

THIS INDENTURE OF LEASE, Made in duplicate at Newport, Oregon

on this 1st day of May, 1950

by and between Yachats Water District, a municipal corporation hereinafter known and referred to as the lessor, (whether singular or plural) and Yachats Rural Fire Protection District, a municipal corporation hereinafter known and referred to as the lessee, (whether singular or plural).

WITNESSETH: That in consideration of the covenants, agreements and stipulations herein contained on the part of said lessee to be paid, kept and faithfully performed by said lessee, the said lessor does hereby lease, demise and let unto said lessee that certain premises described as follows: The

west 25 feet of the south 40 feet of Lot 25, Block 1, First Addition to Yachats in Lincoln County, Oregon

in the County of Lincoln, State of Oregon

TO HAVE AND TO HOLD said premises hereby leased for a period of Forty (40) years,

from the 1st day of May, 1950, to and including the 1st day of May, 1990, said lessee paying and yielding as rental therefor, during

said term, the full sum of Forty (\$40.00) Dollars

lawful money of the United States, to be paid as follows: The sum of \$1.00 upon execution hereof being rental for the first year of said lease and the further sum of \$1.00 on the first day of each May hereafter until said rental is wholly paid.

That in addition to said monetary rental, it is understood and agreed that the lessor herein shall have free rental of a room in the southeast corner of the main floor of the building constructed on said premises by the lessee during the term of this said lease, said room to be used as an office by the said Water District and said lessor to have the further right of using the meeting room on the 2nd floor of said building for water meetings when this larger space is required. It is understood and agreed that the Fire Protection District shall be responsible for insurance, maintenance and repair of said building and that the said Water District shall be responsible for furnishing its share of the lights and heat for said building.

That said lessee will make no unlawful, improper or offensive use of the premises; that at the expiration of the said term or upon any sooner termination of this lease, said lessee will quit and deliver up the premises, and all future erections or additions to or upon the same, to the said lessor, or those having their estate therein, peaceably, quietly, in as good order and condition (reasonable use and wearing thereof, fire and other unavoidable casualties excepted) as the same now are or may be put in by the lessor or those having their estate in the premises; that said lessee will not suffer nor commit any strip or waste thereof, nor make nor suffer to be made any alterations or additions to or upon the same, nor assign this lease, nor underlet, or permit any other person or persons to occupy the same, without the consent of the said lessor or those having their estate in the premises, being first obtained in writing, and also that it shall be lawful for the said lessor and those having their estate in the premises, at reasonable times, to enter into and upon the same, to examine the condition thereof,

MEMORANDUM OF LEASE

NOTICE IS HEREBY GIVEN to all persons that a lease dated July 21, 1983 was entered into regarding the following property:

Lot 26, Block, First Addition to Yachats by Lessor, City of Yachats and Lessee, Yachats Rural Fire Protection District, said lease expiring June 30, 2004 unless otherwise terminated pursuant to the terms and provisions of said lease. The property leased to Lessee shall be used solely for a public fire hall and station. Said lease merges the lease previously entered into by Lessor's predecessor and Lessee concerning a portion of said lot, recorded in Lincoln County Miscellaneous Records, Book 18, page 307.

LESSOR:

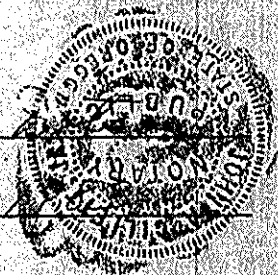
CITY OF YACHATS

By Gerald D. [Signature]
MAYOR

DATE: July 21, 1983

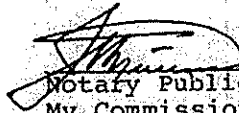
ATTEST:

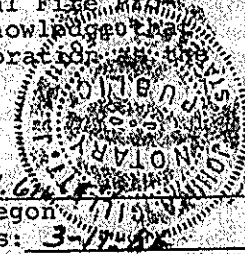
Michelle T. Ryan
City Recorder



STATE OF OREGON)
) ss.
County of Lincoln)

On this 27 day of JULY, 1983, personally appeared before me, a notary public in and for said state and county, the above named SAM DORRINE and DAVID BOWEN, who are personally known unto me to be, respectively, the President and Secretary of Yachats Rural Fire Protection District, a municipal corporation, and acknowledged that they executed the foregoing on behalf of said corporation as the act and voluntary deed thereof.


