
TO: Board of County Commissioners

DEPARTMENT: Public Works

PRESENTED BY: Frank Simas, Right of Way Manager

AGENDA ITEM TITLE: In The Matter of Authorizing an Extension of an Option Agreement with Pacific Continental Bank Regarding the Lease of a Portion of County-Owned Surplus Road Fund Property Located on River Avenue, Eugene, and Identified as Tax Lot 501 on Lane County Assessor's Map 17-04-13-22.

I. MOTION

THAT THE ORDER BE APPROVED AUTHORIZING AN EXTENSION OF AN OPTION AGREEMENT WITH PACIFIC CONTINENTAL BANK CONCERNING AN OPTION FOR A GROUND LEASE OF A PARCEL OF SURPLUS COUNTY-OWNED ROAD FUND PROPERTY.

II. AGENDA ITEM SUMMARY

Pacific Continental Bank (PCB) has requested a three-month extension of an Option Agreement for a long-term lease of a portion of County-owned Road Fund Property proposed to be used for the construction and operation of a branch bank facility. PCB has requested the Extension so that the City of Eugene permitting process may be completed prior to the Bank's committing to the long-term lease of the property.

III. BACKGROUND/IMPLICATIONS OF ACTION

A. Board Action and Other History

By Order 08-10-1-8, the Board authorized the County Administrator to sign an Option Agreement with PCB regarding the lease of County-owned surplus Road Fund property located at 11 River Avenue, Eugene. The Option Agreement authorized by the Board was for a period of 180 days, expiring May 7, 2009. A copy of the executed Agreement is attached and labeled as "Attachment 1".

The purpose of the Option Agreement was to allow time to complete due diligence and permitting processes before committing the Bank to a long-term lease. The permitting process for the proposed Branch Banking facility has not been completed and PCB has requested a three-month extension.

B. Policy Issues

This project is located within the City of Eugene, and it is mutually beneficial to the

City and the County that this property be returned to the tax rolls. Leasing of the property will also provide a continuing revenue stream for the Road Fund, and if necessary the property could be sold with the lease in place.

C. Board Goals

This project addresses the County Goal of contributing to “appropriate community development in the area of transportation and telecommunications infrastructure, housing, growth management and land development.”

D. Financial and/or Resource Considerations

This property is a Road Fund asset, and upon receipt of the option fee due under the option it will be credited to the Road Fund.

E. Analysis

The Option fee proposed under the terms of the Extension of Option Agreement as shown as the attached "Exhibit A" is \$11,000 for the three-month term, and if the Bank terminates the Option prior to the expiration date of August 7, 2009, either by execution of a lease or by notice for any other reason, the unused portion of the Option fee is to be prorated and refunded to PCB at the rate of \$122.22 per day. If PCB fails to either exercise the option or to renew the option through the execution of an additional Extension Agreement prior to August 7, 2009, PCB shall have no further rights in the property.

F. Alternatives/Options

1. Approve the Order authorizing the County Administrative Officer to sign the Option Agreement.
2. Deny the Order and direct staff otherwise.

V. TIMING/IMPLEMENTATION

If the Board approves the Order, Public Works staff will notify PCB and will forward the Option to its leasing agent. If PCB determines to exercise its option, staff will return with a lease for approval by the Board.

VI. RECOMMENDATION

Option 1.

Approving Extension of Option Agreement
Lane County and PCB

VII. FOLLOW-UP

N. A.

VII. ATTACHMENTS

Attachment 1 – Copy of Executed Option Agreement
Exhibit "A" – Form of Extension of Option Agreement

"ATTACHMENT 1"

OPTION AGREEMENT

This Option Agreement ("Agreement") is entered into as of this 7th day of November, 2008 ("Effective Date"), by and between Lane County, a political subdivision of the State of Oregon ("County") and Pacific Continental Bank, an Oregon state-chartered bank ("PCB").

