

March 20, 2025

BCC Agenda Date/Item: _____

Board of County Commissioners
 Clackamas County

**Approval of a Lease Agreement with Clackamas County Children’s Commission for the occupancy of the Estacada Head Start building to provide before and after school services for low-income families. Agreement Value is \$10 for 5 years. Funding is through Clackamas County Children’s Commission.
 No County General Funds are involved.**

Previous Board Action/Review	No previous Board action.		
Performance Clackamas	This item ensures safe, healthy, and secure communities by improving the quality of transitional housing units in Clackamas County.		
Counsel Review	Yes, Andrew Naylor	Procurement Review	N/A
Contact Person	Mark Sirois	Contact Phone	503-351-7240

EXECUTIVE SUMMARY: On behalf of the Housing & Community Development Division (HCDD), the Health, Housing and Human Services Department requests the approval of a Lease Agreement for building occupancy for Estacada Head Start, a county-owned facility operated by Clackamas County Children’s Commission (ClackCoKids), a local non-profit agency. This Head Start program provides preschool and after-school services for young children in low-moderate income-qualified families in the Estacada community.

ClackCoKids has occupied the building for years with previous Lease Agreements. The facility was recently renovated to meet Oregon Health Authority (OHA) compliance and to improve health and safety. The Community Development Block Grant (CDBG) funded improvements for the building, including an on-site laundry room, ADA-accessible ramps for entry, upgrades to the heating and cooling systems, and a new roof and windows for energy efficiency. This facility is long established within the community and is a major contributor to the overall wellness of delivering services to limited-income families in a rural area.

The nominal rent of \$2 annually has been determined as an incentive for ClackCoKids to continue operations for years in a building tailored for preschool services. The agreement is for 3 years with the option of 2 one-year extensions. This also recognizes the contributions that ClackCoKids provides in the county to families with limited income. No County General Funds are involved.

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RECOMMENDATION: Staff respectfully request that the Board of County Commissioners approve the Lease Agreement (#11581) and authorize Chair Roberts to sign on behalf of Clackamas County.

Respectfully submitted,

Mary Rumbaugh

Mary Rumbaugh
Director of Health Housing and Human Services

**LEASE BETWEEN
BETWEEN CLACKAMAS COUNTY
AND CLACKAMAS COUNTY CHILDREN’S COMMISSION**

H3S #11581

THIS LEASE (“Lease”) is entered into by and between Clackamas County (“County”), a political subdivision of the State of Oregon, and Clackamas County Children’s Commission (“Lessee”), collectively referred to as the “Parties” and each a “Party.”

RECITALS

County owns certain real property described as follows:

A residential building located at 264 N Broadway Street, Estacada, Oregon, 97023, which is identified through the Tax Department as Assessor’s Map 340E20DD Section 00937197, Tax Lot 34E20DD00800, described with particularity in **Exhibit A**, attached hereto and incorporated by this reference herein,

together with any and all rights, privileges, easements, and appurtenances (collectively, the “Premises”). The Premises includes any and all fixtures, rights, privileges, easements, and appurtenances (collectively the “Improvements”) that may now or exist in the future.

County desires to lease to Lessee, and Lessee desires to lease from County, the Premises subject to the terms and conditions in this Lease.

In consideration of the mutual promises set forth below and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

TERMS

- 1. Lease of Premises; Condition of Premises:** County hereby leases the Premises to Lessee, subject to the terms and conditions contained herein. Lessee acknowledges that it has examined the Premises and agrees to accept the Premises in “as-is” condition, and that County has made no representations or warranties regarding the condition of the Premises or its fitness for any particular use.
- 2. Term.** Upon execution of this Lease by both parties (“Effective Date”), the Premises will be leased for a term of three (3) years, with two optional renewals for an additional one (1) year upon written agreement by the parties, unless earlier terminated pursuant to the terms of the Lease.
- 3. Rental Payment.** Lessee shall make rent payments monthly on or before the 1st day of each month following the Effective Date of this Lease (the “Rental Payment”). Lessee shall have no right to offset rent due under this Lease. Lessee agrees to pay County the annual sum of two dollars (\$2.00) as the Rental Payment, to be paid upon execution of this Lease and annually thereafter.
- 4. Net Lease.** This Lease is a net lease. Except as specifically provided in this Lease, Lessee will be responsible for paying all costs and expenses relating to the Premises, including any real or personal property taxes, fees, utilities, maintenance, interior and exterior

repairs, insurance, and all other costs and expenses relating to the general occupancy and use of the Premises and the Tenant Improvements. Without notice or demand and without abatement, deduction, or setoff except as may be otherwise provided in this Lease, Lessee is required to pay, all sums, impositions, costs, and other payments that Lessee assumes or agrees to pay in any provision of this Lease. If Lessee fails to make a payment, County will have (in addition to all other rights and remedies) all the rights and remedies provided for in this Lease or by law for nonpayment of rent.

