

DUNDEE URBAN RENEWAL AGENCY MEETING

Board Meeting Agenda

Dundee Fire Station Community Room
801 N. Highway 99W
Dundee, OR 97115

TELECONFERENCED MEETING OPEN TO THE PUBLIC IN-PERSON OR VIA ZOOM

Join Zoom Meeting:

<https://us02web.zoom.us/j/89899734575>

Or Via Phone: +1-301-715-8592

Meeting ID: **898 9973 4575**

September 17, 2024

8:30 PM*

- 1. Call to Order**
- 2. Public Comment:** Speakers will be allowed up to 3 minutes to speak after being recognized by the Chair.
- 3. Approval of Minutes**
Minutes from April 16, 2024, June 4, 2024, June 18, 2024, and July 2, 2024
- 4. Approval of Resolution No. 2024-03, Grant Agreement**
- 5. Agency Member Concerns**
- 6. Adjourn**

*Or immediately following City Council meeting.

**Dundee Urban Renewal Agency
Board Meeting Minutes
April 16, 2024**

Call to Order

Chair David Russ called the meeting to order at 8:54 P.M.

Attendance

Agency Member Attendance:

Agency Members: David Ford, Bruce Starr, Tim Weaver, David Hinson, Jeannette Adlong and David Ford. Absent: Storr Nelson

Staff Attendance: Steve Dahl, City Administrator; Matthew Kahl, City Attorney and Kenzie Nagel, Administrative Assistant / Assistant City Recorder.

Public Attendance

Alex Chiper, 520 SW 5th Street and Saj Jivanjee, 32230 NE Old Parrett Mtn Road.
Via Zoom: City Bond Attorneys, Gulgen Ugur and Jonas Biery, D.A. Davidson.

Amendments to the Agenda

None.

Public Comments

None.

Approval of Minutes

None.

Discussion with Tax Increment Finance Specialist

City Atty. Kahl noted that he has been working with city bond attorneys at D.A. Davidson relating to the Development Agreement with Saj Jivanjee. He provided a brief overview of the plan and the role the city bond attorneys. Jonas Biery outlined the financing criteria for a line of credit that aligns with the agreement. He highlighted that the current line of credit the city has, approximately \$3 million, which is secured and will be paid off with additional funds for projects in 2026. David Ford inquired about the amount currently committed to which C.A. Dahl confirmed that the full \$3 million is allocated to various projects within the city. A brief discussion followed regarding the total amount of usable funds for projects. Biery confirmed that the \$3 million is already committed and would be refinanced in 2026 due to these commitments. He noted potential risk factors that could impact the city, including the assessed value of the development and other projects the city plans to undertake. A discussion followed regarding upcoming projects and financial amounts regarding Jivanjee's project. Further discussion ensued about tax increments in fiscal years and the revenue streams used to repay the loan. Ford then asked how far along the agreement was to being completed. City Atty. Kahl explained that the language of the agreement, particularly the reimbursement terms, is currently being structured. Gulgun Ugur then detailed the potential risks associated with the agreement and how those risks would be managed and financed.

Discussion then shifted to the impact on the budget for the upcoming fiscal year. Jivanjee approached the agency to explain his steps to obtaining his loan and the urgency to get his project completed in a timely manner. A brief discussion ensued.

The Dundee Urban Renewal Agency meeting was adjourned at 9:35 P.M.

David Russ, Chair

Steve Dahl, Executive Director

DRAFT

**Dundee Urban Renewal Agency
Board Meeting Minutes
June 4, 2024**

Call to Order

Chair David Russ called the meeting to order at 9:00 P.M.

Attendance

Agency Member Attendance:

Agency Members: Chair, David Russ, Storr Nelson, David Ford and David Hinson.

Via Zoom: Tim Weaver. Absent: Jeannette Adlong and Bruce Starr.

Staff Attendance: Steve Dahl, City Administrator; Matthew Kahl, City Attorney and Kenzie Nagel, Administrative Assistant / Assistant City Recorder.

Public Attendance

Alex Chiper, 520 SW 5th Street, Saj Jivanjee and Jeff Wisot. SOFAR LLC.

