

Council Business Meeting

June 20, 2017

Title: Conveyance of Real Property – YMCA Park
From: Michael A. Black, AICP Parks Director
michael.black@ashland.or.us

Summary:

After a mutually beneficial relationship lasting over thirty-one years, the Ashland YMCA and Ashland Parks and Recreation Commission (APRC) have decided to conclude their partnership at the YMCA Park. Historically, APRC has maintained the fields and facilities at the park at no cost to the YMCA. Although youth programs will continue at the Park through the Ashland YMCA organization, the property will be deeded back to the YMCA and the two agencies will no longer maintain their historic relationship of landlord and tenant.

YMCA Park is located adjacent to the Ashland YMCA facility on Tolman Creek Road and encompasses 6.56 acres, including a parking lot, soccer fields, playground and multi-purpose building. In 1986 the YMCA and APRC entered into an agreement resulting in a deed of 6.56 acres of land to APRC at no cost. According to the agreement, APRC agreed to build out and maintain the facility over time at no cost to the YMCA so long as they implemented and managed a soccer program for Ashland youth at the Park.

During the thirty-one-year partnership, the YMCA has used the property to accomplish a youth soccer program, among other programs and events that have benefited thousands of Ashland's youth and families. At this time, however, it is clear that the Park is disproportionately used by the YMCA for their growing programs which limits the "free play" time at the Park to those times the YMCA does not have the facilities reserved.

APRC has agreed to deed the land back to the YMCA for the cash consideration of the depreciated value of the existing improvements (parking lot, restrooms, playground and fields). Additionally, the YMCA has committed to continue to offer soccer and other youth programs on the fields for an indefinite amount of time. APRC will use the funds that are collected from the conveyance of the property to build a new facility in the immediate area that will replace the playground, picnicking areas and restrooms in a new neighborhood park.

The Oregon Revised Statutes allow the City to convey real property whenever the "public interest may be furthered":

"(1) . . . a political subdivision may sell, exchange, convey or lease for any period not exceeding 99 years all or any part of their interest in the property to a governmental body or private individual or corporation. The consideration for the c or lease may be cash or real property, or both." ORS 271.310(1)."

Actions, Options, or Potential Motions:

The Ashland Parks Commissioners have voted to convey the 6.56 acres of land that makes up the YMCA Park back to the YMCA with consideration for the values associated with the capital improvements on the site. The City Council may choose to either approve the Commissioner’s decision or reject it.

Potential motion:

I move that the City Council approves the recommendation of the Park Commissioners to convey 6.56 acres of land which comprises the YMCA Park to the Ashland YMCA for cash and other considerations listed in the staff report.

Staff Recommendation:

Staff recommends that the City Council affirm the decision of the Ashland Parks Commissioners to convey the YMCA Park property back the YMCA with the following conditions:

1. YMCA will pay APRC \$480,000 cash at the time of the sale for the 2017 Depreciated Replacement Cost Estimate, according to the 2017 Appraisal
2. YMCA will guarantee that the full site will be used for youth sports for the next ten years with a penalty of \$270,000 if YMCA sells any of the land or quits providing youth sports at the Property
3. YMCA will grant a pedestrian and bicycle easement through the Property while APRC owns adjacent property, or until a public right of way from Tolman to Clay Street is constructed adjacent to the Property
4. YMCA will allow citizens of Ashland to use the playground facility for active play, while not already in use by the YMCA, until APRC builds a new park, with a playground, within a quarter mile of the existing park or for two years – whichever is less.

Resource Requirements:

The resources used to improve the property in the 1980s were dedicated assets from the Parks fund. No resources are required for the conveyance of this property. In fact, the YMCA will pay the Ashland Parks and Recreation Commission \$480,000 in cash at conveyance and the following fiscal benefits will also be realized with the conveyance of the property:

1. YMCA will continue to provide soccer and youth sports for at least ten years. APRC will no longer be responsible for the cost associated with the field maintenance to provide this recreational service to the citizens of Ashland during that time.
2. APRC will be able to remove itself from the perpetual deed and its associated fiscal requirements conclusively.
3. APRC will save the deferred maintenance costs required at the YMCA Park.
4. The proceeds from the sale of the land will go directly to the replacement of restroom facilities, playground and other amenities within a new park close to the YMCA park, ensuring that citizens do not “lose” a park facility through the sale of this land

Policies, Plans and Goals Supported:

The action requested in this Council Communication is supported by the following APRC goals:

Negotiate with the Ashland YMCA to rid APRC of the restrictive deed that currently governs the use of APRC's "YMCA Park."

Background and Additional Information:

The Property was first purchased by the Ashland YMCA from Devex, Inc. in 1980. In 1986, the YMCA and the Ashland Parks and Recreation Commission reached an agreement of conveyance of the unimproved land to APRC at no cost with the following conditions:

1. Within two years, APRC will complete all improvements including:
 - a. Irrigation
 - b. Fill, level and plant grass playing fields
 - c. Build multi-purpose building (restrooms, concessions and shelter)
 - d. Develop paved parking area
2. YMCA will have the first right to all property except parking lot, with the right to exclusive use during the times requested by YMCA, in perpetuity
3. APRC and public can use the park when YMCA is not
4. APRC will not charge YMCA any fees or costs for the use of the fields and appurtenant facilities, in perpetuity
5. *"APRC shall maintain the park and the playing fields suitable for soccer so long as the YMCA maintains a soccer program."* (quoted from deed of 1986)

In late 2016, an appraisal was contracted for the property with Brown, Chudleigh, Schuler, Myers and Associates out of Medford, OR. The appraiser evaluated the land based on its current value considering the deed restrictions cited above.

The appraised values of the land are as follows (from 2017 Brown, Chudleigh, Schuler, Myers and Associates appraisal):

- a. "As Is" Market Land Value (February 10, 2017): **\$0 (ZERO DOLLARS)**
- b. Depreciated Replacement Cost Estimate of Site Improvements (February 10, 2017): **\$480,000.00**

From the 2017 Appraisal:

"It is our opinion that with the onerous deed restriction, which constitutes a substantial burden to a buyer, no well-informed or well advised buyer would purchase a property that cannot be developed to its highest and best use. Therefore, since the definition of market value cannot be met, in our opinion, the market value of the fee simple interest in the subject land would be zero."

– 2017 Brown, Chudleigh, Schuler, Myers and Associates Appraisal, Page iii

In addition, the cost of maintenance of the park is estimated at between \$35,000 and \$50,000 for the full 6.56 acres. Utility costs are lower than some parks due to the fact that the main water source on the property is from a well shared with the YMCA. The cost of maintenance is something that is incumbent upon Ashland Parks to provide as long as the restrictive deed is in

place. Aside from routine maintenance, all other major maintenance and replacement at the park is also the responsibility of Ashland Parks.

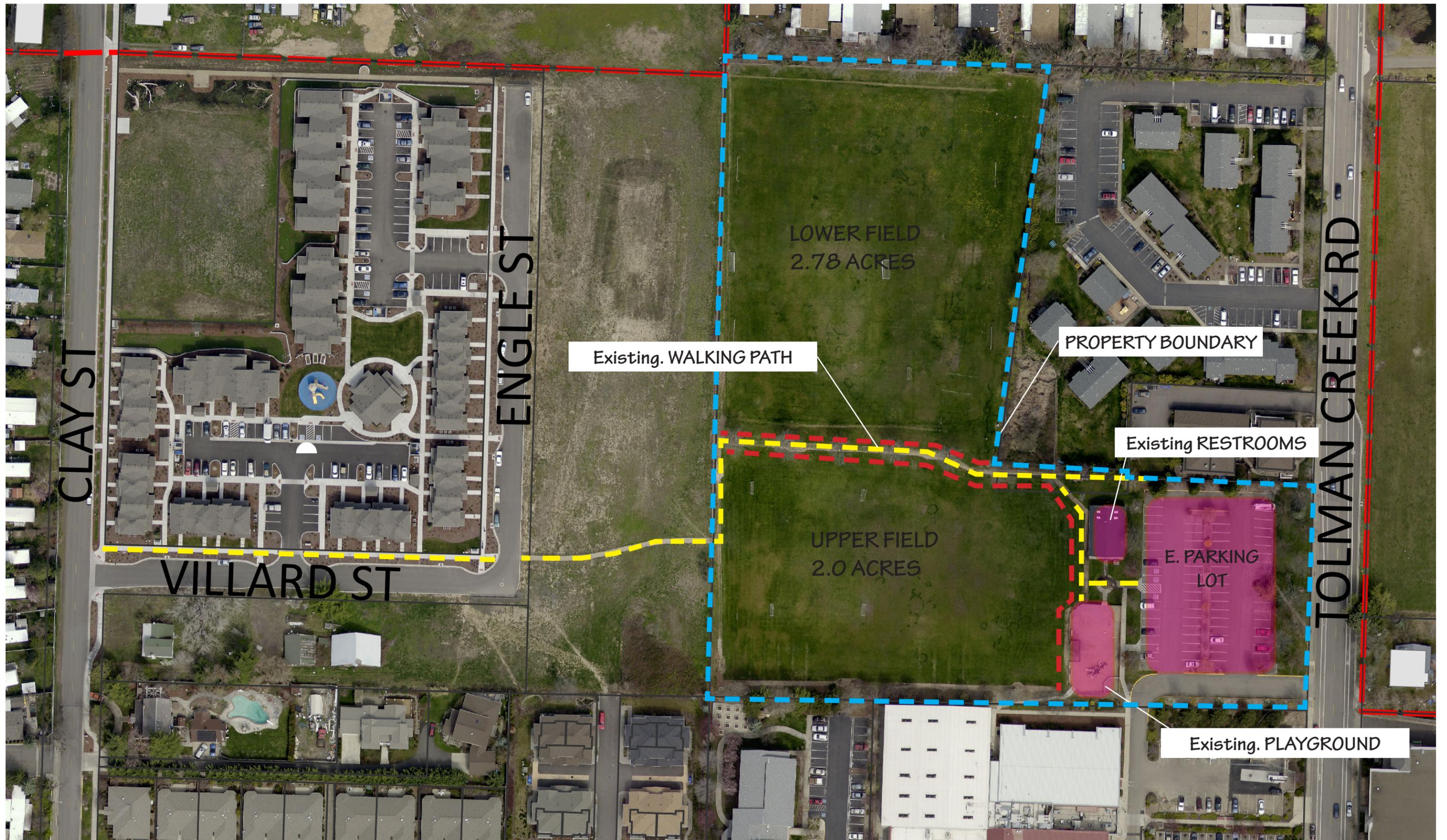
The Ashland YMCA does not wish to relinquish the water rights to the well and the city's water rights to the well will be conveyed to the YMCA with the sale.

Park Replacement:

APRC owns property in the vicinity of the YMCA Park and, in keeping with the goal of providing parks within walking distance of our citizens, we will develop a new park to replace the YMCA Park that will be open to the public as a neighborhood park. The timeline for replacement is estimated at two-years and during that time, the YMCA has agreed to allow the public to continue to access some of the facilities at the YMCA Park.

Attachments:

1. YMCA Park Map
2. 1986 YMCA Park Restrictive Deed
3. 2017 Brown, Chudleigh, Schuler, Myers and Associates Appraisal



YMCA PARK

APRC - December 19, 2016
NOT TO SCALE

86-19956 BARGAIN AND SALE DEED 1.37 44-18

KNOW ALL MEN BY THESE PRESENTS, That Young Men's Christian Association of Ashland, Oregon, hereinafter called grantor,

for the consideration hereinafter stated, does hereby grant, bargain, sell and convey unto City of Ashland, Oregon

hereinafter called grantee, and unto grantee's heirs, successors and assigns all of that certain real property with the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining, situated in the County of Jackson, State of Oregon, described as follows:

A tract or parcel of land situated in the Southwest quarter of Section 11, Township 39 South, Range 1 East of the Willamette Base and Meridian, Jackson County, Oregon and being more fully described as follows:

Commencing at the section corner common to Sections 11, 12, 13, and 14, said Township and Range; thence North 78°45'23" West, 3,435.60 feet to a 5/8 inch iron rod situated in the Westerly right of way of Tolman Creek Road, as said road has been resurveyed and monumented, for the TRUE POINT OF BEGINNING; thence leaving said right of way, South 89°57'36" West, 315.08 feet to a found 3/4 inch crimped top iron pipe; thence South 89°53'31" West, 311.27 feet to a 5/8 inch iron rod and being the Northeast corner of that parcel of land first described in that Boundary Line by Agreement, recorded as Document No. 75-15343 of the Official Records of Jackson County, Oregon; thence leaving said agreement line, North 00°18'53" West, 666.31 feet to a 5/8 inch iron rod; thence South 89°31'33" East, 340.84 feet to a 5/8 inch iron rod; thence South 05°54'53" West, 415.56 feet to a 5/8 inch iron rod; thence South 88°10'59" East, 137.42 feet to a 5/8 inch iron rod; thence South 00°19'18" West, 8.44 feet to a 5/8 inch iron rod; thence East, 194.99 feet to a 5/8 inch iron rod situated in the Westerly right of way of Tolman Creek Road as hereinabove referred to; thence South 00°04'09" West along said Westerly right of way, 236.52 feet to the point of beginning.

To Have and to Hold the same unto the said grantee and grantee's heirs, successors and assigns forever.

The true and actual consideration paid for this transfer, stated in terms of dollars, is \$ NONE.

However, the actual consideration consists of or includes other property or value given or promised which is the whole consideration (indicate which).

In witnessing this deed and where the context so requires, the singular includes the plural and all grammatical changes shall be implied to make the provisions hereof apply equally to corporations and to individuals.

In Witness Whereof, the grantor has executed this instrument this 6th day of OCTOBER, 1984; if a corporate grantor, it has caused its name to be signed and sent attixed by its officers, duly authorized thereto by order of its board of directors.

THIS INSTRUMENT WILL 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.

STATE OF OREGON, County of JACKSON

The foregoing instrument was acknowledged before me this OCTOBER 6, 1984, by Allen G. Drescher, president, and Margaret B. Allen, secretary of Young Men's Christian Association of Ashland, Oregon.

Notary Public for Oregon My commission expires: Notary Public for Oregon My commission expires:

STATE OF OREGON, County of Jackson

I certify that the within instrument was received for record on the day of 1984 at o'clock M., and recorded in book/reel volume No. on page or as fee/file/instrument/microfilm/reception No. Record of deeds of said county.

Witness my hand and seal of County affixed.

By Deputy

NAME TITLE

By Deputy

NAME TITLE

By Deputy

NAME TITLE

By Deputy

NAME TITLE

86-19956

Grantee shall use said real property as a city park, in perpetuity, in accordance with the terms and conditions set forth in the "Maintenance and Use Agreement" a copy of which is attached hereto as Exhibit D.

Grantor reserves unto itself, its assigns, and successors in interest a perpetual, non-exclusive easement to use for the benefit of Grantor's real property described in Exhibit C all utility, sewer and drainage easements that encumber or exist upon or across the real property described in Exhibit A and also the right to use any and all existing drainage ditches, pipes and water courses whether or not easements exist at the time of this conveyance to use such ditches, pipes and water courses.

