

W. 3. F. 1.

BOARD COVER MEMO

DATE: June 6, 2007

TO: Lane County Board of Commissioners

DEPT.: Public Works

PRESENTED BY: Todd Winter, Parks Manager

ITEM TITLE: IN THE MATTER OF APPROVING THE SALE OF THE PARKS PROPERTY "GLENADA DUNES" AS IDENTIFIED IN THE PURCHASE AND SALE AGREEMENT (PSA), EXHIBIT "A", TO THE STATE OF OREGON IN THE AMOUNT OF \$397,000 AND AUTHORIZING THE COUNTY ADMINISTRATOR TO EXECUTE THE PSA AND ALL NECESSARY AGREEMENTS

I. MOTION

THAT THE BOARD ORDER BE ADOPTED APPROVING THE SALE OF THE PARKS PROPERTY "GLENADA DUNES" AS IDENTIFIED IN THE ATTACHED PURCHASE AND SALE AGREEMENT (PSA), TO THE STATE OF OREGON IN THE AMOUNT OF \$397,000 AND AUTHORIZING THE COUNTY ADMINISTRATOR TO EXECUTE THE PSA AND ALL NECESSARY AGREEMENTS

II. AGENDA ITEM SUMMARY

The Board of Commissioners is being asked to approve the sale of the Parks property known as Glenada Dunes to the State of Oregon... This sale has been supported by previous Board action as part of the surplus tax foreclosed property sale process designed to support Lane County Parks. The PSA includes an option agreement giving the State an option to purchase the adjacent non-natural resource property at a later date.

III. BACKGROUND/IMPLICATIONS OF ACTION

A. Board Action and Other History

In 2005, Lane County Parks, in cooperation with Lane County Management Services and with the support of the Board of Commissioners, developed a program where certain tax-foreclosed properties would be designated as park properties with the intent to sell those properties to support park infrastructure preservation and development. Glenada Dunes was identified as an appropriate property for this use and was designated as park property by the Board. On February 7, 2006, the Board of Commissioners held a public hearing at the Florence Events Center in Florence to hear testimony regarding the potential sale of the Glenada Dunes.

The majority of those present at the public hearing indicated their approval of the sale with the understanding it addressed both the dire need of Parks and protection for the dunes overlooking Florence. The Board supported the sale of the property with four (4) key requirements.

1. The property would be sold in its entirety to the State of Oregon for parks purposes.
2. There would be a prohibition on commercial logging of timber.
3. There would be a prohibition on the recreational use of all-terrain vehicles.
4. There would be a life estate in favor of Mr. John Warwick and an easement to ensure Mr. Warwick access.

In December 2006, the Parks Advisory Committee (PAC) formalized its continued support for the sale when proceeds from the sale were identified as fundamental assumptions for the five-year Parks capital improvement program. On March 14, 2007, the Board adopted the five-year Parks and Recreation SDC Capital Improvement Plan (CIP) Priorities List for Fiscal Years 07/08 through 11/12. This plan identified these property sale revenues as assumptions for park capital expenditures for specific projects through 2012.

B. Policy Issues

Lane County Parks historically has had extremely limited access to resources for preservation and development of park infrastructure. The Parks System Development Charges (SDCs) were instituted in 2002 to support capital development for expanding system capacity. By law, these funds cannot be used for reinvestment in existing aging infrastructure. In 2005, Parks proposed a process by which the BCC could direct that certain County-owned tax foreclosed properties be identified as surplus park properties for the purpose of selling and generating revenues for park preservation and development. Board policy has supported this program as a reasonable strategy for addressing the challenges presented by a rapidly degrading park system infrastructure.

C. Board Goals

The majority of the revenues from this sale will be used for capital project expenditures at park facilities that generate revenues and serve children and families. This includes two projects near Florence, one at Camp Lane, two

projects on Fern Ridge reservoir, two projects at Armitage Park, one project at Mount Pisgah, and one up the McKenzie corridor.

