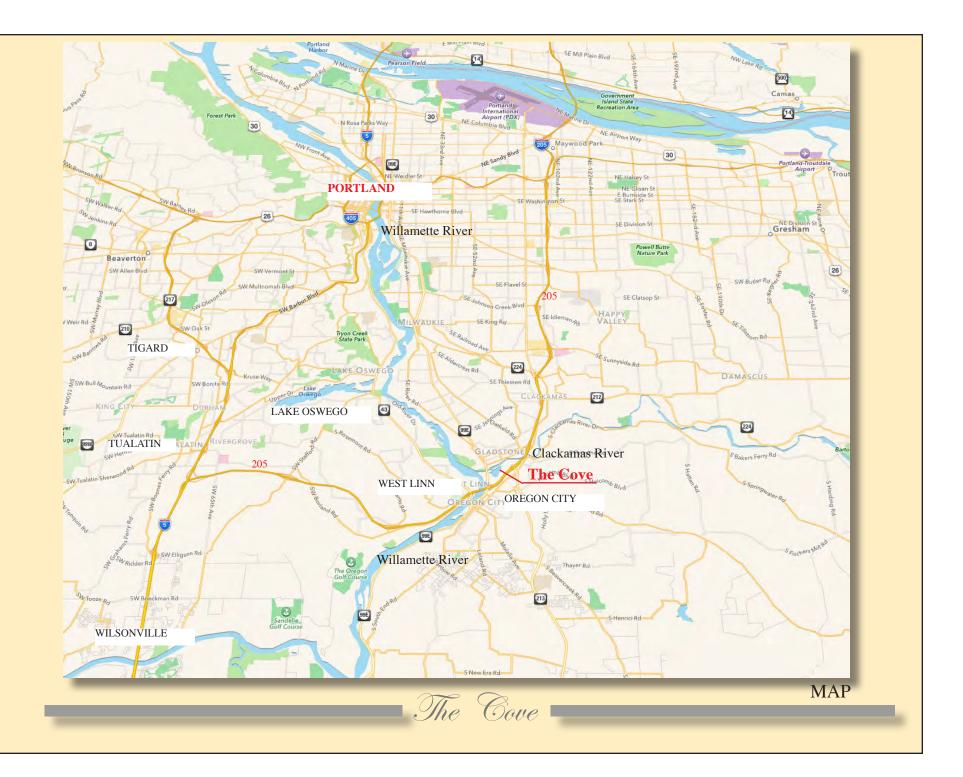


A Mixed Use Waterfront Master Planned Community An Integrated Water Quality and Habitat Resource Proposal



INTRODUCTION

As the Master Planning Developers' of The Cove we would like to propose a formal program to resolve the water quality concerns, enhance and create new habitat resources and ensure public safety at The Cove.

In concert with preliminary efforts from Cascade Environmental Group (John Runyon) a preliminary Critical Path has been defined as a guideline for moving this program forward. Further, a dialogue has been opened with Tammy Stempel from the City of Gladstone with regards to combining efforts and potentially City of Gladstone properties to create a Landmark environmental resource within The Cove.

Subject to refining a concept plan and City approvals, a joint intergovernmental agreement could be defined whereby resources and land could be combined to create a significant new resource, preserve and enhance wetlands, aquatic habitats, water quality and ensure public safety at The Cove. Improved habitat and natural resources would be integrated with the recreational features and access points.

The following outline is a preliminary overview of a path forward to investigate and concept this extraordinary opportunity to improve and add to the existing natural assets of The Cove.

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INTRODUCTION

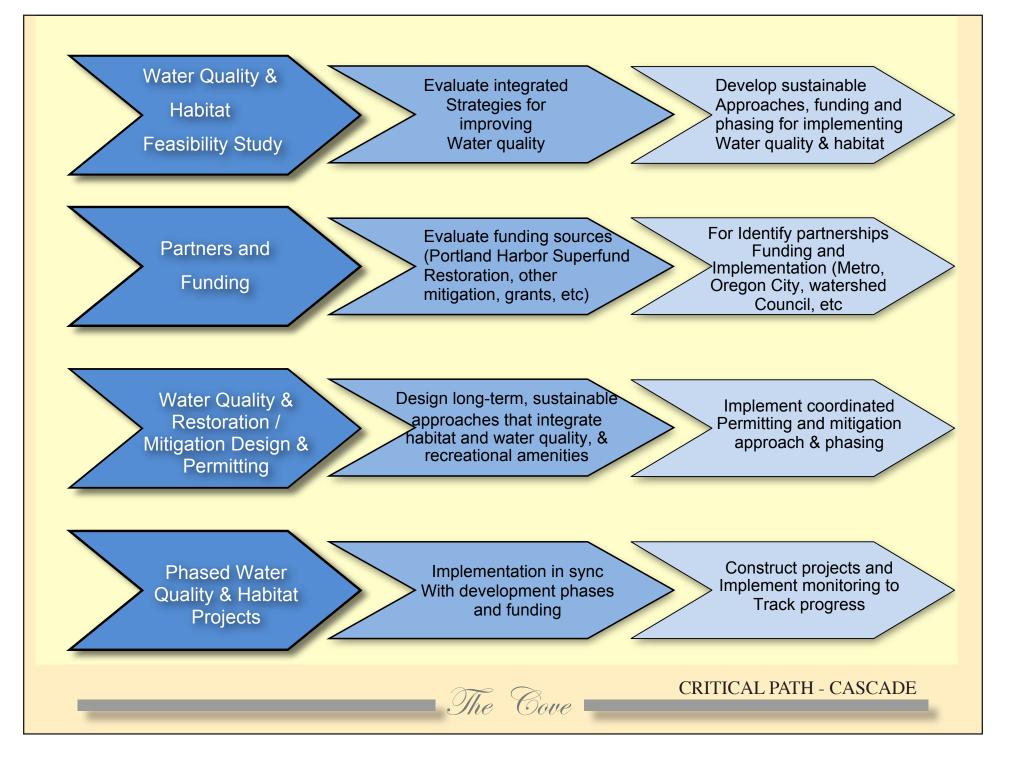


COMPLETE FEASIBILTY STUDY

- **1. REVIEW EXISTING DATA & PLANS**
- 2. CITY, CCLLC & CONSULTANT: DEVELOP SUITE OF OPTIONS: DREDGING PUMP STATION CREATE SHALLOW WATER WETLANDS CREATE NEW WETLAND CHANNEL FROM CLACKAMAS RIVER INTO COVE
- 3. BASED ON 1 & 2 CONVENE EXPERTS & AGENCIES STAFF TO EXPLORE ALTERNATIVES THAT ARE SOUND & SUPPORTABLE
- 4. EVALUATE OPTIONS & FUNDING SOURCES
- 5. COMPLETE FEASIBLITY STUDY SUMMARIZING FINDINGS & RECOMMENDATIONS AND IDENTIFYING FUNDING SOURCES.
- 6. LAYOUT SITE SPECIFIC CONCEPTS / PHASING / FORMAL DESIGN

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INITIAL STUDY



Water Quality & Habitat Feasibility Study

*Habitat and water quality

*Environmental baseline

*Mitiation opportunities

*Engage consultants, stakeholders, and agencies

*Model and evaluate flows, water quality & habitat

*Recreational uses and impacts

*Sustainable approaches integrated with development

*Identify costs & permiting pathways

*Identify funding sources

EVALUATE INTEGATED SOLUTIONS.

FOR EXAMPLE:

1. DREDGING AND CIRCULATION

2. PLACING DREDGING MATERIALS TO CREATE SHALLOW WATER WETLANDS TO IMPROVE FISH HABITAT AND TO HELP ABSORB NUTRIENTS CONTRIBUTING TO TOXIC ALGAE BLOOMS.

CRITICAL PATH - CASCADE

Partners and Funding *Identify funding sources *Portland Harbor Superfund Restoration *Stream and Wetland Mitigation - Consider selling surplus credits

*Grants

*Other sources- environmental certification (Salmon Safe development cerification)

*Identify Partners including: Oregon City; Gladstone; Metro; Mitigation Developers, Watershed Council & others

*Establish funding phasing

Water Quality & Restoration / Mitigation Design and Permitting

*Design long-term, sustainable approaches that integrate habitat and water quality considerations & solutions

*Work to minimize impacts from amenities to decrease mitigation reqmts.