JOHN A. MCEWEN
Notary Public for Oregon
My Commission Expires: 3-17-84



AFTER RECORDING, RETURN TO:

✓ Evan P. Boone
Minor, Yeck & Beeson, P.C.
P. O. Box 510
Newport, Oregon 97365

D 6836 MICROFILM

STATE OF OREGON
County of Lincoln
I, Gloria A. McEwen, County Clerk of Lincoln County, Oregon, do hereby certify that the within instrument was received for recording and entered in the record of said county in Newport, Oregon.
Date July 27 1983 PM 4:24
Book 142 Page 2034
WITNESS my hand and seal of office at Newport, Oregon, this 27th day of July, 1983.
By Gloria A. McEwen Deputy
CLERK OF LINCOLN COUNTY +13



LINCOLN COUNTY OFFICE
 126 W. OLIVE • P.O. BOX 1177
 NEWPORT, OREGON 97365 • PHONE 265-8591

OTHER OFFICES OF WILLAMETTE VALLEY TITLE CO.

MARION COUNTY
 MAIN OFFICE
 318 CHURCH ST. N.E.
 P.O. BOX 825
 SALEM, OR. 97308

LINN COUNTY
 310 WEST THIRD
 P.O. BOX 981
 ALBANY, OR. 97321

LANE COUNTY
 845 EAST PARK
 P.O. BOX 10188
 EUGENE, OR. 97401

BENTON COUNTY
 582 N.W. VAN BUREN
 P.O. BOX 951
 CORVALLIS, OR. 97330

POLK COUNTY
 168 S.W. COURT ST.
 P.O. BOX 451
 DALLAS, OR. 97338

COOS COUNTY
 294 CENTRAL
 COOS BAY, OR. 97420

March 17, 1983

Waldport REalty
 P. O. Box 262
 Waldport, Oregon 97490

Attention: Darlene

At your request we have searched the records of Lincoln County Oregon for the ownership of Lot 26, Block 1, First Addition to YACHATS, and as of March 11, 1983 at 5:00 P.M. we find that the last deed of record runs to

Yachats Water District
 Dated: March 6, 1941
 Recorded: March 8, 1941
 Book 86, Page 637 of the
 Deed Records of Lincoln County, Oregon.

We further note that a portion of said Lot 26, Block 1, First Addition to Yachats was leased to Yachats Rural Fire Protection District, by Yachats Water District, by lease recorded April 15, 1970 in Book 18, page 307 of the Miscellaneous Records of Lincoln County, Oregon. Said Lease was dated May 1st, 1950 and expires May 1st, 1990.

Should you need further information, please contact the undersigned.

Yours very truly,

WILLAMETTE VALLEY TITLE CO.

By: *Barbara J. Tyler*
 Barbara J. Tyler
 Title Officer

COPY

BJT/s

CITY OF YACHATS
P. O. BOX 67
YACHATS, OREGON 97498
(503) 547-3565

*from Lincoln County,
Nothing is recorded*

September 13, 1983

Lincoln County Tax Assessor
County Courthouse
225 West Olive
Newport, OR 97365

SUBJECT: Memorandum of Lease between Yachats RFPD
and City of Yachats

Gentlemen:

The following is in response to your telephone request this morning.

1. The property identification on the memorandum should be: Lot 26, Block 1, First Addition to Yachats.
2. The enclosed copy of City Ordinance No. 51 shows the City is the successor of the Yachats Water District.

Sincerely,

Michiko T. Ryan
Michiko T. Ryan

enc.

ORDINANCE NO. 51

AN ORDINANCE ANNEXING CERTAIN TERRITORY

WHEREAS, there has been submitted to the City of Yachats, a proposal for annexation and consent thereto by all owners of the territory contiguous to the City which is described below;

WHEREAS, Ordinance No. 50 was passed, initiating the annexation of said territory, calling a hearing and directing that notice be given thereon, and since the hearing was held at which time all objections or remonstrances with reference to said proposed annexation were considered by the City Council and since the body feels that annexation is to the best interest of the City and of the contiguous territory, now, therefore,

THE CITY OF YACHATS ORDAINS AS FOLLOWS:

Section 1. Annexation Area. The following described contiguous territory is hereby proclaimed to be annexed to the City of Yachats:

That portion of the southeast quarter of the southwest quarter of Section 26, T 14 S, R 12 W, W.M., in Lincoln County, Oregon, lying southerly of the centerline of the Yachats River.

Section 2. Record. The City Recorder shall submit to the Secretary of State for the State of Oregon the following:

- 1) A copy of this Ordinance,
- 2) A copy of the Statement of Consent of the land owners in the territory annexed, and
- 3) A copy of the Ordinance No. 50 dispensing with an election in the City on the question of annexation.