RECITALS

- A. County owns real property situated on River Avenue, Eugene, Oregon, more particularly described as Lane County, Oregon Assessor's Tax Lot No. 17-04-13-22-00501 and identified as "Tract 1" on Exhibit A, attached hereto and by this reference incorporated as if set forth in full (the "Property").
- B. PCB has expressed to County an interest in entering into a long-term ground lease of the Property for the purpose of constructing and occupying a commercial banking branch office.
- C. PCB has requested and County has agreed to grant PCB an exclusive option to lease the Property subject to the terms and conditions of this agreement and such other terms as the parties mutually agree upon (the "Option").
- D. This Agreement sets forth the parties' understanding with regard to PCB's exclusive option to lease the Property from County.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing Recitals, which by this reference are incorporated herein and made a part hereof, and the mutual covenants, conditions and obligations on the part of each party to be kept and performed, the parties agree as follows:

1. **OPTION FEE.** The fee for County's grant of the Option to PCB shall be \$22,000.00 ("Option Fee"). By execution of this Agreement, County acknowledges receipt of payment in full from PCB. In the event PCB exercises the Option and County fails to execute a lease agreement as provided in this Agreement for any reason, including but not limited to the failure of the Lane County Commissioners to approve the terms of a lease agreement, County shall immediately refund the Option Fee to PCB in full satisfaction of any damages suffered by PCB due to such failure. In the event the Option is not exercised by PCB, or if PCB, through no failure by the County, fails to lease the Property as provided in this Agreement, County shall retain the Option Fee in full satisfaction of any damages suffered by County due to such failure.

"ATTACHMENT 1"

2. **OPTION PERIOD.** The term of this Option is for a period of 180 days beginning on the Effective Date ("Option Period"). The Option Period may be extended for any period of time based upon the mutual written agreement of the parties.
3. **PCB'S OPTION TO LEASE.** During the Option Period, PCB has the sole and exclusive right to lease the Property from County subject to the terms of this Agreement. At any time during the Option Period, PCB may exercise the Option by delivering to County written notice stating that the option is exercised. PCB's notice must comply with Paragraph 9e below.
4. **LEASE.** Upon PCB's exercise of the Option, County shall lease to PCB and PCB shall lease from County the Property under a written lease agreement ("Property Lease"). The Property Lease must be approved by the Lane County Board of Commissioners and be executed by both parties, and must include the following terms without limitation:
 - a. County shall deliver the Property in as-is condition at the time specified in the Property Lease agreement but no later than the expiration of the Option Period;
 - b. The initial term of the Property Lease is twenty-five (25) years;
 - c. PCB has the option to renew the Property Lease for four (4) additional consecutive five (5) year terms;
 - d. Rent payable under the Property Lease is \$44,520.00 per year (or \$3,710.00 per month) for the first 5 years of the Property Lease term;
 - e. Rent payable under the Property Lease after the first 5 years of the Property Lease term will be adjusted annually to reflect any change in the Consumer Price Index (CPI – All Urban Consumers, published by the US Department of Labor, Bureau of Labor Statistics), with no adjustments exceeding five percent (5%) over the previous rent calculation;
 - f. PCB shall pay for fees typically associated with a triple-net real property lease, such as real property taxes, insurance and maintenance;
 - g. PCB's site and improvement construction plans for the Property are subject to the prior written approval of County, and such approval will not be unreasonably withheld;
 - h. PCB shall pay all fees and costs associated with the plans for development and construction of improvements on the Property, except that County will pay fifty percent (50%) up to a maximum of \$20,000 of the fees and costs incurred by PCB in connection with modification of the existing Property approach from River Avenue;

"ATTACHMENT 1"

- i. PCB shall not sublease the Property without obtaining the prior written approval of the County, and such approval will not be unreasonably withheld; and
- j. Such other terms as the parties mutually agree upon.

