED:

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ordinance	Order	X	Resolution	X	Motion	Informational	

X all that apply

ISSUE STATEMENT: The Forest Grove Urban Renewal Agency (URA) issued a request for proposal to develop the URA-owned Site B on the corner of “B” Street and Pacific Avenue which is the vacant property next to the Jesse Quinn Apartments Budget. The URA received one concept proposal for the property for an approximate 20,000 square-foot grocery store with 12 apartments above the grocery store. The URA Committee (URAC) approved the concept proposal and forwarded it to the URA Board, which on May 11, 2020, gave staff direction to pursue an Exclusive Negotiating Agreement (ENA) as the next step in the process to approve development of the project. Staff is finalizing the ENA with the developer and is asking the URA to approve the draft ENA and authorize the Executive Director to approve ENA in the current form allowing for minor modifications in the final version of the ENA.

BACKGROUND: The City Attorney’s Office has reviewed the proposed ENA. The ENA does not approve the development but it has several purposes including:

- It sets out base criteria for the development that will be used for future discussions as the project moves forward.
- The ENA gives WelshCORP, LLC, exclusive negotiating rights for the property for six months while it performs its due diligence for the property including doing site evaluation, additional design work based on the site evaluation, working with City staff on required elements for the building and site, and determining how much affordable housing the project will have and how the affordable housing will be managed.
- The ENA states what pre-development assistance the URA is willing to provide during the pre-development review period. Most of the URA assistance is for the traffic/parking study and doing what is needed with the site in preparation to ultimately sell the property to WelshCORP. The URA and the City already has information about the site that can be

provided to the developer such as geotechnical, hazardous waste assessments, and site survey information.

- It states what the developer is responsible to do such as architect and engineering design.

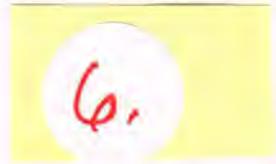
The intent is that if the pre-development review performed under the ENA is successful and both parties agree to move forward with the development, the next step would be a Disposition and Development Agreement (DDA), which will provide a detailed description of the project and what the developer is required to do, set out the terms for the disposition of the property, and describe what further assistance the URA will provide, if any, such as land write-down or permit fee assistance. If a DDA is completed, the developer would begin construction of the project.

FISCAL IMPACT: The ENA is offering up to \$31,500 in URA financial assistance for this pre-development phase. The FY 2020-21 Adopted Budget has \$321,161 budgeted in Undesignated Projects that can pay for this proposed funding. During the budget process, this line item was identified as the source for financial assistance that may be offered during the process. A separate line item will be established in the URA budget to separately track all direct financial assistance.

STAFF RECOMMENDATION: Staff recommends the URA Board of Directors approve the attached resolution to approve the ENA and authorize the Executive Director to execute the agreement.

ATTACHMENT: Resolution Authorizing Approval Of Exclusive Negotiating Agreement With Welshcorp, LLC, For The Property Known As Site B On The Former Times Litho Property And Authorizing The Executive Director To Execute The Agreement On Behalf Of The Urban Renewal Agency

URBAN RENEWAL AGENCY OF THE CITY OF FOREST GROVE



URA RESOLUTION NO. 2020-06

RESOLUTION OF THE CITY OF FOREST GROVE URBAN RENEWAL AGENCY AUTHORIZING APPROVAL OF EXCLUSIVE NEGOTIATING AGREEMENT WITH WELSHCORP, LLC, FOR THE PROPERTY KNOWN AS SITE B ON THE FORMER TIMES LITHO PROPERTY AND AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE THE AGREEMENT ON BEHALF OF THE URBAN RENEWAL AGENCY

WHEREAS, WelshCORP, LLC (WelshCORP) has proposed a concept development on the Urban Renewal Agency (URA)-owned property known as Site B; and

WHEREAS, City staff and WelshCORP have negotiated an Exclusive Negotiating Agreement (ENA) in order for WelshCORP to do pre-development design with the ultimate goal of negotiating a Disposition and Development Agreement between WelshCORP and the URA; and

WHEREAS, certain pre-development costs will be paid by the URA as per terms of the ENA; and

WHEREAS, the URA desires to enter into the ENA with WelshCORP for the pre-development work on Site B.

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

Section 1. The City approves the Exclusive Negotiation Agreement for the pre-development work on Site B.

Section 2. That the City Council authorizes the URA Executive Director to sign the agreement in a form substantially akin to that attached to this resolution as Exhibit A.

Section 3. This resolution is effective immediately upon its enactment by the Urban Renewal Agency Board.

PRESENTED AND PASSED this 13th day of July, 2020.

