



MINUTES OF THE SPECIAL MEETING
Held December 13, 2017

The December 13, 2017 Special Business Meeting was called to order at 12:08 p.m. by President Matson. The meeting was held at the Port of Sunnyside's Administration Office located at 2640 E. Edison Avenue, Ste. 1, Sunnyside, WA. The purpose of the meeting was to approve a 90 day extension to the Commercial & Investment Real Estate Purchase and Sale Agreement, dated June 16, 2017, between the Port of Sunnyside, as seller, and Ostrom's Mushroom Farms, as buyer.

Commissioners and Staff present at the Business Meeting:

Jeffrey Matson, Commission President
Arnold Martin, Commission Vice President
Jim Grubenhoff, Commission Secretary
Jay Hester, Executive Director
Lucia Navarro, Administrative Assistant
Rob Faber, Legal Counsel

Tyler Schilperoort, GUEST

COMMENTS: Commissioner Matson asked if the 90 day extension is needed because of the bond financing issues or because of contingencies not yet completed. Rob responded the extension is mostly due to the financing issues but, some contingencies haven't been completed yet either. He stated this extension will extend the dates of completion for all contingencies even though most have already been completed. The exact acreage to be purchased has yet to be nailed down and the map of the future facility is still being finalized.

Rob also shared that Ostrom's would like to assign the purchase and sale to their lender AGIS. In this case, AGIS will purchase the property and then turn around and lease it to Ostrom's. The only responsibility of the Port would be to assign the buyer's interest to AGIS at a later date. Rob shared that this type of transaction is not unusual but, every real estate transaction is unique.

Tyler asked how the Port anticipates holding Ostrom's to their construction start date. Jay and Rob responded that the Port has weighed the benefits of this sale and the economic benefits this will bring to the community. Commissioner Martin responded that the low sale price is contingent on the amount of jobs being brought to the community. Rob shared that he recently received an email from David Knudsen, President of Ostrom Mushroom Farms, stating that he plans on beginning construction as soon as funds become available to him.

Jay shared that prior to coming to the Port of Sunnyside; David had been in talks with 3 other Port districts with regards to relocating their facility. The land offered by Port of Sunnyside has proven to be a better fit with access to the amenities needed to operate their future facility. Commissioner Grubenhoff shared that he has no objections to the extension.

ACTION ITEM: Motion to approve the 90 day extension to the Commercial & Investment Real Estate Purchase and Sale Agreement, dated June 16, 2017, between the Port of Sunnyside, as seller, and Ostrom's Mushroom Farms, as buyer, and authorize Jay Hester to sign on behalf of the Port. Commissioner Martin moved to approve, Commissioner Grubenhoff seconded. Motion approved 3-0.

ADJOURNMENT: The Special Meeting was adjourned at 12:37 p.m., peace and harmony prevailing.



Jeff Matson, President

ATTEST:


Jim Grubenhoff, Secretary