5. **LEASING AGENT COMMISSION.** Campbell Commercial Real Estate ("Campbell") represents PCB as leasing agent with regard to the Property. Campbell is not an agent of County and is not acting and has not acted on behalf of County with respect to this Agreement or the Property Lease that is the subject of this Agreement. Upon execution of the Property Lease, County will pay to Campbell the sum of \$35,600 as further consideration for the lease of the Property. PCB agrees to hold County harmless from any claims of Campbell or its agents with regard to the payment of any commission or fee related to the execution of the Property Lease.

6. **PCB RIGHT OF ENTRY.** PCB, its agents, employees, architects, and contractors have the right, upon prior written or verbal notice to County, to enter the Property from time to time during the Option Period to survey, inspect, conduct non-destructive tests, or otherwise examine and/or test the Property. PCB assumes all liability for damages to the Property and to any persons caused by the activities of PCB or its agents under this paragraph. PCB's liability under this paragraph shall survive termination of this Agreement.

7. **RECORDING.** At the request of PCB and for purposes of recording in the Official Records of Lane County, Oregon, both parties shall execute a memorandum of this Agreement in form and substance reasonably satisfactory to PCB. PCB shall pay all fees, costs and expenses associated with recording of such memorandum.

8. **COUNTY REPRESENTATIONS AND WARRANTIES.** County represents and warrants to PCB the following:

- a. The undersigned has been given the full power and authority to sign and deliver this Agreement and to perform all of County's obligations under this Agreement; and
- b. County has good title to the Property, free from all liens, pledges and other encumbrances except those of record as shown on the Preliminary Title report dated February 14, 2008, a copy of which is attached hereto and marked as Exhibit B. Prior to execution of the Property Lease and at PCB's request, County shall provide PCB at County's expense a title report confirming such title ownership.

9. **GENERAL**

- a. **Time of Essence.** Time is of the essence with respect to all dates and time periods in this Agreement.

"ATTACHMENT 1"

- b. **Assignment.** Neither party may assign or delegate any of the party's rights or obligations under this Agreement to any person without the prior written consent of the other party, which the other party may withhold in the other party's sole discretion.
- c. **Binding Effect.** This Agreement will be binding on the parties and their respective heirs, personal representatives, successors, and permitted assigns, and will inure to their benefit.
- d. **Amendment.** This Agreement may be amended only by a written agreement signed by the party against whom enforcement is sought.
- e. **Notices.** All notices or other communications required or permitted by this Agreement must be in writing and delivered to the parties at the addresses set forth below, or any other address that a party may designate by notice to the other party. A notice will be considered delivered upon actual receipt if delivered personally, by fax, or by a nationally recognized overnight delivery service or at the end of the third business day after the date of deposit, if deposited in the United States mail, postage pre-paid, certified, return receipt requested.

To County:

Lane County Public Works
Attn: Frank Simas
3040 North Delta Highway
Eugene, OR 97408

To PCB:

Pacific Continental Bank
Attn: Mitch Hagstrom
PO Box 10727
Eugene, OR 97440-2727

- f. **Hold Harmless.** Subject to the limitation of the Oregon Tort Claims Act and any applicable provisions of the Oregon Constitution, County and PCB each agree to indemnify and save the other harmless from any claim, liability or damage resulting from any error, omission or act of negligence on the part of the indemnifying party, its officers, agents, employees, contractors, licensees, or lessees in connection with the execution of this Agreement or the rights granted pursuant to Section 6 above.
- g. **Waiver.** No waiver will be binding on a party unless it is in writing and signed by the party making the waiver. A party's waiver of a breach of a provision of this Agreement will not be a waiver of any other provision or a waiver of a subsequent breach of the same provision.
- h. **Severability.** If a provision of this Agreement is determined to be unenforceable in any respect, the enforceability of the provision in any other respect and of the remaining provisions of this Agreement will not be impaired.