5. **Management Obligations:** Lessee shall direct, manage, supervise, and operate the Premises and all other related or subsequently constructed facilities. Lessee will employ all personnel necessary for these operations, and perform all other activities necessary to operate and maintain the Premises.
6. **Use of Premises.** Lessee may use and occupy the Premises during the Term of this Lease solely for the following purposes:
 - a. Operation of a pre-school for the local community.

Any use of the Premises other than those reasonably necessary to those described above is strictly prohibited.

7. **Compliance with Legal Requirements.** Lessee shall observe and comply with all “Legal Requirements,” defined below, that may apply to the Premises, or to the use or manner of uses of the Premises. Lessee will pay all costs of compliance with the Legal Requirements.

“Legal Requirements” means all applicable present and future federal, state, and local laws, ordinances, orders, rules, regulations, codes, and requirements that now or hereafter apply to the Premises, the Improvements, or any component hereof or any activity conducted thereon, including but not limited to those pertaining to Environmental Laws and the use and storage of Hazardous Substances (as these terms are defined below).

“Environmental Laws” means all present or future federal, state, and local laws or regulations related to the protection of health or the environment, including the Resource Conservation and Recovery Act of 1976 (RCRA) (42 USC § 6901 et seq.), the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA) (42 USC § 9601 et seq.), the Toxic Substances Control Act (15 USC § 2601 et seq.), the Federal Water Pollution Control Act (the Clean Water Act) (33 USC § 1251 et seq.), the Clean Air Act (42 USC § 7401 et seq.), amendments to the foregoing, and any rules and regulations promulgated thereunder.

“Hazardous Substances” means any hazardous or toxic substance, material, or waste that is or becomes regulated by any local, state, or federal governmental authority, including without limitation, any hazardous material, hazardous substance, ultra-hazardous material, toxic waste, toxic substance, pollutant, radioactive material, petroleum product, and PCB, as those and similar terms are commonly used or defined by Environmental Laws.

8. Restrictions on Use of the Premises.

- a. Lessee shall not use or occupy the Premises, or permit or suffer all or any part of the Premises to be used or occupied: (a) for any unlawful or illegal business, use, or purpose; (b) in any manner so as to constitute a nuisance of any kind; (c) for any purpose or in any way in violation of any Legal Requirements, including Legal Requirements respecting Hazardous Substances; or (d) for any business, use, or purpose deemed disreputable.
- b. Lessee shall not cause or permit any waste, damage, disfigurement, or injury to the Premises.
- c. Lessee shall not use the Premises in any manner that would conflict with the terms and conditions of this Lease.
- d. Lessee shall not engage in any activity that would make it impossible to insure the Premises against casualty, would increase the insurance rate, or would prevent County from taking advantage of any ruling of the Oregon Insurance Rating Bureau, or its successor, allowing County to obtain reduced premium rates for long-term fire insurance policies.
- e. Lessee shall refrain from any use that would be reasonably offensive to other tenants, owners, or users of neighboring properties, or that would create a nuisance or damage the reputation of the Premises.
- f. Lessee shall not load the electrical system or floors beyond the point considered safe by an engineer or architect selected by County.
- g. Lessee shall not make any marks on or attach any sign, insignia, antenna, aerial, or other device to the exterior or interior walls, windows, or roof of the Premises without the written consent of County.

9. Continuous Operation. Lessee shall occupy, operate, and manage the Premises continuously for the purposes stated herein and, subject to Section 6, carry on business during normal business hours. Lessee may close portions of the Premises for brief periods necessary to perform reasonable repairs and maintenance. Lessee may not close portions of the Premises for greater than ten (30) business days without the prior written consent of County. Provided, however, that Lessee may close operations during regular school holidays and breaks. Nothing herein shall relieve Lessee of its obligations under this Lease during closures of the Premises.

10. Improvements. Lessee may not make any modifications, alterations, or improvements to the Premises or the Improvements without first obtaining County's prior written consent. Any such modification, alteration, or improvement will be performed in compliance with all Legal Requirements and in a good and workmanlike manner. Unless otherwise agreed to in writing, all modifications, alterations, and improvements will become property of the County.

