

May 21, 2020

Housing Authority Board of Commissioners  
Clackamas County

Members of the Board:

Approval to execute multiple lease agreements between Housing Authority of Clackamas County and service providers that operate special needs housing

<b>Purpose/Outcomes</b>	Approval to execute multiple lease agreements between the Housing Authority of Clackamas County and service providers that operate special needs housing.
<b>Dollar Amount and Fiscal Impact</b>	No general funds used. Lease agreements are a revenue source for the Housing Authority to maintain housing stock for special needs housing providers.
<b>Funding Source</b>	Lessees will pay rent to the Lessor, the Housing Authority as noted in Exhibit A of this report.
<b>Duration</b>	Two (2) year leases, July 1, 2020 – June 30, 2022
<b>Previous Board Action</b>	none
<b>Counsel Review</b>	This contract has been reviewed by County Counsel on May 7, 2020
<b>Strategic Plan Alignment</b>	1. Sustainable and affordable housing for special needs populations
<b>Contact Person</b>	Jill Smith, Executive Director, Housing Authority 503-742-5336
<b>Contract No.</b>	none

**BACKGROUND:**

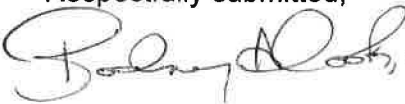
The Housing Authority of Clackamas County (HACC), a division of the Health, Housing & Human Services Department (H3S), requests approval to execute seventeen (17) lease agreements with service providers to operate special needs housing listed on the attached Exhibit A.

The service providers operate fourteen (14) homes for those with intellectual and development disabilities, one (1) provider operates a shelter, one (1) provider operated a foster youth program and one (1) provider serves homeless in the community. HACC has maintained long term business relationships with the service providers to provide high quality affordable housing for the special needs populations they serve. All of the properties are single family homes located in neighborhoods throughout Clackamas County. The intention of these services providers is to provide housing for their respective populations so they may be integrated into the community. All of these lessees provide on-site services (in most cases 24 hours a day, 7 days a week) to meet the needs of the residents. But for this housing provided through HACC, these providers could not find affordable housing to serve their respective populations.

**RECOMMENDATION:**

Staff recommends the HACC Board authorize the execution of all the lease agreements enclosed. In addition, HACC requests the HACC Board to authorize Jill Smith, HACC Executive Director, to sign and execute all the lease agreements on its behalf.

Respectfully submitted,

 HHS deputy / For

Richard Swift, Director  
Health, Housing & Human Services

**ATTACHMENTS:**

**EXHIBIT A** - List of Lessees, Property Names, Locations, Program, Lease Term & Rent

**EXHIBIT B** - Lease Documents for all Lessees

## EXHIBIT A - List of Lessees

Local Project - Schedule of Lessees & Rent and Lease Schedule						
	Address	City	Lessee	Program	Term - Years	2020 - 2022 Rent
1	13581 Jason Lee Drive	Oregon City	Albertina Kerr	I/DD	2	\$1,187.00
2	4808 SE View Acres	Milwaukie	Albertina Kerr	I/DD	2	\$1,187.00
3	2286 Lindenbrook	Milwaukie	Albertina Kerr	I/DD	2	\$1,187.00
4	4808 SE Hull Street	Milwaukie	Alternative Services	I/DD	2	\$712.00
5	18980 Leland Road	Oregon City	Cascadia Behavioral Health	I/DD	2	\$1,256.00
6	304 Pearl Street	Oregon City	Cascadia Behavioral Health	I/DD	2	\$1,256.00
7	11458 McEachron	Milwaukie	Columbia Care Services,	I/DD	2	\$1,009.00
8	6662 SE Furnberg	Milwaukie	Northwest Mental Health	I/DD	2	\$1,187.00
9	9054 SE 42nd	Milwaukie	Northwest Mental Health	I/DD	2	\$1,187.00
10	13538 Gaffney Ln	Milwaukie	Northwest Mental Health	I/DD	2	\$949.00
11	376 Warner Parrot	Milwaukie	Northwest Mental Health	I/DD	2	\$949.00
12	2885 SE Maple St.	Milwaukie	Northwest Mental Health	I/DD	2	\$1,187.00
13	15323, 15325,15327 Risley	Milwaukie	Northwest Mental Health	I/DD	2	\$1,187.00
14	3050 Lazy River	West Linn (Privacy of Location)	Northwest Mental Health	I/DD	2	\$1,187.00
15	(Privacy of Location)	(Privacy of Location)	Northwest Family Services	Shelter Foster Youth	2	\$1,158.00
16	144 Molalla	Oregon City	The Inn Home For Boys		2	\$1,282.00
17	146 Molalla	Oregon City	Central City Concern	LEAD	1	\$250.00
	<b>TOTAL MONTHLY REVENUE</b>					<b>\$18,317.00</b>
<b>Line</b>	<b>NOTES to TABLE</b>					
1-14	<i>I/DD = Intellectually and Developmentally Disabled</i>					
	<i>Shelter = Special Needs</i>					
	<i>Homeless Shelter - Address not disclosed for privacy and safety of occupants</i>					
15	<i>Foster Youth - Program to house Foster teens transitioning to adulthood</i>					
16	<i>LEAD - :Law Enforcement Assistance Diversion for homeless persons - office space not housing</i>					
17						

# LEASE

THIS LEASE is made and entered into by and between **HOUSING AUTHORITY OF CLACKAMAS COUNTY**, hereinafter called the LESSOR, and **ALBERTINA KERR**, hereinafter called the LESSEE.

The parties agree as follows:

## **1. DESCRIPTION OF PREMISES; PURPOSE OF LEASE**

LESSEE hereby leases a residence, more specifically described below, from the Housing Authority of Clackamas County (hereinafter called "LESSOR"). The property is known as:

13581 Jason Lee Drive  
Oregon City, Clackamas County, Oregon, 97045

together with any and all rights, privileges, easements, and appurtenances, as well as any and all fixtures, rights, privileges, easements, and appurtenances that may now or exist in the future (collectively, the "Premises"). The parties agree that LESSOR is leasing the Premises for the specific purpose of providing a facility in which the LESSEE will operate a residential program, as described in Section 3, below.

## **2. RENT**

LESSEE shall pay to LESSOR rent for the Premises in the amount of \$1,187.00 per calendar month during the period commencing July 1, 2020 and ending on June 30, 2022. The lease payments are due on the first day of each month starting July 1, 2020. LESSEE shall pay directly to the LESSOR at P.O. Box 1510, Oregon City, Oregon 97045. LESSEE acknowledges that rents received after the 10th of the month will be subject to a \$25.00 late charge.

Rents shall increase annually by the amount of the increase in residents' Social Security Income (SSI) payments attributed to housing costs by the Oregon Department of Human Services, Seniors and People with Disabilities. Any increase so determined shall occur at the time the information is made available to the LESSOR, but shall not in any event be effective before the effective date of such increase in the SSI payment. LESSOR shall immediately notify LESSEE when any such notice is received.

## **3. USE OF PREMISES**

- a. The LESSEE shall use the leased premises during the term of this LEASE as follows:  
Operation of a residential facility for persons with developmental disabilities, plus any necessary support staff. LESSEE shall use the leased premises for no other purpose whatsoever without LESSOR's written consent.
- b. The LESSEE will not make any unlawful, improper or offensive use of said premises; LESSEE will not suffer any strip or waste thereof; LESSEE will not permit any objectionable noise or odor to escape or to be emitted from said Premises or do anything or permit anything to be done upon or about said Premises in any way tending to create a nuisance; LESSEE will not sell or permit to be sold any spirituous, vinous or malt liquors on said Premises; nor will LESSEE sell or permit to be sold any controlled substance on or about said Premises.

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- c. The LESSEE will not allow the leased Premises at any time to fall into such a state of disrepair or disorder as to increase the fire hazard thereon; LESSEE shall not install any power machinery on said Premises except with written consent of the LESSOR; LESSEE shall not store gasoline or other highly combustible materials on said Premises at any time; LESSEE will not use said Premises in such a way or for such a purpose that the fire insurance rate on the building in which said Premises are located is thereby increased or that would prevent the LESSOR from taking advantage of any rulings of any agency of the state in which said leased Premises are situated or its successors, which would allow the LESSOR to obtain reduced premium rates for longterm fire insurance policies.

#### **4. UTILITIES**

The LESSEE shall pay for all heat, light, water, power, sewer and other services or utilities used at the Premises during the term of this LEASE.

#### **5. REPAIRS AND IMPROVEMENTS**

Responsibility of all repairs and maintenance (other than routine) will be examined on a case by case basis to determine responsibility using the following guidelines and Attachment A.

Maintenance/repair on appliances that have been upgraded or purchased for program specific requirements/specifications will be repaired or replaced for a cost not to exceed the repair or replacement cost of a standard appliance provided by the LESSOR. Maintenance/repair of the building interior/exterior will be examined to determine responsibility, i.e., normal wear and tear (LESSOR), accelerated wear and tear due to program needs (LESSEE), or resident-caused (LESSEE). LESSOR's obligations are contingent upon the availability of sufficient funds, as determined by LESSOR in its sole discretion.

- a. LESSOR has responsibility for repairs and maintenance as funds are available for the following:

- (1) Structural Major Repair/Replacement

Maintenance items related to the structure of the building to include: roof, exterior walls (repair and paint), siding, plumbing, and electrical systems, heating system, gutters, downspouts, foundation.

- (2) Non-structural Major Repair/Maintenance/Replacement

Maintenance of items that deteriorate due to normal use for a special needs house would include the total cost of repair/replacement of standard kitchen stoves, and refrigerators provided by LESSOR. Upgraded kitchen stoves or refrigerators will be repaired/replaced up to limitations set by the LESSOR.

If an item other than a stove or refrigerator needs to be replaced before its agreed upon life due to excessive or hard use by the LESSEE, the replacement costs will be split between LESSOR and LESSEE.

Example: Carpet's life is set at 5 years, but wears out in 4 years. LESSOR pays 80% and LESSEE pays 20% of replacement cost.

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(3) Standards of Design

These items of repair/maintenance/new installation or replacement are items that do not meet applicable building code or design requirements for the LESSEE's program. These are primarily health and safety issues.

Examples: asbestos, sprinkler system, fire alarm system.

LESSOR will work with LESSEE on needed major repairs and replacements to the extent possible with available funding.

In cases of emergency, which present an immediate threat to health and safety, LESSOR will provide repairs such that the immediate threat to health and safety is removed within 48 hours unless there has been a major disaster requiring LESSOR to respond to multiple sites of emergency.

b. LESSOR shall make repairs and provide maintenance as follows:

(1) Minor Repairs/Routine Maintenance, i.e. Items behind the wall (concealed) that require repair due to normal wear and tear.

Example: replace a part on the furnace.

(2) Repairs necessitated by vandalism, burglary or attempted burglary committed by individuals who are not agents, employers or invitees of the lessee or tenants or employees of LESSEE.

(3) Non-routine repairs to landscaping and tree pruning.

Except in cases of emergency, LESSOR will give at least 24-hours notice of proposed entry and repair. Whenever possible, this notice will be given to LESSEE's house manager. LESSEE shall report needed repairs according to a process agreed upon by LESSOR and LESSEE.

c. LESSEE shall be responsible for maintaining the Premises in a neat condition, free of trash and debris, in good order and repair. LESSEE agrees to be responsible for the following and maintain all of the following in good condition and repair, less reasonable wear and tear:

(1) Minor Repairs/Routine Maintenance/Appliance Repair and Replacement

Reference the Attachment A for specific examples.

LESSEE is responsible for repairs and maintenance to the Premises including the replacement of all glass which may be broken or cracked during the term of the lease with glass of as good or better quality, and replacement and repair of interior and exterior doors except the garage door, the full cost of repair and replacement of

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dishwashers and disposals. The cost of kitchen stove and refrigerator repair and replacement will be determined by the LESSOR as described in paragraph 2. LESSEE is also responsible for routine maintenance of the grounds of the leased Premises, including mowing the grass, weeding, edging of beds, washing exterior windows and ensuring the gutters are cleaned as necessary.

(2) Resident-Caused Damage

Any repairs necessitated by the acts or omissions of the LESSEE, or officers, agents, employees, clients, residents, or invitees of the LESSEE, including any repairs which would otherwise be required of LESSOR pursuant to subparagraphs a. and b. above, excluding daily wear and tear.

(3) Improvements

Improvements would be any elective change made to the home to improve the quality of life of the residents. Improvements would include upgrades, interior or exterior redecorating or remodeling, and interior painting.

Other examples: replacing a window air conditioner unit to central air, converting a storage room to a bathroom, appliance upgrades.

(4) Donated Equipment

The LESSEE and the LESSEE's vendor are responsible for all donated equipment.

The LESSEE will not be held responsible for repairs which result from original construction or substantial remodeling prior to LESSEE taking possession, or for substandard or nonworkman like work done by contractors hired by LESSOR.

A summary of the LESSOR's responsibilities, and of the LESSEE's responsibilities which the LESSEE agrees to be responsible for, as described above, is attached to this lease as Attachment A, and by this reference is incorporated herein.

### **6. LESSOR'S RIGHT OF ENTRY**

The LESSOR, or its authorized agents or representatives may enter the leased Premises at any reasonable time for the purpose of examining into the condition thereof, or any other lawful purpose. The LESSOR agrees to give the LESSEE 24 hours' notice thereof except in case of emergency, in which case no advance notice shall be required.

### **7. LOCKS AND KEYS**

The LESSEE, or its authorized agents or representatives, shall insure that all interior and exterior locks are maintained to allow LESSOR entry at all times with keys mastered to the LESSOR's specifications at the residence. Exceptions to this requirement will be considered on a case by case basis and must be approved by LESSOR prior to any lock changes.

### **8. RIGHT OF ASSIGNMENT**

The LESSEE will not assign, transfer, pledge, hypothecate, surrender or dispose of this LEASE, or any interest herein, sublet, or permit any other person or persons whomsoever to occupy the

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leased Premises without the written consent of the LESSOR being first obtained in writing; this LEASE is personal to said LESSEE; LESSEE's interests, in whole or in part, cannot be sold, assigned, transferred, seized or taken by operation at law, or under or by virtue of any execution or legal process, attachment or proceedings instituted against the LESSEE, or under or by virtue of any bankruptcy or insolvency proceedings had in regard to the LESSEE, or in any other manner, except as above mentioned.

### **9. LIENS**

The LESSEE will not permit any lien of any kind, type or description to be placed or imposed upon the building in which said leased Premises are situated, or any part thereof, or the real estate on which it stands.

### **10. ICE. SNOW. DEBRIS**

If the Premises herein leased is located at street level, then at all times LESSEE shall keep the sidewalks in front of the leased Premises free and clear of ice, snow, rubbish, debris and obstruction; and if the LESSEE occupies the entire building, LESSEE will not permit rubbish, debris, ice or snow to accumulate on the roof of said building so as to stop up or obstruct gutters or downspouts or cause damage to said roof, and LESSEE will save harmless and protect the LESSOR against any injury whether to LESSOR, LESSEE or to LESSOR's property or to any other person or property caused by LESSEE's failure in that regard.

### **11. OVERLOADING OF FLOORS**

The LESSEE will not overload the floors of said Premises in such a way as to cause any undue or serious stress or strain upon the building in which said leased Premises are located, or any part thereof, and the LESSOR shall have the right, at any time, to call upon any competent engineer or architect whom the LESSOR may choose, to decide whether or not the floors of said Premises, or any part thereof, are being overloaded so as to cause any undue or serious stress or strain on said building, or any part thereof, and the decision of said engineer or architect shall be final and binding upon the LESSOR, and the LESSEE; and in the event that the engineer or architect so called upon shall decide that in his opinion the stress or strain is such as to endanger or injure said building, or any part thereof, then and in that event the LESSEE agrees immediately to relieve said stress or strain either by reinforcing the building or by lightening the load which causes such stress or strain in a manner satisfactory to the LESSOR.

### **12. ADVERTISING SIGNS**

The LESSEE will not use the outside walls of said Premises, or allow signs or devices of any kind to be attached thereto or suspended therefrom, for advertising or displaying the name or business of the LESSEE or for any purpose whatsoever without the written consent of the LESSOR; however, the LESSEE may make use of the windows of said leased Premises to display LESSEE's name and business when the workmanship of such signs shall be of good quality and permanent nature; provided further that the LESSEE may not suspend or place within said windows or paint thereon any banners, signs, signboards or other devices in violation of this section, or in violation of any applicable law or ordinance.

### **13. FIXTURES**



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All partitions, plumbing, electrical wiring, additions to or improvements upon the Premises, whether installed by the LESSOR or LESSEE, shall be and become a part of the Premises as soon as installed and the property of the LESSOR unless otherwise herein provided.

### **14. LIGHT AND AIR**

This LEASE does not grant any rights of access to light and air over the property.

### **15. INSURANCE**

LESSEE shall procure and maintain, for the duration of the lease, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the LESSEE's operations and use of the leased Premises. The cost of such insurance shall be borne by the LESSEE.

#### **MINIMUM SCOPE OF INSURANCE**

Coverage shall be at least as broad as:

- a. Insurance Services Office Commercial General Liability coverage.
- b. Insurance Services Office Additional Insured.
- c. Worker's Compensation insurance as required by state law and Employer's Liability Insurance (for LESSEEs with employees).
- d. Professional Errors and Omissions Liability insurance.
- e. Property insurance against all risks of loss to any tenant improvements, betterments, and LESSEE-owned business personal property.

#### **MINIMUM LIMITS OF INSURANCE LESSEE**

shall maintain limits no less than:

- a. General Liability: \$1,000,000 per occurrence, \$2,000,000 aggregate (including coverages for discrimination, fair housing and ADA violations, and sexual molestation).
- b. Workers' Compensation (statutory) and Employer's Liability: \$1,000,000 per accident for Bodily Injury or Disease.
- c. Professional Errors and Omissions Liability: not less than \$1,000,000 per occurrence, \$2,000,000 annual aggregate
- d. Property Insurance: full replacement cost with no co-insurance penalty provision.

