

RESOLUTION NO. 2024-32

A RESOLUTION APPROVING A LETTER OF INTENT AND NON-DISCLOSURE AGREEMENT WITH NUVEEN NATURAL CAPITAL, LLC., TO FACILITATE FUNDING OPPORTUNITIES AND RELATED DUE DILIGENCE ON THE TIMBERLANDS COMPRISING THE LOWER WATERSHED OF JETTY CREEK

WHEREAS, the City of Rockaway and the local community that it serves, deeply desire to protect in perpetuity as a community forest the Timberlands, which comprise a significant portion of the watershed that serves as the drinking water source for the City of Rockaway Beach; and

WHEREAS, public ownership of all or a significant portion of the City of Rockaway Beach drinking watershed, would, among other things, protect municipal drinking water, return forest management decision making to the local community, allow a significant portion of the Oregon North Coast rainforest to continue to thrive for generations to come; and

WHEREAS, the City applied for and received funding for the development of a source water protection plan, public outreach, and advisory committee formation from the Oregon Department of Environmental Quality and Oregon Health Authority; and

WHEREAS, the City has applied for funding from Oregon Health Authority to support the development of a forest management plan, related due diligence, and appraisals; and

WHEREAS, the City will soon apply to the federal Forest Legacy Program for significant funding to facilitate the actual acquisition of the interests in the Timberlands as well as other State and federal funding opportunities that align with the land acquisition intentions of the Timberlands; and

WHEREAS, in furtherance of these goals, the City may pursue negotiations with L & C Tree Farms LLC, by and through its manager, Nuveen Natural Capital, LLC, regarding a potential transaction involving the sale of fee simple interest in the Timberlands which collectively comprise the lower watershed of Jetty Creek and the headwaters of the water supply for the Rockaway Beach community; and


WHEREAS, the City wishes to honor Nuveen Natural Capital, LLC's desire that any Confidential and/or Proprietary Information disclosed during initial discussions, or whether provided in the future in connection with the exploration or implementation of the aforementioned relationship be kept private and confidential.

NOW, THEREFORE, BE IT RESOLVED THAT

- Section 1.** The City of Rockaway Beach City Council hereby approves, and authorizes the City Manager to sign, the Letter of Intent with Nuveen Natural Capital, LLC, attached as Exhibit A.
- Section 2.** The City of Rockaway Beach City Council hereby approves, and authorizes the City Manager to sign, the Non-Disclosure Agreement with Nuveen Natural Capital, LLC, attached as Exhibit B.
- Section 3.** The City of Rockaway Beach City Council hereby authorizes the City Manager to submit a funding request to the Forest Legacy Program to facilitate the acquisition of the interests in the Timberlands as well as other State and federal funding opportunities that align with land acquisition of the Timberlands.
- Section 4.** This Resolution shall be effective immediately upon adoption.

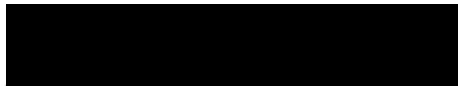
APPROVED AND ADOPTED BY THE CITY COUNCIL THE 12th DAY OF JUNE 2024.

APPROVED



Charles McNeilly, Mayor

ATTEST



Melissa Thompson, City Recorder



May 8, 2024

Lewis and Clark Tree Farm LLC
Attn: Kevin Brown
Head of North America Timberlands
Nuveen Natural Capital
101 SW Main St., Suite 1500,
Portland, OR 97204

Re: Proposed sale to the City of Rockaway Beach, an Oregon City, or interim landowner, to be identified, ("**Buyer**"), by L & C Tree Farms LLC, by and through its manager, Nuveen Natural Capital, LLC., a company organized under the laws of the State of Delaware ("**Seller**"), of certain timberlands situated in Tillamook County, Oregon containing approximately five hundred ninety five acres, of forest identified within the boundary of the Jetty Creek Watershed, along with an additional acreage amount to be identified by Nuveen Natural Capital to best align with the reflecting tax lot boundaries, up to 800 total acres. The property will be best depicted in the maps attached hereto as Exhibit "A" (the "**Timberlands**")

Mr. Brown:

Buyer and the local community that it serves in Rockaway Beach, Oregon, deeply desire to protect in perpetuity as a community forest the Timberlands, which comprise a significant portion of the watershed that serves as the drinking water source for the City of Rockaway Beach. Public ownership of all or a significant portion of the City of Rockaway Beach drinking watershed, adjacent to the Nehalem Bay State Park and three miles north of the City, would, among other things, protect municipal drinking water, return forest management decision making to the local community, and allow a significant portion of the Oregon North Coast rainforest to continue to thrive for generations to come.

In furtherance of these goals, Buyer and Seller (each a "**Party**," and collectively, the "**Parties**") have entered into negotiations regarding a potential transaction (the "**Transaction**") involving the sale to Buyer of fee simple interest in the Timberlands which collectively comprise the lower watershed of Jetty Creek and the headwaters of the water supply for the Rockaway Beach community. Buyer intends to operate the Timberlands as city-managed forest that meets the multiple goals of drinking water protection, community forestry, habitat for rare species, and recreational uses. Buyer may also explore ownership structures that include ownership by a

nonprofit or other public entity the city believes can manage the property long-term for the stated goals.

Buyer very much appreciates Seller's willingness to engage in good faith in these negotiations regarding the Transaction. Buyer has already applied for and received funding for the development of a source water protection plan, public outreach, and advisory committee formation from the Oregon Department of Environmental Quality and Oregon Health Authority. Buyer will also be applying to the federal Forest Legacy Program authorized by the Cooperative Forestry Assistance Act of 1978 for significant funding to facilitate the actual acquisition of the interests in the Timberlands as well as other State and federal funding opportunities that align with the land acquisition intentions of the Timberlands. Additionally, Buyer has applied for funding from Oregon Health Authority to support the development of a forest management plan, related due diligence, and appraisals. Buyer also intends to engage forestry professionals to analyze the timber inventory situated upon the Timberlands, and qualified timber counsel and conservation specialists to advise Buyer with respect to the various aspects of the Transaction.

