

PORTLAND DEVELOPMENT COMMISSION

Portland, Oregon

RESOLUTION NO. 7183

**AUTHORIZING THE TERMS OF A PURCHASE AND SALE AGREEMENT TO
CONVEY 0.38 ACRES OF REAL PROPERTY IN THE LENTS TOWN CENTER
URBAN RENEWAL AREA TO LISAC BROTHERS CONSTRUCTION, INC.,
FOR \$500,000**

WHEREAS, in September 1998, the Portland Development Commission (“PDC”) Board of Commissioners (“Board”) approved, and the Portland City Council (“City Council”) adopted, the Lents Town Center Urban Renewal Plan;

WHEREAS, PDC purchased the property located at the southeast corner of SE 93rd Avenue and SE Woodstock Boulevard (“Property”), in the Lents Town Center Urban Renewal Area (“URA”) for the purposes of furthering the goals of the Lents Town Center URA Plan;

WHEREAS, in May 2014, PDC Board and City Council approved the Lents Five Year Action Plan, which guides PDC’s investments and activities in the Lents Town Center URA;

WHEREAS, in December 2014, PDC completed a Request for Interest (“RFI”) and no proposals for the Property were submitted;

WHEREAS, after the RFI process was complete and several other PDC Lents Projects were announced , Lisac Brothers Construction, Inc. (“Buyer”), approached PDC with an offer to purchase the Property to construct a redevelopment project supportive of the Lents Five Year Action Plan; and

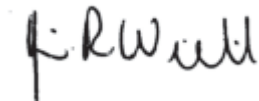
WHEREAS, PDC staff and the Buyer have agreed upon the terms of a Purchase and Sale Agreement.

NOW, THEREFORE, BE IT RESOLVED, that the PDC Board of Commissioners authorizes the Executive Director to execute a Purchase and Sale Agreement, substantially in accord with the terms and conditions (“Terms and Conditions”) reflected in Exhibit A;

BE IT FURTHER RESOLVED, that the Executive Director may approve changes to the Terms and Conditions, if such changes do not materially increase PDC's obligations or risks, as determined by the Executive Director in consultation with PDC's General Counsel; and

BE IT FURTHER RESOLVED, that this resolution shall become effective immediately upon its adoption.

Adopted by the Portland Development Commission on May 11, 2016

A handwritten signature in black ink, appearing to read "Gina Wiedrick". The signature is written in a cursive, somewhat stylized font.

Gina Wiedrick, Recording Secretary

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EXHIBIT A

**AUTHORIZING THE TERMS OF A PURCHASE AND SALE AGREEMENT TO
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FOR \$500,000**

Exhibit A includes this cover page and contains seven pages:

- Summary of Terms and Conditions of Purchase and Sale Agreement in the Lents Town Center Urban Renewal Area between the Portland Development Commission and Lisac Brothers Construction, Inc.
 - Exhibit A: Property

SUMMARY OF TERMS AND CONDITIONS

OF

PURCHASE AND SALE AGREEMENT
IN THE LENTS TOWN CENTER URBAN RENEWAL AREA

Between

THE PORTLAND DEVELOPMENT COMMISSION

And

LISAC BROTHERS CONSTRUCTION, INC.

PORTLAND DEVELOPMENT COMMISSION ("Seller") contemplates the following major Terms and Conditions leading to and informing the negotiation of a conveyance of the Property (defined below). LISAC BROTHERS CONSTRUCTION, INC ("Buyer") together with the Seller shall be referred to as "the Parties". The terms and conditions as outlined herein are intended to serve as a basic framework for a proposed transaction between Buyer and Seller ("Purchase and Sale Agreement"). Additional minor terms and conditions will be subject to subsequent negotiations between the Parties. It is the intent of the Parties to execute a definitive Purchase and Sale Agreement (PSA) within 90 days of PDC Board of Commissioners approval of these Terms and Conditions. Seller shall provide a draft of the PSA to Buyer within 14 days of PDC Board of Commissioners approval. The Agreement shall be a legally binding instrument and shall set forth the more detailed provisions governing the rights and obligations of the Parties with respect to conveyance of the Property and construction of the Project. The date of execution by the Parties of the PSA shall be deemed the "Effective Date".

Property Description: A portion of undeveloped land consisting of approximately 9,200 square feet commercial and 7,500 square feet residential located at the South East Corner of SE Woodstock Blvd and SE 93rd Ave as depicted on Exhibit A ("Property").

AS IS Sale: Buyer to acquire the Property, in the condition existing at the time of Closing, AS-IS, with all defects, if any.

Project: A two-phased mixed-use development. The first phase shall consist of a retail commercial building fronting the corner of SE Woodstock and SE 93rd with a combination of approximately 8 food carts to the South (we expect to employ about 50 persons likely many from the surrounding neighborhood) and The second phase shall consist of, at the choice of the PDC, 1) approximately 12 housing units if the expected zone change occurs before 1/1/2019 or 2) 6 housing units immediately based on the current zoning (the development is expected to park approximately 11 cars and 1 handicapped space which will relieve the parking demand on the local neighborhood street. Also, please see attached proof of funds.