The City Recorder shall also send a description by metes and bounds, or legal subdivision, of the new boundaries of the City

within ten (10) days of the effective date of annexation to the Lincoln County Assessor and Lincoln County Clerk.

WHEREAS, this annexation will bring the boundaries of the Yachats Water District within the boundaries of the City of Yachats, and therefore on the effective date of this ordinance by virtue of ORS 222.510 the District will be extinguished and the City shall succeed to all assets and become charged with all liabilities, obligations and functions of the District.

WHEREAS, it would be in the best interest of the City and of the District that the City take control of the assets, liabilities, obligations and functions of the District as soon as possible in order to coordinate the operations of the Water District an emergency is hereby declared to exist and this ordinance shall take effect on immediately.

PASSED BY THE CITY COUNCIL of the City of Yachats this 2 day of October, 1975.

APPROVED by the Mayor this 2 day of October, 1975.

Walter H Longmeyer
MAYOR

ATTEST:

James Long
City Recorder

Yachats Rural Fire
Protection District
P.O. Box 1
Yachats, Oregon 97498

September 26, 1989

City Council
City of Yachats
P.O. Box 67
Yachats, Oregon 97498

Dear Councilors:

The Yachats Rural Fire Protection District building on Second Street is getting quite crowded. We need to make some long range plans for storage of our equipment.

As you know, the building which the District owns sits partly on District land and partly on City land. We lease lots 8700 and 8701 from the City of Yachats for \$1.00 a year on a lease that runs until June 30, 2004.

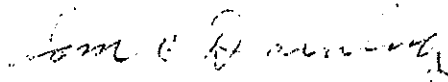
Would the City sell us lots 8700 and 8701 and at the same time grant us a variance so that we could enclose the area east from our building to Clark's Market?

We must make some decisions in the near future; therefore, we request that the Council discuss this matter and respond to us as soon as possible.

Sincerely yours,

YACHATS RURAL FIRE PROTECTION DISTRICT

Sam Dorning, Chairman



Yachats Rural Fire
Protection District
P.O. Box 1
Yachats, Oregon 97498

January 11, 1990

City Council
City of Yachats
P.O. Box 67
Yachats, Oregon 97498

Dear Councilors:

The Yachats Rural Fire Protection District hereby offers to buy Lots 8700 and 8701 from the City of Yachats for the amount of \$5,000 subject to the following two conditions. First, that the City drop the proposed Public Facility Zone on the property (leaving the property in Zone R-3), and second, that the City grant a variance to the East side setback limitations as is under review at this time.

We feel that this is a fair price for the following reasons:

- 1) The YRFPD has occupied the property continually since its inception in 1949.
- 2) The YRFPD owns the building that is on the property.
- 3) The YRFPD has an existing lease (at \$1.00 per year) that extends until June 30, 2004.

The Board asks that you accept this offer to purchase subject to the above conditions. The time limit on this offer is June 30, 1990.

Sincerely yours,

YACHATS RURAL FIRE PROTECTION DISTRICT

Sam C. Dorning, Chairman

COPY

Yachats Rural Fire
Protection District
P.O. Box 1
Yachats, Oregon 97498

April 11, 1990

City Council
City of Yachats
P.O. Box 67
Yachats, Oregon 97498

Dear Councilors:

The Fire District Board of Directors wishes the City Council to know that we are distressed that you are not listening to us.

We have sent you a resolution asking not to be included in the Public Facilities Zone, but you have put us in anyway.

We have paid for a variance hearing and it was canceled without notice to us. It has not been rescheduled nor has our money been returned.

We have sent you a proposal offering to buy the ground under the Fire Hall which was acquired by the City when the City took over the Water District. That letter has not even been acknowledged.

We have received some phoned and spoken promises, but none of them have been carried out. Due to these delays, we will not be able to add any much needed room this fiscal year. Since we are now preparing the budget for the next fiscal year, we need to know immediately what we can expect. If we cannot get any cooperation from the City, we may be forced to move from the City.

May we have a reply, in writing, telling us what your intentions are with respect to our needs?