There are multiple goals in the County's adopted strategic plan that directly support the intent or purpose of the property sale... Section B3a. (2) of the strategic plan refers to programs that serve youth. While all parks are patronized heavily by youth, the explicit purpose of Camp Lane is serving youth who might otherwise not be able to afford a summer camp experience. Sections B3a. (3) and (4) describe those services with broad public support and those which generate revenue. Lane County's day-use parks, campgrounds, and marinas all enjoy wide public support, with a nearly overwhelming demand for service. Campgrounds and marinas also generate net revenues except when the infrastructure is badly degraded. Day use areas and picnic shelters generate revenues and provide a healthy outdoor experience for families.

D. Financial and/or Resource Considerations

The sale of the Glenada Dunes property has been proposed by Parks and supported by the PAC and BCC to provide financial resources for Parks to preserve existing infrastructure and develop enhancements and capacity that will serve citizens and possibly, generate self-sustaining revenues. Major modifications to this process will add costs and reduce revenues available for Parks use. With the current Parks staff reductions, staff time available to make additional changes to this agreement significantly impacts field operations. Failure to complete the sale will result in removing more than half of all possible park capital projects from the list and immediately putting 7 of the 11 projects on the five-year priorities list on hold with no identified funding sources. Costs for administration of this property sale already approach \$100,000 and will impact programmed capital projects.

E. Analysis

The Parks SDCs, instituted in 2002, were designed to support capital development for expanding system capacity. By law, these funds cannot be used for reinvestment in existing aging infrastructure. Additionally, because the SDCs are only collected outside urban growth boundaries, the revenues have only been around \$60,000 per year.

With capital costs rising rapidly, SDCs must be collected for two or three years and then applied as a grant match for State funding. For example, \$250,000 in SDCs has been appropriated by the Board as a match for a campground grant to build a campground at Armitage Park. Until the program for selling tax foreclosed properties and using the revenues for Parks was instituted, there was no predictable resource for use in replacing degraded or obsolete infrastructure.

In the current CIP adopted by the Board, Glenada property sale revenues have been programmed into a marina replacement at Richardson Park, Camp Lane repairs and replacement, capital equipment purchases, and a variety of other

infrastructure projects over five years. This is the first year where resources have been identified and future park projects programmed for development. In the past, projects have been opportunistic and almost entirely dependent on grant funding. The sale of the Glenada Dunes property to the State of Oregon, and the subsequent revenue inflow, is a fundamental resource and funding assumption articulated in the previously adopted five-year Parks and Recreation SDC Capital Improvement Plan (CIP) Priorities List for Fiscal Years 07/08 through 11/12. With this funding source, the potential for future revenue generation, leveraged by these dollars, provides a valuable opportunity to address the bleak financial picture facing the Lane County Park system.

F. Alternatives/Options

1. Support approval of the sale and grant authorization to the County Administrator to execute all necessary agreements.
2. Direct that the sale proceed in a manner other than as proposed by staff.
3. Do not support approval of the sale and authorization for the County Administrator to sign all necessary agreements.

IV. RECOMMENDATION

Staff and the Parks Advisory Committee have recommended Option 1.

V. TIMING/IMPLEMENTATION

If the Board approves option 1, staff will proceed immediately to complete the necessary transactions

VI. FOLLOW-UP

If the motion is passed, Park's staff will work with County Counsel and County Administration to complete transactions and prepare part two of the sale for Board approval.

VIII. ATTACHMENTS

Draft Purchase and Sale Agreement.

IN THE BOARD OF COUNTY COMMISSIONERS OF LANE COUNTY, OREGON

)IN THE MATTER OF APPROVING THE SALE
)OF THE PARKS PROPERTY "GLENADA
)DUNES" AS IDENTIFIED IN THE PURCHASE
)AND SALE AGREEMENT (PSA), EXHIBIT A,
)TO THE STATE OF OREGON IN THE
)AMOUNT OF \$397,000 AND AUTHORIZING
)THE COUNTY ADMINISTRATOR TO
)EXECUTE THE PSA AND ALL NECESSARY
)AGREEMENTS.

ORDER NO.