In order to continue this momentum regarding the Transaction, the Parties desire to memorialize their understanding regarding certain aspects of the Transaction, as more particularly set forth below:

1. Buyer desires to obtain from Seller the Timberlands for a total purchase price (the "**Purchase Price**"), to be negotiated upon completion of an appraisal (the "**Appraisal**") to be performed in accordance with the specific terms and conditions of a Timberlands Option and Purchase and Sale Agreement (the "**Option Agreement**") to be negotiated in good faith between Buyer and Seller in between the date of this letter of intent (the "**LOI**") set forth above and December 31, 2025 (the "**Negotiation Period**"). If Seller and Buyer so mutually agree, the Option Agreement may provide for phased closings of the acquisition of various portions of the Timberlands, as applicable (each, a "**Closing**," and collectively, the "**Closings**"), the last of which Closings shall occur no later than December 31, 2026 (the "**Final Closing Deadline**"), or such other date as the Parties agree to in the Option Agreement.

2. The Parties shall negotiate in good faith with respect to the terms applicable to the Transaction, which terms shall be incorporated into the Option Agreement to be mutually negotiated between Seller and Buyer, attached to which shall be the forms of all ancillary documents to be executed by the Parties in connection with the Closing(s), including (without limitation) any deed or deeds, conservation easement instruments (as applicable), assignment and assumption agreements, owner's affidavits and closing certificates (collectively, the "**Related Documents**"). Buyer will cause its counsel to prepare and circulate initial drafts of the Option Agreement and Related Documents.

3. During the Negotiation Period, Buyer may conduct a review of the Timberlands to examine whether or not they are suitable for Buyer's purposes. This review will include both the Timberlands condition and the economic feasibility of the Timberlands for Buyer's intended use. Buyer's investigation may include, but not be limited to, a review of the following: forest inventory; historical harvest operations executed by Seller and all timber harvest plans pertaining to the Timberlands filed by Seller with the Oregon Department of Forestry, whether in effect or

proposed, of whatever kind or nature; historical log prices and operating costs inclusive of production costs and management costs, to the extent that is publicly available; applicable road easements and access rights appurtenant to or burdening the Timberlands; the presence of threatened and endangered species on or adjacent to the Timberlands; zoning; geotechnical; environmental; utilities; title, maps and surveys; all water rights appurtenant to the Timberlands, if any, all mineral rights, and all timber cutting rights, grazing rights, or agricultural rights which may be appurtenant to or burden the Timberlands; rights arising under any unrecorded agreements; and all licenses, certificates, permits, franchises, approvals, authorizations, variances, certificates, exemptions, or registrations issued by any governmental body or any other similar rights which are necessary to conduct timber management and related operations on the Timberlands (the “**Due Diligence**”). During the Negotiation Period, Buyer’s Due Diligence may include (i) a timber cruise on the Timberlands and, (ii) a Phase I environmental inspection of the Timberlands. Seller shall permit access to the Timberlands for Due Diligence activities requiring access to the Timberlands. During the Negotiation Period, Buyer may elect to move forward with the Transaction or not for any or no reason in Buyer’s sole discretion. If during the Negotiation Period, Buyer elects to not move forward with the Transaction, Buyer shall promptly notify Seller. Buyer shall be responsible for any and all costs associated with Due Diligence performed by Buyer, except as otherwise set forth below.

5. The title company and escrow agent for purposes of this LOI shall be First American Title Insurance Company, with an office address at 9755 SW Barnes Rd #46, Portland, OR (the “**Title Company**”). Seller hereby agrees that Buyer, as part of its Due Diligence during the Negotiation Period, may, at its sole discretion and cost, order a preliminary title report and related underlying title documents (collectively, the “**Title Report**”) from the Title Company.

6. From the date hereof through the end of the Negotiation Period; Seller will use commercially reasonable efforts to continue managing the property to the standard set forth in the previously agreed upon Jetty Creek Working Group MOU. Attached hereto as Exhibit “B” (the “**MOU**”)

7. The Parties agree and acknowledge that the Transaction and any Closing shall at all times be contingent on and subject to (among other contingencies that may be set forth in the Option Agreement or elsewhere herein) Seller obtaining, on terms acceptable to Seller in its sole discretion, the prior written consent of any lender of Seller currently holding a security interest in and to the Timberlands. Seller agrees to make commercially reasonable efforts following the execution of an Option Agreement to obtain all such written consents from any lender of Seller currently holding a security interest in and to the Timberlands.

8. The Parties and all of their agents, accountants, attorneys, and consultants shall treat all information obtained concerning the Timberlands and Transaction as confidential in accordance with that certain Non-Disclosure Agreement dated _____, 2024 (the “**NDA**”) between Buyer and Seller. If the Option Agreement is not executed, or if the transaction contemplated thereby is not consummated, then in either of such events each Party hereto shall return to the other all documents and other information previously obtained from the other Party.

9. Seller will be solely responsible for the payment of any real estate brokerage commission due Seller's broker (if any) in accordance with a separate agreement between Seller

and Seller's broker. Buyer will solely pay through escrow at Closing to Buyer's broker (if any) a real estate brokerage commission in an amount as separately agreed between those parties. The Parties hereby agree to mutually indemnify and hold one another harmless from and against any claims for brokerage commissions made by the respective brokers of the Parties. Additionally, Buyer and Seller will be responsible for their respective expenses, including attorneys' fees and due diligence, associated with the preparation of this LOI, the Option Agreement, and Related Documents.

10. With respect to any dispute arising out of or relating to this LOI, or in the event that a suit, action, arbitration, or other proceeding of any nature whatsoever, including, without limitation, any proceeding under the U.S. Bankruptcy Code and involving issues peculiar to federal bankruptcy law, the prevailing Party shall be entitled to recover from the non-prevailing Party its reasonable attorneys, paralegals, accountants, expert witness (whether or not called to testify at trial or other proceeding) and other professional fees and all other fees, costs, and expenses actually incurred and reasonably necessary in connection therewith, including but not limited to deposition transcript and court reporter costs, as determined by the judge or arbitrator at trial or other proceeding, or on any appeal or review, in addition to all other amounts provided by law.

