

Exhibit 1111

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PLANNING DEPT.

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November 11, 2015

Medford City Council
c/o John Adam, Sr. Planner
Lausmann Annex Rm. 240
200 S. Ivy Street
Medford, OR 97501

RE: MD-2

Dear Honorable Mayor Wheeler and Councilors:

This law firm represents the owners of the property in MD-2. As you are likely aware, the owners have executed a binding agreement with Medford School District 549C, whereby as long as all of MD-2 is included in the urban growth boundary amendment, the school district will receive a gift of 20 acres of real property in MD-2.

At a recent council meeting, one councilor mentioned that the existing agreement contains a requirement that the property be annexed prior to the owners being obligated to deed the property to the district. The annexation condition created some concern, because the property owner has some influence over the speed at which the property may be annexed, unlike the urban growth boundary amendment process, which is controlled by the City. As such, the property owners of MD-2 have agreed to remove the requirement for annexation. Thus, as long as the entire MD-2 property is included in the urban growth boundary during this amendment process, the owners of the MD-2 property are obligated to deed 20 acres to the school district.

HORNECKER COWLING LLP

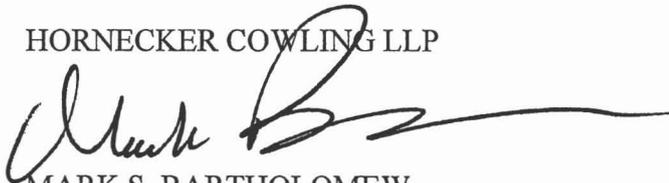
November 11, 2015

Page 2

We have attached the amended agreement, fully executed, which eliminates the annexation requirement, paving the way for the district to receive the 20 acre gift as soon as possible.

Very truly yours,

HORNECKER COWLING LLP



MARK S. BARTHOLOMEW

MSB:lvw

Enclosure

AMENDED GIFT PLEDGE AGREEMENT

This Amended Gift Pledge Agreement is entered into this 11th day of November, 2015, by and between Coker Butte Development, LLC, an Oregon limited liability company and O'Side Industry, LLC, a California Limited Liability Company (Coker Butte Development, LLC and O'Side Industry, LLC are hereinafter collectively referred to as "Coker Butte"), and Medford School District 549C (hereinafter referred to as the "District").

WHEREAS, Coker Butte and the District entered into a Gift Pledge Agreement ("Original Agreement") on September 15, 2014;

WHEREAS, the Parties desire to modify the Original Agreement to remove a contingency and provide a more clear path for the District to receive the Gift Property;

WHEREAS, for reference purposes, the Original Agreement is attached to this Amended Gift Pledge Agreement.

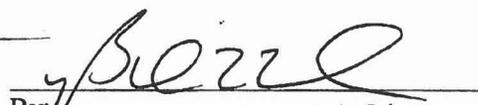
NOW, THEREFORE, the parties agree as follows:

1. Subsection (d) of paragraph 1 of the Original Agreement is hereby deleted and shall not be one of the "Conditions Precedent" as defined in the Original Agreement. For clarity, Paragraph 1(d) is restated as follows: "annexation to the City of Medford and zone change of the Gift Property and any partition, subdivision, or property line adjustment necessary to create a discrete and transferable 20 unit acre of real property in substantially the location and dimensions shown on Exhibit A." The foregoing quoted text is removed from the Original Agreement.
2. The terms of the Original Agreement shall remain in full force and effect so long as they are not inconsistent with this Amended Gift Pledge Agreement.

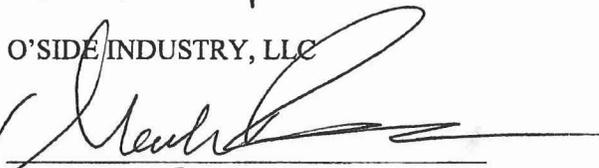
COKER BUTTE DEVELOPMENT, LLC

MEDFORD SCHOOL DISTRICT 549C


By: Mark Bartholomew
Its: Attorney-in-fact for Coker
Butte Development, LLC


By: BRAD L. EARL
Its: C.O.O.