Grantor reserves unto itself its officers, employees, members and guests a perpetual, non-exclusive easement to use the parking area designated on the diagram attached hereto as Exhibit B for the parking of vehicles used by Grantor, its employees, officers, members, and guests; and Grantor reserves unto itself, its officers, employees, members and guests a perpetual non-exclusive easement to use all roadways and premises open to the public for the use of motor vehicles on the real property described in Exhibit A as access to the real property described in Exhibit C from Tolman Creek Road to that certain strip of land designated on the diagram attached as Exhibit B as "YMCA access" lying upon Exhibit A thence along a strip of land, twenty feet in width, on Exhibit A in the location designated in Exhibit B as "YMCA access" from the parking area on Exhibit A and designated on the diagram attached as Exhibit B to the real property owned by Grantor and described in Exhibit C and designated on the diagram attached as Exhibit B as "YMCA Land." Grantor shall have the right to construct a roadway upon the strip of land on Exhibit A and designated on Exhibit B as "YMCA access" for the use of motor vehicles and pedestrians, and, in this event, Grantor shall maintain said roadway in a safe condition. This access easement shall be personal to Grantor, its officers, employees, members and guests and may not be assigned or conveyed to any other person. Grantor shall hold Grantee harmless from any claims arising against Grantee as a result of use of the access easement reserved herein by Grantor, or by Grantor's employees, officers, members or guests.

Grantor reserves unto itself, a perpetual, non-exclusive easement to use the southerly ten (10) feet of the real property conveyed hereby and described in Exhibit "A" for use by Grantor to install, maintain, repair and replace underground water, sewer, electrical, and other utility services, for the benefit of Grantor's real property described in Exhibit "C" attached hereto.

Grantor reserves unto itself a perpetual easement to use, jointly with Grantee, the existing well and water from the existing well on the real property conveyed hereby and described in Exhibit "A", together with the right to install a pump and pipes from said existing well across the real property described in Exhibit "A" by the most direct route to the utility easement reserved herein and lying on the southerly ten feet of the real property described in Exhibit "A" to Grantor's real property described in Exhibit "C", and also a perpetual easement to install, repair, and maintain said well, pump, and pipes from said well along said easement and to Grantor's real property described in Exhibit "C", for the purpose of furnishing water to any YMCA building or facilities placed upon and used by Grantor on Grantor's real property described in Exhibit "C"; provided, however, that Grantor's use of the well and water shall not interfere with or diminish Grantee's right to use the same for park purposes on the real property described in Exhibit "A", and in the event of any conflict between Grantor and Grantee in the use of said water and well, Grantee shall have the right to use the same for park purposes on the real property described in Exhibit "A", and Grantor's right to use the same shall be curtailed in order to permit Grantee to use the same.

EXHIBIT "C"

86-19956

39 1E 11C Tax Lot 1000

A tract or parcel of land situated in the Southwest quarter of Section 11, Township 39 South, Range 1 East of the Willamette Meridian, Jackson County, Oregon and being more fully described as follows:

Commencing at a found iron pipe with a bronze cap situated at the Southeast corner of Section 11, said Township and Range; thence North $80^{\circ} 29' 41''$ West, 4051.67 feet to a found $5/8$ inch iron rod situated in that Boundary Line by Agreement recorded as Document No. 75-15343 of the Official Records of Jackson County, Oregon, and being referred to in said document as found per Recorded Survey No. 5613, said iron rod being the True Point of Beginning; thence South $00^{\circ} 42' 02''$ West along said agreement line, 269.38 feet to a $5/8$ inch iron rod; thence leaving said agreement line, South $89^{\circ} 52' 39''$ East and parallel to the relocated Green Springs Highway as shown on the Oregon State Highway Map No. 90-8-22, dated March 1971, a distance of 110.01 feet to a $5/8$ inch iron rod; thence South $00^{\circ} 42' 02''$ West, 104.00 feet; thence South $89^{\circ} 52' 39''$ East, 66.37 feet; thence along the arc of a 54.462 foot radius curve to the left, the radial bearings "in and out" are North $73^{\circ} 44' 43''$ East and South $60^{\circ} 07' 22''$ West (the central angle is $13^{\circ} 37' 21''$) 12.95 feet; thence along the arc of a 54.462 foot radius curve to the right, the radial bearings "in and out" are South $60^{\circ} 07' 22''$ West and South $89^{\circ} 17' 50''$ East (the central angle is $30^{\circ} 34' 40''$) 29.065 feet to a $5/8$ inch iron rod; thence South $00^{\circ} 42' 02''$ West, 75.87 feet to a $5/8$ inch iron rod; thence along the arc of a 82.473 foot radius curve to the right, the radial bearings "in and out" are North $89^{\circ} 17' 50''$ West and South $61^{\circ} 24' 58''$ East (the central angle is $27^{\circ} 53' 00''$) 40.135 feet to a $5/8$ inch iron rod; thence along the arc of a 82.473 foot radius curve to the left, the radial bearings "in and out" are South $61^{\circ} 24' 58''$ East and North $89^{\circ} 17' 50''$ West (the central angle is $27^{\circ} 53' 00''$) 40.135 feet to a $5/8$ inch iron rod; thence South $00^{\circ} 42' 02''$ West, 53.53 feet to a $5/8$ inch iron rod situated in the Northerly right of way line of the relocated Green Springs Highway, as hereinabove referred to; thence South $89^{\circ} 52' 39''$ East along said highway right of way line, 145.03 feet to a $5/8$ inch iron rod situated at the South-Southeast corner of Parcel No. 3, as shown on that Minor Land Partition filed for record the 28th day of September, 1981 at 4:17 P.M. and recorded in Volume 4, Page 68 of "Minor Land Partitions" in Jackson County, Oregon; thence leaving the Northerly highway right of way line, North $00^{\circ} 21' 05''$ East along the Easterly boundary line of said Parcel No. 3, a distance of 368.06 feet to a $5/8$ inch iron rod; thence North $89^{\circ} 57' 36''$ East, 316.32 feet to a $5/8$ inch iron rod situated at the East-Southeast corner of said Parcel No. 3 and being common with the Westerly right of way line of Tolman Creek Road, as said road has been resurveyed and monumented; thence North $00^{\circ} 04' 09''$ East along the Westerly right of way of said road, 126.27 feet to a $5/8$ inch iron rod; thence leaving said Westerly right of way, South $89^{\circ} 57' 36''$ West, 315.70 feet to a $5/8$ inch iron rod; thence North $00^{\circ} 21' 05''$ East (deed record 126.27 feet) 126.27 feet to a found $3/4$ inch pinched top iron pipe situated at the North-Northeast corner of said Parcel No. 3; thence South $89^{\circ} 53' 31''$ West, 311.27 feet to the point of beginning.

EXHIBIT "D"

86-19956 MAINTENANCE AND USE AGREEMENT

The parties to this agreement are the Ashland Family YMCA, hereafter referred to as YMCA; the Ashland Parks and Recreation Commission of the City of Ashland, Oregon, hereafter referred to as the Park Commission; and the City of Ashland, Oregon.

Whereas, the YMCA has agreed to dedicate to the City of Ashland, Oregon, certain real property described in Exhibit A attached hereto for use as a city park under the control and management of the Park Commission as provided in Article XIX, Section 3 of the Charter of the City of Ashland, Oregon, hereafter referred to as the Park;

Whereas the YMCA operates various programs consistent with its tax exempt purposes as a nonprofit organization hereafter referred to as YMCA Programs; and

Whereas, the Park Commission intends to construct improvements upon the Park in two phases, hereafter referred to as Phase I and Phase II upon segments of the Park as outlined on the diagram attached hereto as Exhibit B;

Now, therefore, the parties agree as follows:

1. Within one year after the date of this agreement the Park Commission shall complete the following improvements upon Phase I:

a. Install functioning irrigation system connected to the existing well on the property to be upgraded with pump to be installed and connected to irrigation system adequate to irrigate all playing fields indicated on diagram.

-1- Agreement

5

86-19956

b. Fill, level, and plant grass seed suitable for multi-purpose playing fields, including suitability for soccer, in area indicated on diagram.

c. Construct multi-purpose building including restrooms, concession and storage in area indicated on diagram.

d. Develop unpaved parking area for a minimum of 80 cars and landscaping to meet applicable city codes and irrigation system for landscaping where indicated on diagram.

2. The Park Commission shall use reasonable, good faith efforts to complete the following improvements upon Phase II within two years after the date of this agreement, provided if the Park Commission is unable to perform its obligations under this subparagraph regarding Phase II within said time due to unforeseen circumstances beyond the control of the parties to this agreement, then the Park Commission shall use reasonable good faith efforts to complete the following improvements upon Phase II as soon as practical and in no event later than three years after the date of this agreement:

a. Develop upper field area for multi-purpose playing fields including suitability for soccer.

b. Pave parking area and install playground equipment and picnic area so as not to interfere with use of playing fields.

3. By January 1 of each year, commencing January 1, 1987, the YMCA shall submit to the Park Commission, in writing, a schedule of YMCA programs for the calendar year commencing on

86-19956

January 1 of that year to be carried out by the YMCA in the Park, specifying the dates and hours of such programs and the nature of such programs. By February 1 of each year the Park Commission shall approve usage of the Park by the YMCA on the dates and times set forth in the schedule submitted by the YMCA for the programs described in such schedule. Approval of such schedule shall not be unreasonably withheld by the Park Commission based upon the public interest provided that the YMCA shall be given preferential treatment, after Parks and Recreation Commission use, in scheduling use of the park, in consideration of the gift of the land. The Park Commission shall not authorize any other person or entity to use the playing fields or multi-purpose building in the Park during the times approved by the Park Commission for use of such playing fields and building by the YMCA. The YMCA shall have the exclusive right to use the playing fields and multi-purpose building in the Park during the times approved by the Park Commission for use by the YMCA. The YMCA is authorized to place a notice, in the Park informing the general public that during certain times approved by the Ashland Parks and Recreation Commission the YMCA shall have the exclusive right to use the playing fields and multi-purpose building.

4. The Park shall be administered by the Park Commission as a City Park, and the YMCA shall have the right to use the Park on the same basis as any other person or entity during those times when the YMCA does not have the exclusive right to use the playing fields and multi-purpose building, provided, however,

-3- Agreement

7-

86-19956

that there shall be no fees or costs charged to the YMCA or by the YMCA for use of the Park or any park, playing fields or facilities at any time, in perpetuity. The YMCA shall have the right to use the playing fields, park and facilities in the park at no cost to the YMCA in perpetuity for YMCA programs during all times when such use is approved by the Park Commission.

5. During all times when the YMCA uses the park or playing fields in the park or park facilities for any YMCA programs or purposes, the YMCA shall hold the Park Commission and City of Ashland harmless from any and all claims arising against the Park Commission or the City of Ashland and its employees, officers, and officials for any injuries or damages sustained by any person, other than employees, officers and officials of the Park Commission or City of Ashland, arising as a result of the use of the Park by the YMCA and due to any cause other than the negligence of the City of Ashland or the Park Commission or its employees, officers or officials.

6. The Park Commission shall maintain the park and the playing fields suitable for soccer as long as the YMCA maintains a soccer program and facilities in the Park.

7. The YMCA shall exercise reasonable care to supervise its use of the Park in a reasonable manner.

8. The YMCA shall have the right to store athletic equipment and supplies in the multi-purpose building in an area designated by the Park Commission during the YMCA usage schedule as approved by the Parks Commission.

-4- Agreement

8

86-19956

9. The YMCA shall have the right to leave portable soccer goals on the site in the Park throughout the year in perpetuity.

10. The YMCA shall have the right to "line" soccer fields on the playing fields in the Park from time to time in perpetuity.

11. The name of the Park shall be "Ashland YMCA City Park."

12. The City of Ashland shall co-operate with the Park Commission in the performance of its obligations hereunder and shall not unreasonably withhold any approval or consent required from the City of Ashland and needed by the Park Commission to perform its obligations hereunder. In the event of the inability of the Park Commission to perform its obligations hereunder, the City of Ashland shall assist the Park Commission in the performance of its obligations hereunder.

Dated this 3 day of OCTOBER, 1986.

ASHLAND FAMILY YMCA

ASHLAND PARK COMMISSION

BY:

Allen Renker
President

BY:

James M. Crawford
vice-chairman

CITY OF ASHLAND, OREGON

BY:

Charles Madson
MAYOR

86-19956



SWAINS SURVEYING, INC.

27 1/2 North Main Street
Ashland, Oregon 97520

EXHIBIT "A"

BOUNDARY LINE AGREEMENT

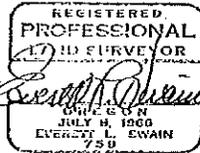
A tract or parcel of land situated in the Southwest quarter of Section 11, Township 39 South, Range 1 East of the Willamette Base and Meridian, Jackson County, Oregon and being more fully described as follows:

Commencing at the section corner common to Sections 11, 12, 13, and 14, said Township and Range; thence North 78°45'23" West, 3,435.60 feet to a 5/8 inch iron rod situated in the Westerly right of way of Tolman Creek Road, as said road has been resurveyed and monumented, for the TRUE POINT OF BEGINNING; thence leaving said right of way, South 89°57'36" West, 315.08 feet to a found 3/4 inch crimped top iron pipe; thence South 89°53'31" West, 311.27 feet to a 5/8 inch iron rod and being the Northeast corner of that parcel of land first described in that Boundary Line by Agreement, recorded as Document No. 75-15343 of the Official Records of Jackson County, Oregon; thence leaving said agreement line, North 00°18'53" West, 666.31 feet to a 5/8 inch iron rod; thence South 89°31'33" East, 340.84 feet to a 5/8 inch iron rod; thence South 05°54'53" West, 415.56 feet to a 5/8 inch iron rod; thence South 88°10'59" East, 137.42 feet to a 5/8 inch iron rod; thence South 00°19'18" West, 8.44 feet to a 5/8 inch iron rod; thence East, 194.99 feet to a 5/8 inch iron rod situated in the Westerly right of way of Tolman Creek Road as hereinabove referred to; thence South 00°04'09" West along said Westerly right of way, 236.52 feet to the point of beginning.

YNCA
1952 Ashland St.
Ashland, OR 97520

July 23, 1986

Total outer boundary
of YNCA as monumented.