*Integrate recreational amenities (e.g., docks) into habitat & permitting / mitigation strategy

*Project phasing integrated with funding and development phases

DESIGN PROJECTS THAT INTEGRATE DEVELOPMENT WITH HABITAT AND WATER QUALITY IMPROVEMENTS AND RECREATION. FOR EXAMPLE: IMPLEMENT ON-SITE MITIGATION FOR AQUATIC IMPACTS FROM NEW DOCKS.

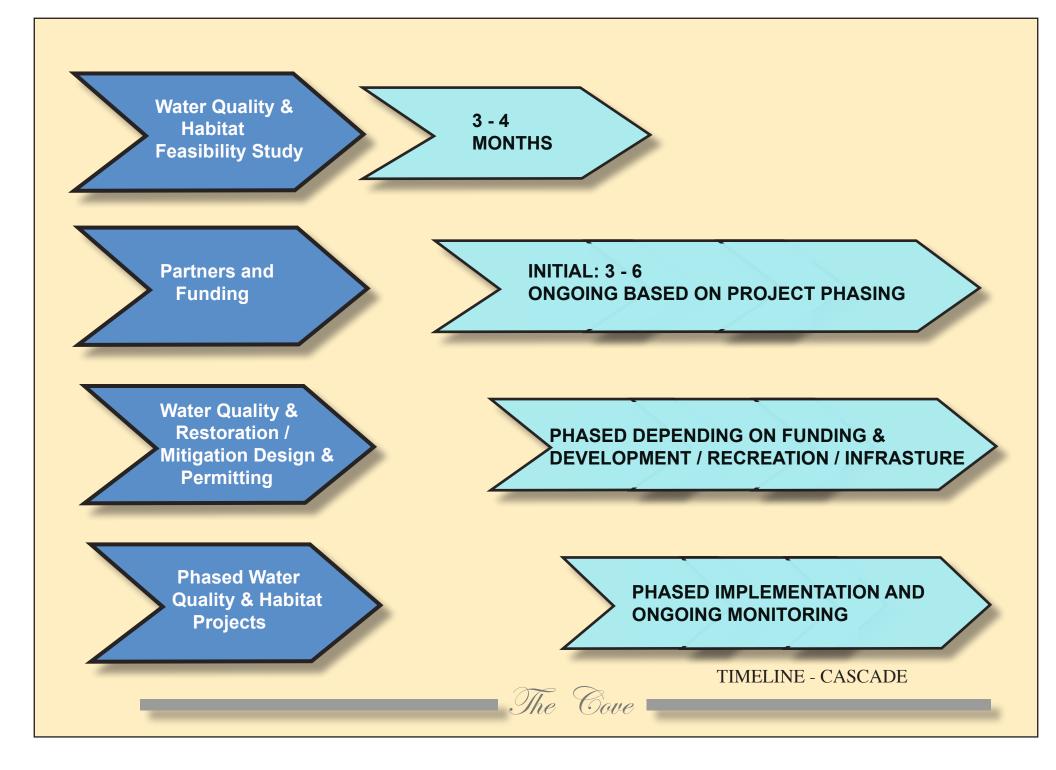
CRITICAL PATH - CASCADE

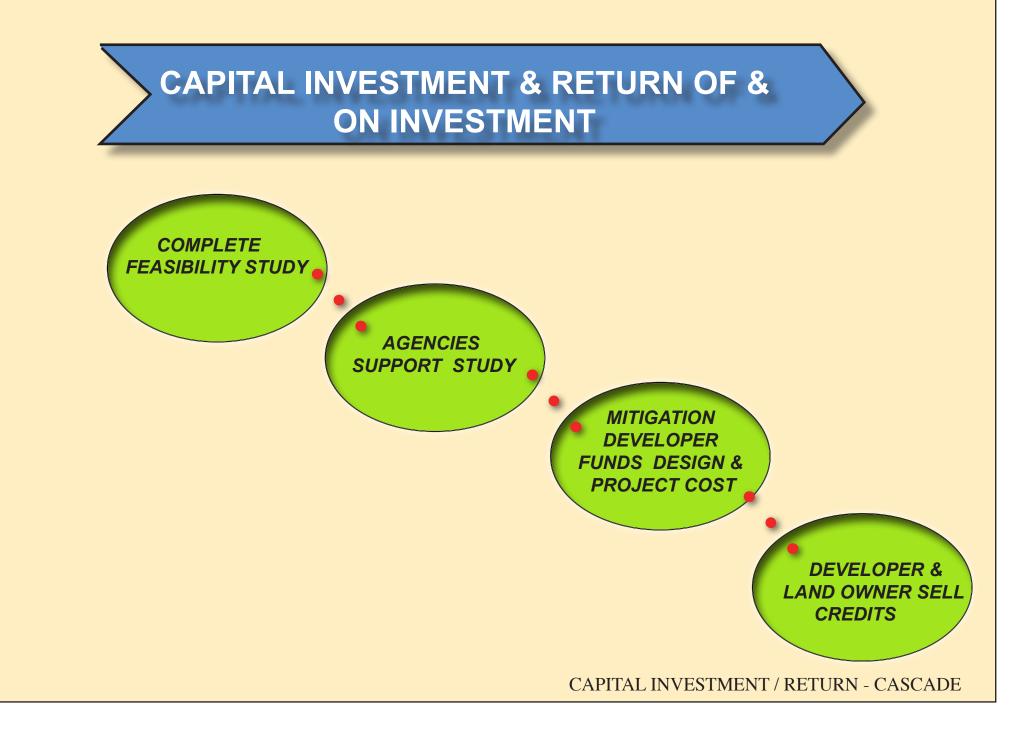


*Project implementation in sync with development phases, recreational amenities and funding

*Construct projects and implement monitoring to track progress

CRITICAL PATH - CASCADE





THE COVE PROJECT DESCRIPTION

PROPERTY:

Master Planned Area

Project Components:

- Phase 1- Lot 2 244 Garden Apts. 11 acres with a small component of office space within 2 apartment bldgs. - leasing office / exercise / pool. This project is to be developed by others.
- Phase 2A Lots 3, 4, 5, 6 & 7 225 Waterfront Units to be leased 8 acres with a small componenet office space in six of the bldgs.
 2 Restaurants leasing office / exercise / pool on Lot 5
- Phase 2B Lot 1- previously planned for a Mixed Use Building 1)Proposed Alternative Use: Habitat Resource Area - completed with Phase 2

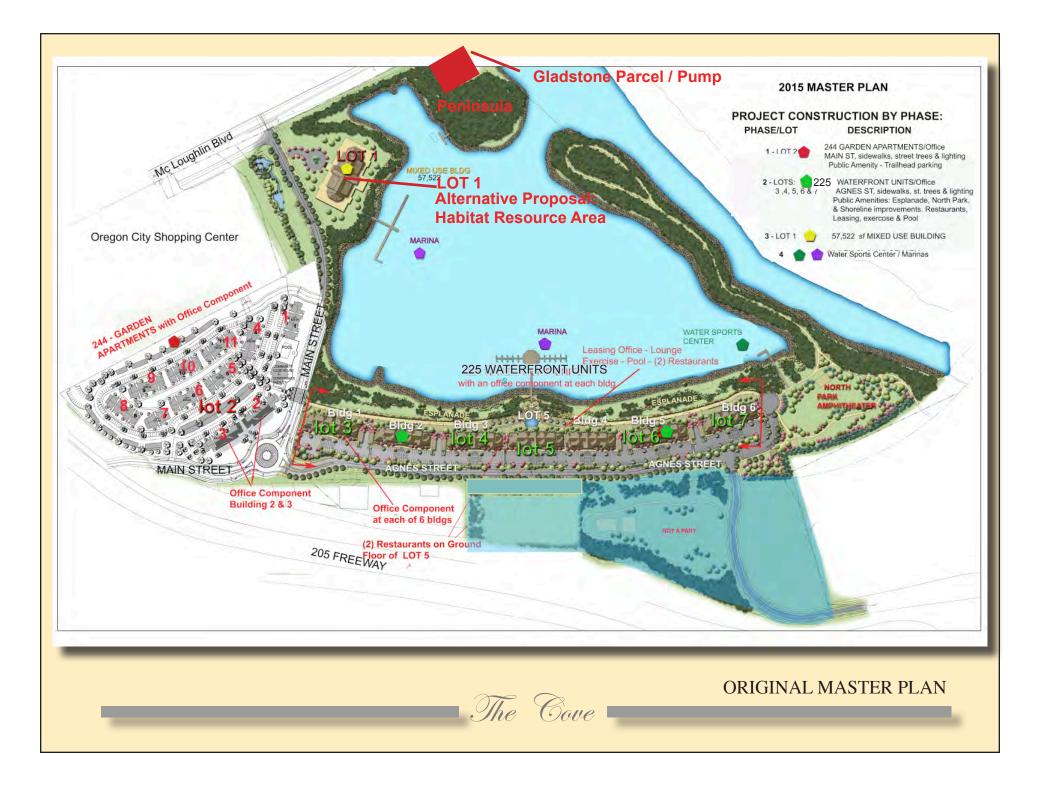
2)Peninsula - Habitat Enhancements and Creation