WHEREAS, the program to redirect surplus tax foreclosed properties to Lane County Parks for the purpose of selling the properties to generate revenues for park preservation and development has been authorized and directed by the Board of County Commissioners, and

WHEREAS, the Glenada Dunes property was identified for this purpose, and

WHEREAS, the Board has supported the sale of the property with four (4) key requirements: the property would be sold in its entirety to the State of Oregon for parks purposes, there would be a prohibition on commercial logging of timber, there would be a prohibition on the recreational use of all-terrain vehicles, and there would be a life estate in favor of Mr. John Warwick and an easement to ensure Mr. Warwick access, and

WHEREAS, a Purchase and Sale Agreement has been negotiated between Lane County and the State of Oregon and prepared for final disposition, and said sale would be in the public interest, and

WHEREAS, the applicable procedures in Lane Manual 21.435 and ORS 275.330 have been met, including publication of notice and the holding of a public hearing on February 7, 2006, and

WHEREAS the State has requested that the sale occur in two parts for reasons dealing with their budget for this fiscal year, and that the "natural resources" portion of the property be first conveyed with an option for the State to purchase the remaining property in the upcoming fiscal year, and

WHEREAS the PSA is in conformance with the decision of the Board made at the aforementioned public hearing, now therefore

IT IS HEREBY ORDERED that:

The sale of the Parks property which is zoned "Natural Resource" as identified in the Purchase and Sale Agreement (PSA), Exhibit A, to the State of Oregon be approved in the amount of \$397,000 and that the County Administrator be authorized to execute a PSA in substantial conformance with the attached draft agreement, Exhibit A, and that the County Administrator be further authorized to execute all necessary agreements to complete the sale of the "Natural Resource" portion of the property as well as of the option portion of the property.

APPROVED AS TO FORM

Date 5-27-07 lane county,


OFFICE OF LEGAL COUNSEL

DATED this _____ day of June, 2007.

Chair, Lane County Board of Commissioners

Purchase and Sale Agreement

This agreement of purchase and sale (the "**Agreement**") is made as of _____, 2007, between Lane County, a political subdivision of the State of Oregon ("**Seller**") and the State of Oregon, acting by and through the Oregon Parks Commission on behalf of the Oregon Parks and Recreation Department ("**Buyer**").

1. Agreement to Purchase and Sell; Option to Purchase.

1.1 Seller shall sell to Buyer and Buyer shall purchase from Seller the real property described in Exhibit A, all of which is zoned "Natural Resource" or "NR" (the "**NR Property**") and all improvements located on the **NR Property**.

1.2 In addition to the sale and purchase of the **NR Property** described in this Agreement, and in consideration of the nonrefundable payment of \$4,000 from Buyer to Seller, the receipt of which payment Seller hereby acknowledges, Seller gives to Buyer an irrevocable option upon the following terms to acquire the real property described in Exhibit A-1 (the "**Option Property**") and all improvements located on the **Option Property**:

1.2.1 Buyer shall exercise its Option, if at all, to purchase the **Option Property** by notifying Seller in writing of its intention to purchase the **Option Property** and depositing with Escrow Agent the sum of \$443,000.00 (the "**Option Price**"), plus additional funds necessary to close, on or before 5:00 p.m., Pacific Standard Time, October 15, 2007. The period of time commencing upon the execution of this Agreement and concluding on October 15, 2007, constitutes the "**Option Period**."

1.2.2 If Buyer executes its Option before the close of the Option Period, Seller and Buyer shall execute a purchase and sale agreement for the **Option Property** generally upon the same terms and conditions as stated in this Agreement and the inclusion of the following additional conditions:

- a. reservation by Seller of a life estate in favor of Mr. John Warwick, in that portion of the **Option Property** described as Lots 3 and 4, Block 4, South Florence Addition to Glenada (Tax Lot 1800) together with an easement for access from the Warwick property over an existing unpaved roadway established in 1978 as Barrett Creek Lane pursuant to Lane County Board of Commissioners Ordinance No. RN 128-78;
- b. a prohibition on commercial logging of timber on the **Option Property**;
- c. a prohibition on the recreational use of all terrain vehicles on the **Option Property**;
- d. Buyer's agreement not to contest, restrict or impede the exercise by adjoining property owners of existing water permit rights;
- e. the conveyance of the **Option Property** will be subject to an easement for access in favor of property owned by John Maitland, identified as Assessor's