"ATTACHMENT 1"

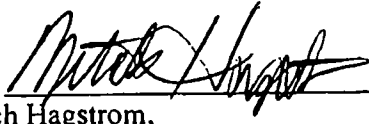
- i. Further Assurances. The parties will sign other documents and take other actions reasonably necessary to further effect and evidence this Agreement.
- j. No Third-Party Beneficiaries. The parties do not intend to confer any right or remedy on any third party.
- k. Governing Law. This Agreement is governed by the laws of the State of Oregon, without giving effect to any conflict-of-law principle that would result in the laws of any other jurisdiction governing this Agreement.
- l. Venue. Any action or proceeding arising out of this Agreement will be litigated in courts located in Lane County, Oregon. Each party consents and submits to the jurisdiction of any local, state, or federal court located in Lane County, Oregon.
- m. Entire Agreement. This Agreement contains the entire understanding of the parties regarding the subject matter of this Agreement and supersedes all prior and contemporaneous negotiations and agreements, whether written or oral, between the parties with respect to the subject matter of this Agreement.

IN WITNESS WHEREOF, County and PCB have executed this Agreement effective as of the date first written above.

LANE COUNTY, OREGON

PACIFIC CONTINENTAL BANK

By: 
Jeff Spartz, County Administrator

By: 
Mitch Hagstrom,
President, Greater Eugene Market

APPROVED AS TO FORM

Date 11-05-08 Lane County


OFFICE OF LEGAL COUNSEL

"ATTACHMENT 1"

EXHIBIT "A"

LEGAL DESCRIPTION FOR TRACTS 1 AND 2

TRACT 1 ("The Property")

Beginning at a point on the Southerly right-of-way of County Road No. 1353 (known as Beltline Road) as said road was surveyed in 1964, opposite and 95 feet distant Southerly of Engineer's Centerline Station L128+05.00, said point also being 2371.57 feet South and 1466.10 feet West of the South Southeast corner of the L. Poindexter Donation Land Claim No. 52, in Section 12, Township 17 South, Range 4 West of the Willamette Meridian; thence South 53°53'15" West 102.16 feet; thence South 38°58'37" West 115.43 feet; thence South 19°10'08" West 240.36 feet to the north margin of River Avenue; thence along said north margin South 82°42'13" West 114.44 feet to the True Point of Beginning; thence continuing South 82°42'13" West 123.09 feet to the easterly margin of River Road; thence along said easterly margin (being common to east bound on-ramp of said County Road No. 1353, known as Beltline Road) North 07°10'02" East 21.88 feet; and North 12°13'47" West 76.32 feet; thence leaving said east margin bearing North 78°49'17" East 21.63 feet; thence North 10°21'12" West 34.26 feet; thence North 79°37'51" East 178.13 feet; thence South 19°58'39" West 160.27 feet to the True Point of Beginning, all in Lane County, Oregon.

TRACT 2 ("The Adjacent Property")

Beginning at a point on the Southerly right-of-way of County Road No. 1353 (known as Beltline Road) as said road was surveyed in 1964, opposite and 95 feet distant Southerly of Engineer's Centerline Station L128+05.00, said point also being 2371.57 feet South and 1466.10 feet West of the South Southeast corner of the L. Poindexter Donation Land Claim No. 52, in Section 12, Township 17 South, Range 4 West of the Willamette Meridian; thence South 53°53'15" West 102.16 feet; thence South 38°58'37" West 115.43 feet; thence South 19°10'08" West 240.36 feet to the north margin of River Avenue; thence along said north margin South 82°42'13" West 114.44 feet; thence leaving said north margin bearing North 19°58'39" East 160.27 feet; thence South 79°37'51" West 178.13 feet; thence South 10°21'12" East 34.26 feet; thence South 78°49'17" West 21.63 feet to the east bound on-ramp of said County Road No. 1353 (known as Beltline Road); thence North 12°13'47" West 29.70 feet; thence North 04°01'07" West 108.13 feet; thence North 12°26'26" East 52.04 feet; thence North 58°06'50" East 71.16 feet; thence North 81°23'11" East 171.10 feet; thence North 76°07'20" East 154.83 feet; thence North 77°51'02" East 108.29 feet to the Point of Beginning, all in Lane County, Oregon.