11. Taxes and Utilities

- a. **"Taxes" Defined.** As used in this Lease, the terms "Tax" and "Taxes" mean any and all taxes, service payments in lieu of taxes, general or special assessments, excise taxes, transit charges, utility assessments, and any and all charges, levies,

fees, or costs, general or special, ordinary or extraordinary, of any kind that are levied or at the direction of laws, rules, or regulations of any federal, state, or local authority on the Premises or the Improvements, or based on or otherwise in connection with the use, occupancy, or operations of the Premises or the Improvements, or with respect to services or utilities in connection with the use, occupancy, or operations of the Premises or the Improvements, or on County with respect to the Premises or the Improvements, or on any act of leasing space in the Improvements, or in connection with the business of leasing space in the Improvements, including any tax on rents, whether direct or as a part of any "gross receipts" tax, and whether or not in lieu of, in whole or in part, ad valorem property taxes. Taxes will include, but not be limited to, state and local taxes, levies, and assessments, and any tax, fee, or other excise, however described, that may be levied or assessed in lieu of, or as a substitute, in whole or in part, for, or as an addition to any other taxes, and all other governmental impositions and governmental charges of every kind and nature relating to the Premises or the Improvements.

- b. Payment of Taxes.** Throughout the Term, Lessee shall pay any Taxes that may be applicable as they become due. If by law any Tax is payable, or may at the option of the taxpayer be paid, in installments, Lessee may pay the same in installments as each installment becomes due and payable, but in any event shall do so before any fine, penalty, interest, or cost may be added for nonpayment of any installment or interest.
- c. Contesting Taxes.** If Lessee in good faith desires to contest the validity or the amount of any Tax, Lessee may be permitted to do so by giving to County written notice requesting permission to do so before commencement of such contest. If approved, Lessee may contest with respect to the Property and/or the Improvements. County may, at Lessee's expense (including reimbursement of attorney fees reasonably incurred by County), cooperate with Lessee in any such contest to the extent that Lessee may reasonably request, but County shall not be subject to any liability for the payment of any costs or expenses in connection with any proceeding brought by Lessee, and Lessee shall indemnify and save County harmless from any such costs or expenses. Any rebates on account of the Taxes required to be paid and paid by Lessee under the provisions of this Lease shall belong to Lessee, except that to the extent any rebates or refunds are related to a period of time in which this Lease is not in effect (either before commencement or after expiration or termination), the portion of the rebate attributable to such time shall be returned to County to the extent previously paid by County.
- d. Evidence of Payment.** Promptly after payment, Lessee shall provide County with evidence reasonably satisfactory to County that all Taxes required to be paid by Lessee have been paid.
- e. Utilities and Services.** Lessee shall pay, directly to the appropriate supplier, for all water, sanitary sewer, storm sewer, gas, electric, telephone, cable, garbage pickup, and all other utilities and services used by Lessee on the Premises as they become due, together with any taxes thereon, from and after the Effective Date. County shall not be in default hereunder nor be liable in damages or otherwise for

any failure or interruption of any utility or other service being furnished to the Premises, and no such failure or interruption will entitle Lessee to terminate this Lease.

12. Insurance. Lessee shall secure at its own expense and keep in effect during the term of the performance under this Lease the insurance required and minimum coverage indicated below. Lessee shall provide proof of said insurance and name Clackamas County as an additional insured on all required liability policies. Proof of insurance and notice of any material change should be submitted to the following address:
Clackamas County H3S, 2051 Kaen Road, Suite 246, Oregon City, OR 97045

<input checked="" type="checkbox"/> Required - Workers Compensation: Lessee shall comply with the workers' compensation requirements in ORS 656.017, unless exempt under ORS 656.126.
<input checked="" type="checkbox"/> Required – Commercial General Liability: combined single limit, or the equivalent, of not less than \$1,000,000 per occurrence, with an annual aggregate limit of \$2,000,000 for Bodily Injury and Property Damage.
<input checked="" type="checkbox"/> Required – Professional Liability: combined single limit, or the equivalent, of not less than \$1,000,000 per occurrence, with an annual aggregate limit of \$2,000,000 for damages caused by error, omission or negligent acts.
<input checked="" type="checkbox"/> Required – Automobile Liability: combined single limit, or the equivalent, of not less than \$1,000,000 per occurrence for Bodily Injury and Property Damage.
<input checked="" type="checkbox"/> Required – Abuse & Molestation endorsement with limits not less than \$1,000,000 per occurrence if not included in the Commercial General Liability policy.