10'

APPRAISAL OF:

**Land and Park Improvements
315 Tolman Creek Road
Ashland, Oregon**

**Prepared For:
City of Ashland
Parks and Recreation
Commission**

**Report Date:
February 16, 2017**

**Date of Value:
February 10, 2017**

BROWN, CHUDLEIGH, SCHULER, MYERS, AND ASSOCIATES
REAL ESTATE APPRAISALS – CONSULTING

 **CASCADE CHARTER COMPANY, LLC**

TABLE OF CONTENTS

	<u>Page</u>
Letter of Transmittal.....	i
Appraisal Problems and Issues	iii
Summary of Salient Data.....	v
Purpose of Appraisal	1
Client/Intended Use/Users of the Appraisal.....	1
Date of Value.....	1
Date of Inspection.....	1
Property Rights Appraised.....	2
Definitions.....	2
Scope of Appraisal	4
Legal Description.....	6
Property Ownership and History	6
Exposure and Marketing Time.....	7
Location Analysis.....	8
The Land	17
Highest and Best Use	22
Assessed Valuation and Taxes	23
Depreciated Replacement Cost	24
Valuation	28
Assumptions and Limiting Conditions.....	29
Certification.....	32

Addenda

- Subject Photographs
- Cost Estimates
- Bargain and Sale Deed
- Addendum to City of Ashland Contract for Personal Services
Less Than \$35,000

Qualifications

BROWN, CHUDLEIGH, SCHULER, MYERS, AND ASSOCIATES

REAL ESTATE APPRAISALS - CONSULTING

LAWRENCE E. BROWN, MAI CRE (1942-1990)
WALTER H. CHUDLEIGH III, MAI
GREGORY S. SCHULER
DEAN A. MYERS

February 16, 2017

Mr. Michael Black
City of Ashland
Parks and Recreation Commission
340 South Pioneer Street
Ashland, Oregon 97520

Reference: Appraisal of the land and park improvements located at 315 Tolman Creek Road in Ashland, Oregon. Our File No. 4337.1.

Dear Mr. Black:

In response to your request, we have personally examined and appraised the land located at 315 Tolman Creek Road in Ashland, Oregon. The purpose of this appraisal is to set forth our opinion relative to the market value of the **fee simple interest** in the subject land. In addition, the client has also requested our opinion of the "as is" value based on the depreciated replacement cost estimate of the subject improvements which support city park operations. It is our understanding the appraisal report will be utilized by authorized representatives of the City of Ashland Parks and Recreation Commission for internal decision making purposes. No other purpose, use, or users of this appraisal report are authorized or intended.

This appraisal report is prepared in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP); the Financial Institution's Reform, Recovery, and Enforcement Act of 1989 (FIRREA); and Chapter 12 Code of Federal Regulation Part 34 (12CFR34) of the Office of the Comptroller of the Currency titled, "Real Estate Appraisals." This report is also prepared within the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, the Interagency Appraisal and Evaluation Guidelines (effective December 10, 2010). This appraisal assignment is not based upon a requested minimum valuation, a specific valuation, or the approval of a loan.

Reference is made to the **extraordinary assumptions** presented in The Land section of this report. If any of the extraordinary assumptions as stated herein are ultimately found to be false, the value opinion as specified in this appraisal report could be impacted.

Based upon the studies and examinations made, the opinions are formed subject to the limiting conditions and assumptions stated herein, that the market value of the **fee simple interest** in the subject land and the depreciated replacement cost estimate of the subject improvements which support city park operations based upon economic and market conditions effective as of February 10, 2017 are as follows:

“As Is” Market Land Value (February 10, 2017)

ZERO DOLLARS

\$0

**Depreciated Replacement Cost
Estimate of Site Improvements (February 10, 2017)**

FOUR HUNDRED EIGHTY THOUSAND DOLLARS

\$480,000

The following is a real property appraisal report which details the property description, market data, and value analyses which form the primary basis for the opinion of market value as stated in this report.

Respectfully submitted,

BROWN, CHUDLEIGH, SCHULER,
MYERS, AND ASSOCIATES



GREGORY S. SCHULER
Oregon State Certified Appraiser
License No. C000268
Expiration Date: May 31, 2017

APPRAISAL PROBLEMS AND ISSUES

The purpose of this appraisal is to provide the market value of the **fee simple interest** in the subject land and the depreciated replacement cost estimate of the subject improvements which support city park operations. As discussed with the client and detailed in the Bargain and Sale Deed No. 86-19956, the subject is bound by deed restrictions which require the subject site to remain and be maintained as a city park into perpetuity. Reference is made to the Bargain and Sale Deed presented in the Addenda. Following are additional comments as to the value of the subject land with the deed restrictions.

- In understanding the implications of the deed restrictions as it relates to market value, we reference the Definitions section of this report where the definition of market value is presented. Implicit in the definition of market value is a consummation of a sale as of a specified date and the passing of title from seller to buyer under certain conditions. In the definition of market value, there are five specific conditions. We draw the reader's attention to Conditions 2 and 5.

Condition 2 states, "both parties are well informed or well advised in acting in what they consider their own best interests." It is our opinion that if a buyer was well informed and well advised of the deed restriction, that the subject property has to remain as a public park and cannot be developed to its highest and best use and if aware of the ongoing cost of maintenance of the park for public use there would be no willing buyer.

Condition 5 indicates, "the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale." It is further our opinion that this condition of market value cannot be met. A concession in this context is a grant of land or property for a particular use. Being held as a park in perpetuity is a particular use and thus represents a concession.

- With the above in mind, it is our opinion that with the onerous deed restriction, which constitutes a substantial burden to a buyer, no well informed or well advised buyer would purchase a property that cannot be developed to its highest and best use. Therefore, since the definition of market value cannot be met, in our opinion, the market value of the fee simple interest in the subject land would be zero.

- The appraisal of **market value** of real property is the most common type of assignment prepared by appraisers, but there are other types of values that can be developed. These other types of values as defined in the 14th *Addition of the Appraisal of Real Estate* published by the Appraisal Institute are as follows:
 - Fair Value
 - Use Value
 - Investment Value
 - Value of Going Concern
 - Public Interest Value
 - Assessed Value
 - Insurable Value
 - Liquidation Value
 - Disposition Value

Our assignment, directed by the client, was to provide an opinion of **market value** of the land.

- In addition to the requested opinion of the market value of the land, the client has also requested our opinion of the depreciated replacement cost of the improvements which support the city park operations. In order to provide this depreciated replacement cost value opinion, we have relied upon estimates prepared by third parties and submitted to the City of Ashland Parks Department. In addition, we have used the Marshall & Swift Cost Manual for some components. Reference is made to the estimates provided by the City of Ashland Parks Department presented in the Addenda of this report.

SUMMARY OF SALIENT DATA

Identification

6.56 Acres
315 Tolman Creek Road
Ashland, Oregon

Land Area

Two contiguous tax lots totaling 6.56 acres, or 285,754 square feet based upon Jackson County records.

Date of Value

February 10, 2017

Value Conclusions

“As Is” Market Land Value	\$0
Depreciated Replacement Estimate of Site Improvements Value	\$480,000

PURPOSE OF APPRAISAL

The purpose of this appraisal is to set forth our opinion relative to the market value of the **fee simple interest** in the subject land and the depreciated replacement cost estimate of the subject improvements which support city park operations.

CLIENT/INTENDED USE/USERS OF THE APPRAISAL

The client of this appraisal assignment is City of Ashland Parks and Recreation Commission. It is our understanding that the intended use of this appraisal is for internal decision making purposes. The intended users of this appraisal document are representatives of City of Ashland Parks and Recreation Commission. No other purpose, use, or users of the appraisal report are authorized or intended.

DATE OF VALUE

The value opinions expressed in this report are stated effective as of February 10, 2017 assuming economic and market conditions as existing on that date.

DATE OF INSPECTION

The subject property was physically inspected last on February 10, 2017.

PROPERTY RIGHTS APPRAISED

The property rights appraised herein pertain to the **fee simple interest** in the real property which represents the subject of this appraisal.

DEFINITIONS

Fee Simple Interest

“Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.”

Source: The Dictionary of Real Estate Appraisal, Sixth Edition, Appraisal Institute, 2015.

Extraordinary Assumption

“An assumption, directly related to a specific assignment, as of the effective date of the appraisal results, which, if found to be false, could alter the appraiser’s opinions or conclusions. Comment: Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis.”

Source: The Dictionary of Real Estate Appraisal, Sixth Edition, Appraisal Institute, 2015 and USPAP, 2016-2017 Edition.

Market Value

“The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition are the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised and acting in what they consider their own best interests;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and,
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.”

Source: 12 C.F.R. Part 34.42(g); 55 *Federal Register* 34696, August 24, 1990, as amended at 57 *Federal Register* 12202, April 9, 1992; 59 *Federal Register* 29499, June 7, 1994. USPAP 2016-2017 Advisory Opinion 22, Lines 58-70.

SCOPE OF APPRAISAL

The scope of this appraisal has the primary function of researching pertinent market information and developing opinions relative to the market value of the **fee simple interest** in the subject land and the depreciated replacement cost estimate of the subject improvements which support city park operations. As discussed in the Appraisal Problems and Issues section and detailed in the Bargain and Sale Deed No. 86-19956, the subject is bound by deed restrictions which require the subject site to remain and be maintained as a city park into perpetuity. As a result, it is our opinion the subject does not have any market value. Therefore, no further analysis pertaining to market value is presented within this appraisal report.

As requested by the client, we have provided a depreciated replacement cost estimate associated with the subject improvements which support the city park operations.

The appraisal service as detailed in this report is performed in such a manner that the results of the analyses, opinions, or conclusions formulated are that of a disinterested third party. The scope of the process involved in the research, analysis, and presentation of the appraisal conclusions is inclusive of the following:

1. Discussions in order to accurately identify the nature and objective of the assignment;
2. A preliminary study is conducted in order to determine what information is required and the sources of the information; i.e., development consultants, title companies, real estate agencies, planning representatives, etc.;
3. General information relating to the subject region and specific information relating to the immediate subject area and the property itself is then assembled;
4. An analysis of demographic and economic trends in the subject region is conducted;
5. Based on the information reviewed, determinations are made in regard to the highest and best use of the property;
6. An appraisal is presented with supporting information categorized and placed into the appraisal work file; and

7. The competency of the appraiser in terms of providing reasonable and supportable conclusions of value is based upon experience in valuing properties having utility similar to the subject. This experience includes the appraisal of property types similar to the subject which are located within the local and regional market area which encompasses the subject community.

LEGAL DESCRIPTION

The complete legal description identifying the subject property is reproduced in the Bargain and Sale Deed presented in the Addenda of this report. The property can also be identified on Jackson County assessment records as Township 39, Range 1 East, Section 11CD, Tax Lots 1700 and 1800.

PROPERTY OWNERSHIP AND HISTORY

Fee title to the subject property is presently vested with the City of Ashland. To our knowledge, there have been no market transfers or listings of the property in the three years prior to the effective date of this appraisal.

EXPOSURE AND MARKETING TIME

Exposure time may be defined as follows:

“The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale of market value on the effective date of the appraisal; Comment: Exposure time is a retrospective opinion based on an analysis of past events assuming a competitive and open market.”

Source: The Dictionary of Real Estate Appraisal, Sixth Edition, Appraisal Institute, 2015 and USPAP, 2016-2017 Edition.

Marketing time may be defined as follows:

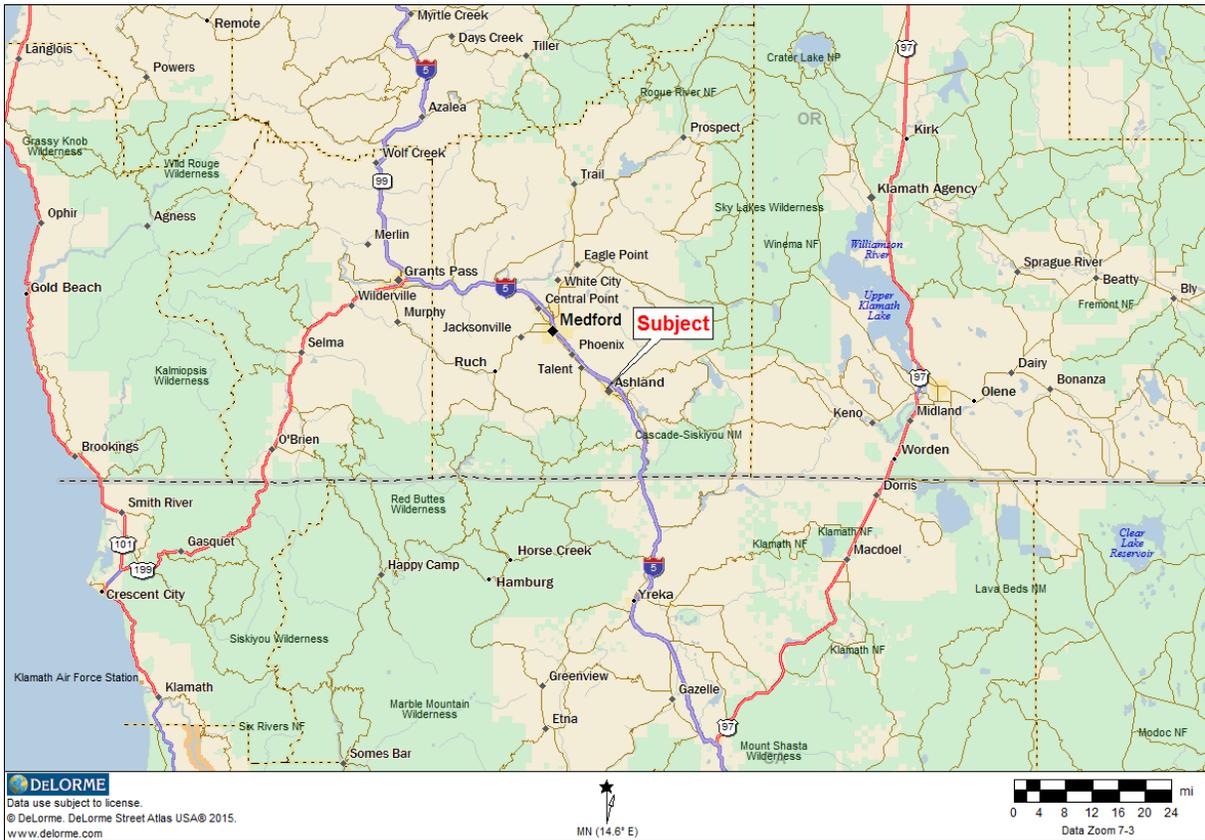
“An opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal.”

Source: The Dictionary of Real Estate Appraisal, Sixth Edition, Appraisal Institute, 2015.

Since there is no market value associated with the subject property, no specific exposure and marketing time has been developed.

LOCATION ANALYSIS

The subject property is located at 315 Tolman Creek Road in the city of Ashland, Oregon. Reference is made to the following map which depicts the location of Ashland relative to the surrounding region. Included in this location analysis are details regarding population, economy, and employment within the Medford MSA which incorporates all of Jackson County, as well as a description of the immediate surroundings of the subject property.



Ashland and Jackson County

The city of Ashland is located 14 miles north of the Oregon/California state line and 120 miles east of the Pacific Ocean. Ashland is the southernmost city in Jackson County and represents the arts and educational center of southern Oregon and northern California.

