

RESOLUTION No. 12/13-6

Title: *A Resolution Authorizing the First Amendment to a Lease Agreement for a Portion of the City of Dayton Watershed located off of Breyman Orchards Road in Yamhill County, Oregon*

WHEREAS, the City of Dayton and Suzanne R Hurford and Carolyn J Ackerman wish to enter into a Lease Agreement for the lease of approximately 6.52 acres in the City of Dayton Watershed [formerly identified as Tax Lot Nos. R4304-1600 (3.6 acres) and R4304-1700 (2.92 acres)], for the purpose of continuing to provide a water source and reservoir facilities for the City; and

WHEREAS, the City is authorized to enter into agreements for the leasing of real property pursuant to ORS 271.390;

The City of Dayton resolves as follows:

- 1) **THAT** the Dayton City Council hereby adopts the attached Lease of Real Property - First Amendment between the City of Dayton, Oregon and Suzanne R Hurford and Carolyn J Ackerman, for the lease of approximately 6.52 acres of the City of Dayton Watershed located off of Breyman Orchards Road (attached hereto as Attachment A and by this reference made a part hereof) and formerly identified as Tax Lot Nos. R4304-1600 (3.6 acres) and R4304-1700 (2.92 acres), and authorizes the Mayor to execute same; and
- 2) **THAT** this resolution will be effective immediately upon adoption by the City Council.

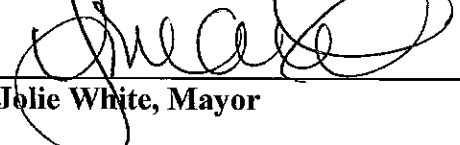
ADOPTED this 6th day of **August, 2012**.

In Favor: Bixler, Evers, Frank, Utt, White

Opposed: None

Absent: Blackburn, Wytoski

Abstained: None

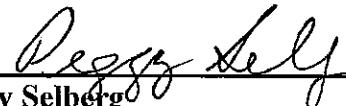


Jolie White, Mayor

10/16/12

Date of Signing

ATTEST:



Peggy Selberg
City Recorder

8/6/2012

Date of Enactment

Attachment - Exhibit A

Lease of Real Property – First Amendment

This is the First Amendment to that LEASE OF REAL PROPERTY executed on January 7, 2008 (“Lease”), by and between Suzanne R. Hurford and Carolyn J. Hurford, now legally named Carolyn J. Ackerman (“Lessor”) and the City of Dayton, an Oregon municipal corporation (“Lessee”).

RECITALS

- A. Both parties entered into a Lease whereby the Lessee uses the property described in Exhibit A to the Lease that is owned by the Lessor as a watershed for the City of Dayton.
- B. Both parties desire to amend the Lease to extend the term and to set new annual rent increases.

In consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree to the amendments to the Lease as set forth below.

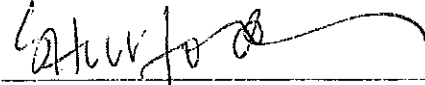
TERMS

- 1. The TERM section of the Lease is revised to read in its entirety:
“The term of this lease shall continue from the date of execution through December 31, 2041, or until terminated by a ninety (90) day written notice by either party. Before December 31, 2013, both parties agree to discuss terminating this lease in the event both parties agree to a property line adjustment, acquisition by the Lessee of a permanent easement over the property, or an option for Lessee to purchase the property at a date to be determined by both parties.”
- 2. The RENTAL section of the Lease is revised to read in its entirety:
“Lessee agrees to pay Lessor the sum of \$2,000 per year with the next payment due on October 1, 2012. Each October 1 thereafter, during the term of this lease, the rental payment will be adjusted in a percentage amount equal to the percentage change in the Consumer Price Index for all Urban Consumers for West-B/C All Items, and reported for January of the of the current year compared to January of the previous year, as published by the Bureau of Labor Statistics. The Parties agree that the rent payable by the Lessee has been established to reflect the savings below market rent resulting from the exemption from taxation.”

The Lease, as hereby amended, is in full force and effect. Except as expressly modified by this Amendment, the terms, provisions covenants and conditions of the Lease shall remain unchanged and are hereby ratified and confirmed as being in full force and effect. In the event of any conflict or inconsistency between the terms of this Amendment and the Lease, the terms of this Amendment shall control.

Date: 8/16/12

Lessors:



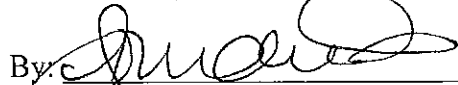
Suzanne R. Hurford



Carolyn J. Ackerman

Lessee:

City of Dayton, a municipal corporation



Mayor, City of Dayton