Phase 3 - Lot 1 - 57,000 Mixed Use Building-Waterfrt. - or Hotel -4.45 acs **Proposed Alternative Use: Habitat Resource Area - completed with Phase 2**

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Phase 4 - Water Sports Center / dock

PROJECT DESCRIPTION



Please note that Lot 1 is at an average elevation of 34 ft - almost 18 feet below the buildable flood plain elevation. It is a natural setting for a mitiagation program.



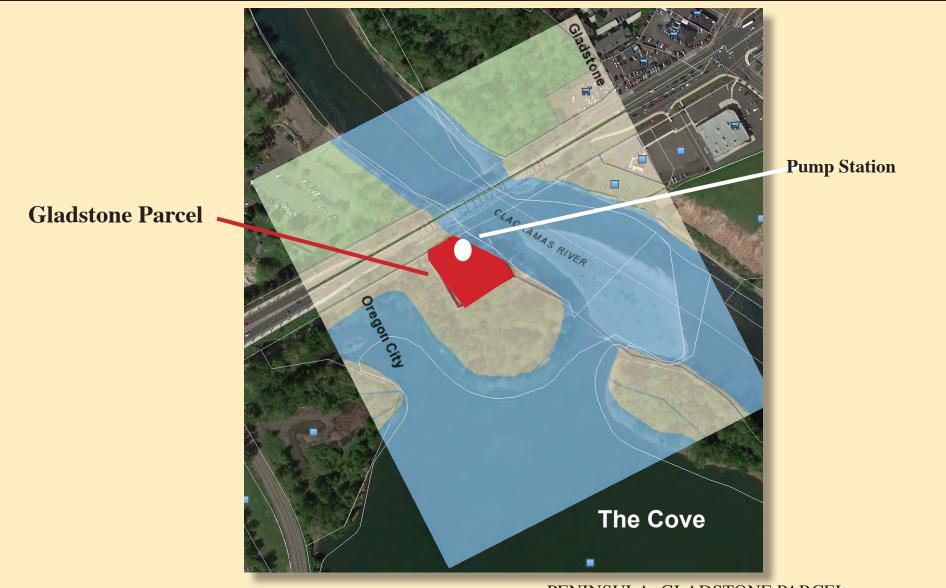
LOT 1 - 4.45 ACS HABITAT RESTORATION AREA

1. Evaluate removal of dirt & regrade creating natural sloped riparian areas to be seed with native plants.



Please note that the Peninsula is at an average elevation of 37 ft - almost 15 feet below the buildable flood plain elevation. It is a natural setting for a mitiagation program



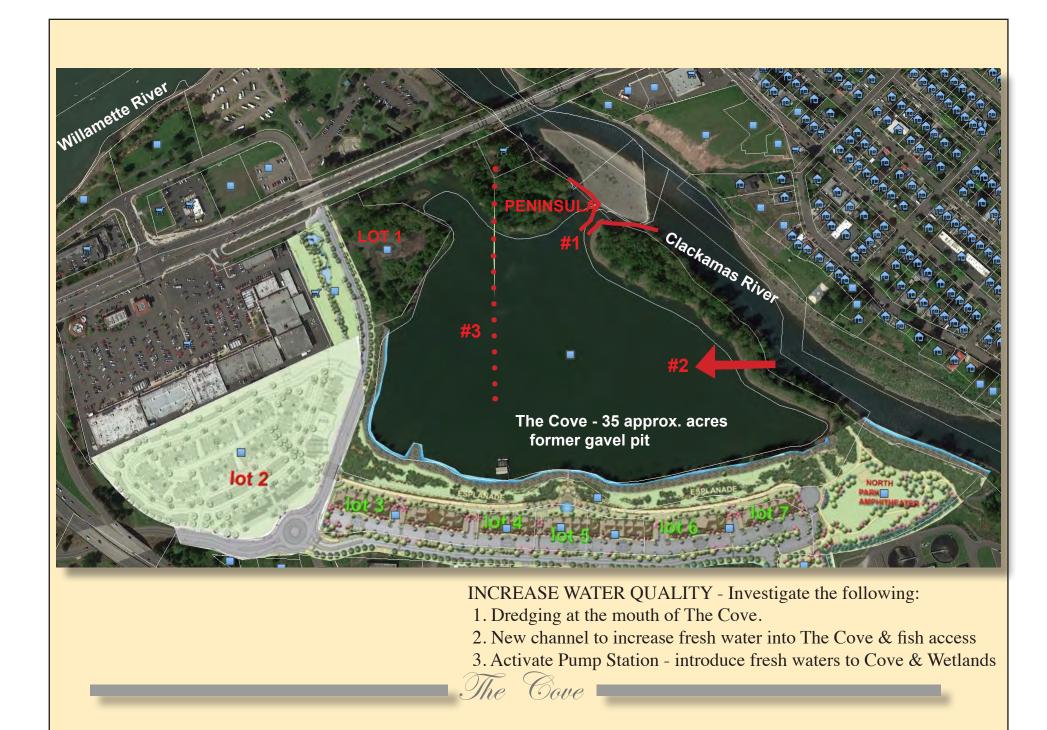


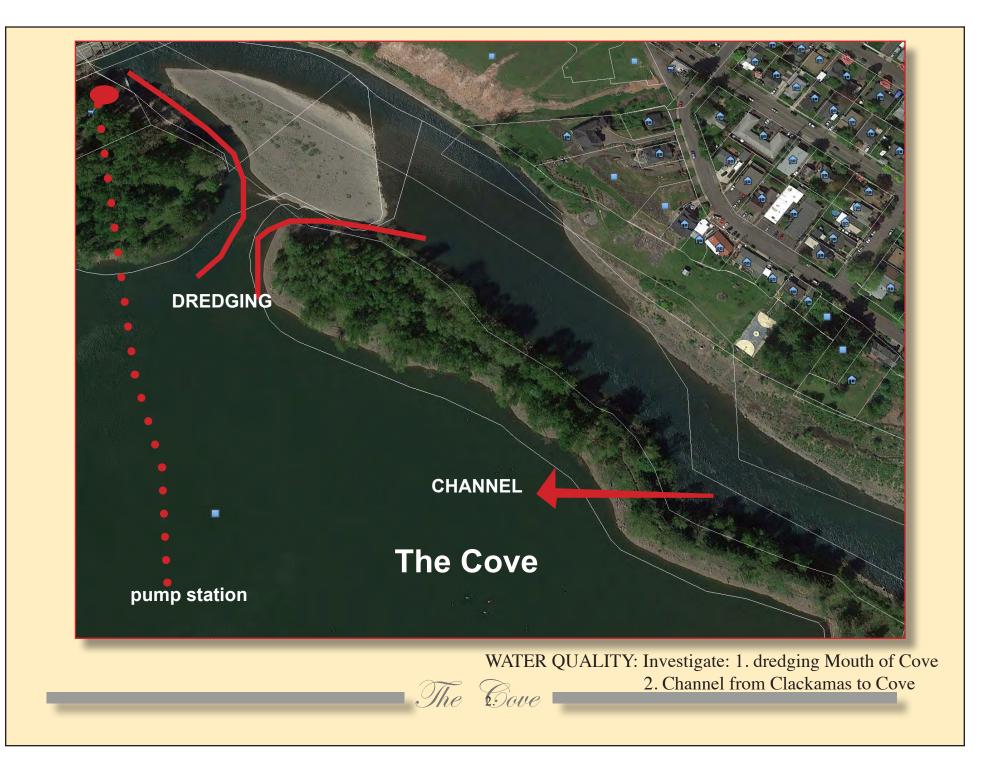
Pump station output has been estimated at 3 million gallons per day. This capacity could circulate the Cove body of water within 20 to 30 days.