11. Buyer shall keep the Timberlands free and clear of all liens (other than those prior and existing liens) and indemnify and hold Seller harmless from all resulting liability, claims, demands, damages, and costs caused by the presence and activities of employees and/or contractors of Buyer on the Timberlands during the Negotiation Period. Buyer shall carry or shall require anyone acting on their behalf to carry policies of general commercial liability and workers' compensation insurance in form and amount of coverage reasonably acceptable to Seller and consistent with industry practice, defending and protecting Seller from liability for any injuries to persons or the Timberlands occurring during any investigations or work done on the Timberlands at Buyer's direction.

12. This LOI may be executed in multiple counterparts (whether by facsimile, electronic .pdf version or otherwise) which, taken together, shall form one original document, and shall be effective as of the date of execution hereof by the Parties.

13. It is understood by the Parties that the consummation of the Transaction is absolutely contingent upon the negotiation, execution and delivery by the Parties of the Option Agreement, and that the Option Agreement must be in form and substance satisfactory to the Parties and their respective counsel, in their sole and absolute discretion. For avoidance of doubt, the Parties acknowledge that the terms contained within this LOI are intended to be interpreted solely as an expression of the Parties interest, and shall not be construed or relied upon as a definitive agreement to consummate the Transaction. Except as expressly provided for, no rights or obligations of the Parties shall arise solely by virtue of the execution of this LOI. Seller understands any future Option Agreement negotiated between the Parties will be subject to the approval of Buyer's governing body, the Rockaway Beach City Council. Seller further understands that the Rockaway Beach City Council, in its complete discretion, may accept or reject the negotiated agreement. Each party shall bear its own costs and expenses incurred in connection with the negotiation, preparation and execution of the Option Agreement. If Buyer and Seller do not execute the Option Agreement prior to the expiration of the Negotiation Period,

this LOI shall terminate and be of no further force or effect; provided, however, that Sections 8, 9 and 11 above shall survive termination.

Sincerely,

City of Rockaway Beach

Reviewed and agreed and accepted as of this __ day of _____, 2024:

L & C Tree Farms, LLC, an Oregon limited liability company

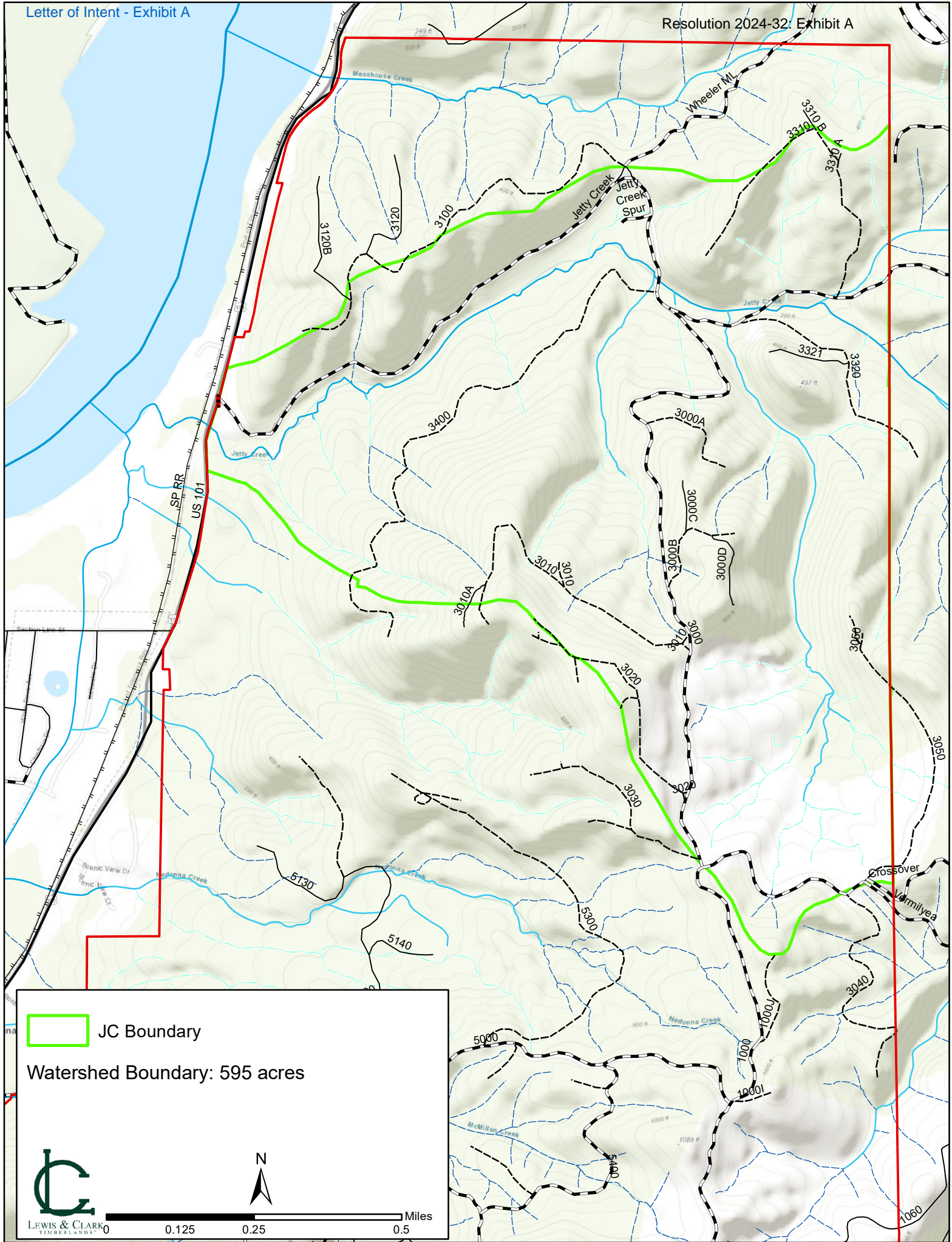
By: Nuveen Natural Capital LLC., its Manager