**NOTE:** These limits can be attained by individual policies or by combining primary and umbrella policies.

#### **DEDUCTIBLES AND SELF-INSURED RETENTIONS**

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Any deductibles or self-insured retentions must be declared to and approved by the LESSOR. At the option of the LESSOR, either the insurer shall reduce or eliminate such deductibles or selfinsured retentions as respects the LESSOR, its officers, officials, employees and volunteers; or the LESSEE shall provide a financial guarantee satisfactory to the LESSOR guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

## **OTHER INSURANCE PROVISIONS**

The General Liability is to contain, or be endorsed to contain, the following provisions:

- a. The Housing Authority of Clackamas County, its officers, officials, employees and volunteers are to be covered as additional insured with respect to liability arising out of maintenance or use of that part of the Premises leased to the LESSEE.
- b. The LESSEE's insurance coverage shall be primary insurance as respects the Housing Authority of Clackamas County, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the Housing Authority of Clackamas County, its officers, officials, employees, or volunteers shall be excess of the LESSEE's insurance.
- c. Each insurance policy required by these specifications shall be endorsed to state that coverage shall not be cancelled or materially changed, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the Housing Authority of Clackamas County.
- d. Maintenance of the proper insurance for the duration of the contract is a material element of the contract. Material changes in the required coverage or cancellation of the coverage shall constitute a material breach of the contract by the LESSEE.

### **ACCEPTABILITY OF INSURERS**

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than B+:VI. LESSEEs must provide written verification of their insurer's rating.

Use of the leased premise must be preapproved by LESSOR. LESSEE shall indemnify the LESSOR for any claims resulting from the conduct of the LESSEE's subcontractors and/or failure to be properly insured.

## **16. EMINENT DOMAIN**

In case of the condemnation or purchase of all or any substantial part of the said leased Premises by any public or private corporation with the power of condemnation this LEASE may be terminated, effective on the date possession is taken, by either party hereto on written notice to the other and in that case the LESSEE shall not be liable for any rent after the termination date. LESSEE shall not be entitled to and hereby expressly waives any right to any part of the condemnation award or purchase price.

## **17. FOR SALE AND FOR RENT SIGNS**

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During the period of 90 days prior to the date above fixed for the termination of said LEASE, the LESSEE agrees that there may be posted on said Premises or in the windows thereof signs of moderate size notifying the public that the Premises are "for sale" or "for lease."

### **18. DELIVERING UP PREMISES ON TERMINATION**

At the expiration of said term or upon any sooner termination thereof, the LESSEE will quit and deliver up said leased Premises and all future erections or additions to or upon the same, broomclean, to the LESSOR, peaceably, quietly, and in as good order and condition, reasonable use and wear thereof, damage by fire, unavoidable casualty and the elements alone excepted, as the same are now in or hereafter may be put in by the LESSOR.

### **19. INDEMNIFICATION**

To the fullest extent permitted by law, LESSEE shall indemnify, defend and hold harmless LESSOR, and its agents, affiliates, employees, managers, officers, other contractors, heirs and assigns (hereinafter "Indemnified Parties") from and against any and all liability, claims, damage, costs, expenses, awards, fines, judgments, and attorney's fees (including, without limitation, expert witness fees and other litigation expenses) of every nature arising out of or in connection with LESSEE's performance of work hereunder, or work of its agents, employees, subcontractors and/or independent contractors, or their failure to comply with any of its obligations contained in this lease agreement, whether or not caused in whole or part by Indemnified Parties' active or passive negligence, intentional act or omission. Such obligation shall not be construed to negate, abridge or reduce other rights or obligations of indemnity that would otherwise exist as to the parties.

The indemnification obligations of LESSEE under this LEASE shall not be limited by the amounts or types of insurance (or the deductibles or self-insured retention amounts of such insurance) which LESSEE is required to carry under this Agreement. Indemnified Parties' right to indemnification from LESSEE under this section shall be independent of Indemnified Parties' rights under the insurance to be provided by LESSEE under this Agreement.

LESSEE's duty to defend the Indemnified Parties is entirely separate from, independent of, and free standing from LESSEE's duty to indemnify the Indemnified Parties, including, without limitation, the defense of the Indemnified Parties against claims for which the Indemnified Parties (or any of them) may be strictly liable and applies whether the issue of LESSEE's liability, breach of this LEASE or other obligation, or LESSEE's responsibility has been determined and whether the Indemnified Parties (or any of them) have paid any sums or incurred any detriment, arising out of or resulting directly or indirectly from LESSEE's performance under this LEASE. Such defense obligation shall arise immediately upon presentation of a claim by any person which arises out of or is connected to this LEASE by LESSEE or any of its agents and written notice of such claim being tendered to LESSEE.

### **20. PUBLIC CONTRACTING**

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 for the program conducted by the LESSEE on the leased Premises. In the event funds are not made available to LESSEE's program in or on the leased Premises, the LESSOR may end this lease agreement upon thirty (30) days' written notice to LESSEE and be subject to no legal or equitable remedies for the termination.

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### **21. PETS**

No pets shall be kept on the leased Premises at any time unless approved in advance in writing by the LESSOR.

In the event LESSEE discovers any condition in or on the leased Premises which renders the Premises uninhabitable or dangerous for continued occupancy, LESSEE shall immediately notify LESSOR.

### **22. DANGEROUS CONDITIONS**

In the event LESSEE discovers any condition in or on the leased Premises which renders the Premises uninhabitable or dangerous for continued occupancy, LESSEE shall immediately notify LESSOR.

### **23. ATTACHMENT, BANKRUPTCY, DEFAULT**

PROVIDED, ALWAYS, and these presents are upon these conditions, that (1) if the LESSEE shall be in arrears in the payment of rent for a period of ten days after the same becomes due, or (2) if the LESSEE shall fail or neglect to do, keep, perform or observe any of the covenants and agreements contained herein on LESSEE's part to be done, kept, performed and observed and such default shall continue for ten days or more after written notice of such failure or neglect shall be given to LESSEE, or (3) if the LESSEE shall be declared bankrupt or insolvent according to law, or (4) if any assignment of LESSEE's property shall be made for the benefit of creditors, or (5) if on the expiration of this LEASE, LESSEE fails to surrender possession of said leased Premises, then and in either or any of said cases or events, each of which constitutes an event of default, the LESSOR may terminate this LEASE and lawfully, at its option immediately or at any time thereafter, without demand or notice, may enter into and upon said leased Premises and every part thereof and repossess the same as of LESSOR's former estate, and expel said LESSEE and those claiming by, through and under LESSEE and remove LESSEE's effects at LESSEE's expense, forcibly if necessary and store the same, all without being deemed guilty of trespass and without prejudice to any remedy which otherwise might be used for arrears of rent or preceding breach of covenant. Upon the occurrence of an event of default described above, LESSOR may exercise any one or more of the remedies set forth in this Lease or any other remedy available under applicable law, whether in equity, under contract, or at law.

Neither the termination of this LEASE by forfeiture nor the taking or recovery of possession of the Premises shall deprive LESSOR of any other action, right, or remedy against LESSEE for possession, rent or damages, nor shall any omission by LESSOR to enforce any forfeiture, right or remedy to which LESSEE may be entitled be deemed a waiver by LESSOR of the right to enforce the performance of all terms and conditions of this LEASE by LESSEE.

In the event of any re-entry by LESSOR, LESSOR may re-lease the Premises to any tenant tenants who provide housing and support services to persons who are served by or case managed by Clackamas County Social Services, Developmental Disability Program. LESSOR shall apply the rent received from any new tenant first to the cost of retaking and resubletting the Premises, including any costs incurred to obtain a new tenant, and then to any arrears of rent and future rent payable under this LEASE and any other damages to which LESSOR may be entitled hereunder.

Any property which LESSEE leaves on the Premises after abandonment or expiration of this LEASE, or for more than ten days after any termination of the lease by LESSOR shall be deemed

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to have been abandoned, and LESSOR may remove and sell said property at public or private sale as LESSOR sees fit, without being liable for any prosecution therefore or for damages by reason thereof, and the net proceeds of said sale shall be applied toward the expenses as aforesaid, and the balance of such amounts, if any, shall be held for and paid to the LESSEE.

**24. HOLDING OVER**

In the event the LESSEE for any reason shall hold over after the expiration of this LEASE, such holding over shall not be deemed to operate as a renewal or extension of this LEASE, but shall only create a tenancy from month to month which may be terminated at will at any time by the LESSOR.

**25. NO ATTORNEY FEES AND COSTS**

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.

**26. WAIVER**

LESSOR and LESSEE agree that failure by either party to insist upon strict performance of the terms, covenants, agreements and conditions of this Lease shall not constitute or be construed as a waiver or relinquishment of either party's right thereafter to enforce any such term, covenant, agreement or condition, but the same shall continue in full force and effect.

**27. NOTICES**

Any notice required by the terms of the LEASE to be given shall be sufficient if in writing contained in a sealed envelope deposited in US Mails and if intended for:

LESSOR:  
Housing Authority of Clackamas County  
PO Box 1510  
Oregon City, OR 97045

LESSEE:  
Albertina Kerr  
876 NE 162nd Ave  
Portland, OR 97230

Any such notice shall be deemed conclusively to have been delivered to the addressee thereof forty-eight (48) hours after the deposit thereof in said US Mails.

**28. HEIRS AND ASSIGNS**

All rights, remedies and liabilities herein given to or imposed upon either of the parties hereto shall extend to, inure to the benefit of and bind, as the circumstances may require, the heirs, executors, administrators, successors and, so far as this LEASE is assignable by the term hereof, to the assigns of such parties.

In construing this LEASE, it is understood that the LESSOR or the LESSEE may be more than one person; that if the context so requires, the singular pronoun shall be taken to mean and include the plural, the masculine, the feminine and the neuter, and that generally all grammatical changes shall be made, assumed and implied to make the provisions hereof apply equally to corporations and to individuals.

**29. NON-WAIVER OF GOVERNMENTAL RIGHTS.**

## **ORGANIZATION**

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Subject to the terms and conditions of this Lease, LESSOR 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.

### **30. RECORDATION OF LEASE.**

LESSOR 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. LESSOR will pay the recording costs.

### **31. 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 LESSOR 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 LESSOR 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.

### **32. 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 including, but not limited to, execution of any additional documents that may be required by LESSOR's state or federal funding sources.

### **33. FORCE MAJEURE.**

Neither LESSOR nor LESSEE shall be held responsible for delay or default caused by events outside the LESSOR or LESSEE's reasonable control including, but not limited to, fire, terrorism, riot, acts of God, or war. However, both parties shall make all reasonable efforts to remove or eliminate such a cause of delay or default and shall upon the cessation of the cause, diligently pursue performance of its obligations under this Lease.

### **34. TAXES**

- 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 based on or otherwise in connection with the use, occupancy, or operations of the Premises, or with respect to services or utilities in connection with the use, occupancy, or operations of the Premises. Taxes will include, but not

## **ORGANIZATION**

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be limited to, state and local real-property 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.

- 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. Evidence of Payment. Upon written request by LESSOR, LESSEE shall provide LESSOR with evidence reasonably satisfactory to LESSOR that all Taxes required to be paid by LESSEE have been paid.
- d. Property Tax Exemption. LESSEE is responsible for filing the application for a property tax exemption under applicable Oregon law. In the event, the LESSEE fails to file the tax property tax exemption with the Clackamas County Department of Assessment and Taxation by the required deadline and the Premises loses its tax exempt status, LESSEE will be responsible for payment of any taxes or late filing fees assessed against the Premises.

## **35. TERMINATION**

- a. Non-default Termination: This Lease may be terminated for the following non-default reasons: (1) by mutual agreement of the parties; or (2) upon ninety (90) day's written notice to LESSEE, LESSOR may terminate this Lease for convenience, if LESSOR fails to receive expenditure authority sufficient to allow LESSOR, in the exercise of its reasonable administrative discretion, to continue to perform under this Lease, or 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, LESSOR may immediately terminate this Lease upon written notice to LESSEE and exercise any remedy provided herein.

IN WITNESS WHEREOF, the respective parties have executed this instrument, any corporation signature being by authority of its Board of Directors.

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**LESSEE:**  
**ALBERTINA KERR**

**LESSOR:**  
**HOUSING AUTHORITY OF CLACKAMAS  
COUNTY**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

By: \_\_\_\_\_  
Its: \_\_\_\_\_

By: Jill C. Smith  
Its: Executive Director

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**OREGON NOTARY ACKNOWLEDGMENT (LESSOR)**

State of OREGON

County of \_\_\_\_\_

This record was acknowledged before me on (date) \_\_\_\_\_, 20\_\_\_\_\_

by (name(s) of individual(s)) \_\_\_\_\_ as

(type of authority) \_\_\_\_\_ of (name of party on whose

behalf record was executed) \_\_\_\_\_.

\_\_\_\_\_  
Notary Public – State of Oregon

Official Stamp

Document Description

This certificate is attached to page \_\_\_\_ of a \_\_\_\_\_ (title or type of document),

dated \_\_\_\_\_, 20\_\_\_\_\_, consisting of \_\_\_\_\_ pages.



**ORGANIZATION**

2020-2023 LEASE - 13581 Jason Lee Drive

**OREGON NOTARY ACKNOWLEDGMENT (LESSEE)**

State of OREGON

County of \_\_\_\_\_

This record was acknowledged before me on (date) \_\_\_\_\_, 20\_\_\_\_\_

by (name(s) of individual(s)) \_\_\_\_\_ as

(type of authority) \_\_\_\_\_ of (name of party on whose

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\_\_\_\_\_  
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Document Description

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dated \_\_\_\_\_, 20\_\_\_\_, consisting of \_\_\_\_\_ pages.

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**ATTACHMENT A**  
**Summary of Responsibilities**  
**Repairs and Replacements**

	Lessor (HA)	Lessor-if Funding	Lessee (CH)/Lessee
Roof			
Major Repair/Replacement	<b>X</b>		
Minor Repair	<b>X</b>		
Exterior Walls / Siding <sup>(1)</sup>			
Major Repair/Replacement	<b>X</b>		
Minor Repair	<b>X</b>		
Heating/Vent/Coding			
Major Repair/Replacement	<b>X</b>		
Minor Repair	<b>X</b>		
Foundations			
Major Repair/Replacement		<b>X</b>	
Minor Repair	<b>X</b>		
Interior Walls <sup>(1)</sup>			
Major Repair/Replacement		<b>X</b>	
Minor Repair	<b>X</b>		
Interior Redecorating/Remodeling			<b>X</b>
Garage Door			
Major Repair/Replacement	<b>X</b>		
Minor Repair			<b>X</b>
Plumbing <sup>(1)</sup>			
Major Repair/Replacement	<b>X</b>		
Minor Repair (concealed)	<b>X</b>		
Minor Repair (exposed)			<b>X</b>
(1) Maintenance/repair of the building interior/exterior will be examined to determined responsibility i.e. normal wear and tear (HACC), accidental wear and tear due to program needs (lessee), or resident-caused (Lessee).			

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Electrical			
Major Repair	X		
Minor Repair (concealed)	X		
Minor Repair (exposed)			X
Landscaping			
Major Repair/Replacement		X	
Minor Repair			X
Floor Covering			
Major Repair/Replacement		X	X
Minor Repair	X		
Appliances			
Stove (Repair/Replacement) <sup>(2)</sup>			
Refrigerators (Repair/Replacement) <sup>(2)</sup>			
Dishwashers (repair/Replacement) <sup>(2)</sup>			
<sup>(2)</sup> Maintenance/repair on appliances that have been upgraded for program specific requirements/specifications will be repaired or replaced up to the standard appliance amounts allowed by HACCC. Any additional or exceeding costs will be the responsibility of the lessee/lessee.			
Garbage Disposal			X
Clothes Washer & Dryer			X
Code/Standards of Design		X	
Routine Minor Maintenance (light bulbs, furnace filters)			X
Broken Glass			X
Interior Doors			
Major Repair/Replacement			X
Minor Repair			X
Exterior Doors			
Major Repair/Replacement			X

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Minor Repair			X
Routine Yard Maintenance			X
Gutters – Cleaning			X
Cleaning Sidewalks			X
Client Caused Damage			X
Upgrades			X
Donated Equipment			X
Emergencies	X		

# LEASE

THIS LEASE is made and entered into by and between **HOUSING AUTHORITY OF CLACKAMAS COUNTY**, hereinafter called the LESSOR, and **ALBERTINA KERR**, hereinafter called the LESSEE.

The parties agree as follows:

## **1. DESCRIPTION OF PREMISES; PURPOSE OF LEASE**

LESSEE hereby leases a residence, more specifically described below, from the Housing Authority of Clackamas County (hereinafter called "LESSOR"). The property is known as:

4808 SE View Acres  
Milwaukie, Clackamas County, Oregon, 97267

together with any and all rights, privileges, easements, and appurtenances, as well as any and all fixtures, rights, privileges, easements, and appurtenances that may now or exist in the future (collectively, the "Premises"). The parties agree that LESSOR is leasing the Premises for the specific purpose of providing a facility in which the LESSEE will operate a residential program, as described in Section 3, below.

## **2. RENT**

LESSEE shall pay to LESSOR rent for the Premises in the amount of \$1,187.00 per calendar month during the period commencing July 1, 2020 and ending on June 30, 2022. The lease payments are due on the first day of each month starting July 1, 2020. LESSEE shall pay directly to the LESSOR at P.O. Box 1510, Oregon City, Oregon 97045. LESSEE acknowledges that rents received after the 10th of the month will be subject to a \$25.00 late charge.

Rents shall increase annually by the amount of the increase in residents' Social Security Income (SSI) payments attributed to housing costs by the Oregon Department of Human Services, Seniors and People with Disabilities. Any increase so determined shall occur at the time the information is made available to the LESSOR, but shall not in any event be effective before the effective date of such increase in the SSI payment. LESSOR shall immediately notify LESSEE when any such notice is received.