Purchase Price: Five Hundred Thousand and 00/100 (\$500,000)

Effective Date: Buyer and Seller shall attempt to negotiate a formal PSA. The date of execution of the PSA shall be deemed the Effective Date.

Earnest Money: Five percent (5%) of the Purchase Price (\$25,000), to be placed in escrow within three (3) business days of the Effective Date.

Due Diligence: Sixty (60) days beginning upon the Effective Date. Buyer shall request a Permit of Entry from Seller, to allow Buyer and its agents to enter the Property to conduct inspections, tests, and surveys. If desired, PDC is willing to provide a Permit of Entry after mutual execution of this Letter of Intent, and before the execution of a definitive PSA. Invasive tests, such as Phase 2 Environmental or Geotechnical assessments require specific prior permission from Seller. Upon Notice of Termination for any reason or no reason prior to the expiration of Due Diligence,

Seller shall release all Earnest Money to Buyer. Otherwise, Earnest Money shall be non-refundable.

- Title:** During Due Diligence, Buyer shall review a preliminary title report issued by a national title Insurance company and provided by the Seller. Buyer shall have fifteen (15) days from the Effective Date to provide Seller with any title objections ("Title Objection Letter"). Seller shall then have fifteen (15) days to respond to the Title Objection Letter. Buyer shall have until the expiration of Due Diligence to either terminate the proposed transaction, or accept an updated title report based upon the Seller's response to the Title Objection Letter.
- Deed:** Upon Closing, Seller shall deliver title to the Buyer by a Bargain and Sale Deed.
- Representations:** Seller shall make all customary representations typical in an "AS-IS" sale. Buyer shall provide the same, along with any federal requirements that may apply to this transaction.
- Closing Date:** The Closing Date shall be within One hundred fifty (150) days after the Effective Date.
- Repurchase Right:** Buyer shall apply for building permits within One hundred twenty (120) days of the Effective Date. Seller shall have the right to repurchase the Property for the original Purchase Price if Buyer does not commence construction within two (2) years of the Closing Date.
- PDC Policies:** Buyer will comply with PDC Equity Policy and PDC Green Building Policy.
- Broker Commission:** Neither Buyer nor Seller is represented by any broker, and no sales commissions shall be paid as part of this contemplated transaction.

This Letter of Intent represents a general statement of the preliminary intent of the Parties with respect to the transaction described herein. It is expressly understood by both Parties that no contractual obligation and no legal duty of any kind will be created by virtue of this Letter of Intent. In the event the Parties agree on the terms of this LOI, the Parties shall attempt to agree upon the terms and conditions of a definitive Purchase and Sale Agreement for the Property, provided that either Party for any reason or no reason may terminate such negotiations at any time.