By: _____
Kevin Brown,
Head of North America Timberlands

cc: Luke Shepard
Charles McNeilly
Mark Garrigues
Greg Houle
Daniel Wear

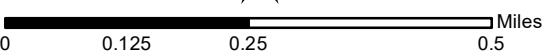
Exhibits

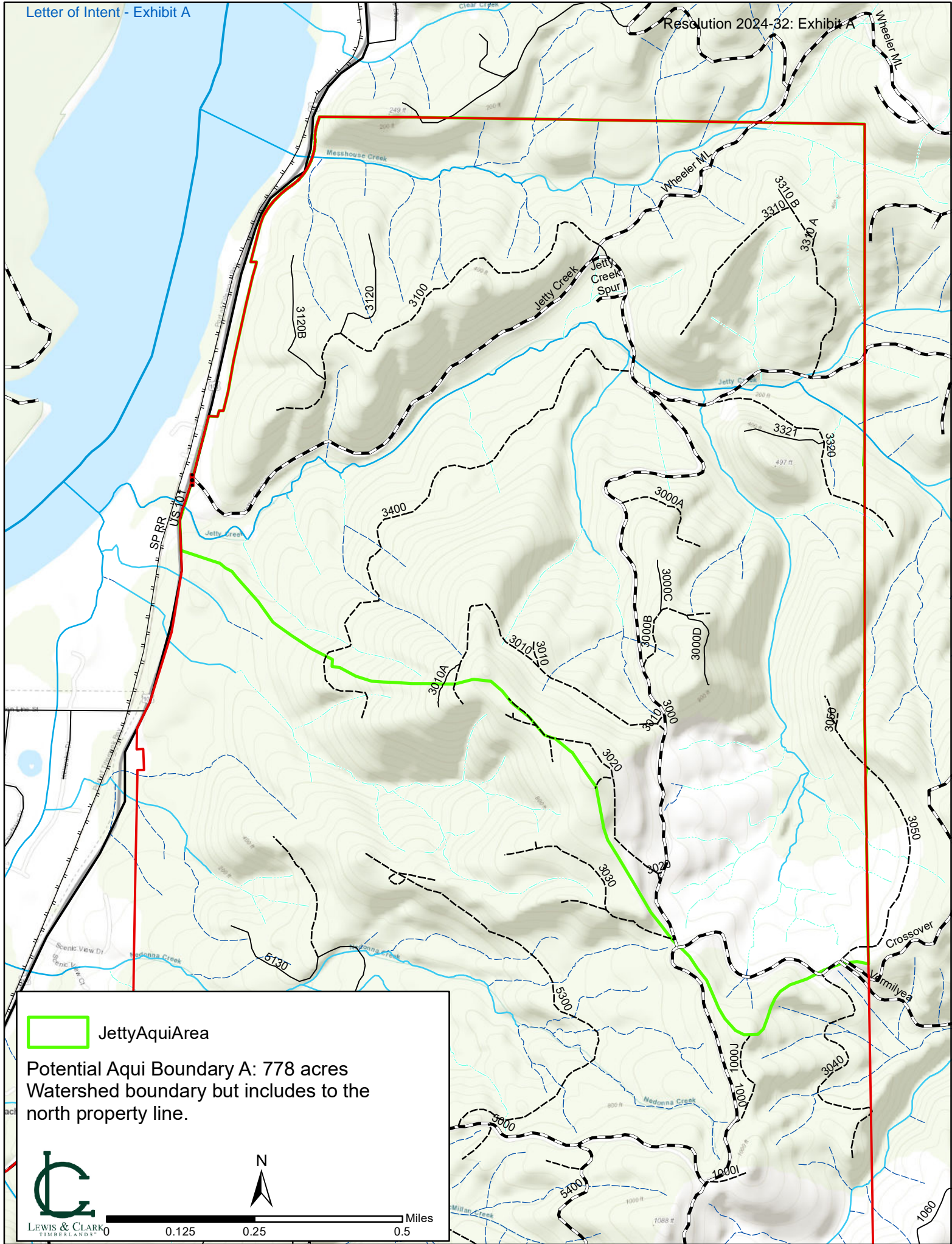
- A - Depiction of Timberlands
- B - Memorandum of Understanding



 JC Boundary

Watershed Boundary: 595 acres





 JettyAquiferArea

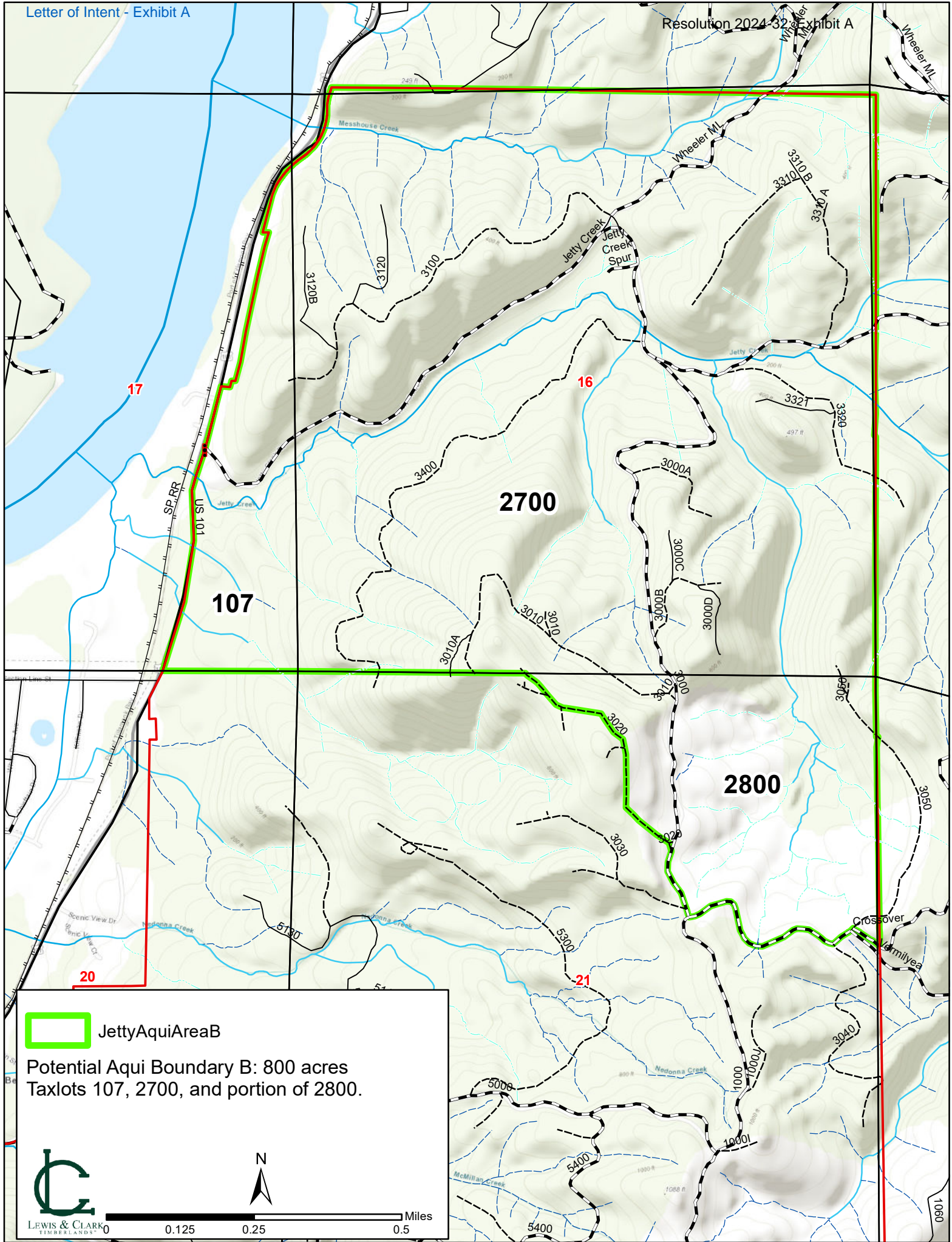
Potential Aquifer Boundary A: 778 acres
Watershed boundary but includes to the north property line.



