

PORTLAND DEVELOPMENT COMMISSION
Portland, Oregon

RESOLUTION NO. 6555

**AUTHORIZING AMENDMENT NUMBER FOUR TO THE
DISPOSITION AND DEVELOPMENT AGREEMENT WITH
SONEED, LLC FOR STATION PLACE LOT 2 IN THE RIVER
DISTRICT URBAN RENEWAL AREA**

WHEREAS, the Station Place Lot 2 commercial development is one component of a multi-phased, mixed-use project in the River District Urban Renewal Area;

WHEREAS, on July 13, 2005, the Portland Development Commission ("PDC") Board of Commissioners ("Board") adopted Resolution No. 6276 authorizing the Executive Director to enter into negotiations with Soneed, LLC ("Soneed") to build the new headquarters for Ziba Design, Inc. ("Ziba"), an internationally renowned design firm;

WHEREAS, on February 8, 2006, the Board adopted Resolution No. 6326 authorizing the Executive Director to execute a Disposition and Development Agreement For Lot 2 – Station Place Redevelopment with Soneed ("DDA");

WHEREAS, significant progress has been made to date, including redesign of the building and site, renegotiation and execution of easements, and resolution of outstanding title issues;

WHEREAS, on August 24, 2006, Amendment Number One to the DDA was executed by the Executive Director and Soneed extending the Schedule of Performance by 60 days in order to allow Soneed time to develop a more feasible project schedule;

WHEREAS, on November 8, 2006, the Board adopted Resolution No. 6410 authorizing Amendment Number Two to the DDA extending the Schedule of Performance by six months to allow Soneed time to finalize redesign of the building, secure construction and private financing, and obtain necessary approvals;

WHEREAS, on April 25, 2007, the Board adopted Resolution No. 6475 authorizing Amendment Number Three to the DDA extending the Schedule of Performance by six months to allow Soneed time to finalize redesign of the building, secure construction and private financing, and obtain necessary approvals, and deleting Section 5.3.1 Pedestrian Connection from the DDA eliminating the requirement that the Pedestrian Connection be constructed;

WHEREAS, an amendment to the DDA extending the Final Termination Date and the Schedule of Performance is necessary to provide additional time for Soneed to meet the conditions precedent to conveyance;

WHEREAS, an amendment to the DDA acknowledging the existence of certain pilings and related concrete structure associated with the previous placement of a tower crane on Lot is necessary to fully disclose the condition of the property; and

WHEREAS, an amendment to the DDA allowing for the creation of a deposit account to be funded from the proceeds of the sale in the amount of twenty thousand dollars (\$20,000) to reimburse Soneed for incidental construction costs incurred as a result of the recently discovered existence of the pilings and related concrete structure mentioned above.

NOW, THEREFORE, BE IT RESOLVED that the Executive Director is hereby authorized to execute Amendment Number Four to the DDA substantially in the form attached hereto as Exhibit A; and

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

Adopted by the Portland Development Commission on February 13, 2008.



Renee A. Castilla, Recording Secretary

AFTER RECORDING RETURN TO:
Portland Development Commission
222 NW Fifth Ave.
Portland, OR 97209
Attn: Michael J Grieser

AMENDMENT NUMBER FOUR
to
DISPOSITION AND DEVELOPMENT AGREEMENT
FOR LOT 2 – STATION PLACE REDEVELOPMENT
between
THE CITY OF PORTLAND, a municipal corporation of the State of Oregon, acting by and
through the PORTLAND DEVELOPMENT COMMISSION
and
SONEED, LLC, an Oregon limited liability company

In consideration of the mutual benefits to be realized by the Parties to this Amendment Number Four, SONEED, LLC, an Oregon limited liability company, (“Developer”) and the City of Portland, a municipal corporation of the State of Oregon, acting by and through the PORTLAND DEVELOPMENT COMMISSION as the duly designated urban renewal agency of the City of Portland (“PDC”) hereby amend that certain Disposition and Development Agreement, entered into on February 9, 2006, a memorandum of which was recorded on September 29, 2006 in the real property records of Multnomah County as document number 2006-182375, as amended by that certain Amendment Number One dated August 24, 2006 and recorded on September 26, 2006 in the real property records of Multnomah County as document number 2006-182376, as amended by that certain Amendment Number Two dated November 8, 2006 and recorded on March 9, 2007 in the real property records of Multnomah County as document number 2007-042217, and as amended by that certain Amendment Number Three dated April 25, 2007 and recorded on July 13, 2007 in the real property records of Multnomah county as document number 2007-127013 (the “Agreement”), as follows:

1. Section 1.5.6 is amended to read as follows:

1.5.6 Final Termination Date. If all of the conditions precedent have not been satisfied, waived or otherwise resolved pursuant to this Agreement by May 15, 2008, then this Agreement shall automatically terminate on May 15, 2008 (“Final Termination Date”) unless a party is proceeding to cure any default of this Agreement and the allowed cure period after notice has not expired, in which event such Final Termination Date shall be extended by such remaining period or the Final Termination Date is extended by agreement of the Parties prior to the Final Termination Date, or unless the failure of satisfaction of the conditions precedent is the result of an Unavoidable Delay, as described in Section 10.8 below. If the Final Termination Date is extended by a party for a period of Unavoidable Delay, the maximum cumulative period of extending the Final Termination Date based on Unavoidable Delay(s) applicable to such party shall be (A) twelve (12) months for any delay(s) based on either (but not both) (i) Extreme Economic Downturn delay, or (ii) categories of Unavoidable Delays other than Extreme Economic Downturn, and (B) eighteen (18) months in the aggregate for any cumulative period of Unavoidable Delay that includes both (i) Extreme Economic Downturn delay (not to exceed 12 months), or (ii) categories of Unavoidable Delays other than Extreme Economic Downturn (not to exceed 12 months). If the Agreement is terminated for failure of satisfaction of the conditions precedent, and such failure is not the result of a breach of this Agreement by either Party, then, except for PDC’s retention of the

Initial Deposit in the circumstances described in Section 1.5.5 above, the obligations of the Parties to each other under this Agreement shall terminate.

2. Section 1.6.4 (g) is amended to read as follows:

Except as heretofore disclosed to Developer by PDC in writing, including, without limitation, the existence on the Property of certain pilings and concrete cap associated with the construction of the adjacent REACH tower, the Property is free from poorly or improperly filled ground or other geological or engineering conditions actually known to or caused by PDC that may preclude, significantly interfere with or significantly increase the cost of the development and/or use of the Property; and

3. Section 6.3 is added to read as follows:

PDC will create an account in the amount of twenty thousand dollars (\$20,000) to be used to reimburse Developer for actual construction costs incurred due to the existing pilings and concrete cap embedded in the Property. Upon Developer's completion of construction activities related to the piling and concrete cap, Developer shall provide PDC with an accounting of the construction satisfactory to PDC with sufficient detail, including, without limitation, a description of the work performed and contractor's schedule of values, in order to ascertain the costs. PDC may reasonably reject any costs that are not attributable to the piling and cap, but if PDC does not object to the costs, the costs shall be deemed acceptable to PDC on the tenth day after receipt. Within thirty (30) days of PDC's acceptance of the piling and cap construction costs, PDC shall pay to Developer the acceptable costs.

4. EXHIBIT C SCHEDULE OF PERFORMANCE to the Agreement is replaced in its entirety with the Schedule of Performance attached hereto as Exhibit A.

This Amendment Number Four is dated effective as of February 13, 2008.

Except as set forth in this Amendment Number Four, all terms and conditions of the Agreement, as amended, remain in full force and effect.

IN WITNESS WHEREOF, PDC and Developer have each caused this Amendment Number Four to be duly executed on its behalf on or as of the effective date stated above.

SONEED, LLC, an Oregon limited liability company

City of Portland, acting by and through the PORTLAND DEVELOPMENT COMMISSION,

By: _____
Sia Vossoughi, Manager

By: _____
Bruce A. Warner, Executive Director

APPROVED AS TO FORM:

PDC Legal Counsel

STATE OF OREGON)
) ss.
County of Multnomah)

This instrument was acknowledged before me on February ____, 2008, by Sia Vossoughi, duly authorized Manager of **SONEED, LLC**, an Oregon limited liability company on its behalf.

Notary Public for Oregon
My commission expires: _____

STATE OF OREGON)
) ss.
County of Multnomah)

This instrument was acknowledged before me on February ____, 2008, by Bruce A. Warner, Executive Director of the **PORTLAND DEVELOPMENT COMMISSION**, the duly designated urban renewal agency of the City of Portland on its behalf.

Notary Public for Oregon
My commission Expires: _____

EXHIBIT A

SCHEDULE OF PERFORMANCE

Close Escrow of Sale and Convey Lot 2 to Developer	No Later Than May 15, 2008
Developer Commences Construction of Improvements on Lot 2	No Later Than June 15, 2008
Developer Completes Construction on Lot 2	No Later Than September 15, 2009

PDC

PORTLAND DEVELOPMENT COMMISSION

Resolution Number 6555

TITLE: AUTHORIZING AMENDMENT NUMBER FOUR TO THE DISPOSITION AND DEVELOPMENT AGREEMENT WITH SONEED, LLC FOR STATION PLACE LOT 2 IN THE RIVER DISTRICT URBAN RENEWAL AREA

Adopted by the Portland Development Commission on February 13, 2008.

PRESENT FOR VOTE	COMMISSIONERS	VOTE		
		Yea	Nay	Abstain
<input checked="" type="checkbox"/>	Mark Rosenbaum, Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Sal Kadri	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Bertha Ferrán	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Charles Wilhoite	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	John Mohlis	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/> Consent Agenda		<input 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 duly recorded in the official minutes of the meeting.


Renee A. Castilla, Recording Secretary

Date: March 12, 2008