Jesse VanderZanden
Urban Renewal Agency Executive Director

APPROVED by the Urban Renewal Agency of the City of Forest Grove at a regular meeting on this 13th day of July, 2020, and filed with the Forest Grove City Recorder this date.

Peter B. Truax
Urban Renewal Agency Board Chair

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EXCLUSIVE NEGOTIATING AGREEMENT

This EXCLUSIVE NEGOTIATING AGREEMENT (the "Agreement") is made and entered into as of the last date of signature indicated below (the "Effective Date"), by and between the Forest Grove Urban Renewal Agency ("Agency"), a municipal corporation established under ORS Chapter 457, and WelshCORP, d.b.a. FreshFoods, and MFF Properties, LLC (together "Developer").

RECITALS

- A. Agency owns real property and all rights appurtenant thereto (hereinafter "Property"), located at the northwest corner Pacific Avenue and B Street in the City of Forest Grove, County of Washington, State of Oregon, commonly known as Site B.
- B. The Agency released a request for proposal (RFP) seeking developer interest to redevelop the Property consistent with ORS 457, and the Forest Grove Urban Renewal Plan.
- C. The Agency received a responsive proposal from Developer in response to the Agency's RFP which is attached to this agreement as Exhibit A.
- D. The Agency has identified Developer for further negotiations concerning redevelopment of the Property subject to the approval of the Forest Grove Urban Renewal Agency Board.
- E. This Agreement confirms the basis upon which Agency and Developer (the "Parties") are prepared to exclusively negotiate the terms of a Disposition and Development Agreement ("DDA") and related documents providing for the redevelopment of the Property (the "Project"), which then must be approved by the Forest Grove Urban Renewal Agency.

TERMS

1. Good Faith Exclusive Negotiations. Agency and Developer agree and covenant to negotiate the terms of a DDA and any intervening Memoranda of Understanding (MOU) (both defined below) in good faith. Agency and Developer acknowledge and agree Developer will expend time and expense in preparing its initial proposal, conducting due diligence, providing preliminary conceptual design aspects and refining its development proposal. During the term hereof, Agency agrees Developer shall have the exclusive right to conduct due diligence and negotiate with Agency for the rights to develop the Property and Agency will not accept, solicit, pursue or entertain other offer(s) or indications of interest with respect to the Property for any development, sale or other transaction.
2. Duration. The Agreement's term is 180 days from the Effective Date which may be extended for an additional 120-day renewal term upon the written approval of the Agency Executive Director. This Agreement automatically terminates upon execution and delivery of a DDA

(assuming one is ultimately negotiated) which thereafter controls the rights of Agency and Developer with respect to the Property. The Parties may terminate this Agreement by mutual agreement in writing as stipulated below if latent conditions are discovered on the Property or events occur that would (either presently or with the passage of time) prevent the entry and execution of a DDA.

Notwithstanding the above, either Agency or Developer may at their option terminate this Agreement by 30-days advance notice in writing if the other makes a material misrepresentation in the course of the negotiations hereof; otherwise fails to act in good faith; if Developer becomes insolvent or (in the terminating party's reasonable estimation) otherwise is unable to perform as set forth in the Base Development Criteria.

3. Base Development Criteria. The Base Development Criteria expresses Agency's expectations with regard to the transaction serving as guidance at the inception and during negotiations between Developer and Agency but are not nor shall be construed as mandatory criteria. The Base Development Criteria are attached as Exhibit A.
4. Memorandum of Understanding. Tentative agreements on the terms of the DDA may be memorialized in a written Memorandum of Understanding ("MOU") or series of MOUs approved by the Agency Board during the Term of this Agreement. Any such MOUs will provide the framework for final negotiation and preparation of the DDA.
5. Pre-Development Assistance.
 - 5.1 Pre-development costs for Phase 1 are estimated to be a total of \$31,500 for the Agency, which agrees to contribute up to a maximum of \$31,500 toward certain Pre-development tasks identified in Exhibit B including:
 - A. Agency is responsible for costs associated with environmental and geo-technical reports on the Property as well as a survey thereof. Agency will provide any lot line adjustments necessary to make the whole property a single lot.
 - B. Agency will pay up to \$15,000 for a Traffic and Parking Study for the proposed development and will work with the Developer to ensure the study addresses the requirements for this proposed development. Developer will reimburse Agency for any costs of the study in excess of \$15,000.
 - 5.2 The Developer is responsible for all pre-development architect and engineering work on the project and this work is not included in the description of pre-development work in Section 5.4.
 - 5.3 Agency will provide the Market Analysis for Grocery Retail Space in Forest Grove, February 2018 that was prepared for the City of Forest Grove. If additional market study work is required for this project, the additional work is the responsibility of the Developer unless the Agency has not spent the maximum contribution described

in Section 5.1. If the maximum has not been reached and all of the other tasks listed in Exhibit B are complete, the Agency will contribute funds for this study until the maximum is reached.

