



ACQUISITION OF THE CIVIC STADIUM PROPERTIES

POWELL DEVELOPMENT
in PARTNERSHIP WITH FRED MEYER

EUGENE CIVIC STADIUM RESPONSE
December 3, 2013

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Eugene's Civic Village

Mission Statement: To responsively serve the people of Eugene with services that benefit the community and reflect the memory and character of the historic nature of the site, and demonstrate our values by creating a truly sustainable development project.



Dear School District  Board Members and Staff,

Thank you for the opportunity to submit our updated proposal for the Purchase or Lease of the Civic Stadium property. Our team of Powell Development Company and Fred Meyer Stores, Inc. are excited to work on this amazing and unique property. Our goal is to bring the City of Eugene, and specifically south Eugene, a neighborhood-oriented, fully ADA-compliant place by creating a mix of uses and buildings around the site. Stores and restaurants create destinations and will be stitched together with a neighborhood stage and Civic Plaza, creating an ideal community gathering place. This neighborhood fabric will provide a desirable living spot for residents of the apartments, which will be designed to blend seamlessly with the surrounding residential neighborhood to the west, the commercial area to the south, and the open space to the east.

In addition to providing this 'showplace' development, Powell and Fred Meyer hope to show we will also provide the highest valuation to School District 4J and all students of Eugene. This not only includes the initial purchase/lease, but the long term property tax payments that would benefit all 4J students, as well as the City of Eugene. All this while helping solve some of the existing traffic issues that currently vex Willamette Street, E. 20th Avenue, and Amazon Parkway roadways. By adding road connections, signal, dedicated bike lanes through the property, and other forms of multi-modal transportation, we believe we will enhance the surrounding neighborhood. We see Civic Village as a vibrant commercial hub and a neighborhood gathering place. We look forward to the engaging the neighborhood and the community in defining the vision of Civic Village.

The highlights of our proposal are as follows:

- Purchase Price - \$5,000,000 or Lease Rate of \$360,000/year (\$30,000/month) for twenty years
- School District 4J could float a bond based on the Fred Meyer credit (currently they are rated 23rd in the Fortune 500) for a 'bond' (property) value in excess of \$7,000,000
- Powell/Fred Meyer will have the opportunity to purchase the property in 20 years, with an estimated value of between \$10.2 to \$11.2 Million dollars (based on a 1.5% to 2% growth rate from the current appraisal). In a sense, we are buying the property twice!
- The property would be fully taxable. Based on our estimated \$40,000,000.00 development, Powell/Fred Meyer would pay \$455,884 in property taxes (see chart on Page 5-3). Of that, \$167,414 goes towards education and \$147,513 is slated to the School District 4J. \$215,340 would fund "General Government," with \$171,991 directed to the City of Eugene and Downtown Urban Renewal, and the remaining \$73,130 to help pay off existing bonds. This would be in perpetuity!
- As a sign of commitment and good faith, Powell/Fred Meyer are proposing to deposit \$360,000.00 as earnest money, with \$10,000.00 a month being released, non-refundable, to School District 4J, while the

COVER LETTER

project goes through entitlement and permitting.

- We have volunteered to work with 'Save Civic' and move a portion of the grandstands for preservation. The remaining portions of salvageable lumber would be reused and/or displayed as part of the project.
- The new development would employ in excess of 250 people. It should be noted that Fred Meyer is union and provides their employees with excellent health and welfare benefits, as well as vacation and sick time and holiday pay.
- The initial construction jobs and money into the community will be approximately \$35,000,000 million dollars (total project value of \$49,000,000, less land cost) and an additional 200-250 jobs during construction
- Although, as publicized earlier, we were rebuffed by the YMCA as a logical co-tenant, if awarded the project we are still willing to reach out to the YMCA to work towards a joint development.

If awarded this project, Powell/Fred Meyer do not consider this the final step, but the beginning of bringing a proposal together that will help provide a good financial base for all the students of School District 4J, while providing a continued income stream needed desperately to fund the district. Our project will unite the community of south Eugene behind a solid, well-thought-out, mixed-use village we call "Civic Village."

Except for the conditions/contingencies stated in response to Section 3.9 Conditions/Contingencies below, the proposal is binding on the Proposer for a period of not less than ninety (90) days.

Best Personal Regards,



Peter W Powell
Powell Development Co.
2625 Northup Way
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COVER LETTER

1.3 SIGNATURE PAGE

This page must be completed and included with all proposal submittals.

This proposal is submitted for the acquisition of the property indicated below (select one):

- Combined Properties
- Stadium Parcel Only
- North Lots Only

Proposer acknowledges review of Addenda number (s) 1 through 1

Proposer Acknowledges review of Reference Documents from SD 4J Project Website.

Agreed by:

Legal Name of Proposer: Powell Development Company and Fred Meyer Stores, Inc

Doing Business As (if applicable) N/A

Address: 2625 Northup Way; Bellevue, WA 98004

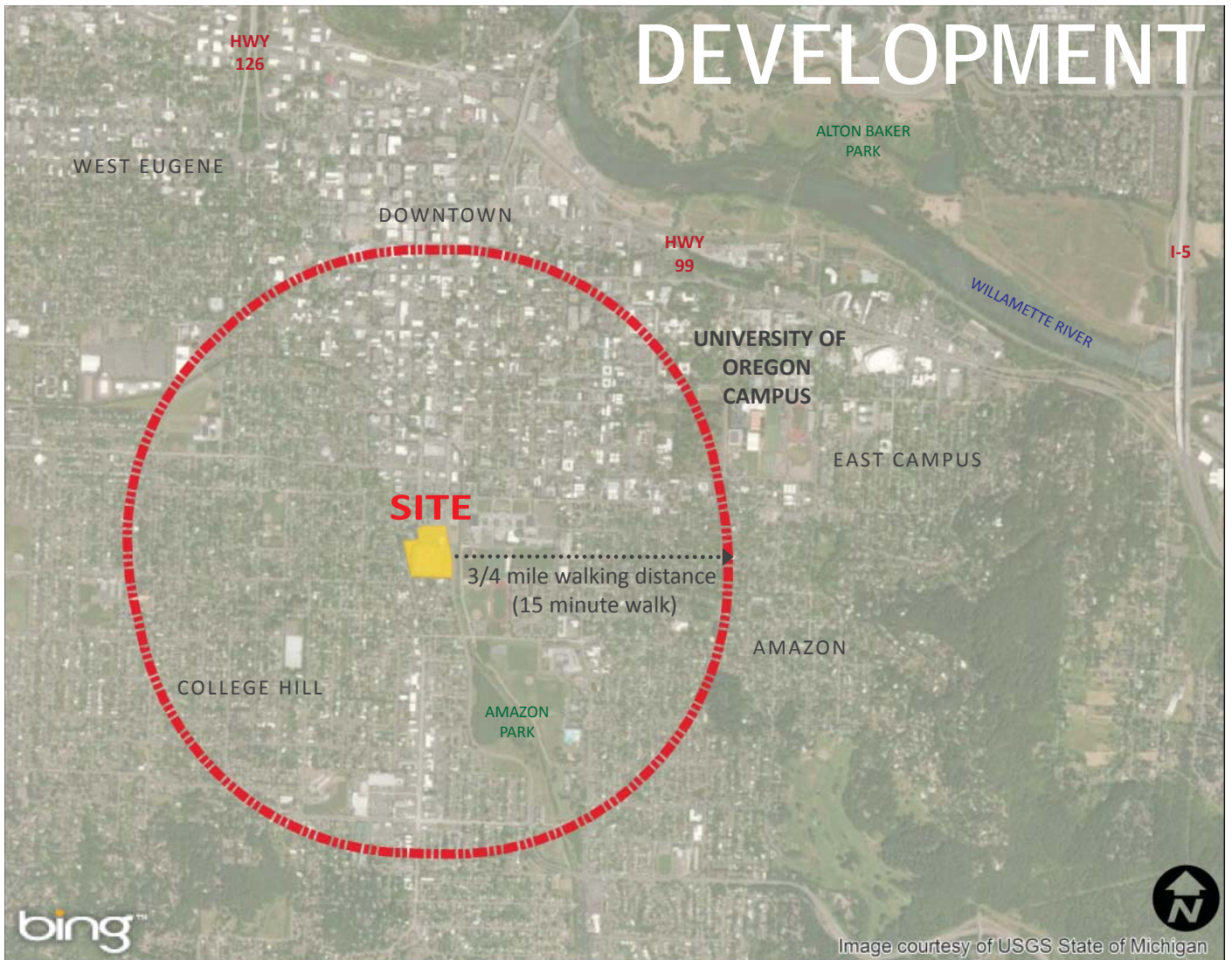
Telephone: (425) 828-4444 FAX: (425) 822-8297

Internet Email Address: pwpowell@powelldev.com

Proposer's Signature: Peter W Powell

Type or Print Officer's Name and Title: Peter W Powell, President

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PROPERTY DEVELOPMENT DESCRIPTION

Type of Development

Eugene’s most important site for future redevelopment is the Civic Stadium project. Located on ten acres between Southtown and Downtown, and bordered by Willamette Street and Amazon Parkway, this site will primarily serve residents who live in south Eugene. Powell Development and Fred Meyer see this site as a potential catalyst for Envision Eugene’s community plan. The combination of size, location, and demographic allow for an ideal setting for a true mixed use village: Civic Village.

Civic Village Mission Statement—

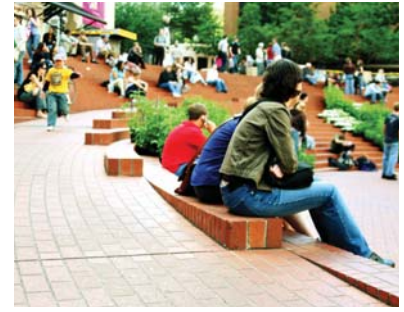
To responsively serve the people of Eugene with services that benefit the community and reflect the memory and character of the historic nature of the site, and demonstrate our values by creating a truly sustainable development project.