Amendments to the Agenda

None.

Public Comments

None.

Approval of Minutes

The Urban Renewal Agency Minutes from May 7, 2024, were approved.

Motion: David Ford

Second: David Hinson

Vote: Unanimous in favor

Approval of Development Agreement

C.A. Dahl noted that during previous Urban Renewal Agency meetings, there was significant discussion regarding the proposed 12% interest rate. City Atty. Kahl highlighted revisions in Sections 5.1, 5.2 and 5.3 of the reimbursement obligations. He also pointed out that the percentage the agreement was bracketed, indicating it was still under consideration and subject to the agency's final decision. A brief discussion about the project timeline, reimbursement of funds, and roadwork construction. David Ford inquired about the official approval date for Saj Jivanjee's plan, to which C.A. Dahl said that it would be in September or October of this year. Discussion ensued regarding the confirmation of securing future revenue to cover the loan.

Jivanjee approached the agency, and discussion ensued regarding the agreement. He gave reassurance that the project would commence in a timely manner. Ford inquired if the five-year plan and six percent interest rate were acceptable to him. Jivanjee expressed a preference for a three-year plan; further discussion continued. City Atty. Kahl pointed out that, based on the advice from the financial advisors, the recommendation was to proceed with the five-year plan. Discussion ensued regarding the projected completion date.

A motion was made to approve the URA Resolution No. 2024-01, a Resolution approving development agreement between the City of Dundee, Dundee Urban Renewal Agency and SORFAR LLC with the exception of the term being modified from five years down to four years.

City Atty. Kahl made note of an updated agreement provided to the agency regarding Section 3.

Motion: Storr Nelson
Second: David Ford
Vote: Unanimous in favor

Jivanjee inquired about a section within the agreement regarding expenses and whether a schedule was needed. Jeff Wisot then approached the agency to assist Jivanjee in clarifying the referenced schedule. He asked if it needed to be a detailed list of invoices related to the project. The agency confirmed that the documentation should consist of relevant expense records related to the project, totaling the agreed loan amount.

The Dundee Urban Renewal Agency meeting was adjourned at 9:38 P.M.

David Russ, Chair

Steve Dahl, Executive Director

**Dundee Urban Renewal Agency
Board Meeting Minutes
June 18, 2024**

Call to Order

Chair David Russ called the meeting to order at 8:23 P.M.

Attendance

Agency Member Attendance:

Agency Members: Chair, David Russ, Storr Nelson, Bruce Starr, David Ford, Jeannette Adlong, and Tim Weaver. Absent: David Hinson.

Staff Attendance: Steve Dahl, City Administrator; Matthew Kahl, City Attorney and Kenzie Nagel, Administrative Assistant / Assistant City Recorder.

Public Hearing

Chair, David Russ called to order the public hearing for the Dundee Urban Renewal Agency. City Atty. Kahl made note that throughout Resolution 2024-02, the dates needed to reflect the fiscal year of 2024/2025.

Public Attendance

None.

Amendments to the Agenda

None.

Public Comments

None.

URA Resolution 2024-02, Approval of Urban Renewal Budget

Motion to approve URA Resolution 2024-02, Approval of the Urban Renewal Budget with the amendment to change the dates to reflect the year 2024-2025 in Section 1 and Section 2.

Motion: Bruce Starr

Second: David Ford

Vote: Unanimous in favor

The Dundee Urban Renewal Agency meeting was adjourned at 8:28 P.M.

David Russ, Chair

Steve Dahl, Executive Director

**Dundee Urban Renewal Agency
Board Meeting Minutes
July 2, 2024**

Call to Order

Chair Storr Nelson called the meeting to order at 7:39 P.M.

Attendance

Agency Member Attendance:

Agency Members: Storr Nelson, David Ford, Bruce Starr, Tim Weaver and Jeannette Adlong.

Absent: Chair David Russ and David Hinson.

Staff Attendance: Steve Dahl, City Administrator; Matthew Kahl, City Attorney and Kenzie Nagel, Administrative Assistant / Assistant City Recorder.

Public Attendance

Peter Donor, 780 SE Locust Street and Brian Vanneman, Forum Placemaking.