## **3. USE OF PREMISES**

- a. The LESSEE shall use the leased premises during the term of this LEASE as follows:  
Operation of a residential facility for persons with developmental disabilities, plus any necessary support staff. LESSEE shall use the leased premises for no other purpose whatsoever without LESSOR's written consent.
- b. The LESSEE will not make any unlawful, improper or offensive use of said premises; LESSEE will not suffer any strip or waste thereof; LESSEE will not permit any objectionable noise or odor to escape or to be emitted from said Premises or do anything or permit anything to be done upon or about said Premises in any way tending to create a nuisance; LESSEE will not sell or permit to be sold any spirituous, vinous or malt liquors on said Premises; nor will LESSEE sell or permit to be sold any controlled substance on or about said Premises.

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- c. The LESSEE will not allow the leased Premises at any time to fall into such a state of disrepair or disorder as to increase the fire hazard thereon; LESSEE shall not install any power machinery on said Premises except with written consent of the LESSOR; LESSEE shall not store gasoline or other highly combustible materials on said Premises at any time; LESSEE will not use said Premises in such a way or for such a purpose that the fire insurance rate on the building in which said Premises are located is thereby increased or that would prevent the LESSOR from taking advantage of any rulings of any agency of the state in which said leased Premises are situated or its successors, which would allow the LESSOR to obtain reduced premium rates for longterm fire insurance policies.

### **4. UTILITIES**

The LESSEE shall pay for all heat, light, water, power, sewer and other services or utilities used at the Premises during the term of this LEASE.

### **5. REPAIRS AND IMPROVEMENTS**

Responsibility of all repairs and maintenance (other than routine) will be examined on a case by case basis to determine responsibility using the following guidelines and Attachment A.

Maintenance/repair on appliances that have been upgraded or purchased for program specific requirements/specifications will be repaired or replaced for a cost not to exceed the repair or replacement cost of a standard appliance provided by the LESSOR. Maintenance/repair of the building interior/exterior will be examined to determine responsibility, i.e., normal wear and tear (LESSOR), accelerated wear and tear due to program needs (LESSEE), or resident-caused (LESSEE). LESSOR's obligations are contingent upon the availability of sufficient funds, as determined by LESSOR in its sole discretion.

- a. LESSOR has responsibility for repairs and maintenance as funds are available for the following:

- (1) Structural Major Repair/Replacement

Maintenance items related to the structure of the building to include: roof, exterior walls (repair and paint), siding, plumbing, and electrical systems, heating system, gutters, downspouts, foundation.

- (2) Non-structural Major Repair/Maintenance/Replacement

Maintenance of items that deteriorate due to normal use for a special needs house would include the total cost of repair/replacement of standard kitchen stoves, and refrigerators provided by LESSOR. Upgraded kitchen stoves or refrigerators will be repaired/replaced up to limitations set by the LESSOR.

If an item other than a stove or refrigerator needs to be replaced before its agreed upon life due to excessive or hard use by the LESSEE, the replacement costs will be split between LESSOR and LESSEE.

Example: Carpet's life is set at 5 years, but wears out in 4 years. LESSOR pays 80% and LESSEE pays 20% of replacement cost.

## ORGANIZATION

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(3) Standards of Design

These items of repair/maintenance/new installation or replacement are items that do not meet applicable building code or design requirements for the LESSEE's program. These are primarily health and safety issues.

Examples: asbestos, sprinkler system, fire alarm system.

LESSOR will work with LESSEE on needed major repairs and replacements to the extent possible with available funding.

In cases of emergency, which present an immediate threat to health and safety, LESSOR will provide repairs such that the immediate threat to health and safety is removed within 48 hours unless there has been a major disaster requiring LESSOR to respond to multiple sites of emergency.

b. LESSOR shall make repairs and provide maintenance as follows:

(1) Minor Repairs/Routine Maintenance, i.e. Items behind the wall (concealed) that require repair due to normal wear and tear.

Example: replace a part on the furnace.

(2) Repairs necessitated by vandalism, burglary or attempted burglary committed by individuals who are not agents, employers or invitees of the lessee or tenants or employees of LESSEE.

(3) Non-routine repairs to landscaping and tree pruning.

Except in cases of emergency, LESSOR will give at least 24-hours notice of proposed entry and repair. Whenever possible, this notice will be given to LESSEE's house manager. LESSEE shall report needed repairs according to a process agreed upon by LESSOR and LESSEE.

c. LESSEE shall be responsible for maintaining the Premises in a neat condition, free of trash and debris, in good order and repair. LESSEE agrees to be responsible for the following and maintain all of the following in good condition and repair, less reasonable wear and tear:

(1) Minor Repairs/Routine Maintenance/Appliance Repair and Replacement

Reference the Attachment A for specific examples.

LESSEE is responsible for repairs and maintenance to the Premises including the replacement of all glass which may be broken or cracked during the term of the lease with glass of as good or better quality, and replacement and repair of interior and exterior doors except the garage door, the full cost of repair and replacement of

## **ORGANIZATION**

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dishwashers and disposals. The cost of kitchen stove and refrigerator repair and replacement will be determined by the LESSOR as described in paragraph 2. LESSEE is also responsible for routine maintenance of the grounds of the leased Premises, including mowing the grass, weeding, edging of beds, washing exterior windows and ensuring the gutters are cleaned as necessary.

(2) Resident-Caused Damage

Any repairs necessitated by the acts or omissions of the LESSEE, or officers, agents, employees, clients, residents, or invitees of the LESSEE, including any repairs which would otherwise be required of LESSOR pursuant to subparagraphs a. and b. above, excluding daily wear and tear.

(3) Improvements

Improvements would be any elective change made to the home to improve the quality of life of the residents. Improvements would include upgrades, interior or exterior redecorating or remodeling, and interior painting.

Other examples: replacing a window air conditioner unit to central air, converting a storage room to a bathroom, appliance upgrades.

(4) Donated Equipment

The LESSEE and the LESSEE's vendor are responsible for all donated equipment.

The LESSEE will not be held responsible for repairs which result from original construction or substantial remodeling prior to LESSEE taking possession, or for substandard or nonworkman like work done by contractors hired by LESSOR.

A summary of the LESSOR's responsibilities, and of the LESSEE's responsibilities which the LESSEE agrees to be responsible for, as described above, is attached to this lease as Attachment A, and by this reference is incorporated herein.

**6. LESSOR'S RIGHT OF ENTRY**

The LESSOR, or its authorized agents or representatives may enter the leased Premises at any reasonable time for the purpose of examining into the condition thereof, or any other lawful purpose. The LESSOR agrees to give the LESSEE 24 hours' notice thereof except in case of emergency, in which case no advance notice shall be required.

**7. LOCKS AND KEYS**

The LESSEE, or its authorized agents or representatives, shall insure that all interior and exterior locks are maintained to allow LESSOR entry at all times with keys mastered to the LESSOR's specifications at the residence. Exceptions to this requirement will be considered on a case by case basis and must be approved by LESSOR prior to any lock changes.

**8. RIGHT OF ASSIGNMENT**

The LESSEE will not assign, transfer, pledge, hypothecate, surrender or dispose of this LEASE, or any interest herein, sublet, or permit any other person or persons whomsoever to occupy the



## **ORGANIZATION**

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leased Premises without the written consent of the LESSOR being first obtained in writing; this LEASE is personal to said LESSEE; LESSEE's interests, in whole or in part, cannot be sold, assigned, transferred, seized or taken by operation at law, or under or by virtue of any execution or legal process, attachment or proceedings instituted against the LESSEE, or under or by virtue of any bankruptcy or insolvency proceedings had in regard to the LESSEE, or in any other manner, except as above mentioned.

### **9. LIENS**

The LESSEE will not permit any lien of any kind, type or description to be placed or imposed upon the building in which said leased Premises are situated, or any part thereof, or the real estate on which it stands.

### **10. ICE. SNOW. DEBRIS**

If the Premises herein leased is located at street level, then at all times LESSEE shall keep the sidewalks in front of the leased Premises free and clear of ice, snow, rubbish, debris and obstruction; and if the LESSEE occupies the entire building, LESSEE will not permit rubbish, debris, ice or snow to accumulate on the roof of said building so as to stop up or obstruct gutters or downspouts or cause damage to said roof, and LESSEE will save harmless and protect the LESSOR against any injury whether to LESSOR, LESSEE or to LESSOR's property or to any other person or property caused by LESSEE's failure in that regard.

### **11. OVERLOADING OF FLOORS**

The LESSEE will not overload the floors of said Premises in such a way as to cause any undue or serious stress or strain upon the building in which said leased Premises are located, or any part thereof, and the LESSOR shall have the right, at any time, to call upon any competent engineer or architect whom the LESSOR may choose, to decide whether or not the floors of said Premises, or any part thereof, are being overloaded so as to cause any undue or serious stress or strain on said building, or any part thereof, and the decision of said engineer or architect shall be final and binding upon the LESSOR, and the LESSEE; and in the event that the engineer or architect so called upon shall decide that in his opinion the stress or strain is such as to endanger or injure said building, or any part thereof, then and in that event the LESSEE agrees immediately to relieve said stress or strain either by reinforcing the building or by lightening the load which causes such stress or strain in a manner satisfactory to the LESSOR.

### **12. ADVERTISING SIGNS**

The LESSEE will not use the outside walls of said Premises, or allow signs or devices of any kind to be attached thereto or suspended therefrom, for advertising or displaying the name or business of the LESSEE or for any purpose whatsoever without the written consent of the LESSOR; however, the LESSEE may make use of the windows of said leased Premises to display LESSEE's name and business when the workmanship of such signs shall be of good quality and permanent nature; provided further that the LESSEE may not suspend or place within said windows or paint thereon any banners, signs, signboards or other devices in violation of this section, or in violation of any applicable law or ordinance.

### **13. FIXTURES**

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All partitions, plumbing, electrical wiring, additions to or improvements upon the Premises, whether installed by the LESSOR or LESSEE, shall be and become a part of the Premises as soon as installed and the property of the LESSOR unless otherwise herein provided.

### **14. LIGHT AND AIR**

This LEASE does not grant any rights of access to light and air over the property.

### **15. INSURANCE**

LESSEE shall procure and maintain, for the duration of the lease, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the LESSEE's operations and use of the leased Premises. The cost of such insurance shall be borne by the LESSEE.

#### **MINIMUM SCOPE OF INSURANCE**

Coverage shall be at least as broad as:

- a. Insurance Services Office Commercial General Liability coverage.
- b. Insurance Services Office Additional Insured.
- c. Worker's Compensation insurance as required by state law and Employer's Liability Insurance (for LESSEEs with employees).
- d. Professional Errors and Omissions Liability insurance.
- e. Property insurance against all risks of loss to any tenant improvements, betterments, and LESSEE-owned business personal property.

#### **MINIMUM LIMITS OF INSURANCE LESSEE**

shall maintain limits no less than:

- a. General Liability: \$1,000,000 per occurrence, \$2,000,000 aggregate (including coverages for discrimination, fair housing and ADA violations, and sexual molestation).
- b. Workers' Compensation (statutory) and Employer's Liability: \$1,000,000 per accident for Bodily Injury or Disease.
- c. Professional Errors and Omissions Liability: not less than \$1,000,000 per occurrence, \$2,000,000 annual aggregate
- d. Property Insurance: full replacement cost with no co-insurance penalty provision.

**NOTE:** These limits can be attained by individual policies or by combining primary and umbrella policies.

#### **DEDUCTIBLES AND SELF-INSURED RETENTIONS**

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Any deductibles or self-insured retentions must be declared to and approved by the LESSOR. At the option of the LESSOR, either the insurer shall reduce or eliminate such deductibles or selfinsured retentions as respects the LESSOR, its officers, officials, employees and volunteers; or the LESSEE shall provide a financial guarantee satisfactory to the LESSOR guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

## **OTHER INSURANCE PROVISIONS**

The General Liability is to contain, or be endorsed to contain, the following provisions:

- a. The Housing Authority of Clackamas County, its officers, officials, employees and volunteers are to be covered as additional insured with respect to liability arising out of maintenance or use of that part of the Premises leased to the LESSEE.
- b. The LESSEE's insurance coverage shall be primary insurance as respects the Housing Authority of Clackamas County, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the Housing Authority of Clackamas County, its officers, officials, employees, or volunteers shall be excess of the LESSEE's insurance.
- c. Each insurance policy required by these specifications shall be endorsed to state that coverage shall not be cancelled or materially changed, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the Housing Authority of Clackamas County.
- d. Maintenance of the proper insurance for the duration of the contract is a material element of the contract. Material changes in the required coverage or cancellation of the coverage shall constitute a material breach of the contract by the LESSEE.

### **ACCEPTABILITY OF INSURERS**

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than B+:VI. LESSEEs must provide written verification of their insurer's rating.

Use of the leased premise must be preapproved by LESSOR. LESSEE shall indemnify the LESSOR for any claims resulting from the conduct of the LESSEE's subcontractors and/or failure to be properly insured.

## **16. EMINENT DOMAIN**

In case of the condemnation or purchase of all or any substantial part of the said leased Premises by any public or private corporation with the power of condemnation this LEASE may be terminated, effective on the date possession is taken, by either party hereto on written notice to the other and in that case the LESSEE shall not be liable for any rent after the termination date. LESSEE shall not be entitled to and hereby expressly waives any right to any part of the condemnation award or purchase price.

## **17. FOR SALE AND FOR RENT SIGNS**

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During the period of 90 days prior to the date above fixed for the termination of said LEASE, the LESSEE agrees that there may be posted on said Premises or in the windows thereof signs of moderate size notifying the public that the Premises are "for sale" or "for lease."

### **18. DELIVERING UP PREMISES ON TERMINATION**

At the expiration of said term or upon any sooner termination thereof, the LESSEE will quit and deliver up said leased Premises and all future erections or additions to or upon the same, broomclean, to the LESSOR, peaceably, quietly, and in as good order and condition, reasonable use and wear thereof, damage by fire, unavoidable casualty and the elements alone excepted, as the same are now in or hereafter may be put in by the LESSOR.

### **19. INDEMNIFICATION**

To the fullest extent permitted by law, LESSEE shall indemnify, defend and hold harmless LESSOR, and its agents, affiliates, employees, managers, officers, other contractors, heirs and assigns (hereinafter "Indemnified Parties") from and against any and all liability, claims, damage, costs, expenses, awards, fines, judgments, and attorney's fees (including, without limitation, expert witness fees and other litigation expenses) of every nature arising out of or in connection with LESSEE's performance of work hereunder, or work of its agents, employees, subcontractors and/or independent contractors, or their failure to comply with any of its obligations contained in this lease agreement, whether or not caused in whole or part by Indemnified Parties' active or passive negligence, intentional act or omission. Such obligation shall not be construed to negate, abridge or reduce other rights or obligations of indemnity that would otherwise exist as to the parties.

The indemnification obligations of LESSEE under this LEASE shall not be limited by the amounts or types of insurance (or the deductibles or self-insured retention amounts of such insurance) which LESSEE is required to carry under this Agreement. Indemnified Parties' right to indemnification from LESSEE under this section shall be independent of Indemnified Parties' rights under the insurance to be provided by LESSEE under this Agreement.

LESSEE's duty to defend the Indemnified Parties is entirely separate from, independent of, and free standing from LESSEE's duty to indemnify the Indemnified Parties, including, without limitation, the defense of the Indemnified Parties against claims for which the Indemnified Parties (or any of them) may be strictly liable and applies whether the issue of LESSEE's liability, breach of this LEASE or other obligation, or LESSEE's responsibility has been determined and whether the Indemnified Parties (or any of them) have paid any sums or incurred any detriment, arising out of or resulting directly or indirectly from LESSEE's performance under this LEASE. Such defense obligation shall arise immediately upon presentation of a claim by any person which arises out of or is connected to this LEASE by LESSEE or any of its agents and written notice of such claim being tendered to LESSEE.

### **20. PUBLIC CONTRACTING**

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 for the program conducted by the LESSEE on the leased Premises. In the event funds are not made available to LESSEE's program in or on the leased Premises, the LESSOR may end this lease

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agreement upon thirty (30) days' written notice to LESSEE and be subject to no legal or equitable remedies for the termination.

### **21. PETS**

No pets shall be kept on the leased Premises at any time unless approved in advance in writing by the LESSOR.

In the event LESSEE discovers any condition in or on the leased Premises which renders the Premises uninhabitable or dangerous for continued occupancy, LESSEE shall immediately notify LESSOR.

### **22. DANGEROUS CONDITIONS**

In the event LESSEE discovers any condition in or on the leased Premises which renders the Premises uninhabitable or dangerous for continued occupancy, LESSEE shall immediately notify LESSOR.

### **23. ATTACHMENT, BANKRUPTCY, DEFAULT**

PROVIDED, ALWAYS, and these presents are upon these conditions, that (1) if the LESSEE shall be in arrears in the payment of rent for a period of ten days after the same becomes due, or (2) if the LESSEE shall fail or neglect to do, keep, perform or observe any of the covenants and agreements contained herein on LESSEE's part to be done, kept, performed and observed and such default shall continue for ten days or more after written notice of such failure or neglect shall be given to LESSEE, or (3) if the LESSEE shall be declared bankrupt or insolvent according to law, or (4) if any assignment of LESSEE's property shall be made for the benefit of creditors, or (5) if on the expiration of this LEASE, LESSEE fails to surrender possession of said leased Premises, then and in either or any of said cases or events, each of which constitutes an event of default, the LESSOR may terminate this LEASE and lawfully, at its option immediately or at any time thereafter, without demand or notice, may enter into and upon said leased Premises and every part thereof and repossess the same as of LESSOR's former estate, and expel said LESSEE and those claiming by, through and under LESSEE and remove LESSEE's effects at LESSEE's expense, forcibly if necessary and store the same, all without being deemed guilty of trespass and without prejudice to any remedy which otherwise might be used for arrears of rent or preceding breach of covenant. Upon the occurrence of an event of default described above, LESSOR may exercise any one or more of the remedies set forth in this Lease or any other remedy available under applicable law, whether in equity, under contract, or at law.

