

(DRAFT)
MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding is entered into by and between the City of Jacksonville, an Oregon municipal corporation ("City"), and the Motorcycle Riders Association,

City of Jacksonville proposed sales agreement for a property sale and trade between the City of Jacksonville (CITY) and the Motorcycle Riders Association (MRA)

1) DESCRIPTION OF PROPERTIES:

The City of Jacksonville and the MRA have initiated discussions to trade 380 acres of City property, consisting of portions of property tax lots described by Jackson County as 373W, Tax Lot 8800 and Tax Lot 9300 for the 40-acre MRA property described by Jackson County as 373W25 tax lot 500.

2) VALUE DETERMINATION OF PROPERTIES

Real property values of both parties properties will be determined by mutual agreement based on values described in recently completed appraisals by licensed Oregon appraisers qualified to appraise rural property. The sale would be contingent on agreement of property values.

- a. Amount to equalize the trade (boot) will be paid in cash.
- b. Each party will be responsible for the acquisition and expense of appraisals of their property as follows:

CITY property: 380 acres

MRA property: 40 acres

3) REAL PROPERTY TO BE TRADED BY EACH PARTY:

- a. Fee simple, including, without limitation, all land, mineral rights and timber rights.

4) FUTURE SALE OR LEASE OF TRADED PROPERTY:

The CITY will retain the first-right-of-refusal of future sale, lease, trade or other disposition of the property traded to the MRA. The first-right-of-refusal shall be exercised by the CITY in writing within 120 days of notification in writing by the MRA of the proposed transaction. The first-right-of-refusal shall be prepared by CITY, subject to the reasonable approval of MRA, and shall be recorded at closing.

5) SOURCE OF FUNDS:

This agreement is contingent upon the MRA acquiring grant funds from the State of Oregon, Parks Division, Off-Highway-Vehicle Fund or other source. If grant funding is used for appraisal costs, those funds will be wholly refunded to each party or in the proportion to which they were expended.

6) ADDITIONAL FUNDING NEEDS:

The MRA will pay for all surveying and property line adjustment costs and one half of all closing costs and escrow fees associated with the property purchase and trade. Other closing fees shall be paid by the responsible party as customary in Jackson County, Oregon.

7) LAWS AND RULES FOR MANAGEMENT AND USE OF PURCHASED PROPERTIES:

The laws, ordinances and rules of the State of Oregon, Jackson County, CITY and MRA will prevail in the procedures and documents associated with the property purchase and trade and the disposition of funds resulting from the property transaction. The parties agree that the future use and disposition of the purchased property will be based on the laws and guidelines of the State of Oregon, Parks Division, which require multiple-uses of properties, including a management emphasis for Off-Highway-Vehicles (OHV) on lands purchased by grant funding through the State of Oregon, Parks Division, OHV Fund.

Other legal documents and mandates providing additional rules and guidelines, compatible with the above organizations' laws, ordinances and rules, for the multiple-use management and protection of the resources contained on the purchased properties will be included in the Agreement and are described as follows:

1. Healthy Forest Plan (HFP): CITY and MRA agree to develop a HFP for purchased and traded properties prior to the close of escrow. The HFP will include but not be limited to, provisions for the protection and management of described larger, live and dead trees (standing or downed), methods and provisions for the harvest of trees including salvage after natural events, provisions for the restoration of erosion areas and preventing erosion in new projects, provisions for creating buffer zones near important natural resources such as streams, methods of mitigating impacts to land and resources. CITY and MRA agree to meet annually thereafter to review and update the HFA Plans and discuss the important actions and events that occurred during the year that impacted or potentially impacted the lands and resources covered by the Plans.

8) LEGAL AGREEMENTS FOR USE OF ALL CITY AND MRA ASSOCIATED PROPERTIES:

- a. Road Access and Use Agreement: A legal reciprocal road access agreement will be developed between the CITY and MRA for the mutual use of all current and future roads by passenger vehicles, pick-up trucks, (with or without trailers) and certain other vehicles and equipment such as log and rock trucks used in periodic commercial operations, on all associated properties of both parties.
- b. Trail Access and Use Agreement: An agreement between the CITY and MRA will describe the permitted uses of each existing and future trail on each party's associated properties. It is understood that the use of all trails on both party's associated properties is acceptable for the uses described in the agreement and that acceptable uses will be indicated on signs provided by each party. The road and trail agreements will be reviewed annually.
- c. Competitive events size to be limited to no more than 250 riders per event.

- 9) ROAD AND TRAIL CONSTRUCTION AND MAINTENANCE AGREEMENT:** The CITY and MRA agree to address the construction and maintenance of roads and trails that are shared by both parties. Plans for construction and maintenance of roads and trails that are routinely used by both parties or that have the potential to cause erosion and affect downstream water quality will be shared and addressed yearly to determine seasonal, yearly and long term needs of maintenance or re-construction that would benefit the protection of natural resources.

- 10) ROAD, TRAIL AND PROPERTY SIGNAGE:** Parties will provide and maintain road signage describing boundaries for entering/leaving each party's property. Road and trail signage will describe legal/illegal uses for the roads and trails. Specialty signs will be used in areas where particular problems exist or special attractions need to be featured. Cost and maintenance of signage will be borne by each landowner on their property.
- 11) EDUCATION AND ENFORCMENT:** The CITY and MRA will provide on-going education and official enforcement services for all users on their respective properties and rights-of-ways. This will include education on the proper use and care of the land, roads and trails for the benefit of all users and natural resources. Official enforcement will only be done by those agencies and/or persons authorized by law.
- 12) INTENT AND DURATION OF THIS AGREEMENT:** It is the intent that this Agreement be acceptable to all parties involved in the process of reviewing and completing the purchase and trade of properties described in this Agreement. The principles and expected signatures to the Agreement are the CITY and the MRA. The signed Agreement is affective for a period of ONE year and may be renewed **and/or** revised at any time upon agreement of both parties. The parties recognize that this Agreement does not bind them to carry out the property exchange. However, the parties are expected to proceed with this Agreement in accordance with its terms, and include its key provisions in any ensuing property exchange. Each party will notify the other as soon as possible if it can no longer perform the terms of this Agreement.

SIGNATURES:

CITY DATE

MRA DATE