

URA RESOLUTION NO. 2025-02

A RESOLUTION APPROVING AN AMENDMENT TO A GRANT AGREEMENT BETWEEN THE DUNDEE URBAN RENEAL AGENCY AND OUTPOST DUNDEE, LLC

RECITALS

WHEREAS, 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 (the “Grant Agreement”), to support the redevelopment of property located at 180 S.W. 9th Street, Dundee, Oregon, and 240 S.W. 9th Street, Dundee Oregon, Assessor Parcel Numbers 81011 and 81002, respectively, and more particularly described on Exhibit A of the Grant Agreement (the “Property”);

WHEREAS, the redevelopment of the Property, as outlined in Resolution 2024-03 and the Grant Agreement proposes to develop a high-quality mixed-use project at the Property and includes the establishment of 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 8th Street improvements and new Highway 99 street improvements (the “Improvements”);

WHEREAS, Outpost Dundee, LLC, proposes to enhance the Project to include native and drought tolerant landscaping, publicly accessible open spaces, pedestrian connections, or other similar public benefit amenities (the “Enhancements”);

WHEREAS, the City recognizes that the operation of the Hotel, the Project and Enhancements, will: (a) attract visitors to the City; (b) contribute to the economic vitality of the City; (c) expand the City’s tax base; (d) generate significant increased transient room taxes and other revenue to the City; (e) further enhance the quality of facilities, goods, and services available to the City and its residents; and (f) otherwise improve the economic and physical conditions in the City and desires to support the Project by providing a Transient Room Tax (TRT) Abatement Agreement, (the “Abatement Agreement”);

WHEREAS, the Abatement Agreement is contingent on a reduction in the Urban Renewal Grant award;

WHEREAS, the Agency has determined that the Improvements continue to be activities that sufficiently meet the goals and objectives of the Plan and, accordingly, Grantee agrees to accept a modified Agency Grant Award, for the Improvements identified in the Project, (the “Modified Grant Agreement”);

WHEREAS, the Agency held a public meeting on Monday, December 15, 2025, with the opportunity for public comment, and finds that the Improvements and the Modified Grant Agreement, sufficiently meet the goals and objectives of the City’s Urban Renewal Plan, more particularly described below; and

WHEREAS, the Agency believes the Modified Grant Agreement is a valuable investment for the Agency and the City of Dundee.

NOW THEREFORE, THE DUNDEE URBAN RENEWAL AGENCY RESOLVES AS FOLLOWS:

Section 1: That the Improvements are authorized activities that meet the goals and objectives of the of the Agency’s Plan;

Section 2: That the construction of 8th Street from Highway 99 to Linden Road is an identified project within the Plan which benefits the Urban Renewal Area by promoting a safe and convenient transportation system within the Urban Renewal Area.

Section 3: That the Dundee Urban Renewal Agency approves of the modified terms and conditions of the Modified Grant Agreement attached hereto as Exhibit A.

Section 4: That the Dundee Urban Renewal Agency authorizes and directs the Agency’s Chair to sign the Modified Grant Agreement on behalf of the Agency and such other documents as are necessary to carry out the Agency’s decision;

Section 5: Further, as applicable, to comply with State statutes, administrative rules, or local ordinances and to act in the best interest of the Agency, and without further action by the Agency, the Executive Director / City Administrator or designee are hereby authorized, directed and responsible for fulfilling the ministerial functions as required for the effective administration and implementation of the Grant Agreement and the Modified Grant Agreement, and to take any other action as may be advisable, convenient, necessary, or appropriate.

Section 6: The Executive Director / City Administrator or designee are authorized to disburse funds, subject to annual appropriations, as necessary to fulfill the Grant Agreement obligations, and are further directed to implement all such actions necessary to ensure budgetary compliance.

Section 7: This Resolution is effective immediately upon passage.

This Resolution was PASSED and ADOPTED this 15th day of December, 2025.

David Ford, Chair

ATTEST:

Brandon Hamilton, Executive Director

Summary of Votes:

Yes: _____

Nos: _____

Abstain: _____

**GRANT AGREEMENT
AMENDMENT NO. 1**

This Amendment No. 1 to the GRANT AGREEMENT (“Amendment”) is entered into on the 15th day of December, 2025, by and between the CITY OF DUNDEE, an Oregon municipal corporation, acting by and through the DUNDEE URBAN RENEWAL AGENCY (the “Grantor” or the “City”) and Outpost Dundee, LLC, an Oregon limited liability company (“Grantee”).

