



CITY OF GRANTS PASS  
COUNCIL AGENDA

April 10, 2017

11:45 a.m. City Council Workshop and  
Special Meeting with Executive Session  
Council Chambers - 101 N.W. "A" Street

MAYOR: Darin Fowler

CITY COUNCIL MEMBERS:

<b>Ward 1</b>	<b>Ward 2</b>	<b>Ward 3</b>	<b>Ward 4</b>
Roy Lindsay Tyler Flaming	Valerie Lovelace Rick Riker	Dennis Roler Jason Sharp	Jason Anderson Barry Eames

1. COUNCIL MEETING
  - a. Resolution transferring United Community Action Network lease to the Friends of Josephine County Food Bank.
2. ADJOURN COUNCIL MEETING AND CONVENE THE COUNCIL WORKSHOP
3. COUNCIL WORKSHOP
  - a. Allen Creek Road project
  - b. Agenda review
4. ADJOURN WORKSHOP AND CONVENE THE SPECIAL COUNCIL MEETING IN EXECUTIVE SESSION

Executive Session is held to discuss the following subject:  
(e) Real property transactions-negotiations
5. COUNCIL OPERATIONS TRAINING

**ACCOMMODATION OF PHYSICAL IMPAIRMENTS:** *In order to accommodate person with physical impairments, please notify the City Recorder's Office of any special physical or language accommodations at least 48 business hours prior to the meeting. To request these arrangements, please contact Karen Frerk, City Recorder at (541) 450.6000.*

Item: Resolution authorizing the execution of an assumption and release agreement between the United Community Action Network ("UCAN"), Friends of the Josephine County Food Bank Network, Inc. ("Food Bank"), and the City of Grants Pass ("City") and an assignment, assumption, and release agreement between UCAN, Food Bank, and the City.

Date: April 10, 2017

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SUBJECT AND SUMMARY:

Assignment of lease from United Community Action Network (UCAN) to Friends of Josephine County Food Bank Network, Inc. ("Food Bank") and assumption of grant obligations by the Food Bank.

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RELATIONSHIP TO COUNCIL GOALS:

This supports Council's goal of **Providing Cooperative Shared Leadership Involving Council, Staff and Community.**

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CALL TO ACTION SCHEDULE:

Call to action schedule: April 10, 2017.

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BACKGROUND:

The Food Bank has been a fixture in Josephine County since 1990. Originally they were part of the Josephine County Community Action Agency and were run as a program of Josephine County.

In 2005, Josephine County discontinued financial support of the food bank program and they began looking for a new home. UCAN from Roseburg (then known as Umpqua Community Action Network), stepped in and made the Food Bank part of its programs offered in Josephine County and transitioned the Food Bank to the Raptor Creek Farm. The Food Bank's main garden was moved to Raptor Creek Farm where they grow healthy, grocery-quality produce to distribute in food boxes.

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ITEM: 1.a. A RESOLUTION OF THE COUNCIL OF THE CITY OF GRANTS PASS AUTHORIZING THE EXECUTION OF AN ASSUMPTION AND RELEASE AGREEMENT BETWEEN THE UNITED COMMUNITY ACTION NETWORK ("UCAN"), FRIENDS OF THE JOSEPHINE COUNTY FOOD BANK NETWORK, INC. ("FOOD BANK"), AND THE CITY OF GRANTS PASS ("CITY") AND AN ASSIGNMENT, ASSUMPTION, AND RELEASE AGREEMENT BETWEEN UCAN, FOOD BANK, AND THE CITY.

Staff Report (continued):

UCAN and the City entered into a lease ("Lease") for a portion of the River Road Reserve property in 2011, for the purposes of operating a food bank and related activities. The Lease terminates in 2041, but the tenant shall have a right to renew for two additional 10-year terms. The Lease requires that the landlord consent to an assignment. If the lease is assigned, then UCAN will be relieved of all obligations, which the Food Bank will assume.

Furthermore, the City was the recipient of a Community Development Block Grant in the amount of \$1,500,000.00 for the construction of a food bank facility. Pursuant to that grant, the City and UCAN entered into an agreement ("Agreement") to ensure compliance with the terms of the grant.

UCAN notified the City in January 2017 that there was interest in transitioning the Lease to the Friends of the Josephine County Food Bank Network. Any transfer/assignment of the Lease from UCAN to the Friends of the Josephine County Food Bank Network would require both an assignment of the Lease, as well as an assumption of the Agreement.

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COST IMPLICATION:

None. The Food Bank shall have identical financial obligations as UCAN did.

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ALTERNATIVES:

1. Approve the assignment and assumption.
2. Approve the assignment and assumption with modifications.
3. Deny the assignment and assumption.

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RECOMMENDED ACTION:

No staff recommendation.

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POTENTIAL MOTION:

I move to approve the resolution authorizing assignment of the Lease to the Food Bank.