LEWIS & CLARK
TIMBERLANDS



0 0.125 0.25 0.5 Miles

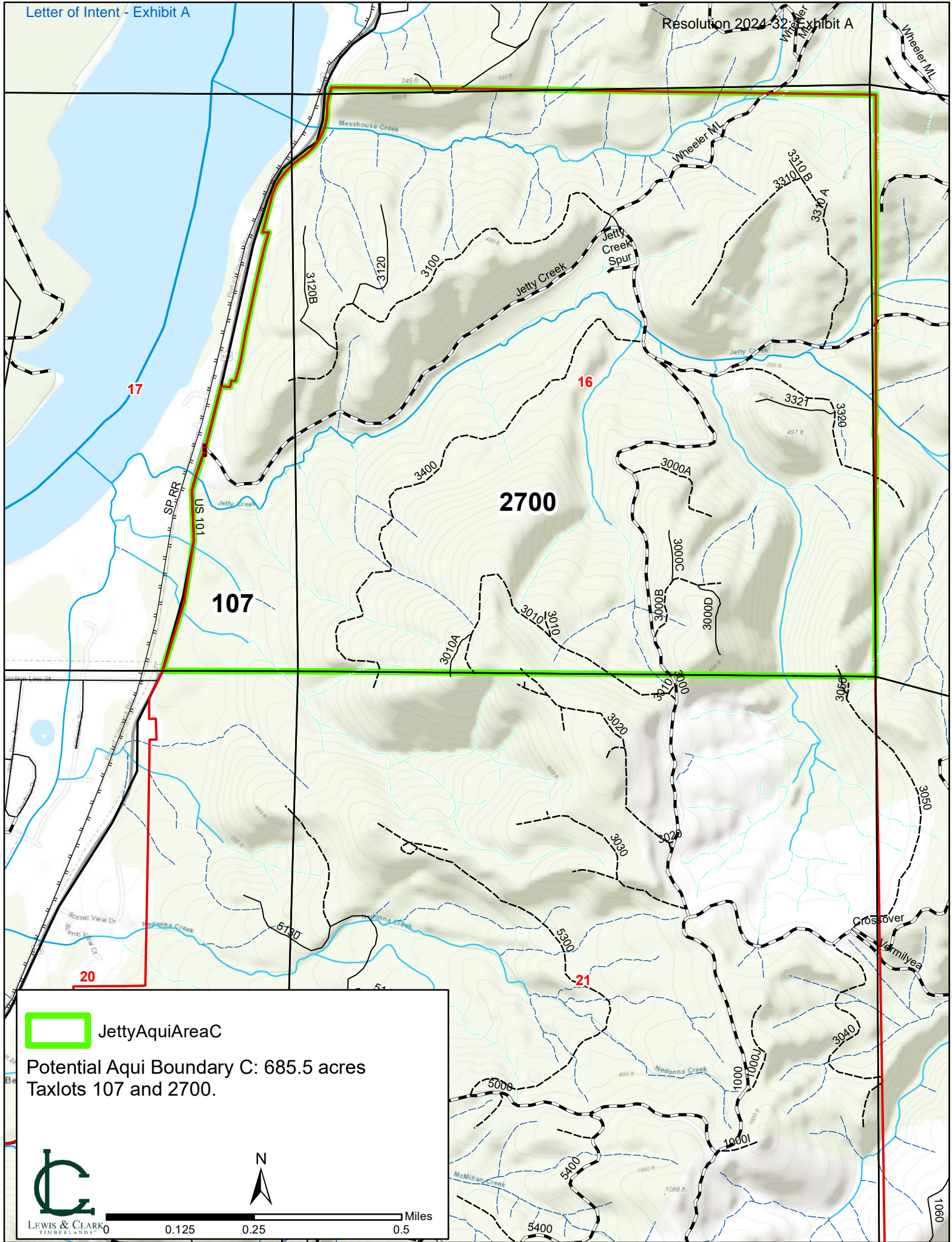


 JettyAquiAreaB

Potential AQUI Boundary B: 800 acres
 Taxlots 107, 2700, and portion of 2800.



Miles
 0.125 0.25 0.5



 JettyAquiAreaC

Potential AQUI Boundary C: 685.5 acres
Taxlots 107 and 2700.