A NEIGHBORHOOD VILLAGE

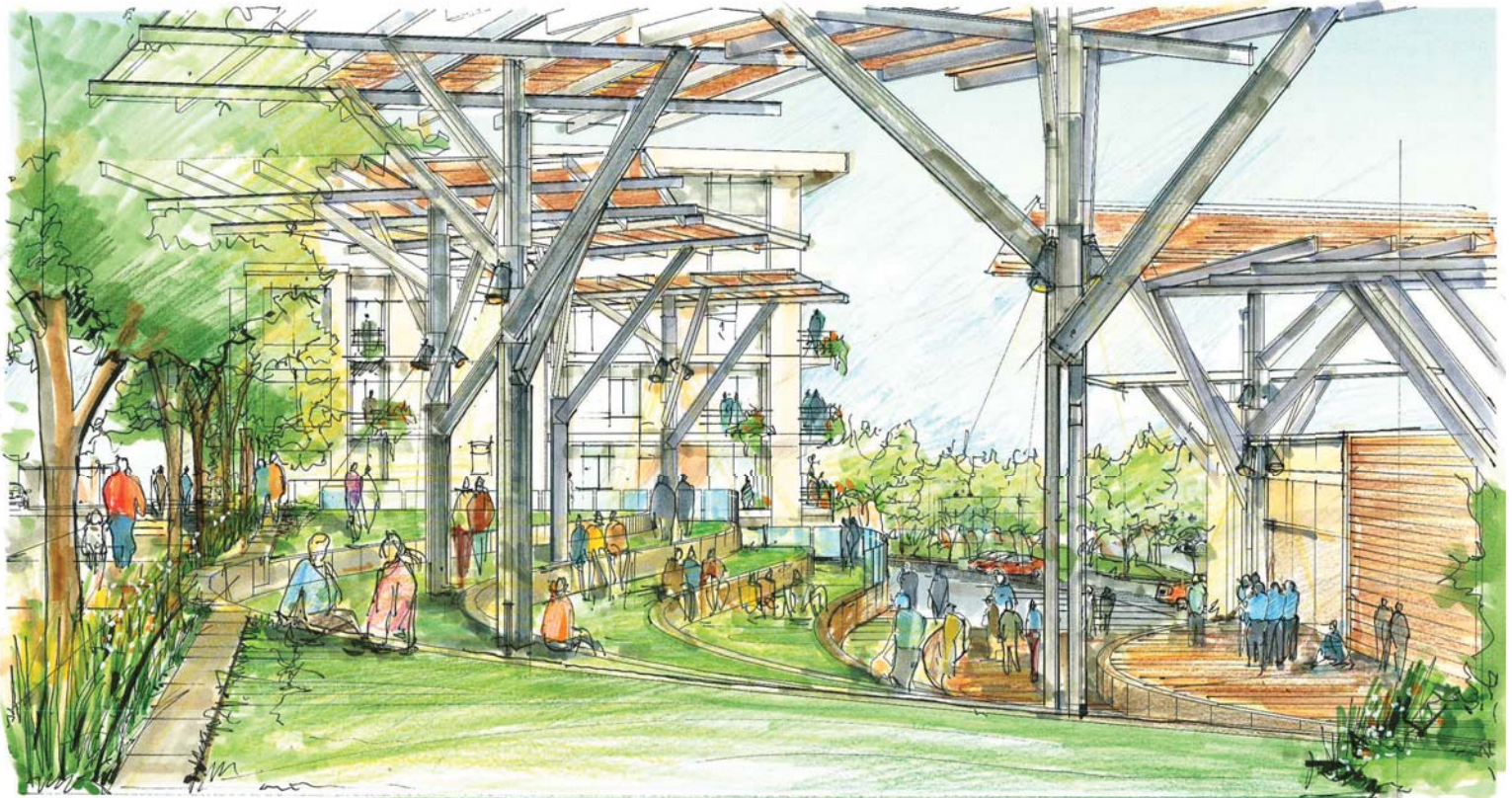
Civic Village will be a place people can meet, shop, work, and live – it will be a true village. We envision a vibrant commercial hub, where neighbors gather and meet regularly. Our plan is to develop a neighborhood-oriented, fully ADA-compliant place by creating a mix of uses and buildings around the site. Stores and restaurants create destinations and will be stitched together with a neighborhood stage and Civic Plaza, creating an ideal community gathering place. This neighborhood fabric will provide a desirable living spot for residents of the apartments, which will be designed to blend seamlessly with the surrounding residential neighborhood to the west, the commercial area to the south, and the open space to the east. The buildings will integrate design elements and materials from the old stadium to create a village that echoes the neighborhood’s historic character.





Neighborhood Goals/Desires

Powell Development and Fred Meyer have started a dialog with the Friendly Area Neighborhood. While attending multiple board meetings, we took note of the neighborhood's desires and concerns for the Civic site going forward. We have incorporated several of the ideas brought up in that meeting into the Civic Village plan. Some of these ideas include a pedestrian connection across the site, a neighborhood gathering area, and regional and local shops and services. This development will also provide certain necessary traffic system upgrades and connections (see Page 4-9). As we move forward with Civic Village, we intend to continue this dialog with the neighborhood and have the community play an active role in the final designs.



SUSTAINABILITY

As an experienced development team in the Pacific Northwest, we understand the importance of sustainable development. Deliberate planning and actionable strategies in development will provide the greatest long-term value that honors people, planet, and prosperity for the community of south Eugene. It is our plan to build a responsible development that considers these pillars of sustainable development.

People

When considering social impact in a sustainable development, critical consideration is given to providing safe access and opportunities for everyone to enjoy the benefits of the development. Its design will promote a healthy community that is ADA-compliant, walkable, bicycle-friendly, and connected to the surrounding neighborhood. It will include a variety of public spaces, from small spaces good for informal social gatherings, to the large neighborhood stage, which creates a place for periodic cultural and festive events. Civic Village will create a variety of spaces for different forms of positive interactions between members of the community, from an impromptu chat over coffee to community celebrations.

Planet

Many of the design ideas for a sustainable development will demonstrate sensitivity to the care of our environment. Whenever feasible, buildings will incorporate green features such as solar panels, clerestory windows, and skylights to maximize daylighting. Low flow plumbing fixtures, electric car charging stations, and green elements will encourage energy conservation. We will also employ stormwater strategies for retaining, filtering, and utilizing stormwater to the fullest extent practical. The floors of the residential units are stacked to create a series of decks that allow the building occupants to take full advantage of views that surround them. The buildings will also be designed with a significant number of glazed openings, which will visually connect the interior spaces to the activity and vitality of the area outside, and allow us to utilize natural daylight, reducing power demands and lowering costs.

Prosperity

Encouraging economic impacts to local community growth is characteristic of Fred Meyer store development, which is a capital investment worthy of support. This development is intended to build upon this benefit and attract families that will help the district grow, as well as support the neighborhood long-term growth plans and objectives envisioned today. Job creation and economic balance will help to promote a healthy, prosperous, sustainable life for the community of southern Eugene.

PROPERTY DEVELOPMENT DESCRIPTION



solar wall and stormwater feature



rainwater garden



solar panels



stormwater treatment

COMMUNITY VISION

In response to concerns raised, Powell Development with Fred Meyer has engaged in inclusive and open dialogue with the community regarding the future of this development. We held a community open house during the first RFP process two years ago; we've attended multiple Friendly Area Neighborhood meetings to start a dialog and get input and feedback; and we held another community open house November 19, 2013, to begin again the process of gathering input and feedback.



Seeking to support 4J District and the community in finding the highest and best use of the Civic Stadium property, we have listened carefully to the south Eugene neighborhood. We have received these communications through online discussions and from comments made in-person at community meetings.



Our chief concern for this development has been to approach this development with earnest intent on ensuring we address the needs of south Eugene. These include meeting the following "pillars:" keeping shopping local, remaining sensitive to the history and culture that revolves around the stadium itself, and bringing together a cohesive and integrated mixed use sustainable development.

Upon award, we will work closely with stakeholders, starting with a kickoff meeting to discuss goals and next steps towards realization of a neighborhood village: the Civic Village. Our basic premise going forward is to be respectful to all affected, engage in inclusive conversations with the community, and craft a strategic development that will result in added jobs, housing, and neighborhood improvements.



The diagram below shows how the process will likely flow from the time the project is awarded until construction starts, with important community and City meetings and decision points happening while we are simultaneously working on design.



A CONCEPTUAL DEVELOPMENT PLAN/BUILDING PROGRAM

The Powell and Fred Meyer team is committed to creating a mixed-use development that meets the needs of the neighborhood. Over the past three years, the team has looked at various development schemes that could include neighborhood retail and multi-family housing, as well as opportunities to incorporate a neighborhood community center into the development plan. Identified below are two possible schemes that are currently being considered. Once the project is awarded, it is intended that the final development plan will be further developed and refined with the help of neighbors and the City. This team is committed to developing a thoughtful, cohesive development that meets the needs of the community.

In either scheme illustrated below, the buildings will be arranged to both enhance the neighborhood connection and reduce negative impacts.

Option 1

The Option 1 development scheme includes a mixed use development with a larger retail anchor (Fred Meyer), local, neighborhood retail, and multi-family housing. Multi-family housing is proposed to be located along Willamette Street, oriented in a north-south direction, which will provide an appropriate face to the neighborhood to the west. The larger retail anchor is proposed to be backed to the south property line. The deliveries and staff parking area will be placed between the existing commercial buildings, the new commercial building, and Amazon Parkway, thus screening them from the rest of the neighborhood. Small shops will front the new 20th Street, giving the north side of the property a village street feeling. Parking for the residences will be built into the hillside below the three-story apartment building to take full advantage of the sloping site. With the residences above the parking, most of them will be able to enjoy the views to the south and east over the village. The slope of the site also allows us to build the larger retail building with a roof at the same elevation as the southwest corner of the site. This allows us to blend the landscaping from the open space along Willamette Street onto a portion of the roof, incorporating the use of green elements, patterning, buffers, and screening to create an attractive environment.