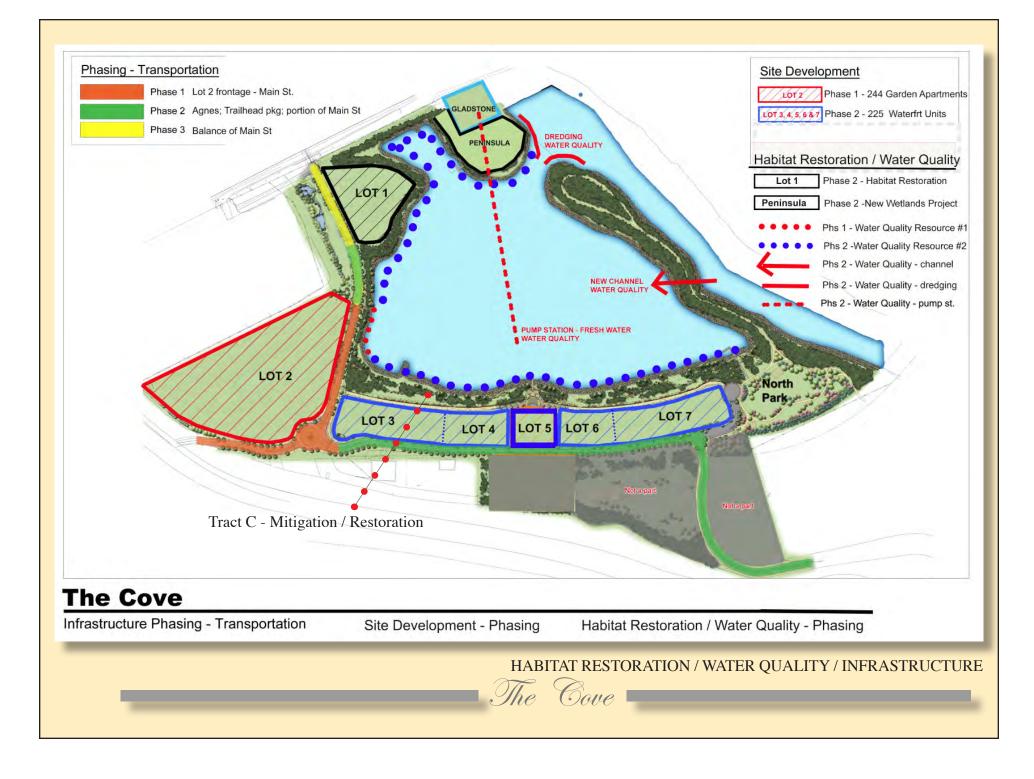
PENINSULA -GLADSTONE PARCEL Address: 16475 Main Street, Oregon City. Size: .89 acres Parcel # 00560100. Map No. 22E29 o1700

