

EXHIBIT "A"

Legal Description

Lots 1, 2, 3, 4, 6 and the East one-half of Lot 7, Block 25, COUCH'S ADDITION TO THE CITY OF PORTLAND, in the City of Portland, County of Multnomah and State of Oregon.

EXCEPTING THEREFROM the East 5 feet of Lots 1 and 4 taken for the widening of N.W. 3rd Avenue.

INTERGOVERNMENTAL AGREEMENT FOR CONVEYANCE OF REAL PROPERTY

This Intergovernmental Agreement for the Conveyance of Real Property (this “**Agreement**”) is made and entered into by and between (i) the **City of Portland**, an Oregon municipal corporation, acting by and through the Portland Development Commission, doing business as **Prosper Portland** (“**Prosper Portland**”), and (ii) the **City of Portland**, an Oregon municipal corporation (the “**City**”) acting by and through its Office of Management and Finance (“**OMF**”) (jointly referred to herein as the “**Parties**”), effective as of the date of the last Party to sign this Agreement.

RECITALS:

- A. By City Ordinance 172122, duly enacted April 1, 1998, City Council authorized the City Attorney to commence condemnation proceedings to acquire the real property described in **Exhibit “A”** attached hereto and made a part hereof (the “**Property**”), and declared that acquiring the Property, which was located in the Downtown Waterfront Urban Renewal District, would afford the City a major development opportunity to benefit the neighborhood and be consistent with the applicable Urban Renewal Plan. The boundaries of the Downtown Waterfront Urban Renewal District and the River District Urban Renewal Area were subsequently amended such that the Property is now within the River District Urban Renewal Area, which was originally adopted by City Council on October 21, 1998 by Ordinance No. 172808.
- B. The Property is a part of the block commonly known as “Block 25,” bounded by NW Flanders Street to the south, NW 4th Avenue to the west, NW Glisan Street to the north, and NW 3rd Avenue to the east. The Property is currently used as a surface parking lot.
- C. By City Ordinance 173240, duly enacted April 14, 1999, City Council authorized the payment of \$1,400,000 to the owners of the Property as compensation therefor as a settlement of the litigation captioned as City of Portland v. Summit Properties, et al, Circuit Court No. 9806-04656.
- D. Of the \$1,400,000 purchase price, Prosper Portland paid \$937,000 and the Classical Chinese Garden Trust paid the balance.
- E. The City entered into a *Parking Agreement for Part of Block 25, Couch’s Addition* with Northwest Natural Gas Company, an Oregon corporation (“**NWNG**”) dated June 1, 1999 (the “**Parking Agreement**”). The Parking Agreement was authorized by City Ordinance 173396, duly enacted May 26, 1999 (the “**Classical Chinese Garden Ordinance**”).
- F. The Classical Chinese Garden Ordinance authorized the Parking Agreement as part of an arrangement whereby NWNG would ground lease to the City Block 16, Couch’s Addition, where the Lan Su Classical Chinese Garden would be developed and

maintained. Block 16 was, at the time, a surface parking area used by NWNG, and the Parking Agreement was intended to replace the surface parking lost as a result of the development of the Lan Su Classical Chinese Garden.

