

EWEB RIVERFRONT DEAL POINTS –

The following deal points would serve as final guidance toward the final 2 party EWEB-City of Eugene MOU and 3 party (EWEB, City and Williams and Dame) Exclusive Negotiation Agreement (ENA)

- Section 1: City and/or Urban Renewal Agency (“City”) will act as EWEB’s agent for purposes of selling and moving to market EWEB riverfront site (as shown on attached map).
- Section 2: City, at its sole discretion, may negotiate for the sale and development of the land, whether with Williams & Dame or other parties of City’s choosing, so long as City ensures that all development proposals will be consistent with EWEB Riverfront Master Plan and terms of all MOUs between EWEB and City.
- Section 3: City guarantees that EWEB will receive a minimum of *\$(final range is probably 6.5 to 6.9)* million (“guaranteed amount”) within 5 years, regardless of the price that City agrees to for the sale of the land to a 3rd party. This guaranteed amount will be adjusted to reflect any land that is removed or added to the land shown on the attached map. For example, if part of the land shown on the attached map is reduced due to an environmental issue and the land is retained by EWEB, the guaranteed amount will be reduced. The amount that the guaranteed amount will be adjusted (whether up or down) will be \$10/sq. foot except the Mill Lot and Credit Union parking area which, if withdrawn, may be subject to a different rate as determined by a definitive agreement
- Section 4: City may establish whatever purchase price and conditions City deems appropriate for all or any portion of the surplus property, both before and after the payment of the guaranteed amount. If City sells the property for more than the guaranteed amount, then the additional revenue will be distributed as follows: for the first \$1 million of additional revenue, split 75%/25% (EWEB/City); for the next \$1 million of additional revenue, split 50%/50%; and for any additional revenue, 25%/75% (EWEB/City).
- Section 5: EWEB agrees to complete the remediation necessary to obtain a No Further Action (“NFA”) letter from DEQ for the entire site. EWEB will establish a remediation fund of \$1 million. Up to \$200-250K of that fund may be used by EWEB following the effective date of this agreement to pay the costs of remediation necessary to obtain the NFA. The balance of the remediation fund shall be available for remediation in the event that environmental issues are identified during the disposition and development process. If such issues are discovered, EWEB shall either remediate or make funds available to remediate the issues up to the balance of the remediation fund. If the cost of remediation exceeds the amount in the remediation fund,

City or EWEB can remove the land at issue from development and the guaranteed amount will be reduced as provided in section 3 above. EWEB may pursue recovery of costs related to environmental contamination from 3rd parties and prior owners; any reimbursements and recovery shall be EWEB's.

