



DAN JOHNSON
DIRECTOR

DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT
DEVELOPMENT SERVICES BUILDING
150 BEAVERCREEK ROAD OREGON CITY, OR 97045

June 27, 2024

BCC Agenda Date/Item: _____

Board of County Commissioners
Sitting/Acting as Development Agency Board
Clackamas County

Approving a Second Amendment to a Disposition and Development Agreement between the Clackamas County Development Agency and AHP Acquisitions 2, LLC
Total Value is \$0. No County General Funds are involved.

| | | | |
|-------------------------------------|---|---------------------------|--------------|
| Previous Board Action/Review | Disposition and Development Agreement (DDA) approved on May 18, 2023. Executive session on January 23, 2024. Request for Consent: February 20, 2024. Executive session on June 11, 2024. Request for Consent: June 25, 2024 | | |
| Performance Clackamas | Build public trust through good government | | |
| Counsel Review | Yes (HH 6-11-24) | Procurement Review | No |
| Contact Person | David Queener, Development Agency Program Coordinator | Contact Phone | 503.742.4322 |

EXECUTIVE SUMMARY:

The Development Agency entered into a Disposition Agreement (DA) with Anchor Health Properties (AHP) on May 18, 2023. Per the Agreement, AHP has a 270 day due diligence period. On February 20, 2024, the Agreement was amended to extend the due diligence period expiration to June 11, 2024.

For Filing Use Only

While AHP has made significant progress toward the purchase and development of the property, they have requested an additional amendment to the Agreement that would extend the expiration of the due diligence period to December 31, 2024.

The attached amendment reflects the agreed upon modification.

RECOMMENDATION:

Staff respectfully recommends the Board approve the document amending the Disposition and Development Agreement.

Respectfully submitted,

Dan Johnson

Dan Johnson, Director
Department of Transportation and Development

SECOND AMENDMENT
TO
DISPOSITION AGREEMENT

This SECOND AMENDMENT TO DISPOSITION AGREEMENT (“**Amendment**”) is made by and between the CLACKAMAS COUNTY DEVELOPMENT AGENCY, the Urban Renewal Agency of Clackamas County (the “**Agency**”), and AHP ACQUISITIONS 2, L.L.C., a Delaware limited liability company (the “**Developer**”).

RECITALS

A. The Agency and Developer are parties to a certain Disposition Agreement, dated effectively May 18, 2023, for the disposition of, and development on, certain property in Clackamas County with the following six associated exhibits made a part thereof: EXHIBIT A (Property Map); EXHIBIT B (Legal Description - Property); (EXHIBIT C Post-Closing Agreement); EXHIBIT D (Form of Bargain and Sale Deed); EXHIBIT E (Memorandum of Post-Closing Agreement); and EXHIBIT F (Scope of Development) (collectively, as amended, the “Disposition Agreement”).

B. The Disposition Agreement originally provided two hundred seventy (270) days from the Effective Date of the Disposition Agreement as the Due Diligence Period for the Developer to investigate and to undertake other actions to achieve certain development scopes defined by the Disposition Agreement.

C. Through the First Amendment to Disposition Agreement, dated February 22, 2024, among other things, the Due Diligence Period was extended by an additional 120 days.

D. The Developer now desires a second extension of the Due Diligence Period for an additional 203 days, and the Agency is agreeable to said extension.

E. Section 8.12 of the Disposition Agreement requires all amendments to be executed in writing by the appropriate authorities of the Agency and the Developer.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt of which is acknowledged, the Agency and the Developer hereto agree that:

1. **Effective Date.** This Amendment becomes effective on the latest date on which this Amendment is signed by Agency and Developer (as indicated below their signatures herein).

2. **Amending Section 2.4 of the Disposition Agreement.** The **first full sentence of Section 2.4: Due Diligence Period** of the Disposition Agreement **is deleted and replaced with the following:**

“Developer shall have a period of five hundred ninety-three (593) days after the Effective Date (the “**Due Diligence Period**”) to conduct its due diligence investigation of the Property and to satisfy itself concerning all aspects of the Property and the suitability of the Property for Developer’s intended uses, including without limitation the physical condition of the Property, zoning, access, utilities, and all legal rights, titles, and interests.”

3. **Counterpart.** This Amendment may be executed simultaneously or in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Amendment.

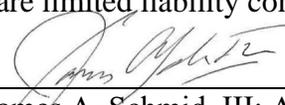
4. **Confirmation.** The Disposition Agreement is hereby amended and modified in accordance with the terms of this Amendment. Except as expressly modified by this Amendment, the Disposition Agreement and all its terms and provisions are hereby acknowledged, approved, ratified and confirmed and shall be and remain in full force and effect.

IN WITNESS WHEREOF the parties have executed this **Amendment** to be effective as of the day and year first above written.

DEVELOPER:

AHP Acquisitions 2, L.L.C.

a Delaware limited liability company

By:  _____

Name: James A. Schmid, III; Authorized Signatory

Date of Execution: June 12, 2024

IN WITNESS WHEREOF the parties have executed this **Amendment** to be effective as of the day and year first above written.

AGENCY:

Clackamas County Development Agency

By: _____

Name: _____

Title: _____

Date of Execution: _____