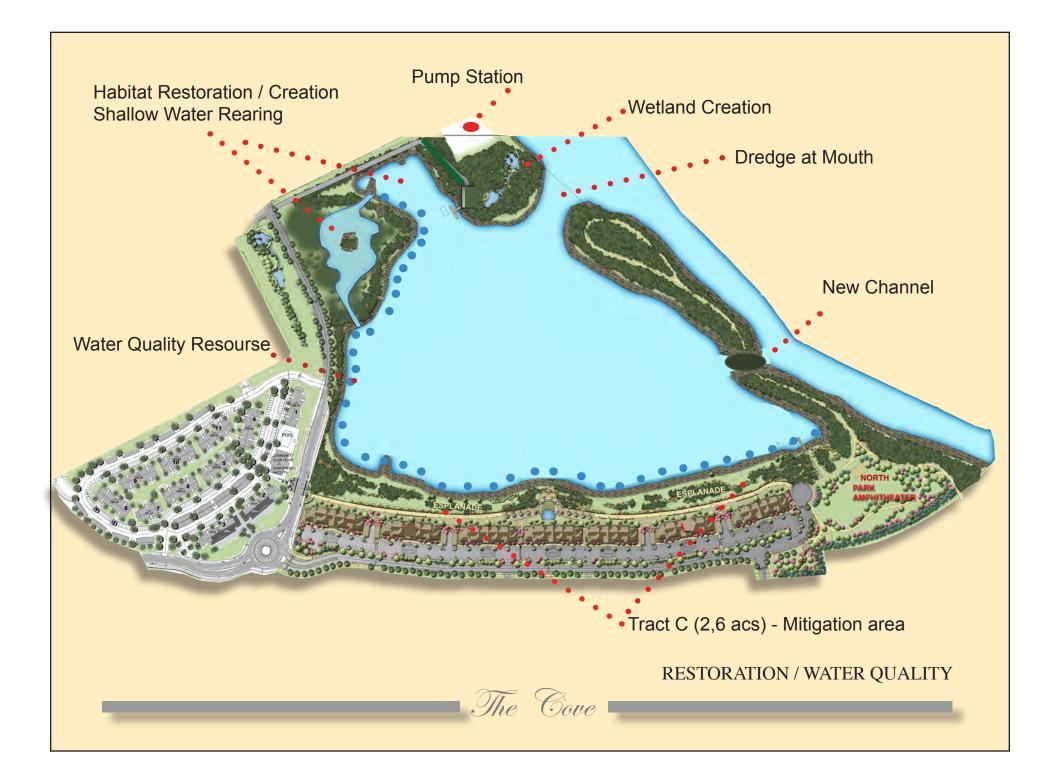
Cove .The



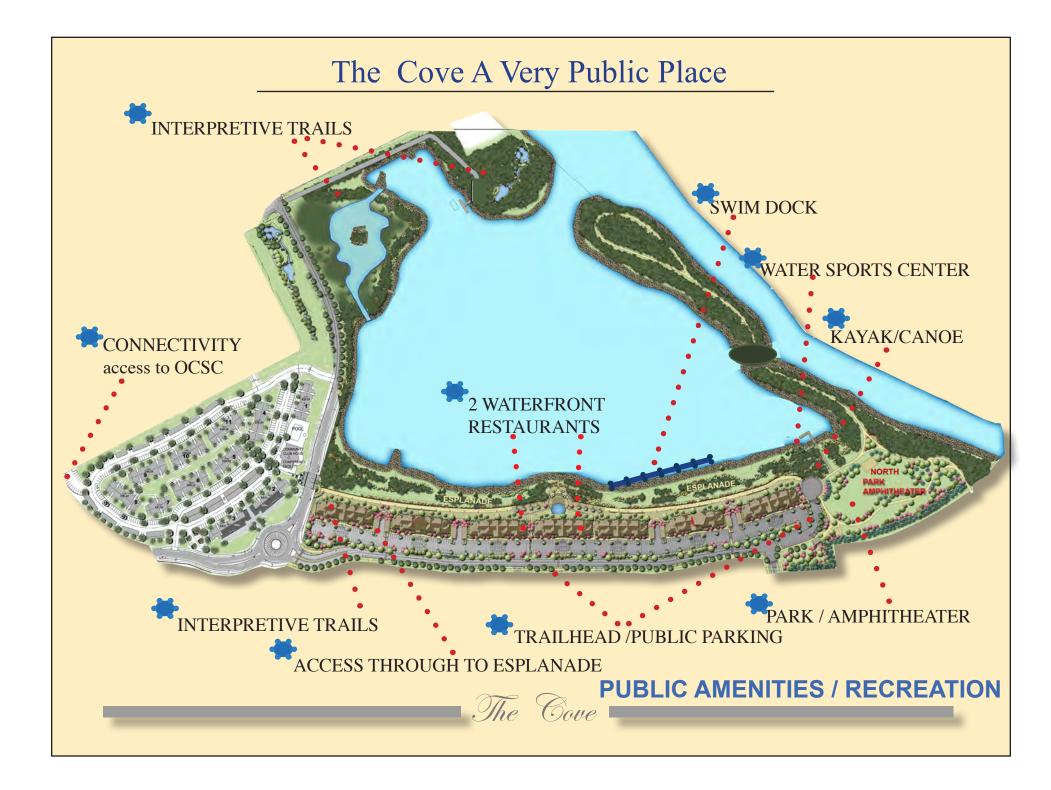


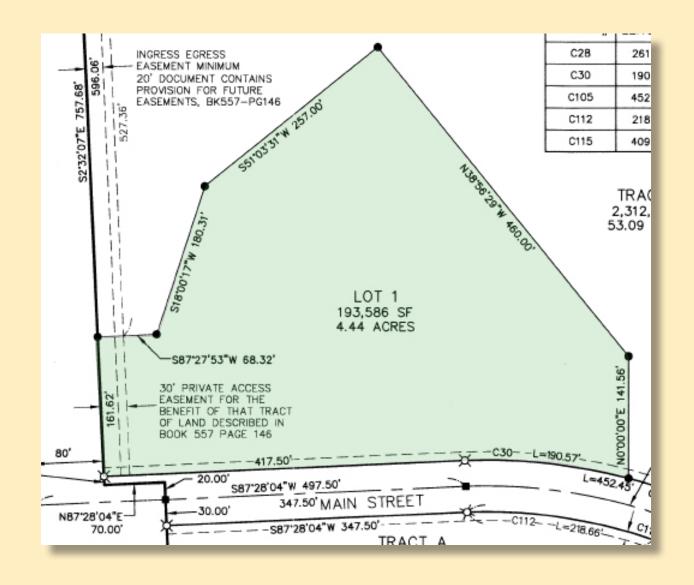












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LOT 1 - PLAT MAP

LOT 1 - TOPO ELEVATIONS



ELEVATION 38

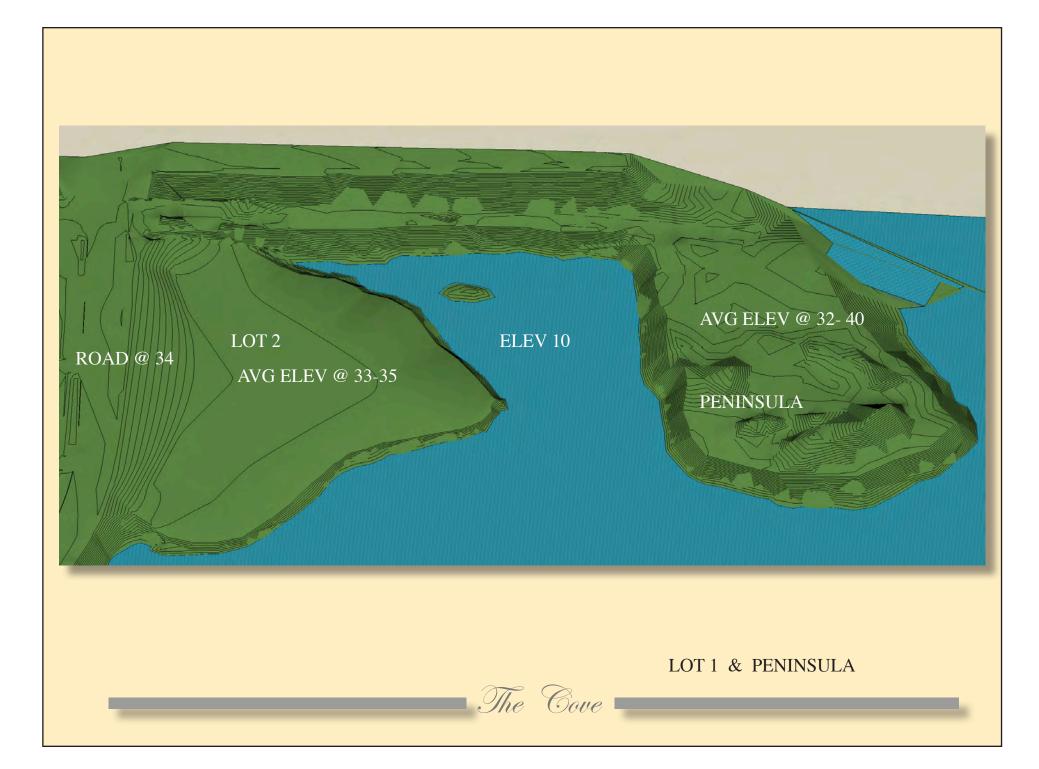
ELEVATION 10

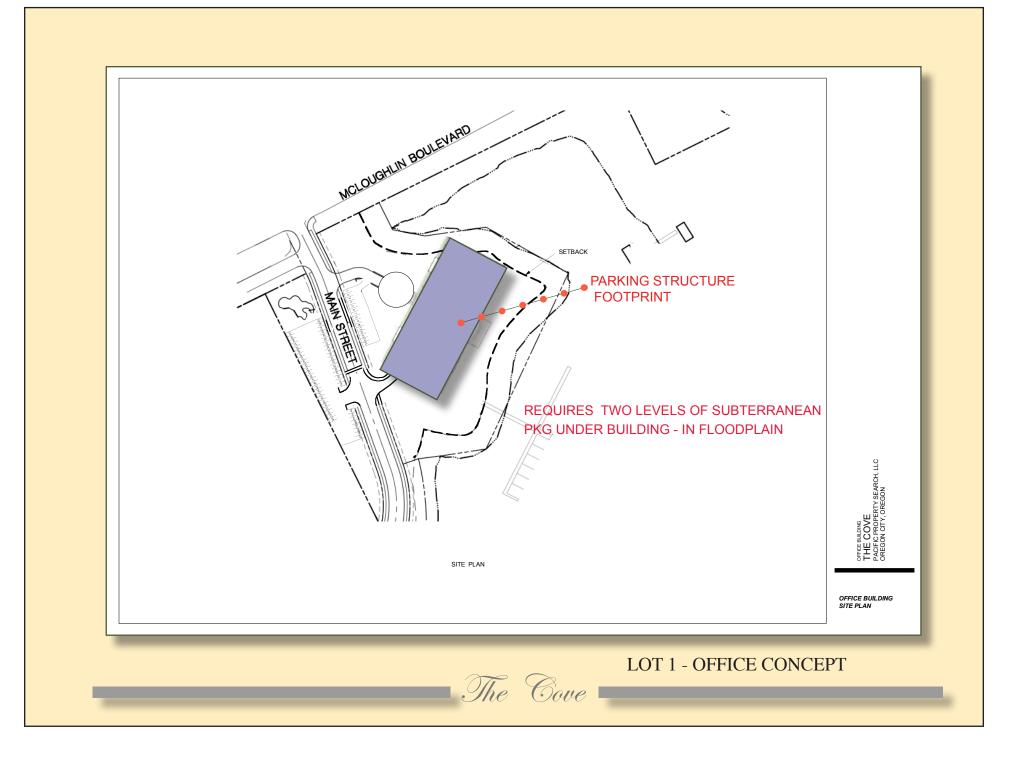
ELEVATION 10

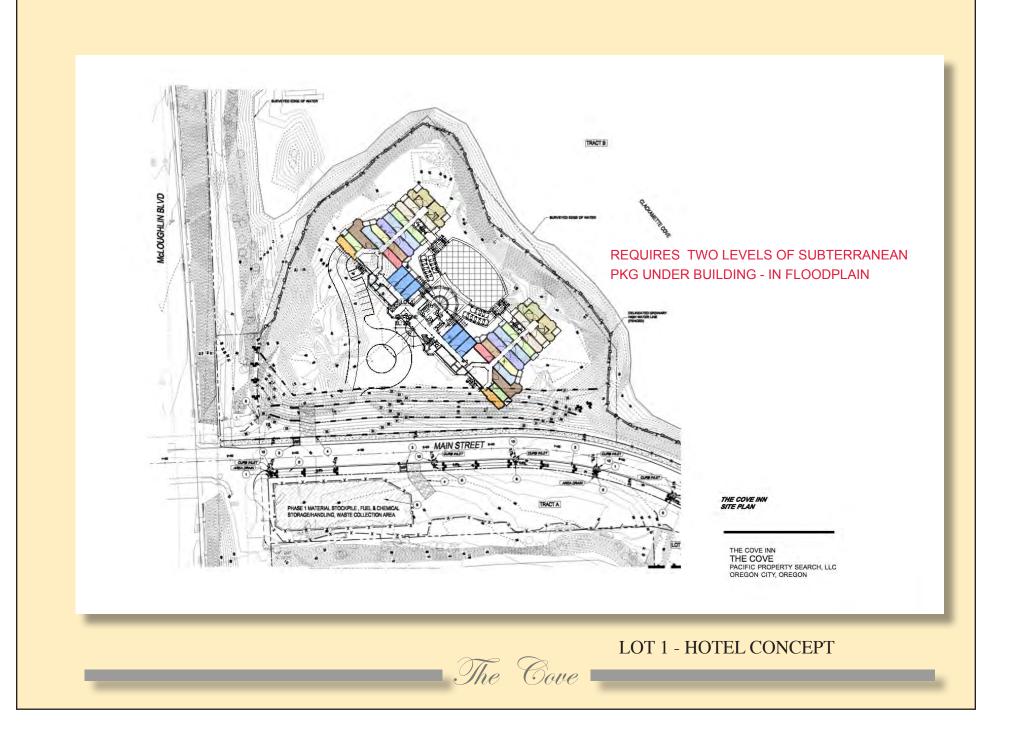
FLOODPLAIN ELEVATION IS AT 50.7 NEED TO BUILD AT ELEVATION 52

ROAD IS AT ELEVATION 34 THEREFORE NO EXIT DURING FLOOD









The Cove Phasing - Vertial Construction

The phasing of the Cove Community has been designed to present two non-competing products to the market simultaneously. Construction is scheduled for Spring of 2016.

PHASE 1: By others - Grand Cove, LLC (Grand Peaks Properties - Don Simpson)

The Garden Apartments - a park like setting with interior gardens. 244 Garden Apartments, leasing office and recreation center / pool / spa

Design Characteristics:

- 1. Garden setting with surrounding landscaping.
- 2. Main living spaces oriented to the landscaped grounds.
- 3. Direct access to The Cove for a variety water sports activities. Direct access to the Clackamas River. Trail system.
- **PHASE 2:** The Waterfront Units setting on the waters edge with a westerly sunset view. 225 units all with an unobstructed view of The Cove.

Design characteristics:

- 1. Security entrance keyed and gated main entry into the courtyard of each building.
- 2. Elevator service to each floor.
- 3. View orientation to the landscaped waters edge, esplanade and the lake beyond.
