

**THIRD AMENDMENT TO INTERGOVERNMENTAL AGREEMENT
HAWTHORNE BRIDGE RAMP RELOCATION
COUNTY COURTHOUSE
MORRISON BRIDGEHEAD PROPERTIES**

This Third Amendment to Intergovernmental Agreement is made as of June ____, 2015 (“Third Amendment”) between Multnomah County, Oregon (“County”), and the City of Portland, acting by and through the Portland Development Commission, its duly designated urban renewal agency (“PDC”).

RECITALS

1. The County and PDC entered into that certain Intergovernmental Agreement (Hawthorne Bridge Ramp Relocation, County Courthouse, Morrison Bridgehead Properties) effective November 19, 2007, pursuant to which PDC paid Eight Million Eight Hundred Twenty Thousand Dollars (\$8,820,000) to the County (the “Courthouse Financing”), for relocation of the Hawthorne Bridge off ramp on the west side of the Willamette River to support the development of a new Multnomah County Courthouse (such development, the “Courthouse Project”, and such agreement, the “Courthouse Agreement”).
2. The Courthouse Agreement required the County to commence the Ramp Relocation Project no later than November 19, 2012, which deadline was extended until November 19, 2014 pursuant to the First Amendment to the Courthouse Agreement, dated as of October 8, 2012. By a Second Amendment to the Courthouse Agreement, dated as of October 20, 2014, the deadline was extended until November 19, 2019, and the County received expanded ability to use the Courthouse Financing within the Downtown Waterfront Urban Renewal Area (the “DWURA”) to support the Courthouse Project (as amended, the “Amended Courthouse Agreement”).
3. Subsequent to the County’s analysis of County-owned sites and other sites that were submitted for the County’s consideration for the Courthouse Project pursuant to a site solicitation request, and subsequent to the County’s review of certain environmental, geotechnical and traffic impact studies, on April 16, 2015, the Board of County Commissioners selected the Hawthorne Bridgehead Block 8 site as the location for the Courthouse Project, which site is located outside of the DWURA, and without any related bridge ramp relocation requirements.
4. County and PDC entered into that certain Intergovernmental Agreement for the Multnomah County Health Department Building on the easterly portion of Block U within the River District Urban Renewal Area (the “RDURA”) effective November 13, 2012, pursuant to ORS 457.470(10)(e) obligating PDC to provide direct economic benefits to the County from the RDURA

equal to 10.8% of the RDURA Plan's amendment increasing indebtedness as of June 1, 2008 (the "MCHD Agreement").

5. Under the MCHD Agreement, PDC provided to the County an Initial Payment of \$10,000,000 no later than June 30, 2014. By a First Amendment to the MCHD Agreement, dated June 27, 2014, the County and PDC agreed to extend the deadline for the disbursement of the Final Payment of \$16,948,460 from June 30, 2014, to June 30, 2015 (as amended, the "Amended MCHD Agreement").
6. The County and PDC jointly agree that providing additional PDC funding to support the construction of the Multnomah County Health Department Building Project within the RDURA and the County returning to PDC the Courthouse Financing to be used to support other aspects of the DWURA plan are in the parties' mutually beneficial interests.

NOW, THEREFORE, in consideration of the foregoing premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

AGREEMENT

1. On the terms and conditions of this Third Amendment, the County agrees to reimburse to PDC the Courthouse Financing, together with interest earned on the Courthouse Financing, in an aggregate amount not to exceed NINE MILLION THREE HUNDRED TWENTY THREE THOUSAND NINE DOLLARS (\$9,323,009) (the "DWURA Amount").
2. PDC in its sole responsibility shall realize a credit of \$176,400 with the Regional Arts and Culture Council ("RACC") in the DWURA as a result of payment made directly by PDC to RACC and the 2% for Art policy requirement related to PDC's anticipated hard cost contribution towards the Courthouse project.
3. The County shall reimburse the DWURA Amount to PDC within twenty (20) days after PDC and the County enter into a Second Amendment to the Amended MCHD Agreement, pursuant to which PDC shall have agreed to disburse to the County an additional amount equal to \$9,499,409.
4. The Amended Courthouse Agreement shall terminate upon PDC's receipt of the DWURA Amount from the County. Sections 5.1 and 8.4 of the Courthouse Agreement shall survive termination of the Amended Courthouse Agreement.
5. Except as expressly modified by this Third Amendment, the parties agree and acknowledge that the Amended Courthouse Agreement is and remains in full force and effect and binding on the parties.

6. This Third Amendment may be executed in several counterparts, all of which when taken together shall constitute one agreement binding on all parties, notwithstanding that all parties are not signatories to the same counterpart. Each copy of this Third Amendment so executed shall constitute an original. This Third Amendment may not be modified except by a writing signed by the parties.
7. Capitalized terms used but not defined in this Third Amendment shall have the meanings ascribed thereto in the Amended Courthouse Agreement.

IN WITNESS WHEREOF, the parties hereto execute this Third Amendment effective as of the date first set forth above.

MULTNOMAH COUNTY

By: _____
Deborah Kafoury,
Chair

Date: _____

Reviewed and approved:
JENNY M. MADKOUR, COUNTY ATTORNEY
FOR MULTNOMAH COUNTY

By: _____
Kenneth M. Elliott
Assistant County Attorney

Date: _____

PORTLAND DEVELOPMENT COMMISSION

By: _____
Patrick Quinton,
Executive Director

Date: _____

Approved as to Form:

PDC Legal Counsel

Date: _____