



**DATE:** December 15, 2025  
**TO:** DURA Chair Ford and Commissioners, City of Dundee  
**FROM:** Interim Executive Director / City Administrator, Brandon Hamilton  
**RE:** Amendment No. 1 to Grant Agreement with Outpost Dundee, LLC

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### **Background**

On September 17, 2024, the Dundee Urban Renewal Agency (the “Agency”) adopted Resolution No. 2024-03, which approved a grant agreement to Outpost Dundee, LLC (“Grantee”) (and together known as the “Grant Agreement”), to support the redevelopment of property located at 180 S.W. 9<sup>th</sup> Street, Dundee, Oregon, and 240 S.W. 9<sup>th</sup> Street, Dundee Oregon (the “Property”).

The redevelopment of the Property proposes to develop a high-quality mixed-use project which includes a retail building, a Viticultural and Event Center, a Spa and Wellness Center and a destination hotel (the “Project”), and includes street improvements, infrastructure improvements, and utility improvements, including new 8<sup>th</sup> Street improvements and new Highway 99 street improvements (the “Improvements”). Since the date of the Grant Agreement, Grantee proposes to make additional investment into the Project. The Improvements are activities that sufficiently meet the goals and objectives of Dundee’s Urban Renewal Plan.

The City proposes to enter into a Transient Room Tax Abatement Agreement with Grantee, to be implemented once the Project is operational (the “Abatement Agreement”). The Abatement Agreement is contingent on the Grantee’s consent to a reduce its Grant Agreement as described below.

The proposed reduction in the Grant Agreement described in Amendment No. 1 to the Grant Agreement is as follows:

- Outpost Dundee’s Urban Renewal Grant Agreement for SDC fees will be reduced by a minimum of \$300,000 to \$0. The balance of the Urban Renewal Grant Agreement will be awarded based on the following construction schedule:
  - A grant in the amount of \$700,000 for the Improvements if construction commences by June 1, 2026.
  - A grant in the amount of \$500,000 for the Improvements if construction commences by September 30, 2026.
  - A grant in the amount of \$250,000 for the Improvements if construction commences by December 31, 2026.

**Recommendation Motion:** Move to approve Resolution No. 2025-02 which adopts Amendment No. 1 to the Grant Agreement between the Dundee Urban Renewal Agency and Outpost Dundee, LLC.