

**FIRST AMENDMENT  
PROJECT GRANT AGREEMENT**

**EFFECTIVE DATE:** January 24, 2019

**MAXIMUM GRANT AMOUNT:** ~~\$300,000.00~~ up to  
\$1,100,000

**GRANTEE:** Mid-Willamette Valley Community  
Action Agency

**PROJECT DESCRIPTION:** Construction costs  
for Sobering Center (Day Resource Center)  
615 Commercial Street, NE, Salem, OR

**PROJECT ADDRESS:** 615 Commercial St. NE

**GRANT TERM:** ~~12~~ 24 months

The Urban Renewal Agency of the City of Salem and Mid-Willamette Valley Community Action Center (Grantee), (together, the Parties) are entering into this Agreement to establish the terms of the grant of Riverfront-Downtown Urban Renewal funds to Grantee. The Urban Renewal Agency has relied on the representations and statements provided from Grantee, including project costs and sources and uses statement. This Agreement is effective on the date last signed by both Parties below.

As a condition of a maximum total grant of ~~\$300,000.00~~ up to \$1,100,000 from the Urban Renewal Agency, the Grantee agrees to the following:

1. Should the Urban Renewal Agency enter into a future Purchase and Sale Agreement with Grantee, \$380,000 of the total grant amount shall be deducted from the property's purchase price.
2. The grant is an eligible expenditure in the Riverfront-Downtown Urban Renewal Plan.
3. The purpose of the grant is to fund up to ~~\$300,000.00~~ \$1,100,000 in eligible project costs for the sobering and recovery center to address homelessness, located at 615 Commercial Street NE.
4. Grantee must submit confirmation of financial resources sufficient to cover any costs not covered by the grant funds.
5. Grantee must complete sobering and recovery space within twelve months.
6. Grantee must provide City a copy of an insurance policy to cover full replacement value of the project upon completion.
7. Grantee agrees that the City or its agents may enter the property at any reasonable times to inspect work being completed.
8. Prior to disbursement of funds, Grantee must inform the Urban Renewal Agency when work is completed and ready for inspection. Funds shall not be disbursed if the work has not been completed to the satisfaction of the City of Salem.

9. The Urban Renewal Agency shall disburse funds to Grantee upon receipt of a disbursement request with attached invoices/receipts and confirmation of Grantee funding if costs exceed City Grant funds.
10. If applicable, Grantee shall submit to the Urban Renewal Agency a copy of Grantee's contract with the contractor and architect that Grantee chooses to undertake the design and construction of the project. This Agreement shall in no way create a contractual relationship between the Urban Renewal Agency and the contractor, or the City of Salem and the contractor.
11. If required, all work shall be done under a building permit issued by the City of Salem. Upon completion of the work, the property shall be inspected and certified in compliance with all applicable City codes and ordinances. All contractors shall be registered and bonded by the State of Oregon.
12. Grantee shall maintain the building improvements funded by the grant in good order for a period of at least five (5) years and be dutiful about removal of graffiti and repair of vandalism.
13. Grantee shall defend, indemnify, and hold harmless the Urban Renewal Agency and the City of Salem, the officers, agents, employees, and contractors of each, from all claims, suits, and actions of whatever nature resulting from or arising out of the activities or negligence of Grantee, its officers, agents, and employees under this Agreement.
14. Grantee to provide to the City quarterly progress reports on the project.
15. The Urban Renewal Agency may, after notice to the Grantee of its intent to do so, cancel its participation in the construction of the building for which funds are granted in the event the Agency, in its sole judgment, finds that:

- Grantee has failed to make substantial progress in completion of the building improvements; or
- There is any material adverse change in the financial condition of Grantee or Property; or
- Grantee has failed to comply with the terms of this Agreement; or
- Such cancellation is necessary to comply with the requirements of law.

**IN WITNESS WHEREOF**, the Parties have caused this Agreement to be signed in their respective names by their duly authorized representatives as of the dates set forth below:

Urban Renewal Agency of the  
City of Salem, Oregon

Grantee

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_