Sincerely yours,

YACHATS RURAL FIRE PROTECTION DISTRICT

Sam Dörning, Chairman

Donna Brewer, Secretary/Treasurer

CITY OF YACHATS

500 WEST SEVENTH STREET

P.O. BOX 345

YACHATS, OREGON 97498

(503) 547-3565

April 19, 1990

Yachats Rural Fire Protection District
PO Box 1
Yachats, Oregon 97498

COPY

Dear Firepeople,

Mayor Chamberlin asked us to respond to your letter of April 11, rather than await presentation at the May Council meeting. We apologize for delays due to (unwarranted) optimism about process, inadequate communication, and consequent misunderstandings. Carol spoke by telephone with Sam Dorning last December regarding both the PFZ and the variance request. From that conversation we inferred that the Fire District was willing to coalesce with the City through the rather slow and somewhat complicated process the State recommended we take, in order to reach the ultimate goal that would accommodate the District's request. From conversations with Sam Dorning and Donna Brewer, City officials concluded, also, that the District has decided to enlarge present facilities rather than to seek other space. We are congenial to that goal and wish to help you attain it.

To reiterate, Planning Commission and Council accepted direction by Gail McEwen, of the State LCDC for our Comprehensive Plan Review. She said that to designate a Public Facility zone we needed to include all publicly owned land in the City. Our intention has been, once the Comp plan was adopted, to hold hearings to change the fire station property to a commercial zone. Then the Fire District could build right up to the property line without needing a variance. That seemed to solve both of our problems. If this is to be the procedure your fee will certainly be refunded.

Council completes deliberation of the Comprehensive Plan Review in May. The Plan must be adopted by the City and approved by the State before June 30. The Planning Commission intends to start the rezoning hearing at its June 28th meeting. The Council should hold a hearing at its July 12 meeting. This should give you time to build by August 1 if you so choose. As you know a request for rezoning commercial this and adjacent property has been made, and will be considered at this meeting. Several officers of the YRFPD signed this petition. This clouds the issue somewhat. Some may object to the larger parcel who would not object to rezoning the fire station property. We will do our best to expedite your primary concern.

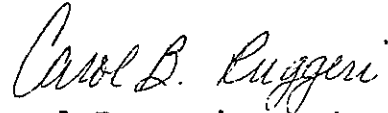
Your offer to purchase the property under the Fire Hall was received by the Council. You stipulated a time limit of June 30, 1990. The offer was conditioned upon a) the City dropping the proposed Public Facility zoning and leaving the property in Zone R-3, and b) granting the requested variance. You may wish to reconsider these conditions. If the property should be rezoned either commercial or Public Facilities we couldn't respond to your offer even if you were to receive a variance. If you intend enlarged facilities on the present site either course will suffice: variance (from R-3 or PF) or rezoning commercial. If you seek to protect land values against possible future sale and relocation, then land use hearings always provide a way to rezone. Your resolution of conditions attached to the offer will need to precede serious consideration by the Council of the proposed purchase. Accordingly the City hasn't taken formal action. Informally Councilors felt the amount offered, a flat \$5000.00, was inadequate to property value.

Thanks for your patience. These have been hectic months for us all. We appreciate very much the work of the Fire District. We are all volunteers on behalf of the common good of our community. I hope we can continue to work together harmoniously.

Sincerely,



Arthur O. Roberts
Building Commissioner



Carol Ruggeri, Chairperson
Planning Commission

cc: Mayor Chamberlin

Yachats Rural Fire
Protection District
P.O. Box 1
Yachats, Oregon 97498

August 15, 1990

Yachats City Council
P.O. Box 67
Yachats, Oregon 97498

Dear City Council Members:

Thank you for your letter in response to our January and April letters.

Since the rezoning of District property has still not been resolved, we are hesitant to go ahead with building plans. We would, however, like to get the ownership of the land cleared up.

You indicate in your letter that our January offer of \$5,000.00 may not be sufficient. What do you believe is a fair price?

As you know, the Yachats Fire Department has been on this property for about 50 years. Also, the City did not purchase the land--just inherited it. We offered \$5,000.00 so that you would not be accused of giving away City property. In light of the fact that the property is encumbered by our long term lease and our building plus the fact that the City has just bought the School property from another Government agency at an under-market price, we don't feel that you will be chastised for selling it for less than its bare land value. We also point out that the City enjoys fire protection at absolutely no cost, while the Fire District is required to pay the City for water, sewer and rent.

Please let us know what price you believe to be fair, or perhaps we could have a meeting to discuss the issue.

Sincerely yours,

YACHATS RURAL FIRE PROTECTION DISTRICT

Sam C. Dorning, Chairman

Yachats Rural Fire
Protection District
P.O. Box 1
Yachats, Oregon 97498

April 10, 1991

Mr. James Ruggeri, Attorney
City of Yachats
P.O. Box 345
Yachats, Oregon 97498

Dear Mr. Ruggeri:

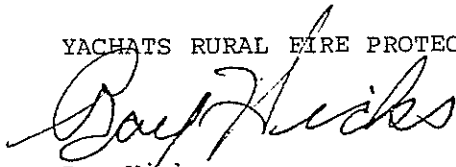
You have asked the Yachats R.F.P.D. Board to respond to your latest proposal by the City Council meeting on April 11.

