

**MEMORANDUM OF UNDERSTANDING ("MOU")
BETWEEN
CITY OF PORTLAND, OREGON
AND
WARNER PACIFIC COLLEGE**

The parties to this Memorandum of Understanding ("MOU") are the City of Portland, Oregon ("City"), a municipal corporation and Warner Pacific College ("Warner Pacific"), a public non-profit corporation. The MOU shall be effective on the date set out on the final page of this MOU.

RECITALS

1. The City and Warner Pacific recognize their futures are intrinsically linked, and that by working together they can create public benefits that otherwise will not be realized. The City believes that strong and vibrant institutions of higher education contribute positively to the lives of Portland citizens and Warner Pacific believes a well-planned urban environment contributes positively to the educational experience of Warner Pacific students.
2. Recently, the City and Warner Pacific have identified an opportunity to work together to create public benefit. This opportunity involves the conversion of the City of Portland's Mt. Tabor maintenance yard into a multi-purpose athletic facility which will serve Warner Pacific and the surrounding neighborhoods.
3. The City has concluded that, to better address current and future service needs, alternatives to the Mt Tabor maintenance facility are required. In establishing such alternate sites, the opportunity exists to convert the Mt Tabor site to a purpose that will create a public benefit that recognizes and responds to the environmental and recreational needs of the surrounding communities.
4. Warner Pacific needs to expand its campus and the City and Warner Pacific believe there is an opportunity to work together to convert the Mt Tabor Yard into a multi purpose athletic

facility to fill the needs of Warner Pacific and expand some of the recreational opportunities of the surrounding communities.

5. The City and Warner Pacific agree that expansion of Warner Pacific within the area known as the Mt. Tabor maintenance yard is integral to the success of Warner Pacific and the City over the short term and the long term.

6. To ensure the work necessary to bringing the Mt. Tabor maintenance yard opportunity to fruition is undertaken in a timely fashion, the parties are entering into this MOU. The MOU will set out the work effort each party expects it can contribute to establish a project coordination team to develop a mutually agreed upon project plan and timetable for projected completion.

7. This MOU is not intended to be exhaustive of all efforts required of each party to consummate the public benefit opportunity. The parties agree to discuss and negotiate any additional efforts which are necessary for the project to become a reality.

8. Both parties are entering into this MOU in good faith and acknowledge there may be issues beyond any individual party's control that may prevent the realization of this project.

9. Both acknowledge that this MOU is non-binding and unenforceable and shall automatically terminate 24- months from the final date of execution of the MOU by both parties.

A. Mt. Tabor Maintenance Yard Planning

1. The Mt. Tabor maintenance yard presently is zoned open space on City zoning maps, and the City and Warner Pacific both recognize a comprehensive plan and zoning change will be necessary if multi-purpose athletic facilities are to be sited on this property. The City and Warner Pacific will work together to effect all necessary changes to comprehensive plan and zoning maps, and will involve the surrounding neighborhoods in this process.

2. Expansion by Warner Pacific into the Mt. Tabor maintenance yard area also will require an amendment to Warner Pacific's conditional use master plan. Warner Pacific agrees to take the

lead in this effort, and to conduct a community outreach effort to include the surrounding neighborhoods in the crafting of appropriate amendments to the Warner Pacific conditional use master plan.

3. Expansion by Warner Pacific into the Mt. Tabor maintenance yard may require historic design and demolition review. Warner Pacific and the City agree to work together to effect the necessary changes.
4. Warner Pacific will be responsible for any cost associated with the proposed zoning changes and/or historic design and demolition review process.
5. The City will undertake a phase one environmental assessment of the maintenance yard.
6. The City and Warner Pacific agree to work together during the design process for the athletic facilities, and to include the neighborhoods surrounding Warner Pacific in this process, and anticipate this design will be included as a component of Warner Pacific's conditional use master plan.
7. The City and Warner Pacific agree to continue to encourage well-planned development of the Warner Pacific campus as part of a conscious effort to encourage an increasing concentration of higher education throughout the City.

B. Anticipated Purchase of Mt. Tabor Maintenance Yard

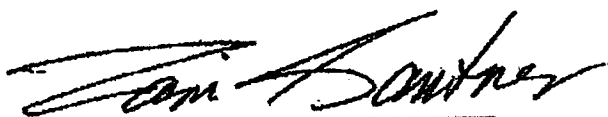
1. The City and Warner Pacific will negotiate a mutually acceptable purchase price, at which Warner Pacific will purchase the area known as the Mt. Tabor maintenance yard from the City.
2. The City and Warner Pacific anticipate entering into a mutually acceptable form of purchase and sale agreement that will be developed upon the execution of this MOU.
3. A condition of the purchase and sale agreement will be the negotiation of a mutually acceptable access agreement that provides the general public use of the multi-purpose athletic facility.

C. Items for inclusion into City of Portland/Warner Pacific Project Timeline

1. **Determination of Purchase Price:** The City and Warner Pacific agree to make best efforts to negotiate a purchase price for the Mt. Tabor maintenance yard property on or before 15 September.
2. **Execution of a Purchase and Sale Agreement:** The City and Warner Pacific will make efforts to enter into a purchase and sale agreement no later than 15 November 2006.
3. **Conclusion of Environmental Due Diligence:** Warner Pacific will make best efforts to conclude its environmental due diligence on the property by 15 January 2007.
4. **The City and Warner Pacific agree to make best efforts to effect all necessary changes to the City's comprehensive plan and zoning map by 15 May 2007.**
5. **Warner Pacific agree to make best efforts to effect all necessary changes to their conditional use master plan on or before 15 October 2007.**

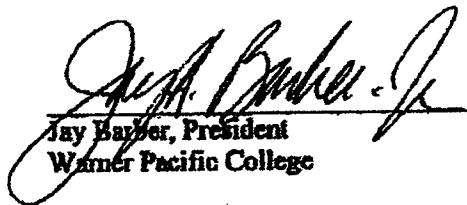
D. Periodic Assessment

1. **The City and Warner Pacific agree to jointly participate in periodic assessment of implementation of the MOU. Such assessment is intended to provide information about progress on the elements of the MOU, identify areas where efforts may be increased and create a forum for discussion of mutually beneficial outcomes as contemplated by the MOU.**



Zari Santner, Director
Portland Parks and Recreation
City of Portland

Date: 8/24/06



Jay Barber, President
Warner Pacific College

Date: 8/24/06