RECITALS

WHEREAS, pursuant to Resolution No. 2024-03, the Grantor entered into a Grant Agreement with Grantee on September 17, 2024, to support the redevelopment of a high-quality mixed-use project at the Property and includes the establishment of 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 8th Street improvements and new Highway 99 street improvements (the “Improvements”);

WHEREAS, the Grant Agreement provided grant funds in the amount not to exceed Seven Hundred Thousand Dollars and 00/100 (\$700,000.00) for the Improvements and an amount not to exceed Three Hundred Thousand Dollars and 00/100 (\$300,000.00) to pay for a portion of related system development charges (SDC) and/or building permit fees.

WHEREAS, Outpost Dundee, LLC, proposes to enhance the Project to include native and drought tolerant landscaping, publicly accessible open spaces, pedestrian connections, or other similar public benefit amenities (the “Enhancements”);

WHEREAS, the City has agreed to enter into a Transient Room Tax Abatement Agreement with Outpost Dundee, LLC, and Outpost Dundee, LLC, has consented to the modification of its Grant Agreement, as further described below;

WHEREAS, the Agency has determined that the Improvements and Enhancements continue to be activities that sufficiently meet the goals and objectives of the Plan;

NOW THEREFORE, in consideration of the foregoing recitals, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

AGREEMENT

1. Definitions.

a. Commencement of Construction is defined as the date that Grantee has completed all preconstruction engineering and design, has received all necessary licenses, permits and local and national environmental clearances, has engaged all contractors and ordered essential

equipment and supplies as, in each case, can reasonably be considered necessary so that physical construction of the Project may begin and proceed to completion without foreseeable interruption of material duration, and physical demolition, as appropriate, and construction (including, at a minimum, excavation for foundations or the installation or erection of improvements) at the primary site of the eligible project has begun.

2. Section 1 of the Grant Agreement is deleted and replaced in its entirety as follows:

1. Grant.

a. If Commencement of Construction of the Project, Enhancements, or Improvements occurs by June 1, 2026, Grantor agrees to make a grant to Grantee (“Grant”) in an amount not to exceed Seven Hundred Thousand and 00/100 Dollars (\$700,000.00) (“Grant Amount”) for the Improvements, which shall be constructed in accordance with Grantee’s approved Site Development Review land use permit. This Grant shall be distributed in accordance with the provisions of Section 4.

b. If Commencement of Construction of the Project, Enhancements or Improvements, occurs by September 30, 2026, Grantor agrees to make a grant to Grantee (“Grant”) in an amount not to exceed Five Hundred Thousand and 00/100 Dollars (\$500,000.00) (“Grant Amount”) for the Improvements, which shall be constructed in accordance with Grantee’s approved Site Development Review land use permit. This Grant shall be distributed in accordance with the provisions of Section 4.

c. If Commencement of Construction occurs by December 31, 2026, Grantor agrees to make a grant to Grantee (“Grant”) in an amount not to exceed Two Hundred and Fifty Hundred Thousand and 00/100 Dollars (\$250,000.00) (“Grant Amount”) for the Improvements, which shall be constructed in accordance with Grantee’s approved Site Development Review land use permit. This Grant shall be distributed in accordance with the provisions of Section 4.

d. If Commencement of Construction occurs after December 31, 2026, Grantor has no continuing financial obligation to Grantee and this Agreement shall be terminated.

e. Parties agree to use commercially reasonable efforts to amend the Agreement by extending the deadlines outlined in this section if unforeseen weather conditions delay construction beyond the Commencement of Construction date established.

3. Section 2, Accommodations, is deleted in its entirety.

4. Except as expressly modified by this Amendment, all other terms and conditions of the Agreement shall remain in full force and effect, unaltered and unchanged.

GRANTOR

CITY OF DUNDEE, an Oregon municipal corporation, acting by and through the Dundee Urban Renewal Agency

By: _____
Brandon Hamilton, Executive Director and Interim City Administrator

GRANTEE

OUTPOST DUNDEE, LLC, an Oregon limited liability company

By: _____
Name: _____
Title: _____