Ashland is situated in the foothills of the Siskiyou Mountains at the south end of a large river valley formed by the Rogue River and Bear Creek drainages. The Rogue Valley is surrounded on all sides by mountains including the Cascade and Siskiyou Ranges and the Umpqua Divide. Distances from Ashland to other notable cities are as follows:

Medford.....	15 miles northwest
Grants Pass	43 miles northwest
Eugene.....	180 miles north
Portland.....	294 miles north
Sacramento.....	292 miles south
San Francisco.....	387 miles south

Population

Population changes in Jackson County have been significant with strong growth occurring. From 1990 through 2016, the population of Jackson County increased by 37,365. Reference is made to the following summary which details population for the larger cities within the county as well as the unincorporated areas.

Historic Population

Year	Ashland	Medford	Central Point	Eagle Point	Unincorp.	Jackson County	Oregon
2016	20,620	78,500	17,585	8,765	N/A	213,765	4,076,350
2015	20,405	77,655	17,485	8,695	66,150	210,975	4,013,845
2014	20,340	76,650	17,375	8,635	64,905	208,375	3,962,710
2013	20,295	75,920	17,315	8,575	63,910	206,310	3,919,020
2012	20,325	75,545	17,275	8,550	62,725	204,630	3,883,735
2011	20,255	75,180	17,235	8,520	62,620	203,950	3,857,625
2010	20,095	74,980	17,185	8,470	62,530	203,340	3,837,625
2005	20,730	70,855	15,571	7,496	59,950	194,515	3,628,700
2000	19,522	63,720	12,493	4,797	63,220	182,200	3,436,750
1990	16,252	47,021	7,512	3,022	59,831	146,400	2,842,321

Source: Population Research Center, Portland State University.

A significant factor influencing population growth in the area is the strong amenity value and livability of the Rogue Valley. During the last two decades, many retirees, semi-retirees, and working people have moved to the Rogue Valley from more densely populated and congested areas due in large part to quality of life considerations.

Education

The Ashland public school district operates five schools in the area. Approximately 3,000 students attend three elementary, one middle, and one high school. The elementary schools provide an education from kindergarten to fifth grade. Ashland Middle School consists of grades six through eight, with Ashland High School providing educational services for students in grades nine through twelve.

Southern Oregon University is a regional, multi-purpose institution which was founded in 1869. The main campus is located in Ashland, with a branch campus in Medford. The University has a quarterly on-campus enrollment of approximately 5,500 undergraduate and graduate students. The University offers 35 bachelor and nine graduate degree programs in the Schools of Arts and Letters, Business, Science, Social Science, Education, and Health and Physical Education.

Cultural Activities

Located within the downtown plaza area of Ashland is the Oregon Shakespeare Festival (OSF). The Festival was founded in 1935 and is among the oldest and largest professional regional theater companies located in the United States. OSF is known worldwide for the quality of its productions and won a Tony award for outstanding achievement in regional theater and has also been named in Time Magazine as one of America's top five regional theaters. Attendance reaches over 360,000 annually. Overall, OSF contributes over \$113 million annually to the local economy. Approximately 88 percent of the festival audience reportedly travels over 125 miles to attend the performances.

Also located in the downtown area is the Oregon Cabaret Theater (OCT). The Cabaret is housed in an historic Baptist church, and has become a major part of the Ashland cultural scene over the past 18 seasons. Since it opened in

1986, OCT has attracted almost a quarter of a million patrons to the intimate 140-seat theater. The Cabaret now draws regular customers from California and throughout the Pacific Northwest, as well as patrons from as far away as England and Japan.

Other notable cultural activities in the area include the Rogue Valley Symphony, which offers performances in Ashland as well as many other venues throughout the Rogue Valley.

Economy

Jackson County's economic base has historically been tied to five major industries: lumber and wood products, trade and service, government, tourism, and agriculture. Over the past decade, the economy has diversified away from lumber and wood products and grown significantly in terms of retail trade.

Lumber and Wood Products

The lumber and wood products industry has declined as an employment sector over the previous 20 years within Jackson County. Environmental issues, including survival of the Spotted Owl, opposition to cutting of old-growth timber, controversy concerning the appropriate level of sustainable yield from public lands, and expansion of wilderness areas all limited log supply. Previous timber-cutting practices, particularly by private companies, and continued log exports have further reduced supply. Lumber and wood products jobs have decreased due to scarce log supplies. As a result, several major wood products employers have reduced production or permanently closed their operations over the past two decades.

Agriculture

Agriculture remains an important component of the Jackson County economy. Major fruit packers in the Medford area include Harry and David, Reter Fruit Company, and Naumes of Oregon, Inc. The seasonal nature of agricultural employment has a direct impact in regard to fluctuations in Jackson County unemployment figures. The past expansion of residential development has also affected the local agricultural economy. Many old established orchards in the county have been removed in favor of future residential development. Continuing worldwide competition for the local fruit growers has also emerged.

Another important agricultural component of Jackson County is the wine industry. The moderate mountain valley climate in the area allows for a wide variety of intensely flavored wine grapes to be cultivated. The quality of the region's grapes provides an advantage for many of the local growers in making their own wines as well as finding regional wineries which will purchase the grapes. Many of the fruit orchards are being converted into vineyards because of the popularity of wines in the region. For example, Hillcrest Orchards, one of Jackson County's oldest pear producers, has replaced 80 acres of pear trees with vineyards. The shift from pears to grapes is a matter of pears being less profitable with wine grapes having greater demand.

Employment

The following table details employment figures for the Medford MSA by category for December 2016 with comparisons to the prior year.

Medford MSA Nonfarm Payroll and Employment

	Dec. 2016	Dec. 2015	Change
Total NonFarm	87,110	84,320	2,790
Total Private	74,110	71,760	2,350
Mining/Logging/Construction	4,380	4,160	220
Manufacturing	7,810	7,580	230
Trade, Trans. & Utilities	20,890	20,170	720
Information	1,300	1,280	20
Financial Activities	3,890	3,790	100
Professional/Business Services	7,150	7,200	-50
Education/Health Services	15,340	14,780	560
Leisure & Hospitality	10,430	10,030	400
Government	13,000	12,560	440

Source: Oregon Employment Department, January 2017.

Employment Trends

From December 2015 to December 2016 the most significant increases in employment were noted in the trade, transportation, and utilities; education and health services; government; and leisure and hospitality sectors. Only the professional/business services sector registered a decrease in employment.

Unemployment

As of December 2016, the unemployment rate in the Medford MSA was 4.7 percent reflecting a decrease from the December 2015 rate of 6.1 percent. Over the one year period, the civilian labor force increased from 99,071 to 101,858 with total employment increasing by 3,996. The following table summarizes civilian labor force statistics for the Medford MSA.

Medford MSA Employment/Unemployment

	Dec. 2016	Dec. 2015	Change
Civilian Labor Force	101,858	99,071	2,787
Total Employment	97,066	93,070	3,996
Total Unemployment	4,792	6,00	-1,209
Unemployment Rate	4.7%	6.1%	---

Source: Oregon Employment Department, January 2017.

The data appear to indicate a move toward more stable employment. However, sustained job creation and employment placement over an extended time frame will be required before complete economic stabilization is realized.

Tourism, education, light industry, and retail commerce provide the major employment in the city of Ashland. Southern Oregon University (SOU) is an important resource for the community, and is Ashland's largest single employer. The University comprises nearly 25 percent of the total population of the city and generates an approximate \$71 million impact on the Ashland community annually.

Tourism is Oregon's third most important industry behind timber and agriculture, and is Ashland's second most prominent industry. Tourism in Ashland accounts for approximately 50 percent of the workforce, and is largely generated by the Oregon Shakespearean Festival Association (OSFA). Tourism has had a

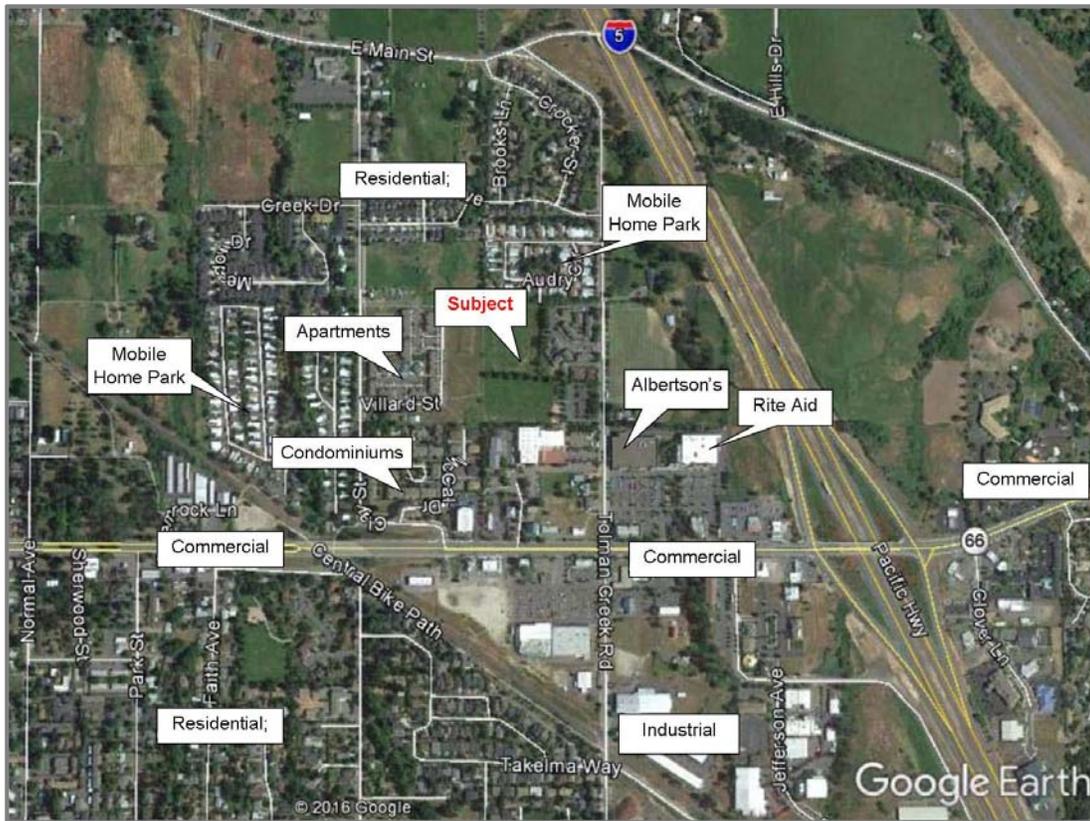
stabilizing influence on the Ashland economy, which sets it apart from other Oregon timber towns.

Conclusions

The subject property is located in the city of Ashland, the most southern community within Jackson County, Oregon. The demographics of the visitors who come to Ashland are similar to those exhibited by larger market destinations. Although the Shakespeare Festival attracts the majority of tourists to the area, the city also provides numerous other cultural events, business and educational opportunities, and shopping conveniences. Ashland's location adjacent to Interstate 5, in addition to its proximity to the Rogue Valley International-Medford Airport, afford this market access which is more favorable than usual for a community of this size. Additionally, a gradual diversification of the area economy has lessened the dependence upon volatile industries such as the lumber and wood products industry. The availability of cultural, recreational, educational opportunities at Southern Oregon University, and the favorable municipal attitude toward economic growth should also continue to attract new business to the area. This economic expansion ultimately translates into increased demand for real estate with subsequent increases in property values over the long-term.

Immediate Surroundings

The subject property is located at 315 Tolman Creek Road in Ashland, Oregon. A graphic depiction of the immediate area surrounding the subject follows.



Trend

The overall trend of development within the surrounding area is representative of commercial and residential uses. East of the subject is an apartment complex followed by rural residential development and Interstate 5. Adjacent to the north is a mobile home park followed by the Chautauqua Trace townhome development. To the west of the subject is an apartment complex followed by a mobile home park. The Meadowbrook Park Estates and East Village townhome projects are located to the northwest of the subject. To the south of the subject is a condominium development followed by Ashland Street, the main thoroughfare running east and west. Service commercial uses in the form of retail stores, restaurants, and service stations are located along Ashland Street to the east and west of the subject with the Interstate 5 interchange further southeast. Major retailers within the immediate area include Albertson's, Rite Aid, and Bi-Mart. A growing commercial office development is located to the southeast along Washington Street.

Conclusions

Due to the built out nature of the surroundings, no distinct foreseeable change to the land use characteristics of the area is anticipated.



Topography

The land exhibits generally level topography and lies at nearby street grade. There is a small bench sloping south to north across the northerly section of the L shaped area of the subject. The bench separates two athletic fields which both exhibit generally level topography.

Soils

No soils report has been provided for our review. This appraisal is subject to the **extraordinary assumption** that the soil is of sufficient load-bearing capacity to support the improvements. This opinion is supported by the historic existence of improvements at the subject as well as on nearby parcels.

No adverse environmental hazards or contaminants pertaining to solids, liquids, or gases were observed at the property during our personal examination. This appraisal is based upon the **extraordinary assumption** that no toxic waste, groundwater contamination, or environmental problems exist at the property. In the event such problems did exist, the ultimate impact of such conditions could adversely influence the opinion of market value as stated herein. The identification of the absence or existence of any potential environmental problems is best determined by qualified engineers and is not considered to be within the scope of this appraisal assignment.

Utilities

According to the property representative, all the usual and necessary public utilities are connected to the subject property; however, this was not independently verified by the appraiser.

Zoning

Based upon a review of the Ashland zoning map as well as prior conversations with representatives of the City of Ashland Planning Department, the subject is zoned Residential District (R-2) with a Performance Standards Option Overlay (P-Overlay) as administered by the City of Ashland.