Miles
0.125 0.25 0.5

MEMORANDUM OF UNDERSTANDING

Among Participants of the Jetty Creek Working Group: Nuveen Natural Capital, Sustainable Northwest, North Coast Land Conservancy and The City of Rockaway Beach

I. PURPOSE

The purpose of this Memorandum of Understanding (MOU) is to further define the respective roles and responsibilities of Nuveen Natural Capital, Sustainable Northwest, North Coast Land Conservancy, and local community representatives, collectively known as the Jetty Creek Working Group (the “Parties”) in order to achieve mutually beneficial outcomes for the Parties and resources in the lower Jetty Creek watershed (in Tillamook County, Oregon) as described in the Jetty Creek Working Group Letter of Intent (LOI; attached, dated July 25, 2019). Moreover, through the Working Group and this MOU, the Parties intend to create a collaborative solution for long-term stewardship of the watershed, thereby continuing to transform characterization of the watershed from being a “problem” to becoming a “collaborative, sustainable solution.”

This MOU is neither a fiscal nor a funds obligation document. No binding rights or obligations are created or implied by this MOU and it is expressly understood that the Parties are not bound to enter into or undertake any definitive obligations. Any endeavor involving reimbursement, contribution of resources, or transfer of anything of value between the parties to this instrument will be handled in accordance with applicable laws, regulations, and procedures, and such endeavors will be outlined in separate agreements that will be made in writing by representatives of the Parties and independently authorized.

II. TERM

This Memorandum will be effective upon execution and remain in effect until December 31, 2024, which shall be the termination date. At the time of or any time prior to the termination, this Memorandum can be modified or extended upon mutual agreement by the parties.

III. OBJECTIVES

The Parties shall work together to achieve the following objectives:

1. Develop a habitat conservation and restoration plan for the lower portion of the Jetty Creek Watershed managed by Greenwood Resources, Inc, the “property.”
2. Delineate areas of the property for conservation and restoration activities and work towards design and execution of strategies (e.g., a working forest conservation easement) that integrate beneficial, practical, and verifiable restoration and conservation actions.
3. Tier and prioritize restoration and conservation actions to meet the programmatic parameters of the Oregon Watershed Enhancement Board (OWEB) and other potential funding entities.

IV. STATEMENTS OF SHARED UNDERSTANDING

It is mutually agreed to and understood by the Parties that it is the best interest of the Parties and the watershed to:

1. Continue to assess baseline conditions and the future quality and function of the Jetty Creek Watershed as a safe and sustainable drinking water source for the community of Rockaway Beach.
2. Communicate respectfully, without denigration, both internally and externally.
3. Share information, data and ideas to facilitate cooperative work towards the objectives detailed in section III of this MOU.
4. Strive to be as efficient as possible and respectful of the time the Parties invest individually and together in working towards the objectives described in section III of this MOU.
5. Build trust among the Parties, community members, local government, land managers and other stakeholders.

V. ROLES AND RESPONSIBILITIES

The Parties collectively will:

1. Work cooperatively and collaboratively to fulfill the individual roles and responsibilities outlined below by the estimated time frames provided in parentheses. Communicate as early and clearly as possible when timeframes require adjustment.
2. Discuss planning a photo tour that will memorialize a visual baseline of the lower watershed (especially key locations of primary interest for future conservation/restoration) and allow additional representatives of the Parties and the community to digitally share in the project and vision for the future management of the watershed. The photo tour planning discussion(s) will include, but may not be limited to, the tour route, any necessary permissions, talking points, and digital distribution. (Discussion followed by tour: Summer 2023)
3. Assess the feasibility of various management options, which may include, but may not be limited to, modified management, conservation easement strategies, erosion management, timber management, and community/stakeholder acquisition of all or portions of the watershed.
4. Explore fee-title acquisition by the City of Rockaway Beach or conservation easement configurations that are financially feasible, practical, and manageable (from a monitoring and compliance perspective) and that are most likely to effectively balance resource management and protection objectives.
5. Identify potential sources of funding to support creative, aspirational and pragmatic solutions that meet the needs of the Parties.
6. Focus potential proposals and strategies on the lower watershed that is owned and managed by Nuveen Natural Capital.
7. Continue to work with the City of Rockaway Beach to understand their interests and needs related to drinking watershed management and challenges.

Nuveen Natural Capital will:

1. Work with Sustainable Northwest and the North Coast Land Conservancy to compile available mapping and data into a central location/database/folder in support of ongoing assessment of current conditions, potential easements, and funding applications. If Parties identify additional data needs useful to compiling/supporting watershed analysis, those needs and scope will be discussed with the Working Group to determine necessity, timing, costs, etc. (ongoing)
2. Work with North Coast Land Conservancy and Sustainable Northwest to outline the desired framework for a draft working forest conservation easement and/or other easement(s) which

- will include, but may not be limited to, forest stand delineation and identification; buffer types, widths and configurations; and “optimal” age class distribution. (Fall 2023)
3. Implement an innovative pilot field-scale harvest plan in the lower reaches of the watershed, as described in the LOI, and that will be directly tied to the parameters outlined in the draft working forest conservation easement and/or other easement(s).
 4. Provide easement constraint value calculation (easement cost) and all data needed for third-party verification.
 5. Retain the authority to pursue habitat enhancement and restoration efforts such as culvert replacement, Large woody debris (LWD) placement, snag creation and young stand density management, prior to the granting of the working conservation easement holder and subsequently subject to consultation with the easement holder.
 6. Retain the right to perform routine road maintenance, excluding the application of herbicides.
 7. Work with the easement holder to confirm communication procedures and an approval-to-proceed mechanism for management activities within the easement.
 8. Assume responsibility for controlling other user and recreational access via additional signs, gates, etc. as necessary and appropriate.
 9. Retain the authority to perform basic timberland management activities that are not expressly constrained by the easement, including wildland fire response.
 10. Assume the lead role in communicating with the City of Rockaway and property owners adjacent to the lower watershed about the Working Group activities.