- 4. Direct access to The Cove for a variety of water sports activities. Direct access to the Clackamas River and just beyond to the Willamette River.
- 5. Single loaded buildings with all units facing The Cove.

The Cove

6. Lot 5 will incorporate two (2) restaurants, Leasing Office, Exercise facility, Plaza & Pool.

PHASING

Phase 1 - 244 Garden Apartments - by others

GARDEN APARTMENTS - 244 UNITS: Grand Cove, LLC (Grand Peaks Properties -Don Simpson) will build and operate the project.

LAND: 11.6 acres- Lot 2.

ENTITLEMENTS: Minor changes to the approved plans to be processed.

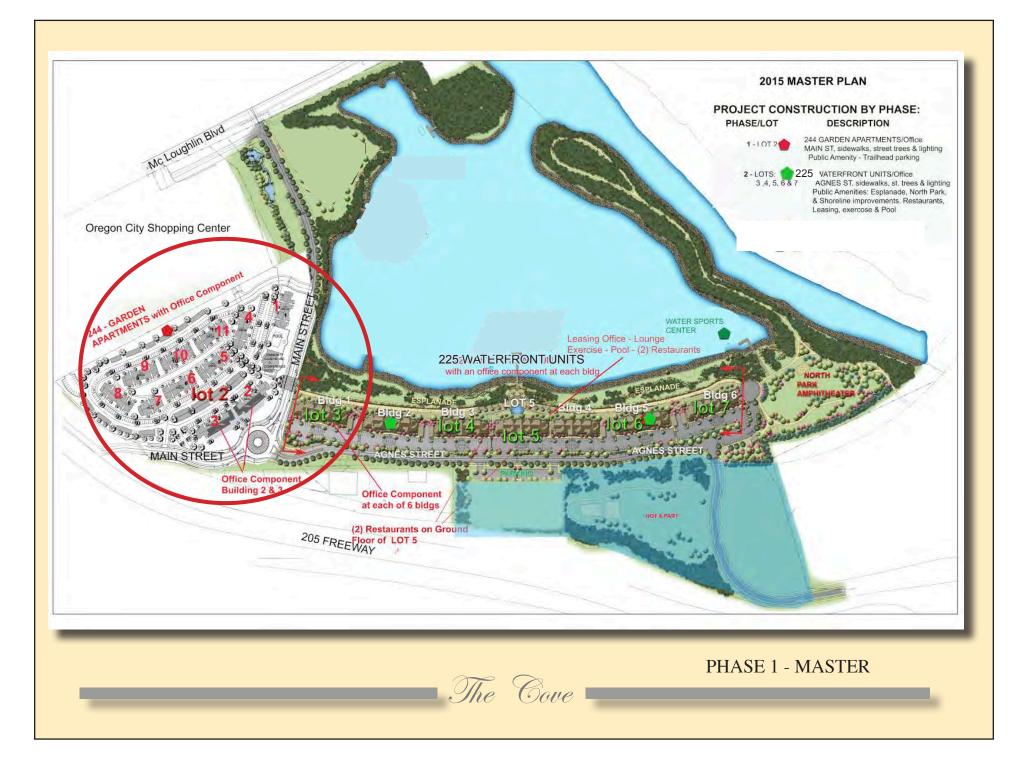
CONTRACT DOCUMENTS: Design Dev. Complete. Construction Documents in progress.

LAND: To be Purchased from third party owner.

TAX ABATEMENT: The City has placed a Vertical Housing Zone overlay on the total Master Planned Site. Subject to compliance with the rules this will allow an abatement of the taxes for a ten year period and for the Garden Apartments it will yield a 60% tax abatement. This abatement has been approved.



244 GARDEN APARTMENTS





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LOT 2 - 244 GARDEN APTS FORMER CONCRETE BATCH PLANT





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LOT 2 - 244 GARDEN APTS ESPLANADE CROSSING - concept dwg

Phase 2 - 225 Waterfront Residences

WATERFRONT RESIDENCES - 225 UNITS; Leasing office, (2) restaurants. exerise area & pool LAND: 8.8 acres- Lots 3, 4, 5, 6, & 7.

ENTITLEMENTS: Minor changes to the approved plans to be processed.

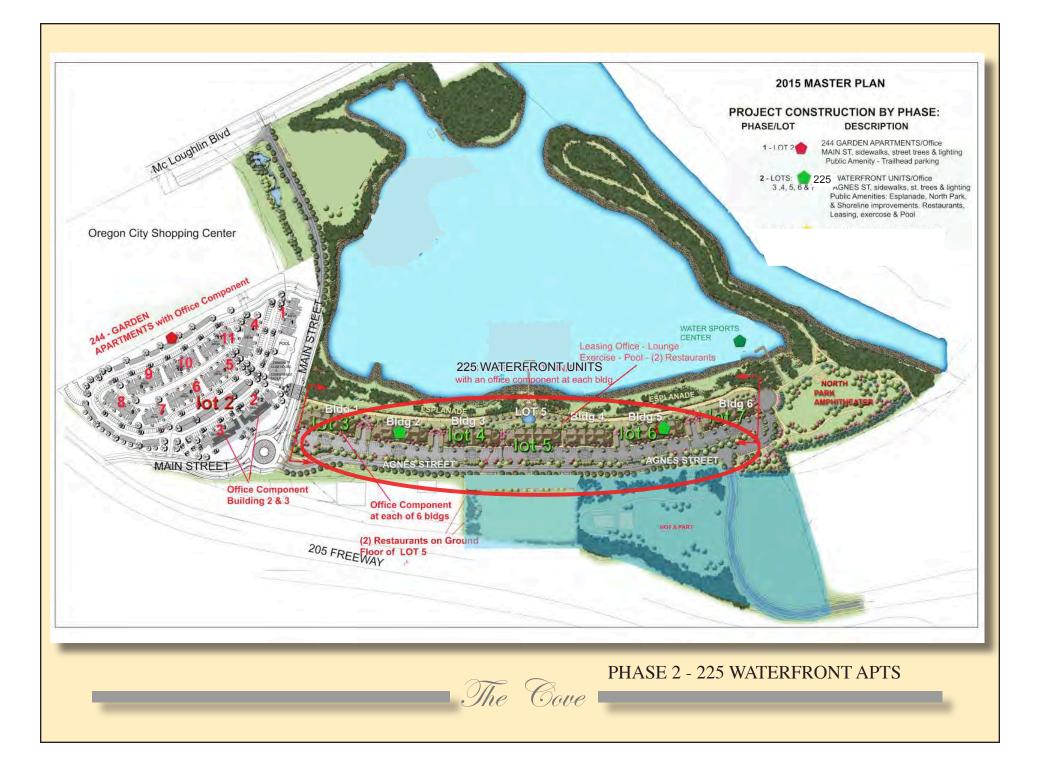
CONTRACT DOCUMENTS: Design Dev. Complete. Construction Documents to be completed.