This policy(s) shall be primary insurance as respects to County. Any insurance or self-insurance maintained by County shall be excess and shall not contribute to it. Any obligation that County agree to a waiver of subrogation is hereby stricken.

13. Responsibility for Damages; Indemnity.

Lessee shall be in exclusive control of the Premises. Lessee shall be solely responsible for all damage to property, injury to persons, and loss, expense, inconvenience, and delay which may be caused by, or result from, use of the Premises, or from any act, omission, or neglect of Lessee, its subcontractors, agents, or employees.

To the fullest extent permitted by law, Lessee agrees to indemnify, hold harmless and defend County, and its officers, elected officials, agents and employees from and against all claims and actions, and all expenses incidental to the investigation and defense thereof, arising out of or based upon damage or injuries to persons or property caused by the errors, omissions, fault, or negligence of Lessee or Lessee's employees, subcontractors, or agents. However, neither Lessee nor any attorney engaged by Lessee shall defend the claim in the name of County, or any department of County, nor purport to act as legal representative of County or any of its departments, without first receiving from the Clackamas County Counsel's Office authority to act as legal counsel for County, nor shall Lessee settle any claim on behalf of County without the approval of the

Clackamas County Counsel's Office. County may, at its election and expense, assume its own defense and settlement.

14. Liens.

- a. No Liens.** Lessee shall not suffer or permit any construction liens to attach to or be filed against any part of the Premises owned by County by reason of any work, labor, services, or materials done for, or supplied to, or claimed to have been done for or supplied to, Lessee or any person occupying or holding an interest in any part of the Premises or the Improvements owned by Lessee. If any such lien is filed against any portion of the Premises or the Improvements, Lessee shall cause the same to be discharged of record within 15 days after the date of its filing by payment, deposit, or bond.
- b. County Right to Post Notices.** County may post and keep posted at all reasonable times on the Premises notices of non-responsibility and any other notices that County desires or is required to post for the protection of County's interest in the Premises from any such lien.
- c. No Right to Lien County's Interest.** Nothing in this Lease may be deemed to be, or be construed in any way as constituting, the consent or request of County, express or implied, by inference or otherwise, to any person, firm, or corporation for the performance of any labor or the furnishing of any materials for any construction, rebuilding, alteration, or repair of or to the Premises, or as giving Lessee any right, power, or authority to contract for or permit the rendering of any services or the furnishing of any materials that might in any way give rise to the right to file any lien against County's interest in the Premises or against County's interest, if any, in the Improvements. Lessee shall not be an agent for County.

15. Repairs and Maintenance

- a. Lessee's Obligation.** Except as expressly provided in Section 15(b), below, Lessee, at its sole expense, must maintain, repair, and replace the Premises and the Improvements as and when needed so as to keep them clean and in good in good condition and repair, throughout the entire Term. All of Lessee's maintenance, repairs, and replacements required under this Lease shall be performed in a good and workmanlike manner, of a quality at least equal to the original work, and shall be in compliance with all standards and requirements of law, licenses and municipal ordinances.
- b. County's Obligation.** Consistent with Section 6 of this Lease, County is not required to furnish to Lessee or the Premises any facilities, utilities, or services of any kind whatsoever during the Term except for significant structural repairs, maintenance, or upgrades.

In performing its obligations hereunder, County shall have exclusive access to all or a portion of the Premises.

16. Inspection and Access. County may enter onto the Premises at reasonable times during reasonable business to perform inspections, to inspect and take measurements, samples or other activities to access any potential contamination issues, to perform repairs and

maintenance under Section 15, above, and to ensure compliance with the terms of this Lease. Nothing in this Lease implies any duty or obligation, however, on County's part to make such inspections or perform such work unless County is otherwise obligated to do so under this Lease. County's performance of any work will not constitute a waiver of Lessee's default in failing to perform the same.