O'SIDE INDUSTRY, LLC


By: Mark Bartholomew
Its: Attorney-in-fact for O'Side
Industry, LLC

GIFT PLEDGE AGREEMENT

This Gift Pledge Agreement is entered into this 15th day of September, 2014, by and between Coker Butte Development, LLC, an Oregon limited liability company and O'Side Industry, LLC, a California Limited Liability Company (Coker Butte Development, LLC and O'Side Industry, LLC are hereinafter collectively referred to as "Coker Butte"), and Medford School District 549C (hereinafter referred to as the "District").

WHEREAS, Coker Butte owns real property in Jackson County, Oregon that would be beneficial for future District expansion;

WHEREAS, Coker Butte desires to convey real property to the District as a gift on certain conditions and following certain conditions precedent;

WHEREAS, the District desires to receive a gift of real property from Coker Butte in accordance with the terms of this agreement;

WHEREAS, the parties acknowledge that there are various conditions precedent that must occur prior to any gift conveyance to the District and that District's cooperation and support for those conditions shall be necessary;

NOW, WHEREFORE, the parties agree as follows:

1. As provided herein, Coker Butte agrees to gift approximately 20 acres of real property (the "Gift Property") and 20 acres of Coker Butte's existing irrigation rights to the District within one year of the completion of all Conditions Precedent. For purposes of this Agreement, "Conditions Precedent shall mean all of the following: a) adoption of the Gift Property as part of the District's Facilities Plan as provided in Paragraph 2; b) District support as provided in Paragraph 4; c) inclusion of the entire 210-acre Coker Butte property, described on Exhibit B, into the Urban Growth Boundary of the City of Medford; d) annexation to the City of Medford and zone change of the Gift Property and any partition, subdivision, or property line adjustment necessary to create a discrete and transferable 20 acre unit of real property in substantially the location and dimensions shown on Exhibit A; e) District cooperation with Coker Butte as provided in Paragraph 3. Coker Butte shall have the right, but not the obligation, to apply for a zone change on the Gift Property prior to conveyance to the District. Coker Butte may seek any zoning designation, so long as schools are a permitted use in the new zone.
2. Within 45 days of execution of this Agreement, the District shall initiate efforts to identify the Gift Property as a suitable site for its Facilities Plan and begin the process of formally adopting it as part of the Facilities Plan.
3. The District shall reasonably cooperate, so long as there is no cost to the District other than any costs that may be incurred with the District's obligations as set forth in Section 4 of this agreement, with any efforts of Coker Butte to secure entitlements on its property

- described on Exhibit B, including the Gift Property, and/or to establish the value of the Gift Property by appraisal, but such efforts are not required of Coker Butte.
4. The District shall publicly express support for the inclusion of Coker Butte's portion of urban reserve area MD-2 into the Urban Growth Boundary of the City of Medford. Expression of support shall, at a minimum, include written and verbal support at each City of Medford public hearing regarding Urban Growth Boundary expansion. Coker Butte shall provide reasonable advance notice to the District for each such public hearing. However, the District shall not have any direct financial responsibilities and shall not be responsible for making any formal land use applications.
 5. Coker Butte shall gift the Gift Property to the District via bargain and sale deed. The Gift Property shall be free and clear of all encumbrances other than the normal standard exceptions.
 6. The Gift Property shall consist of 20 contiguous gross acres of raw land. Coker Butte makes no promises or warranties regarding any development rights on the Gift Property.
 7. After the conveyance of the Gift Property, the District shall cooperate with Coker Butte in granting reasonable requests for easements for access, drainage, and utilities.
 8. The District shall cooperate with and shall waive remonstrance against any reimbursement district that may affect the Gift Property.
 9. Contemporaneous with the conveyance of the Gift Property or as soon as practicable thereafter, the District shall execute Covenants, Conditions, & Restrictions ("CC&Rs"), requiring that the Gift property be used for School Purposes. "School Purposes" shall mean that the primary use of the Gift Property is for an elementary school, junior high school, high school, or District administrative offices. Following conveyance of the Gift Property to the District, the District shall have 10 years to put the Gift Property to use for School Purposes. The District may unilaterally extend its timeframe for use of the Gift Property for School Purposes for an additional 10 years by notifying Coker Butte in writing within 90 days of the expiration of the original 10 year period following conveyance of the Gift Property to the District. In the event the District fails to use the Gift Property for School Purposes within the timeframes specified herein, the District shall offer to sell the Gift Property to Coker Butte for market value at the time of the sale, based on an appraisal by a licensed appraiser acceptable to both parties. In the event Coker Butte does not purchase the Gift Property following the District's nonuse for School Purposes, the District may convey the Gift Property to another public entity, so long as it is used for park purposes. All of the foregoing shall be memorialized in the CC&Rs. The CC&Rs shall further provide for the waiver of remonstrance provided for in paragraph 8 and shall require that the Gift Property be mowed, watered, and otherwise be maintained in an attractive fashion. The CC&Rs shall benefit the property identified on Exhibit B, less the Gift Property, and shall run with the land.
 10. In the event the conditions precedent are not completed within 5 years, this Agreement shall terminate and the parties shall have no obligations to each other. Notwithstanding the foregoing, Coker Butte shall have the unilateral ability to extend the Agreement for additional terms, the sum of which shall not exceed 5 years beyond the initial term of this Agreement, provided that Coker Butte provide written notice of such extension to the District prior to the expiration of the then-current term.