- 5.4 All pre-development work products, excluding the additional market study work, if any, are the property of Developer and Agency except in the event of an early termination pursuant to Section 2 above, in which case all pre-development work products listed in Exhibit B become the sole property of Agency.
- 5.5 Developer monies paid pursuant to this Agreement will be set off against the cost of the land purchase agreed to by Agency in a DDA with Developer.

6. Co-application/Cooperation.

- 6.1 Agency and Developer shall be co-applicants on any land use permit application sought in connection with this Agreement or subsequent Memoranda issued during the term thereof. Developer shall bear responsibility for all land use application and permit fees unless otherwise agreed to by Agency in writing.
- 6.2 Agency and Developer shall each provide the other all information reasonably related to the Property and Project which may be obtained without material expense upon written request. Agency and Developer shall cooperate in connection with any zoning and development code amendments, applications, permits, approvals or entitlements sought by Developer from any governmental authority with respect to the Project, including easements, provided Agency is not required to incur any material cost or liability connection with such applications, permits or approvals unless otherwise agreed to by Agency in writing.

7. Due Diligence. Developer may conduct due diligence and inspections of the Property, including physical, legal and engineering inspections, tests and investigations as it deems necessary or desirable including soils and environmental studies. Such studies and investigations may include (without limitation) zoning, land use, environmental, title, design review, covenants, conditions and restrictions, financing, leasing markets, project feasibility and related matters. The scope and cost of the due diligence and inspections shall be the sole discretion and responsibility of Developer. In the event Developer elects not to proceed with the DDA or development of the Project, Developer shall nonetheless provide Agency copies of all studies, including environmental and soils studies, surveys, title reports and similar information developed by or provided to Developer during Due Diligence.

8. Access. Agency shall provide Developer full access to the Property for purposes of Due Diligence. Developer shall provide Agency written notice, email is acceptable for this purpose, three days in advance of intent to access property. Developer shall repair or restore any damage caused by the Developer's or its agent's entry on or under the Property to the condition it was in, or better, prior to the damages.

9. Indemnity and Insurance. Developer hereby agrees to indemnify, defend and hold Agency, including its appointed and elected officials, officers, employees and agents harmless from and against any and all claims for injury to third persons or damage to property caused by or resulting from the acts of Developer or its representatives or consultants on or about the Property. During the term of this Agreement, Developer shall maintain insurance with respect to its activities on or about the Property, naming Agency as an additional insured, in amounts as follows: (i) commercial general liability insurance with a combined single limit of not less than \$2,000,000 per occurrence and with at least \$5,000,000 general aggregate; (ii) auto liability insurance with combined single limit of \$2,000,000 per occurrence; (iii) employers liability insurance with a limit of not less than \$2,000,000; and (iv) in addition to the primary limits specified in (i) and (ii) above, excess liability insurance with a limit of not less than \$3,000,000 for each occurrence and in the aggregate. The indemnity required under this Section 9 survives termination of this Agreement.
10. No Assignment. Neither party shall assign or transfer its interest in this Agreement or the Property until termination of this Agreement or execution and delivery of the DDA.
11. Brokers. Agency and Developer each represent and warrant to the other that no broker, finder or other representative is acting on its behalf in connection with this Agreement. Agency and Developer agree to indemnify, defend and hold the other harmless from any claim or liability for any fee, commission or other compensation with respect to this Agreement, the DDA or other transactions contemplated hereby, asserted by any other broker, finder or other representative claiming through the indemnifying party. This Section 11 survives termination of this Agreement.
12. Confidentiality. Agency and Developer agree all information submitted by Developer during the term hereof is submitted on the condition that Agency keep said information confidential. Agency agrees not to disclose the confidential information provided by Developer, including but not limited to financial statements regarding Developer or the Project and pro forma information. The Agency can provide this information to a third party specifically hired by the Agency to assist in review of the proposed development. This nondisclosure agreement survives termination of this Agreement but does not apply to the extent any such information is publicly available, has been disclosed by other parties or is required to be disclosed by the Washington County District Attorney under Oregon public records laws. Agency further agrees that it will not disclose the terms of this Agreement, MOUs or DDA prior to the termination or expiration of this Agreement or execution of the DDA (whichever occurs first) unless disclosure is required by the Washington County District Attorney under Oregon public records laws.
13. Public Information. Upon execution of this agreement, Developer shall provide Agency a set of development concept plans similar to the massing diagrams previously provided to the Agency but without any detail information such as square footage or number of units.
14. Governing Law. This Agreement shall be governed by the laws of the state of Oregon.
15. Time of the Essence. Time is of the essence of this Agreement.