Map/Tax Lot # 18-12-34-13-01200, over the north 40 feet of Lot 13, Block 19 GLENADA (Tax Lot # 18-12-34-42-00600);

f. vacation of existing platted streets within the **Option Property** (to be paid for by Buyer); and

g. acknowledgement of an easement for access in favor of OAESYS Corporation to allow the corporation access to oyster beds on tideland property located adjacent to and north of the **Option Property**.

1.2.3 If Buyer fails to exercise its Option before the close of the Option Period, the Option will expire without recourse or further notice, unless mutually extended by Seller and Buyer. In no event is Seller obliged to extend the Option Period.

1.2.4 Seller discloses and Buyer acknowledges that a portion of the **Option Property**, identified as Lots 22 and 23 of Block 27, Amended Plat of Colter's Original Addition to Glenada (the "Redemption Parcel") is owned by Seller as a result of a tax foreclosure, but remains subject to a statutory right of redemption in favor of the foreclosed former owner. The statutory right of redemption will expire in September 2007. If the foreclosed former owner redeems the Redemption Parcel, the parties shall revise the legal description of the **Option Property** to exclude the Redemption Parcel, and the Option Price will be reduced by \$895.20.

2. Purchase Price; Additional Consideration. Buyer shall pay to Seller \$396,336.00 (the "**Purchase Price**") for the **NR Property** in cash or cash equivalent at Closing, less adjustments for unvacated rights of way as further described in Section 14 below. Buyer shall deposit the Purchase Price with the Escrow Agent on or before the Closing Date for delivery to Seller upon satisfaction of all conditions precedent to the Closing as described in this Agreement. No escrow deposit is required.

3. Conditions of Seller. Seller's obligation to sell the **NR Property** is conditioned upon each of the following:

3.1 The willingness of a title company to issue to Buyer, at Closing and without charges in excess of its standard fees, its ALTA owner's standard coverage policy of title insurance, with Seller named as an additional insured, in the amount of the Purchase Price showing title to the **NR Property** vested in Buyer, subject only to Exceptions deemed acceptable to Buyer pursuant to Section 4.3 below.

3.2 Approval of the sale by the Lane County Commission.

3.3 Buyer's performance of all of its obligations under this Agreement.

4. Conditions of Buyer. Buyer's obligation to purchase the **NR Property** is conditioned upon each of the following:

4.1 Approval by the Attorney General's office of the terms of this Agreement.

- 4.2 Approval of the acquisition by the Oregon Parks and Recreation Commission.
- 4.3 Seller's vacation of existing platted rights of way on the **NR Property** that are no longer needed to provide access to private property adjacent to the **NR Property**.
- 4.4 Buyer's review and approval of a current preliminary title report for the **NR Property**, together with copies of the underlying documents. A copy of the preliminary title report and underlying documents must be delivered by Seller within ten days following execution of the Agreement. Buyer will have ten business days after the execution of this Agreement within which to give notice in writing to Seller of any objection to such title or to any liens or encumbrances affecting the **NR Property**. Within ten business days of receipt of any notice of objection from Buyer, Seller shall give Buyer written notice of whether it is willing and able to remove the objected-to exceptions. Within five business days of Seller's notice, Buyer shall elect whether to purchase the **NR Property** subject to the exceptions which Seller is not willing or able to remove or to terminate this Agreement.
- 4.4 Seller's performance of all of its obligations under this Agreement.

5. Conveyance by Statutory Bargain and Sale Deed. At Closing, Seller shall convey title to the **NR Property** to Buyer by statutory bargain and sale deed, in substantially the form of Exhibit B (the "**Deed**").

6. Title Insurance. Upon satisfaction or waiver of Seller's conditions as stated in Section 3 above, Seller shall deliver to Buyer at Closing an ALTA owner's standard coverage policy of title insurance, in the amount of the Purchase Price, showing title to the **NR Property** vested in Buyer as described above, subject only to Exceptions deemed acceptable to Buyer pursuant to Section 4.3 above.