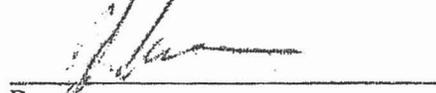
DATED the day and year first above written.

COKER BUTTE DEVELOPMENT, LLC



By:
Its:

MEDFORD SCHOOL DISTRICT 549C



By:
Its:

O'SIDE INDUSTRY, LLC



By:
Its:

Kaiser Surveying

19754 Highway 62
Eagle Point, OR 97524

Bary D. Kaiser
R.P.L.S. ORE. 52923

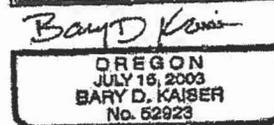
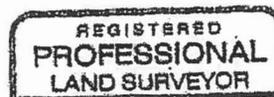
Phone: (541) 878-3995
Fax: (541) 878-3935
E-mail: bkaiser@ambarqmail.com

EXHIBIT "A"

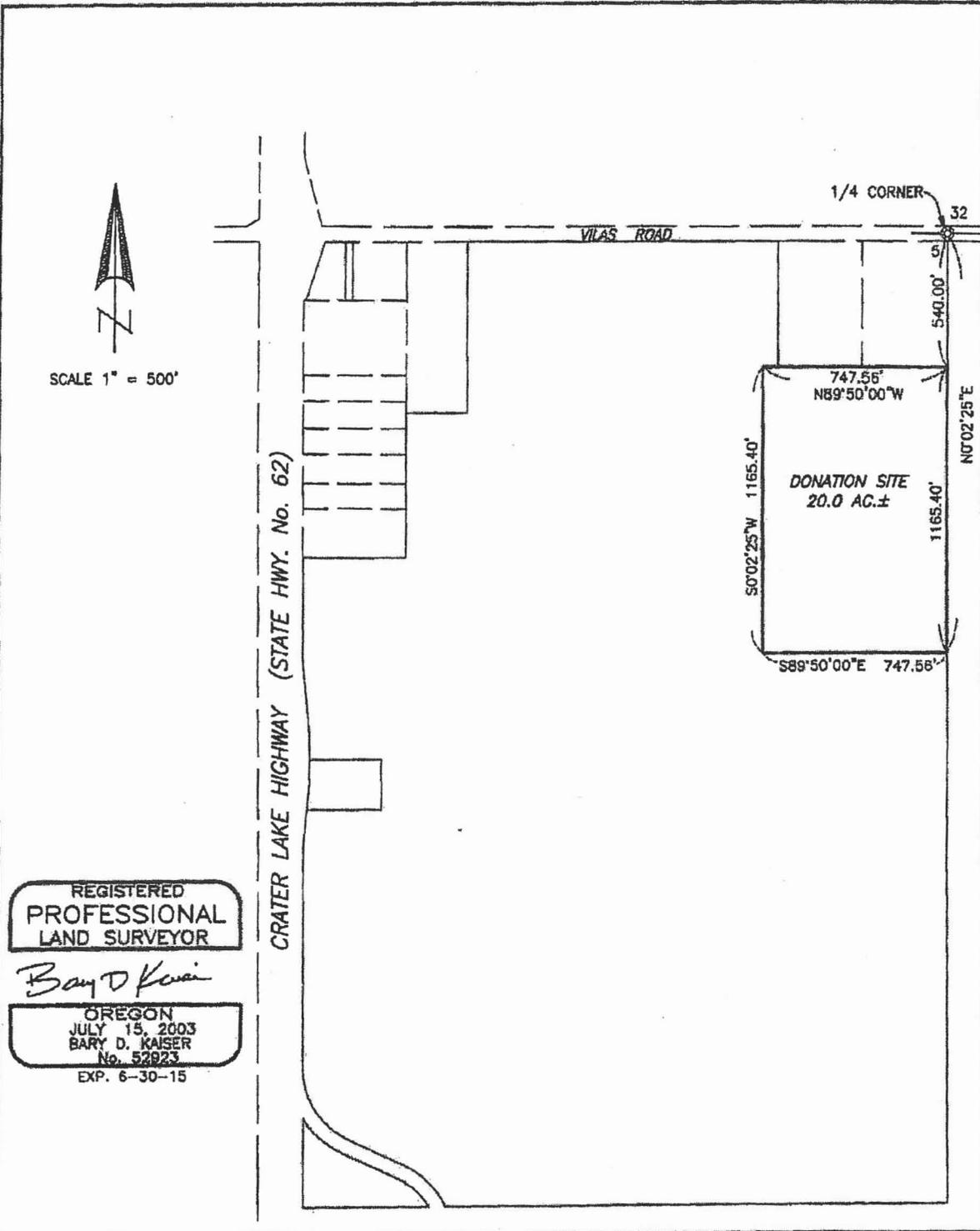
DESCRIPTION OF A 20 ACRE PARCEL LOCATED IN THE NORTHWEST QUARTER OF SECTION 5, T.37S., R.1W., W.M., IN JACKSON COUNTY, OREGON

