

LORA RESOLUTION 13-03

A RESOLUTION OF THE LAKE OSWEGO REDEVELOPMENT AGENCY BOARD AUTHORIZING THE EXECUTIVE DIRECTOR OF THE AGENCY TO SIGN THE BLOCK 137 PROJECT DEVELOPMENT AGREEMENT WITH EVERGREEN GROUP LLC FOR REDEVELOPING BLOCK 137 AS A RESIDENTIAL AND RETAIL MIXED-USE DEVELOPMENT

WHEREAS, the Lake Oswego Redevelopment Agency has an adopted East End Redevelopment Plan that includes a mixed-use development project on Block 137 in Downtown Lake Oswego otherwise known as Project J; and

WHEREAS, the redevelopment of Block 137 has been a high priority project for a number of years; and

WHEREAS, the developer, Evergreen Group LLC, proposes to construct a mixed-use project consistent with the description of Project J in the East End Plan; and

WHEREAS, the project will include between 215 and 228 new higher end market-rate residential units and between 27,000 and 28,000 square feet of new quality active retail space along 1st Street and A Avenue; and

WHEREAS, the development project will be designed to be consistent with and complementary to the adjacent newer developments in the area; and

WHEREAS, the Evergreen Group has requested financial assistance from the Agency to make the project financially feasible and to accomplish Agency objectives; and

WHEREAS, the proposed project meets the vision and objectives of the East End Redevelopment Plan by providing new high quality retail and housing in downtown along with adequate parking for these uses, improving pedestrian access and public spaces in and around the project, encouraging private investment and enhancing the overall economic vitality of downtown, and improving the East End District's tax base; and

WHEREAS, the proposed project will provide other specific public benefits, including additional public parking for downtown, a pedestrian access way between 1st and 2nd streets, additional public art and future public art opportunities, new permanent jobs and temporary construction jobs, and additional one-time construction excise tax revenue for the Lake Oswego School District; and

WHEREAS, the Block 137 Project Development Agreement includes a financial contribution to the project in the form of urban renewal funds, which will pay for the project's building permit fees, System Development Charges, construction excise taxes, and a portion of the construction costs for the project; and

WHEREAS, the Agency's contribution to the project's building permit fees, System Development Charges and construction excise taxes is estimated to be \$4.7 million, and will not exceed \$5.2 million; and

WHEREAS, the Agency's contribution to the construction of the project will be \$749,000; and

WHEREAS, the Development Agreement provides protections to ensure the public funds are spent so as to minimize risk to the Agency; and

WHEREAS, the Development Agreement provides protections to ensure the public benefits of the project are secured and in place for up to 95 years; and

NOW, THEREFORE, BE IT RESOLVED by the Board of the Lake Oswego Redevelopment Agency that:

The Executive Director is authorized to sign the Block 137 Project Development Agreement substantially in the form attached as Exhibit 1. This Resolution shall take effect upon passage.

Considered and enacted at the regular meeting of the Lake Oswego Redevelopment Agency on the 13th day of August, 2013.

AYES:

NOES:

EXCUSED:

ABSTAIN:

Kent Studebaker, Chair

ATTEST:

Catherine Schneider, Recording Secretary

APPROVED AS TO FORM:

David D. Powell, LORA Counsel