



**Department of Finance**

Public Services Building  
2051 Kaen Road, Suite 490 | Oregon City, OR 97045

November 9, 2022

Board of County Commissioners  
Clackamas County

Members of the Board:

Approval of Lease Amendment #1 for the Clackamas County Sheriff's Office Sergeant Damon Coates Boathouse Slip 1F with Sportcraft Landing Incorporated. Total lease value is \$43,283.12 funded through CCSO General Funds.

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| <b>Purpose/Outcomes</b>                | Approval of a three (3) year, five (5) month, Lease Amendment #1 for the mooring of the Sergeant Damon Coates Boathouse at the Sportcraft Landing Incorporated facility on the Willamette River in Oregon City.<br>On July 1, 2021, Sportcraft Landing Incorporated entered into a license agreement with the City of Oregon City which governs Sportcraft's and the County's access and use of the marina facilities, or any adjacent or associated uses. The City has required that Sportcraft license agreement will now be terminated on November 30, 2024 and may even be terminated earlier upon the terms and conditions of the license agreement. |
| <b>Dollar Amount and Fiscal Impact</b> | FY 2021-2022 was \$12,205.50 with an annual increase of three percent (3%) per year for the three (3) year, five (5) month term for a total contract value of \$43,283.12.  |
| <b>Funding Source</b>                  | This lease is supported by General Fund dollars<br>CLACK-100-21-2102-210209-46150-0-0-0-0   |
| <b>Duration</b>                        | A three (3) year, five (5) month Lease Amendment #1 term is from July 1, 2021, through November 30, 2024.   |
| <b>Previous Board Action/Review</b>    | On June 9, 2021, the Board approved the original five (5) year lease from July 1, 2021 to June 30, 2026.  |
| <b>Strategic Plan Alignment</b>        | Supports ensuring safe, healthy, and secure communities.  |
| <b>County Counsel Review</b>           | Approved by signature on November 2, 2022   |
| <b>Procurement Review</b>              | This property lease amendment was created by Facilities Management and reviewed and approved as to form by the Office of County Counsel.  |
| <b>Contact Person</b>                  | Jeff Jorgensen, Division Director, Facilities Management,<br>503.734.6248   |

**BACKGROUND:**

Lease Amendment #1 is required to support the City of Oregon City's lease issues with Sportcraft Landing Inc. Sportcraft is required to execute a lease amendment with the County to confirm that the tenant's right to use the property are subject to the new terms and conditions of the license agreement which now has an expiration date of November 30, 2024. Additionally, this lease amendment may be terminated earlier upon the terms and conditions of the license agreement.

The Clackamas County Sheriff's Office has leased Slip 1F at Sportcraft Landing Inc., located at 1701 Clackamette Drive, in Oregon City since its construction in 2012. The Sergeant Damon Coates Boathouse

continues to be a very critical 3,000 square foot, two story facility that houses the Marine Units as its primary facility which has four internal slips that hold numerous watercraft and houses a large training room, several office and cubicle spaces, restroom and showers and kitchen.

The Sheriff's Office Marine Unit deputies support the following critical functions:

- Patrol of all the waterways in Clackamas County including the monitoring of waterways for hazards and placing warning signs and buoys as aids to navigation and boater safety
- Conducts boating-safety examinations, hull inspections, and criminal and accident investigations
- Supports the Dive Rescue and SWIFT teams during water-related search-and-rescue operations
- Provides training on marine-safety topics and how to conduct boat-accident investigations

**RECOMMENDATION:**

Staff recommends the Board approves and authorizes the Chair of the Board to execute this lease amendment.

Sincerely,

*Elizabeth Comfort*

Elizabeth Comfort,  
Director Finance

**Amendment #1 to Lease Agreement with Sportcraft Landing, Inc.**

This Amendment #1 is made by and between Clackamas County (“Lessee” or “Tenant”) and Sportcraft Landing, Inc. (“Sportcraft”) and shall become part of the lease entered into by and between both parties on June 9, 2020 (the “Lease”).

Recitals

- A. Sportcraft operates a marina located in Oregon City, Oregon, adjacent to and within the Willamette River.
- B. The marina’s facilities are located partially within Oregon Department of State Lands submerged and submersible land leases held by Sportcraft and the City of Oregon City, partially upon land owned by the City of Oregon City, and partially upon land owned by Sportcraft. Access to the marina facilities is accomplished over and across land owned by the City of Oregon City.
- C. Sportcraft has therefore entered into a License Agreement with the City of Oregon City dated effective July 1, 2021, which governs Sportcraft’s and Tenant’s access and use of the marina facilities, or any adjacent or associated uses that may be allowed by lease between Sportcraft and Tenant.
- D. The City of Oregon City has required that all Tenant execute a written certificate or agreement confirming that Tenant’s right to use the City’s property are subject to the terms and conditions of the License Agreement which has a stated expiration date of November 30, 2024 and may be terminated earlier upon the terms and conditions of the License Agreement.

WHEREFORE, the parties agree to amend the Lease as follows:

- 1. Lease Term. The Lease Term is hereby amended to end on November 30, 2024.
- 2. Base Rent. The Section of the Lease titled **Base Rent** is hereby deleted in its entirety and replaced with the following:

Lessee agrees to pay as rent for Slip 1F the sum of twelve thousand two hundred and five dollars and fifty cents (\$12,205.50) annually by July 15<sup>th</sup>. The base rent amount shall increase annually by three percent (3%) for the entire lease term. The following is the annual rent plus the 3% increase for the next four years:

| <u>Fiscal Year</u> | <u>Annual Rent Payment</u> |
|--------------------|----------------------------|
| - 2021-2022        | \$12,205.50                |
| - 2022-2023        | \$12,571.66                |
| - 2023-2024        | \$12,948.81                |
| - Remainder of     |                            |

2024

\$5,557.15



Rent not paid when due shall, after fifteen (15) days written notice, bear simple interest at the rate of one-and-one-half percent (1.5%) per month until paid.

If this Lease is terminated for any reason other than Lessee's default or failure to perform, Lessor shall reimburse to Lessee the pro rata amounts paid on the unexpired term of this Lease.

3. Termination and Breach. Section 1, Mutual Termination and Termination for Convenience, is hereby amended to add the following additional termination clause:

The License Agreement contains clauses and conditions that may result in termination of Tenant's access, use, and rights in and to any area leased to it under its lease with Sportcraft. Tenant hereby acknowledges that in the event of such termination, Tenant's lease with Sportcraft shall also be terminated, and Tenant shall have no further rights in and to the leased premises, nor shall Tenant have access over and across City of Oregon City property without separate and express written consent from the City of Oregon City. Sportcraft shall give Tenant at least thirty (30) day's written notice prior to terminating as a result of the termination of the License Agreement.

Except as expressly amended above, all other terms and conditions of the Lease shall remain in full force and effect.

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| <p>Clackamas County</p><br><br><hr/> <p>Tootie Smith, Chair</p> <p>Approved as to form:</p><br><br><br><hr/> <p>Office of County Counsel</p> <p>11/02/2022</p> <hr/> <p>Date</p> | <p>Sportcraft Landing, Inc.</p><br><br><br><hr/> <p>By: <u>Eric Dye</u></p> <p>Its: <u>owner</u></p> <hr/> <p>11-2-2022</p> <hr/> <p>Date</p> |
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