

Staff Report

File #: 17-230**Version:** 2**Date:** 6/12/2017**Item #:** 4.3a.

TO: Urban Renewal Agency Board
THROUGH: Steve Powers, Executive Director
FROM: Kristin Retherford, Urban Development Director

SUBJECT:

Amendment to Development Agreement with N.W. Custom Structures, LLC.

Ward(s): 5

Board Member(s): Ausec

Neighborhood(s): Northgate

ISSUE:

Shall the Agency Board approve the attached amendment to the Development Agreement with N.W. Custom Structures, LLC for property located at 3005 - 3043 Portland Road NE?

RECOMMENDATION:

Approve the attached amendment to the Development Agreement with N.W. Custom Structures, LLC for property located at 3005 - 3043 Portland Road NE.

SUMMARY AND BACKGROUND:

On September 23, 2013, the Agency Board authorized the Executive Director to execute a Development Agreement (Agreement) (Attachment 1) with N.W. Custom Structures, LLC (Developer), whose principal is Kimberly Kitchen, for the disposition and development of property located at 3005-3043 Portland Road NE (Property).

The Agreement required the Developer to develop the Property in phases to accommodate its carport business.

- Phase I: level and gravel the site and secure carports as required by the Salem Revised Code (SRC); install fencing and landscaping as required by the SRC; utilize the site as a sales area for carports; and
- Phase II: pave the necessary driveways and parking areas and complete a permanent

commercial office building of no less than 1,000 square feet (Improvements).

Phase I of the Improvements was to be complete by October 4, 2014, and Phase II was to be complete by October 4, 2019. The Agreement was amended on March 14, 2016, to state that Phase I improvements would be complete by October 4, 2017, with the Phase II completion date remaining unchanged.

FACTS AND FINDINGS:

Developer continues to face multiple delays and increased costs in development of the Property. Staff and Developer have come to terms as shown in the proposed amendment (Attachment 2) with the completion date for Phase I improvements adjusted to October 4, 2018, and the Phase II complete date to October 4, 2020. All other terms of the Agreement remain unchanged.

Clint Dameron
Real Property Services Manager

Attachments:

1. Agreement
2. Proposed Amendment

5/9/2017