Neither the termination of this LEASE by forfeiture nor the taking or recovery of possession of the Premises shall deprive LESSOR of any other action, right, or remedy against LESSEE for possession, rent or damages, nor shall any omission by LESSOR to enforce any forfeiture, right or remedy to which LESSEE may be entitled be deemed a waiver by LESSOR of the right to enforce the performance of all terms and conditions of this LEASE by LESSEE.

In the event of any re-entry by LESSOR, LESSOR may re-lease the Premises to any tenant tenants who provide housing and support services to persons who are served by or case managed by Clackamas County Social Services, Developmental Disability Program. LESSOR shall apply the rent received from any new tenant first to the cost of retaking and resubletting the Premises, including any costs incurred to obtain a new tenant, and then to any arrears of rent and future rent payable under this LEASE and any other damages to which LESSOR may be entitled hereunder.

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Any property which LESSEE leaves on the Premises after abandonment or expiration of this LEASE, or for more than ten days after any termination of the lease by LESSOR shall be deemed to have been abandoned, and LESSOR may remove and sell said property at public or private sale as LESSOR sees fit, without being liable for any prosecution therefore or for damages by reason thereof, and the net proceeds of said sale shall be applied toward the expenses as aforesaid, and the balance of such amounts, if any, shall be held for and paid to the LESSEE.

**24. HOLDING OVER**

In the event the LESSEE for any reason shall hold over after the expiration of this LEASE, such holding over shall not be deemed to operate as a renewal or extension of this LEASE, but shall only create a tenancy from month to month which may be terminated at will at any time by the LESSOR.

**25. NO ATTORNEY FEES AND COSTS**

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.

**26. WAIVER**

LESSOR and LESSEE agree that failure by either party to insist upon strict performance of the terms, covenants, agreements and conditions of this Lease shall not constitute or be construed as a waiver or relinquishment of either party's right thereafter to enforce any such term, covenant, agreement or condition, but the same shall continue in full force and effect.

**27. NOTICES**

Any notice required by the terms of the LEASE to be given shall be sufficient if in writing contained in a sealed envelope deposited in US Mails and if intended for:

LESSOR:  
Housing Authority of Clackamas County  
PO Box 1510  
Oregon City, OR 97045

LESSEE:  
Albertina Kerr  
876 NE 162nd Ave  
Portland, OR 97230

Any such notice shall be deemed conclusively to have been delivered to the addressee thereof forty-eight (48) hours after the deposit thereof in said US Mails.

**28. HEIRS AND ASSIGNS**

All rights, remedies and liabilities herein given to or imposed upon either of the parties hereto shall extend to, inure to the benefit of and bind, as the circumstances may require, the heirs, executors, administrators, successors and, so far as this LEASE is assignable by the term hereof, to the assigns of such parties.

In construing this LEASE, it is understood that the LESSOR or the LESSEE may be more than one person; that if the context so requires, the singular pronoun shall be taken to mean and include the plural, the masculine, the feminine and the neuter, and that generally all grammatical changes shall be made, assumed and implied to make the provisions hereof apply equally to corporations and to individuals.

## **ORGANIZATION**

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### **29. NON-WAIVER OF GOVERNMENTAL RIGHTS.**

Subject to the terms and conditions of this Lease, LESSOR 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.

### **30. RECORDATION OF LEASE.**

LESSOR 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. LESSOR will pay the recording costs.

### **31. 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 LESSOR 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 LESSOR 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.

### **32. 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 including, but not limited to, execution of any additional documents that may be required by LESSOR's state or federal funding sources.

### **33. FORCE MAJEURE.**

Neither LESSOR nor LESSEE shall be held responsible for delay or default caused by events outside the LESSOR or LESSEE's reasonable control including, but not limited to, fire, terrorism, riot, acts of God, or war. However, both parties shall make all reasonable efforts to remove or eliminate such a cause of delay or default and shall upon the cessation of the cause, diligently pursue performance of its obligations under this Lease.

### **34. TAXES**

- 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 based on or

## **ORGANIZATION**

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otherwise in connection with the use, occupancy, or operations of the Premises, or with respect to services or utilities in connection with the use, occupancy, or operations of the Premises. Taxes will include, but not be limited to, state and local real-property 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.

- 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. Evidence of Payment. Upon written request by LESSOR, LESSEE shall provide LESSOR with evidence reasonably satisfactory to LESSOR that all Taxes required to be paid by LESSEE have been paid.
- d. Property Tax Exemption. LESSEE is responsible for filing the application for a property tax exemption under applicable Oregon law. In the event, the LESSEE fails to file the tax property tax exemption with the Clackamas County Department of Assessment and Taxation by the required deadline and the Premises loses its tax exempt status, LESSEE will be responsible for payment of any taxes or late filing fees assessed against the Premises.

## **35. TERMINATION**

- a. Non-default Termination: This Lease may be terminated for the following non-default reasons: (1) by mutual agreement of the parties; or (2) upon ninety (90) day's written notice to LESSEE, LESSOR may terminate this Lease for convenience, if LESSOR fails to receive expenditure authority sufficient to allow LESSOR, in the exercise of its reasonable administrative discretion, to continue to perform under this Lease, or 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, LESSOR may immediately terminate this Lease upon written notice to LESSEE and exercise any remedy provided herein.

IN WITNESS WHEREOF, the respective parties have executed this instrument, any corporation signature being by authority of its Board of Directors.



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**LESSEE:**

**LESSOR:**

**HOUSING AUTHORITY OF CLACKAMAS  
COUNTY**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

By: \_\_\_\_\_

By: Jill C. Smith

Its: \_\_\_\_\_

Its: Executive Director

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**OREGON NOTARY ACKNOWLEDGMENT (LESSOR)**

State of OREGON

County of \_\_\_\_\_

This record was acknowledged before me on (date) \_\_\_\_\_, 20\_\_\_\_\_

by (name(s) of individual(s)) \_\_\_\_\_ as

(type of authority) \_\_\_\_\_ of (name of party on whose

behalf record was executed) \_\_\_\_\_.

\_\_\_\_\_  
Notary Public – State of Oregon

Official Stamp

Document Description

This certificate is attached to page \_\_\_\_ of a \_\_\_\_\_ (title or type of document),

dated \_\_\_\_\_, 20\_\_\_\_, consisting of \_\_\_\_\_ pages.

**ORGANIZATION**

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**OREGON NOTARY ACKNOWLEDGMENT (LESSEE)**

State of OREGON

County of \_\_\_\_\_

This record was acknowledged before me on (date) \_\_\_\_\_, 20\_\_\_\_\_

by (name(s) of individual(s)) \_\_\_\_\_ as

(type of authority) \_\_\_\_\_ of (name of party on whose

behalf record was executed) \_\_\_\_\_.

\_\_\_\_\_  
Notary Public – State of Oregon

Official Stamp

Document Description

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**ATTACHMENT A****Summary of Responsibilities****Repairs and Replacements**

	Lessor (HA)	Lessor-if Funding	Lessee (CH)/Lessee
Roof			
Major Repair/Replacement	X		
Minor Repair	X		
Exterior Walls / Siding <sup>(1)</sup>			
Major Repair/Replacement	X		
Minor Repair	X		
Heating/Vent/Coding			
Major Repair/Replacement	X		
Minor Repair	X		
Foundations			
Major Repair/Replacement		X	
Minor Repair	X		
Interior Walls <sup>(1)</sup>			
Major Repair/Replacement		X	
Minor Repair	X		
Interior Redecorating/Remodeling			X
Garage Door			
Major Repair/Replacement	X		
Minor Repair			X
Plumbing <sup>(1)</sup>			
Major Repair/Replacement	X		
Minor Repair (concealed)	X		
Minor Repair (exposed)			X
(1) Maintenance/repair of the building interior/exterior will be examined to determine responsibility i.e. normal wear and tear (HACC), accidental wear and tear due to program needs (lessee), or resident-caused (Lessee).			

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Electrical			
Major Repair	X		
Minor Repair (concealed)	X		
Minor Repair (exposed)			X
Landscaping			
Major Repair/Replacement		X	
Minor Repair			X
Floor Covering			
Major Repair/Replacement		X	X
Minor Repair	X		
Appliances			
Stove (Repair/Replacement) <sup>(2)</sup>			
Refrigerators (Repair/Replacement) <sup>(2)</sup>			
Dishwashers (repair/Replacement) <sup>(2)</sup>			
<sup>(2)</sup> Maintenance/repair on appliances that have been upgraded for program specific requirements/specifications will be repaired or replaced up to the standard appliance amounts allowed by HACC. Any additional or exceeding costs will be the responsibility of the lessee/lessee.			
Garbage Disposal			X
Clothes Washer & Dryer			X
Code/Standards of Design		X	
Routine Minor Maintenance (light bulbs, furnace filters)			X
Broken Glass			X
Interior Doors			
Major Repair/Replacement			X
Minor Repair			X

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Exterior Doors			
Major Repair/Replacement			X
Minor Repair			X
Routine Yard Maintenance			X
Gutters – Cleaning			X
Cleaning Sidewalks			X
Client Caused Damage			X
Upgrades			X
Donated Equipment			X
Emergencies	X		

# LEASE

THIS LEASE is made and entered into by and between **HOUSING AUTHORITY OF CLACKAMAS COUNTY**, hereinafter called the LESSOR, and **ALBERTINA KERR**, hereinafter called the LESSEE.

The parties agree as follows:

## **1. DESCRIPTION OF PREMISES; PURPOSE OF LEASE**

LESSEE hereby leases a residence, more specifically described below, from the Housing Authority of Clackamas County (hereinafter called "LESSOR"). The property is known as:

2286 Lindenbrook Court  
Milwaukie, Clackamas County, Oregon, 97222

together with any and all rights, privileges, easements, and appurtenances, as well as any and all fixtures, rights, privileges, easements, and appurtenances that may now or exist in the future (collectively, the "Premises"). The parties agree that LESSOR is leasing the Premises for the specific purpose of providing a facility in which the LESSEE will operate a residential program, as described in Section 3, below.

## **2. RENT**

LESSEE shall pay to LESSOR rent for the Premises in the amount of \$1,187.00 per calendar month during the period commencing July 1, 2020 and ending on June 30, 2022. The lease payments are due on the first day of each month starting July 1, 2020. LESSEE shall pay directly to the LESSOR at P.O. Box 1510, Oregon City, Oregon 97045. LESSEE acknowledges that rents received after the 10th of the month will be subject to a \$25.00 late charge.

Rents shall increase annually by the amount of the increase in residents' Social Security Income (SSI) payments attributed to housing costs by the Oregon Department of Human Services, Seniors and People with Disabilities. Any increase so determined shall occur at the time the information is made available to the LESSOR, but shall not in any event be effective before the effective date of such increase in the SSI payment. LESSOR shall immediately notify LESSEE when any such notice is received.

## **3. USE OF PREMISES**

- a. The LESSEE shall use the leased premises during the term of this LEASE as follows:  
Operation of a residential facility for persons with developmental disabilities, plus any necessary support staff. LESSEE shall use the leased premises for no other purpose whatsoever without LESSOR's written consent.
- b. The LESSEE will not make any unlawful, improper or offensive use of said premises; LESSEE will not suffer any strip or waste thereof; LESSEE will not permit any objectionable noise or odor to escape or to be emitted from said Premises or do anything or permit anything to be done upon or about said Premises in any way tending to create a nuisance; LESSEE will not sell or permit to be sold any spirituous, vinous or malt liquors on said Premises; nor will LESSEE sell or permit to be sold any controlled substance on or about said Premises.

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- c. The LESSEE will not allow the leased Premises at any time to fall into such a state of disrepair or disorder as to increase the fire hazard thereon; LESSEE shall not install any power machinery on said Premises except with written consent of the LESSOR; LESSEE shall not store gasoline or other highly combustible materials on said Premises at any time; LESSEE will not use said Premises in such a way or for such a purpose that the fire insurance rate on the building in which said Premises are located is thereby increased or that would prevent the LESSOR from taking advantage of any rulings of any agency of the state in which said leased Premises are situated or its successors, which would allow the LESSOR to obtain reduced premium rates for longterm fire insurance policies.

#### **4. UTILITIES**

The LESSEE shall pay for all heat, light, water, power, sewer and other services or utilities used at the Premises during the term of this LEASE.

#### **5. REPAIRS AND IMPROVEMENTS**

Responsibility of all repairs and maintenance (other than routine) will be examined on a case by case basis to determine responsibility using the following guidelines and Attachment A. Maintenance/repair on appliances that have been upgraded or purchased for program specific requirements/specifications will be repaired or replaced for a cost not to exceed the repair or replacement cost of a standard appliance provided by the LESSOR. Maintenance/repair of the building interior/exterior will be examined to determine responsibility, i.e., normal wear and tear (LESSOR), accelerated wear and tear due to program needs (LESSEE), or resident-caused (LESSEE). LESSOR's obligations are contingent upon the availability of sufficient funds, as determined by LESSOR in its sole discretion.

- a. LESSOR has responsibility for repairs and maintenance as funds are available for the following:

- (1) Structural Major Repair/Replacement

Maintenance items related to the structure of the building to include: roof, exterior walls (repair and paint), siding, plumbing, and electrical systems, heating system, gutters, downspouts, foundation.

- (2) Non-structural Major Repair/Maintenance/Replacement

Maintenance of items that deteriorate due to normal use for a special needs house would include the total cost of repair/replacement of standard kitchen stoves, and refrigerators provided by LESSOR. Upgraded kitchen stoves or refrigerators will be repaired/replaced up to limitations set by the LESSOR.

If an item other than a stove or refrigerator needs to be replaced before its agreed upon life due to excessive or hard use by the LESSEE, the replacement costs will be split between LESSOR and LESSEE.

Example: Carpet's life is set at 5 years, but wears out in 4 years. LESSOR pays 80% and LESSEE pays 20% of replacement cost.

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(3) Standards of Design

These items of repair/maintenance/new installation or replacement are items that do not meet applicable building code or design requirements for the LESSEE's program. These are primarily health and safety issues.

Examples: asbestos, sprinkler system, fire alarm system.

LESSOR will work with LESSEE on needed major repairs and replacements to the extent possible with available funding.

In cases of emergency, which present an immediate threat to health and safety, LESSOR will provide repairs such that the immediate threat to health and safety is removed within 48 hours unless there has been a major disaster requiring LESSOR to respond to multiple sites of emergency.

b. LESSOR shall make repairs and provide maintenance as follows:

(1) Minor Repairs/Routine Maintenance, i.e. Items behind the wall (concealed) that require repair due to normal wear and tear.

Example: replace a part on the furnace.

(2) Repairs necessitated by vandalism, burglary or attempted burglary committed by individuals who are not agents, employers or invitees of the lessee or tenants or employees of LESSEE.

(3) Non-routine repairs to landscaping and tree pruning.

Except in cases of emergency, LESSOR will give at least 24-hours notice of proposed entry and repair. Whenever possible, this notice will be given to LESSEE's house manager. LESSEE shall report needed repairs according to a process agreed upon by LESSOR and LESSEE.

c. LESSEE shall be responsible for maintaining the Premises in a neat condition, free of trash and debris, in good order and repair. LESSEE agrees to be responsible for the following and maintain all of the following in good condition and repair, less reasonable wear and tear:

(1) Minor Repairs/Routine Maintenance/Appliance Repair and Replacement

Reference the Attachment A for specific examples.

LESSEE is responsible for repairs and maintenance to the Premises including the replacement of all glass which may be broken or cracked during the term of the lease with glass of as good or better quality, and replacement and repair of interior and exterior doors except the garage door, the full cost of repair and replacement of dishwashers and disposals. The cost of kitchen stove and refrigerator repair and



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replacement will be determined by the LESSOR as described in paragraph 2. LESSEE is also responsible for routine maintenance of the grounds of the leased Premises, including mowing the grass, weeding, edging of beds, washing exterior windows and ensuring the gutters are cleaned as necessary.

(2) Resident-Caused Damage

Any repairs necessitated by the acts or omissions of the LESSEE, or officers, agents, employees, clients, residents, or invitees of the LESSEE, including any repairs which would otherwise be required of LESSOR pursuant to subparagraphs a. and b. above, excluding daily wear and tear.

(3) Improvements

Improvements would be any elective change made to the home to improve the quality of life of the residents. Improvements would include upgrades, interior or exterior redecorating or remodeling, and interior painting.

Other examples: replacing a window air conditioner unit to central air, converting a storage room to a bathroom, appliance upgrades.

(4) Donated Equipment

The LESSEE and the LESSEE's vendor are responsible for all donated equipment.

The LESSEE will not be held responsible for repairs which result from original construction or substantial remodeling prior to LESSEE taking possession, or for substandard or nonworkman like work done by contractors hired by LESSOR.

A summary of the LESSOR's responsibilities, and of the LESSEE's responsibilities which the LESSEE agrees to be responsible for, as described above, is attached to this lease as Attachment A, and by this reference is incorporated herein.

## **6. LESSOR'S RIGHT OF ENTRY**

The LESSOR, or its authorized agents or representatives may enter the leased Premises at any reasonable time for the purpose of examining into the condition thereof, or any other lawful purpose. The LESSOR agrees to give the LESSEE 24 hours' notice thereof except in case of emergency, in which case no advance notice shall be required.

## **7. LOCKS AND KEYS**

The LESSEE, or its authorized agents or representatives, shall insure that all interior and exterior locks are maintained to allow LESSOR entry at all times with keys mastered to the LESSOR's specifications at the residence. Exceptions to this requirement will be considered on a case by case basis and must be approved by LESSOR prior to any lock changes.