At the board meeting of April 8, 1991, the Board made the decision to abandon our attempt to buy the ground under one-half of our Fire Department building. We will continue to operate under the terms of our lease.

Thank you for your efforts to arrive at a price satisfactory to both the City and the Fire District. It appears to us, however, that we cannot spend a great deal of taxpayer's money to acquire the land when there is no assurance that we will be able to expand or to sell the land and building that we own.

Sincerely yours,

YACHATS RURAL FIRE PROTECTION DISTRICT



Ray Hicks
Vice-Chairman

Yachats Rural Fire
Protection District
P.O. Box 1
Yachats, Oregon 97498

May 15, 1991

City Council
City of Yachats
P.O. Box 345
Yachats, Oregon 97498

Dear Councilors:

The Board of Directors of Yachats Rural Fire Protection District wishes to thank you for sending City Attorney Jim Ruggeri to our meeting with your proposals regarding Lots 8700 and 8701.

The Board decided that we would like to accept your offer to sell the land to us for \$1.00 while reserving one-half of any future sale proceeds for the City.

Would you please have your attorney draw up some definite wording on how the sale proceeds split would be computed before we take any final action?

We request that as a part of the arrangement that we would be given title to the property.

We realize that this must go to a vote of the people and that we have agreed to pay one-half of the cost. While we would like to go ahead immediately with the transaction, we do not believe that a special election is necessary. There is no particular hurry on our part. It is more important that this all be straightened out correctly.

Please call Sam Dorning or me if you have any questions or when there is anything we can do to help with the language of the agreement.

Sincerely yours,

YACHATS RURAL FIRE PROTECTION DISTRICT

Donna L. Brewer

Donna L. Brewer, Secretary/Treasurer

James L. Ruggeri
ATTORNEY AT LAW
P.O. Box 669
Yachats, Oregon 97498
(503) 547-4242

hand delivered
9/4/91 10:39 AM
unsigned

September 3, 1991

Mrs. Donna Brewer
Yachats Rural Fire Protection District
P. O. Box 1
Yachats, Oregon 97498

Re: Second Street property

Dear Donna:

The Council is in receipt of your response to the City's counter offer which may have been misunderstood. It is perplexing to understand the District's hesitancy to enter into a sales agreement involving the property. The City basically accepted your offer of 3/4 - 1/4 split with the provision that if the District sold the property within the first ten years then the split would be 50 -50. Do you plan to sell within 10 years?

The City's last offer was to either split any future sale proceeds 60% District - 40% City or for the first 10 years to have a 50 -50 split and after 10 years the split would be the Districts proposed 75% District - 25% City. The City is willing to enter into such an agreement to help provide for the Districts base of operation to remain at the present location. The 10 year stipulation is a means of ensuring that if the District sold the property within 10 years the City would receive an equitable share.

During these negotiations, I have often heard that the building belongs to the Fire District. I would encourage you to discuss ownership of the building with your attorney. In my discussions with Ray Hicks we were trying to agree on value of the land. The City is not looking at absolute value but the concept of providing for the citizens of Yachats.

The Council is not interested in the legal issues. They want to allow the District to renovate their facilities and have a comfort level about expending District funds on City owned property. There are two elements to this dilemma. First, the District encompasses an area much larger than the City's boundaries. Second, the Yachats voters recently required a vote if any city owned property if sold. The City Council is required to manage the assets of the City and thus can not "give" the property to the District.

duff

The Council would like to have the fire hall/trucks/equipment stationed within the City limits. With the renovated water system and additional storage capacity the fire rating for the City should go down. If the fire station were to move the rating may go up. A question that has not been answered is what are the Districts plans for a new fire station? If the District is going to renovate the existing building and stay "forever" then what difference does the split or number of years make?

A new possibility is the City will "sell" for \$1.00 the property to the District so long as the District maintains a working fire station including fire truck and equipment within the City limits. You can't beat that - no cash (we can all help raise the construction funds) and all you have to do is fulfill the purpose of the District and maintain a working fire station in the City.

There is a September 5 deadline for the November ballot. However this is an important issue. The ballot could also be the focal point to kick off the construction funding. You may want to take the opportunity of the election to show people plans for the new building. If you have any other ways to structure the transaction please let me know. Give me a call if you'd like to proceed.

Sincerely,

Jim Ruggeri

cc: City Council