OPTION 1 DEVELOPMENT PROGRAM



A	New street extension and traffic signal at 20th	
B	Neighborhood retail	4,500 SF
C	Small shops	12,000 SF
D	Shopping street	
E	Surface parking	520 stalls
F	Apartments (49 units) (with structured parking for 50)	54,600 SF
G	Civic Plaza - Multi-modal link from Willamette	
H	Neighborhood Department Store (backed to south property line and screened from housing)	120,000 SF
I	Protected, ADA-compliant pedestrian and bicycle link from Willamette to Amazon	

Option 1 site plan

PROPERTY DEVELOPMENT DESCRIPTION

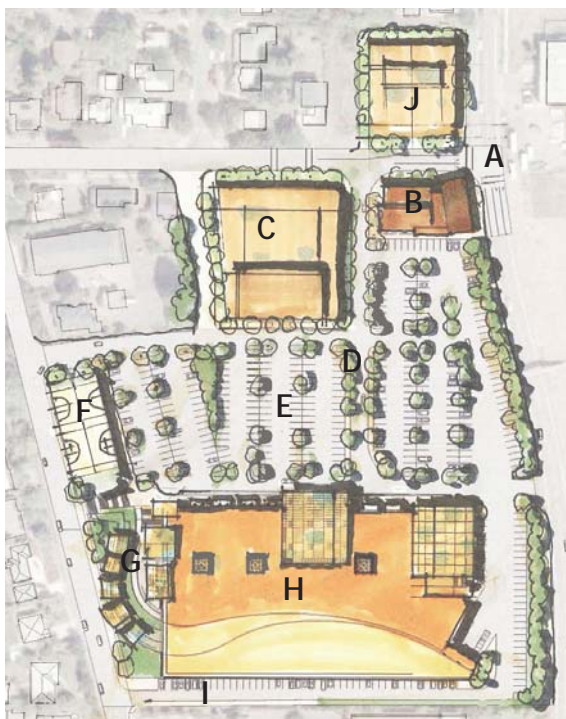
Located between the village residence and the commercial building will be the Civic Plaza, considered the heart of Civic Village. This will be a place for people to gather, share a meal, or listen to performances on the village stage. The plaza and the village stage will be constructed using materials from the stadium, such as bleachers, steps, and timber roof framing. The Civic Steps will be reminiscent of the historic steps that once led down from Willamette Street to Civic Stadium, and will provide a pedestrian connection through the heart of the village.

The small shopping complex along 20th will contain another nod to the historic Civic Stadium, a neighborhood retail store built using two main sections of the stadium roof. The interior will also incorporate many historical artifacts from Civic Stadium. The remaining storefronts will be filled with local and regional shops. This mix of local and regional and small and large shops will support a vibrant and sustainable village.

Option 2

Should the YMCA be interested in partnering with Powell and Fred Meyer, we have developed a plan that could accommodate a new facility for the YMCA, should they decide to pursue this opportunity. This scheme includes a full-service YMCA facility with an aquatic center, tennis courts, meeting and class rooms, and exercise rooms. The Fred Meyer building is proposed to be backed to the south property line as in Option 1. The main YMCA building will be located on 20th Street between the two main entries to the village, with the aquatic and tennis courts located along E. 20th Avenue. There will be small neighborhood retail shops that will front the new 20th Street, giving the north side of the property a village street feeling. An additional parking structure is proposed on the western parcel underneath the outdoor sports fields.

OPTION 2 DEVELOPMENT PROGRAM



A	New street extension and traffic signal at 20th	
B	Neighborhood retail	4,500 SF
C	YMCA, 2 stories	80,000 SF
D	Shopping street	
E	Surface parking	520 stalls
F	Sports fields for YMCA with parking beneath	
G	Civic Plaza - Multi-modal link from Willamette	
H	Neighborhood Department Store (backed to south property line and screened from housing)	120,000 SF
I	Protected, ADA-compliant pedestrian and bicycle link from Willamette to Amazon	
J	Covered tennis courts (YMCA)	

Option 2 site plan

TRAFFIC AND SITE CIRCULATION

Connectivity

The project is consistent with the City of Eugene's Plans and Policies by providing improved connectivity for all transportation modes and developing higher density infill locations.

Further, the project is consistent with Policies from the Growth Management Study:

- The project is consistent with Policy 10 by creating transportation-efficient land use patterns.
- The project increases the use of alternative modes of transportation by improving the capacity, design, safety, and convenience of the transit, bicycle, and pedestrian transportation systems, consistent with Policy 11.
- As outlined in Policy 14, the project will pay for the extension of 20th Avenue and enhancements to pedestrian and bicycle facilities. Although the policy allows the City to subsidize or offer other incentives for higher density and in-fill projects, such as this, no subsidies or incentives are currently anticipated.
- The project is consistent with Policy 17 by improving air quality due to expected reductions in vehicle miles traveled (VMT), and increased pedestrian and bicycle use.

A traffic impact analysis will be prepared for the project, and will address impacts on area roadways and identify mitigation measures as needed for off-site intersection locations, site frontage improvements, driveway locations and operation and on-site circulation.

Trips to and from the site are expected to include a higher percentages of pedestrians and bicycle use. This will be addressed in the application and traffic analysis, including an estimate of these percentages based on surveys of similar facilities.

This site is expected to serve customers in the south Eugene area, many of whom currently shop at other Fred Meyer stores in the area. The project is not expected to draw customers from outside the area. Customer spotting information available from the Fred Meyer rewards cards confirms customers expected to shop at the new store are currently travelling to other Fred Meyer stores at West 11th, Santa Clara, and Springfield. The result of this new store will be fewer VMT and increased opportunities for walking and bicycle riding.

With the project, East 20th Avenue will be extended through to Amazon Parkway, completing a long sought/anticipated connection. It is further proposed a traffic signal be constructed at the resulting Amazon Parkway/E. 20th Avenue intersection. This intersection would provide a safe place for pedestrians and bicyclists to cross the roadway, as well as a connection linking Amazon Parkway to Willamette Street. These are transportation improvements that will benefit the community at large as well.

These proposed transportation improvements also support the City's long-term transportation system goals. The conversion of Willamette between 18th and 20th Avenues to a two-way street will improve the circulation between Oak and Pearl Street and improve vehicular connections between Pearl Street and Amazon Parkway.

The project's location near existing LTD bus routes, designated bicycle routes, and pedestrian connections supports the community's goal of less reliance on the automobile. Connections will be made from the site to these existing facilities, in accordance with ADA standards and in a manner that minimizes conflicts with automobile traffic. We anticipate enhanced pedestrian crossings will be provided along Willamette Street. In addition, covered bicycle racks and lockers will be provided to support customers choosing alternate travel modes.

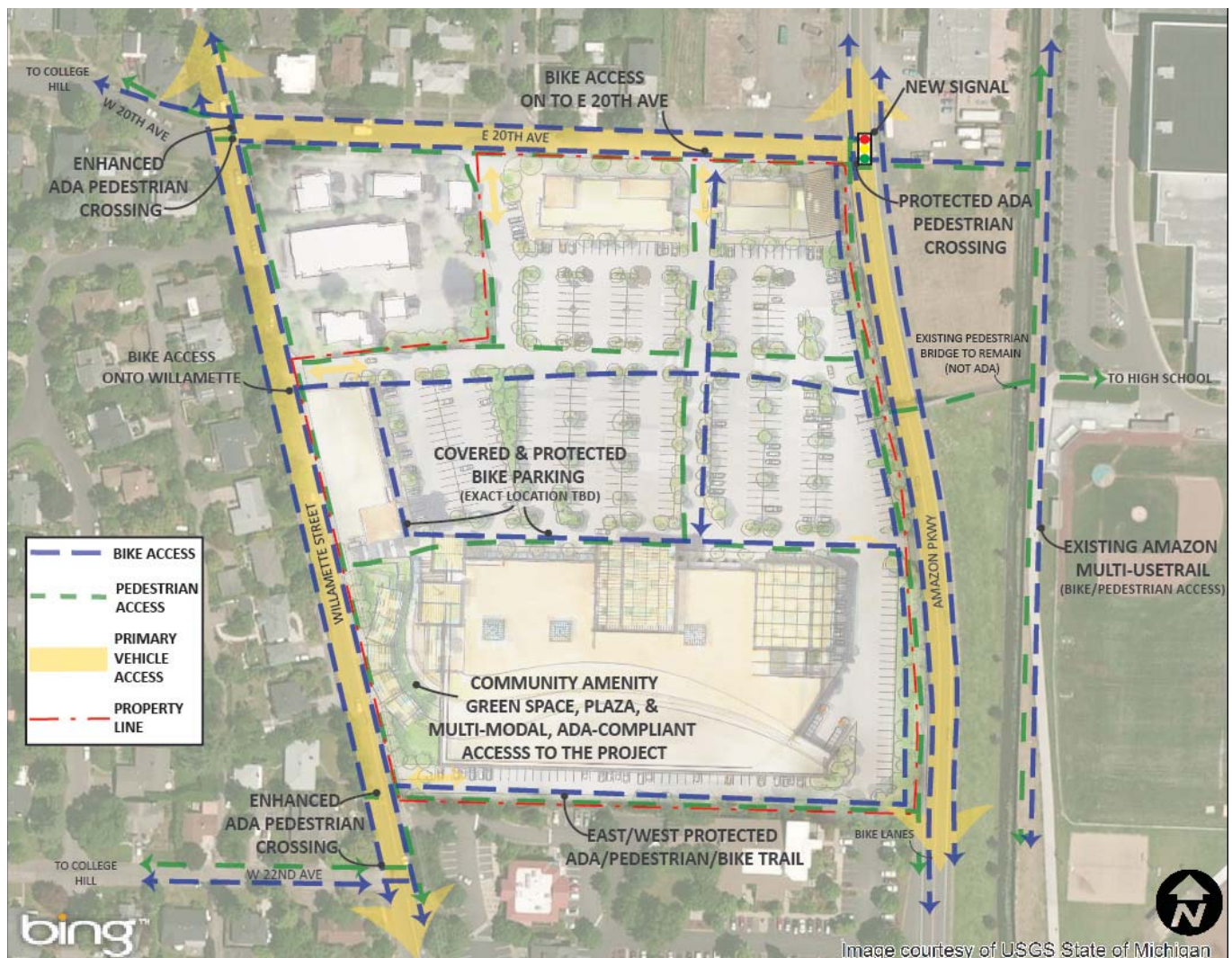
PROPERTY DEVELOPMENT DESCRIPTION

For the zone change/comprehensive plan amendment, the Transportation Planning Rule will need to be addressed. This is expected to include a detailed traffic study to analyze conditions in planning horizon with and without impacts of the zone change. Mitigation measures will be identified where roadways and intersections are expected to fall below City standards or impacts from the site potential would worsen locations already below standards.