## **8. RIGHT OF ASSIGNMENT**

The LESSEE will not assign, transfer, pledge, hypothecate, surrender or dispose of this LEASE, or any interest herein, sublet, or permit any other person or persons whomsoever to occupy the leased Premises without the written consent of the LESSOR being first obtained in writing; this

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LEASE is personal to said LESSEE; LESSEE's interests, in whole or in part, cannot be sold, assigned, transferred, seized or taken by operation at law, or under or by virtue of any execution or legal process, attachment or proceedings instituted against the LESSEE, or under or by virtue of any bankruptcy or insolvency proceedings had in regard to the LESSEE, or in any other manner, except as above mentioned.

### **9. LIENS**

The LESSEE will not permit any lien of any kind, type or description to be placed or imposed upon the building in which said leased Premises are situated, or any part thereof, or the real estate on which it stands.

### **10. ICE. SNOW. DEBRIS**

If the Premises herein leased is located at street level, then at all times LESSEE shall keep the sidewalks in front of the leased Premises free and clear of ice, snow, rubbish, debris and obstruction; and if the LESSEE occupies the entire building, LESSEE will not permit rubbish, debris, ice or snow to accumulate on the roof of said building so as to stop up or obstruct gutters or downspouts or cause damage to said roof, and LESSEE will save harmless and protect the LESSOR against any injury whether to LESSOR, LESSEE or to LESSOR's property or to any other person or property caused by LESSEE's failure in that regard.

### **11. OVERLOADING OF FLOORS**

The LESSEE will not overload the floors of said Premises in such a way as to cause any undue or serious stress or strain upon the building in which said leased Premises are located, or any part thereof, and the LESSOR shall have the right, at any time, to call upon any competent engineer or architect whom the LESSOR may choose, to decide whether or not the floors of said Premises, or any part thereof, are being overloaded so as to cause any undue or serious stress or strain on said building, or any part thereof, and the decision of said engineer or architect shall be final and binding upon the LESSOR, and the LESSEE; and in the event that the engineer or architect so called upon shall decide that in his opinion the stress or strain is such as to endanger or injure said building, or any part thereof, then and in that event the LESSEE agrees immediately to relieve said stress or strain either by reinforcing the building or by lightening the load which causes such stress or strain in a manner satisfactory to the LESSOR.

### **12. ADVERTISING SIGNS**

The LESSEE will not use the outside walls of said Premises, or allow signs or devices of any kind to be attached thereto or suspended therefrom, for advertising or displaying the name or business of the LESSEE or for any purpose whatsoever without the written consent of the LESSOR; however, the LESSEE may make use of the windows of said leased Premises to display LESSEE's name and business when the workmanship of such signs shall be of good quality and permanent nature; provided further that the LESSEE may not suspend or place within said windows or paint thereon any banners, signs, signboards or other devices in violation of this section, or in violation of any applicable law or ordinance.

### **13. FIXTURES**

All partitions, plumbing, electrical wiring, additions to or improvements upon the Premises, whether installed by the LESSOR or LESSEE, shall be and become a part of the Premises as soon as installed and the property of the LESSOR unless otherwise herein provided.

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### **14. LIGHT AND AIR**

This LEASE does not grant any rights of access to light and air over the property.

### **15. INSURANCE**

LESSEE shall procure and maintain, for the duration of the lease, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the LESSEE's operations and use of the leased Premises. The cost of such insurance shall be borne by the LESSEE.

#### **MINIMUM SCOPE OF INSURANCE**

Coverage shall be at least as broad as:

- a. Insurance Services Office Commercial General Liability coverage.
- b. Insurance Services Office Additional Insured.
- c. Worker's Compensation insurance as required by state law and Employer's Liability Insurance (for LESSEEs with employees).
- d. Professional Errors and Omissions Liability insurance.
- e. Property insurance against all risks of loss to any tenant improvements, betterments, and LESSEE-owned business personal property.

#### **MINIMUM LIMITS OF INSURANCE LESSEE**

shall maintain limits no less than:

- a. General Liability: \$1,000,000 per occurrence, \$2,000,000 aggregate (including coverages for discrimination, fair housing and ADA violations, and sexual molestation).
- b. Workers' Compensation (statutory) and Employer's Liability: \$1,000,000 per accident for Bodily Injury or Disease.
- c. Professional Errors and Omissions Liability: not less than \$1,000,000 per occurrence, \$2,000,000 annual aggregate
- d. Property Insurance: full replacement cost with no co-insurance penalty provision.

**NOTE:** These limits can be attained by individual policies or by combining primary and umbrella policies.

#### **DEDUCTIBLES AND SELF-INSURED RETENTIONS**

Any deductibles or self-insured retentions must be declared to and approved by the LESSOR. At the option of the LESSOR, either the insurer shall reduce or eliminate such deductibles or selfinsured retentions as respects the LESSOR, its officers, officials, employees and volunteers; or the LESSEE shall provide a financial guarantee satisfactory to the LESSOR guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

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## **OTHER INSURANCE PROVISIONS**

The General Liability is to contain, or be endorsed to contain, the following provisions:

- a. The Housing Authority of Clackamas County, its officers, officials, employees and volunteers are to be covered as additional insured with respect to liability arising out of maintenance or use of that part of the Premises leased to the LESSEE.
- b. The LESSEE's insurance coverage shall be primary insurance as respects the Housing Authority of Clackamas County, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the Housing Authority of Clackamas County, its officers, officials, employees, or volunteers shall be excess of the LESSEE's insurance.
- c. Each insurance policy required by these specifications shall be endorsed to state that coverage shall not be cancelled or materially changed, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the Housing Authority of Clackamas County.
- d. Maintenance of the proper insurance for the duration of the contract is a material element of the contract. Material changes in the required coverage or cancellation of the coverage shall constitute a material breach of the contract by the LESSEE.

### **ACCEPTABILITY OF INSURERS**

Insurance is to be placed with insurers with a current A M. Best's rating of no less than B+:VI. LESSEEs must provide written verification of their insurer's rating.

Use of the leased premise must be preapproved by LESSOR. LESSEE shall indemnify the LESSOR for any claims resulting from the conduct of the LESSEE's subcontractors and/or failure to be properly insured.

### **16. EMINENT DOMAIN**

In case of the condemnation or purchase of all or any substantial part of the said leased Premises by any public or private corporation with the power of condemnation this LEASE may be terminated, effective on the date possession is taken, by either party hereto on written notice to the other and in that case the LESSEE shall not be liable for any rent after the termination date. LESSEE shall not be entitled to and hereby expressly waives any right to any part of the condemnation award or purchase price.

### **17. FOR SALE AND FOR RENT SIGNS**

During the period of 90 days prior to the date above fixed for the termination of said LEASE, the LESSEE agrees that there may be posted on said Premises or in the windows thereof signs of moderate size notifying the public that the Premises are "for sale" or "for lease."

### **18. DELIVERING UP PREMISES ON TERMINATION**

At the expiration of said term or upon any sooner termination thereof, the LESSEE will quit and deliver up said leased Premises and all future erections or additions to or upon the same,

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broomclean, to the LESSOR, peaceably, quietly, and in as good order and condition, reasonable use and wear thereof, damage by fire, unavoidable casualty and the elements alone excepted, as the same are now in or hereafter may be put in by the LESSOR.

### **19. INDEMNIFICATION**

To the fullest extent permitted by law, LESSEE shall indemnify, defend and hold harmless LESSOR, and its agents, affiliates, employees, managers, officers, other contractors, heirs and assigns (hereinafter "Indemnified Parties") from and against any and all liability, claims, damage, costs, expenses, awards, fines, judgments, and attorney's fees (including, without limitation, expert witness fees and other litigation expenses) of every nature arising out of or in connection with LESSEE's performance of work hereunder, or work of its agents, employees, subcontractors and/or independent contractors, or their failure to comply with any of its obligations contained in this lease agreement, whether or not caused in whole or part by Indemnified Parties' active or passive negligence, intentional act or omission. Such obligation shall not be construed to negate, abridge or reduce other rights or obligations of indemnity that would otherwise exist as to the parties.

The indemnification obligations of LESSEE under this LEASE shall not be limited by the amounts or types of insurance (or the deductibles or self-insured retention amounts of such insurance) which LESSEE is required to carry under this Agreement. Indemnified Parties' right to indemnification from LESSEE under this section shall be independent of Indemnified Parties' rights under the insurance to be provided by LESSEE under this Agreement.

LESSEE's duty to defend the Indemnified Parties is entirely separate from, independent of, and free standing from LESSEE's duty to indemnify the Indemnified Parties, including, without limitation, the defense of the Indemnified Parties against claims for which the Indemnified Parties (or any of them) may be strictly liable and applies whether the issue of LESSEE's liability, breach of this LEASE or other obligation, or LESSEE's responsibility has been determined and whether the Indemnified Parties (or any of them) have paid any sums or incurred any detriment, arising out of or resulting directly or indirectly from LESSEE's performance under this LEASE. Such defense obligation shall arise immediately upon presentation of a claim by any person which arises out of or is connected to this LEASE by LESSEE or any of its agents and written notice of such claim being tendered to LESSEE.

### **20. PUBLIC CONTRACTING**

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 for the program conducted by the LESSEE on the leased Premises. In the event funds are not made available to LESSEE's program in or on the leased Premises, the LESSOR may end this lease agreement upon thirty (30) days' written notice to LESSEE and be subject to no legal or equitable remedies for the termination.

### **21. PETS**

No pets shall be kept on the leased Premises at any time unless approved in advance in writing by the LESSOR.

## **ORGANIZATION**

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In the event LESSEE discovers any condition in or on the leased Premises which renders the Premises uninhabitable or dangerous for continued occupancy, LESSEE shall immediately notify LESSOR.

### **22. DANGEROUS CONDITIONS**

In the event LESSEE discovers any condition in or on the leased Premises which renders the Premises uninhabitable or dangerous for continued occupancy, LESSEE shall immediately notify LESSOR.

### **23. ATTACHMENT, BANKRUPTCY, DEFAULT**

PROVIDED, ALWAYS, and these presents are upon these conditions, that (1) if the LESSEE shall be in arrears in the payment of rent for a period of ten days after the same becomes due, or (2) if the LESSEE shall fail or neglect to do, keep, perform or observe any of the covenants and agreements contained herein on LESSEE's part to be done, kept, performed and observed and such default shall continue for ten days or more after written notice of such failure or neglect shall be given to LESSEE, or (3) if the LESSEE shall be declared bankrupt or insolvent according to law, or (4) if any assignment of LESSEE's property shall be made for the benefit of creditors, or (5) if on the expiration of this LEASE, LESSEE fails to surrender possession of said leased Premises, then and in either or any of said cases or events, each of which constitutes an event of default, the LESSOR may terminate this LEASE and lawfully, at its option immediately or at any time thereafter, without demand or notice, may enter into and upon said leased Premises and every part thereof and repossess the same as of LESSOR's former estate, and expel said LESSEE and those claiming by, through and under LESSEE and remove LESSEE's effects at LESSEE's expense, forcibly if necessary and store the same, all without being deemed guilty of trespass and without prejudice to any remedy which otherwise might be used for arrears of rent or preceding breach of covenant. Upon the occurrence of an event of default described above, LESSOR may exercise any one or more of the remedies set forth in this Lease or any other remedy available under applicable law, whether in equity, under contract, or at law.

Neither the termination of this LEASE by forfeiture nor the taking or recovery of possession of the Premises shall deprive LESSOR of any other action, right, or remedy against LESSEE for possession, rent or damages, nor shall any omission by LESSOR to enforce any forfeiture, right or remedy to which LESSEE may be entitled be deemed a waiver by LESSOR of the right to enforce the performance of all terms and conditions of this LEASE by LESSEE.

In the event of any re-entry by LESSOR, LESSOR may re-lease the Premises to any tenant tenants who provide housing and support services to persons who are served by or case managed by Clackamas County Social Services, Developmental Disability Program. LESSOR shall apply the rent received from any new tenant first to the cost of retaking and resubletting the Premises, including any costs incurred to obtain a new tenant, and then to any arrears of rent and future rent payable under this LEASE and any other damages to which LESSOR may be entitled hereunder.

Any property which LESSEE leaves on the Premises after abandonment or expiration of this LEASE, or for more than ten days after any termination of the lease by LESSOR shall be deemed to have been abandoned, and LESSOR may remove and sell said property at public or private sale as LESSOR sees fit, without being liable for any prosecution therefore or for damages by reason thereof, and the net proceeds of said sale shall be applied toward the expenses as aforesaid, and the balance of such amounts, if any, shall be held for and paid to the LESSEE.

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**24. HOLDING OVER**

In the event the LESSEE for any reason shall hold over after the expiration of this LEASE, such holding over shall not be deemed to operate as a renewal or extension of this LEASE, but shall only create a tenancy from month to month which may be terminated at will at any time by the LESSOR.

**25. NO ATTORNEY FEES AND COSTS**

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.

**26. WAIVER**

LESSOR and LESSEE agree that failure by either party to insist upon strict performance of the terms, covenants, agreements and conditions of this Lease shall not constitute or be construed as a waiver or relinquishment of either party's right thereafter to enforce any such term, covenant, agreement or condition, but the same shall continue in full force and effect.

**27. NOTICES**

Any notice required by the terms of the LEASE to be given shall be sufficient if in writing contained in a sealed envelope deposited in US Mails and if intended for:

LESSOR:  
Housing Authority of Clackamas County  
PO Box 1510  
Oregon City, OR 97045

LESSEE:  
Albertina Kerr  
876 NE 162nd Ave  
Portland, OR 97230

Any such notice shall be deemed conclusively to have been delivered to the addressee thereof forty-eight (48) hours after the deposit thereof in said US Mails.

**28. HEIRS AND ASSIGNS**

All rights, remedies and liabilities herein given to or imposed upon either of the parties hereto shall extend to, inure to the benefit of and bind, as the circumstances may require, the heirs, executors, administrators, successors and, so far as this LEASE is assignable by the term hereof, to the assigns of such parties.

In construing this LEASE, it is understood that the LESSOR or the LESSEE may be more than one person; that if the context so requires, the singular pronoun shall be taken to mean and include the plural, the masculine, the feminine and the neuter, and that generally all grammatical changes shall be made, assumed and implied to make the provisions hereof apply equally to corporations and to individuals

**29. NON-WAIVER OF GOVERNMENTAL RIGHTS.**

## **ORGANIZATION**

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Subject to the terms and conditions of this Lease, LESSOR 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.

### **30. RECORDATION OF LEASE.**

LESSOR 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. LESSOR will pay the recording costs.

### **31. 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 LESSOR 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 LESSOR 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.

### **32. 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 including, but not limited to, execution of any additional documents that may be required by LESSOR's state or federal funding sources.

### **33. FORCE MAJEURE.**

Neither LESSOR nor LESSEE shall be held responsible for delay or default caused by events outside the LESSOR or LESSEE's reasonable control including, but not limited to, fire, terrorism, riot, acts of God, or war. However, both parties shall make all reasonable efforts to remove or eliminate such a cause of delay or default and shall upon the cessation of the cause, diligently pursue performance of its obligations under this Lease.

### **34. TAXES**

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 based on or otherwise in connection with the use, occupancy, or operations of the Premises, or with respect to services or utilities in connection with the use, occupancy, or operations of the Premises. Taxes will include, but not be limited to, state and local



## **ORGANIZATION**

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real-property 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.

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. Evidence of Payment. Upon written request by LESSOR, LESSEE shall provide LESSOR with evidence reasonably satisfactory to LESSOR that all Taxes required to be paid by LESSEE have been paid.

d. Property Tax Exemption. LESSEE is responsible for filing the application for a property tax exemption under applicable Oregon law. In the event, the LESSEE fails to file the tax property tax exemption with the Clackamas County Department of Assessment and Taxation by the required deadline and the Premises loses its tax exempt status, LESSEE will be responsible for payment of any taxes or late filing fees assessed against the Premises.

## **35. TERMINATION**

a. Non-default Termination: This Lease may be terminated for the following non-default reasons: (1) by mutual agreement of the parties; or (2) upon ninety (90) day's written notice to LESSEE, LESSOR may terminate this Lease for convenience, if LESSOR fails to receive expenditure authority sufficient to allow LESSOR, in the exercise of its reasonable administrative discretion, to continue to perform under this Lease, or 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, LESSOR may immediately terminate this Lease upon written notice to LESSEE and exercise any remedy provided herein.

IN WITNESS WHEREOF, the respective parties have executed this instrument, any corporation signature being by authority of its Board of Directors.

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**LESSEE:  
ALBERTINA KERR**

**LESSOR:  
HOUSING AUTHORITY OF CLACKAMAS  
COUNTY**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

By: \_\_\_\_\_  
Its: \_\_\_\_\_

By: Jill C. Smith  
Its: Executive Director

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**OREGON NOTARY ACKNOWLEDGMENT (LESSOR)**

State of OREGON

County of \_\_\_\_\_

This record was acknowledged before me on (date) \_\_\_\_\_, 20\_\_\_\_\_

by (name(s) of individual(s)) \_\_\_\_\_ as

(type of authority) \_\_\_\_\_ of (name of party on whose

behalf record was executed) \_\_\_\_\_.

\_\_\_\_\_  
Notary Public – State of Oregon

Official Stamp

Document Description

This certificate is attached to page \_\_\_\_ of a \_\_\_\_\_ (title or type of document),

dated \_\_\_\_\_, 20\_\_\_\_, consisting of \_\_\_\_\_ pages.

