

**BEFORE THE CITY COUNCIL OF THE  
CITY OF ADAIR VILLAGE, OREGON**

**In the matter of entering into an)  
Agreement with the United States of)  
America to obtain the release of land use)  
restrictions on approximately 6.1 acres,)  
located at 7115 NE Vandenberg Avenue)**

**RESOLUTION NO. 2022 - 2**

WHEREAS, certain land, commonly known as the Former Adair Air Station Park Parcel (hereinafter referred to as the "Property"), approximately 6.1 acres, located at 7115 NE Vandenberg Avenue in Adair Village ("City"), Benton County, Oregon, was conveyed for public park and recreation purposes in perpetuity to Benton County in 1973; and

WHEREAS, in 2018, Benton County transferred the ownership of Property to the City for continuous and exclusively use of public park and recreation purposes, in accordance with the conditions in the 1973 Deed; and

WHEREAS, in February 2022, the City expressed interest in acquiring the Property without land use restrictions for economic opportunities, community development, and to sustain its growing population; and

WHEREAS, the United States seeks to obtain fair market value for the release of restrictions of the Property; and

WHEREAS, The City and the United States desire to enter into a General Services Administration Letter Agreement ("Agreement") to release the restrictions which is attached hereto as Exhibit 1.

NOW, THEREFORE, BE IT RESOLVED that the City of Adair Village City Council hereby authorizes City Administrator, Pat Hare to execute for and on behalf of the City of Adair Village all required forms and documents necessary, including the Certificate of Authorization of Purchaser included in the Agreement, for the purpose of obtaining the release of land use restrictions imposed by the United States of America on the Property.

BE IT FURTHER RESOLVED that this resolution shall take effect immediately upon passage by the City Council and approval by the Mayor.

Dated and effective this 5<sup>th</sup> day of April, 2022.

  
\_\_\_\_\_  
City Administrator

  
\_\_\_\_\_  
Mayor



## LETTER AGREEMENT

### ABROGATION OF PUBLIC PARK USE RESTRICTIONS

Former Adair Air Station Park Parcel  
7115 NE Vandenberg Avenue  
City of Adair Village, Benton County, Oregon 97330  
Assessor's Parcel Number 104-30D-000-400

This **LETTER AGREEMENT**, is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_, between the UNITED STATES OF AMERICA, acting by and through the General Services Administration (hereinafter referred to as "GSA" or collectively "the United States"), under and pursuant to the powers and authority contained in the provisions of Title 40, U.S. Code, Chapter 5, et. seq, as amended, , and regulations and orders promulgated thereunder and the CITY OF ADAIR VILLAGE, a municipality created, operating and existing under and by virtue of the laws of the State of Oregon, acting by and through the City Council of the City of Adair Village (hereinafter referred to as "the City").

**WHEREAS**, certain land, commonly known as the Former Adair Air Station Park Parcel (hereinafter referred to as the "Property"), approximately 6.1 acres, located at 7115 NE Vandenberg Avenue in Adair Village, Benton County, Oregon, was conveyed for public park and recreation purposes in perpetuity to Benton County in 1973;

**WHEREAS**, in 2018, Benton County transferred the ownership of Property to the City for continuous and exclusively use of public park and recreation purposes, in accordance with the conditions in the 1973 Deed;

**WHEREAS**, in February 2022, the City expressed interest in acquiring the Property without land use restrictions for economic opportunities, community development, and to sustain its growing population;

**WHEREAS**, the United States seeks to obtain fair market value for the Release of Restrictions of the Property and reserves the right to reject any and all offers;

**WHEREAS**, the United States shall require that an Excess Profits Covenant (Attached hereto as Exhibit A), shall run with the land for a period of 3 years from the date of the Release of Restrictions;

**NOW THEREFORE**, the United States and the City, agree to the following:

**A. PURCHASE PRICE**

The purchase price of the Property shall be on an ALL CASH basis and in the sum of **\$700,000.00** (hereinafter referred to as the "Purchase Price").

The City is expected to arrange its own financing and to pay the balance in full by the closing date. No Government credit terms are available. GSA has no information on the availability of private financing or on the suitability of this Property for financing.