7. Escrow Instructions. Upon execution of this Agreement, the parties shall deposit an executed counterpart of this Agreement with Evergreen Land Title Company, 1570 Mohawk Blvd., Springfield, OR 97477 ("**Escrow Agent**"). Seller and Buyer shall execute such reasonable additional and supplementary escrow instructions as may be appropriate to enable Escrow Agent to comply with the terms of this Agreement; however, if there is any conflict between the provisions of this Agreement and any supplementary escrow instructions, the terms of this Agreement will control.

8. Closing. The closing of the sale and purchase of the **NR Property** (the "**Closing**") must be held and delivery of all items to be made at the Closing under the terms of this Agreement must be made at the offices of Escrow Agent on or before **June 29, 2007**, or such other date and time as Buyer and Seller may mutually agree upon in writing, time not being of the essence (the "**Closing Date**").

9. Seller's Closing Documents. At or before Closing, Seller shall deposit into escrow the following items:

- 9.1 the duly executed and acknowledged Deed;
- 9.2 Evergreen Land Title Company's commitment to issue an ALTA owner's standard coverage policy of title insurance, as described in Section 3; and
- 9.3 such additional funds as are necessary to close this transaction.

10. Buyer's Closing Documents. At or before Closing, Buyer shall deposit into escrow the Purchase Price and such additional funds as are necessary to close this transaction.

11. Prorations and Closing Costs.

11.1 Real property taxes and assessments, if any, must all be prorated as of the Closing Date, on the basis of a 365-day year.

11.2 Seller shall pay the cost of a standard coverage title insurance policy.

11.4 Buyer shall pay the recording fee for the Deed.

11.5 Buyer and Seller shall each pay one half of all other costs of escrow.

12. Required Actions of Buyer and Seller. Buyer and Seller shall execute all such instruments and documents and take all actions necessary or convenient to consummate the purchase and sale contemplated by this Agreement and shall use their best efforts to accomplish the close of escrow in accordance with the provisions stated in this Agreement.

13. Seller's Representations and Warranties. In addition to any express agreements of Seller contained here, the following constitute representations and warranties of Seller to Buyer:

13.1 Seller has the legal power, right, and authority to enter into this Agreement and the instruments referred to here and to consummate the transactions contemplated here.

13.2 The performance by Seller of its obligations under this Agreement (i) have been or will prior to Closing be duly authorized by all necessary County Commission action, (ii) will not conflict with the provisions of any law, statute, rule or regulation, or order, judgment, writ, injunction or decree of any court or governmental instrumentality, or any contract, agreement or instrument to which Seller or any portion of the **NR Property** is subject, and (iii) will not require the consent, approval, authority or order of any court or government agency that has not been previously obtained in writing.

13.2 This Agreement and all documents required to be executed by Seller are and will be valid, legally binding obligations of and enforceable against Seller in accordance with their terms.

- 13.3 Neither the execution and delivery of this Agreement and documents referred to here, nor the incurring of the obligations set forth here, nor the consummation of the transactions here contemplated, nor compliance with the terms of this Agreement and the documents referred to here conflict with or result in the material breach of any terms, conditions, or provisions of, or constitute a default under any bond, note, or other evidence of indebtedness, or any contract, indenture, mortgage, deed of trust, loan, partnership agreement, lease, or other agreements or instruments to which Seller is a party or affecting the **NR Property**.
- 13.4 Except as disclosed to Buyer in writing, there is no litigation, claim, or arbitration, pending or threatened, with regard to the **NR Property** or its operation.
- 13.5 No attachments, execution proceedings, assignments for the benefit of creditors, insolvency, bankruptcy, reorganization, or other proceedings are pending or, to the best of Seller's knowledge, threatened against Seller, nor are any such proceedings contemplated by Seller.
- 13.6 Seller is the legal and beneficial fee simple titleholder of the **NR Property** and has good, marketable, and insurable title to the **NR Property**, free and clear of all liens, encumbrances, claims, covenants, conditions, restrictions, easements, rights of way, options, judgments, or other matters, except as disclosed by the preliminary title report. There will be no change in the ownership, operation, or control of Seller from the date of this Agreement until the Closing Date.
- 13.7 Seller has not entered into any other contracts for the sale of the **NR Property**, nor do there exist any rights of first refusal or options to purchase the **NR Property**.
- 13.8 To the best of Seller's knowledge, the **NR Property** is materially in compliance with applicable state and federal environmental laws and regulations affecting it.
- 13.9 Seller has not received any notices of violation or advisory action by regulatory agencies regarding environmental control matters or permit compliance with respect to the **NR Property**.
- 13.10 Seller has not transferred hazardous waste from the **NR Property** to another location that is not in compliance with applicable environmental laws, regulations, or permit requirements. To the best of Seller's knowledge, no other person has transferred hazardous waste from the **NR Property** to another location that is not in compliance with applicable environmental laws, regulations, or permit requirements.
- 13.11 There are no proceedings, governmental administrative actions, or judicial proceedings pending or, to the best of Seller's knowledge, contemplated under