- 17. Damage and Destruction.** If any Lessee owned Improvement(s) on the Premises are damaged or destroyed by flood, fire or other casualty, Lessee's obligations under the lease will not abate and Lessee shall promptly determine whether to repair, replace, reconstruct, demolish or abandon the Improvement(s). Lessee shall promptly inform County of its decision and its proposed plan of action. Should the Lessee decide to abandon or demolish the damaged Lessee owned Improvement(s), Lessee shall at Lessee's expense clear the remains of the Improvement(s) from the Premises unless otherwise directed by County.
- 18. Condemnation.** In the event the Premises is subject to condemnation by right of eminent domain by any federal, state, or local agency, the following provisions shall govern.
- a. Total Taking.** If all the Premises is taken or condemned by right of eminent domain or by purchase in lieu of condemnation (a "Taking"), or if in Lessee's reasonable judgment the Taking of any portion of the Premises renders the portion remaining insufficient and unsuitable to permit the restoration of the Improvements following the Taking, then either party may terminate this Lease by providing written notice thereof within 30 days after the terminating party is notified of the Taking, in which case the Lease will cease and terminate (except those provisions intended to survive the expiration or termination of the Lease) and Lessee shall vacate the Premises as of the date on which the condemning authority takes possession (any Taking in this section being called a "Total Taking").
 - b. Partial Taking and Award for Partial Taking.** If, during the Term, there is a Taking of the Premises, but the Taking is not a Total Taking and not a temporary taking of the kind described below, this Lease will not terminate but will remain in full force and effect with respect to the portion of the Premises not taken.
 - c. Temporary Taking.** If there is a Taking of all or a part of the Premises for temporary use, this Lease will continue without change, as between County and Lessee, and Lessee will be entitled to the entire award made for that use.
 - a. Award for Total Taking.** It is specifically understood and agreed that County shall be entitled to all of the proceeds of a Total or Partial Taking, and Lessee shall have no claim against County as a result of condemnation. Lessee shall be entitled to the relocation benefits, if any, and all the proceeds of condemnation which are on account of the taking of the improvements, equipment, fixtures or personal property, if any, belonging to Lessee.
 - b. Dispute Resolution.** In the event of any dispute between Lessee and County regarding any issue of fact arising out of a Taking mentioned in this Article, the dispute shall be resolved by the same court in which the condemnation action is brought, in any proceedings that are appropriate for adjudicating the dispute.

19. Assignment and Subletting. Lessee shall not sell, assign, sublet, grant, or transfer this Lease, or any portion of Lessee's interest therein, without the prior written consent of County. Any attempted assignment or sublet without such prior written consent will be void. County's consent to an assignment or sublease will in no event release Lessee from its liabilities or obligations under this Lease, nor relieve Lessee from the requirement of obtaining County's prior written consent to any further assignment or sublease. County's acceptance of Rental Payments from any other person will not be deemed to be a waiver by County of any provision of this Lease or consent to any assignment or sublease.

20. Sale of Premises. County may actively market the Premises for sale at any time during the Term of this Lease. Upon sale of the Premises during the Term of this Lease or any extensions, this Lease shall be terminated. County shall not agree to any sale terms that shorten the notice of termination period required to be given to Lessee under this Lease.

21. Default. The following constitute a default under this Lease:

- a. Lessee's failure to pay any amount required to be paid by Lessee to County under this Lease within 10 days after written notice of such nonpayment is given to Lessee;
- b. Lessee's violation of any term or condition in this Lease following 10 days' notice and opportunity to cure;
- c. Lessee's failure to occupy the Premises for one or more of the purposes permitted under this Lease for a period of ten (10) business days or more, unless such failure is excused by County;
- d. Lessee becomes insolvent, makes an assignment for the benefit of creditors, a receiver is appointed for Lessee's properties.

22. Termination

- a. **Non-default Termination:** This Lease may be terminated for the following non-default reasons:
 - i. By mutual agreement of the parties;
 - ii. By County for the following reasons:
 1. Upon thirty (30) day's written notice to Lessee, for convenience;
 - a. Provided, however, that County will not terminate the Lease for convenience from July 1 through October 1 of any given year of the Lease. Any notice of termination that would have the effect of terminating the Lease during this time period shall automatically be extended to October 2. Lessee shall remain responsible for all obligations under this Lease until the termination date.
 2. If County fails to receive expenditure authority sufficient to allow County, in the exercise of its reasonable administrative discretion, to continue to perform under this Lease; or
 3. If federal or state laws, regulations or guidelines are modified or interpreted in such a way that performance under this Lease is prohibited.

- b. **Termination for Default:** upon occurrence of an event of default and failure to cure, if permitted, County may immediately terminate this Lease upon written notice to Lessee and exercise any remedy provided herein.