"ATTACHMENT 1"
EXHIBIT B

1651 CENTENNIAL BLVD. • SPRINGFIELD, OR 97477
P.O. BOX 931 • SPRINGFIELD, OR 97477
PHONE: 541.741.1981
FAX: 541.741.0619



875 COUNTRY CLUB RD. • EUGENE, OR 974
P.O. BOX 10211 • EUGENE, OR 974
PHONE: 541.687.97
FAX: 541.687.09

TITLE INSURANCE SERVICES • ESCROW CLOSINGS

PRELIMINARY TITLE REPORT

February 14, 2008

ELT-49317-A

Lane County Public Works
3040 North Delta Highway
Eugene, Oregon 97408-1696
Attn: Frank Simas

Estimated Premium for:

PARTIAL BILLING

\$200.00

TOTAL

\$200.00

Dear Frank:

We are prepared to write Title Insurance covering the following described premises to-wit:

SEE ATTACHED

Showing fee simple title as of February 12, 2008, at 8:00 a.m., vested in:

LANE COUNTY,
a political subdivision of the State of Oregon

Subject to the usual printed exceptions, and

1. The real property taxes for the fiscal year 2007-2008 are exempted by virtue of governmental ownership. The company assumes no liability should the exempt status be lifted and taxes levied. (Map No. 17-04-13-22-00500, Code 04-00, Account No. 1166824)
2. Access Restrictions as contained in Deed Recorded May 24, 1961, Reception No. 33071, Lane County Oregon Records.
3. Sewer Easement, granted to the City of Eugene, a municipal corporation of Lane County, State of Oregon, including the terms and provisions thereof, by instrument Recorded April 21, 1980, Reception No. 80-20134, Lane County Oregon Records.
4. Easement Agreement, including the terms and provisions thereof.

NOTE: Said Easement Agreement to be recorded concurrently with sale of Tract 2.

CONTINUED

"ATTACHMENT 1"

EXHIBIT B

ELT - 49317-A

Page 2

NOTE: The address of the property to be insured herein is: 11 RIVER AVENUE, EUGENE, OREGON 97404.

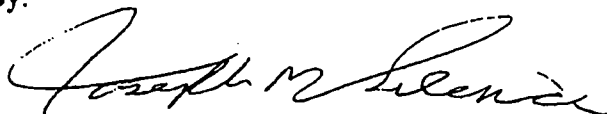
NOTE: A JUDGEMENT/LIEN SEARCH was done for the name(s) LANE COUNTY, and as of February 12, 2008, none were found.

NOTE: Said property lies outside the city limits, therefore, is not subject to city liens.

Very truly yours,

EVERGREEN LAND TITLE COMPANY
HOME OFFICE

By:



Joseph M. Silence
Title Officer

NO LIABILITY IS ASSUMED HEREUNDER UNTIL POLICY IS ISSUED AND PREMIUM PAID. IF FOR ANY REASON THE REPORT IS CANCELLED, A MINIMUM CANCELLATION FEE OF \$230.00 WILL BE CHARGED.

"ATTACHMENT 1"