**ORGANIZATION**

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**OREGON NOTARY ACKNOWLEDGMENT (LESSOR)**

State of OREGON

County of \_\_\_\_\_

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Official Stamp

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**ATTACHMENT A  
Summary of Responsibilities  
Repairs and Replacements**

	Lessor (HA)	Lessor-if Funding	Lessee (CH)/Lessee
Roof			
Major Repair/Replacement	<b>X</b>		
Minor Repair	<b>X</b>		
Exterior Walls / Siding <sup>(1)</sup>			
Major Repair/Replacement	<b>X</b>		
Minor Repair	<b>X</b>		
Heating/Vent/Coding			
Major Repair/Replacement	<b>X</b>		
Minor Repair	<b>X</b>		
Foundations			
Major Repair/Replacement		<b>X</b>	
Minor Repair	<b>X</b>		
Interior Walls <sup>(1)</sup>			
Major Repair/Replacement		<b>X</b>	
Minor Repair	<b>X</b>		
Interior Redecorating/Remodeling			<b>X</b>
Garage Door			
Major Repair/Replacement	<b>X</b>		
Minor Repair			<b>X</b>
Plumbing <sup>(1)</sup>			
Major Repair/Replacement	<b>X</b>		
Minor Repair (concealed)	<b>X</b>		
Minor Repair (exposed)			<b>X</b>
(1) Maintenance/repair of the building interior/exterior will be examined to determine responsibility i.e. normal wear and tear (HACC), accidental wear and tear due to program needs (lessee), or resident-caused (Lessee).			

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Electrical			
Major Repair	X		
Minor Repair (concealed)	X		
Minor Repair (exposed)			X
Landscaping			
Major Repair/Replacement		X	
Minor Repair			X
Floor Covering			
Major Repair/Replacement		X	X
Minor Repair	X		
Appliances			
Stove (Repair/Replacement) <sup>(2)</sup>			
Refrigerators (Repair/Replacement) <sup>(2)</sup>			
Dishwashers (repair/Replacement) <sup>(2)</sup>			
<sup>(2)</sup> Maintenance/repair on appliances that have been upgraded for program specific requirements/specifications will be repaired or replaced up to the standard appliance amounts allowed by HACCC. Any additional or exceeding costs will be the responsibility of the lessee/lessee.			
Garbage Disposal			X
Clothes Washer & Dryer			X
Code/Standards of Design		X	
Routine Minor Maintenance (light bulbs, furnace filters)			X
Broken Glass			X
Interior Doors			
Major Repair/Replacement			X
Minor Repair			X
Exterior Doors			

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Major Repair/Replacement			<b>X</b>
Minor Repair			<b>X</b>
Routine Yard Maintenance			<b>X</b>
Gutters – Cleaning			<b>X</b>
Cleaning Sidewalks			<b>X</b>
Client Caused Damage			<b>X</b>
Upgrades			<b>X</b>
Donated Equipment			<b>X</b>
Emergencies	<b>X</b>		

# LEASE

THIS LEASE is made and entered into by and between **HOUSING AUTHORITY OF CLACKAMAS COUNTY**, hereinafter called the LESSOR, and **ALTERNATIVE SERVICES-OR, INC.**, hereinafter called the LESSEE.

The parties agree as follows:

## **1. DESCRIPTION OF PREMISES; PURPOSE OF LEASE**

LESSEE hereby leases a residence, more specifically described below, from the Housing Authority of Clackamas County (hereinafter called "LESSOR"). The property is known as:

4808 SE Hull Street  
Milwaukie, Clackamas County, Oregon, 97222

together with any and all rights, privileges, easements, and appurtenances, as well as any and all fixtures, rights, privileges, easements, and appurtenances that may now or exist in the future (collectively, the "Premises"). The parties agree that LESSOR is leasing the Premises for the specific purpose of providing a facility in which the LESSEE will operate a residential program, as described in Section 3, below.

## **2. RENT**

LESSEE shall pay to LESSOR rent for the Premises in the amount of \$712.00 per calendar month during the period commencing July 1, 2020 and ending on June 30, 2022. The lease payments are due on the first day of each month starting July 1, 2020. LESSEE shall pay directly to the LESSOR at P.O. Box 1510, Oregon City, Oregon 97045. LESSEE acknowledges that rents received after the 10th of the month will be subject to a \$25.00 late charge.

Rents shall increase annually by the amount of the increase in residents' Social Security Income (SSI) payments attributed to housing costs by the Oregon Department of Human Services, Seniors and People with Disabilities. Any increase so determined shall occur at the time the information is made available to the LESSOR, but shall not in any event be effective before the effective date of such increase in the SSI payment. LESSOR shall immediately notify LESSEE when any such notice is received.

## **3. USE OF PREMISES**

- a. The LESSEE shall use the leased premises during the term of this LEASE as follows:  
Operation of a residential facility for persons with developmental disabilities, plus any necessary support staff. LESSEE shall use the leased premises for no other purpose whatsoever without LESSOR's written consent.
- b. The LESSEE will not make any unlawful, improper or offensive use of said premises; LESSEE will not suffer any strip or waste thereof; LESSEE will not permit any objectionable noise or odor to escape or to be emitted from said Premises or do anything or permit anything to be done upon or about said Premises in any way tending to create a nuisance; LESSEE will not sell or permit to be sold any spirituous, vinous or malt liquors on said Premises; nor will LESSEE sell or permit to be sold any controlled substance on or about said Premises.

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- c. The LESSEE will not allow the leased Premises at any time to fall into such a state of disrepair or disorder as to increase the fire hazard thereon; LESSEE shall not install any power machinery on said Premises except with written consent of the LESSOR; LESSEE shall not store gasoline or other highly combustible materials on said Premises at any time; LESSEE will not use said Premises in such a way or for such a purpose that the fire insurance rate on the building in which said Premises are located is thereby increased or that would prevent the LESSOR from taking advantage of any rulings of any agency of the state in which said leased Premises are situated or its successors, which would allow the LESSOR to obtain reduced premium rates for long term fire insurance policies.

### **4. UTILITIES**

The LESSEE shall pay for all heat, light, water, power, sewer and other services or utilities used at the Premises during the term of this LEASE.

### **5. REPAIRS AND IMPROVEMENTS**

Responsibility of all repairs and maintenance (other than routine) will be examined on a case by case basis to determine responsibility using the following guidelines and Attachment A.

Maintenance/repair on appliances that have been upgraded or purchased for program specific requirements/specifications will be repaired or replaced for a cost not to exceed the repair or replacement cost of a standard appliance provided by the LESSOR. Maintenance/repair of the building interior/exterior will be examined to determine responsibility, i.e., normal wear and tear (LESSOR), accelerated wear and tear due to program needs (LESSEE), or resident-caused (LESSEE). LESSOR's obligations are contingent upon the availability of sufficient funds, as determined by LESSOR in its sole discretion.

- a. LESSOR has responsibility for repairs and maintenance as funds are available for the following:

- (1) Structural Major Repair/Replacement

Maintenance items related to the structure of the building to include: roof, exterior walls (repair and paint), siding, plumbing, and electrical systems, heating system, gutters, downspouts, foundation.

- (2) Non-structural Major Repair/Maintenance/Replacement

Maintenance of items that deteriorate due to normal use for a special needs house would include the total cost of repair/replacement of standard kitchen stoves, and refrigerators provided by LESSOR. Upgraded kitchen stoves or refrigerators will be repaired/replaced up to limitations set by the LESSOR.

If an item other than a stove or refrigerator needs to be replaced before its agreed upon life due to excessive or hard use by the LESSEE, the replacement costs will be split between LESSOR and LESSEE.

Example: Carpet's life is set at 5 years, but wears out in 4 years. LESSOR pays 80% and LESSEE pays 20% of replacement cost.



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(3) Standards of Design

These items of repair/maintenance/new installation or replacement are items that do not meet applicable building code or design requirements for the LESSEE's program. These are primarily health and safety issues.

Examples: asbestos, sprinkler system, fire alarm system.

LESSOR will work with LESSEE on needed major repairs and replacements to the extent possible with available funding.

In cases of emergency, which present an immediate threat to health and safety, LESSOR will provide repairs such that the immediate threat to health and safety is removed within 48 hours unless there has been a major disaster requiring LESSOR to respond to multiple sites of emergency.

b. LESSOR shall make repairs and provide maintenance as follows:

(1) Minor Repairs/Routine Maintenance, i.e. Items behind the wall (concealed) that require repair due to normal wear and tear.

Example: replace a part on the furnace.

(2) Repairs necessitated by vandalism, burglary or attempted burglary committed by individuals who are not agents, employers or invitees of the lessee or tenants or employees of LESSEE.

(3) Non-routine repairs to landscaping and tree pruning.

Except in cases of emergency, LESSOR will give at least 24-hours notice of proposed entry and repair. Whenever possible, this notice will be given to LESSEE's house manager. LESSEE shall report needed repairs according to a process agreed upon by LESSOR and LESSEE.

c. LESSEE shall be responsible for maintaining the Premises in a neat condition, free of trash and debris, in good order and repair. LESSEE agrees to be responsible for the following and maintain all of the following in good condition and repair, less reasonable wear and tear:

(1) Minor Repairs/Routine Maintenance/Appliance Repair and Replacement

Reference the Attachment A for specific examples.

LESSEE is responsible for repairs and maintenance to the Premises including the replacement of all glass which may be broken or cracked during the term of the lease with glass of as good or better quality, and replacement and repair of interior and exterior doors except the garage door, the full cost of repair and replacement of

## **ORGANIZATION**

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dishwashers and disposals. The cost of kitchen stove and refrigerator repair and replacement will be determined by the LESSOR as described in paragraph 2. LESSEE is also responsible for routine maintenance of the grounds of the leased Premises, including mowing the grass, weeding, edging of beds, washing exterior windows and ensuring the gutters are cleaned as necessary.

(2) Resident-Caused Damage

Any repairs necessitated by the acts or omissions of the LESSEE, or officers, agents, employees, clients, residents, or invitees of the LESSEE, including any repairs which would otherwise be required of LESSOR pursuant to subparagraphs a. and b. above, excluding daily wear and tear.

(3) Improvements

Improvements would be any elective change made to the home to improve the quality of life of the residents. Improvements would include upgrades, interior or exterior redecorating or remodeling, and interior painting.

Other examples: replacing a window air conditioner unit to central air, converting a storage room to a bathroom, appliance upgrades.

(4) Donated Equipment

The LESSEE and the LESSEE's vendor are responsible for all donated equipment.

The LESSEE will not be held responsible for repairs which result from original construction or substantial remodeling prior to LESSEE taking possession, or for substandard or nonworkman like work done by contractors hired by LESSOR.

A summary of the LESSOR's responsibilities, and of the LESSEE's responsibilities which the LESSEE agrees to be responsible for, as described above, is attached to this lease as Attachment A, and by this reference is incorporated herein.

## **6. LESSOR'S RIGHT OF ENTRY**

The LESSOR, or its authorized agents or representatives may enter the leased Premises at any reasonable time for the purpose of examining into the condition thereof, or any other lawful purpose. The LESSOR agrees to give the LESSEE 24 hours' notice thereof except in case of emergency, in which case no advance notice shall be required.

## **7. LOCKS AND KEYS**

The LESSEE, or its authorized agents or representatives, shall insure that all interior and exterior locks are maintained to allow LESSOR entry at all times with keys mastered to the LESSOR's specifications at the residence. Exceptions to this requirement will be considered on a case by case basis and must be approved by LESSOR prior to any lock changes.

## **8. RIGHT OF ASSIGNMENT**

The LESSEE will not assign, transfer, pledge, hypothecate, surrender or dispose of this LEASE, or any interest herein, sublet, or permit any other person or persons whomsoever to occupy the

## **ORGANIZATION**

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leased Premises without the written consent of the LESSOR being first obtained in writing; this LEASE is personal to said LESSEE; LESSEE's interests, in whole or in part, cannot be sold, assigned, transferred, seized or taken by operation at law, or under or by virtue of any execution or legal process, attachment or proceedings instituted against the LESSEE, or under or by virtue of any bankruptcy or insolvency proceedings had in regard to the LESSEE, or in any other manner, except as above mentioned.

### **9. LIENS**

The LESSEE will not permit any lien of any kind, type or description to be placed or imposed upon the building in which said leased Premises are situated, or any part thereof, or the real estate on which it stands.

### **10. ICE. SNOW. DEBRIS**

If the Premises herein leased is located at street level, then at all times LESSEE shall keep the sidewalks in front of the leased Premises free and clear of ice, snow, rubbish, debris and obstruction; and if the LESSEE occupies the entire building, LESSEE will not permit rubbish, debris, ice or snow to accumulate on the roof of said building so as to stop up or obstruct gutters or downspouts or cause damage to said roof, and LESSEE will save harmless and protect the LESSOR against any injury whether to LESSOR, LESSEE or to LESSOR's property or to any other person or property caused by LESSEE's failure in that regard.

### **11. OVERLOADING OF FLOORS**

The LESSEE will not overload the floors of said Premises in such a way as to cause any undue or serious stress or strain upon the building in which said leased Premises are located, or any part thereof, and the LESSOR shall have the right, at any time, to call upon any competent engineer or architect whom the LESSOR may choose, to decide whether or not the floors of said Premises, or any part thereof, are being overloaded so as to cause any undue or serious stress or strain on said building, or any part thereof, and the decision of said engineer or architect shall be final and binding upon the LESSOR, and the LESSEE; and in the event that the engineer or architect so called upon shall decide that in his opinion the stress or strain is such as to endanger or injure said building, or any part thereof, then and in that event the LESSEE agrees immediately to relieve said stress or strain either by reinforcing the building or by lightening the load which causes such stress or strain in a manner satisfactory to the LESSOR.

### **12. ADVERTISING SIGNS**

The LESSEE will not use the outside walls of said Premises, or allow signs or devices of any kind to be attached thereto or suspended therefrom, for advertising or displaying the name or business of the LESSEE or for any purpose whatsoever without the written consent of the LESSOR; however, the LESSEE may make use of the windows of said leased Premises to display LESSEE's name and business when the workmanship of such signs shall be of good quality and permanent nature; provided further that the LESSEE may not suspend or place within said windows or paint thereon any banners, signs, signboards or other devices in violation of this section, or in violation of any applicable law or ordinance.

### **13. FIXTURES**

## **ORGANIZATION**

2020-2023 LEASE - 4808 SE Hull Street

All partitions, plumbing, electrical wiring, additions to or improvements upon the Premises, whether installed by the LESSOR or LESSEE, shall be and become a part of the Premises as soon as installed and the property of the LESSOR unless otherwise herein provided.

### **14. LIGHT AND AIR**

This LEASE does not grant any rights of access to light and air over the property.

### **15. INSURANCE**

LESSEE shall procure and maintain, for the duration of the lease, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the LESSEE's operations and use of the leased Premises. The cost of such insurance shall be borne by the LESSEE.

#### **MINIMUM SCOPE OF INSURANCE**

Coverage shall be at least as broad as:

- a. Insurance Services Office Commercial General Liability coverage.
- b. Insurance Services Office Additional Insured.
- c. Worker's Compensation insurance as required by state law and Employer's Liability Insurance (for LESSEEs with employees).
- d. Professional Errors and Omissions Liability insurance.
- e. Property insurance against all risks of loss to any tenant improvements, betterments, and LESSEE-owned business personal property.

#### **MINIMUM LIMITS OF INSURANCE LESSEE**

shall maintain limits no less than:

- a. General Liability: \$1,000,000 per occurrence, \$2,000,000 aggregate (including coverages for discrimination, fair housing and ADA violations, and sexual molestation).
- b. Workers' Compensation (statutory) and Employer's Liability: \$1,000,000 per accident for Bodily Injury or Disease.
- c. Professional Errors and Omissions Liability: not less than \$1,000,000 per occurrence, \$2,000,000 annual aggregate
- d. Property Insurance: full replacement cost with no co-insurance penalty provision.

**NOTE:** These limits can be attained by individual policies or by combining primary and umbrella policies.

#### **DEDUCTIBLES AND SELF-INSURED RETENTIONS**

## **ORGANIZATION**

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Any deductibles or self-insured retentions must be declared to and approved by the LESSOR. At the option of the LESSOR, either the insurer shall reduce or eliminate such deductibles or selfinsured retentions as respects the LESSOR, its officers, officials, employees and volunteers; or the LESSEE shall provide a financial guarantee satisfactory to the LESSOR guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

## **OTHER INSURANCE PROVISIONS**

The General Liability is to contain, or be endorsed to contain, the following provisions:

- a. The Housing Authority of Clackamas County, its officers, officials, employees and volunteers are to be covered as additional insured with respect to liability arising out of maintenance or use of that part of the Premises leased to the LESSEE.
- b. The LESSEE's insurance coverage shall be primary insurance as respects the Housing Authority of Clackamas County, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the Housing Authority of Clackamas County, its officers, officials, employees, or volunteers shall be excess of the LESSEE's insurance.
- c. Each insurance policy required by these specifications shall be endorsed to state that coverage shall not be cancelled or materially changed, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the Housing Authority of Clackamas County.
- d. Maintenance of the proper insurance for the duration of the contract is a material element of the contract. Material changes in the required coverage or cancellation of the coverage shall constitute a material breach of the contract by the LESSEE.

### **ACCEPTABILITY OF INSURERS**

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than B+:VI. LESSEEs must provide written verification of their insurer's rating.

Use of the leased premise must be preapproved by LESSOR. LESSEE shall indemnify the LESSOR for any claims resulting from the conduct of the LESSEE's subcontractors and/or failure to be properly insured.

## **16. EMINENT DOMAIN**

In case of the condemnation or purchase of all or any substantial part of the said leased Premises by any public or private corporation with the power of condemnation this LEASE may be terminated, effective on the date possession is taken, by either party hereto on written notice to the other and in that case the LESSEE shall not be liable for any rent after the termination date. LESSEE shall not be entitled to and hereby expressly waives any right to any part of the condemnation award or purchase price.

## **17. FOR SALE AND FOR RENT SIGNS**

## **ORGANIZATION**

2020-2023 LEASE - 4808 SE Hull Street

During the period of 90 days prior to the date above fixed for the termination of said LEASE, the LESSEE agrees that there may be posted on said Premises or in the windows thereof signs of moderate size notifying the public that the Premises are "for sale" or "for lease."