Amendments to the Agenda

None.

Public Comments

None.

Approval of Minutes

None.

Approval of Development Agreement with SOFAR LLC

C.A. Dahl provided an updated agreement, with the specific details requested at the previous agency meeting. City Atty. Kahl reiterated that the agreement included a five-year time limit to commence the work. He also explained that within the agreement, Section 10.9, concerning prevailing wage was added to the agreement. Discussion ensued regarding the entirety of the modified agreement.

ACTION: A motion to approve the modified development agreement with SOFAR LLC.

Motion: David Ford

Second: Bruce Starr

Vote: Unanimous in favor

The Dundee Urban Renewal Agency meeting was adjourned at 7:48 P.M.

David Russ, Chair

Steve Dahl, Executive Director

AGENDA REPORT

To: Agency Board Chair and Members
From: Steve Dahl, City Administrator
Date: September 9, 2024
Reason: Outpost Dundee LLC Grant Agreement

Background:

At the March 21, 2023, meeting of the Urban Renewal Agency, the agency agreed to grant \$1.5 million to the proposed development at the southwest corner of 9th and 99W, referred to as the Terrain project, and asked staff to develop the appropriate paperwork for the grant to be awarded.

Since that time, staff and the developer, Project PDX, have been negotiating the terms of the agreement and have finally reached an agreement that meets the requirements of both parties. If the Urban Renewal Agency approves the grant agreement, the city will pay up to \$300,000 in system development charges and building permit fees. The Urban Renewal Agency would reimburse the developer up to \$700,000 for street improvements on 8th Street and Highway 99.

The Agency will reimburse the developer the \$700,000 through ~~tax increment funds~~ the loan received by the City. However, in January 2024, the city secured financing for urban renewal projects through a Full Faith and Credit Non-Revolver Credit Facility and Note in the amount of \$3,000,000. This financing requires the proceeds to be used for street improvements, infrastructure and utilities improvements, and park amenities. It cannot be used to pay system development charges and building and permit fees. This grant agreement limits reimbursement to the developer for improvements to 8th Street and other required city infrastructure improvements.

Staff has budgeted \$196,603 for this budget year for payment of the debt: \$34,803 for OTIB loan 0073, and \$101,752.50 for Cashmere Valley Bank (CVB) on December 1, 2024, and \$59,925.00 for CVB on June 1, 2025. The CVB amount is currently set at \$71,655, depending on the interest rate changes in the next two months. In the 2025-2026 budget year, the loan payment currently is estimated at \$336,300, with \$176,30 for OTIB and \$59,925 for CVB. Depending on the basis points for the loan from CVB whether the city needs to withdraw the second half of the loan, staff would be surprised if any of the loan amount is required before July 2025.

The ending fund balance for urban renewal for 2022-2023 was \$356,265. The estimated ending fund balance for 2023-2024 is \$485,867 plus additional funds from the loan, for a total of \$789,299. This means we have enough cash flow from sources other than the loan to cover the first two loan payments. Without any additional development or changes, staff estimates \$312,000 for Urban Renewal Tax revenue for the 2025-2026 fiscal year.

Motion: I move to approve the grant agreement between the City of Dundee acting by and through the Dundee Urban Renewal Agency and Outpost Dundee LLC.

URA RESOLUTION NO. 2024-03

**A RESOLUTION APPROVING GRANT AGREEMENT BETWEEN THE DUNDEE
URBAN RENEWAL AGENCY AND OUTPOST DUNDEE, LLC**

WHEREAS, the Dundee Urban Renewal Agency (the “Agency”) is an urban renewal agency of the City of Dundee (the “City”) created under ORS Chapter 457 for the purpose of executing the City’s Urban Renewal Plan (the “Plan”).

WHEREAS, the Plan was adopted by the City via Ordinance 558-2017.

WHEREAS, the Plan provides the power to propose and act on plans and projects set forth in the Plan to eliminate areas of blight and stimulate development and redevelopment and allocates property tax increment revenue, as well as other revenues available, to the Agency to carry out redevelopment of area within the Plan.