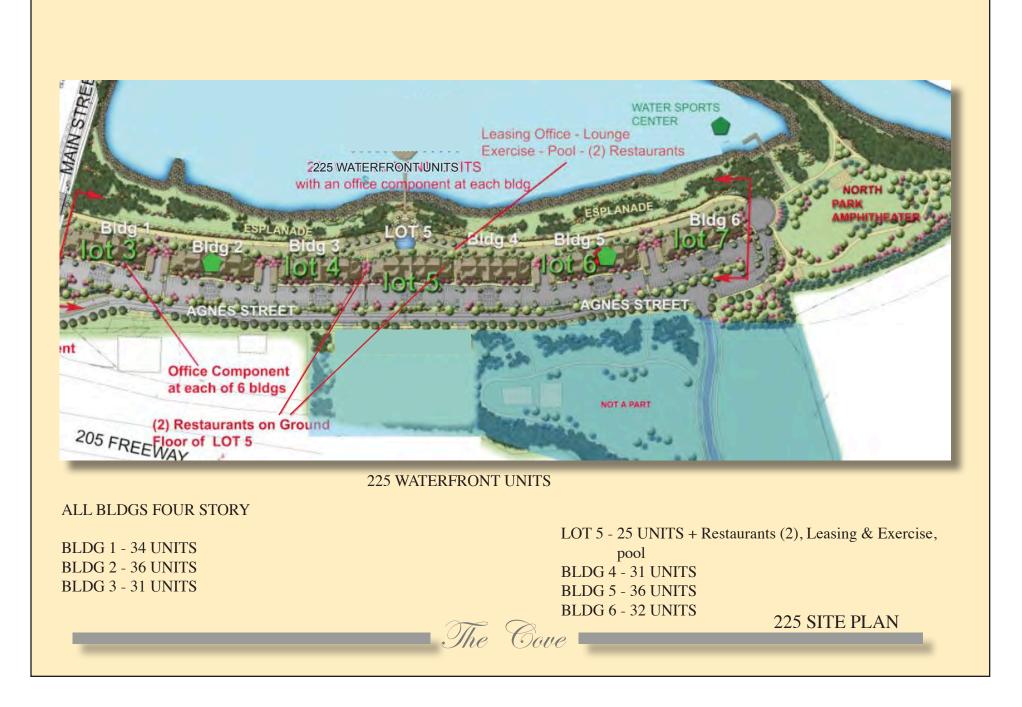
LAND: The Waterfront property for the 225 units is to be acquired from the URA pursuant to the DDA.