Commencing at the quarter corner common to Section 5, Township 37 South, Range 1 West and Section 32, Township 36 South, Range 1 West of the Willamette Meridian in Jackson County, Oregon; thence along the North-South centerline of said Section 5, South 0° 02' 25" West, 540.00 feet to the Easterly Northeast corner of Parcel No. 2 of Partition Plat recorded July 14, 1993 as Partition Plat No. P-56-1993 of "Records of Partition Plats" in Jackson County, Oregon and filed as Survey No. 13567 in the Office of the County Surveyor for THE TRUE POINT OF BEGINNING; thence along the Northerly boundary of said Parcel No. 2 and the Westerly extension thereof, North 89° 50' 00" West, 747.56 feet; thence South 0° 02' 25" West, 1165.40 feet; thence South 89° 50' 00" East, 747.56 feet to intersect the said North-South centerline of Section 5; thence along said boundary, North 0° 02' 25" East, 1165.40 feet to THE TRUE POINT OF BEGINNING.

August 13, 2014



Exp. 6-30-15



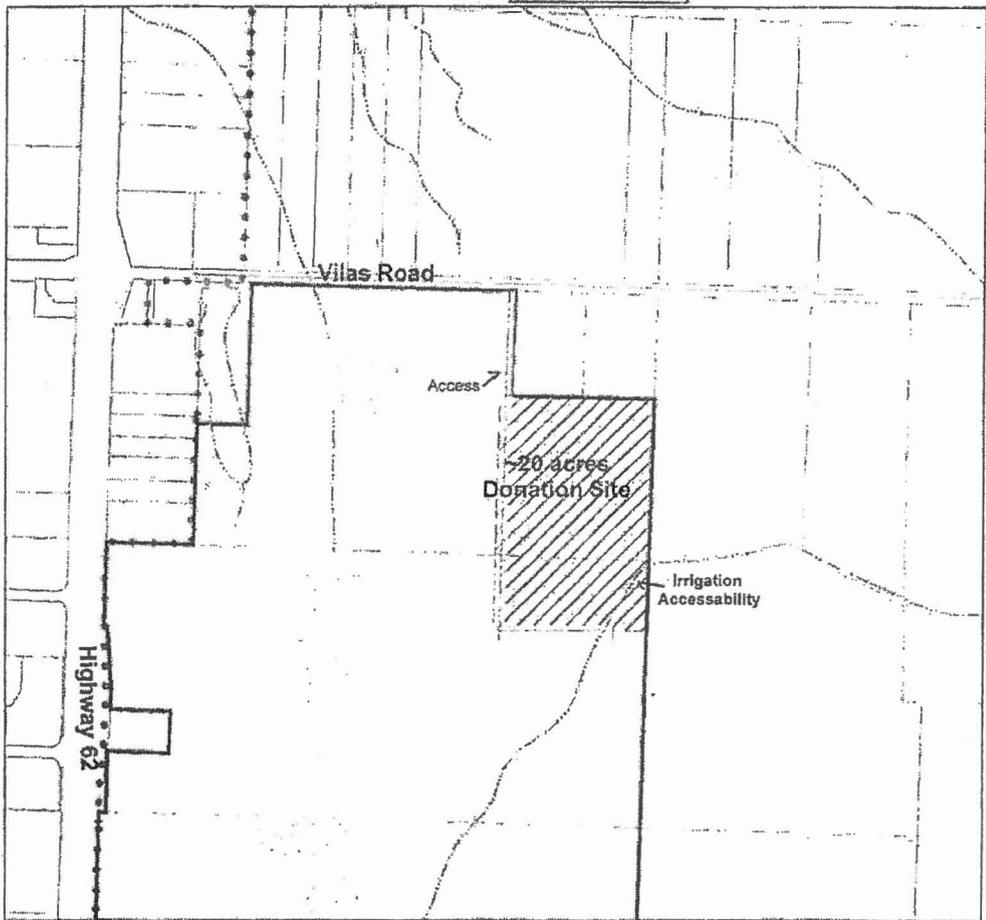

 SCALE 1" = 500'

REGISTERED
 PROFESSIONAL
 LAND SURVEYOR

Bary D Kaiser

OREGON
 JULY 15, 2003
 BARY D. KAISER
 No. 52923
 EXP. 6-30-15

Exhibit A



Coker Butte LLC
Donation Land
School District 549C
37-1W-05 TL 300, 202,
600 & 900



Legend

-  Donation Land
-  Potential Future Access
-  Taxlots
-  Subject Parcel
-  UGB
-  City Limits

0 300 600 Feet
1 inch = 600 feet

 This map is based on a digital database compiled by Jackson County GIS from a variety of sources, and may include RSA field data received by a Trimble GPS. We cannot accept responsibility for errors, omissions, or positional accuracy. There are no warranties, expressed or implied 6-26-14