23. Remedies.

- a. Upon the occurrence of an event of default, County may exercise any one or more of the remedies set forth in this section or any other remedy available under applicable law or contained in this Lease:
 - i. Termination. County may terminate this Lease by written notice to Lessee, which is effective immediately.
 - ii. Removal. County or County's agent or employee may immediately or at any time thereafter, with or without terminating the Lease, at County's sole discretion, reenter the Premises either by summary eviction proceedings or by any suitable action or proceeding at law, or by force or otherwise, without being liable to indictment, prosecution, or damages, and may repossess the same, and may remove any person from the Premises, to the end that County may have, hold, and enjoy the Premises and the Improvements.
 - iii. Reletting. County may relet the Premises, but County shall not be required to relet the Premises for the purposes specified in the Lease or which purposes County may reasonably consider injurious to the Premises, or to any lessee that County may reasonably consider objectionable. County may relet all or part of the Premises, alone or in conjunction with other properties, for a term longer or shorter than the term of this Lease, on any reasonable terms and conditions County determines, in its sole discretion, to be in the County's best interest. To the extent allowed under Oregon law, County shall not be liable for refusing to relet the Premises or, in the event of reletting, for refusing or failing to collect any rent due on such reletting; and any action of County will not operate to relieve Lessee of any liability under this Lease or otherwise affect such liability. County at its option may make any physical change to the Premises that County, in its sole discretion, considers advisable and necessary in connection with any reletting or proposed reletting, without relieving Lessee of any liability under this Lease or otherwise affecting Lessee's liability.
 - iv. Damages. Whether or not County retakes possession of or relets the Premises, County may recover its damages from Lessee, including without limitation, all lost rentals and all costs incurred by County in restoring the Premises or otherwise preparing the Premises and for reletting, and all costs incurred by County in reletting the Premises.
 - v. Right to Sue More than Once. County may sue periodically to recover damages during the period corresponding to the remainder of the Term, and no action for damages shall bar a later action for damages subsequently accruing.
 - vi. Self-Help. If Lessee at any time (a) fails to pay any Tax in accordance with the provisions of this Lease, (b) fails to make any other payment required under this Lease, or (c) fails to perform any other obligation on

its part to be made or performed under this Lease, then after 10 days' written notice to Lessee (or without notice in the event of an emergency) and without waiving or releasing Lessee from any obligation of Lessee contained in this Lease or from any default by Lessee and without waiving County's right to take any action that is permissible under this Lease as a result of the default, County may, (i) pay any Tax or make any other payment required of Lessee under this Lease, and (ii) perform any other act on Lessee's part to be made or performed as provided in this Lease, and may enter the Premises and the Improvements for any such purpose, and take any action that may be necessary. All payments so made by County and all costs and expenses incurred by County in connection with the performance of any such act will constitute additional costs payable by Lessee under this Lease and must be paid to County on demand. In no instance shall Lessee be entitled to attorney's fees relating to any default, remedy or self-help, even if it is determined that County did not act appropriately with respect to the same.

vii. **All Other Remedies.** The County shall have any remedy available to it in law or equity, whether or not specified herein.

- b. **No Waiver.** No failure by County to insist on the strict performance of any agreement, term, covenant, or condition of this Lease or to exercise any right or remedy consequent upon a breach, and no acceptance of full or partial Rental Payments or Revenue Share Payments during the continuance of any such breach, constitutes a waiver of any such breach or of such agreement, term, covenant, or condition. No agreement, term, covenant, or condition to be performed or complied with by Lessee, and no breach by Lessee, may be waived, altered, or modified except by a written instrument executed by County. No waiver of any breach will affect or alter this Lease, but each and every agreement, term, covenant, and condition of this Lease will continue in full force and effect with respect to any other then-existing or subsequent breach.
- c. **Remedies Cumulative and Nonexclusive.** Each right and remedy provided for in this Lease is cumulative and is in addition to every other right or remedy provided for now or hereafter existing at law or in equity or by statute or otherwise, and County's or Lessee's exercise or beginning to exercise of any one or more of the rights or remedies provided for in this Lease or now or hereafter existing at law or in equity or by statute or otherwise will not preclude the simultaneous or later exercise by the party in question of any or all other rights or remedies provided for in this Lease or now or hereafter existing at law or in equity or by statute or otherwise.

24. Surrender and Holdover

- a. **Condition of Premises and Improvements.** Upon expiration of the Term or earlier termination of this Lease, Lessee shall surrender the Premises and County-owned Improvements in good condition and repair (reasonable wear and tear excepted), free and clear of all occupancies other than subleases to which County has specifically consented and free and clear of all liens and encumbrances other than those, if any, existing on the date of this Lease or created or suffered by

County. Lessee shall be solely responsible for the removal or remediation, in compliance with all Legal Requirements, of any Hazardous Substances on the Premises.