The Residential District (R-2):

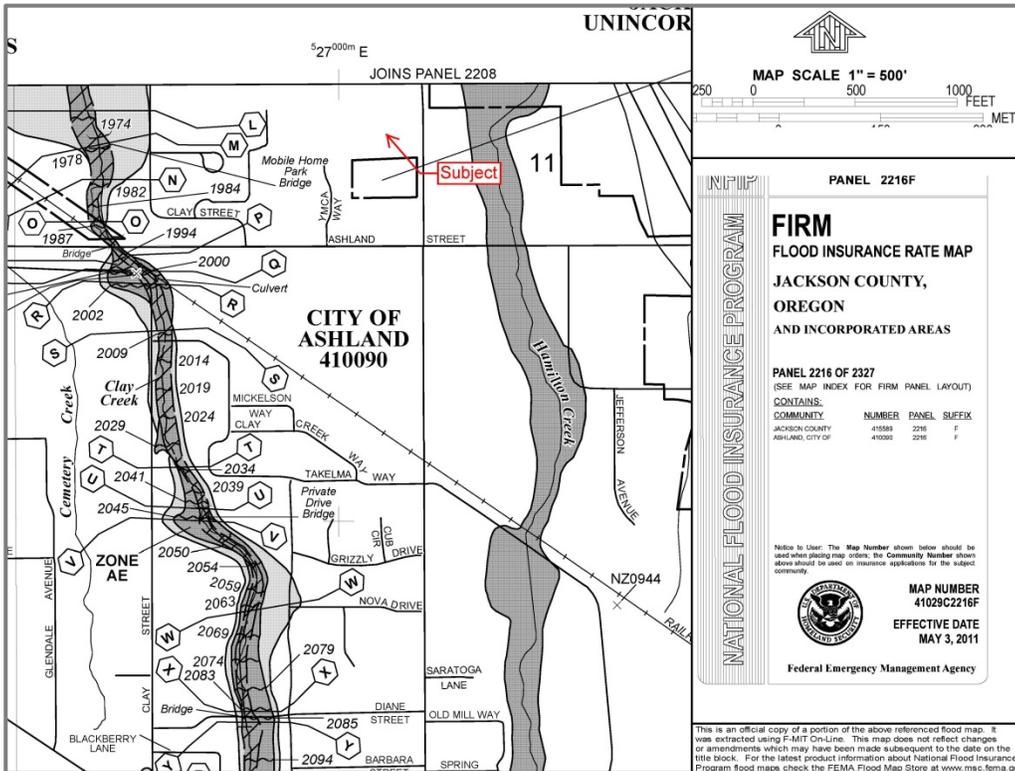
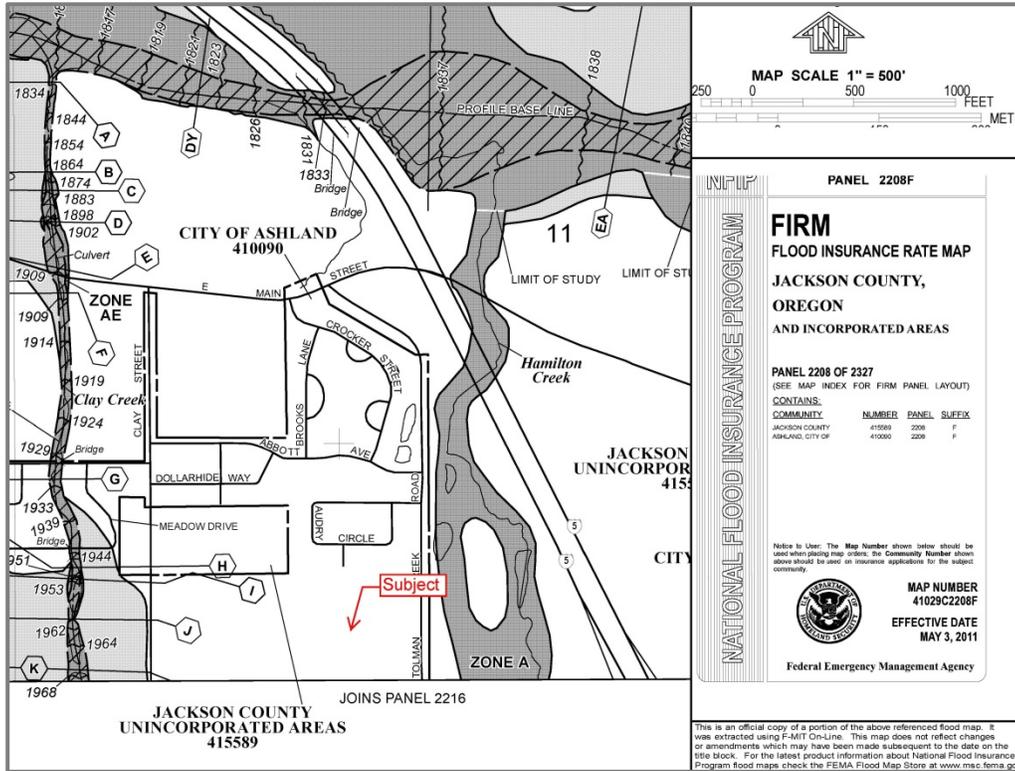
In R-2, the base density of dwelling units is 13.5 units per acre.

The Performance Standards Option overlay (P-Overlay) is defined as follows:

“The purpose of this chapter is to allow an option for more flexible design than is permissible under the conventional zoning codes. The design should stress energy efficiency, architectural creativity, and innovation; use the natural features of the landscape to their greatest advantage; provide a quality of life equal to or greater than that provided in developments built under the standard zoning codes; be aesthetically pleasing; provide for more efficient land use; and reduce the impact of development on the natural environment and neighborhood..”

Flood Zone Rating

A review of the FEMA Map Nos. 41029C2208F and 41029C2216F, dated May 3, 2011, indicates the property is located in Flood Zone X (no shading) areas determined to be outside the 0.2 percent annual chance floodplain. Copies of the FEMA Flood Maps follow:



Easements and Encroachments

No current title report was provided for our review. After a personal inspection of the subject property, it appears there are no adverse easements or encroachments that would inhibit the overall utility or value of the subject property. Where identified, the easements pertain primarily to typical utility easements which are not considered to have an adverse impact on the overall utility or value of the property. This appraisal is subject to an **extraordinary assumption** that no adverse easements or encroachments exist at the property. The identification of easements or encroachments is best determined by qualified individuals and is not considered to be within the scope of this appraisal assignment.

As mentioned previously, the subject is bound by deed restrictions which require the site to remain and be maintained as a city park into perpetuity.

Access

Ingress/egress is provided by the westerly side of Tolman Creek Road.

Street

Tolman Creek Road is an asphalt-concrete paved roadway extending in a north-south direction along the subject's easterly boundary. This roadway has two traffic lanes, one in each direction. Additional roadway improvements include concrete curbs and gutters on both sides of the roadway with concrete sidewalks on the westerly side of the roadway.

Site Improvements

The subject includes two athletic fields, an asphalt paved parking lot which provides 73 striped parking spaces, public restroom and concessions building with attached canopy, play structure area, and landscaping which currently support the subject utilized as a city park.

Summary

The subject site is L shaped and totals 6.56 acres, or 285,754 square feet. The site exhibits generally level topography and all necessary utilities are reportedly available to the property. The site appears to exhibit no detrimental characteristics which might otherwise detract from value or utility.

HIGHEST AND BEST USE

Highest and best use may be defined as the reasonably probable and legal use of vacant land or an improved property which is physically possible, legally permissible, financially feasible, and results in the highest value. The four criteria examined in determining the highest and best use of the subject property as if vacant and as improved include the following:

1. Physically Possible - A use for which the site is physically suitable or adaptable.
2. Legally Permissible - A use which is or will be permitted under existing or reasonably obtainable zoning regulations.
3. Financially Feasible - A use for which there is an economic, social, and/or market demand.
4. Maximally Productive - A use which is compatible with the nature and condition of surrounding land uses.

Conclusion As If Vacant

Based on the previous criteria, it is our opinion that low density multi-family development represents the highest and best use of the property as if vacant. Low density multi-family development use of the land is consistent with current governmental constraints; the property is regarded as physically suitable in order to accommodate this form of development; low density multi-family development use is compatible with the trend of development in the area; and this form of development at the property would provide a positive return to the land.

Conclusion As Improved

The use of the subject improvements in support of a city park as well as for activities by the YMCA fulfills a public need but does not provide a positive return to the land.

ASSESSED VALUATION AND TAXES

The subject property is identified on Jackson County assessment records as Township 39, Range 1 East, Section 11CD, Tax Lots 1700 and 1800. As a result of Oregon Ballot Measures 47 and 50, which limit taxable values and property taxes, real estate taxes in Oregon beginning in 1998 are based on a percentage of the real market value. The ballot measures also limit future tax increases to a maximum level of three percent per year. The subject is located within Jackson County Tax Code Area 5-01, which has a millage rate of 15.9849 per thousand taxable dollars. A review of Jackson County assessment records indicates no outstanding real estate property taxes for the subject property.

Following is a summary of the real market value (derived by the Jackson County Assessor), the actual assessed value, and real property taxes at the subject for the current tax year.

Jackson County Assessment Records

Account No.	Map No.	Tax Lot	Real Market Value	Assessed Value	Taxes
1-011487-1	39-1E-11CD	1700	\$1,258,500	\$0	\$0
1-011489-8	39-1E-11CD	1800	<u>9,670</u>	<u>0</u>	<u>0</u>
Total			<u>\$1,268,170</u>	<u>\$0</u>	<u>\$0</u>

It should be noted the subject property is owned by the city of Ashland and is tax exempt. The real market value is presented for information purposes only and is not considered representative of the opinion of market value as specified in this report.

DEPRECIATED REPLACEMENT COST

As discussed previously, the subject is bound by deed restrictions which require the subject site to remain and be maintained as a city park into perpetuity. As a result, we have concluded there is no “**market value**” in the subject land. In addition to the land value, we have been requested by the client to provide the depreciated replacement cost associated with the improvements in place supporting the city park. Improvements on the property include a large asphalt parking lot, public restroom and concession building with attached covered canopy, playground equipment, landscaping, and two athletic fields. We have provided an estimate of depreciated replacement cost for the improvements based on the Marshall & Swift Cost Manual as well as replacement cost estimates provided by the Ashland Parks and Recreation Department as provided by third-party contractors. All of the improvements have substantial value in use to the city park operations and have been maintained in average to good condition. Except where noted, we have applied an average depreciation of 50 percent for the site improvements, which takes into account that some components might have a greater depreciation and some might have less than 50 percent depreciation. Reference is made to the following replacement cost calculations:

Restroom Building

The subject includes a Class C, concrete construction, restroom building featuring multiple stall men’s and women’s restroom, concession area, and picnic table shelter.

Restroom Building	
756 Sq. Ft. @ \$200.00/Sq. Ft. ⁽¹⁾	\$151,200
Picnic Table Shelter	
688 Sq. Ft. @ \$43.25/Sq. Ft. ⁽²⁾	<u>29,756</u>

Total Direct Construction Cost	\$180,956
Less Depreciation @ 26% ⁽³⁾	<u>47,049</u>
Total Depreciated Replacement Cost	<u>\$133,907</u>

⁽¹⁾Marshall & Swift Cost Manual: Section 18, Page 21.

⁽²⁾Marshall & Swift Cost Manual: Section 66, Page 2.

⁽³⁾Marshall & Swift Cost Manual: Section 97, Page 24.

Parking Lot

The subject includes a large asphalt parking lot featuring 73 marked parking spaces. The parking lot, inclusive of the access driveway, totals 27,340 square feet based upon personal measurements. According to John Barton at Knife River, a general estimate of replacement cost for the subject parking lot which includes earthwork, rock, asphalt, curbs, landscape, storm drains, permits, and labor totaled \$342,000. We have utilized this estimate within our analysis.

Parking Lot	\$342,000 ⁽¹⁾
Less: Depreciation @ 50%	<u>171,000</u>
Total Depreciated Replacement Cost	<u>\$171,000</u>

⁽¹⁾Cost estimate provided by the client.

Playground Area

The subject includes a playground area featuring a play structure and swings which is enclosed by an approximate three-foot metal fence atop a raised concrete block base. The surrounding metal fence and raised concrete block base spans approximately 280 linear feet based upon personal measurements. The Marshall & Swift Cost Manual does not include cost estimates for playground structures similar to the subject. Therefore, we have utilized an estimated \$30,000 value for the equipment which was provided by Ashland Parks and Recreation Commission Project Manager, Jason Minica.

Playground Equipment	\$30,000 ⁽¹⁾
Metal Fence and Concrete Block Enclosure 280 Lin. Ft. @ \$25.17/Lin. Ft. ⁽²⁾	<u>7,048</u>
Total Direct Construction Costs	\$37,048
Less: Depreciation @ 50%	<u>18,524</u>
Total Depreciated Replacement Cost	<u><u>\$18,524</u></u>

⁽¹⁾Cost estimate provided by the client.

⁽²⁾Marshall & Swift Cost Manual: Section 66, Page 4.

Concrete Walkways

Concrete walkways connect the subject parking lot, restroom building, and playground areas. The walkways combine for an area totaling approximately 1,444 square feet, based upon personal measurements.

Concrete Walkway 1,444 Sq. Ft. @ \$5.91/Sq. Ft. ⁽¹⁾	\$8,534
Less: Depreciation @ 50%	<u>4,267</u>
Total Depreciated Replacement Cost	<u><u>\$4,267</u></u>

⁽¹⁾Marshall & Swift Cost Manual: Section 66, Page 2.

Athletic Fields and Landscaping

The bulk of the property is made up of landscaping and grass turf athletic fields. These areas were installed in the late 1980s and have been maintained over the years by the Ashland Parks and Recreation Department. According to Ashland Parks and Recreation Commission Project Manager, Jason Minica, with input from other Ashland Parks and Recreation Department staff and Ewing Irrigation Supply, an estimated replacement cost of the athletic fields and other landscaped areas totals \$149,200. We have not included depreciation for this component of the property as landscaping typically becomes stronger and gains greater utility as it matures over the years.

Athletic Fields and Landscaping	\$149,200 ⁽¹⁾
Less: Depreciation @ 0%	<u>0</u>
Total Depreciated Replacement Cost	<u>\$149,200</u>

⁽¹⁾Cost estimate provided by the client.

Recapitulation

Restroom Building	\$133,907
Parking Lot	171,000
Playground Area	18,524
Concrete Walkways	4,267
Athletic Fields and Landscaping	<u>149,200</u>
Total Market Value	<u>\$476,898</u>
	Rounded to, <u>\$480,000</u>

VALUATION

Based upon the studies and examinations made, the opinions are formed, subject to the assumptions and limiting conditions stated herein, that the market value of the **fee simple interest** in the subject land and the depreciated replacement cost estimate of the subject improvements which support city park operations, based upon economic and market conditions as existing on February 10, 2017 are as follows:

“As Is” Market Land Value (February 10, 2017)

ZERO DOLLARS

\$0

**Depreciated Replacement Cost
Estimate of Site Improvements (February 10, 2017)**

FOUR HUNDRED EIGHTY THOUSAND DOLLARS

\$480,000

ASSUMPTIONS AND LIMITING CONDITIONS

This report is made expressly subject to the following assumptions and limiting conditions:

1. No responsibility is assumed by the appraisers for matters which are legal in nature.
2. No opinion of title is rendered, and the property is appraised as though free of all encumbrances and the title marketable.
3. The appraisal covers the property described only, and the legal description is assumed to be correct.
4. No survey of the boundaries of the property has been made. All areas and dimensions furnished to the appraisers are assumed to be correct.
5. Information concerning market and operating data, as well as data pertaining to the property appraised, was obtained from others and/or based on observation. This information has been verified and checked, where feasible, and is used in this appraisal only if it is believed to be reasonably accurate and correct. However, such information is not guaranteed, and no liability is assumed resulting from possible inaccuracies or errors regarding such information or estimates.
6. The data contained herein comprises the pertinent data considered necessary to support the value estimates. We have not knowingly withheld any pertinent facts, but we do not guarantee that we have knowledge of all factors which might influence the value of the subject property. Due to rapid changes in the external factors, the value estimates are considered reliable only as of the effective date of the appraisal.
7. The appraisers assume there are no hidden or unapparent conditions of the property, subsoil, or structures, that would render it more or less valuable. The appraisers assume no responsibility for such conditions, or for engineering required to discover such factors. It is assumed no soil contamination exists as a result of chemical drainage or leakage in connection with any production operations on or near the property. In addition, the existence (if any) of potentially hazardous materials, such as asbestos, used in

the construction or maintenance of the improvements or disposed of on-site, has not been considered. The undersigned appraisers acknowledge they are not qualified to render an opinion with regard to the presence of toxic materials, and recommend an environmental scientist be retained to determine the exact status of the property. No environmental impact studies were requested nor performed with regard to this appraisal, and the appraisers hereby reserve the right to alter, amend, revise, or rescind any portion of the value or opinions expressed herein based on any subsequent data discovered which could significantly impact the market value of the property.