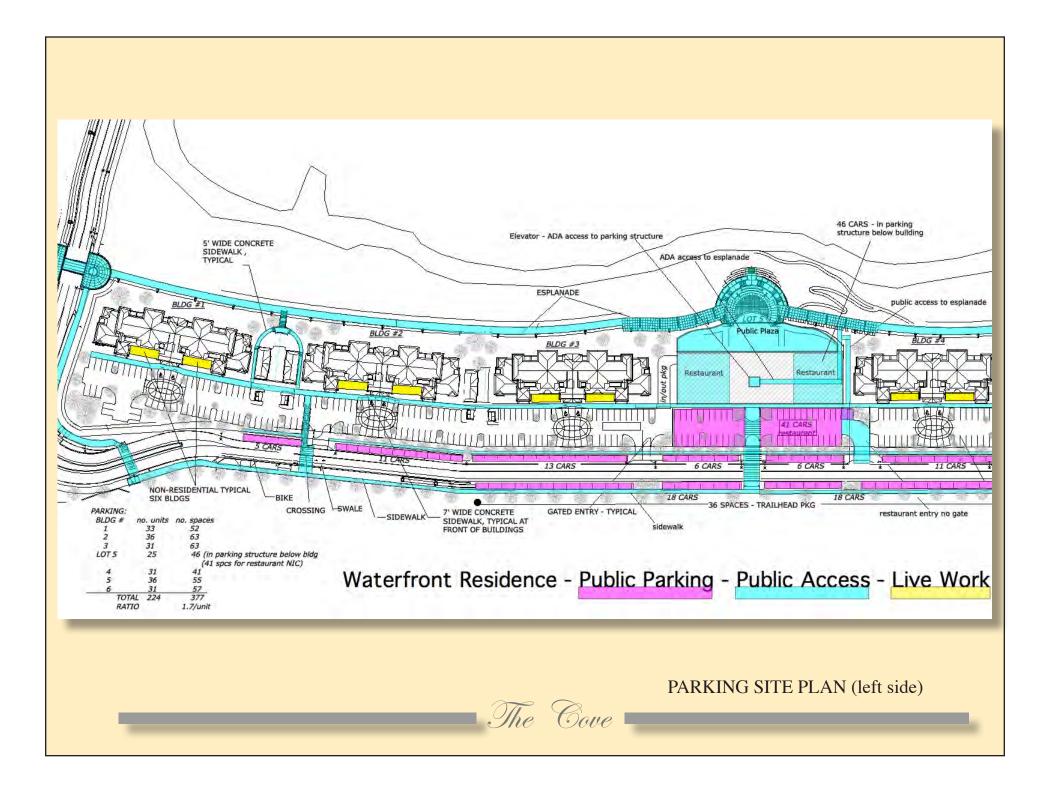


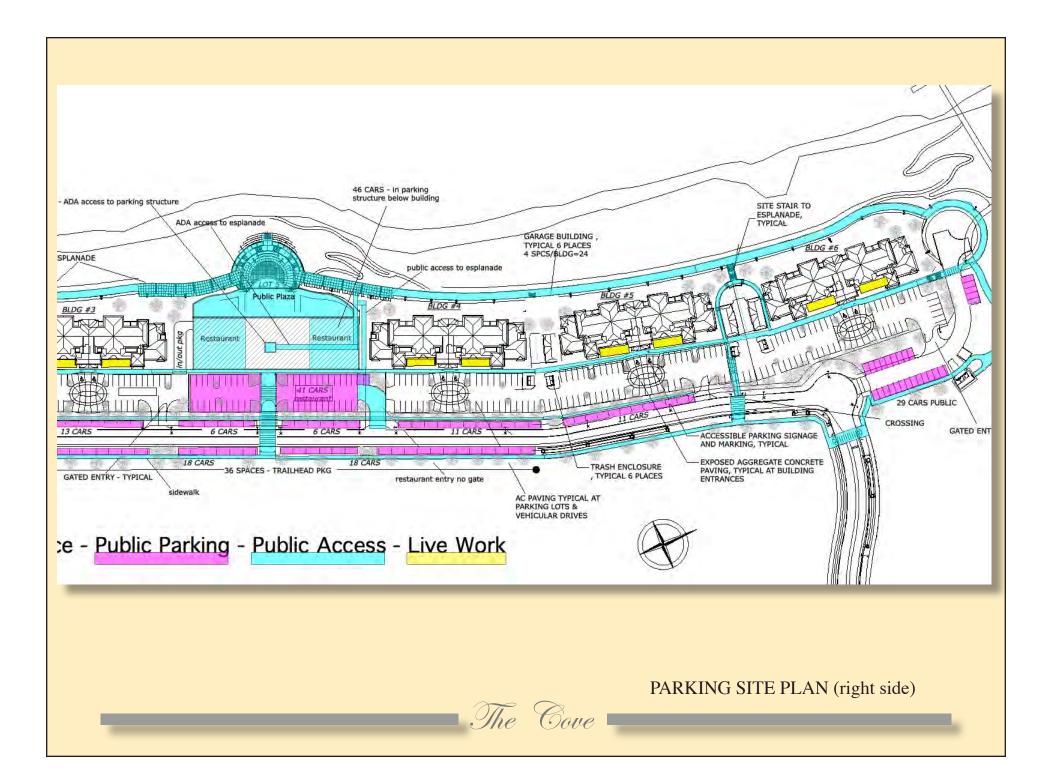
225 WATERFRONT UNITS













FRONT ELEVATION OF TYPICAL BLDG







BACK ELEVATION

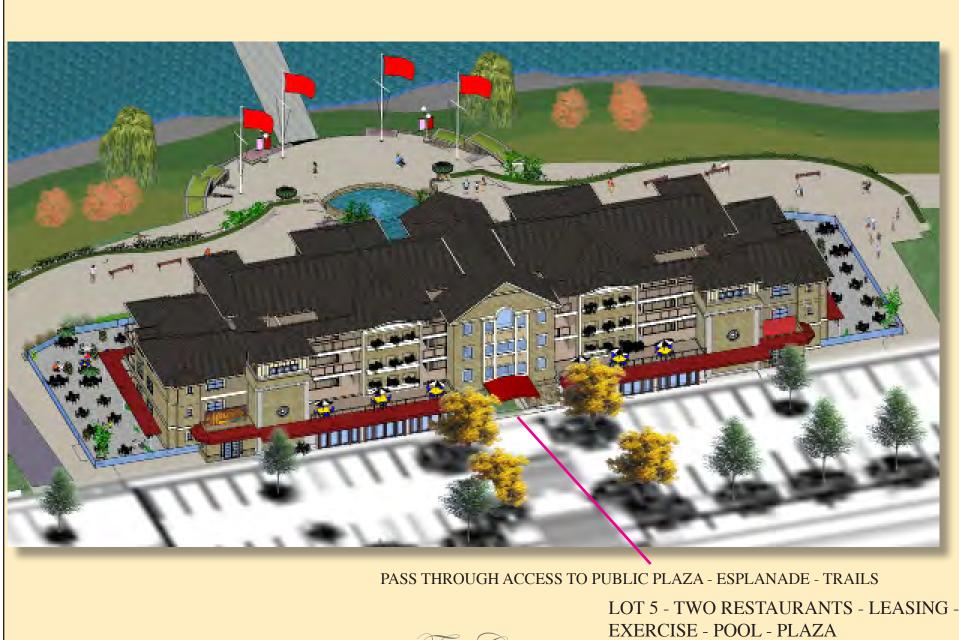






THREE CENTER BLDGS- WATERFRONT





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WATERSIDE OF LOT 5 - PUBLIC PLAZA - RESTAURANTS - ESPLANDE







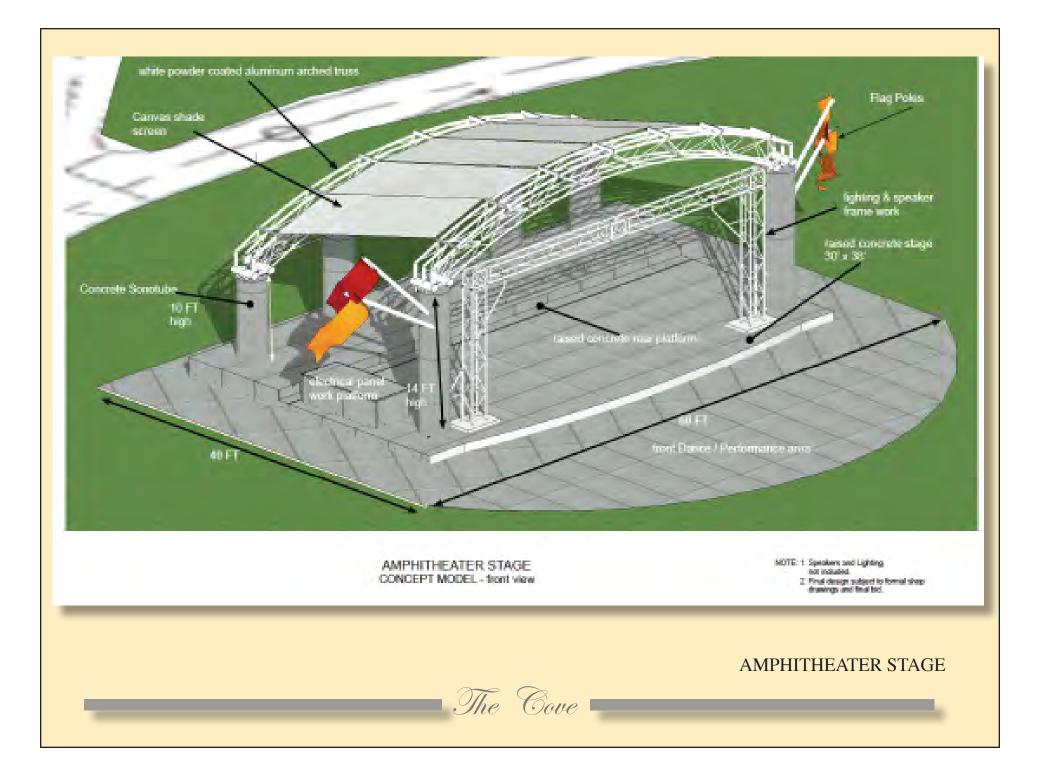
The Cove

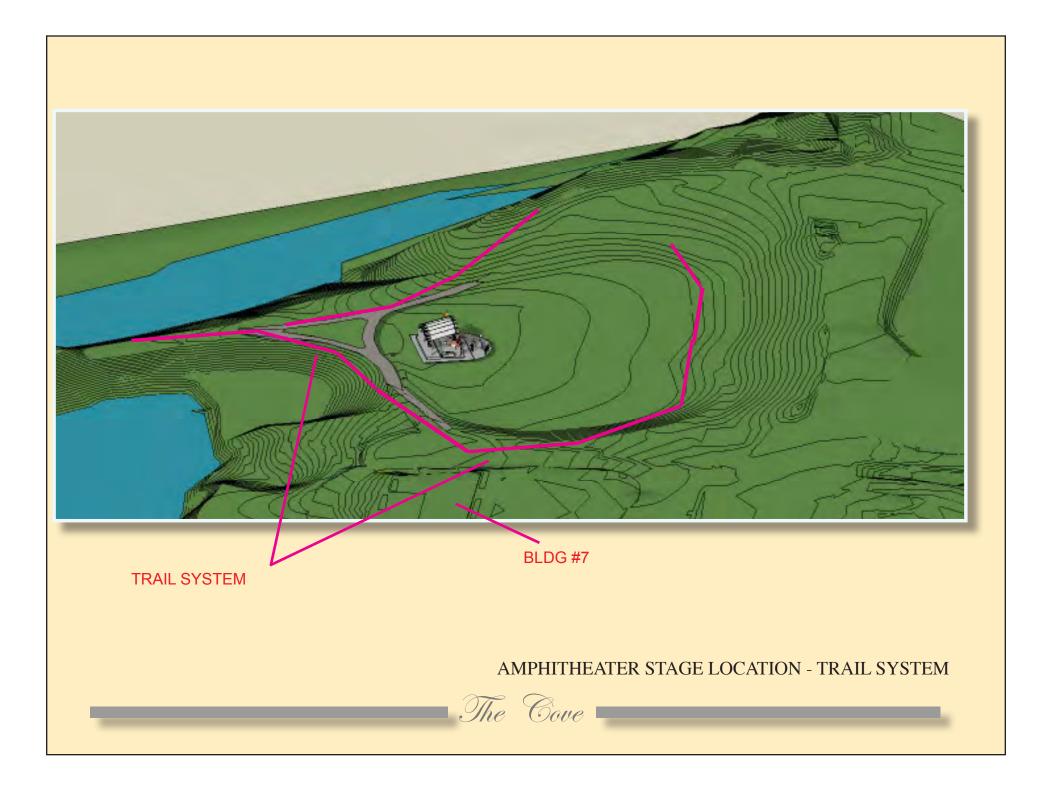
RESTAURANT ON RIGHT SIDE LOT 5



NORTH END OF ESPLANADE JUST SOUTH OF AMPHITHEATER









CREATION OF NEW WETLAND HABITAT

We've Changed The Environment We've Made It Better