EXHIBIT B

ELT - 49317-A

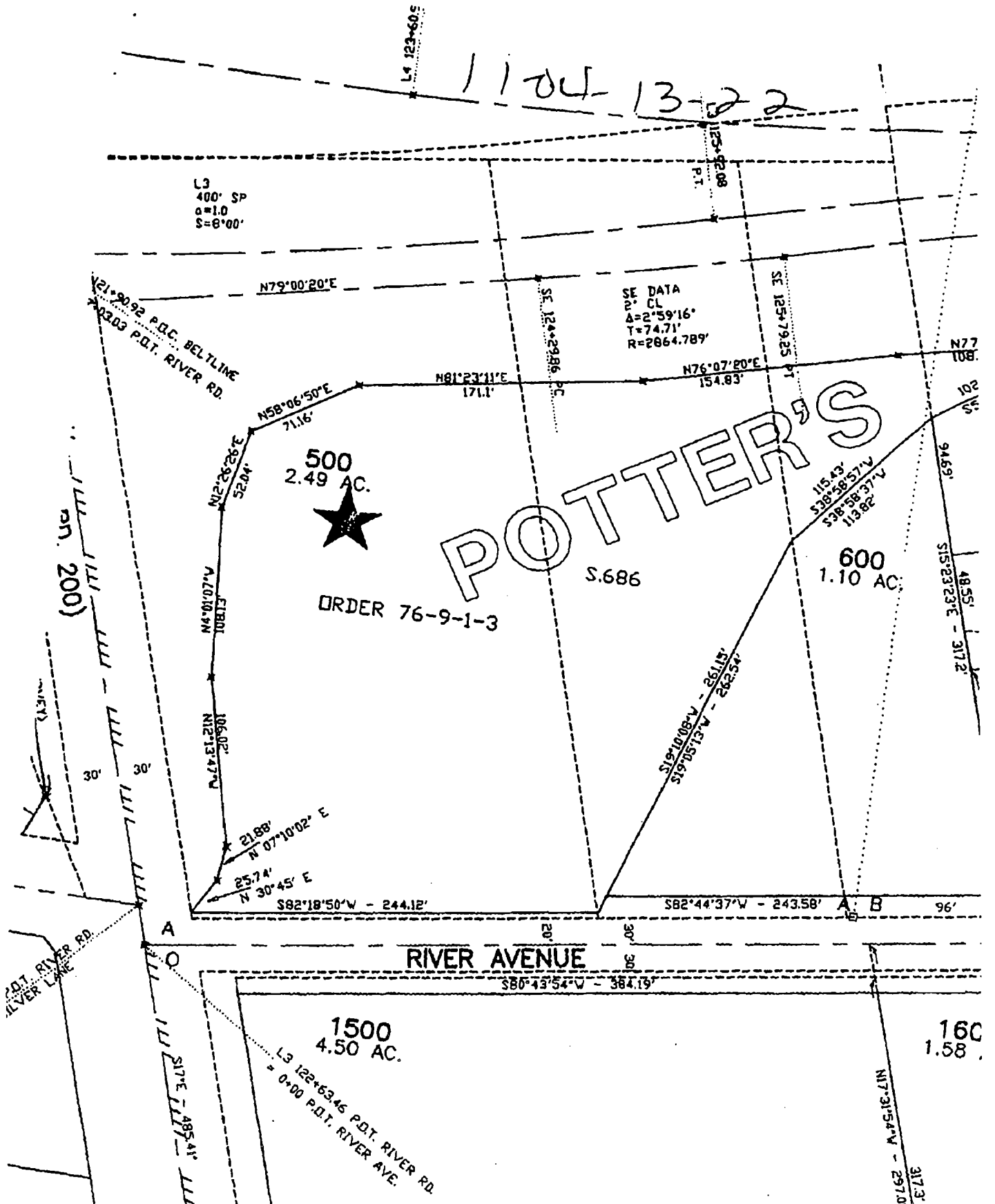
Page 1 of 1

Legal Description

Beginning at a point on the Southerly right-of-way of County Road No. 1353 (known as Beltline Road), as said road was surveyed in 1964, opposite and 95 feet distant Southerly of Engineer's Centerline Station L128+05.00, said point also being 2371.57 feet South and 1466.10 feet West of the South Southwest corner of the L. Poindexter Donation Land Claim No. 52, in Section 12, Township 17 South, Range 4 West of the Willamette Meridian; thence South 53° 53' 15" West 102.16 feet; thence South 38° 58' 37" West 115.43 feet; thence South 19° 10' 08" West 240.36 feet to the North margin of River Avenue; thence along said North margin South 82° 42' 13" West 114.44 feet to the True Point of Beginning; thence continuing South 82° 42' 13" West 123.09 feet to the Easterly margin of River Road; thence along said Easterly margin (being common to East bound on-ramp of said County Road No. 1353, known as Beltline Road) North 07° 10' 02" East 21.88 feet, and North 12° 13' 47" West 76.32 feet; thence leaving said East margin bearing North 78° 49' 17" East 21.63 feet; thence North 10° 21' 12" West 34.26 feet; thence North 79° 37' 51" East 178.13 feet; thence South 19° 58' 39" West 160.27 feet to the True Point of Beginning, all in Lane County, Oregon.