8. The distribution of total valuation estimate in this report between land and improvements (if any) applies only under the existing or reported program of utilization. The separate valuation for land and improvements (if present) must not be used in conjunction with any other appraisal and is invalid if so used.
9. The assumption has been made that all required licenses, consents, permits, or other legislative or administrative authority, local, state, federal, and/or private entity or organization have been or can be obtained or renewed for any use considered in the value estimate.
10. The property is appraised as though operated under competent and responsible ownership and management.
11. Opinions of value contained herein are estimates. There is no guarantee, written or implied, that the subject property will sell for such amounts. It assumes there is full compliance with all applicable federal, state, local environmental regulations and laws unless noncompliance is stated, defined, and considered in the appraisal report.
12. It is assumed that all applicable zoning and use regulations and restrictions have been complied with unless nonconformity has been stated, defined, and considered in the appraisal report.
13. The appraisers are not required to give testimony or to be in attendance in court or before other legal authority by reason of this appraisal without prior agreement and arrangement between the Client and appraisers.
14. Disclosure of the contents of this appraisal report is governed by the By-Laws and Regulations of the Appraisal Institute.

15. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraisers or the firm with which they are connected, or any reference to the Appraisal Institute or to the MAI or RM designation) shall be disseminated to the public through advertising media, public relations media, news media, sales media, prospectus for securities, or any other public means of communication without prior written consent and approval of the appraisers.
16. The appraisers assume no responsibility for any costs or consequences arising due to the need or the lack of need for flood hazard insurance. An agent for the Federal Flood Insurance Program should be contacted to determine the actual need for flood hazard insurance.
17. The liability of the appraisers' company, its owner and staff, is limited to the Client only. There is no accountability, obligation, or liability to any third party. The appraisers are in no way to be responsible for any costs incurred to discover or correct any deficiencies of any type present in the property; physically, financially, and/or legally.
18. The Americans with Disabilities Act ("ADA") became effective January 26, 1992. The appraiser has not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative impact upon the value of the property. Since the appraiser has no direct evidence relating to this issue, possible noncompliance with the requirements of the ADA in estimating the value of the property has not been considered.

CERTIFICATION

The undersigned appraiser certifies that he has personally analyzed the land and park improvements located at 315 Tolman Creek Road in Ashland, Oregon; and to the best of his knowledge and belief,

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal unbiased professional analyses, opinions, and conclusions.
3. I have no past, present, or prospective direct or indirect interest in the property that is the subject of this report and no personal interest or bias with respect to the parties involved.
4. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event. The appraisal assignment was not based on a required minimum valuation, a specific valuation, or the approval of a loan.
7. I am competent to appraise the property that is the subject of this report based on our previous experience appraising similar type properties.
8. The reported analyses, opinions, and conclusions were developed and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice.
9. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

10. As of the effective date of this report, Gregory S. Schuler has completed the certification requirement with respect to continuing education for certified general appraisers within the State of Oregon. As of the date of this report, Gregory S. Schuler has completed the Standards and Ethics Education Requirements for Practicing Affiliates of the Appraisal Institute.
11. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.
12. Gregory S. Schuler finds the content and conclusions of the appraisal and the report was prepared in accordance with the Uniform Standards of Professional Appraisal Practice adopted by the Appraisal Institute. Gregory S. Schuler has made a personal inspection of the subject property and the market data.
13. The appraiser has performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.

14. David M. Matlock, Registered Appraiser Assistant No. AA02496, provided significant professional assistance in the development and reporting of this appraisal as follows:

- Define appraisal problem
- Selection and collection of data
- Subject property analysis
- Estimate highest and best use
- Estimate land/site value
- Estimate value of the property
- Reconcile value in each approach and reconcile final value estimate
- Report estimate of value

Respectfully submitted,

BROWN, CHUDLEIGH, SCHULER,
MYERS, AND ASSOCIATES



GREGORY S. SCHULER
Oregon State Certified Appraiser
License No. C000268
Expiration Date: May 31, 2017

ADDENDA

Subject Photographs



View northerly of Tolman Creek Road with the subject on the left



View southerly of Tolman Creek Road with the subject on the right



Views easterly across the parking lot





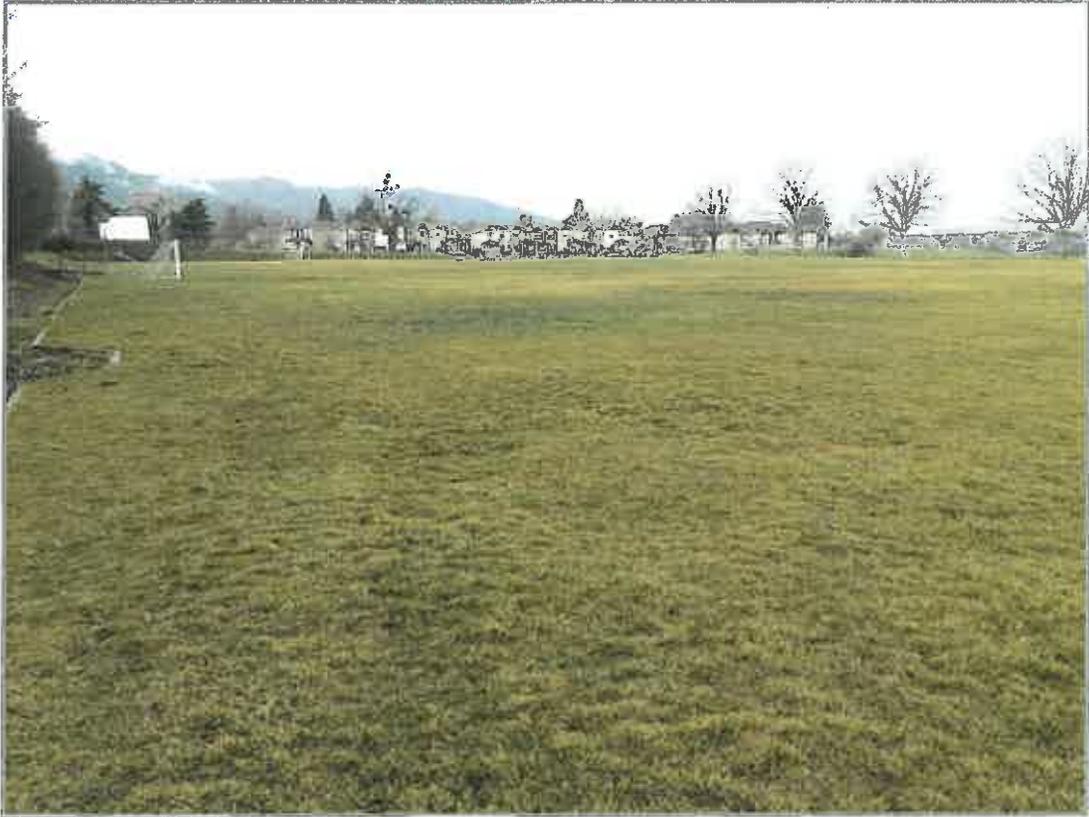
Views westerly across the subject playground area from the parking lot





Views across the northerly section of the subject athletic fields





Views across the southerly section of the subject athletic fields





Views of the restroom and covered canopy for concessions





Women's restroom



Men's restroom

Cost Estimates

ASHLAND PARKS & RECREATION COMMISSION

340 S PIONEER STREET • ASHLAND, OREGON 97520

COMMISSIONERS:

Mike Gardiner
Joel Heller
Rick Landt
Jim Lewis
Matt Miller



Michael A. Black, AICP
Director

541.488.5340
AshlandParksandRec.org
parksinfo@ashland.or.us

MEMORANDUM

To: Michael Black
From: Jason Minica, Project Manager
Subject: YMCA Cost Estimate

As requested, I have researched an approximate cost estimate for replicating the YMCA parking lot and soccer fields. This includes all materials and labor associated with replacing this facility at a new location.

These figures are based on conversations with local area contractors and current Ashland Parks and Rec experienced employees. I was able to talk with John Barton at Knife River who was kind enough to give me a quick general estimate for a 72 stall parking lot that includes earthwork, rock, asphalt, curbs, landscape, storm drains, permits, and labor. His general cost estimate is quoted as \$10/sf or \$4,500 a stall, this comes out to approximately \$342,000 for the parking lot replacement.

Next, I was able to talk to current staff at Ashland Parks and Rec, and come up with some general numbers. Figuring the approximate square footage of the current athletic fields and all other landscape, staff members were able to estimate (with the help of Ewing irrigation), that irrigation materials cost is about \$36,000, this includes piping, wiring, backflows, double checks, sprinkler heads, fittings and labor. Staff members were also able to estimate based on experience and past jobs, the cost of seed at \$750, fertilizer at \$1,500, drainage at \$3,500 and earthwork at \$60,000. Brad at Quality fence who was able to give me a quote at \$25/ft. for fencing. This estimate includes labor, materials, potential gates, and approximately 1,800 feet of fence line for a total price of \$47,000. The overall total for the athletic fields comes out to \$149,250.

Figuring in all the prices and variables we have come to a total cost estimate for the YMCA park replacement to be about \$491,250. This does not include any contingencies or changes that may be made in the design.

YMCA COST ESTIMATE

DESCRIPTION	COST
<u>Parking Lot</u>	
Earthwork	\$ -
Rock	\$ -
Asphalt	\$ -
Curbs	\$ -
Landscaping	\$ -
Storm Drains	\$ -
Permits/ Design Fees	\$ -
Labor	\$ -
	\$342,000.00
<u>Athletic Fields</u>	
Earthwork	\$ 60,000.00
Irrigation	\$ 36,000.00
Seed	\$ 750.00
Fertilizer	\$ 1,500.00
Fencing	\$ 47,500.00
Drainage	\$ 3,500.00
Labor	\$ -
	\$149,250.00
TOTAL	\$491,250.00

Dave Matlock

From: Jason Minica <jason.minica@ashland.or.us>
Sent: Thursday, February 09, 2017 9:17 PM
To: Dave Matlock; Michael Black
Subject: Re: Appraisal

For playground equipment approximately the same size it will cost about \$30,000, not including install.

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On Thu, Feb 9, 2017 at 2:40 PM -0800, "Michael Black" <michael.black@ashland.or.us> wrote:

Yes, we will get that right to you.

Michael A. Black, AICP
Director - Ashland Parks and Recreation Commission

340 S. Pioneer St.
Ashland, OR 97520

tel. 541-552-2251
fax 541-488-5314
cell 541-218-5444
www.ashlandparksandrec.org

This email transmission is official business of the City of Ashland, and it is subject to Oregon public records law for disclosure and retention.

If you have received this message in error, please contact me at 541-552-2251. Thank You.

From: Dave Matlock [<mailto:davem@cascadecharter.com>]
Sent: Thursday, February 09, 2017 2:39 PM
To: Michael Black <michael.black@ashland.or.us>
Subject: RE: Appraisal

We are working on it currently and should have it ready next week. Can you provide us with a cost estimate for the playground equipment so we can provide a comparison with our cost estimator?

David Matlock | Brown, Chudleigh, Schuler, Myers, and Associates
OR Registered General Appraiser Assistant, # AA02496
2800 Biddle Road, Medford OR. 97504
Office: 541-776-7530 | Fax: 541-842-2873
Email: Davem@CascadeCharter.com

From: Michael Black [<mailto:michael.black@ashland.or.us>]
Sent: Tuesday, February 07, 2017 4:05 PM

To: Greg Schuler; davem@cascadecharter.com
Subject: Appraisal

Any update on when the YMCA updated appraisal might be done?

Michael A. Black, AICP
Director - Ashland Parks and Recreation Commission

340 S. Pioneer St.
Ashland, OR 97520

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fax 541-488-5314
cell 541-218-5444
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If you have received this message in error, please contact me at 541-552-2251. Thank You.

Bargain and Sale Deed

86-10956 MARGIN AND SIDE BOND 1.37 45/10

KNOW ALL MEN BY THESE PRESENTS, That Young Men's Christian Association of Ashland, Oregon, hereinafter called grantor,

for the consideration hereinafter stated, does hereby grant, bargain, sell and convey unto hereinafter called grantees, and unto grantees's heirs, successors and assigns all of that certain real property with the tenements, improvements and appurtenances thereto belonging or in anywise appertaining, situated in the County of JACKSON, State of Oregon, described as follows: In Exhibit A set forth below, subject to all encumbrances of record and also subject to the following encumbrances, conditions, and reservations:

See Reverse Side A tract or parcel of land situated in the Southwest quarter of Section 11, Township 39 South; Range 1 East of the Willamette Base and Meridian, Jackson County, Oregon and being more fully described as follows:

Commencing at the section corner common to Sections 11, 12, 13, and 14, said Township and Range; thence North 78°46'23" West, 3,435.60 feet to a 5/8 inch iron rod situated in the Westerly right of way of Tolman Creek Road, as said road has been resurveyed and monumented, for the TRUE POINT OF BEGINNING; thence leaving said right of way, South 89°57'36" West, 315.08 feet to a found 3/4 inch capped top iron pipe; thence South 89°53'31" West, 311.27 feet to a 5/8 inch iron rod and being the Northeast corner of that parcel of land first described in that Boundary Line by Agreement, recorded as Document No. 75-16343 of the Official Records of Jackson County, Oregon; thence leaving said agreement line, North 00°18'53" West, 666.31 feet to a 5/8 inch iron rod; thence South 89°31'33" East, 340.64 feet to a 5/8 inch iron rod; thence South 85°54'53" West, 415.56 feet to a 5/8 inch iron rod; thence South 88°10'59" East, 137.42 feet to a 5/8 inch iron rod; thence South 00°19'18" West, 8.44 feet to a 5/8 inch iron rod; thence East, 194.99 feet to a 5/8 inch iron rod situated in the Westerly right of way of Tolman Creek Road as hereinabove referred to; thence South 00°04'09" West along said Westerly right of way, 236.52 feet to the point of beginning.

To Have and to Hold the same unto the said grantees and grantees's heirs, successors and assigns forever. The true and actual consideration paid for this land, stated in favor of dollars, is \$1,374.50.