WHEREAS, Outpost Dundee, LLC (the “Developer”) owns the real property located at 180 SW 9th Street, Dundee, Oregon and 240 SW 9th Street, Dundee, Oregon, Assessor Parcel Numbers 81011 and 81002, respectively, which are located within the Urban Renewal Area boundary.

WHEREAS, the Developer submitted an application to the City for the development of a mixed-use project to be known as Outpost Dundee.

WHEREAS, as part of the Terrain Project, the Developer intends to construct a retail building, a viticultural and event center, a spa and wellness center, and a destination hotel.

WHEREAS, the Terrain Project also consists of certain street improvements and infrastructure and utility improvements, specifically the construction of 8th Street and Highway 99 street improvements (“Improvements”).

WHEREAS, the Developer requested the Agency’s financial assistance relating to the Project.

WHEREAS, the Agency secured interim funding for projects within the Urban Renewal Area in the form of a Full Faith and Credit Non-Revolving Credit Facility and Note (Urban Renewal Projects Interim Financing), dated January 25, 2024 (“Financing Agreement”).

WHEREAS, the Financing Agreement requires proceeds of the financing to be used for projects within the Dundee Urban Renewal Area that include street improvements, infrastructure and utilities improvements, and parks amenities.

WHEREAS, the Agency reviewed the Developer’s request at its meeting on September 17, 2024 and believes the Improvements sufficiently meet the goals and objectives of the City’s Urban Renewal Plan, more particularly as described below.

WHEREAS, the Agency believes the requested financial assistance 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 contained within the Terrain Project are authorized activities that meet the goals and objectives 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 agrees the terms and conditions of the 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 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 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 to take any other action as may be advisable, convenient, necessary, or appropriate.

SECTION 6: The 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 17th day of September 2024.

David Russ, Chair

ATTEST:

Steve Dahl, City Administrator

EXHIBIT A
GRANT AGREEMENT

GRANT AGREEMENT

THIS GRANT AGREEMENT (“Grant Agreement”) is entered into on this ____ day of _____, 2024 by and between the CITY OF DUNDEE, an Oregon municipal corporation, acting by and through the DUNDEE URBAN RENEWAL AGENCY (“Grantor” or the “City”), and Outpost Dundee, LLC, an Oregon limited liability company (“Grantee”).

RECITALS

Whereas, the City established the Dundee Urban Renewal Agency on June 7, 2016 via Ordinance 546-2016.

Whereas, the City adopted the Dundee Urban Renewal Plan on April 18, 2017 via Ordinance 558-2017 (the “Plan”).

Whereas, the Plan sets forth its stated goals of (i) promoting the revitalization of existing properties and development of underdeveloped or vacant properties within the Urban Renewal Area to meet the City’s design theme and standards; (ii) improving public facilities and utilities within the Urban Renewal Area to encourage development and improve the visual appearance of the project area; (iii) promoting a safe and convenient multi-modal transportation system; and (iv) improving cultural, recreational, and civic amenities and resources for community members and visitors to promote a vibrant business district and improve the quality of life in the City.

Whereas, the Plan identifies various activities to achieve the goals and objections of the Plan, including, but not limited to, infrastructure and utility improvements, public facility improvements, street construction and circulation improvements, and parks, recreation, pedestrian and bike corridors and other amenities.

Whereas, Grantee is the fee simple owner of the real property located at 180 SW 9th Street, Dundee, Oregon and 240 SW 9th Street, Dundee, Oregon, Assessor Parcel Numbers 81011 and 81002, respectively, and more particularly described on Exhibit “A” (collectively, the “Property”).

Whereas, the Property is located within Grantor’s Urban Renewal Boundary.

Whereas, Grantee has requested financial assistance from Grantor to aid and support the redevelopment of the Property to develop a high-quality mixed-use project at the northeast corner of the intersection of 9th Street and Highway 99 (the “Project”).

Whereas, the Project consists of the establishment of a retail building, a Viticultural and Event Center, a Spa and Wellness Center, and a destination hotel. The Project also consists of certain street improvements, and infrastructure and utility improvements. Specifically, the Improvements include new 8th Street improvements and new Highway 99 street improvements (the “Improvements”).

