

BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

RESOLUTION NO. 01-059

Authorizing the County to Amend October 1, 1998 Lease Agreement and to Provide Funds to the Children's Land Trust, Formerly Known as the Regional Children's Campus Inc. (RCC), for Reimbursement of Certain Development Costs

The Multnomah County Board of Commissioners Finds:

- a. On October 1, 1998 the County entered into a Lease Agreement with the Regional Children's Campus Inc. (RCC) for land and improvements on County property known as Edgefield. Lease payments are being used to repay revenue bonds issued by the county to help construct improvements on the property.
- b. Subsequent to October 1, 1998, The Children's Land Trust became the successor of RCC for the October 1, 1998 lease agreement.
- c. A requirement of the partnership with RCC was that RCC would also partner with other non-profit organizations to co-locate on the Edgefield site.
- d. Multnomah Education Service District (MESD) entered into an agreement with RCC to locate their facilities at the Edgefield site.
- e. During the development of the site for MESD, unanticipated water run off issues needed to be corrected and additional infrastructure was required to support the additional MESD facility.
- f. The Children's Land Trust expended \$261,846 in additional development costs to have MESD co-locate at this site and the Children's Land Trust is not in a financial position to absorb this cost out of its current budget.
- g. In September, 2000 the County Chair's Office, County Attorney and Finance Director met with Wayne Rembold, Chair of the Children's Land Trust, to resolve the water runoff issues and added infrastructure costs as a result of MESD locating on the Edgefield site.
- h. The Children's Land Trust has requested that the County reimburse the Children's Land Trust the funds for such costs, that the repayment of such reimbursement commencement date be October 1, 2002, and that the payments be secured by an amendment to the Lease Agreement that will provide that non-payment of the note shall be a breach of the lease and that the note be paid in full before title to the Edgefield property is be transferred to the Children's Land Trust.

- i. The County has sufficient funds in the Capital Acquisition fund to assist the Children's Land Trust in this reimbursement.
- j. Accrued interest of \$16,011 (interest from June 1, 2001 to October 1, 2002) will be added to the \$261,846 current reimbursement making the note total \$277,857.

The Multnomah County Board of Commissioners Resolves:

- 1. The County will reimburse the Children's Land Trust \$261,846 to the Children's Land Trust.
- 2. The County Attorney's Office will prepare an appropriate note document for the \$277,857 (\$261,846 plus \$16,011). The note document shall specify that the note is to bear interest at 4.52% per annum, and that the note is to be repaid in full by no later than October 1, 2014.
- 3. The County Attorney's Office will prepare the necessary amendments to the October 1, 1998 lease agreement between the County and RCC that will provide that non-payment of the note shall be a breach of the lease and that the note be paid in full before title to the Edgefield property is transferred to the Children's Land Trust.
- 4. The Finance Director, or designee, is authorized to sign the documents once approved by the County Attorney.

ADOPTED this 10th day of May, 2001.



BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

Bill Farver, Interim Chair

REVIEWED:

THOMAS SPONSLER, COUNTY ATTORNEY
FOR MULTNOMAH COUNTY, OREGON

By

John Thomas, Assistant County Attorney

**PROMISSORY NOTE BETWEEN MULTNOMAH COUNTY AND
THE CHILDREN'S LAND TRUST**

This Promissory Note is entered into this _____ day of May, 2001, between Multnomah County, a home rule subdivision of the State of Oregon, hereinafter referred to as (the "Payee") and The Children's Land Trust hereinafter referred to as (the "Promisor").

As ordered by Resolution No. 01-059, the undersigned Promisor promises to pay to the order of Multnomah County, Oregon at 501 SE Hawthorne Blvd., 4th Floor, Portland, OR 97214, or at such other place as the Payee may designate in writing, the aggregate principal amount of \$277,857 plus interest at the rate of 4.52% per anum based on a 30 day month 360 day year pursuant to the attached payment schedule.

The note shall be repaid according to the attached The Children's Land Trust Infrastructure Repayment Schedule. The outstanding principal balance may be paid off at any time without penalty. If the outstanding principal balance is paid off interest is due from the last payment date to the date funds are received by the payee.

If any one or more of the provisions of this Agreement is determined to be unenforceable, in whole or part, for any reason, the remaining provisions shall remain fully operative.

Payment on this Agreement shall be paid in legal currency of the United States.

No renewal or extension of this Agreement, delay in enforcing any right of the Payee under this Agreement, or assignment by Payee of this Agreement shall affect the liability of the Promisor. All rights of the Payee under this Agreement are cumulative and may be exercised concurrently or consecutively at the Payee's option.

This Agreement shall be construed in accordance with the laws of the State of Oregon.

Signed this _____ day of May. 2001, at Portland, Oregon

Promisor:
The Children's Land Trust

Payee:
**Board of County Commissioners
For Multnomah County, Oregon**

By _____
Wayne Rembold, Chair

By Bill Farver
Bill Farver, Interim Chair

Reviewed:
By Thomas Sponsler
Thomas Sponsler, County Attorney
For Multnomah County, Oregon

EXHIBIT B-3
MULTNOMAH COUNTY, OREGON
Children's Land Trust Infrastructure Reimbursement Schedule

INTEREST RATE	4.52%
PRINCIPLE AMOUNT	\$277,857
NUMBER OF YEARS	12
ANNUAL PAYMENT	\$30,513
144 MONTHLY PAYMENT BEGINNING OCT 1, 2002	\$2,543

Year	October 1	Begin Balance	Payment	Interest	Principal	Ending Balance
1	2002	\$277,857	\$30,513	\$12,570	\$17,943	\$259,914
2	2003	259,914	30,513	11,758	18,755	241,159
3	2004	241,159	30,513	10,910	19,603	221,555
4	2005	221,555	30,513	10,023	20,490	201,065
5	2006	201,065	30,513	9,096	21,417	179,648
6	2007	179,648	30,513	8,127	22,386	157,262
7	2008	157,262	30,513	7,115	23,399	133,863
8	2009	133,863	30,513	6,056	24,457	109,406
9	2010	109,406	30,513	4,950	25,564	83,842
10	2011	83,842	30,513	3,793	26,720	57,122
11	2012	57,122	30,513	2,584	27,929	29,193
12	2013	29,193	30,513	1,321	29,193	(0)
			<u>\$366,160</u>	<u>\$88,303</u>	<u>\$277,857</u>	

Prepared By: Finance

04-May-01

Reimbursement	261,846
Interest at 4.52% (1)	16,011
Lease Amount	<u>277,857</u>

(1) Interest on \$261,846 for 487 days, June 1, 2001 to October 1, 2002. Interest of \$16,011 added on to balance and amortized over 12 years.