However, the actual consideration consists of or includes other property or value given or promised which is the whole consideration (sufficient which). (This sentence between the brackets, if not applicable, should be deleted. See OREGON LAWS.) In construing this deed and where the context so requires, the singular includes the plural and all grammatical changes shall be implied to make the provisions hereof apply equally to corporations and to individuals.

In Witness Whereof, the grantor has executed this instrument this 6th day of OCTOBER, 1986.

If a corporate grantor, it has caused its name to be signed and seal affixed by its officers, duly authorized thereto by order of its board of directors. YOUNG MEN'S CHRISTIAN ASSOCIATION OF ASHLAND, OREGON

BY: [Signature] SECRETARY

STATE OF OREGON, County of JACKSON. The foregoing instrument was acknowledged before me this OCTOBER 6, 1986, by ALLEN G. DRESCHE, president, and JIMMY R. SMITH, secretary, of YOUNG MEN'S CHRISTIAN ASSOCIATION OF ASHLAND, OREGON.

Notary Public for Oregon Notary Public for Oregon

My commission expires: My commission expires:

STATE OF OREGON, County of I certify that the within instrument was received for record on the day of 1986 at o'clock M., and recorded in book/entry volume No. on page or as fee/file/instrument/notice/reception No. Record of deeds of said county.

Witness my hand and seal of County aforesaid.

By: Deputy

NAME, ADDRESS, ZIP

NAME, ADDRESS, ZIP

86-19956

Grantee shall use said real property as a city park, in perpetuity, in accordance with the terms and conditions set forth in the "Maintenance and Use Agreement" a copy of which is attached hereto as Exhibit D.

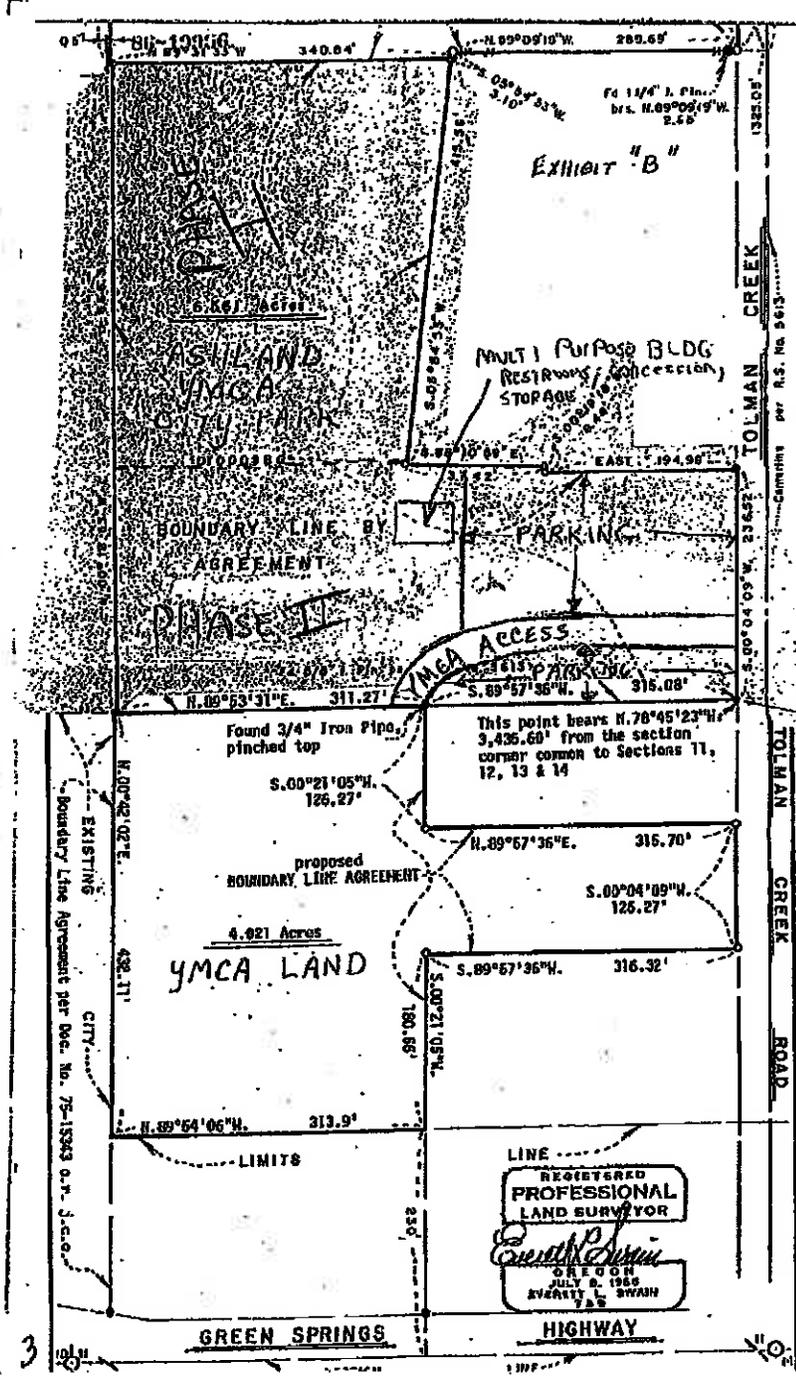
Grantor reserves unto itself, its assigns, and successors in interest a perpetual, non-exclusive easement to use for the benefit of Grantor's real property described in Exhibit C all utility, sewer and drainage easements that encumber or exist upon or across the real property described in Exhibit A and also the right to use any and all existing drainage ditches, pipes and water courses whether or not easements exist at the time of this conveyance to use such ditches, pipes and water courses.

Grantor reserves unto itself its officers, employees, members and guests a perpetual, non-exclusive easement to use the parking area designated on the diagram attached hereto as Exhibit B for the parking of vehicles used by Grantor, its employees, officers, members, and guests; and Grantor reserves unto itself, its officers, employees, members and guests a perpetual non-exclusive easement to use all roadways and premises open to the public for the use of motor vehicles on the real property described in Exhibit A as access to the real property described in Exhibit C from Tolman Creek Road to that certain strip of land designated on the diagram attached as Exhibit B as "YMCA access" lying upon Exhibit A thence along a strip of land, twenty feet in width, on Exhibit A in the location designated in Exhibit B as "YMCA access" from the parking area on Exhibit A and designated on the diagram attached as Exhibit B to the real property owned by Grantor and described in Exhibit C and designated on the diagram attached as Exhibit B as "YMCA Land." Grantor shall have the right to construct a roadway upon the strip of land on Exhibit A and designated on Exhibit B as "YMCA access" for the use of motor vehicles and pedestrians, and, in this event, Grantor shall maintain said roadway in a safe condition. This access easement shall be personal to Grantor, its officers, employees, members and guests and may not be assigned or conveyed to any other person. Grantor shall hold Grantee harmless from any claims arising against Grantee as a result of use of the access easement reserved herein by Grantor, or by Grantor's employees, officers, members or guests.

Grantor reserves unto itself, a perpetual, non-exclusive easement to use the southerly ten (10) feet of the real property conveyed hereby and described in Exhibit "A" for use by Grantor to install, maintain, repair and replace underground water, sewer, electrical, and other utility services, for the benefit of Grantor's real property described in Exhibit "C" attached hereto.

Grantor reserves unto itself a perpetual easement to use, jointly with Grantee, the existing well and water from the existing well on the real property conveyed hereby and described in Exhibit "A", together with the right to install a pump and pipes from said existing well across the real property described in Exhibit "A" by the most direct route to the utility easement reserved herein and lying on the southerly ten feet of the real property described in Exhibit "A" to Grantor's real property described in Exhibit "C", and also a perpetual easement to install, repair, and maintain said well, pump, and pipes from said well along said easement and to Grantor's real property described in Exhibit "C", for the purpose of furnishing water to any YMCA building or facilities placed upon and used by Grantor on Grantor's real property described in Exhibit "C"; provided, however, that Grantor's use of the well and water shall not interfere with or diminish Grantee's right to use the same for park purposes on the real property described in Exhibit "A", and in the event of any conflict between Grantor and Grantee in the use of said water and well, Grantee shall have the right to use the same for park purposes on the real property described in Exhibit "A", and Grantor's right to use the same shall be curtailed in order to permit Grantee to use the same.

2



3

86-19856

EXHIBIT "C"
39 16 NE Tax Lot 1000

A tract or parcel of land situated in the Southwest quarter of Section 11, Township 39 South, Range 1 East of the Willamette Meridian, Jackson County, Oregon and being more fully described as follows:

Commencing at a found iron pipe with a bronze cap situated at the Southeast corner of Section 11, said Township and Range; thence North $89^{\circ} 29' 41''$ West, 4051.67 feet to a found $5/8$ inch iron rod situated in that boundary line by Agreement recorded as Document No. 75-15343 of the Official Records of Jackson County, Oregon, and being referred to in said document as found per Recorded Survey No. 5613, said iron rod being the True Point of Beginning; thence South $00^{\circ} 42' 02''$ West along said agreement line, 269.38 feet to a $5/8$ inch iron rod; thence leaving said agreement line, South $89^{\circ} 52' 39''$ East and parallel to the relocated Green Springs Highway as shown on the Oregon State Highway Map No. 90-8-22, dated March 1971, a distance of 118.81 feet to a $5/8$ inch iron rod; thence South $00^{\circ} 42' 02''$ West, 101.00 feet; thence South $89^{\circ} 52' 39''$ East, 66.37 feet; thence along the arc of a 54.462 foot radius curve to the left, the radial bearings "in and out" are North $71^{\circ} 44' 43''$ East and South $60^{\circ} 07' 22''$ West (the central angle is $13^{\circ} 37' 21''$) 12.95 feet; thence along the arc of a 54.462 foot radius curve to the right, the radial bearings "in and out" are South $60^{\circ} 07' 22''$ West and South $89^{\circ} 17' 58''$ East (the central angle is $30^{\circ} 34' 40''$) 29.065 feet to a $5/8$ inch iron rod; thence South $00^{\circ} 42' 02''$ West, 75.87 feet to a $5/8$ inch iron rod; thence along the arc of a 82.473 foot radius curve to the right, the radial bearings "in and out" are North $89^{\circ} 17' 58''$ West and South $61^{\circ} 24' 58''$ East (the central angle is $27^{\circ} 53' 00''$) 40.135 feet to a $5/8$ inch iron rod; thence along the arc of a 82.473 foot radius curve to the left, the radial bearings "in and out" are South $61^{\circ} 24' 58''$ East and North $89^{\circ} 17' 58''$ West (the central angle is $27^{\circ} 53' 00''$) 40.135 feet to a $5/8$ inch iron rod; thence South $00^{\circ} 42' 02''$ West, 53.53 feet to a $5/8$ inch iron rod situated in the Northerly right of way line of the relocated Green Springs Highway, as hereinabove referred to; thence South $89^{\circ} 52' 39''$ East along said highway right of way line, 145.03 feet to a $5/8$ inch iron rod situated at the South-Southeast corner of Parcel No. 3, as shown on that Minor Land Partition filed for record the 28th day of September, 1981 at 4:17 P.M. and recorded in Volume 4, Page 68 of "Minor Land Partitions" in Jackson County, Oregon; thence leaving the Northerly highway right of way line, North $00^{\circ} 21' 05''$ East along the Easterly boundary line of said Parcel No. 3, a distance of 360.96 feet to a $5/8$ inch iron rod; thence North $89^{\circ} 57' 36''$ East, 316.32 feet to a $5/8$ inch iron rod situated at the East-Southeast corner of said Parcel No. 3 and being common with the Westerly right of way line of Tolman Creek Road, as said road has been resurveyed and monumented; thence North $00^{\circ} 04' 05''$ East along the Westerly right of way of said road, 126.27 feet to a $5/8$ inch iron rod; thence leaving said Westerly right of way, South $89^{\circ} 57' 36''$ West, 315.70 feet to a $5/8$ inch iron rod; thence North $00^{\circ} 21' 05''$ East (deed record 126.27 feet) 126.27 feet to a found $3/4$ inch pinched top iron pipe situated at the North-Northeast corner of said Parcel No. 3; thence South $89^{\circ} 53' 31''$ West, 311.27 feet to the point of beginning.

EXHIBIT "D"

86-19956 MAINTENANCE AND USE AGREEMENT

The parties to this agreement are the Ashland Family YMCA, hereafter referred to as YMCA; the Ashland Parks and Recreation Commission of the City of Ashland, Oregon, hereafter referred to as the Park Commission; and the City of Ashland, Oregon.

Whereas, the YMCA has agreed to dedicate to the City of Ashland, Oregon, certain real property described in Exhibit A attached hereto for use as a city park under the control and management of the Park Commission as provided in Article XIX, Section 3 of the Charter of the City of Ashland, Oregon, hereafter referred to as the Park;

Whereas the YMCA operates various programs consistent with its tax exempt purposes as a nonprofit organization hereafter referred to as YMCA Programs; and

Whereas, the Park Commission intends to construct improvements upon the Park in two phases, hereafter referred to as Phase I and Phase II upon segments of the Park as outlined on the diagram attached hereto as Exhibit B;

Now, therefore, the parties agree as follows:

1. Within one year after the date of this agreement the Park Commission shall complete the following improvements upon Phase I:

a. Install functioning irrigation system connected to the existing well on the property to be upgraded with pump to be installed and connected to irrigation system adequate to irrigate all playing fields indicated on diagram.

-1- Agreement

5-

86-19956

b. Fill, level, and plant grass seed suitable for multi-purpose playing fields, including suitability for soccer, in area indicated on diagram.

c. Construct multi-purpose building including restrooms, concession and storage in area indicated on diagram.

d. Develop unpaved parking area for a minimum of 80 cars and landscaping to meet applicable city codes and irrigation system for landscaping where indicated on diagram.

2. The Park Commission shall use reasonable, good faith efforts to complete the following improvements upon Phase II within two years after the date of this agreement, provided if the Park Commission is unable to perform its obligations under this subparagraph regarding Phase II within said time due to unforeseen circumstances beyond the control of the parties to this agreement, then the Park Commission shall use reasonable good faith efforts to complete the following improvements upon Phase II as soon as practical and in no event later than three years after the date of this agreement:

a. Develop upper field area for multi-purpose playing fields including suitability for soccer.

b. Pave parking area and install playground equipment and picnic area so as not to interfere with use of playing fields.

3. By January 1 of each year, commencing January 1, 1987, the YMCA shall submit to the Park Commission, in writing, a schedule of YMCA programs for the calendar year commencing on

8U-18956

January 1 of that year to be carried out by the YMCA in the Park, specifying the dates and hours of such programs and the nature of such programs. By February 1 of each year the Park Commission shall approve usage of the Park by the YMCA on the dates and times set forth in the schedule submitted by the YMCA for the programs described in such schedule. Approval of such schedule shall not be unreasonably withheld by the Park Commission based upon the public interest provided that the YMCA shall be given preferential treatment, after Parks and Recreation Commission use, in scheduling use of the park, in consideration of the gift of the land. The Park Commission shall not authorize any other person or entity to use the playing fields or multi-purpose building in the Park during the times approved by the Park Commission for use of such playing fields and building by the YMCA. The YMCA shall have the exclusive right to use the playing fields and multi-purpose building in the Park during the times approved by the Park Commission for use by the YMCA. The YMCA is authorized to place a notice, in the Park informing the general public that during certain times approved by the Ashland Parks and Recreation Commission the YMCA shall have the exclusive right to use the playing fields and multi-purpose building.