any federal, state, or local laws regulating the discharge of hazardous or toxic materials or substances into the environment.

- 13.12 To the best of Seller's knowledge, Seller has not, during its ownership of the **NR Property**, stored, produced, or disposed of any hazardous substance, including asbestos, on the **NR Property**.

Seller's representations and warranties contained here are true and accurate, and are not misleading. Seller's representations and warranties contained here will be continuing and will be true and correct as of the Closing Date with the same force and effect as if remade by Seller in a separate certificate at that time. Seller's representations and warranties contained here will survive the close of escrow and will not merge into the deed and the recordation of the deed in the official records.

14. Buyer's Conditional Obligation to Recognize Easement. Buyer acknowledges that if the foreclosed former owner of the Redemption Parcel referred to in Section 1.2.4 redeems the Redemption Parcel, the Redemption Parcel will enjoy an easement for access over the **NR Property**, consisting of that portion of vacated Beech Street bounded on the north by the Redemption Parcel and on the south by High Street, and over that portion of vacated High Street bounded on the west by Beech Street and on the East by Hazel Street.

15. Buyer Acquiring Property As Is; Release of Claims. Buyer acknowledges that Buyer has examined or will examine the **NR Property** to its own satisfaction and has formed or will form its own opinion as to the **NR Property's** condition (including environmental condition) and value. Other than Seller's representations and warranties contained in this Agreement and those contained in any instrument delivered to Buyer at closing, Buyer acknowledges that it is purchasing the **NR Property AS IS**. Except to the extent arising from a breach of any representation or warranty given by Seller in this Agreement, Buyer waives, releases and forever discharges Seller of and from all claims, actions, causes of action, fines, penalties, damages (including consequential, incidental and special damages), costs (including the cost of complying with any judicial or governmental order), and expenses (including attorney fees), direct or indirect, known or unknown, foreseen or unforeseen, which may arise on account of or in any way growing out of or in connection with any physical characteristic or condition of the **NR Property**, including any surface or subsurface condition, or any law, rule or regulation applicable to the **NR Property**.

16. Buyer's Representations and Warranties. In addition to any express agreements of Buyer contained here, the following constitute representations and warranties of Buyer to Seller:

- 16.1 Buyer has the legal power, right, and authority to enter into this Agreement and the instruments referred to here and to consummate the transactions contemplated here.
- 16.2 All requisite action has been or will be undertaken by Buyer in connection with entering into this Agreement and the instruments referred to here and the

consummation of the transactions contemplated here. With the exception of the approval of the Oregon Parks and Recreation Commission, which approval Buyer will diligently seek, no further consent of any judicial or administrative body, governmental authority, or other party is required.

