

This Letter of Intent ("LOI") is made by and among **Klickitat County**, a political subdivision of the State of Washington ("County"), **City of The Dalles**, an Oregon municipal corporation ("City") and **Roseland Property Group, LLC**, an Oregon limited liability company ("Developer").

WHEREAS, the County and the City are co-owners of the **Columbia Gorge Regional Airport** ("Airport"); and

WHEREAS, the parties negotiated a Lease agreement for the lease of Airport property for the purpose of building a golf course for recreational purposes, attached as Exhibit A and an Option agreement for purchase of Lodging/Resort Property adjacent to the golf course, attached as Exhibit B; and

WHEREAS, certain issues require resolution in order to obtain the approval of the Federal Aviation Administration ("FAA"), and other governmental approvals, before the parties can update the Lease and Option agreements; and

WHEREAS, the Developer has entered into agreements with the private landowners supported and signed by the majority of the partnership.

WHEREAS, the Developer has been working on the development ("Project") for several years and has expended substantial resources and money to determine feasibility of the Project and to comply with environmental requirements, SEPA, DSEIS and FSEIS requirements, as well as zoning, preparation of Master Plan, engineering, various governmental agency compliance and review and many other items related to the Project; and

WHEREAS, the parties want to enter into a new Memorandum of Understanding ("MOU") to establish a firm commitment that each party will continue to work toward a resolution of outstanding issues.

NOW, THEREFORE, the parties mutually agree to the following:

The parties will, in good faith and in a timely manner, reach an agreement to enter into an Updated MOU and have their duly authorized managers or representatives sign the MOU to include the following conditions:

- A. Appropriate updates and modifications to the Golf Course Lease Agreement, attached as Exhibit "A" and to the Option Agreement to Purchase Lodging/Resort Property, attached as Exhibit "B."
- B. Written approval issued by the FAA authorizing Airport, City and County to sign Exhibit A and Exhibit B.
- C. Approval by Klickitat County of Master Plan Application, Conditional Use Permit and

Subdivision Application. All necessary federal, state and local required permits acquired and approved.

- D. The Developer will pay all outstanding obligations owed by Developer to Klickitat County within 30 days of the effective date of this LOI and notice of completion of all filings necessary for Dallesport Water District to provide Sundoon development with municipal water, including all necessary documentation and filings for the water system improvement, including but not limited to easement and water rights transfer.
- E. The funding of the Golf Course is contingent upon securing all government approvals and financing for the Golf Course.
- F. The City and the County shall, from time to time, designate a representative(s) to meet with the Developer to receive updates on the Project and to discuss ongoing progress and issues. The Developer shall present a schedule of activities with timelines and periodically update that schedule in a format that can be presented to the City and County. Developer shall meet with the representative not less frequently than bi-monthly during the term of this MOU.
- G. Developer will be allowed access to the property to conduct certain studies and tests necessary for governmental approvals and financing.
- H. All parties agree that they will use their best efforts to resolve the outstanding issues relating to the Project in order to allow for execution of the final updated versions of Exhibits A and B.

The Effective Date of this LOI shall be the date that the final signature below is affixed to this LOI.

IN WITNESS WHEREOF, the parties have executed this LOI effective as of the Effective Date.

[Signatures appear on following page]

CITY OF THE DALLES

Date of Execution: _____

By: _____
City Manager

Approved as to form:

Date of Execution: _____

City Attorney

KLICKITAT COUNTY

Date of Execution: _____

By: _____
Chair, Board of Commissioners

Approved as to form:

Date of Execution: _____

County Attorney

ROSELAND PROPERTY GROUP. LLC

Date of Execution: _____

By: _____
Manager