The Purchase Price shall be payable as follows:

1. Concurrently with its execution of this Agreement, the City of Adair Village shall deposit with GSA as an earnest money deposit (20% of purchase price) the amount of **\$140,000** in the form of an electronic funds transfer (wire transfer). Please use the attached "Format for Funds Transfer Messages to Treasury" and provide the form to your financial institution to process the wire transfer. Once the wire transfer is processed, you shall notify and e-mail a copy of bank wire confirmation to both of the following Points of Contact:

Mr. Luis Blandon, GSA Administrative Officer  
Phone: 415-734-8367  
Email: [Luis.Blandon@gsa.gov](mailto:Luis.Blandon@gsa.gov)

Ms. Chelsey Battaglia, GSA Disposal Realty Specialist  
Phone: 415-522-3331  
Email: [Chelsey.Battaglia@gsa.gov](mailto:Chelsey.Battaglia@gsa.gov)

2. The City of Adair Village shall pay the remaining balance of the Purchase Price in the amount of **\$560,000** to GSA at Closing in the form of an electronic funds transfer (wire transfer).

**B. ACCEPTANCE AND CLOSING, AND GENERAL TERMS OF SALE**

1. *Acceptance.* This Letter Agreement (the "Agreement") shall be firm and continuing for a period of one hundred twenty (120) calendar days from the date of its receipt by GSA.

The City shall execute the CERTIFICATE OF AUTHORIZATION OF PURCHASER of this document and return one original of the executed Agreement to GSA. The City shall

also concurrently deliver a duly certified resolution authorizing purchase of the Property and approval of necessary funding.

To accept this Agreement, GSA shall execute the ACCEPTANCE OF THE UNITED STATES GOVERNMENT of this document and return one original of the executed Agreement to the City. Receipt by the City of the executed Agreement shall constitute "Notice of Acceptance". Such agreement shall constitute the whole contract to be succeeded only by the formal instruments of transfer, unless modified in writing and signed by both parties. No oral statements or representations made by, or for, or on behalf of either party shall be a part of such contract. Nor shall the contract, or any interest therein, be transferred or assigned by THE CITY OF ADAIR VILLAGE without consent of GSA, and any assignment transaction without such consent shall be void.

If GSA does not accept this Agreement within one hundred twenty (120) calendar days of its receipt by the City, or such a longer period as may be mutually agreed upon, the earnest money deposit shall be promptly returned to the City without interest and without further liability on the part of either to the other.

If this Agreement is withdrawn by the City before expiration of the one hundred twenty (120) calendar day period or such longer period as may be mutually agreed upon during which it remains a continuing offer, and prior to Notice of Acceptance, the earnest money deposited by the City may, at GSA's option, be retained by GSA as liquidated damages, in which event the City shall be relieved of all further liability to GSA.

2. *Closing.* Close of sale shall take place within a reasonable period, and not later than 120 (120) days from the City's receipt of Acceptance of the United States Government.

Prior to closing, the City shall open an escrow account with an independent, unaffiliated escrow company ("Escrow Holder") to handle the closing. All closing costs, including escrow fees and document handling expenses, shall be borne solely by the City. As part of the closing, GSA will provide escrow instructions to the Escrow Holder regarding the recording, disposition of proceeds and related matters.

Within five (5) calendar days of opening the escrow account, the City must notify Ms. Chelsey Battaglia, GSA Disposal Realty Specialist via email at [Chelsey.Battaglia@gsa.gov](mailto:Chelsey.Battaglia@gsa.gov) of the name of the Escrow Company, address, telephone number, escrow agent, and escrow number.

3. *Earnest Money Deposit.* The executed Agreement must be accompanied by an earnest money deposit in the amount required by this Agreement in the form of an electronic funds transfer (wire transfer). Failure to provide such earnest money deposit shall require rejection of the offer. Upon acceptance of the Agreement, the earnest money deposit shall be applied toward payment of the City's obligation to the United States.

**C. DUTIES OF THE PARTIES**

THEREFORE, the Parties hereby agree to the following regarding the disposition of the Property:

**1. DUTIES OF THE UNITED STATES:**

The United States shall draft and execute a Release of Restrictions removing certain restrictive covenants on the use of the Property. The Release of Restrictions will include the imposition of an Excess Profits Covenant. The Release of Restrictions shall be placed in escrow.