### **18. DELIVERING UP PREMISES ON TERMINATION**

At the expiration of said term or upon any sooner termination thereof, the LESSEE will quit and deliver up said leased Premises and all future erections or additions to or upon the same, broomclean, to the LESSOR, peaceably, quietly, and in as good order and condition, reasonable use and wear thereof, damage by fire, unavoidable casualty and the elements alone excepted, as the same are now in or hereafter may be put in by the LESSOR.

### **19. INDEMNIFICATION**

To the fullest extent permitted by law, LESSEE shall indemnify, defend and hold harmless LESSOR, and its agents, affiliates, employees, managers, officers, other contractors, heirs and assigns (hereinafter "Indemnified Parties") from and against any and all liability, claims, damage, costs, expenses, awards, fines, judgments, and attorney's fees (including, without limitation, expert witness fees and other litigation expenses) of every nature arising out of or in connection with LESSEE's performance of work hereunder, or work of its agents, employees, subcontractors and/or independent contractors, or their failure to comply with any of its obligations contained in this lease agreement, whether or not caused in whole or part by Indemnified Parties' active or passive negligence, intentional act or omission. Such obligation shall not be construed to negate, abridge or reduce other rights or obligations of indemnity that would otherwise exist as to the parties.

The indemnification obligations of LESSEE under this LEASE shall not be limited by the amounts or types of insurance (or the deductibles or self-insured retention amounts of such insurance) which LESSEE is required to carry under this Agreement. Indemnified Parties' right to indemnification from LESSEE under this section shall be independent of Indemnified Parties' rights under the insurance to be provided by LESSEE under this Agreement.

LESSEE's duty to defend the Indemnified Parties is entirely separate from, independent of, and free standing from LESSEE's duty to indemnify the Indemnified Parties, including, without limitation, the defense of the Indemnified Parties against claims for which the Indemnified Parties (or any of them) may be strictly liable and applies whether the issue of LESSEE's liability, breach of this LEASE or other obligation, or LESSEE's responsibility has been determined and whether the Indemnified Parties (or any of them) have paid any sums or incurred any detriment, arising out of or resulting directly or indirectly from LESSEE's performance under this LEASE. Such defense obligation shall arise immediately upon presentation of a claim by any person which arises out of or is connected to this LEASE by LESSEE or any of its agents and written notice of such claim being tendered to LESSEE.

### **20. PUBLIC CONTRACTING**

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 for the program conducted by the LESSEE on the leased Premises. In the event funds are not made available to LESSEE's program in or on the leased Premises, the LESSOR may end this lease

## **ORGANIZATION**

2020-2023 LEASE - 4808 SE Hull Street

agreement upon thirty (30) days' written notice to LESSEE and be subject to no legal or equitable remedies for the termination.

### **21. PETS**

No pets shall be kept on the leased Premises at any time unless approved in advance in writing by the LESSOR.

In the event LESSEE discovers any condition in or on the leased Premises which renders the Premises uninhabitable or dangerous for continued occupancy, LESSEE shall immediately notify LESSOR.

### **22. DANGEROUS CONDITIONS**

In the event LESSEE discovers any condition in or on the leased Premises which renders the Premises uninhabitable or dangerous for continued occupancy, LESSEE shall immediately notify LESSOR.

### **23. ATTACHMENT, BANKRUPTCY, DEFAULT**

PROVIDED, ALWAYS, and these presents are upon these conditions, that (1) if the LESSEE shall be in arrears in the payment of rent for a period of ten days after the same becomes due, or (2) if the LESSEE shall fail or neglect to do, keep, perform or observe any of the covenants and agreements contained herein on LESSEE's part to be done, kept, performed and observed and such default shall continue for ten days or more after written notice of such failure or neglect shall be given to LESSEE, or (3) if the LESSEE shall be declared bankrupt or insolvent according to law, or (4) if any assignment of LESSEE's property shall be made for the benefit of creditors, or (5) if on the expiration of this LEASE, LESSEE fails to surrender possession of said leased Premises, then and in either or any of said cases or events, each of which constitutes an event of default, the LESSOR may terminate this LEASE and lawfully, at its option immediately or at any time thereafter, without demand or notice, may enter into and upon said leased Premises and every part thereof and repossess the same as of LESSOR's former estate, and expel said LESSEE and those claiming by, through and under LESSEE and remove LESSEE's effects at LESSEE's expense, forcibly if necessary and store the same, all without being deemed guilty of trespass and without prejudice to any remedy which otherwise might be used for arrears of rent or preceding breach of covenant. Upon the occurrence of an event of default described above, LESSOR may exercise any one or more of the remedies set forth in this Lease or any other remedy available under applicable law, whether in equity, under contract, or at law.

Neither the termination of this LEASE by forfeiture nor the taking or recovery of possession of the Premises shall deprive LESSOR of any other action, right, or remedy against LESSEE for possession, rent or damages, nor shall any omission by LESSOR to enforce any forfeiture, right or remedy to which LESSEE may be entitled be deemed a waiver by LESSOR of the right to enforce the performance of all terms and conditions of this LEASE by LESSEE.

In the event of any re-entry by LESSOR, LESSOR may re-lease the Premises to any tenant tenants who provide housing and support services to persons who are served by or case managed by Clackamas County Social Services, Developmental Disability Program. LESSOR shall apply the rent received from any new tenant first to the cost of retaking and resubletting the Premises, including any costs incurred to obtain a new tenant, and then to any arrears of rent and future rent payable under this LEASE and any other damages to which LESSOR may be entitled hereunder.

**ORGANIZATION**

2020-2023 LEASE - 4808 SE Hull Street

Any property which LESSEE leaves on the Premises after abandonment or expiration of this LEASE, or for more than ten days after any termination of the lease by LESSOR shall be deemed to have been abandoned, and LESSOR may remove and sell said property at public or private sale as LESSOR sees fit, without being liable for any prosecution therefore or for damages by reason thereof, and the net proceeds of said sale shall be applied toward the expenses as aforesaid, and the balance of such amounts, if any, shall be held for and paid to the LESSEE.

**24. HOLDING OVER**

In the event the LESSEE for any reason shall hold over after the expiration of this LEASE, such holding over shall not be deemed to operate as a renewal or extension of this LEASE, but shall only create a tenancy from month to month which may be terminated at will at any time by the LESSOR.

**25. NO ATTORNEY FEES AND COSTS**

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.

**26. WAIVER**

LESSOR and LESSEE agree that failure by either party to insist upon strict performance of the terms, covenants, agreements and conditions of this Lease shall not constitute or be construed as a waiver or relinquishment of either party's right thereafter to enforce any such term, covenant, agreement or condition, but the same shall continue in full force and effect.

**27. NOTICES**

Any notice required by the terms of the LEASE to be given shall be sufficient if in writing contained in a sealed envelope deposited in US Mails and if intended for:

LESSOR:  
Housing Authority of Clackamas County  
PO Box 1510  
Oregon City, OR 97045

LESSEE:  
Alternative Services Oregon, Inc.  
7165 SW Fir Loop Suite 200,  
Tigard, OR 97223

Any such notice shall be deemed conclusively to have been delivered to the addressee thereof forty-eight (48) hours after the deposit thereof in said US Mails.

**28. HEIRS AND ASSIGNS**

All rights, remedies and liabilities herein given to or imposed upon either of the parties hereto shall extend to, inure to the benefit of and bind, as the circumstances may require, the heirs, executors, administrators, successors and, so far as this LEASE is assignable by the term hereof, to the assigns of such parties.

In construing this LEASE, it is understood that the LESSOR or the LESSEE may be more than one person; that if the context so requires, the singular pronoun shall be taken to mean and include the plural, the masculine, the feminine and the neuter, and that generally all grammatical changes shall be made, assumed and implied to make the provisions hereof apply equally to corporations and to individuals.



## **ORGANIZATION**

2020-2023 LEASE - 4808 SE Hull Street

### **29. NON-WAIVER OF GOVERNMENTAL RIGHTS.**

Subject to the terms and conditions of this Lease, LESSOR 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.

### **30. RECORDATION OF LEASE.**

LESSOR 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. LESSOR will pay the recording costs.

### **31. 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 LESSOR 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 LESSOR 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.

### **32. 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 including, but not limited to, execution of any additional documents that may be required by LESSOR's state or federal funding sources.

### **33. FORCE MAJEURE.**

Neither LESSOR nor LESSEE shall be held responsible for delay or default caused by events outside the LESSOR or LESSEE's reasonable control including, but not limited to, fire, terrorism, riot, acts of God, or war. However, both parties shall make all reasonable efforts to remove or eliminate such a cause of delay or default and shall upon the cessation of the cause, diligently pursue performance of its obligations under this Lease.

### **34. TAXES**

- 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 based on or otherwise in connection with

## **ORGANIZATION**

2020-2023 LEASE - 4808 SE Hull Street

the use, occupancy, or operations of the Premises, or with respect to services or utilities in connection with the use, occupancy, or operations of the Premises. Taxes will include, but not be limited to, state and local real-property 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.

- 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. **Evidence of Payment.** Upon written request by LESSOR, LESSEE shall provide LESSOR with evidence reasonably satisfactory to LESSOR that all Taxes required to be paid by LESSEE have been paid.
- d. **Property Tax Exemption.** LESSEE is responsible for filing the application for a property tax exemption under applicable Oregon law. In the event, the LESSEE fails to file the tax property tax exemption with the Clackamas County Department of Assessment and Taxation by the required deadline and the Premises loses its tax exempt status, LESSEE will be responsible for payment of any taxes or late filing fees assessed against the Premises.

## **35. TERMINATION**

- a. **Non-default Termination:** This Lease may be terminated for the following non-default reasons: (1) by mutual agreement of the parties; or (2) upon ninety (90) day's written notice to LESSEE, LESSOR may terminate this Lease for convenience, if LESSOR fails to receive expenditure authority sufficient to allow LESSOR, in the exercise of its reasonable administrative discretion, to continue to perform under this Lease, or 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, LESSOR may immediately terminate this Lease upon written notice to LESSEE and exercise any remedy provided herein.

IN WITNESS WHEREOF, the respective parties have executed this instrument, any corporation signature being by authority of its Board of Directors.

**ORGANIZATION**

2020-2023 LEASE - 4808 SE Hull Street

**LESSEE:**  
**ALTERNATIVE SERVICES OREGON, INC.**

**LESSOR:**  
**HOUSING AUTHORITY OF CLACKAMAS  
COUNTY**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

By: \_\_\_\_\_  
Its: \_\_\_\_\_

By: Jill C. Smith  
Its: Executive Director

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**OREGON NOTARY ACKNOWLEDGMENT (LESSOR)**

State of OREGON

County of \_\_\_\_\_

This record was acknowledged before me on (date) \_\_\_\_\_, 20\_\_\_\_\_

by (name(s) of individual(s)) \_\_\_\_\_ as

(type of authority) \_\_\_\_\_ of (name of party on whose

behalf record was executed) \_\_\_\_\_.

\_\_\_\_\_  
Notary Public – State of Oregon

Official Stamp

Document Description

This certificate is attached to page \_\_\_\_ of a \_\_\_\_\_ (title or type of document),

dated \_\_\_\_\_, 20\_\_\_\_, consisting of \_\_\_\_\_ pages.

**ORGANIZATION**

2020-2023 LEASE - 4808 SE Hull Street

**OREGON NOTARY ACKNOWLEDGMENT (LESSEE)**

State of OREGON

County of \_\_\_\_\_

This record was acknowledged before me on (date) \_\_\_\_\_, 20\_\_\_\_\_

by (name(s) of individual(s)) \_\_\_\_\_ as

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\_\_\_\_\_  
Notary Public – State of Oregon

Official Stamp

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**ORGANIZATION**

2020-2023 LEASE - 4808 SE Hull Street

**ATTACHMENT A**  
**Summary of Responsibilities**  
**Repairs and Replacements**

	Lessor (HA)	Lessor-if Funding	Lessee (CH)/Lessee
Roof			
Major Repair/Replacement	<b>X</b>		
Minor Repair	<b>X</b>		
Exterior Walls / Siding <sup>(1)</sup>			
Major Repair/Replacement	<b>X</b>		
Minor Repair	<b>X</b>		
Heating/Vent/Coding			
Major Repair/Replacement	<b>X</b>		
Minor Repair	<b>X</b>		
Foundations			
Major Repair/Replacement		<b>X</b>	
Minor Repair	<b>X</b>		
Interior Walls <sup>(1)</sup>			
Major Repair/Replacement		<b>X</b>	
Minor Repair	<b>X</b>		
Interior Redecorating/Remodeling			<b>X</b>
Garage Door			
Major Repair/Replacement	<b>X</b>		
Minor Repair			<b>X</b>
Plumbing <sup>(1)</sup>			
Major Repair/Replacement	<b>X</b>		
Minor Repair (concealed)	<b>X</b>		
Minor Repair (exposed)			<b>X</b>
(1) Maintenance/repair of the building interior/exterior will be examined to determine responsibility i.e. normal wear and tear (HACC), accidental wear and tear due to program needs (lessee), or resident-caused (Lessee).			

**ORGANIZATION**

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Electrical			
Major Repair	X		
Minor Repair (concealed)	X		
Minor Repair (exposed)			X
Landscaping			
Major Repair/Replacement		X	
Minor Repair			X
Floor Covering			
Major Repair/Replacement		X	X
Minor Repair	X		
Appliances			
Stove (Repair/Replacement) <sup>(2)</sup>			
Refrigerators (Repair/Replacement) <sup>(2)</sup>			
Dishwashers (repair/Replacement) <sup>(2)</sup>			
<sup>(2)</sup> Maintenance/repair on appliances that have been upgraded for program specific requirements/specifications will be repaired or replaced up to the standard appliance amounts allowed by HACCC. Any additional or exceeding costs will be the responsibility of the lessee/lessee.			
Garbage Disposal			X
Clothes Washer & Dryer			X
Code/Standards of Design		X	
Routine Minor Maintenance (light bulbs, furnace filters)			X
Broken Glass			X
Interior Doors			
Major Repair/Replacement			X
Minor Repair			X
Exterior Doors			
Major Repair/Replacement			X

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Minor Repair			X
Routine Yard Maintenance			X
Gutters – Cleaning			X
Cleaning Sidewalks			X
Client Caused Damage			X
Upgrades			X
Donated Equipment			X
Emergencies	X		

# LEASE

THIS LEASE is made and entered into by and between **HOUSING AUTHORITY OF CLACKAMAS COUNTY**, hereinafter called the LESSOR, and **CASCADIA BEHAVIORAL HEALTHCARE, INC.** hereinafter called the LESSEE.

The parties agree as follows:

## **1. DESCRIPTION OF PREMISES; PURPOSE OF LEASE**

LESSEE hereby leases a residence, more specifically described below, from the Housing Authority of Clackamas County (hereinafter called "LESSOR"). The property is known as:

18980 Leland Road  
Oregon City, Clackamas County, Oregon, 97045

together with any and all rights, privileges, easements, and appurtenances, as well as any and all fixtures, rights, privileges, easements, and appurtenances that may now or exist in the future (collectively, the "Premises"). The parties agree that LESSOR is leasing the Premises for the specific purpose of providing a facility in which the LESSEE will operate a residential program, as described in Section 3, below.

## **2. RENT**

LESSEE shall pay to LESSOR rent for the Premises in the amount of \$1,256.00 per calendar month during the period commencing July 1, 2020 and ending on June 30, 2022. The lease payments are due on the first day of each month starting July 1, 2020. LESSEE shall pay directly to the LESSOR at P.O. Box 1510, Oregon City, Oregon 97045. LESSEE acknowledges that rents received after the 10th of the month will be subject to a \$25.00 late charge.

Rents shall increase annually by the amount of the increase in residents' Social Security Income (SSI) payments attributed to housing costs by the Oregon Department of Human Services, Seniors and People with Disabilities. Any increase so determined shall occur at the time the information is made available to the LESSOR, but shall not in any event be effective before the effective date of such increase in the SSI payment. LESSOR shall immediately notify LESSEE when any such notice is received.

## **3. USE OF PREMISES**

- a. The LESSEE shall use the leased premises during the term of this LEASE as follows:  
Operation of a residential facility for persons with developmental disabilities, plus any necessary support staff. LESSEE shall use the leased premises for no other purpose whatsoever without LESSOR's written consent.
- b. The LESSEE will not make any unlawful, improper or offensive use of said premises; LESSEE will not suffer any strip or waste thereof; LESSEE will not permit any objectionable noise or odor to escape or to be emitted from said Premises or do anything or permit anything to be done upon or about said Premises in any way tending to create a nuisance; LESSEE will not sell or permit to be sold any spirituous, vinous or malt liquors on said Premises; nor will LESSEE sell or permit to be sold any controlled substance on or about said Premises.



## **ORGANIZATION**

2020-2023 LEASE - 18980 Leland Road

- c. The LESSEE will not allow the leased Premises at any time to fall into such a state of disrepair or disorder as to increase the fire hazard thereon; LESSEE shall not install any power machinery on said Premises except with written consent of the LESSOR; LESSEE shall not store gasoline or other highly combustible materials on said Premises at any time; LESSEE will not use said Premises in such a way or for such a purpose that the fire insurance rate on the building in which said Premises are located is thereby increased or that would prevent the LESSOR from taking advantage of any rulings of any agency of the state in which said leased Premises are situated or its successors, which would allow the LESSOR to obtain reduced premium rates for longterm fire insurance policies.

### **4. UTILITIES**

The LESSEE shall pay for all heat, light, water, power, sewer and other services or utilities used at the Premises during the term of this LEASE.

### **5. REPAIRS AND IMPROVEMENTS**

Responsibility of all repairs and maintenance (other than routine) will be examined on a case by case basis to determine responsibility using the following guidelines and Attachment A. Maintenance/repair on appliances that have been upgraded or purchased for program specific requirements/specifications will be repaired or replaced for a cost not to exceed the repair or replacement cost of a standard appliance provided by the LESSOR. Maintenance/repair of the building interior/exterior will be examined to determine responsibility, i.e., normal wear and tear (LESSOR), accelerated wear and tear due to program needs (LESSEE), or resident-caused (LESSEE). LESSOR's obligations are contingent upon the availability of sufficient funds, as determined by LESSOR in its sole discretion.