16. Amendments. This Agreement may be amended only by the written agreement of the Parties hereto.
17. Notices. All notices given under this Agreement must be in writing and either (i) personally delivered, (ii) delivered by express mail, Federal Express or comparable courier service, or (iii) delivered by certified mail, postage prepaid, return receipt requested, as follows:

To Agency: Forest Grove Urban Renewal Agency
 Paul Downey, Administrative Services Director
 1924 Council Street
 P.O. Box 326
 Forest Grove, OR 97116-0326

To Developer: WelshCORP
 Jonathan Welsh, President
 P.O. Box 185
 730 Manzanita Avenue
 Manzanita, OR 97130

All notices shall be deemed effective upon receipt. Any party may from time to time change its address for purposes of this Section by notice in writing to the other party.

18. Binding Effect. During the Term hereof and any extensions thereto the Parties shall negotiate in good faith to complete and execute a definitive DDA upon terms and conditions consistent with this Agreement and any MOUs. No sale agreement or other right, obligation or estate in land shall be created except by delivery and appropriate execution of the definitive DDA and all other related and necessary instruments duly authorized by the Forest Grove Urban Renewal Agency Board, the Forest Grove City Council, if necessary, and necessary Developer authorized representatives. If the DDA is not executed and delivered prior to expiration of the Term (and any extension(s) thereto) or if Developer elects in its sole discretion (by notice in writing to Agency) not to pursue development of the Project, this Agreement shall terminate and be of no further force or effect, except Sections 9, 11, 12 and 13 hereof which all survive termination. If during the course of negotiations it becomes clear no agreement can be reached Developer shall not unreasonably withhold consent to early termination of this Agreement.
19. Counterparts. This Agreement may be signed in two or more counterparts, each of which shall be deemed as an original and which, when taken together, shall constitute one and the same Agreement.

- *signatures on following page* -

DEVELOPER:	OWNER:
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<p>_____ Jonathan Welsh President and Owner, WelshCORP</p> <p>Dated</p> <p>_____</p>	<p>_____ Jesse VanderZanden Executive Director, Forest Grove Urban Renewal Agency</p> <p>Dated</p> <p>_____</p>
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DRAFT

EXHIBIT B

Base Development Criteria for Negotiations

- Development of a mixed-use development, consisting of a grocery store and adjacent apartment complex as approved by the Agency and, if necessary, the City of Forest Grove (“City”). The initial proposal is for an approximate 20,000 square-foot grocery store with at least 12 apartment units built on top of the store.
- Developer and Agency mutually agree that the residential component of the project shall contain at least 30% of units dedicated to housing affordable to families making no more than 60% of Median Family Income (MFI) for Washington County, as defined by the US Department of Housing and Urban Development (HUD) and published by Oregon Housing and Community Services.
- Parking for the residential units shall be provided according to the requirements in the Forest Grove Development Code. While no specific parking requirements apply to the commercial use, parking shall be provided according to the parking study performed by a third-party consultant and approved by the City.
- The design of the project shall complement and enhance the historic Town Center environment and be consistent with the City’s adopted development standards or design guidelines for the Town Center Transition zone contained in the City’s Design Guideline Handbook.
- Site design shall support clear and direct pedestrian circulation on the site and to the site, particularly from B Street and Pacific Avenue as required by the City.

Exhibit C

Identified Pre-Development Costs

Information Currently Available:

The Agency or City of Forest Grove (“City”) has the following relevant information and will provide the information as part of the pre-development process pursuant to Section 5 of this agreement:

From Jesse Quinn Development:

Phase I and Phase II Environmental Studies
Site Specific Cleanup Report for Jesse Quinn
Site Survey
Geotechnical Report

Other Studies:

Market Study for Grocery Store (Feb. 2018)

Additional Requirements

Estimated pre-development costs subject to reimbursement pursuant to Section 5 of this agreement includes the following:

Entire Project:

1. Traffic and Parking Study \$15,000

Estimated costs to be assumed by Agency include:

Update to Phase I and II Environmental Reports, if needed	\$3,000
Geotechnical Report Update, if needed	\$8,000
Complete Survey of Property, if needed	\$3,000
Any Lot Line Adjustment Required	<u>\$2,500</u>
Total:	\$16,500