Sustainable Northwest will:

1. Work with Nuveen Natural Capital and North Coast Land Conservancy to compile available mapping and data into a central location/database/folder in support of ongoing assessment of current conditions, potential easements, and funding applications. (Spring 2023)
2. Work with Nuveen Natural Capital and North Coast Land Conservancy to outline the desired framework for a draft working forest conservation easement and/or other easement(s) as described under Greenwood Resources, Inc. above. (Fall 2023)
3. Seek letters of support for further OWEB grant funding. (Prior to funding submission)).
4. Identify potential funding opportunities which align with the solutions proposed within the working group.
5. Coordinate collaborative education and outreach efforts.

North Coast Land Conservancy will:

1. Work with Nuveen Natural Capital and Sustainable Northwest to compile available mapping and data into a central location/database/folder in support of ongoing assessment of current conditions, potential easements, and funding applications. (Fall 2023)
2. Work with Nuveen Natural Capital and Sustainable Northwest to outline the desired framework for a draft working forest conservation easement and/or other easement(s) as described under Nuveen Natural Capital above. (Fall 2023)
3. Consider holding fee-title ownership to the property or a working forest conservation easement and/or other easement(s).
4. Assume the lead role in establishing a stable fund to cover monitoring costs.

The City of Rockaway Beach will:

1. Review and provide input into the mapping and data compiled as part of the watershed analysis described in this MOU.

2. Work with Nuveen Natural Capital, Sustainable Northwest, and North Coast Land Conservancy to outline, review, and finalize the desired framework for a draft working forest conservation easement and/or other easement(s) as described under Nuveen Natural Capital above. (1st Quarter 2024)
3. Support the research, writing, review, and submission of funding applications (and other various written documentation) associated with efforts of the Working Group and under this MOU.
4. Consider holding fee-title ownership to the property or a working forest conservation easement and/or other easement(s).
5. Assume the lead role in community and stakeholder engagement.

Items completed to date by the working group:

1. For the purposes of prioritizing restoration and conservation actions, the group completed a watershed analysis in partnership with current landowners. Among the attributes mapped were, for example, land cover, stream classification, soil classification, slope and soil erodibility, wetlands, fisheries, roads and infrastructure. Emphasis was mapping and data compilation sufficient for discussion and planning purposes, not necessarily a detailed narrative report required for purposes of funding applications, easement agreements/instruments, and other needs.
2. The group has completed a draft outlining potential conservation options for the property and mapping detailing potential conservation easement harvest, stream setbacks and conservation zones.
3. Nuveen Natural Capital has completed several restoration projects in the lower reaches of Jetty Creek.

VI. MODIFICATION

This MOU may be modified or amended only by written agreement signed by each of the Parties to this MOU. New parties may be added to the MOU by modifying this MOU as described.

VII. TERMINATION

Any of the Parties may terminate their participation in this MOU following a 30-day advance written notice to the other Parties.

IN WITNESS WHEREOF, the undersigned have fully executed this Memorandum as of the 18th day of ~~September 2023~~. January 2024.

Nuveen Natural Capital
a Limited Liability Company

[Redacted Signature]

Kevin Brown
Pacific Northwest Area Manager

[Redacted Signature]

Sustainable Northwest

Daniel Wear

Forest Program Manager

a Oregon Nonprofit Corp.



Greg Block
President



North Coast Land Conservancy
a Oregon Nonprofit Corp.

Jon Wickersham
Associate Director



City of Rockaway Beach
a Oregon municipal corporation

Luke Shepard
City Manager

NON-DISCLOSURE AGREEMENT

THIS NON-DISCLOSURE AGREEMENT (the “**Agreement**”) is entered into by and between **City of Rockaway Beach**, an Oregon City, with its place of business at 276 Hwy 101 N, Rockaway Beach, OR 97136 (hereinafter referred to as the “**City**”) and **NUVEEN NATURAL CAPITAL, LLC**, a company organized under the laws of the State of Delaware, with its place of business at 101 SW Main St, Suite 1500, Portland, OR 97204 (hereinafter referred to as the “**NNC**”) (each a “**Party**” and together, the “**Parties**”).

WHEREAS, the Parties are discussing the entry into a business relationship with each other (which will be governed by a separate agreement) and, in that regard may disclose certain Confidential and Proprietary Information (as defined below); and

WHEREAS, the Parties wish to ensure that such Confidential and Proprietary Information will be kept private and confidential, whether such information is provided presently in connection with the initial discussions, or whether provided in the future in connection with the exploration or implementation of subject of the aforementioned relationship or any other possible or actual business or commercial relationship between the Parties.

NOW, THEREFORE, in consideration of the above, the Parties have agreed as follows:

1. For purposes of this Agreement:

- a) “**Affiliate**” means, in relation to a party, any Persons that directly or indirectly through one or more intermediaries: (i) control; or (ii) are controlled by; or (iii) are under common control with; or (iv) are the ultimate beneficial owners of, such specified party. For the purposes of this definition, “**control**” (including, with correlative meanings, the terms “**controls**”, “**controlled by**” and “**under common control with**”), as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise;
- b) “**Confidential and Proprietary Information**” shall mean any and all information or data (in whatever medium including in written, oral, visual or electronic form) disclosed by or on behalf of a Party to the other or otherwise received by the other in the negotiation, entering into and/or performance of an agreement between the Parties, which
 - (i) is expressly marked as confidential;
 - (ii) ought reasonably to be considered confidential or proprietary having regard to the nature of the information and the circumstances of its disclosure; or
 - (iii) concerns the technology, know how, trade secrets, methods, techniques, formulas, concepts, business models and analysis, compositions, compounds, projects, products, processes, budgets, strategies, inventions, developments, investments and finances plans, research data, clinical data, personnel data, computer programs of that party

and any of its Affiliates or of the suppliers, stakeholders, investment managers, partnerships, customers or clients of that Party,

together with any and all information which has been or which may be derived or obtained from any such information;