## RESOLUTION NO.

**A RESOLUTION OF THE COUNCIL OF THE CITY OF GRANTS PASS AUTHORIZING THE EXECUTION OF AN ASSUMPTION AND RELEASE AGREEMENT BETWEEN THE UNITED COMMUNITY ACTION NETWORK (“UCAN”), FRIENDS OF THE JOSEPHINE COUNTY FOOD BANK NETWORK, INC. (“FOOD BANK”), AND THE CITY OF GRANTS PASS (“CITY”) AND AN ASSIGNMENT, ASSUMPTION, AND RELEASE AGREEMENT BETWEEN UCAN, FOOD BANK, AND THE CITY.**

### **WHEREAS:**

1. City and UCAN executed a lease for the operation of the Josephine County Food Bank Distribution Facility at 3658 Upper River Road, Grants Pass, Oregon (“Lease”);
2. City obtained a grant from the CDBG block grant program (“Grant”) in the amount of \$1,500,000.00 for the construction of a food bank facility;
3. Pursuant to the Grant, City and UCAN executed an “Intergovernmental Agreement for the Orderly Management of the Josephine County Food Bank Distribution Facility at 3658 Upper River Road, Grants Pass, Oregon” (“Agreement”);
4. Pursuant to the Agreement, UCAN must abide by the terms of the grant, including, but not limited to, the requirement that the property be operated as a food bank facility for at least five years from the date of the Grant;
5. Food Bank desires to assume the Lease between City and UCAN;
6. As a condition of such assumption, Food Bank must assume UCAN’s obligations under the Lease and the Agreement.

**NOW, THEREFORE, BE IT RESOLVED** by the Council of the City of Grants Pass that the City Manager is directed to execute the Assumption and Release Agreement attached as Exhibit ‘A’ and the Assignment, Assumption and Release Agreement attached as Exhibit ‘B’.

**EFFECTIVE DATE** of this Resolution shall be immediate upon its passage by the City Council and approval by the Mayor.

**ADOPTED** by the Council of the City of Grants Pass, Oregon, in regular session this 10<sup>th</sup> day of April 2017.

**SUBMITTED** to and \_\_\_\_\_ by the Mayor of the City of Grants Pass, Oregon, this \_\_\_\_ day of April 2017 to be effective on the date indicated as adopted by the City Council.

\_\_\_\_\_  
Darin Fowler, Mayor

**ATTEST:**

\_\_\_\_\_  
Karen Frerk, City Recorder

Date submitted to Mayor: \_\_\_\_\_

Approved as to Form, Mark Bartholomew, City Attorney: \_\_\_\_\_

Handwritten signature of Mark Bartholomew in black ink, consisting of stylized initials 'MB'.

A RESOLUTION OF THE COUNCIL OF THE CITY OF GRANTS PASS AUTHORIZING THE EXECUTION OF AN ASSUMPTION AND RELEASE AGREEMENT BETWEEN THE UNITED COMMUNITY ACTION NETWORK ("UCAN"), FRIENDS OF THE JOSEPHINE COUNTY FOOD BANK NETWORK, INC. ("FOOD BANK"), AND THE CITY OF GRANTS PASS ("CITY") AND AN ASSIGNMENT, ASSUMPTION, AND RELEASE AGREEMENT BETWEEN UCAN, FOOD BANK, AND THE CITY.

**ASSUMPTION AND RELEASE AGREEMENT**

**PARTIES:** City of Grants Pass, (“the City”)  
a municipal corporation of the State  
of Oregon

And United Community Action Network, an (“UCAN”)  
Oregon non-profit corporation

And Friends of Josephine County Food Bank (“Friends”)  
Network, Inc., an Oregon non-profit  
corporation

**EFFECTIVE DATE:** April \_\_\_\_\_, 2017

**RECITALS**

WHEREAS, the City obtained a \$1,500,000.00 Block Grant from the Oregon Business Development Department (“the Block Grant”) for the construction of a Food Bank facility on property located at 3658 Upper Road, Grants Pass, Oregon (commonly known as the Raptor Creek Farms); and

WHEREAS, the terms of the Block Grant required the City to use the Food Bank facility for the purpose for which it was constructed for at least a period of five (5) years after completion; and

WHEREAS, on April 12, 2012 the City and UCAN entered into an Intergovernmental Agreement for the Orderly Management of the United Community Action Network Josephine County Food Bank Distribution Facility at Raptor Creek Farms; and

WHEREAS, to date, UCAN has fulfilled all its obligations under the Intergovernmental Agreement; and

WHEREAS, UCAN desires to transfer and assign the operation of the Food Bank facility and all programs being conducted on the Raptor Creek Farms property to Friends and the City has consented to this transfer;

**AGREEMENT**

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, the parties agree as follows:

1. Friends shall enter into a new Intergovernmental Agreement with the City for the Orderly Management of the Food Bank Facility. A copy of the proposed new Intergovernmental Agreement is attached hereto.

2. Upon execution of the new Intergovernmental Agreement, Friends shall assume all of UCAN's obligations under the April 12, 2012 Intergovernmental Agreement and hold UCAN harmless from any claims or charges known or unknown, arising thereunder.
  