Whereas, Grantor has determined the Improvements are activities that sufficiently meet the goals and objectives of the Plan and, accordingly, Grantor is willing to provide financial assistance to

Grantee for the Improvements identified in the Project, on the terms and conditions of this Grant Agreement.

Whereas, the Grantor has secured interim funding for projects within the Urban Renewal Area by and through that certain Full Faith and Credit Non-Revolving Credit Facility and Note (Urban Renewal Projects Interim Financing), dated January 25, 2024 (the “Financing Agreement”).

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) Grant. 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 as part of the Project. This Grant shall be distributed in accordance with the provisions of Section 4.
- 2) Accommodations. To facilitate a stated goal of the Plan to help spur and support private development within the Urban Renewal Area, the City agrees to pay a portion of related system development charges (“SDC”) and/or building permit fees up to but not exceeding an amount of Three Hundred Thousand Dollars (\$300,000).
- 3) Construction of Improvements. Grantee agrees to construct Improvements in material compliance with the terms and conditions of the permits issued by Grantor for the Project, and in accordance with the adopted specialty codes and city, state, and/or federal standards in effect at the time a building permit is issued. Grantee shall complete the Improvements no later than the expiration of any permit(s) issued by the City (the “Improvement Completion Deadline”) and Grantor is not obligated to reimburse any costs of Improvements incurred after this date.
- 4) Disbursement. The Grantor will pay the Grant Amount from proceeds from the City’s Financing Agreement, or other long-term financing issued to the Grantor prior to the maturity of the Financing Agreement. The Grantor will disburse the funds to Grantee in accordance with Section 5.
- 5) Payment.
 - a) On the first business day of the month, Grantee may submit an itemized statement of costs and accompanying documentation associated with the construction of the Improvements rendered during the immediately preceding month (the “Statement”). If no services were rendered on the construction of the Improvements by Grantee during the preceding month, then Grantee is not required to submit a Statement.
 - b) Within thirty (30) days of Grantor’s receipt of the Statement, Grantor will cause a reimbursement payment to be made to Grantee in the amount of the approved Statement.

- c) Grantee may submit Statements monthly until such time that the Improvements are completed.
- d) Within ten (10) business days of the completion of the Improvements and no later than Improvement Completion Deadline, Grantor must submit a final Statement of all costs relating to the construction of the Improvements (the “Final Statement”). Within thirty (30) days of Grantor’s receipt of the Final Statement, and Grantor’s final inspection and approval of Improvements (which approval will not be unreasonably withheld, conditioned, or delayed), Grantor will cause a reimbursement payment to be made to Grantee for the difference between the costs in the Final Statement and payments previously disbursed to Grantee pursuant to Section 5(b).
- e) In no event shall reimbursement payments by Grantor, collectively, exceed the Grant Amount.
- f) All Statements must be signed by an authorized representative of the Grantee and the accompanying documentation must include, but is not limited to, (i) proof of payment of costs and (ii) final lien waivers from all contractors and subcontractors.

6) Warranties and Representations.

- a) Existence and Authority. Grantee is an Oregon limited liability company duly organized, validly existing and in good standing under the laws of the State of Oregon. Grantee warrants and represents it has full power and authority to carry on its business as now being conducted and how Grantee contemplates it to be conducted with respect to the Project. Grantee warrants and represents it has full power, authority, and legal right to execute and deliver this Grant Agreement and all other agreements, documents, and instruments contemplated herein (collectively, the “Grant Documents”) and to incur and perform its obligations stated herein.
- b) Compliance with Laws. Grantee warrants and represents it is in material compliance with all federal, state, and local laws, rules, regulations, ordinances, and orders applicable to the Project, and the Project, when completed, will be in material compliance with all applicable health and safety, environmental, and zoning laws.
- c) Discrimination. Grantee warrants and represents it will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender, age, national origin, physical or mental disability, or disabled veteran or veteran status in violation of state or federal laws.
- d) Litigation. As of the date of the Grant Agreement, there are no pending litigation, arbitration, or administrative proceedings against Grantee or with respect to the Property or the Project that could reasonably have a material adverse effect on the business, assets, operations, or financial condition of Grantee, the Project, or the ability of Grantee to complete the Project, or which purports to affect the legality, enforceability, or validity of any Grant Document.