BUYER

By: Mark W. Lisac

Name: MARK LISAC

Title: Vice President

SELLER

By: Patrick Quinton

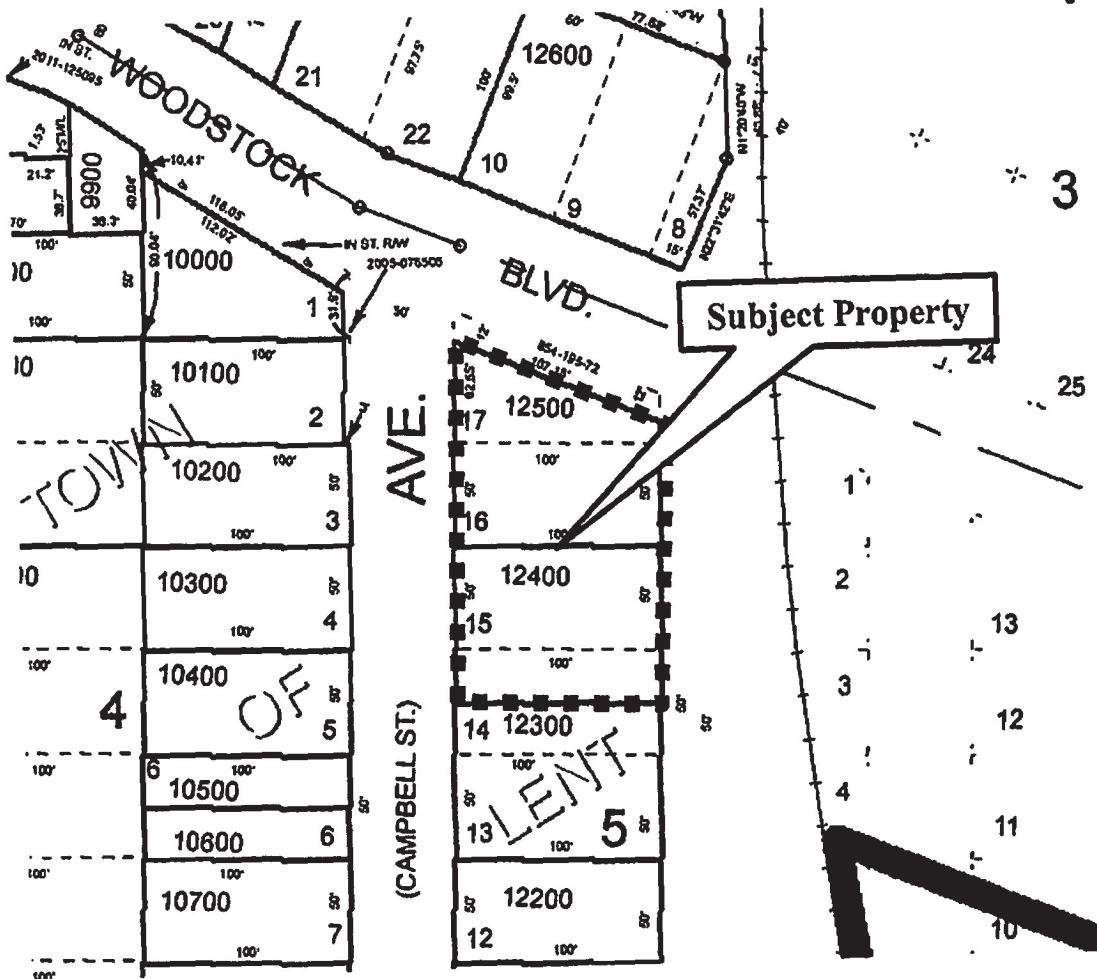
Patrick Quinton

Exec. Director, Portland Development Commission

TRB

Exhibit A
Property

Property ID: R288317
Property ID: R288316



LEWIS & CLARK BANK

P.O. Box 1630
Oregon City, OR 97046
603.212.3200
clientservices@lewisandclarkbank.com
www.lewisandclarkbank.com



Lisac Brothers Construction Inc
PO Box 2422
Clackamas OR 97015

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FINANCIAL SUMMARY

ACCOUNT NO.	DESCRIPTION	BALANCE
[REDACTED]	Pioneer Business Checking	4,533.59
	Business Money Market	740,987.69
TOTAL DEPOSIT BALANCE \$		745,521.28

Pioneer Business Checking ACCOUNT NO 130000520
STATEMENT DATE 02/29/2016
LAST STATEMENT DATE 01/29/2016

18	STATEMENT PERIOD		# OF DAYS-STMT PERIOD	31
PREVIOUS BALANCE	17,428.03			
4 DEPOSITS/CREDITS	32,622.57			
17 CHECKS/WITHDRAWALS	45,517.01	AVERAGE BALANCE		16,572.63
ENDING BALANCE	4,533.59	YTD INTEREST		0.00
TOTAL SRV CHG TODAY	0.00			

TRANSACTION ACTIVITY

DATE	DESCRIPTION	DEBITS	CREDITS	BALANCE
01/29/16	PREVIOUS BALANCE			17,428.03
02/01/16	CHECK #2351	1,013.00		16,415.03
02/03/16	transfer to reserves	83.33		16,331.70
02/03/16	transfer to operating	246.67		16,085.03
02/03/16	transfer to old town sount 1910	870.00		15,215.03
02/11/16	TSF from MMA per Brian		25,000.00	40,215.03
02/11/16	REGULAR DEPOSIT		1,824.37	42,039.40
02/12/16	CHECK #2352	1,500.00		40,539.40
02/16/16	CHECK #2353	1,500.00		39,039.40
02/16/16	CHECK #2361	2,182.90		36,856.50
02/16/16	CHECK #2359	4,881.00		31,975.50
02/16/16	CHECK #2362	5,446.61		26,528.89
02/17/16	CHECK #2360	32.50		26,496.39
02/17/16	CHECK #2354	755.50		25,740.89
02/17/16	CHECK #2366	15,000.00		10,740.89
02/18/16	CHECK #2355	100.00		10,640.89
02/22/16	REGULAR DEPOSIT		3,206.75	13,847.64
02/22/16	REGULAR DEPOSIT		2,591.45	16,439.09
02/22/16	CHECK #2364	2,317.50		14,121.59

RESOLUTION NO. 7183

RESOLUTION TITLE:

AUTHORIZING THE TERMS OF A PURCHASE AND SALE AGREEMENT TO CONVEY 0.38 ACRES OF REAL PROPERTY IN THE LENTS TOWN CENTER URBAN RENEWAL AREA TO LISAC BROTHERS CONSTRUCTION, INC., FOR \$500,000

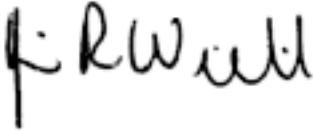
Adopted by the Portland Development Commission on May 11, 2016

PRESENT FOR VOTE	COMMISSIONERS	VOTE		
		Yea	Nay	Abstain
<input checked="" type="checkbox"/>	Chair Tom Kelly	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Commissioner Gustavo Cruz, Jr.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Commissioner Aneshka Dickson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Commissioner Mark Edlen	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Commissioner William Myers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Consent Agenda		<input checked="" type="checkbox"/> Regular Agenda		

CERTIFICATION

The undersigned hereby certifies that:

The attached resolution is a true and correct copy of the resolution as finally adopted at a Board Meeting of the Portland Development Commission and as duly recorded in the official minutes of the meeting.

	Date: May 13, 2016
Gina Wiedrick, Recording Secretary	