

EXHIBIT A
AMENDMENT
TO
INTERGOVERNMENTAL AGREEMENT
Between
City of Portland
And
Portland Development Commission
For the
Support of City Guarantee of State of Oregon Loan

This instrument ("Amendment") amends an Intergovernmental Agreement ("Agreement") made and entered into by and between the City of Portland, Bureau of Transportation ("the City") and the Portland Development Commission ("PDC") on July 9, 2013.

RECITALS

- A. SoloPower, Inc. ("SoloPower") has secured a loan commitment from the Oregon Department of Energy ("ODOE") for a \$20 million State Energy Loan Program loan ("SELP Loan") for the construction of certain Solar Facilities, conditioned upon obtaining at least \$5 million in guarantees for a State Energy Loan Program (SELP) Loan.
- B. The City has provided a \$5 million guarantee of the SELP Loan (the "City Loan Guarantee").
- C. At the time of the Agreement, PDC agreed to back up the City's guarantee by providing up to \$5 million in "additional contributions" to a tax increment eligible project in the River District Urban Renewal Area that will be of benefit to the City, which contributions will be repaid to PDC from non-tax City revenues at such time as the City Loan Guarantee is released. The Agreement established a contingent obligation for PDC to provide support to the City in the event the City Loan Guarantee was called upon. Thus, if the City was called upon to make payment to ODOE under the City Loan Guarantee, PDC would backstop such payment by making a contribution to a tax increment financing eligible project in the River District Urban Renewal District that is of interest and benefit to the City and which is consistent with the River District Urban Renewal Plan.
- D. The 10th and Yamhill City-owned SmartPark facility (Garage) was identified in the Agreement as a preferred project that would be eligible to receive the potential additional contributions of tax increment financing from PDC.
- E. At the time of the Agreement, PDC also had budgeted \$13.5 million to the Garage and the project scope had envisioned a complete demolition and redevelopment of the site.
- F. After the time of the Agreement the scope of redevelopment was reduced to improvements to the existing garage, including to the ground floor retail areas and the installation of tenant improvements and improvements to the exterior street frontage of the structure (Project). PDC subsequently removed the amount of \$13.5 million from its budget and reduced the project budget to the \$5 million "additional contribution" commitment.
- G. Given the uncertain nature of the likely duration of the City Loan Guarantee (which will likely have a term of approximately 10 years, but may be extinguished far earlier in the event SoloPower repays the SELP Loan earlier), the parties agreed that it may be more prudent for

the parties to select, and for PDC to provide additional funding for, an Identified TIF Project before the City Loan Guarantee is either terminated or called upon.

- H. Given PDC's focus on economic development and asset management abilities the City and PDC have considered the benefits of assigning to PDC the management and operation of the retail aspect of the Project.

Now therefore, the parties agree as follows:

AMENDMENT

1. The City Loan Guarantee has not been called upon nor terminated or extinguished as of the date of this instrument.
2. PDC and the City have now agreed that PDC will contribute \$5 million of total contributions to the existing garage aspect of the Project (excluding the ground floor retail spaces and tenant improvements). PDC's contribution is deemed to be an Identified TIF Project under the Agreement.
3. PDC and the City have agreed to a scope of improvements to the garage and ground floor retail as defined in Attachment A and at a total estimated cost of \$25 million with \$5 million contributed from PDC and \$20 million contributed from the City.
4. PDC's contribution of funds under this Amendment shall be fulfilled by way of reimbursement of PBOT costs after submittal to PDC of invoices that evidence the generation of PBOT costs that are consistent with section 2 above.
5. With regard to the planned improvements, including the retail aspect of the Project, PDC shall be a member of the RFP selection committees for the following consultants: Owner's representative, design services; and CMGC for the Project.
6. The City hereby agrees to cooperate exclusively with PDC to establish terms for the transfer of management and operation rights and responsibilities associated with the ground floor retail aspect of the Project and to establish an agreement with PDC in accord.
 - a. The City and PDC shall work in good faith to develop an agreement with specific terms of an assignment, lease or other instrument acceptable to both. Under any such agreement, PBOT will reserve and commit not less than \$100 per square foot of the ground floor retail space to a budget for tenant improvements and shall make that budget available to PDC to use for improvements to the ground floor retail aspect of the Project. If, within six (6) months of the date of execution of this instrument, such agreement to transfer is reached and executed then PBOT shall not be required to repay PDC for the \$5M contribution to the Project.
 - b. If, by written notice to PBOT, PDC waives its right to negotiate a transfer then PBOT shall not be required to repay PDC for the \$5M contribution to the Project.
 - c. If, within six (6) months of the date of execution of this instrument, the City and PDC do not reach agreement on the specific terms of an assignment, and PDC has not waived it's

right to negotiate same, then the City agrees to reimburse PDC the \$5M contribution at the earliest to occur of any of the following events: 1) that the City Loan Guarantee expires, 2) is terminated or 3) the underlying guaranteed loan is paid down sufficiently to negate the obligations under the City Loan Guarantee. If the City Loan Guarantee is called upon then the City shall also be obligated to reimburse PDC but such reimbursement obligation shall be reduced by the amount, if any, the City actually pays to ODOE pursuant to the City Loan Guarantee. Any potential extension of the City Loan Guarantee term shall not operate to extend the reimbursement obligation period established under this section without PDC's written consent.

7. The commitment of PDC funds to the Project under this Amendment shall satisfy any current outstanding commitments of PDC to the City with regard to the Project.
8. The commitment of PDC funds to the Project under this Amendment shall satisfy all the outstanding obligations of PDC under the Agreement.
9. The City shall remain the guarantor of the Solo Power SELP Loan until called upon, terminated or extinguished.
10. All other terms of the Agreement not inconsistent with this Amendment shall remain in full force and effect.

Signatures following on page 3.

IN WITNESS WHEREOF, the City and PDC have executed this Agreement as of the Effective Date.

CITY OF PORTLAND

PORTLAND DEVELOPMENT COMMISSION

Steve Novick
Commissioner

Patrick Quinton
Executive Director

Date

Date

APPROVED AS TO FORM

APPROVED AS TO FORM

City Attorney

Legal Counsel

City Auditor

APPROVED AS TO FORM

Date

CITY ATTORNEY 6/14/16