- b. Lessee's Property.** Before the expiration or earlier termination of this Lease, Lessee shall remove all Lessee owned Improvements, furnishings, furniture, and trade fixtures that remain Lessee's property (the "Lessee's Property"). If Lessee fails to do so, at Lessor's option, (a) the failure to remove Lessee's Property will be deemed an abandonment of Lessee's Property, and County may dispose of Lessee's Property in any manner permitted by law; or (b) by written notice given to Lessee, County may elect to hold Lessee to Lessee's obligation of removal, in which case County may remove, transport, and store Lessee's Property and Lessee shall reimburse County for the costs incurred in connection therewith on demand.
- c. Holdover.** Unless permitted in writing by County, there shall be no holdover permitted under this Lease.

25. Notice All notices given pursuant to this Lease shall be in writing and shall either be (i) mailed by first class mail, postage prepaid, certified or registered with return receipt requested, or (ii) delivered in person or by nationally recognized overnight courier, or (iii) sent by email.

Lessee	County
Administrator: <u> Darcee Kilsdonk </u>	Administrator: <u> Rod Cook </u>
Attn: <u> Executive Director </u>	Attn: <u> H3S Director </u>
Phone: <u> 541-314-3624 </u>	Phone: <u> 503-347-9326 </u>
Email: <u> darceek@clackcokids.org </u>	Email: <u> rodcoo@clackamas.us </u>
Administrator: <u> Mark Lipscomb </u>	Administrator: <u> Shannon McCallahan </u>
Attn: <u> Operations Manager </u>	Attn: <u> HCDD Director </u>
Phone: <u> 503-927-1280 </u>	Phone: <u> 971-480-0189 </u>
Email: <u> markl@clackcokids.org </u>	Email: <u> scallahan@clackamas.us </u>

26. General Terms and Conditions

- a. Relationship.** Nothing contained in this Lease will create a joint venture or partnership, establish a relationship of principal and agent, establish a relationship of employer and employee, or any other relationship of a similar nature between County and Lessee.
- b. Independent Contractor.** The service(s) to be rendered under this Lease are those of an independent contractor. Although the County reserves the right to determine work to be performed and to evaluate the quality of the completed performance, County cannot and will not control the means or manner of Lessee's performance. Lessee is responsible for determining the appropriate means and manner of performing under this Lease. Lessee is not to be considered an agent or employee of County for any purpose. This Lease is not intended to entitle the Lessee to any benefits generally granted to County employees, including, but not

limited to, vacation, holiday and sick leave, other leaves with pay, tenure, medical and dental coverage, life and disability insurance, overtime, Social Security, Workers' Compensation, unemployment compensation, or retirement benefits.

- c. Waiver.** Failure of either party at any time to require performance of any provision of this Lease shall not limit the party's right to enforce the provision. Waiver of any breach of any provision shall not be waiver of any succeeding breach of the provision or waiver of the provision itself or any other provision.
- d. Integration.** Except as otherwise set forth herein, this Lease constitutes the entire agreement between the parties on the subject matter of this Lease. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Lease. No amendment, consent, or waiver of terms of this Lease shall bind either party unless in writing and signed by all parties. Any such amendment, consent, or waiver shall be effective only in the specific instance and for the specific purpose given. Lessee, by the signature hereto of its authorized representative, agrees to be bound by the terms and conditions of this Lease
- e. Further Assurances.** The parties to this Lease agree to execute and deliver such additional documents and to perform such additional acts as may be reasonably necessary to give effect to the terms and provisions contemplated herein.
- f. Survival.** All rights and obligations shall cease upon termination or expiration of this Lease except for the rights and obligations set forth in Sections 4, 7, 11, 13, 15, 23, and 26 (a), (b), (c), (d), (f), (g), (j), (k), (n), (o), (p), (q), (r), 23 & 24, and all other rights and obligations which by their context are intended to survive.
- g. Invalidity.** If any term or provision of this Lease or the application of the Lease to any person or circumstance is, to any extent, held to be invalid or unenforceable, the remainder of this Lease, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, will not be affected, and each term and provision of this Lease will be valid and be enforced to the fullest extent permitted by law.
- h. Force Majeure.** If either party's performance of an obligation under this Lease (excluding a monetary obligation) is delayed or prevented in whole or in part by (a) any Legal Requirement (and not attributable to an act or omission of the party); (b) any act of God, fire, or other casualty, flood, storm, explosion, accident, epidemic, war, terrorism, civil disorder, strike, or other labor difficulty; (c) shortage or failure of supply of materials, labor, fuel, power, equipment, supplies, or transportation; or (d) any other cause not reasonably within the party's control, whether or not the cause is specifically mentioned in this Lease, the party will be excused, discharged, and released of performance to the extent that such performance or obligation (excluding any monetary obligation) is so limited or prevented by the occurrence without liability of any kind.
- i. Non-Waiver of Governmental Rights.** Subject to the terms and conditions of this Lease, County is specifically not obligating itself with respect to any discretionary action relating to the Premises including, but not limited to, condemnation, comprehensive planning, rezoning, variances, environmental clearances or any other governmental approvals that are or may be required.