- G. The Parking Agreement gives NWNG exclusive use of the Property for parking during business hours, but permits the City to operate and charge a fee for public parking in the Property at all other times. The Parking Agreement provides that the first \$3,000 in net operating revenue from this City use per quarter is to be contributed to the Classical Chinese Garden Trust, and the excess is retained by the City. The weekday evening and weekend public parking supports the Lan Su Chinese Garden, locals businesses, and the nearby Entertainment District where several streets are converted to pedestrian-only on Friday and Saturday nights which limits the availability of on-street parking at those times.
- H. OMF currently controls the Property and the Portland Bureau of Transportation provides certain management services on OMF's behalf.
- I. The Parking Agreement terminates on the date that is 60 days after the office building commonly known as One Pacific Square, located at 220 NW 2nd Ave., Portland, OR, or another office building in the vicinity as provided in the Parking Agreement, is no longer the location at which the greatest number of employees work at one location in the Portland metro area for NWNG or its successors or affiliates.
- J. NWNG has indicated that it intends in the coming years to relocate its headquarters from the Old Town Chinatown neighborhood such that the Parking Agreement would thereafter expire. The Parties seek to transfer ownership and control of the Property to Prosper Portland in order to position the Property for development following the expiration of the Parking Agreement.
- K. Prosper Portland and OMF (then known as the Bureau of General Services) entered into a certain *Agreement* dated January 16, 1998 (the "**1998 Agreement**") which contemplated that OMF would reimburse Prosper Portland the funds it contributed to the acquisition if OMF operated the parking lot on the Property and earned net revenues.
- L. This Agreement provides for, among other things, the conveyance of the Property to Prosper Portland at no cost as reimbursement for the portion of the Property's purchase price that it paid in 1999, which the parties acknowledge is in satisfaction of the reimbursement pledge in the 1998 Agreement, on, and subject to, the terms and conditions hereof.
- M. OMF's conveyance of the Property to Prosper Portland is subject to City Administrative Rule 13.02 (Disposition of City Real Property), and the parties will comply with the applicable procedural requirements of this rule in proceeding with the conveyance.
- N. Prosper Portland's Board of Commissioners authorized this Agreement at its meeting on [____], 2018.

NOW, THEREFORE, the Parties hereby incorporate the above Recitals and agree as

follows:

AGREEMENTS:

1. Conveyance of the Property; Assignment and Assumption of Parking Agreement.

(a) Upon authorization by Ordinance from the City Council permitting the disposition of the Property and written confirmation from Prosper Portland that it has completed any desired due diligence and is prepared to close, OMF shall cause the execution and delivery to Prosper Portland for recording of the City's Quit Claim Deed in substantially the form attached hereto as **Exhibit "B"** (the "**Deed**").

(b) OMF, on behalf of the City, and effective as of the recordation of the Deed with the Multnomah County, Oregon Recorder, hereby assigns all of its rights, interests and obligations under the Parking Agreement to Prosper Portland, and Prosper Portland hereby assumes the same.

2. Representations and Warranties of OMF. OMF hereby represents and warrants to Prosper Portland that:

(a) OMF has full power and authority to enter into and perform this Agreement in accordance with its terms and, upon passage of an Ordinance from the City Council permitting the disposition of the Property, it will have obtained all requisite authorizations and approvals to execute and deliver the Deed to Prosper Portland;

(b) OMF is the owner of the Property in fee simple, and no material encumbrances exist with respect to the Property except as have been disclosed to Prosper Portland in writing; and

(c) to the best of its knowledge, there is no litigation, action, suit, or any condemnation, environmental, zoning, or other government proceeding pending or threatened, which may affect the Property or OMF's ability to perform its obligations under this Agreement.

3. Mutual and Reciprocal Obligations. OMF and Prosper Portland shall cooperate and exercise good faith efforts and due diligence to complete their respective obligations set forth in Paragraph 1 and to make these transactions occur without delay.

4. Successors; No Assignment. The benefits conferred by this Agreement, and the obligations assumed hereunder, shall inure to the benefit of and bind the successors of the Parties. The rights and obligations of each Party under this Agreement may not be assigned in whole or in part without the prior written consent of the other Party.

5. Waivers. No waiver by either Party of any provision of this Agreement shall be of any force or effect unless in writing. Except as otherwise provided herein, no waiver made by a Party with respect to the performance, or manner or time thereof, or obligation of the other Party or any condition inuring to its benefit under this Agreement shall be considered a waiver of any other rights of the Party making the waiver or a

waiver by the other Party not joining in such waiver, and no such waiver shall be construed to be a continuing waiver.