- c) “**Disclosee**” shall refer to a Party receiving Confidential and Proprietary Information from the other Party;
 - d) “**Discloser**” shall refer to a Party disclosing Confidential and Proprietary Information to the other Party;
 - e) “**Person**” includes, without limitation, any individual, corporation, company, City, group or partnership.
2. Disclosee agrees to keep strictly confidential all Confidential and Proprietary Information received by it and to use such Confidential and Proprietary Information solely for the purpose with respect to which such disclosure was made, whether such information was disclosed for the purpose of analyzing, exploration or implementation of a possible or actual business or commercial relationship between the Parties. Disclosee agrees that any and all Confidential and Proprietary Information is and shall remain protected as proprietary and confidential information, property and trade secrets of Discloser. Disclosee shall not, directly or indirectly, use any Confidential and Proprietary Information for its own or any third party’s benefit, or otherwise disclose other than to its Affiliates and its and their affiliates’ directors, employees, officers and advisers (collectively the “**Representatives**”) on a need to know basis, any of Discloser’s Confidential and Proprietary Information for any purpose other than the purposes for which such information was disclosed, without the prior written consent of Discloser. The Disclosee shall inform each of the Representatives of the confidential nature of the Confidential and Proprietary Information and shall be responsible for any breach by the Representative of the terms of this Agreement.
3. Disclosee further agrees (i) to use the utmost degree of care to maintain and protect the confidentiality of all Confidential and Proprietary Information and (ii) not to disclose the Confidential and Proprietary Information to any third party except as agreed in this Confidentiality Agreement. Disclosee will inform those employees, agents and other permitted third parties who may have access to the Confidential and Proprietary Information that such information is confidential information and proprietary trade secrets of Discloser. Disclosee shall use its best efforts to ensure compliance with this Agreement by its Representatives having access to the Confidential and Proprietary Information; provided, however, that Disclosee shall not disclose any such Confidential and Proprietary Information to any third party unless Discloser has given his prior consent and such third party has entered into a binding agreement with Disclosee or with Discloser to keep such information confidential (except for cases where Disclosee has confirmed in writing that such separate agreement with a particular third party is not required). Disclosee agrees not to provide any portion of the Confidential and Proprietary Information to any of its Representatives who do not have a need to know the Confidential and Proprietary Information in connection with the purposes specified herein.

4. Notwithstanding anything herein to the contrary, if Disclosee either (i) determines on the advice of its counsel that it is required to disclose any information pursuant to applicable law or the rules or regulations of a governmental entity or (ii) receives any demand under lawful process or from any governmental entity to disclose or provide information of the Discloser that is subject to an obligation of confidentiality, Disclosee shall, to the extent legally permissible, notify Discloser prior to disclosing or providing such information and, if Discloser so requests, cooperate at the expense of Discloser in seeking any protective arrangements reasonably requested by Discloser. If a protective arrangement is not obtained, the Disclosee (A) may thereafter disclose or provide such information to the extent required by such law (as so advised by counsel) or by lawful process or such governmental entity, without liability therefor and (B) shall exercise commercially reasonable efforts to have confidential treatment accorded to any such information so provided or furnished.
5. Upon request of Discloser, Disclosee agrees to return or destroy (at the Disclosee's option) immediately all copies of any such Confidential and Proprietary Information previously obtained by Disclosee. Notwithstanding the foregoing, Disclosee will not have to destroy or permanently erase copies that contain insignificant extracts from or references to Confidential and Proprietary Information or which only refer to the project; and (ii) the Disclosee may retain copies of the Confidential and Proprietary Information where required to do so by applicable law or regulation or internal policy or where electronic copies have been made automatically in the ordinary course of business pursuant to an established data maintenance and recovery plan or where to delete electronically stored copies of the Confidential and Proprietary Information would require undue efforts.
6. Disclosee understands and agrees that no license, implied or otherwise, is hereby given to Disclosee of any of Discloser's intellectual property rights such as patents, copyrights, trademarks, trade secrets or any other Confidential and Proprietary Information of the Discloser.
7. Disclosee's obligations as to the Confidential and Proprietary Information shall not apply to any portion of the Confidential and Proprietary Information: (i) of which Disclosee can show by documentary evidence that it previously had knowledge or which was in its possession prior to disclosure by Discloser; (ii) which is presently or becomes publicly available or a matter of public knowledge generally other than by a breach of this Agreement or any other agreement or duty owed by Disclosee, or otherwise made public or disclosed to Disclosee as a result of a breach on the part of any person or entity of a duty or obligation of confidentiality; (iii) which is lawfully received by Disclosee from a third party who is or was not bound in any confidential relationship or obligation to Discloser; or (iv) which is disclosed with the prior express written permission of Discloser.
8. This Agreement shall enter into effect on the date first written above and expire two (2) years from the date all discussions and agreements between the Parties have been terminated.

9. If any provision of this Agreement shall be determined to be illegal and unenforceable by any court of law, the remaining provisions shall be severable and enforceable in accordance with their terms.
10. Disclosee acknowledges that Discloser may not have an adequate remedy at law in the event that Disclosee breaches this Agreement and that Discloser may suffer irreparable damage and injury in such event. Disclosee agrees that Discloser, in addition to any other available rights and remedies, shall be entitled to seek an injunction restraining Disclosee from committing or continuing any violation of this Agreement.
11. This Agreement may not amended or assigned without the prior written consent of each Party.
12. This Agreement shall be construed, interpreted and enforced in accordance with, and the respective rights and obligations of the Parties hereto shall be governed by, the laws of the State of Oregon. Each of the Parties hereto irrevocably and unconditionally (i) submits to the non-exclusive jurisdiction of the courts of the State of Oregon over any action or proceeding arising out of or relating to this Agreement, (ii) waives any objection that he or it might otherwise be entitled to assert to the jurisdiction of such courts and (iii) agrees not to assert that such courts are not a convenient forum for the determination of any such action or proceeding.
13. This Agreement is intended to supersede and replace all prior agreements or understandings relating to the subject matter hereof.
14. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement.
15. A (scanned) copy or facsimile of this document with the signature of a Party's representative placed hereinbelow shall be binding upon that Party as if the document is an original signed with a handwritten signature.

IN WITNESS WHEREOF, the Parties hereto have duly executed and delivered this Agreement under seal as of the day, month and year first below written.

<p>Nuveen Natural Capital, LLC a Delaware limited liability company</p> <p>By: _____</p> <p>Name: _____</p> <p>Title: _____</p> <p>Date: _____</p>	<p>City of Rockaway Beach An Oregon City</p> <p>By: _____</p> <p>Name: _____</p> <p>Title: _____</p> <p>Date: _____</p>
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