Site Infrastructure and Circulation

The site is located between three minor arterial streets which have traffic capacity available. Civic Village will maintain the existing LTD bus stop that provides service going both north and south. A new tree-lined pedestrian- and bike-friendly main entrance to Civic Village will be along 20th. We will rebuild the intersection at 20th and Oak Street, linking the village to downtown, and build a new fully signalized intersection at 20th and Amazon linking the village to Southtown. The new intersection at 20th and Amazon will provide a much safer pedestrian and bicycle connection to Amazon Park and South Eugene High School from the neighborhood. There will also be a new private street at the northwest corner of the village. This street will allow access onto Willamette Street, allow residents to enter the parking garage, and allow legal access to the neighbors' property to the north. To keep delivery traffic away from the neighborhood, we will build a right-in right-out connection to Amazon Parkway near the southeast corner of the site.

Stormwater and sanitary sewer infrastructure are both available at the site in sufficient capacities to support the village. Electrical service, phone, and cable TV are all readily available at the site now.



Schematic plan showing pedestrian connection through site and traffic improvements

Pedestrian and Bicycle Considerations

Ensuring adequate access to and through the site is an important factor for residents, shoppers, and people wishing to reach other parts of south Eugene. The site will therefore provide several connections for pedestrians and bicyclists from Willamette to Amazon Parkway.

ADA-compliant pedestrian and bicycle routes at the south and north ends of the site will provide connections from the neighborhood to the west to Amazon Parkway on the east. There will also be two routes through the site, one of which will provide a direct link to the existing pedestrian bridge that crosses Amazon.

Along 20th will be a new tree-lined pedestrian- and bike-friendly main entrance to Civic Village. On the south side of the site, behind the department store, will be a protected, ADA-compliant, pedestrian and bicycle-friendly route to connect Willamette with Amazon, providing a key part of the link to the Amazon pedestrian bridge.

Bicycle parking will be provided throughout the site, with a large, covered parking area in front of the department store, as shown in the conceptual sketch below, and the photo of similar parking in front of an existing grocery store. The apartments will also include covered bicycle parking.



Covered bicycle parking



Conceptual sketch of covered bicycle parking in front of Fred Meyer store



Conceptual site plan



View of project from above Willamette looking back towards Amazon

TIMING OF PROJECT

The project is divided into two major phases, “Land use and site approvals for closing” and “Permitting and construction.”

The first phase, “Land use and site approvals for closing,” starts with the submission of our response to the school district’s RFP and ends with completing the land sale. The phase duration is estimated at just under two years, with the land sale complete in July 2015. Key milestones in this phase are proposal award, signing of the sales agreement, approval of historical application, land use approval, zoning approval, and land sale completion.

The second phase, “Permitting and construction,” starts the day after the land sale is complete with design and engineering tasks and ends with the grand opening. The phase duration is estimated to be a year and a half, with the grand opening in December 2016. Key milestones in this phase are main building permit submission, pad building permit submission, public improvement submission, main building permit approval, pad building permit approval, public improvement approval, and the grand opening.

The schedule as presented is based on our experience working in Eugene and contains task durations appropriate for Eugene; however, it does not include timing for third party state land use appeals. There are significant variables in the processes which the project must go through that may or may not affect individual task durations and/or the entire project duration.

On the following page is a standard tracking Gantt chart schedule of the project as proposed. Note this schedule is for reference only and is not binding on either party.

PROPERTY DEVELOPMENT DESCRIPTION

SIGNIFICANT DATES

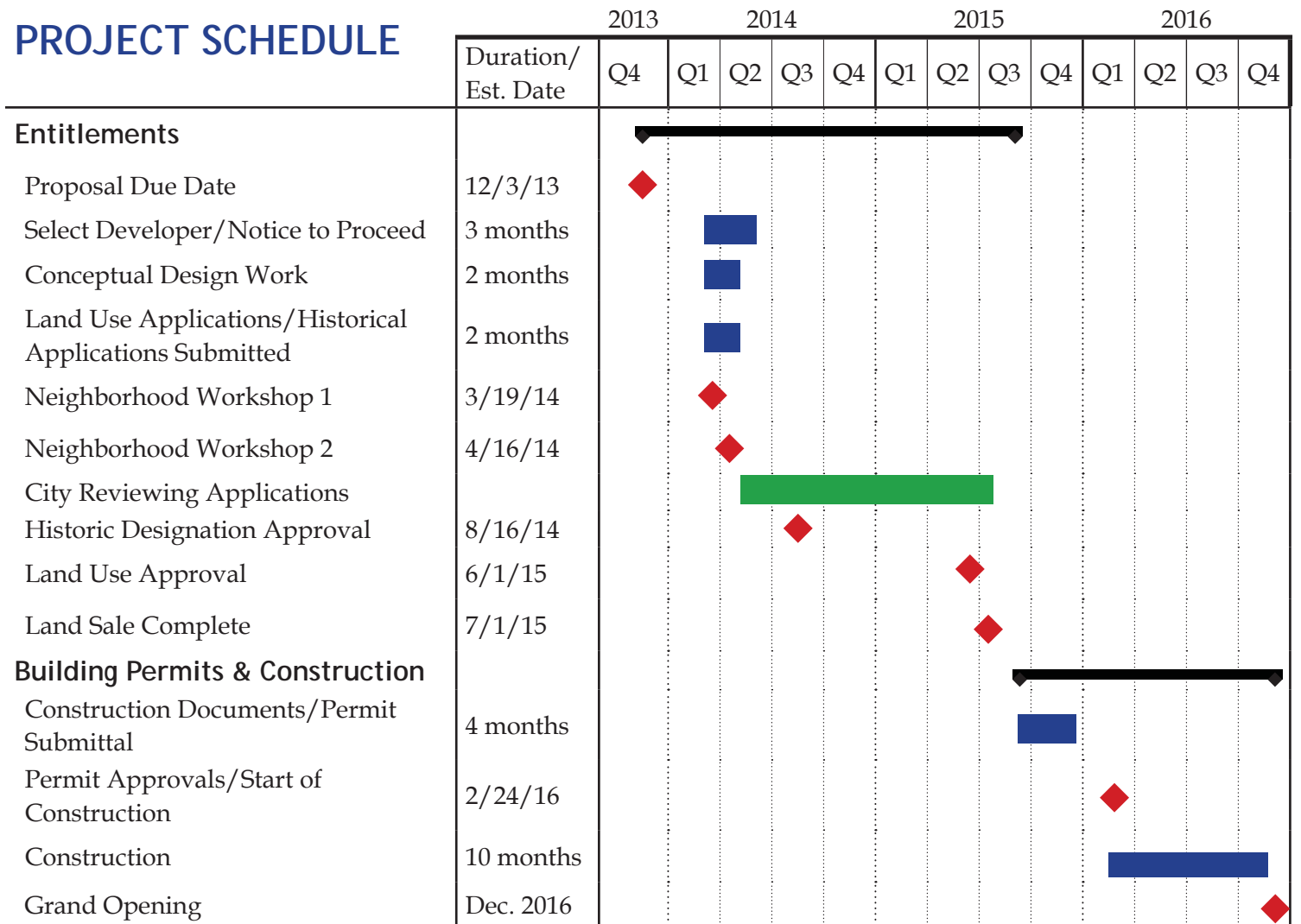
Phase 1

Land Use Approvals	June 2015
Payment to SD J4	July 2015

Phase 2

Start of Construction	February 2016
Grand Opening	December 2016

PROJECT SCHEDULE



LEGEND:

- Milestone: ◆
- Summary Task:
- Task: ■

COMPATIBILITY WITH EXISTING LAND USE REGULATIONS

The current land use regulations that would be required as a result of the Powell and Fred Meyer Development proposal would be as follows:

Metro Plan Amendment and Zone Change

In short, the Metropolitan Area General Plan provides policy direction concerning the growth and development of the metropolitan area. Any changes to the plan must meet local approval and to be found consistent with the Statewide Planning Goals.

Currently, the plan designation for all the property is Medium Density Residential. Zoning of the property south of 20th is PL (Public Land) and zoning of the property north of 20th is R-2 (Medium Density Residential).

When PL property transitions to private ownership and before a development proposal could be processed, it is a requirement of the code to bring the zoning into compliance with the Plan Designation, which would mean rezoning from PL to R-2. This process alone would not require a Metro Plan Amendment.

However, given our plan for a mixed use development that would include both commercial and residential, and in order for the development to be successful, the property would need to be rezoned from Public Land to C-2 which would trigger the need for the Metro Plan Amendment Application.

Per EC 9.7700, this would be a Type II MetroPlan Amendment as it is site specific. A Zone Change Application would run concurrently with this application. The Type II MetroPlan Amendment would be



Screening from Amazon Pkwy

Neighborhood retail

Neighborhood shops

New Street Extension

Pedestrian connection linking Willamette and Amazon Pkwy

Housing

Civic Plaza (Neighborhood Gathering Place)

PROPERTY DEVELOPMENT DESCRIPTION

processed as a Type IV application. Normally, a zone change is a Type III process, but when processed concurrently with a MetroPlan Amendment, it is processed as a Type IV application.

