

**Central Oregon Coast Fire and Rescue
Resolution No. [REDACTED]**

Resolution approving terms for the purchase of real property and authorizing Fire Chief to execute documents to complete the conveyance.

Whereas, Central Oregon Coast Fire and Rescue (Fire District) currently rents its fire station located at 125 and 145 Alsea Highway (the fire station or the property) from the City of Waldport (City); and

Whereas, the current rental agreement between the parties provides that the two entities will work towards a possible sale of the building to the Fire District; and

Whereas, the City has determined that it no longer has a public need for the property and instead sees the public interest in having the Fire District permanently locate on the property and take full ownership responsibility for the fire station; and

Whereas, each party obtained a commercial appraisal for the property as a means to estimate its value; and

Whereas, the parties have negotiated a proposed purchase and are now ready to proceed towards the negotiation and execution of final purchase and sale documents for the conveyance of the fire station from the City to the Fire District,

Now therefore, the Board of Directors of Central Oregon Coast Fire and Rescue resolves as follows:

1. The Board of Directors authorizes the purchase of the fire station property from the City on the following terms:
 - A) The Fire District will purchase the property and all personal property and fixtures located at the property for the purchase price of \$1,020,000 (one million, twenty thousand dollars). The purchase will be documented with a purchase and sales agreement subject to the customary inspection and title contingencies. City will convey the property to the Fire District via statutory warranty deed.
 - B) City will carry a note for the purchase price with a term that runs from the date of closing through June 1, 2028. The note will be documented with a promissory note and trust deed. The trustee for the trust deed will be [REDACTED]. The costs for the trustee will be split by the parties.
 - C) During the term of the note, Fire District will pay to City an interest-only payment due each June 1. The interest-only payment will be calculated at the simple annual interest rate of 3.95% for the payments due June 1, 2023 and June 1, 2024. For the remaining interest-only payments, the simple annual interest rate will be set at the US Prime Interest rate established on December 31 prior to the payment's due date.

(For example, the payment due June 1, 2025 will have an interest rate set by the US Prime Interest Rate for December 31, 2024.) If December 31 is a weekend or a date for which the US Prime Interest Rate is not published, the interest rate will be established on the next earlier date that the rate is published.

- D) A balloon payment of the full purchase price will be due on June 1, 2028, plus the annualized simple interest payment.
- E) The note carried by the City will be subject to the following condition: If, prior to the balloon payment deadline, the City receives a state appropriation (e.g., a grant or forgivable loan, but not an unforgivable loan), in the amount of not less than \$3,000,000, for which the City would be permitted to fund fire flow infrastructure upgrades identified in the City's 2020 Water Master Plan, the City will release its note and forgive the balance then-owed by the Fire District, with Fire District thereafter owing only \$1 (one dollar) payable to City as the full purchase price for the property.
- F) Closing costs will be split by the parties.
- G) City will pay premium of a standard title insurance policy.

2. The Board directs the Fire Chief and Board Members to work in partnership with the City to seek legislative and other state funding for the identified fire flow infrastructure upgrades set out in the City's 2020 Water Master Plan. A 2022 estimate of these costs was \$4.4 million. Until funding is achieved, the Fire District will make this effort its primary request of the state legislature through 2028.
3. The Fire Chief is authorized to execute and deliver all contracts and related paperwork necessary for the purchase and financing of this transaction, as well as related documents required to carry out the purchase of the fire station as set forth in this resolution.

Adopted by the Board of Directors this __ date of October, 2022.

Reda Eckerman, Board President

Attest:

Jamie Mason, Fire Chief