- j. Counterparts.** This Lease may be executed in any number of counterparts, including by fax signatures, each of which will constitute an original, but all of which will constitute one Lease.
- k. Binding Effect.** The covenants and agreements contained in this Lease are binding on and inure to the benefit of County, Lessee, and their respective successors.
- l. Recordation of Lease.** County may elect that a copy of this Lease or a memorandum of it, executed and acknowledged by both parties, be recorded in the public records of Clackamas County, Oregon. Lessee will pay the recording costs.
- m. Time Is of the Essence.** Time is of the essence as to the performance of this Lease.
- n. No Third Party Beneficiaries.** County and Lessee are the only parties to this Lease and are the only parties entitled to enforce its terms. Nothing in this Lease gives, is intended to give, or shall be construed to give or provide any benefit or right, whether directly, indirectly or otherwise, to third persons unless such third persons are individually identified by name herein and expressly described as intended beneficiaries of the terms of this Lease.
- o. Access to Records.** Lessee shall maintain books, records, documents, and other evidence, in accordance with generally accepted accounting procedures and practices, sufficient to reflect properly all costs of whatever nature claimed to have been incurred and anticipated to be incurred in the performance of this Lease. County and its duly authorized representatives shall have access to the books, documents, papers, and records of Lessee, which are directly pertinent to this Lease for the purpose of making audit, examination, excerpts, and transcripts. Lessee shall maintain such books and records for a minimum of six (6) years, or such longer period as may be required by applicable law, following final payment and termination of this Lease, or until the conclusion of any audit, controversy or litigation arising out of or related to this Lease, whichever date is later.
- p. Governing Law.** This Lease, and all rights, obligations, and disputes arising out of it, shall be governed and construed in accordance with the laws of the State of Oregon and the ordinances of Clackamas County without regard to principles of conflicts of law. Any claim, action, or suit between County and Lessee that arises out of or relates to the performance of this Lease shall be brought and conducted solely and exclusively within the Circuit Court for Clackamas County, for the State of Oregon. Provided, however, that if any such claim, action, or suit may be brought in a federal forum, it shall be brought and conducted solely and exclusively within the United States District Court for the District of Oregon. In no event shall this section be construed as a waiver by County of any form of defense or immunity, whether sovereign immunity, governmental immunity, immunity based on the Eleventh Amendment to the Constitution of the United States or otherwise, from any claim or from the jurisdiction of any court. Lessee, by execution of this Lease, hereby consents to the personal jurisdiction of the courts referenced in this section.

- q. No Attorney Fees.** In the event any arbitration, action or proceeding, including any bankruptcy proceeding, is instituted to enforce any term of this Lease, each party shall be responsible for its own attorneys' fees and expenses.
- r. Limitation of Liabilities.** This Lease is expressly subject to the debt limitation of Oregon counties set forth in Article XI, Section 10, of the Oregon Constitution, and is contingent upon funds being appropriated therefore. Any provisions herein which would conflict with law are deemed inoperative to that extent. Neither party shall be liable for any indirect, incidental, consequential or special damages under this Lease or any damages of any sort arising solely from the termination of this Lease in accordance with the non-default termination provisions of Section 22(a).

[Signature Page Follows]

By their signatures below, the parties to this Lease agree to the terms, conditions, and content expressed herein.

CLACKAMAS COUNTY

CLACKAMAS COUNTY CHILDREN'S COMMISSION

By: _____

By: Darcee Kilsdonk

Its: _____

Its: Darcee Kilsdonk, Executive Director

Dated: _____

Dated: 2.11.2025

Approved to Form

By: Sarah Foreman
County Counsel

Dated: 2/3/2025

**State of Oregon
County of Clackamas**

This record was acknowledged before me on

Stamp (if required):

(date) _____ by _____
as the Chair of Clackamas County.

Notarial Officer Signature: _____

Title of Office: _____

My Commission Expires: _____