Refinement Plan Amendment

This development site is included in the South Willamette Sub Area Study Refinement Plan. The Civic Stadium site is mentioned specifically as appropriate for medium density residential, which supports the current MetroPlan designation. Medium density residential use supports the compact urban growth concept of utilizing existing infrastructure and ensuring compatibility with surrounding uses. A change in direction from this stated goal would require a Refinement Plan Amendment as well.

This would run concurrent with the MetroPlan Amendment, Zone Change, TIA and TPR.

Traffic Impact Analysis and Transportation Planning Rule (Goal 12)

The purpose of the TIA is to ensure that developments that will generate a significant amount of traffic, cause an increase in traffic, or will result in levels of service that do not meet adopted levels of service will provide the necessary facilities to accommodate the traffic impact.

This study will be included in the MetroPlan Amendment and Zone Change.

A Goal 12 Transportation Planning Rule analysis (TPR) will need to be conducted as well. OAR 660-012-0060, sections 1 and 2, and 5 through 8 refer to existing and planned transportation facilities and the impact of any project on them. This project will trigger the need for this analysis as a part of the MetroPlan Amendment and Zone Change to allow local government to review for significant effects on the transportation facilities and the determination regarding mitigation.

Planned Unit Development (PUD)

It is highly likely the project will go through either a PUD and/or a Site Review overlay. The PUD provisions are designed to provide a high degree of flexibility in the design of the site and the mix of land uses.

Site Review is used as a means to maintain or improve the character, integrity, and harmonious development of an area; address potential impacts; and to provide a safe, stable, efficient, and attractive on-site environment.

Both of these processes also allow for adequate public input to address issues of compatibility with existing neighborhoods and surrounding environment.

Adjustment Review

The adjustment review process is intended to encourage design proposals that respond to the intent of the code and creatively meet or exceed the specific development standards.

Mixed use development, especially when fronted by 3 streets, typically requires numerous adjustments in order to meet the intent of the code. It is highly likely that this will also be part of the process and more than likely be incorporated as part of the PUD and/or Site Review process.

The PUD, Site Review and Adjustment Review applications would be submitted and processed after the MetroPlan and Zone Change processes are concluded.



Conceptual design of Fred Meyer main entry



View of Fred Meyer main entry, from 20th, with small retail to the left and right

PROPERTY DEVELOPMENT DESCRIPTION



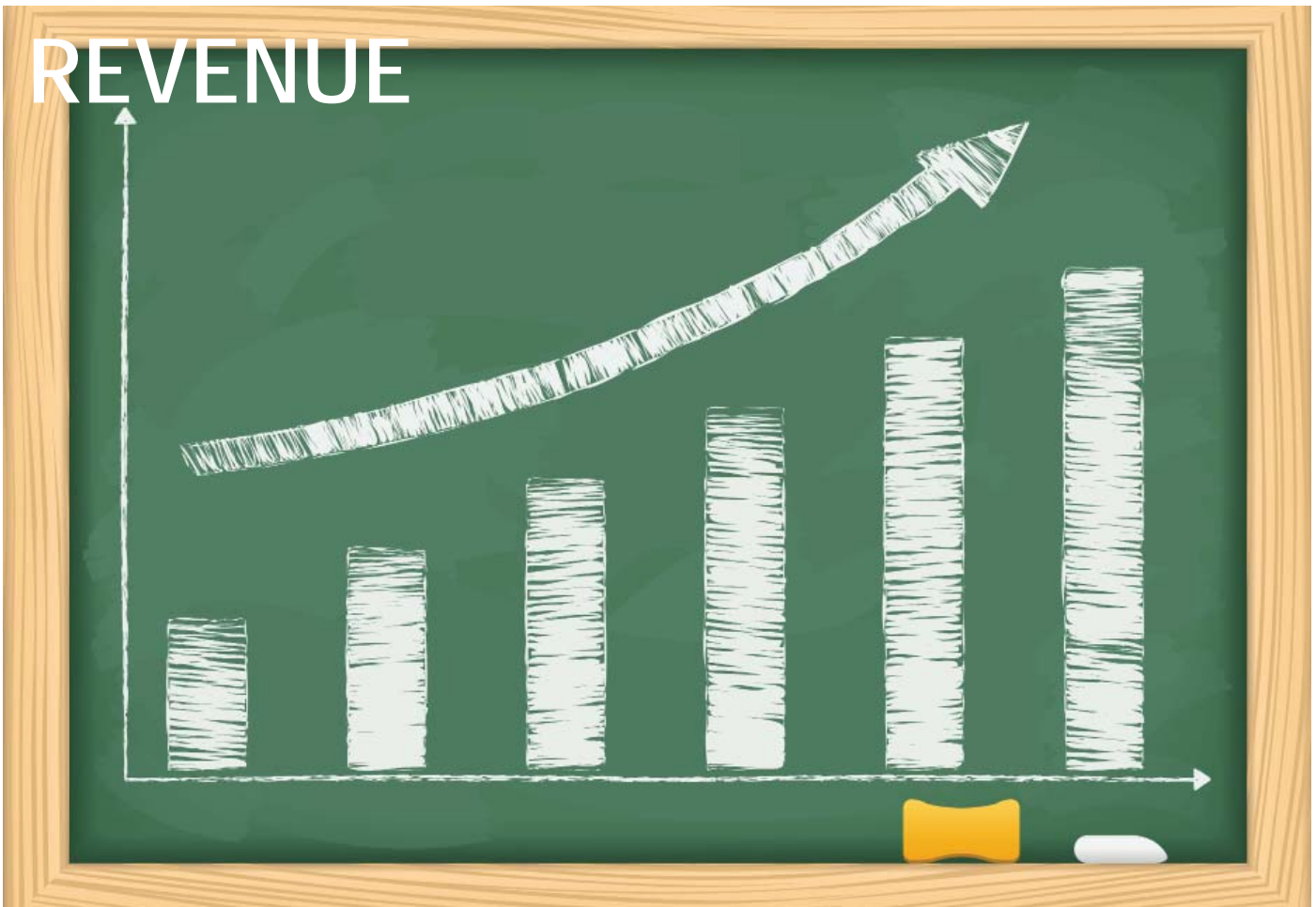
View of Fred Meyer main entry (left) and apartment building (right)



Proposed view along Willamette

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REVENUE



ECONOMIC BENEFIT TO SD 4J

The development team proposes two options for acquiring the property, as described below. Both options offer advantages to School District 4J and immediate cash flow as the team begins the due diligence phase. In either acquisition proposal, the School District 4J, as well as all the school children in Eugene, stand to benefit tremendously from the revenue generated. Currently, the property is non-taxable; however, with this development, the land will provide a fully-taxable perpetual source of revenue for the school district as well as the community in general.

As illustrated in the revenue chart on Page 5-3, School District 4J is estimated to receive upwards of \$147,000 year in tax revenue from this development. Additionally, the community (through City, County, and Urban Renewal taxes) is estimated to receive upwards of \$215,000, with the City of Eugene's allocation being nearly \$172,000 annually. An additional \$73,000 is estimated to be provided through City and School District bonds for a total annual estimated revenue benefit of over \$455,000.

PURCHASE PROPOSAL

Total Purchase Price

Total purchase price is \$5,000,000.00. Buyer will deposit \$360,000 as a good faith deposit; from this amount, \$10,000 per month shall become non-refundable to Buyer until Land Use Approval and Design Review/ Building Permits are received. After receipt of the correct Land Use Approval and Design Review/ Building Permits, Buyer will close within 30 days. This deposit amount will be applicable towards the purchase price.

Terms of Purchase

Cash sale – no financing contingency.

LEASE PROPOSAL

- 20-year lease term with five (5) options to extend the term of the lease for an additional 10 years each.
- Rent will be \$30,000/month; \$360,000.00/year, with a 10% escalation every 10 years.
- Non-Subordination Ground Lease, subject to the normal lenders rights (Non-Disturbance/ Attornment, Right to Cure, Quiet Enjoyment Agreement).
- Option to purchase based on "Fair Market Value" (fmv appraisal) at end of initial 20-year lease term.
- Right of first refusal to purchase the property in the event 4J decides to sell.
- Powell/Fred Meyer will provide a \$360,000 good faith deposit; from this amount, \$10,000 per month shall become non-refundable during the land use approvals and Design Review/Building Permitting process.
- The non-refundable portion(s) of the deposit shall be released to School District 4J on a monthly basis. Upon approval and receipt of permits, the deposit amount shall be applicable to the lease payment.
- School District 4J could float a bond based on the guaranteed income for 20 years from Powell/ Fred Meyer (FM currently is 23 on the Fortune 500 companies). At the end of twenty years, Powell/ Fred Meyer would have the opportunity to purchase the property at Fair Market Value, in a sense, purchasing the property twice.

Conditions/Contingencies and Projected Timeline to Resolve

Sale or Lease conditional on demolition approval from government and semi-government agencies acceptable to Buyer.

Sale or Lease conditional on land use and zoning approvals acceptable to Buyer.

Sale or Lease conditional on 4J requesting and receiving removal of the historical designation.

Sale or Lease conditional on final Fred Meyer Capital Committee approval.

We expect these conditions to be resolved by the spring of 2015.

Development Proposal Follow Through Assurance

The development team of Powell Development and Fred Meyer is not proposing continued use of the stadium. That being said, the development team plans to reuse a majority of the material in the construction and display in the new development. It is our proposal to send the minimal amount of material to a landfill; generally this will be for unsuitable (dry rot) material. Powell/Fred Meyer has been contacted by, and agreed to work with, 'Save Civic' in saving a portion of the stadium for historic preservation should 'Save Civic' find a suitable location to relocate a portion of the bleachers. The team recognizes the historic significance of the structure to the community, and through the adaptive reuse of materials on site, the possible relocation of a portion of the structure, and neighborhood involvement in the design of the development, Civic Village is committed to carrying on the legacy of the historic Civic Stadium in a manner that brings revenue to the school district, jobs to the community, and meets the long term planning goals of the City.