- e) Licenses; Maintenance of Business. Grantee will remain a limited liability company validly existing under the laws of Oregon and will keep in force all material licenses and permits necessary to the proper conduct of its business and the completion of the Project including, but not limited to, a City of Dundee business license.
- 7) Indemnity. Grantee shall indemnify and hold Grantor, its officers, employees and agents harmless from and against any and all liabilities, claims, losses, damages, or expenses (including attorney fees and expenses) which any of them may suffer or incur in connection with (a) the inaccuracy of any of the representations and warranties made by Grantee in any Grant Documents, (b) Grantee's conduct with respect to any transaction contemplated by this Grant Agreement or any other Grant Documents or (c) the actions or inactions of Grantee, or its employees, agents or contractors, related to the Improvements, other than claims, losses, damages, or expenses to the extent such claims, losses, damages, or expenses arise from the gross negligence or willful misconduct of Grantor. This Section shall survive completion of the construction of the Improvements and any termination of this Grant Agreement.
- 8) Records and Inspection. Grantee shall keep proper books of account and records on all activities associated with the Grant, including but not limited to, books of account and records on the expenditure of all Grant proceeds in accordance with generally accepted accounting principles. Grantee shall retain such books of account and records until the later of three years after the Improvement Completion Deadline or the date that all disputes, if any, arising under this Grant Agreement or any other Grant Documents have been resolved. Grantee will permit Grantor and/or its duly authorized representatives to inspect, review and make excerpts and transcripts of its books of account and records with respect to the receipt and disbursement of funds received from Grantor. Access to these records is not limited to the required retention period. The authorized representatives shall have access to the records at any reasonable time for as long as the records are maintained. This Section shall survive completion of the construction of the Improvements and any termination of this Grant Agreement.
- 9) Miscellaneous
 - a) Counterparts. This Grant Agreement may be executed in any number of counterparts, and any single counterpart or set of counterparts signed, in either case, by all the parties hereto shall constitute a full and original instrument, but all of which shall together constitute one and the same instrument.
 - b) Survival. All agreements, representations, and warranties shall survive the execution and delivery of this Grant Agreement, any investigation at any time made by Grantor or on its behalf and the making of the Grant.
 - c) Notice. Any notice required or permitted under this Grant Agreement shall be in writing and shall be deemed effective (1) when actually delivered in person, (2) one business day after deposit with a commercial courier service for "next day" delivery, (3) two business days after having been deposited in the United States mail as certified or registered mail, or (4) when transmitted by electronic mail (answer back or receipt confirmed), addressed to the parties as follows:

GRANTOR: City of Dundee, by and through its Dundee Urban Renewal Agency
Attn: City Administrator
620 SW 5th Street
Dundee, OR 97115
Email: Steve.Dahl@dundeecity.org

GRANTEE: Outpost Dundee, LLC
Attn: Thomas Cody
1116 NW 17th Avenue
Portland, OR 97209
Email: tom@projectpdx.com

- d) Successors and Assigns. Grantee may not assign this Grant Agreement, in whole or in part, without the prior written consent of Grantor. This Grant Agreement shall be binding upon and shall inure to the benefit of the parties and their respective permitted successors and assigns.
- e) Governing Law, Jurisdiction, Venue. This Grant Agreement shall be governed by and construed in accordance with the laws of the State of Oregon. Any legal action regarding this Grant Agreement must be brought and conducted in the federal or state court, as appropriate, serving Yamhill County, Oregon, and the parties hereby consent to the jurisdiction and venue of such courts.
- f) Modification; Prior Grant Agreements; Headings. This Grant Agreement may not be modified or amended except by an instrument in writing signed by Grantee and Grantor. This Grant Agreement taken together with any other Grant Documents reflect and set forth the entire agreement and understanding of the parties with respect to the subject matter hereof and supersede all prior agreements and understandings relating to such subject matter. The headings in this Grant Agreement are for the purpose of reference only and shall not limit or otherwise affect any of the terms hereof.
- g) Validity; Severability. If any provision of this Grant Agreement is held to be invalid, such event shall not affect, in any respect whatsoever, the validity of the remainder of this Grant Agreement and the remainder shall be construed without the invalid provision so as to carry out the intent of the parties to the extent possible without the invalid provision.
- h) Relationship of the Parties. Nothing contained in this Grant Agreement or any acts of the parties hereto shall be deemed or construed to create the relationship of principal and agent, or of partnership, or of joint venture or of any other association other than that of independent contracting parties.
- i) No Third-Party Beneficiary Rights. No person not a party to this Grant Agreement is an intended beneficiary of this Agreement, and no person not a party to this Grant Agreement shall have any right to enforce any term of this Agreement.