Exhibit "B"

Parcel No. Two (2) of Partition Plat No. P-56-1993 filed July 14, 1993, in Volume 4 Page 56, "Record of Partition Plats" in Jackson County, Oregon, as Survey No. 13567.

(Code 49-15, Account #1-046046-4, Map #371W05, Tax Lot #300)
(Code 49-15, Account #1-046045-6, Map #371W05, Tax Lot #202)

The North Half of the Southwest Quarter of Section 5 in Township 37 South, Range 1 West of the Willamette Meridian in Jackson County, Oregon.

(Code 49-15, Account #1-046057-0, Map #371W05, Tax Lot #900)

The South Half of the Northwest Quarter of Section 5 in Township 37 South, Range 1 West of the Willamette Meridian in Jackson County, Oregon. EXCEPTING THEREFROM that portion conveyed to the State of Oregon, by and through its State Highway Commission, by deed recorded May 10, 1966 as No. 66-05568 of the Official Records of Jackson County, Oregon. ALSO, EXCEPTING THEREFROM the following: Beginning at a point on the easterly right of way line of the relocated Crater Lake Highway in Jackson County, Oregon (being the easterly boundary of the property described in No. 66-05568 of the Official Records of Jackson County, Oregon), said point being 300.0 feet North of the west quarter corner of Section 5 in Township 37 South, Range 1 West of the Willamette Meridian in Jackson County, Oregon, thence East 300.0 feet; thence North 200.0 feet; thence West 300.0 feet, more or less, to the easterly right of way line of said Crater Lake Highway as relocated; thence South, along said right of way line, to the point of beginning.

(Code 49-15, Account #1-046054-7, Map #371W05, Tax Lot #600)