Requirement for Fundraising and/or Public Contributions

Powell Development and Fred Meyer will *not* be relying on fund raising, capital campaigns, and/or public agency participation to raise capital for this proposal.

Civic Village Value at Build Out

Tax Code Area District ID	LEVY ID	LEVY Description	Mil Rate	Tax Amount Based on \$40,000,000 Assessed Value *	
# 00400					
15	EUGENE SCHOOL DISTRICT 4J	8753	CE Eugene School District	4.6561	111,746.40
15	EUGENE SCHOOL DISTRICT 4J	8789	CE Eugene School District LO	1.4903	35,767.20
40	LANE COMMUNITY COLLEGE	8762	CE Lane Community College	0.6094	14,625.60
38	LANE EDUCATION SERVICE DISTRICT	8769	CE Lane Education Service District	0.2198	5,275.20
			Total Education	6.9756	167,414.40
45	CITY OF EUGENE	8703	CE City of Eugene	6.8945	165,468.00
95	LANE COUNTY	8715	CE Lane County	1.2591	30,218.40
95	LANE COUNTY	8792	CE Lane County Public Safety LO	0.5471	13,130.40
107	EUGENE URBAN RENEWAL DOWNTOWN	8611	Eugene Urban Renewal Downtown	0.1627	3,904.80
107	EUGENE URBAN RENEWAL DOWNTOWN	8612	Eugene Urban Renewal Riverfront	0.1091	2,618.40
			Total General Government	8.9725	215,340.00
45	CITY OF EUGENE	8738	CE City of Eugene Bond I	0.2932	7,036.80
45	CITY OF EUGENE	8785	CE City of Eugene Bond II	0.8183	19,639.20
15	EUGENE SCHOOL DISTRICT 4J	8705	CE Eugene School District Bond I	0.0191	458.40
15	EUGENE SCHOOL DISTRICT 4J	8783	CE Eugene School District Bond II	1.5655	37,572.00
40	LANE COMMUNITY COLLEGE	8732	CE Lane Community College Bond II	0.2443	5,863.20
95	LANE COUNTY	8722	CE Lane County Bond	0.1067	2,560.80
			Total Bonds - Other	3.0471	73,130.40
Total 00400			Consolidated Rate:	18.9952	455,884.80

* = assuming a \$40 million dollar project, the CPR (Changed property ratio) is applied to the Market value, i.e. new assessed value.
 In this case, assuming the value of \$40 million were applied in 2013 the CPR is .6615 , or an assessed value of \$26,460,000.00

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EDUCATION



ADDITIONAL BENEFITS TO SCHOOL DISTRICT 4J

Powell and Fred Meyer recognize the importance of supporting our public education system in Eugene. We see that the Civic Village project will be beneficial to Eugene School District 4J in the following areas:

Property Tax Revenue Increase

Currently, the properties are tax exempt. Following our redevelopment, we estimate the total new tax income from Civic Village to 4J to be in excess of \$455,000 per year. As illustrated in the revenue chart in Page 5-3, School District 4J is estimated to receive upwards of \$147,000 year in tax revenue from this development, and the community (through City, County and Urban Renewal taxes) is estimated to receive in excess of \$215,000, with the City of Eugene allocation being nearly \$172,000 annually. An additional \$73,000 is estimated to be provided through City and School District bonds for a total annual estimated revenue benefit of over \$455,000.

Increase in Enrollment

The proposed 49-unit new apartment complex would be made up of 50% 2-bedroom units, 40% 1-bedroom units, and 10% studio units. Using the National Housing Data (from the National Multi-Housing Council) we expect there to be 7 to 13 school-aged children living in the village upon completion.

Sustainable Future Education Program

Civic Village will provide a grant in the amount of \$10,000 to start up and support a sustainable future education program at South Eugene High School. This program would teach students how our daily lives affect water and energy consumption and what measures we as individuals and as a community can take to reduce our consumption and our impact on our environment. We would provide access and support for facility tours at Civic Village which would highlight the energy and water conservations measures used in the design and construction.

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THE COMMUNITY BENEFIT OF PROPOSED USE

Mixed Use Development

The compact nature of Civic Village's development creates a number of benefits for the community:

- Reduction of development pressures on the remaining underdeveloped land in the area, leading to preservation of more open spaces and natural features.
- Potential for increase in mass transportation systems.
- Less electricity and water consumption per housing unit (compared to single family housing).
- Cheaper and more efficient for public services to pick up trash and recyclables and deliver mail.
- Fewer infrastructure expenditures due to the area being already well served by public facilities.
- Public services, such as police and fire, are spread over a smaller geographic area.
- Creation of a pedestrian-friendly and vibrant neighborhood.
- Convenient shopping, services, and amenities.

Property Tax Revenue Increase

Currently, the property is non-taxable; however, with this development, the land will provide a fully taxable perpetual source of revenue for the school district, as well as the community in general. Following our redevelopment, we estimate the total tax income from the property to the City of Eugene and Lane County government to be in excess of \$215,000 per year, with the City of Eugene alone receiving nearly \$172,000 per year, as illustrated in the revenue chart on Page 5-3. This is in addition to the new tax income we estimate will be going to the school district.

Traffic Flow

Civic Village will also provide a number of community- and agency-desired transportation improvements that will benefit the community at large. Most importantly, East 20th Avenue will be extended through to Amazon Parkway, completing a long sought/anticipated connection. It's further proposed that a traffic signal be constructed at the resulting Amazon Parkway/E. 20th Avenue intersection. This intersection would provide a safe place for pedestrians and bicyclists to cross the roadway, as well as a connection linking Amazon Parkway to Willamette Street.

These proposed transportation improvements support the City's long-term transportation system goals. The conversion of Willamette between 18th and 20th Avenues to a two-way street will improve the circulation between Oak and Pearl Street and improve vehicular connections between Pearl Street and Amazon Parkway. Further, Civic Village's location near existing LTD bus routes, designated bicycle routes, and pedestrian connections, supports the community's goal of less reliance on the automobile. A protected ADA-compliant pedestrian and bicycle path is proposed along the southern property edge to better serve bike and foot traffic trying to reach Amazon Parkway from Willamette Street.

Support for a Local Charity

As demonstrated in the partial list on the next page, Fred Meyer has a 37-year history of contributing to local and regional charities. Powell and Fred Meyer are committed to carrying on this tradition and will work closely with the City of Eugene and the School District 4J to identify specific charities to support.



Fred Meyer in the Community

Fred Meyer Stores is grateful to the communities of Eugene and Springfield for nearly 37 years of business. We built our Santa Clara store in 1975, Springfield in 1977, and West Eugene in 1992.

We employ more than 500 people in our two Eugene stores and another 220 in Springfield. These are union jobs, with family wages, employer-paid pensions, holiday pay, and sick and vacation time.

In 2012, Fred Meyer's payroll for the three stores in the Eugene/Springfield area totaled \$13.8 million, and \$1.6 million was paid in payroll tax. In Eugene alone, our payroll totaled \$9.6 million and payroll tax totaled nearly \$1.14 million. In 2013, the total property taxes paid by Fred Meyer to Lane County were \$940,258.45, with \$760,777.47 being Real Estate taxes and \$179,480.98 being Business Personal Property.

In addition to our commitment to taking care of our employees and their families, Fred Meyer's tradition of meeting our obligation to be a good corporate neighbor goes back all the way to Mr. Meyer himself. When he founded the company in Portland in 1922, Mr. Meyer made it a part of his business model to play a role in keeping the communities where he did business strong. Our Eugene employees have carried on that tradition. In Eugene, Fred Meyer contributes in the following ways:

- Each store has an American Cancer Society Relay for Life team, and the three teams raised \$11,300 in 2013. Fred Meyer provides at least \$200 to each team to use for fundraising efforts, and we pay a corporate sponsorship fee to the American Cancer Society so our teams can register.
- We are presenting sponsors of the Eugene Komen Race for the Cure. We contribute more than \$10,000 in cash and product (to feed all the brave survivors!).
- We also sponsor the Special Olympics Polar Plunge (\$7,000); Junior Achievement Bowl-A-Thon (our teams raised more than \$4,000); the Eugene Emeralds (\$10,000); and the American Red Cross (\$10,000).
- Our Fred Meyer Volunteers program provides support for our employees to make a difference in the community. Nearly 20 employees from the Santa Clara store attended the City of Eugene Slough Cleanup, and employees from all three stores participated in the Springfield Christmas Parade.
- In Oregon, Fred Meyer Stores pioneered a process of donating much-needed meat and dairy products to food banks for emergency food boxes, and we've recently expanded the program to include produce. Fred Meyer stores donate more than 1.5 million pounds of food in Oregon each year, and Food for Lane County picks up the food from our three area stores. So far in 2013, we've donated more than 100,000 pounds of meat, dairy and produce to Food for Lane County.
- Our Customers drop their coins in the coin boxes at our checkstands, and our employees generously donate their own money to the Fred Meyer Fund, our corporate foundation. We combine these coin box and employee donations to contribute more than \$20,000 each year to non-profits in the Eugene and Springfield communities. Here are some of the contributions that were made with these monies in the past year:
 - Q3 2012 Komen Oregon – Eugene Komen Race for the Cure - \$4,636.19
 - Q4 2012 Oregon Food Bank - \$5,081.37
 - Q1 2013 Camp Fire Wilani - \$6,222.85
 - Q2 2013 USO and Operation Homefront - \$4,447.07
- Finally, Fred Meyer contributes via corporate donations and grants from the Fred Meyer Fund in addition to the grants mentioned above. Here are some recent contributions:
 - Springfield Education Foundation: \$5,000
 - Adams Elementary School: \$1,000
 - United Rotary Clubs of Lane County: \$1,500
 - Assistance League of Eugene: \$8,850
 - St. Vincent de Paul Society of Lane County: \$5,000
 - Boys and Girls Club of Emerald Valley: \$15,000

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PRESERVATION/REUSE OF GRANDSTANDS FOR CONTINUED USE

Powell Development was contacted by Civic and will work them to reuse materials and elements from Civic Stadium in order to create a development with iconic elements that respect the history of the site.