- j) Public Record/City Audit. Grantee understands and acknowledges that Grantor is a public entity subject to Oregon's public records laws (ORS 192.311 – 192.478) and this Grant Agreement and other Grant Documents are subject to audit by the office of the City Auditor, public records disclosure, and applicable public ethics laws.

IN WITNESS WHEREOF, the parties hereto have caused this Grant Agreement to be executed by their duly authorized representatives effective as of the date first above written.

GRANTOR:

CITY OF DUNDEE, an Oregon municipal Corporation, acting by and through the **DUNDEE URBAN RENEWAL AGENCY**

By: _____
Name: Steve Dahl,
Title: City Administrator

GRANTEE:

OUTPOST DUNDEE, LLC, an Oregon limited liability company

By: Cody Development Corp., an Oregon corporation, its Manager

By: _____
Name: Thomas E. Cody
Title: President

Approved as to Form:

Matthew L. Kahl, City Attorney

EXHIBIT A
Legal Description

Real property in the County of Yamhill, State of Oregon, described as follows:

PARCEL 1:

The following described portion of Tract No. 77 in Dundee Orchard Homes No. 1 in Yamhill County, Oregon, to-wit:

Beginning at point marked by an iron pipe on the South line of said Tract No. 77 166.2 feet west of the Southeast corner of said Tract No. 77; thence Westerly along the South line of said Tract No. 77 100 feet to iron pipe; thence North 30°36' East 200 feet to iron pipe; thence Easterly on a line parallel to the South line of said Tract No. 77 100 feet to iron pipe; thence South 30°36' West to place of beginning.

PARCEL 2:

Tracts Numbered 77 and 78, in DUNDEE ORCHARD HOMES NO. 1, in Yamhill County, Oregon, according to the duly recorded plat thereof in said County and State and recorded in the office of the County Recorder.

SAVING AND EXCEPTING that property conveyed to William N. Miller and Opal I. Miller in Deed recorded October 27, 1964 and recorded in Volume 41, Page 103, Deed Records of Yamhill County, Oregon; and further

ALSO SAVING AND EXCEPTING that property conveyed to General Telephone Company of the Northwest in Deed recorded in Film Volume 193, Page 1291.

FURTHER SAVING AND EXCEPTING that property conveyed to City of Dundee, Yamhill County, Oregon, a municipal corporation in Warranty Deed recorded July 27, 1995 as Instrument No. 199509828.

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City of Dundee, Oregon
\$3,000,000 (Maximum) Full Faith and Credit Non-Revolving Credit Facility and Note
Interest Accrual Calculator

Outstanding Principal:	\$ 1,500,000.00
Prime Rate:	8.50%
Factor:	79.01%
Margined Prime:	6.72%
Spread:	-1.10%
<u>Accrual Rate:</u>	<u>5.62%</u>

Note: Prime is set at 300bps over Fed Funds Policy Rate. The new Prime Rate is published 2 days after the FOMC meeting.

Initial Draw Date: 1/25/2024

Interest Accrual to Next --> \$ 55,029.17

First Prime Change Date: 9/20/2024

Policy Action	0.00%
New Accrual Rate	5.62%
Interest Accrual to Next	--> \$ 11,474.17

Second Prime Change Date: 11/9/2024

Policy Action	0.00%
New Accrual Rate	5.62%
Interest Accrual to Next	--> \$ 5,151.67

First Pay Date: 12/1/2024

Total Accrual to Pay Date: \$ 71,655.00