6. **No Third Party Beneficiaries.** The Parties intend that the rights, obligations, and covenants in this Agreement shall be exclusively enforceable by the Parties. There are no third party beneficiaries to this Agreement, either express or implied.
7. **Severability/Survivability.** If any clause, sentence, or portion of the terms and conditions of this Agreement becomes illegal, null, or void for any reason, the remaining portions will remain in full force and effect to the fullest extent permitted by law. All provisions concerning indemnity survive the termination of this Agreement for any cause.
8. **Interpretation of Agreement.** This Agreement shall not be construed for or against any party by reason of the authorship or alleged authorship of any provision.
9. **Integration, Modification, and Administrative Changes.** This Agreement includes the entire agreement between the Parties on the subject matter contained in this Agreement and supersedes any and all prior or contemporaneous written or oral understandings, representations, or communications of every kind. This Agreement may only be modified in writing by a modification that has been signed by individuals authorized to bind each of the Parties contractually. The Parties shall not make changes to this Agreement through the issuance of permits, approvals, or other administrative requirements or processes.

[Signature Page Follows]

Dated this ____ day of _____, 2018.

PROSPER PORTLAND

By _____
Kimberly Branam
Executive Director

Date: _____

Approved as to form:

By _____
Counsel for Prosper Portland

CITY OF PORTLAND

By _____

Date: _____

Approved as to form:

By _____
City Attorney

EXHIBIT "A"

Legal Description

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EXCEPTING THEREFROM the East 5 feet of Lots 1 and 4 taken for the widening of N.W. 3rd Avenue.

EXHIBIT "B"

City's Quit Claim Deed

After recording return to, and until
a change is requested, all tax
statements shall be sent to:

Prosper Portland
Attn.: Karen L. Harris
222 NW 5th Ave.
Portland, Oregon 97209

STATUTORY QUITCLAIM DEED

THE CITY OF PORTLAND, a municipal corporation in the State of Oregon ("**City**"), releases and quitclaims to **THE CITY OF PORTLAND**, a municipal corporation in the State of Oregon, acting by and through the Portland Development Commission, doing business as **PROSPER PORTLAND**, all of the City's right, title, and interest in and to the real property situated in the City of Portland, County of Multnomah, State of Oregon described in **Exhibit "A,"** attached hereto and made a part hereof (the "**Property**").

The true consideration for this conveyance consists of other property or value given which is the whole consideration.

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

[Signature Page Follows]

Dated this _____ day of _____, 2018.

THE CITY OF PORTLAND,
a municipal corporation in the State of Oregon

By: _____

STATE OF OREGON)) ss.
County of Multnomah)

This instrument was acknowledged before me on the _____ day of _____, 2018, by _____, as _____ of **THE CITY OF PORTLAND**, on its behalf.

Notary Public for Oregon
My commission expires: _____

Approved as to form:

By _____
City Attorney

THE CITY OF PORTLAND, a municipal corporation in the State of Oregon, acting by and through the Portland Development Commission, doing business as **PROSPER PORTLAND**, approves this conveyance and accepts the title and interest conveyed.

CITY OF PORTLAND, a municipal corporation of the State of Oregon, acting by and through the Portland Development Commission, doing business as **PROSPER PORTLAND**

By: _____
Kimberly Branam, Executive Director

STATE OF OREGON)) ss.
County of Multnomah)

This instrument was acknowledged before me on the _____ day of _____, 2018, by Kimberly Branam, as Executive Director of PROSPER PORTLAND, the urban renewal authority of the City of Portland.

Notary Public – State of Oregon

Approved as to form:

By _____
Prosper Portland Legal Counsel

EXHIBIT "A"

Legal Description of the Property

Lots 1, 2, 3, 4 6 and the East one-half of Lot 7, Block 25, COUCH'S ADDITION TO THE CITY OF PORTLAND, in the City of Portland, County of Multnomah and State of Oregon.

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