3. Upon execution of the new Intergovernmental Agreement, the City shall release UCAN from any and all obligations, claims or charges, known or unknown arising out of or any way related to UCAN's obligations under the April 12, 2012 Intergovernmental agreement. Friends shall assume liability for all of UCAN's obligations, failure to act, or claims, known, or unknown, that occurred, or failed to occur, prior to this agreement.

IN WITNESS WHEREOF, the parties have executed this Assumption and Release Agreement as of the Effective Date set forth above.

UNITED COMMUNITY ACTION  
NETWORK

FRIENDS OF THE JOSEPHINE COUNTY  
FOOD BANK NETWORK, INC.

\_\_\_\_\_  
Michael Fieldman, Executive Director

\_\_\_\_\_  
Print Name: \_\_\_\_\_

THE CITY OF GRANTS PASS

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Aaron Cubic, City Manager

APPROVED AS TO FORM:

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Mark Bartholomew, City Attorney

**ASSIGNMENT, ASSUMPTION AND RELEASE AGREEMENT**

**PARTIES:** United Community Action Network, an (“UCAN/Assignor”) Oregon non-profit corporation

And Friends of Josephine County Food Bank (“Friends/Assignee”) Network, Inc., an Oregon non-profit Corporation

And City of Grants Pass, (“the City/Landlord”) a municipal corporation of the State of Oregon

**EFFECTIVE DATE:** April \_\_\_\_\_, 2017

**RECITALS**

WHEREAS, on June 30, 2011, UCAN and the City entered into a Lease Agreement for 9.75 acres and all buildings located at 3658 to 3680 Upper River Road, Grants Pass, Oregon which are more particularly described in “Exhibit A” to the Lease Agreement which is appended hereto as Attachment 1.

WHEREAS, on July 30, 2012, UCAN and the City executed an Addendum to the Lease Agreement of June 30, 2011 which expanded the property covered by the Lease Agreement to approximately 18.58 acres. The expanded property area is described in Exhibit 2 to the Addendum which is appended hereto as Attachment 2.

WHEREAS, on July 31, 2013, UCAN and the City executed Addendum No. 2 to the Lease Agreement of June 30, 2011 which excluded approximately 1.63 acres from the property covered by the Lease Agreement. The excluded property area is described in “Exhibit A” to Addendum No. 2 which is appended here as Attachment 3.

WHEREAS, on July 31, 2013, UCAN and the City executed a second Lease Agreement for approximately 1.63 acres upon which the Food Distribution Facility was to be constructed. The location of the 1.63 acres subject to the July 31, 2013 Lease Agreement is more particularly described in “Exhibit A” to the Second Lease Agreement which is appended hereto as Attachment 4.

WHEREAS, UCAN desires to transfer operation of the food distribution center to Friends; and

WHEREAS, Friends have conditioned its acceptance of the transfer from UCAN on UCAN obtaining an assignment of the Lease Agreement with the City to Friends.

**AGREEMENT**

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, the parties agree as follows:



1. UCAN hereby assigns, transfers and sets over to Friends all of UCAN's right, title and leasehold interest in and to the real property and all improvements to the real property subject to those certain Lease Agreements dated June 30, 2011 and July 31, 2013 and all Addenda and Amendments thereto. Copies of said Lease Agreements, Addenda and Amendments are attached hereto and by this reference incorporated herein.
2. Friends hereby accepts from UCAN the assignment of its leasehold interest in and to the real property and all improvements thereto and subject to those certain Lease Agreements referenced above.
3. Friends agrees to assume all the obligations of UCAN as Tenant under those certain Lease Agreements attached hereto and shall hold UCAN harmless and indemnify UCAN for any damages or charges, known or unknown, raised against it as the former Tenant under said Lease Agreements. Friends shall be liable for any acts, or failure to act, of UCAN prior to this agreement and the City may assert any such claims against Friends and Friends shall be liable as if it were the Tenant prior to this agreement.
4. The City, as Landlord under the Lease Agreements reference herein, consents to the assignment of UCAN's leasehold interests in the real property and all improvements thereto subject to those certain Lease Agreements referenced above to Friends and the assumption by Friends of UCAN obligations as Tenant under said Lease Agreements.
5. The City further releases UCAN from any and all claims, damages or causes of action, known or unknown, that it may have as Landlord against UCAN as Tenant under those certain Lease Agreements attached hereto.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the Effective Date set forth above.

UNITED COMMUNITY ACTION  
NETWORK

FRIENDS OF THE JOSEPHINE COUNTY  
FOOD BANK NETWORK, INC.

\_\_\_\_\_  
Michael Fieldman, Executive Director

\_\_\_\_\_  
Print Name: \_\_\_\_\_

THE CITY OF GRANTS PASS

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Aaron Cubic, City Manager

APPROVED AS TO FORM:

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Mark Bartholomew, City Attorney