Studies of the current conditions of the grandstand and field have revealed extensive structural issues, as well as hundreds of building code deficiencies. The facility is now in a state where it is unsafe to allow public occupancy. Numerous reports have detailed the extent of the damage to the structure, and this damage has increased significantly since the last report. The code deficiencies vary from, but are not limited to: structural integrity, seismic restraint, health, asbestos, fire protection, emergency egress, and ADA compliance. Here is a list of some of the issues that are the most vital, as well as the most costly, to fix in order to renovate Civic Stadium:

Code Deficiencies:

- Exit ways do not meet safety standards.
- Plumbing does not meet health standards.
- Electrical systems do not meet safety standards.
- Food prep areas do not meet health standards.
- Locker rooms do not meet health standards.
- No ADA accessible seating.
- No ADA restrooms.
- No ADA travel paths.

Structural Issues:

- Grandstands have rotted column bases, interior columns need seismic restraint systems, structural cross-bracing needs to be re-installed.
- Roof structure and light towers on top need to be replaced.
- Steel stands need to be replaced.
- Rot and decay of wooden bleachers, walkways, walls, flooring, seating, decking, needs to be fixed.
- Gutters and downspouts need to be replaced.
- Outfield fence needs to be replaced.

THE COST OF REPAIRS

We agree with the School District 4J's estimate that the cost of these repairs and upgrades will be in excess of \$10,000,000. This amount is based on our updated analysis of Appendix I-Short Term Capital Cost, in the Proposed Finding of Fact. To attract a minor league baseball team, the stadium and field must meet the league standards, and we estimate the cost of meeting those standards to be an additional \$900,000. The total cost would now be approaching \$11,000,000.

Potential Uses for the Renovated Stadium

When looking at the potential uses of Civic Stadium, there are only a couple options to consider: professional baseball, professional soccer, and an outdoor venue. For any of these options to be successful, it is important to have a market large enough to support these ventures. We don't see that the Eugene market is sufficient in size to support a second minor league baseball team, and the Eugene Emeralds have no intention of moving out of PK Park and back to Civic. We also see market size as an issue with bringing in a professional soccer team or having an outdoor venue. Currently, no professional sports team organizations or teams have stepped up to the plate to utilize Civic Stadium. Another thing to take note of is that in Oregon, there are only about 4 months of the year that an outdoor facility can be utilized. The rest of the year it would need continual upkeep and maintenance, which adds to the costs to be considered when renovating Civic.

THE PLAN FOR RECYCLE AND RE-USE

When looking at the potential re-uses of the existing Civic Stadium as a stadium, there are a limited number of viable options to consider. For any of these options to be successful, it is important to have a market large enough to support these ventures, as well as a successful revenue base that can contribute to the tax base for the community. The proposed Civic Village development proposes to reuse and recycle portions of the stadium such that historic elements are salvaged and creatively reused to continue the legacy of the historic stadium. Powell/Fred Meyer has been contacted by, and agreed to work with, 'Save Civic' in saving a portion of the stadium for historic preservation, should 'Save Civic' find a suitable location to relocate a portion of the bleachers. The team recognizes the historic significance of the structure to the community, and through the adaptive reuse of materials on site, the possible relocation of a portion of the structure, and neighborhood involvement in the design of the development, Civic Village is committed to carrying on the legacy of the historic Civic Stadium in a manner that brings revenue to the school district, jobs to the community, and meets the long term planning goals of the City.

Neighborhood Retail Space

Reuse timber framed roof sections and salvage elements to create a neighborhood retail space built using two main sections of the stadium roof. The interior will potentially include many historical artifacts from Civic Stadium such as using the outfield scoreboard as a wall, and the old kitchen cooler door as a table top or counter space.

Community Use

Salvage as much lumber as possible for reuse such as beams, joists, bleacher planks, siding, and flooring. Salvage as much of the building accessories as possible for reuse such as signage, doors and hardware, stairs, chalkboards, lockers, etc.

Housing Millwork

Mill interior trim lumber for new apartments out of grandstand support lumber. This lumber could then potentially be used for wood-paneled



PRESERVATION/REUSE OF GRANDSTANDS

highlight walls in common areas or coat rack and shelving units in the apartments.

Iconic Site Elements

Reuse the stadium’s structural timber to recreate structural “trees” on the site – reminiscent of the underside of the stadium structure – to create iconic site amenities that recall the scale and material of the stadium at a pedestrian scale.

Additionally, re-purpose the lumber from the stadium roof framing to create light poles, benches, bike parking covers, and other site amenities that reflect the character of the stadium.

Amphitheater

Recreate the bleacher concept to create an outdoor neighborhood gathering entertainment area. Seating, outdoor dining tables, and a backdrop for the stage could all potentially be created using reclaimed timber.



THE BENEFITS OF DECONSTRUCTION

Listed here are some benefits of deconstruction:

- New project will have a high quality of finish because of the quality of the reused materials.
- No production is necessary when using salvaged materials; this eliminates the chemicals and harmful gases that would otherwise be released into the environment during manufacturing of new materials.
- No energy is consumed to create them, and there will be no use of virgin natural resources as the material already exists.
- The stadium will live on in new buildings at the site and elsewhere.

NATIONAL REGISTER OF HISTORIC PLACES LISTING

Although Civic Stadium is listed on the National Register of Historic Places, the regulations that come with this historical designation differ between federal, state, and city levels. Powell Development and Fred Meyer have looked at each of these governing levels to figure out the best possible solution when dealing with the historical status of Civic Stadium.

At the federal level, the Code of Federal Regulations describes the “effects” of listing a property in the National Register in 36 C.F.R. § 60.2. The National Register helps to “identify the Nation’s cultural resources and to indicate what properties should be considered for protection from destruction or impairment”; however, such “[l]isting of private property on the National Register does not prohibit under Federal law or regulation any actions which may otherwise be taken by the property owner with respect to the property.” 36 C.F.R. § 60.2. Thus the means to protect historic properties from destruction or demolition primarily reside with the state and local governments. In other words, the National Register is merely a “planning tool.” *Id.* at § 60.2(a). Federal law only provides grants-in-aid and tax credits to owners of historic property.

With the “protective authority” being placed at the state and local government level, we must refer to the regulations that the State of Oregon and City of Eugene hold for historic properties. In Oregon, a public entity cannot own “historic” property: a property loses its classification as “historic” and its special assessment when that property is transferred to “a governmental or nonprofit entity that is exempt from property taxation.” ORS 358.515(1)(b). Also, much like the federal level, the ORS provisions covering “historic property” provide no prohibition against destruction or demolition of historic property. (Refer to *Cf. Norwalk Preservation Trust, Inc. v. Norwalk Inn and Conference Center, Inc.*, 2008 WL 544508 *1, a Connecticut statute that “makes clear that National listings are protected in state enforcement [from demolition in certain circumstances]”).



In the City of Eugene, if the city has designated certain property as “historic” under EC 9.8160 and 9.8165, no person may demolish that property “unless the planning director has approved, with or without conditions, an application to do so and a demolition permit has been obtained from the city manager.” EC 9.8180. Further, before applying for a demolition permit, the property owner must hold a pre-application conference with local authorities. Id. at 9.8160(3). To establish its application as complete, the property owner must show that in the last year it has solicited purchase offers for the property by giving notice of sale and:

- (a) Listing the property for sale in both *The Register Guard* and *The Oregonian* at least six times and at regular intervals;
- (b) Posting and maintaining visible For Sale sign(s) on the property as specified by the planning director;
- (c) Making a financial prospectus on the status of the property available to interested parties; and
- (d) Preparing and submitting a historic property mitigation report.

Another regulation to take note of is that in the City of Eugene, if the property was designated “historic” by a local government, then OAR 660-023-0200(6) expressly provides: “The local government shall allow a property owner to remove from the property a historic property designation that was imposed on the property by the local government.” Such removal is easy to obtain if the person owns the property for which the request is made; the State of Oregon requires the City of Eugene to remove the designation if the owner of the particular property requests it. OAR 660-023-0200(6); EC 9.8170(2) (“The [Eugene] planning director shall remove a historic property from the local list of landmark designations if any of the following conditions are met: (1) Upon verification that the historic landmark is demolished or moved. (2) The property owner requests that the local historic landmark designation be removed.”).

There are two options that are presented to us, either we go through the arduous and time-consuming process that may allow us to deconstruct Civic Stadium without removal of the historic designation or the owner asks the City of Eugene for Civic Stadium to be removed from the National Register of Historic Places. Due to the lengthy and difficult process of obtaining approval from the planning director as well as obtaining a demolition of historic property permit from the City, the best option is to have the property owner apply for a removal of the designation at the city level. As part of the conditions of the sale agreement, Powell Development and Fred Meyer would like SD 4J to make this request. Powell and Fred Meyer will then apply for a demolition permit on a non-historic site.

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POWELL DEVELOPMENT

Development Partner

Peter W. Powell is president of Powell Development Company, incorporated in 1989. Powell Development has developed and/or built extensively in the Northwest markets for national retailers including Albertsons (51 stores), Safeway, QFC, Target, Costco, Lowe’s, Fred Meyer, and Walgreens (16 stores) and has also tackled single or stand-alone projects for Bank of Fairfield, Starbucks, and Trader Joe’s. Powell Development Company has been awarded “preferred developer” status for Walgreens in the Pacific Northwest.