"ATTACHMENT 1"

EXHIBIT B



"ATTACHMENT 1"

EXHIBIT B

Privacy Policy Notice

As adopted July 1, 2001

Evergreen Land Title Company
Private Policy Notice

PURPOSE OF THIS NOTICE

Title V of the Gramm-Leach-Bliley Act (GLBA) generally prohibits any financial institution, directly or through its affiliates, from sharing nonpublic personal information about you with a nonaffiliated third party unless the institution provides you with a notice of its privacy policies and practices, such as the type of information that it collects about you and the categories of persons or entities to whom it may be disclosed. In compliance with the GLBA, we are providing you with this document, which notifies you of the privacy policies and practices of Evergreen Land Title Company.

We may collect nonpublic personal information about you from the following sources:

- Information we receive from you, such as on applications or other forms.
- Information about your transactions we secure from our files, or from our affiliates or others.
- Information we receive from a consumer reporting agency.
- Information that we receive from others involved in your transaction, such as the real estate agent or lender.

Unless it is specifically stated otherwise in an amended Privacy Policy Notice, no additional nonpublic personal information will be collected about you.

We may disclose any of the above information that we collect about our customers or former customers to our affiliates or to nonaffiliated third parties as permitted by law.

We also may disclose this information about our customers or former customers to the following types of nonaffiliated companies that perform marketing services on our behalf or with whom we have joint marketing agreements:

- Financial service providers such as companies engaged in banking, consumer finance, securities and insurance.
- Non-financial companies such as envelope stuffers and other fulfillment service providers.

WE DO NOT DISCLOSE ANY NONPUBLIC PERSONAL INFORMATION ABOUT YOU WITH ANYONE FOR ANY PURPOSE THAT IS NOT SPECIFICALLY PERMITTED BY LAW.

We restrict access to nonpublic personal information about you to those employees who need to know that information in order to provide products or services to you. We maintain physical, electronic and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

"ATTACHMENT 1"
ATTACHMENT 1

LEGAL DESCRIPTION FOR ACCESS EASEMENT

An easement, variable in width, being more particularly described as follows: Beginning at a point on the Southerly right-of-way of County Road No. 1353 (known as Beltline Road) as said road was surveyed in 1964, opposite and 95 feet distant Southerly of Engineer's Centerline Station L128+05.00, said point also being 2371.57 feet South and 1466.10 feet West of the South Southeast corner of the L. Poindexter Donation Land Claim No. 52, in Section 12, Township 17 South, Range 4 West of the Willamette Meridian; thence South 53°53'15" West 102.16 feet; thence South 38°58'37" West 115.43 feet; thence South 19°10'08" West 240.36 feet to the north margin of River Avenue; thence along said north margin South 82°42'13" West 114.44 feet to the True Point of Beginning; thence leaving said north margin bearing North 19°58'39" East 161.18 feet; thence South 72°41'38" East 22.23 feet; thence South 19°11'05" West 149.71 feet returning to said north margin of River Avenue; thence along said north margin South 82°42'13" West 27.32 to the True Point of Beginning, all in Lane County, Oregon.

**BEFORE THE BOARD OF COUNTY COMMISSIONERS
OF LANE COUNTY, OREGON**

ORDER NO.