- 16.3 The persons executing this Agreement and the instruments referred to here on behalf of Buyer have the legal power, right, and actual authority to bind Buyer to the terms and conditions of this Agreement.
- 16.4 This Agreement and all documents required by it to be executed by Buyer are and will be valid, legally binding obligations of, and enforceable against Buyer in accordance with their terms.
- 16.5 Neither the execution and delivery of this Agreement and documents referred to here, nor the incurring of the obligations set forth here, nor the consummation of the transactions contemplated, nor compliance with the terms of this Agreement and the documents referred to here conflicts with or results in the material breach of any terms, conditions, or provisions of or constitute a default under any bond, note, or other evidence of indebtedness, or any contract, indenture, mortgage, deed of trust, loan, partnership agreement, lease, or other agreements or instruments to which Buyer is a party.

17. Brokers. Seller and Buyer each hereby represent and warrant to the other that it did not employ or use any broker or finder to arrange or bring about this transaction and that there are no claims or rights for brokerage commissions or finders fees in connection with the transactions contemplated by this Agreement.

18. Amendment and Modification. This Agreement may be amended, modified, or supplemented only by a written agreement signed by Buyer and Seller.

19. Notices. All notices required or permitted hereunder must be in writing and must be served on the Parties at the following address:

Seller: Lane County
Attn: Todd Winter, Parks Division Mgr.
90064 Coburg Road.
Eugene 97408
Fax #: 541-682-2009

Buyer: Oregon Parks and Recreation Department
Attention: Cliff Houck
725 Summer Street NE, Suite C
Salem, OR 97301
Fax #: 503-986-0792

Any such notices may be sent by: (a) certified mail, return receipt requested, in which case notice will be deemed delivered five (5) business days after deposit, postage prepaid in the U.S. mail; or (b) a nationally recognized overnight courier, in which case notice will be deemed delivered one business day after deposit with such courier; or (c) facsimile transmission, in which case notice will be deemed delivered upon electronic verification that transmission to recipient was completed.

20. Personal Property. There is no personal property associated with this sale and purchase.

21. Governing Law. All matters with respect to this Agreement, including but not limited to matters of validity, construction, effect, and performance, will be governed by the laws of the State of Oregon applicable to contracts made and to be performed therein between residents thereof.

22. Counterparts. This Agreement may be executed in two or more fully or partially executed counterparts, each of which will be deemed an original binding the signer thereof against the other signing parties, but all counterparts together will constitute one and the same instrument.

23. Entire Agreement. This Agreement and any other document to be furnished pursuant to the provisions of this Agreement embody the entire agreement and understanding of the parties as to its subject matter. There are no restrictions, promises, representations, warranties, covenants, or undertakings other than those expressly set forth or referred to in such documents. This Agreement and such documents supersede all prior agreements and understandings among the parties with respect to the subject matter of this Agreement.

24. Severability. Any term or provision of this Agreement that is invalid or unenforceable in any jurisdiction will, as to such jurisdiction, be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms or provisions of this Agreement.

THE PROPERTY DESCRIBED IN THIS INSTRUMENT MAY NOT BE WITHIN A FIRE PROTECTION DISTRICT PROTECTING STRUCTURES. THE PROPERTY IS SUBJECT TO LAND USE LAWS AND REGULATIONS THAT, IN FARM OR FOREST ZONES, MAY NOT AUTHORIZE CONSTRUCTION OR SITING OF A RESIDENCE AND THAT LIMIT LAWSUITS AGAINST FARMING OR FOREST PRACTICES AS DEFINED IN ORS 30.930 IN ALL ZONES. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 197.352. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY APPROVED USES, THE EXISTENCE OF FIRE PROTECTION FOR STRUCTURES AND THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 197.352.

Signed as of the date first written above.

Seller:

Lane County, a political subdivision
of the State of Oregon

By: _____

As its: _____

Buyer:

The State of Oregon, acting by and through
the State Parks and Recreation
Commission on behalf of the Oregon
Department of Parks and Recreation

By: _____

Tim Wood
As its: Director

EXHIBIT A
Legal Description of the NR Property

Real property in the County of Lane, State of Oregon, described as follows:

All of Blocks 10, 22 and 32, COLTER'S ORIGINAL ADDITION TO GLENADA, as platted and recorded in Book 4, Page 84, Lane County Oregon Plat Records, in Lane County, Oregon, and all of Blocks 1 through 9 inclusive, 11 through 21 inclusive, and 23 through 31 inclusive, EXCLUDING THEREFROM Lots 22 and 23 of Block 27, AMENDED PLAT OF COLTER'S ORIGINAL ADDITION TO GLENADA, as platted and recorded in Book 6, Page 25, Lane County Oregon Plat Records, in Lane County, Oregon.