Peter Powell
Founder
peter@powelldev.com
425-284-5050

2625 Northup Way
Bellevue, Washington
98004

The property management division of Powell Development currently has in excess of 2.0 million square feet of neighborhood grocery/drugstore shopping centers in three states in its portfolio. Glisan Street Station in Portland, Oregon, is one of the unique projects Peter has developed, with 102 apartment units above 22,000 square feet of retail shops. Lakewood Crossing, a Costco and Target anchored center was completed in 2007. Some of the additional retailers in this Marysville shopping center are Michaels, Marshalls, Petco, Office Depot, and Red Robin. In 2012, Maple Valley Town Square opened with Fred Meyer and an array of stores and services including Farrelli’s Pizza, HopJacks, Burger King, MultiCare, BECU, and Sprint, among others.

Since 1998, Powell Construction Company has performed the construction of site, building, and tenant improvements for retail tenants in the Pacific Northwest as well as for the centers that Powell develops. Powell Construction Company is a preferred contractor for Chase Bank and Walgreens.

Peter Powell has served as a State Director for the International Council of Shopping Centers.

Project Experience:

- Bonney Lake Center
- Burien Plaza
- Chambers Creek
- The Design Market of Bellevue
- Fairwood Square
- Five Corners
- Glisan Street Station
- Hunters Crossing
- Keizer Creekside
- Lakewood Crossing
- Maple Valley Town Square
- Meridan Square
- Park Manor
- Powell Plaza
- Puget Park
- River Falls
- Royal West
- Sunset Square
- Troutdale Commons



Powell Development Co

CLARIFICATION TO RFP #2 - 12-04-13

Dear School District  Board Members and Staff:

Question from 4j Staff:

From: Jon Lauch [mailto:lauch@4j.lane.edu]
Sent: Wednesday, December 04, 2013 11:26 AM
To: Peter Powell
Cc: Larry Massey; Kathi Hernandez
Subject: proposal clarification/question

Peter:

I have a quick question as we move into the evaluation and comparison of proposals. Would the same ground lease terms apply to Option 2 (with the YMCA) as for Option 1 (full mixed use development without the Y)?

If the answer is "NO", please clarify ground lease terms with Option 2.

Thanks, Jon

Answer from Applicant – Powell Development Company and Fred Meyer Stores, Inc.:

Our proposals for the Civic Stadium RFP to: 1) Purchase or 2) Lease with the option to purchase in twenty years; remains the same for either option (with or without the YMCA).

Best Personal Regards,

Peter W Powell
Powell Development Co.
2625 Northup Way
Bellevue, WA 98004



Powell Development Co

CLARIFICATION TO RFP #3 - 12-18-13

Dear School District  Board Members and Staff:

Question from 4j Staff:

What would School District 4J's obligation be "on 4J requesting and receiving removal of the historical designation." (RFP: page 5-2)

Answer from Applicant – Powell Development Company and Fred Meyer Stores, Inc.:

Our team, as part of this RFP, would make the application, write the narrative and be responsible for obtaining the "de-listing" from the historical register. But, because School District 4J is technically the property owner, our team will still need School District 4J's signature and support for the application.

Best Personal Regards,

Peter W Powell
Powell Development Co.
2625 Northup Way
Bellevue, WA 98004



Powell Development Co

CLARIFICATION TO RFP #4 - 01-06-14

Dear School District  Board Members and Staff:

Per the staff's request, the following is the clarification to the School District 4J for the real estate tax valuation of the proposed project, "Civic Village", assumed two ways: 1) That the property is assessed, using the CRP (Changed Property Ratio) as "commercial" only, with a rate of .6615 and 2) Splitting the "commercial" from the "residential" to take into account the proposed forty nine (49) apartment units. The CRP for "residential" is .870, while the "commercial" ratio remains at .6615.

This memo shall act as a clarification to the "Tax Calculations" found in the Powell Development Company and Fred Meyer Stores, Inc. RFP proposal, found on pages: "Cover Letter" page 2-1; "Economic Benefit to SD 4j" page 5-1; graph for "Civic Village Value at Build Out" page 5-3; and "Property Tax Revenue Increase" page 6-1. (see graphs below). Plus Clarification #1 dated 12-03-13

In scenario one, all "commercial" valuation, the estimated Real Estate taxes paid out by the project on an annual basis should be \$502,612. The School District 4J's portion are the full \$39,433.34 for levy # 8789, titled 'CE Eugene School District LO', while Levy # 8753, titled 'CE Eugene School District' through the 'State Equalization Program', *"the value of \$123,200.41 will be reduced to some extent, through the state school funding process"*. (see upper graph, page two)

In scenario two, broken out with both "commercial" and "residential" valuations, the estimated Real Estate taxes paid out by the project on an annual basis should be \$522,415. The School District 4J's portion is the full \$40,986.98 for levy # 8789, titled 'CE Eugene School District LO', while Levy # 8753, titled 'CE Eugene School District' through the 'State Equalization Program', *"the value of \$128,054.39 will be reduced to some extent, through the state school funding process"*. (see lower graph, page two)

The differential between the two scenarios paid to School District 4J, is \$162,633.75 vs \$169,041.37 or a \$6,407.62 difference. This does not include the over \$190,000.00 +/- paid annually to the City of Eugene.

Best Personal Regards,

Peter W Powell
Powell Development Co.
2625 Northup Way
Bellevue, WA 98004

Civic Village valuation at build out: 1) assessed as "commercial only"

Civic Village Value at Build Out				Tax Amount Based on \$40,000,000 Assessed Value *
Tax Code Area District ID # 00400	LEVY ID	LEVY Description	Mil Rate	
15	EUGENE SCHOOL DISTRICT 4J	8753 CE Eugene School District	4.6561	123,200.41
15	EUGENE SCHOOL DISTRICT 4J	8789 CE Eugene School District LO	1.4903	39,433.34
40	LANE COMMUNITY COLLEGE	8762 CE Lane Community College	0.6094	16,124.72
38	LANE EDUCATION SERVICE DISTRICT	8769 CE Lane Education Service District	0.2198	5,815.91
		Total Education	6.9756	184,574.38
45	CITY OF EUGENE	8703 CE City of Eugene	6.8945	182,428.47
95	LANE COUNTY	8715 CE Lane County	1.2591	33,315.79
95	LANE COUNTY	8792 CE Lane County Public Safety LO	0.5471	14,476.27
107	EUGENE URBAN RENEWAL DOWNTOWN	8611 Eugene Urban Renewal Downtown	0.1627	4,305.04
107	EUGENE URBAN RENEWAL DOWNTOWN	8612 Eugene Urban Renewal Riverfront	0.1091	2,886.79
		Total General Government	8.9725	237,412.35
45	CITY OF EUGENE	8738 CE City of Eugene Bond I	0.2932	7,758.07
45	CITY OF EUGENE	8785 CE City of Eugene Bond II	0.8183	21,652.22
15	EUGENE SCHOOL DISTRICT 4J	8705 CE Eugene School District Bond I	0.0191	505.39
15	EUGENE SCHOOL DISTRICT 4J	8783 CE Eugene School District Bond II	1.5655	41,423.13
40	LANE COMMUNITY COLLEGE	8732 CE Lane Community College Bond II	0.2443	6,464.18
95	LANE COUNTY	8722 CE Lane County Bond	0.1067	2,823.28
		Total Bonds - Other	3.0471	80,626.27
Total 00400			Consolidated Rate: 18.9952	502,612.99

* = assuming a \$40 million dollar project, the CPR (Changed property ratio) is applied to the Market value, i.e. new assessed value.
in this case, assuming the value of \$40 million were applied in 2013 the CPR is .6615 , or an assessed value of \$26,460,000.00

Civic Village valuation at build out: 2) assessed as "commercial" and "residential"

Civic Village Value at Build Out - Inc. 49 Apt Units				Tax Amount Based on \$40,000,000 Assessed Value *
Tax Code Area District ID # 00400	LEVY ID	LEVY Description	Mil Rate	
15	EUGENE SCHOOL DISTRICT 4J	8753 CE Eugene School District	4.6561	128,054.39
15	EUGENE SCHOOL DISTRICT 4J	8789 CE Eugene School District LO	1.4903	40,986.98
40	LANE COMMUNITY COLLEGE	8762 CE Lane Community College	0.6094	16,760.02
38	LANE EDUCATION SERVICE DISTRICT	8769 CE Lane Education Service District	0.2198	6,045.05
		Total Education	6.9756	191,846.44
45	CITY OF EUGENE	8703 CE City of Eugene	6.8945	189,615.99
95	LANE COUNTY	8715 CE Lane County	1.2591	34,628.40
95	LANE COUNTY	8792 CE Lane County Public Safety LO	0.5471	15,046.62
107	EUGENE URBAN RENEWAL DOWNTOWN	8611 Eugene Urban Renewal Downtown	0.1627	4,474.66
107	EUGENE URBAN RENEWAL DOWNTOWN	8612 Eugene Urban Renewal Riverfront	0.1091	3,000.52
		Total General Government	8.9725	246,766.18
45	CITY OF EUGENE	8738 CE City of Eugene Bond I	0.2932	8,063.73
45	CITY OF EUGENE	8785 CE City of Eugene Bond II	0.8183	22,505.30
15	EUGENE SCHOOL DISTRICT 4J	8705 CE Eugene School District Bond I	0.0191	525.30
15	EUGENE SCHOOL DISTRICT 4J	8783 CE Eugene School District Bond II	1.5655	43,055.16
40	LANE COMMUNITY COLLEGE	8732 CE Lane Community College Bond II	0.2443	6,718.86
95	LANE COUNTY	8722 CE Lane County Bond	0.1067	2,934.52
		Total Bonds - Other	3.0471	83,802.87
Total 00400			Consolidated Rate: 18.9952	522,415.49

* = assuming a \$40 million dollar project, the CPR (Changed property ratio) is applied to the Market value, i.e. new assessed value.
The commercial portion has a value of \$35 million , appling the CPR at .6615 , or an assessed value of = \$23,152,500.00
The residential portion has a value of \$5 million , appling the CPR at .87 , or an assessed value of = \$4,350,000.00