**2. DUTIES OF THE CITY OF ADAIR VILLAGE:**

- a) Concurrently with its execution of this Agreement, the City shall deposit with GSA as an earnest money deposit (20% of purchase price) the amount of \$140,000 in the form of an electronic funds transfer (wire transfer).
- b) The City is required to open an escrow account with an independent, unaffiliated escrow company ("Escrow Holder") to handle the closing. All closing costs, including escrow fees and document handling expenses, shall be borne solely by the City.
- c) The City shall pay the balance of the purchase price in the amount of \$560,000 to GSA at Closing in the form of an electronic funds transfer (wire transfer).
- d) The City shall accept the Release of Restrictions and place it in escrow.
- e) After the purchase price is deposited in escrow by the City, Escrow Holder shall record the Release of Restrictions.

**CERTIFICATE OF AUTHORIZATION OF PURCHASER**

I, Pat Hare certify that I am the Clerk of the City of Adair Village, named as Purchaser herein; that Bill Currier, who executed this Letter Agreement on behalf of Purchaser was then Mayor; and that said Letter Agreement was duly signed for and on behalf of said the City of Adair Village by authority of its governing body and the purchase is within the scope of its corporate powers.

BY: [Signature]

Date: 4/5/22

PRINT NAME, TITLE: Pat Hare City Clerk

BY: [Signature]  
PRINT NAME, TITLE: William Mayor  
E. Currier

Date: April 5, 2022

**ACCEPTANCE OF THE UNITED STATES GOVERNMENT**

The Offer to Purchase, as set forth herein is hereby ACCEPTED by and on behalf of the United States of America this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

UNITED STATES OF AMERICA  
Acting by and through the  
ADMINISTRATOR OF GENERAL SERVICES

BY: \_\_\_\_\_  
DAVID HAASE, Director  
Real Property Utilization and Disposal Division  
U.S. General Services Administration



**EXHIBIT "A"**  
**EXCESS PROFITS COVENANT**

**(A)** This covenant shall run with the land for a period of 3 years from the date of conveyance. With respect to the property described in this deed, if at any time within a 3-year period from the date of transfer of title by the Grantor, the Grantee, or its successors or assigns, shall sell or enter into agreements to sell the property, either in a single transaction or in a series of transactions, it is covenanted and agreed that all proceeds received or to be received in excess of the Grantee's or a subsequent seller's actual allowable costs will be remitted to the Grantor. In the event of a sale of less than the entire property, actual allowable costs will be apportioned to the property based on a fair and reasonable determination by the Grantor.

**(B)** For purposes of this covenant, the Grantee's or a subsequent seller's allowable costs shall include the following:

- (1) The purchase price of the real property;
- (2) The direct costs actually incurred and paid for improvements which serve only the property, including road construction, storm and sanitary sewer construction, other public facilities or utility construction, building rehabilitation and demolition, landscaping, grading, and other site or public improvements.
- (3) The direct costs actually incurred and paid for design and engineering services with respect to the improvements described in (b)(2) of this section; and
- (4) The finance charges actually incurred and paid in conjunction with loans obtained to meet any of the allowable costs enumerated above.

**(C)** None of the allowable costs described in paragraph (b) of this section will be deductible if defrayed by Federal grants or if used as matching funds to secure Federal grants.

**(D)** In order to verify compliance with the terms and conditions of this covenant, the Grantee, or its successors or assigns, shall submit an annual report for each of the subsequent 3 years to the Grantor on the anniversary date of this deed. Each report will identify the property involved in this transaction and will contain the following items of information as are applicable at the time of submission:

- (1) A description of each portion of the property that has been resold:
- (2) The sale price of each such resold portion:
- (3) The identity of each purchaser:
- (4) The proposed land use: and
- (5) An enumeration of any allowable costs incurred and paid that would offset any realized profit.  
If no resale has been made, the report shall so state.

**(E)** The Grantor may monitor the property and inspect records related thereto to ensure compliance with the terms and conditions of the covenant and may take any actions which it deems reasonable and prudent to recover any excess profits realized through the resale of the property.

**EXHIBIT "B"**  
**RESOLUTION OF CITY COUNCIL OF CITY OF ADAIR VILLAGE**

Letter Agreement  
Adair Village Park Parcel Abrogation  
GSA Control No. 9-OR-419-AT

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 The City

\_\_\_\_\_ Government