(**IN THE MATTER OF AUTHORIZING AN**
(**EXTENSION OF AN OPTION AGREEMENT**
(**WITH PACIFIC CONTINENTAL BANK**
(**REGARDING THE LEASE OF A PORTION**
(**OF COUNTY-OWNED SURPLUS ROAD**
(**FUND PROPERTY LOCATED ON RIVER**
(**AVENUE, EUGENE, AND IDENTIFIED AS**
(**TAX LOT 501 ON LANE COUNTY**
(**ASSESSOR'S MAP 17-04-13-22**

WHEREAS, by Order 08-10-1-8, the board authorized the County Administrator to sign an Option Agreement with Pacific Continental Bank (PCB) regarding the lease of County-owned surplus Road Fund property located at 11 River Avenue, Eugene; and

WHEREAS, the Option Agreement was for a period of 180 days expiring May 7, 2009; and

WHEREAS, PCB has requested a three-month extension of the Option Agreement in order to complete necessary permitting and due diligence prior to committing to a long-term lease of the property; and

WHEREAS, the terms of a proposed Extension of Option Agreement provide for the payment to the County of an option fee in the amount of \$11,000 for the proposed three-month term which expires on August 7, 2009; and

WHEREAS, ORS 271.310(1) allows the lease of property not needed for public use whenever the public interest may be furthered; and the subject property is not needed for any public use now or in the foreseeable future and the public interest will be furthered by the return of the property to the tax rolls

NOW THEREFORE BE IT

ORDERED that the County Administrator is hereby authorized to sign an Extension of Option Agreement, substantially conforming to the form attached as Exhibit A, granting PCB a three-month Extension of the above referenced Option Agreement.

DATED this _____ day of _____, 2009.

Pete Sorenson, Chair
Board of County Commissioners

APPROVED AS TO FORM:

DATE 7/17/09 Lane County

OFFICE OF LEGAL COUNSEL

EXHIBT "A"

RE: County-Owned Excess Land
River Avenue @ River Road
T. L. 17-04-13-22-00501

EXTENSION OF OPTION AGREEMENT

- 1. Parties.** The parties to this Extension of Option Agreement ("Extension") are: **LANE COUNTY**, a political subdivision of the State of Oregon ("County"); and **PACIFIC CONTINENTAL BANK**, an Oregon state-chartered bank ("PCB"). The parties are also parties to an Option Agreement dated November 7, 2008, a copy of which is attached hereto and incorporated herein by reference (a total of 12 pages), which includes an option for PCB to lease certain property owned by County. The parties are hereby agreeing to extend the Option Agreement in accordance with the terms of this Extension.
- 2. Extended Term.** The term of the Option Agreement is extended from May 7, 2009 to August 7, 2009. This extended term may be terminated by PCB at any time by delivery of notice to County at the address for notice specified in the Option Agreement.
- 3. Payment of Rent.** The total option fee for this extended term is \$11,000, payment of which is due in full upon execution of this Extension. PCB may terminate this Extension by execution of a lease as provided in the Option Agreement or for any other reason. In the event of termination before August 7, 2009, the County shall refund to PCB a portion of the option fee prorated at \$122.22 per day. If PCB fails to either exercise its option under the Option Agreement or enter into an additional extension of the Option Agreement term on or before August , PCB has no further claim against or interest in the property, and all of PCB's rights under the Option Agreement and this Extension automatically and completely terminated without any act or action by County.
- 4. Integration.** Except as noted above, all other terms and conditions of the Option Agreement remain in full force and effect during this extension of term. Any modifications of this Extension or of the Option Agreement must be approved in writing by both PCB and County.

EXHIBIT "A"

5. **Counterparts.** This Extension may be executed in one or more counterparts, each of which constitutes an original, but all of which, together, constitute one and the same instrument.

DATED this _____ day of _____, 2009.

LANE COUNTY, a political subdivision
of the State of Oregon

PACIFIC CONTINENTAL BANK

By: _____
Jeff Spartz
County Administrator

By: _____
Mitch Hagstrom
President, Greater Eugene Market

APPROVED AS TO FORM:

Date _____, Lane County

OFFICE OF LEGAL COUNSEL