4. The Park shall be administered by the Park Commission as a City Park, and the YMCA shall have the right to use the Park on the same basis as any other person or entity during those times when the YMCA does not have the exclusive right to use the playing fields and multi-purpose building, provided, however,

-3- Agreement

7-

86-19956

that there shall be no fees or costs charged to the YMCA or by the YMCA for use of the Park or any park, playing fields or facilities at any time, in perpetuity. The YMCA shall have the right to use the playing fields, park and facilities in the park at no cost to the YMCA in perpetuity for YMCA programs during all times when such use is approved by the Park Commission.

5. During all times when the YMCA uses the park or playing fields in the park or park facilities for any YMCA programs or purposes, the YMCA shall hold the Park Commission and City of Ashland harmless from any and all claims arising against the Park Commission or the City of Ashland and its employees, officers, and officials for any injuries or damages sustained by any person, other than employees, officers and officials of the Park Commission or City of Ashland, arising as a result of the use of the Park by the YMCA and due to any cause other than the negligence of the City of Ashland or the Park Commission or its employees, officers or officials.

6. The Park Commission shall maintain the park and the playing fields suitable for soccer as long as the YMCA maintains a soccer program and facilities in the Park.

7. The YMCA shall exercise reasonable care to supervise its use of the Park in a reasonable manner.

8. The YMCA shall have the right to store athletic equipment and supplies in the multi-purpose building in an area designated by the Park Commission during the YMCA usage schedule as approved by the Parks Commission.

-4- Agreement

8

86-1986

9. The YMCA shall have the right to leave portable soccer goals on the site in the Park throughout the year in perpetuity.

10. The YMCA shall have the right to "line" soccer fields on the playing fields in the Park from time to time in perpetuity.

11. The name of the Park shall be "Ashland YMCA City Park."

12. The City of Ashland shall co-operate with the Park Commission in the performance of its obligations hereunder and shall not unreasonably withhold any approval or consent required from the City of Ashland and needed by the Park Commission to perform its obligations hereunder. In the event of the inability of the Park Commission to perform its obligations hereunder, the City of Ashland shall assist the Park Commission in the performance of its obligations hereunder.

Dated this 3 day of OCTOBER, 1986.

ASHLAND FAMILY YMCA

ASHLAND PARK COMMISSION

By:

Allen Reshe
President

By:

Joan M. Crawford
vice-Chairman

CITY OF ASHLAND, OREGON

By:

Sharon Meloni
MAYOR

86-19958



SWAIN SURVEYING, INC.

27 1/2 North Main Street
Ashland, Oregon 97520

EXHIBIT "A"

BOUNDARY LINE AGREEMENT

A tract or parcel of land situated in the Southwest quarter of Section 11, Township 29 South, Range 1 East of the Willamette Base and Meridian, Jackson County, Oregon and being more fully described as follows:

Commencing at the section corner common to Sections 11, 12, 13, and 14, said Township and Range; thence North 78°45'23" West, 3,435.60 feet to a 5/8 inch iron rod situated in the westerly right of way of Tolman Creek Road, as said road has been resurveyed and monumented, for the TRUE POINT OF BEGINNING; thence leaving said right of way, South 89°57'36" West, 315.08 feet to a found 3/4 inch crimped top iron pipe; thence South 89°53'31" West, 311.27 feet to a 5/8 inch iron rod and being the Northeast corner of that parcel of land first described in that Boundary Line by Agreement, recorded as Document No. 76-15343 of the Official Records of Jackson County, Oregon; thence leaving said agreement line, North 00°18'53" West, 666.31 feet to a 5/8 inch iron rod; thence South 89°31'33" East, 340.84 feet to a 5/8 inch iron rod; thence South 05°54'53" West, 415.56 feet to a 5/8 inch iron rod; thence South 88°10'59" East, 137.42 feet to a 5/8 inch iron rod; thence South 00°19'18" West, 8.44 feet to a 5/8 inch iron rod; thence East, 194.99 feet to a 5/8 inch iron rod situated in the westerly right of way of Tolman Creek Road as hereinabove referred to; thence South 00°04'09" West along said westerly right of way, 236.52 feet to the point of beginning.

YNCA
1952 Ashland St.
Ashland, OR 97520

July 23, 1986

Total outer boundary
of YNCA as monumented.



10-

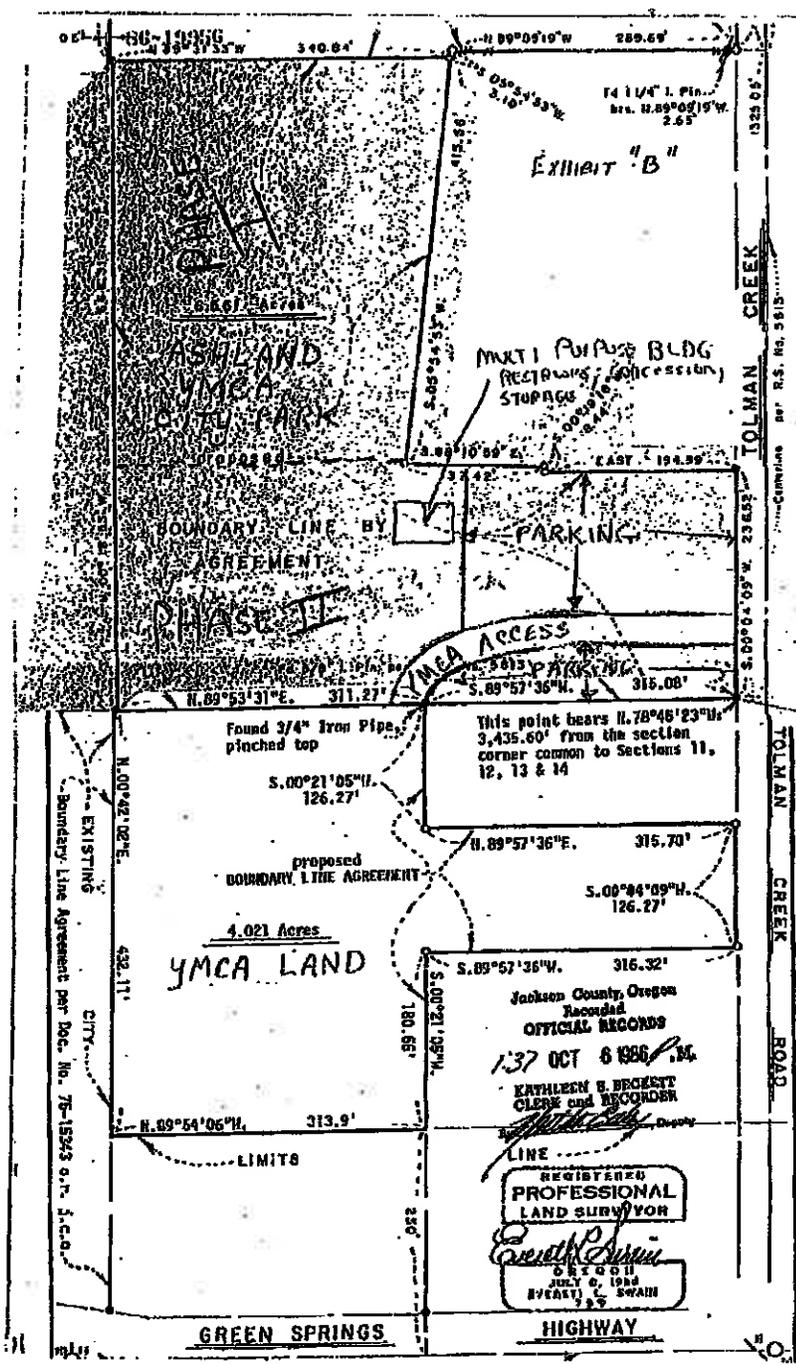


EXHIBIT "B"

ASHLAND
YMCA
CENTRAL PARK

MULTI PURPOSE BLDG
RESTROOMS, CONCESSION,
STORAGE

BOUNDARY LINE BY
AGREEMENT

PARKING

YMCA ACCESS

Found 3/4" Iron Pipe
pinched top

This point bears N. 78° 48' 23" W.
3,435.60' from the section
corner common to Sections 11,
12, 13 & 14

Proposed
BOUNDARY LINE AGREEMENT

4.021 Acres

YMCA LAND

Jackson County, Oregon
Recorded
OFFICIAL RECORDS

137 OCT 6 1986

KATHLEEN B. BRIGGS
CLERK and RECORDER

REGISTERED
PROFESSIONAL
LAND SURVEYOR

Ernest P. Swain
O.R.S. 31
JULY 6, 1982
ERNEST P. SWAIN

GREEN SPRINGS

HIGHWAY

Boundary Line Agreement per Doc. No. 75-15243 o.r. J.C.O.

TOLMAN CREEK ROAD

***Addendum to City of Ashland
Contract For Personal Services Less Than \$35,000***

ADDENDUM TO CITY OF ASHLAND
CONTRACT FOR PERSONAL SERVICES LESS THAN \$35,000

Addendum made this 19th day of January, 2017, between the City of Ashland ("City") and Brown, Chudleigh, Schuler, Myers and Associates ("Consultant").

Recitals:

A. On December 19, 2016, City and Consultant entered into a "City of Ashland Contract for Personal Services Less than \$35,000" (further referred to in this addendum as "the agreement").

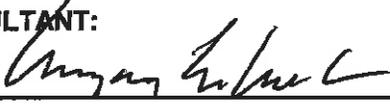
B. The parties desire to amend the agreement to extend the date of the completion and modify the project.

1. The date for completion as specified in Paragraph 4 of the agreement is extended to February 15, 2017. The maximum price as specified in Paragraph 5 of the agreement is increased to \$6,750.00.

2. The scope of services is modified to add an additional appraisal to include the deed restriction as per the letter dated January 13, 2017, attached as Exhibit A.

3. Except as modified above the terms of the agreement shall remain in full force and effect.

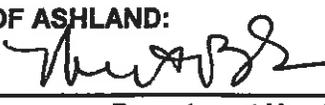
CONSULTANT:

BY 

Its managing member

DATE 1/20/17

CITY OF ASHLAND:

BY 

Date 1/19/2017
Department Head

Purchase Order # _____

Acct. No.: _____
(For City purposes only)

EXHIBIT A

BROWN, CHUDLEIGH, SCHULER, MYERS, AND ASSOCIATES

REAL ESTATE APPRAISALS – CONSULTING

LAWRENCE E. BROWN, MAI CRE (1942-1990)

WALTER H. CHUDLEIGH III, MAI

GREGORY S. SCHULER

DEAN A. MYERS

January 13, 2017

Michael A. Black, AICP
Director, Ashland Parks and Recreation Commission
340 South Pioneer Street
Ashland, Oregon 97520
VIA EMAIL and USPS
michael.black@ashland.or.us

Reference: Appraisal of the 6.56 acre parcel known as the YMCA soccer field and park in Ashland, Oregon.

Dear Mr. Black:

In our meeting yesterday, you informed us of a deed restriction affecting the above referenced property under appraisal. We had completed the appraisal without any knowledge of this deed restriction, nor did we have a title report that was submitted to us for our review. As a result, we prepared an appraisal with a zoning of R-2, **free and clear of any deed restriction.**

As you indicated, the concluded market value without the deed restriction would be good to have in your negotiations with the YMCA as it relates to this property. Nevertheless, we are essentially providing two appraisals on the property, one with the deed restriction and one which is **hypothetical** without the deed restriction.

This is an unfortunate circumstance for both the Ashland Parks Department and our firm. In order to find an equitable solution to this problem, I am proposing that we would not charge a full fee for a valuation of the property with the deed restriction. However, I think you would agree that some compensation for the additional work on our part is reasonable given the circumstances.

With that in mind, I would propose an additional fee of \$1,800 which is approximately 36 percent of the original contracted fee of \$4,950. This additional fee will cover some of the cost of our preparation of an additional appraisal of the property **with the deed restriction.** In addition, we will provide the depreciated replacement cost value of the restroom building, parking lot, and concrete on-site.

EXHIBIT A

If this meets with your approval, please modify your existing contract, or send us contract for additional work, whichever is appropriate for the Ashland Parks Department.

Thank you for your consideration in this matter, and we look forward to meeting with you now that we have received the materials that you said you would provide in our meeting yesterday. Please call so we can schedule a meeting.

Thank you for your consideration in this matter.

Respectfully submitted,

BROWN, CHUDLEIGH, SCHULER,
MYERS, AND ASSOCIATES

A handwritten signature in black ink, appearing to read "Gregory S. Schuler". The signature is written in a cursive style with a large, sweeping initial "G".

Gregory S. Schuler

QUALIFICATIONS GREGORY S. SCHULER

EMPLOYMENT

Principal with Brown, Chudleigh, Schuler, Myers, and Associates in Medford, Oregon. Real estate appraiser specializing in industrial and commercial properties, 1981 to present.

CEO of First Charter Companies in Jacksonville and Medford, Oregon. First Charter Companies were involved in real estate development, construction, and marketing, 2004 to October 2007.

Secretary/Treasurer of Commercial Real Estate Advisors, Inc. (CRA), Medford, Oregon. CRA was involved in commercial and retail real estate development, construction, and leasing. 1994 to 2000.

Pulver & Leever Commercial Real Estate, Medford, Oregon. Real estate marketing specializing in commercial and industrial sales and leasing, 1976 to 1980.

PROFESSIONAL AFFILIATIONS

State Certified Appraiser in the following states:

California	License #AG017213
Oregon	License #C000268

Associate Member Appraisal Institute

Continuing education courses completed (partial list):

- Uniform Standards of Professional Appraisal Practice
- Basic Valuation Procedures
- Small Hotel/Motel Valuation
- Federal Land Exchanges
- Technical Inspection of Real Estate
- Appraisal Review – General
- General Appraiser Sales Comparison Approach
- Litigation Appraising: Specialized Topics and Applications
- Oregon Land Use Law
- Right of Way Appraisals
- Oregon Water Law
- Update and Review of Oregon Law and the Appraiser
- Identifying Comparable Properties
- Eminent Domain

Licensed Real Estate Broker, State of Oregon. License #780401812

EDUCATION

Bachelor of Science degree in Business and Marketing, Oregon State University, 1973.



Appraiser Certification and Licensure Board

State Certified General Appraiser

28 hours of continuing education required for renewal

Gregory S Schuler
Brown Chudleigh Schuler Myers and Associates
2800 Biddle RD
Medford, OR 97504

License No.: C000268

Issue Date: June 1, 2015

Expiration Date: May 31, 2017

Gae Lynne Cooper, Administrator