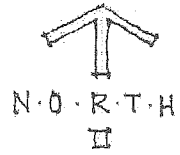
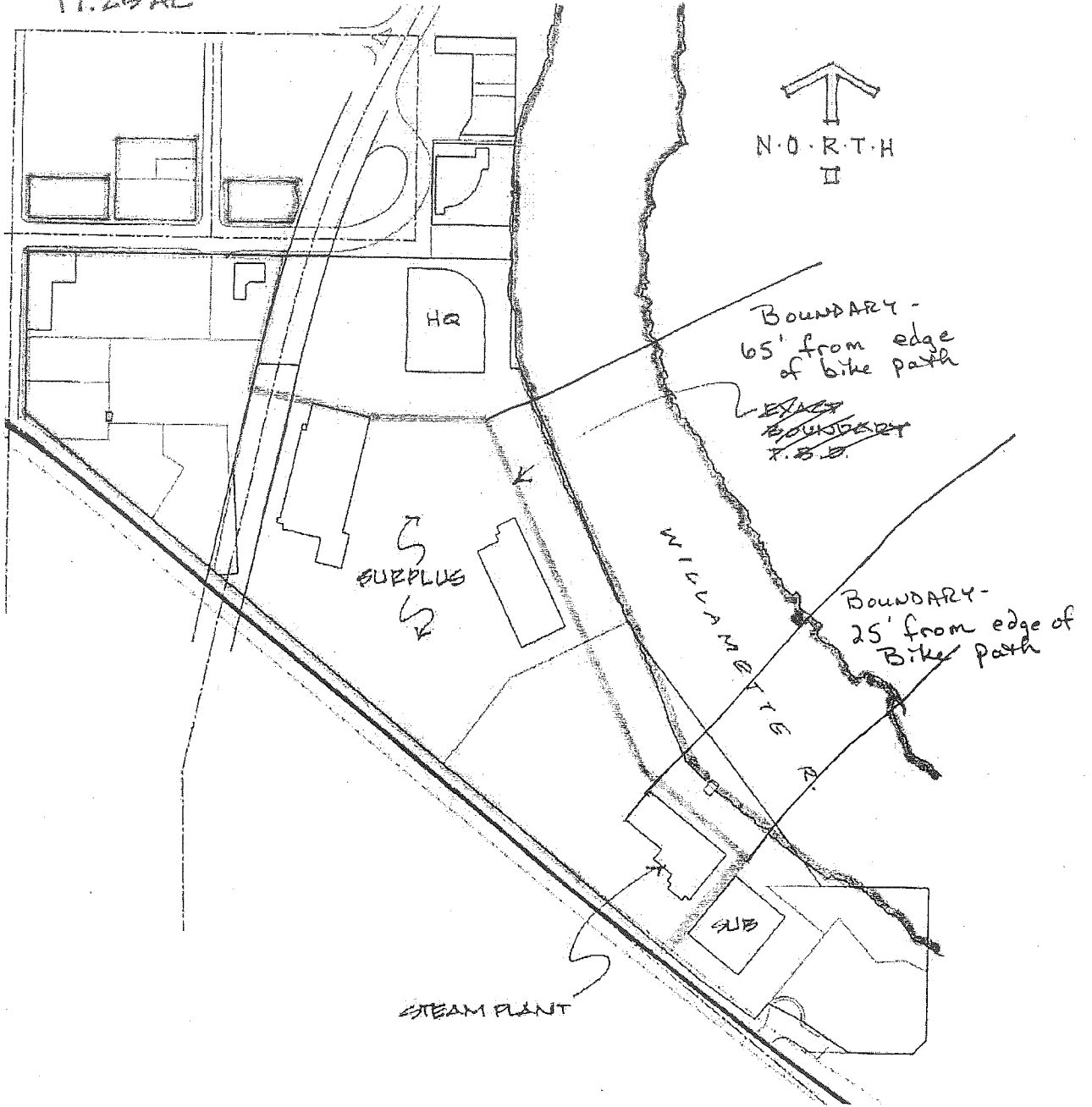
- Section 6: EWEB will acquire and provide asbestos surveys of surplus buildings to City.
- Section 7: EWEB has a need for (TBD based on operational needs and final code requirements) parking spaces for its customers, visitors, employees and tenants. Some of this parking will be retained with the HQ property that is not surplus. This, however, is not adequate. Therefore, EWEB has identified land areas on 4th Avenue shown on the attached map that EWEB has determined would be adequate to meet its total parking needs. Specifically, this additional land area is the lot on the NE corner of Mill and 4th ("Mill lot"); and general land area around the old EWEB credit union building bounded by E. 4th Ave on the north, the extension of Mill Street on the west and the western edge of the viaduct to the east ("Credit Union" area). City or developer may propose alternate parking in lieu of this additional land area, and if satisfactory to EWEB, the alternate parking shall be used and City may sell the additional land areas on 4th Avenue. If an alternate parking area is accepted by EWEB in lieu of the Credit Union area, then City agrees to preserve right of vehicular access in favor of EWEB operations and the public from Mill to the EWEB Headquarters parcel. EWEB will not unreasonably withhold consent for an alternate parking plan. If City cannot propose alternate parking that is satisfactory to EWEB, then EWEB shall retain this additional land area and the guaranteed amount will be reduced accordingly.
- Section 8: City staff will work with EWEB on possible changes to the Master Plan/Code regarding south side of headquarters building.
- Section 9: City will ensure coordination of construction activities and access agreement as needed for customer egress and employees during construction. The intent is there to be no material adverse operational/customer impacts and no long-term degradation to HQ value/access/operations.
- Section 10: City will coordinate with EWEB staff on a regular basis and provide information to EWEB about the property negotiations upon request by EWEB.
- Section 11: EWEB and City will work together to finalize lot lines and parcels including easements for existing utilities and other structures. Relocation of

utilities shall not be unreasonably withheld. Relocation of utilities shall be paid for by the entity requesting relocation.

- Section 12: Prior to formal title transfer of surplus property, nothing in this agreement shall prohibit EWEB from addressing operations and maintenance issues of existing structures in whatever way EWEB deems appropriate, including; but not limited to, repair or demolition of structures, maintenance of landscaping, roads or property, security, entering in to, extending or termination of existing or new leases. Leasing arrangements, maintenance and operational issues for existing EWEB structures and land remain in process of refinement and are subject to final determination in a definitive agreement.

PROPOSED AREA

17.25 AC



BOUNDARY -
65' from edge
of bike path
~~EDGE~~
~~BOUNDARY~~
T.S.B.

BOUNDARY -
25' from edge of
Bike path

STEAM PLANT

SURPLUS

WILLAMETTE R.

SUB

HQ