EXHIBIT A-1
Legal Description of the Option Property

Real property in the County of Lane, State of Oregon, described as follows:

Lots 1 through 13 inclusive, Block 1, AMENDED PLAT OF SOUTH FLORENCE ADDITION TO GLENADA, as platted and recorded in Book 2, Page 13, Lane County Oregon Plat Records, in Lane County, Oregon.

TOGETHER WITH:

All of Block 16 and Lots 8 through 12 inclusive of Block 15, GLENADA, as platted and recorded in Book W, Page 261, Lane County Oregon Plat Records, in Lane County, Oregon.

TOGETHER WITH:

Lots 1, 2, 3, 4, 11 and 12 of Block 3, and all of Block 4, EXCEPTING that portion showing as reserved on said plat, and all of Block 5, and Lots 1, 2, 7, 8, 9, 10, 11 and 12 of Block 6, and all of Block 7, 8, 9 and 10, AMENDED PLAT OF SOUTH FLORENCE ADDITION TO GLENADA, as platted and recorded in Book 2, Page 13, Lane County Oregon Plat Records, in Lane County, Oregon.

ALSO: All of Blocks 17, and Lots 3 through 12 inclusive of Block 18, and Lots 13, 14, 15 and 16 of Block 19, GLENADA, as platted and recorded in Book W, Page 261, Lane County Oregon Plat Records, in Lane County, Oregon.

TOGETHER WITH:

Lots 22 and 23 of Block 27, AMENDED PLAT OF COLTER'S ORIGINAL ADDITION TO GLENADA, as platted and recorded in Book 6, Page 25, Lane County Oregon Plat Records, in Lane County, Oregon.

**EXHIBIT B
Form of Deed**

**BARGAIN AND SALE DEED
(ORS 93.850)**

LANE COUNTY, a political subdivision of the State of Oregon, Grantor, conveys to the STATE OF OREGON, acting by and through its Parks and Recreation Department, Grantee, the following described real property, together with all improvements thereupon:

see Exhibit A attached hereto

free of encumbrances except as specifically set forth herein (none).

BEFORE ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 197.352. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY APPROVED USES, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES AS DEFINED IN ORS 30.930 AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 197.352.

The true consideration for this conveyance is \$396,336.00.

Dated this ___ day of _____, 2007.

Lane County, a political subdivision
of the State of Oregon

By: _____

As its: _____

STATE of OREGON)
) ss:
COUNTY of Lane)

This instrument was acknowledged before me on _____, 2006,
by _____ as _____ of Lane County, Oregon,
acting under authority granted to him/her by Lane County.

Notary Public for Oregon
My Commission Expires: _____

ACCEPTED by the State of Oregon acting through the Oregon Parks and Recreation Department.

By: _____
Tim Wood
As: Director _____

STATE of OREGON)
) ss:
COUNTY of Marion)

This instrument was acknowledged before me on _____, 2006, by **Tim Wood**, as Director of the Oregon Parks and Recreation Department.

Notary Public for Oregon
My Commission Expires: _____

EXHIBIT A
To Bargain and Sale Deed
(Legal Description)

Real property in the County of Lane, State of Oregon, described as follows:

All of Blocks 10, 22 and 32, COLTER'S ORIGINAL ADDITION TO GLENADA, as platted and recorded in Book 4, Page 84, Lane County Oregon Plat Records, in Lane County, Oregon, and all of Blocks 1 through 9 inclusive, 11 through 21 inclusive, and 23 through 31 inclusive, EXCLUDING THEREFROM Lots 22 and 23 of Block 27, AMENDED PLAT OF COLTER'S ORIGINAL ADDITION TO GLENADA, as platted and recorded in Book 6, Page 25, Lane County Oregon Plat Records, in Lane County, Oregon.