- a. LESSOR has responsibility for repairs and maintenance as funds are available for the following:

- (1) Structural Major Repair/Replacement

Maintenance items related to the structure of the building to include: roof, exterior walls (repair and paint), siding, plumbing, and electrical systems, heating system, gutters, downspouts, foundation.

- (2) Non-structural Major Repair/Maintenance/Replacement

Maintenance of items that deteriorate due to normal use for a special needs house would include the total cost of repair/replacement of standard kitchen stoves, and refrigerators provided by LESSOR. Upgraded kitchen stoves or refrigerators will be repaired/replaced up to limitations set by the LESSOR.

If an item other than a stove or refrigerator needs to be replaced before its agreed upon life due to excessive or hard use by the LESSEE, the replacement costs will be split between LESSOR and LESSEE.

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Example: Carpet's life is set at 5 years, but wears out in 4 years. LESSOR pays 80% and LESSEE pays 20% of replacement cost.

(3) Standards of Design

These items of repair/maintenance/new installation or replacement are items that do not meet applicable building code or design requirements for the LESSEE's program. These are primarily health and safety issues.

Examples: asbestos, sprinkler system, fire alarm system.

LESSOR will work with LESSEE on needed major repairs and replacements to the extent possible with available funding.

In cases of emergency, which present an immediate threat to health and safety, LESSOR will provide repairs such that the immediate threat to health and safety is removed within 48 hours unless there has been a major disaster requiring LESSOR to respond to multiple sites of emergency.

b. LESSOR shall make repairs and provide maintenance as follows:

(1) Minor Repairs/Routine Maintenance, i.e. Items behind the wall (concealed) that require repair due to normal wear and tear.

Example: replace a part on the furnace.

(2) Repairs necessitated by vandalism, burglary or attempted burglary committed by individuals who are not agents, employers or invitees of the lessee or tenants or employees of LESSEE.

(3) Non-routine repairs to landscaping and tree pruning.

Except in cases of emergency, LESSOR will give at least 24-hours notice of proposed entry and repair. Whenever possible, this notice will be given to LESSEE's house manager. LESSEE shall report needed repairs according to a process agreed upon by LESSOR and LESSEE.

c. LESSEE shall be responsible for maintaining the Premises in a neat condition, free of trash and debris, in good order and repair. LESSEE agrees to be responsible for the following and maintain all of the following in good condition and repair, less reasonable wear and tear:

(1) Minor Repairs/Routine Maintenance/Appliance Repair and Replacement

Reference the Attachment A for specific examples.

LESSEE is responsible for repairs and maintenance to the Premises including the replacement of all glass which may be broken or cracked during the term of the lease

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with glass of as good or better quality, and replacement and repair of interior and exterior doors except the garage door, the full cost of repair and replacement of dishwashers and disposals. The cost of kitchen stove and refrigerator repair and replacement will be determined by the LESSOR as described in paragraph 2. LESSEE is also responsible for routine maintenance of the grounds of the leased Premises, including mowing the grass, weeding, edging of beds, washing exterior windows and ensuring the gutters are cleaned as necessary.

(2) Resident-Caused Damage

Any repairs necessitated by the acts or omissions of the LESSEE, or officers, agents, employees, clients, residents, or invitees of the LESSEE, including any repairs which would otherwise be required of LESSOR pursuant to subparagraphs a. and b. above, excluding daily wear and tear.

(3) Improvements

Improvements would be any elective change made to the home to improve the quality of life of the residents. Improvements would include upgrades, interior or exterior redecorating or remodeling, and interior painting.

Other examples: replacing a window air conditioner unit to central air, converting a storage room to a bathroom, appliance upgrades.

(4) Donated Equipment

The LESSEE and the LESSEE's vendor are responsible for all donated equipment.

The LESSEE will not be held responsible for repairs which result from original construction or substantial remodeling prior to LESSEE taking possession, or for substandard or nonworkman like work done by contractors hired by LESSOR.

A summary of the LESSOR's responsibilities, and of the LESSEE's responsibilities which the LESSEE agrees to be responsible for, as described above, is attached to this lease as Attachment A, and by this reference is incorporated herein.

**6. LESSOR'S RIGHT OF ENTRY**

The LESSOR, or its authorized agents or representatives may enter the leased Premises at any reasonable time for the purpose of examining into the condition thereof, or any other lawful purpose. The LESSOR agrees to give the LESSEE 24 hours' notice thereof except in case of emergency, in which case no advance notice shall be required.

**7. LOCKS AND KEYS**

The LESSEE, or its authorized agents or representatives, shall insure that all interior and exterior locks are maintained to allow LESSOR entry at all times with keys mastered to the LESSOR's specifications at the residence. Exceptions to this requirement will be considered on a case by case basis and must be approved by LESSOR prior to any lock changes.

**8. RIGHT OF ASSIGNMENT**

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The LESSEE will not assign, transfer, pledge, hypothecate, surrender or dispose of this LEASE, or any interest herein, sublet, or permit any other person or persons whomsoever to occupy the leased Premises without the written consent of the LESSOR being first obtained in writing; this LEASE is personal to said LESSEE; LESSEE's interests, in whole or in part, cannot be sold, assigned, transferred, seized or taken by operation at law, or under or by virtue of any execution or legal process, attachment or proceedings instituted against the LESSEE, or under or by virtue of any bankruptcy or insolvency proceedings had in regard to the LESSEE, or in any other manner, except as above mentioned.

### **9. LIENS**

The LESSEE will not permit any lien of any kind, type or description to be placed or imposed upon the building in which said leased Premises are situated, or any part thereof, or the real estate on which it stands.

### **10. ICE. SNOW. DEBRIS**

If the Premises herein leased is located at street level, then at all times LESSEE shall keep the sidewalks in front of the leased Premises free and clear of ice, snow, rubbish, debris and obstruction; and if the LESSEE occupies the entire building, LESSEE will not permit rubbish, debris, ice or snow to accumulate on the roof of said building so as to stop up or obstruct gutters or downspouts or cause damage to said roof, and LESSEE will save harmless and protect the LESSOR against any injury whether to LESSOR, LESSEE or to LESSOR's property or to any other person or property caused by LESSEE's failure in that regard.

### **11. OVERLOADING OF FLOORS**

The LESSEE will not overload the floors of said Premises in such a way as to cause any undue or serious stress or strain upon the building in which said leased Premises are located, or any part thereof, and the LESSOR shall have the right, at any time, to call upon any competent engineer or architect whom the LESSOR may choose, to decide whether or not the floors of said Premises, or any part thereof, are being overloaded so as to cause any undue or serious stress or strain on said building, or any part thereof, and the decision of said engineer or architect shall be final and binding upon the LESSOR, and the LESSEE; and in the event that the engineer or architect so called upon shall decide that in his opinion the stress or strain is such as to endanger or injure said building, or any part thereof, then and in that event the LESSEE agrees immediately to relieve said stress or strain either by reinforcing the building or by lightening the load which causes such stress or strain in a manner satisfactory to the LESSOR.

### **12. ADVERTISING SIGNS**

The LESSEE will not use the outside walls of said Premises, or allow signs or devices of any kind to be attached thereto or suspended therefrom, for advertising or displaying the name or business of the LESSEE or for any purpose whatsoever without the written consent of the LESSOR; however, the LESSEE may make use of the windows of said leased Premises to display LESSEE's name and business when the workmanship of such signs shall be of good quality and permanent nature; provided further that the LESSEE may not suspend or place within said windows or paint thereon any banners, signs, signboards or other devices in violation of this section, or in violation of any applicable law or ordinance.

### **13. FIXTURES**

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All partitions, plumbing, electrical wiring, additions to or improvements upon the Premises, whether installed by the LESSOR or LESSEE, shall be and become a part of the Premises as soon as installed and the property of the LESSOR unless otherwise herein provided.

### **14. LIGHT AND AIR**

This LEASE does not grant any rights of access to light and air over the property.

### **15. INSURANCE**

LESSEE shall procure and maintain, for the duration of the lease, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the LESSEE's operations and use of the leased Premises. The cost of such insurance shall be borne by the LESSEE.

#### **MINIMUM SCOPE OF INSURANCE**

Coverage shall be at least as broad as:

- a. Insurance Services Office Commercial General Liability coverage.
- b. Insurance Services Office Additional Insured.
- c. Worker's Compensation insurance as required by state law and Employer's Liability Insurance (for LESSEEs with employees).
- d. Professional Errors and Omissions Liability insurance.
- e. Property insurance against all risks of loss to any tenant improvements, betterments, and LESSEE-owned business personal property.

#### **MINIMUM LIMITS OF INSURANCE LESSEE**

shall maintain limits no less than:

- a. General Liability: \$1,000,000 per occurrence, \$2,000,000 aggregate (including coverages for discrimination, fair housing and ADA violations, and sexual molestation).
- b. Workers' Compensation (statutory) and Employer's Liability: \$1,000,000 per accident for Bodily Injury or Disease.
- c. Professional Errors and Omissions Liability: not less than \$1,000,000 per occurrence, \$2,000,000 annual aggregate
- d. Property Insurance: full replacement cost with no co-insurance penalty provision.

**NOTE:** These limits can be attained by individual policies or by combining primary and umbrella policies.

#### **DEDUCTIBLES AND SELF-INSURED RETENTIONS**

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Any deductibles or self-insured retentions must be declared to and approved by the LESSOR. At the option of the LESSOR, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the LESSOR, its officers, officials, employees and volunteers; or the LESSEE shall provide a financial guarantee satisfactory to the LESSOR guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

## **OTHER INSURANCE PROVISIONS**

The General Liability is to contain, or be endorsed to contain, the following provisions:

- a. The Housing Authority of Clackamas County, its officers, officials, employees and volunteers are to be covered as additional insured with respect to liability arising out of maintenance or use of that part of the Premises leased to the LESSEE.
- b. The LESSEE's insurance coverage shall be primary insurance as respects the Housing Authority of Clackamas County, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the Housing Authority of Clackamas County, its officers, officials, employees, or volunteers shall be excess of the LESSEE's insurance.
- c. Each insurance policy required by these specifications shall be endorsed to state that coverage shall not be cancelled or materially changed, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the Housing Authority of Clackamas County.
- d. Maintenance of the proper insurance for the duration of the contract is a material element of the contract. Material changes in the required coverage or cancellation of the coverage shall constitute a material breach of the contract by the LESSEE.

### **ACCEPTABILITY OF INSURERS**

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than B+:VI. LESSEEs must provide written verification of their insurer's rating.

Use of the leased premise must be preapproved by LESSOR. LESSEE shall indemnify the LESSOR for any claims resulting from the conduct of the LESSEE's subcontractors and/or failure to be properly insured.

## **16. EMINENT DOMAIN**

In case of the condemnation or purchase of all or any substantial part of the said leased Premises by any public or private corporation with the power of condemnation this LEASE may be terminated, effective on the date possession is taken, by either party hereto on written notice to the other and in that case the LESSEE shall not be liable for any rent after the termination date. LESSEE shall not be entitled to and hereby expressly waives any right to any part of the condemnation award or purchase price.

## **17. FOR SALE AND FOR RENT SIGNS**

## **ORGANIZATION**

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During the period of 90 days prior to the date above fixed for the termination of said LEASE, the LESSEE agrees that there may be posted on said Premises or in the windows thereof signs of moderate size notifying the public that the Premises are "for sale" or "for lease."

### **18. DELIVERING UP PREMISES ON TERMINATION**

At the expiration of said term or upon any sooner termination thereof, the LESSEE will quit and deliver up said leased Premises and all future erections or additions to or upon the same, broomclean, to the LESSOR, peaceably, quietly, and in as good order and condition, reasonable use and wear thereof, damage by fire, unavoidable casualty and the elements alone excepted, as the same are now in or hereafter may be put in by the LESSOR.

### **19. INDEMNIFICATION**

To the fullest extent permitted by law, LESSEE shall indemnify, defend and hold harmless LESSOR, and its agents, affiliates, employees, managers, officers, other contractors, heirs and assigns (hereinafter "Indemnified Parties") from and against any and all liability, claims, damage, costs, expenses, awards, fines, judgments, and attorney's fees (including, without limitation, expert witness fees and other litigation expenses) of every nature arising out of or in connection with LESSEE's performance of work hereunder, or work of its agents, employees, subcontractors and/or independent contractors, or their failure to comply with any of its obligations contained in this lease agreement, whether or not caused in whole or part by Indemnified Parties' active or passive negligence, intentional act or omission. Such obligation shall not be construed to negate, abridge or reduce other rights or obligations of indemnity that would otherwise exist as to the parties.

The indemnification obligations of LESSEE under this LEASE shall not be limited by the amounts or types of insurance (or the deductibles or self-insured retention amounts of such insurance) which LESSEE is required to carry under this Agreement. Indemnified Parties' right to indemnification from LESSEE under this section shall be independent of Indemnified Parties' rights under the insurance to be provided by LESSEE under this Agreement.

LESSEE's duty to defend the Indemnified Parties is entirely separate from, independent of, and free standing from LESSEE's duty to indemnify the Indemnified Parties, including, without limitation, the defense of the Indemnified Parties against claims for which the Indemnified Parties (or any of them) may be strictly liable and applies whether the issue of LESSEE's liability, breach of this LEASE or other obligation, or LESSEE's responsibility has been determined and whether the Indemnified Parties (or any of them) have paid any sums or incurred any detriment, arising out of or resulting directly or indirectly from LESSEE's performance under this LEASE. Such defense obligation shall arise immediately upon presentation of a claim by any person which arises out of or is connected to this LEASE by LESSEE or any of its agents and written notice of such claim being tendered to LESSEE.

### **20. PUBLIC CONTRACTING**

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 for the program conducted by the LESSEE on the leased Premises. In the event funds are not made available to LESSEE's program in or on the leased Premises, the LESSOR may end this lease

## **ORGANIZATION**

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agreement upon thirty (30) days' written notice to LESSEE and be subject to no legal or equitable remedies for the termination.

### **21. PETS**

No pets shall be kept on the leased Premises at any time unless approved in advance in writing by the LESSOR.

In the event LESSEE discovers any condition in or on the leased Premises which renders the Premises uninhabitable or dangerous for continued occupancy, LESSEE shall immediately notify LESSOR.

### **22. DANGEROUS CONDITIONS**

In the event LESSEE discovers any condition in or on the leased Premises which renders the Premises uninhabitable or dangerous for continued occupancy, LESSEE shall immediately notify LESSOR.

### **23. ATTACHMENT, BANKRUPTCY, DEFAULT**

PROVIDED, ALWAYS, and these presents are upon these conditions, that (1) if the LESSEE shall be in arrears in the payment of rent for a period of ten days after the same becomes due, or (2) if the LESSEE shall fail or neglect to do, keep, perform or observe any of the covenants and agreements contained herein on LESSEE's part to be done, kept, performed and observed and such default shall continue for ten days or more after written notice of such failure or neglect shall be given to LESSEE, or (3) if the LESSEE shall be declared bankrupt or insolvent according to law, or (4) if any assignment of LESSEE's property shall be made for the benefit of creditors, or (5) if on the expiration of this LEASE, LESSEE fails to surrender possession of said leased Premises, then and in either or any of said cases or events, each of which constitutes an event of default, the LESSOR may terminate this LEASE and lawfully, at its option immediately or at any time thereafter, without demand or notice, may enter into and upon said leased Premises and every part thereof and repossess the same as of LESSOR's former estate, and expel said LESSEE and those claiming by, through and under LESSEE and remove LESSEE's effects at LESSEE's expense, forcibly if necessary and store the same, all without being deemed guilty of trespass and without prejudice to any remedy which otherwise might be used for arrears of rent or preceding breach of covenant. Upon the occurrence of an event of default described above, LESSOR may exercise any one or more of the remedies set forth in this Lease or any other remedy available under applicable law, whether in equity, under contract, or at law.

Neither the termination of this LEASE by forfeiture nor the taking or recovery of possession of the Premises shall deprive LESSOR of any other action, right, or remedy against LESSEE for possession, rent or damages, nor shall any omission by LESSOR to enforce any forfeiture, right or remedy to which LESSEE may be entitled be deemed a waiver by LESSOR of the right to enforce the performance of all terms and conditions of this LEASE by LESSEE.

In the event of any re-entry by LESSOR, LESSOR may re-lease the Premises to any tenant tenants who provide housing and support services to persons who are served by or case managed by Clackamas County Social Services, Developmental Disability Program. LESSOR shall apply the rent received from any new tenant first to the cost of retaking and resubletting the Premises, including any costs incurred to obtain a new tenant, and then to any arrears of rent and future rent payable under this LEASE and any other damages to which LESSOR may be entitled hereunder.



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Any property which LESSEE leaves on the Premises after abandonment or expiration of this LEASE, or for more than ten days after any termination of the lease by LESSOR shall be deemed to have been abandoned, and LESSOR may remove and sell said property at public or private sale as LESSOR sees fit, without being liable for any prosecution therefore or for damages by reason thereof, and the net proceeds of said sale shall be applied toward the expenses as aforesaid, and the balance of such amounts, if any, shall be held for and paid to the LESSEE.

**24. HOLDING OVER**

In the event the LESSEE for any reason shall hold over after the expiration of this LEASE, such holding over shall not be deemed to operate as a renewal or extension of this LEASE, but shall only create a tenancy from month to month which may be terminated at will at any time by the LESSOR.

**25. NO ATTORNEY FEES AND COSTS**

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.

**26. WAIVER**

LESSOR and LESSEE agree that failure by either party to insist upon strict performance of the terms, covenants, agreements and conditions of this Lease shall not constitute or be construed as a waiver or relinquishment of either party's right thereafter to enforce any such term, covenant, agreement or condition, but the same shall continue in full force and effect.

**27. NOTICES**

Any notice required by the terms of the LEASE to be given shall be sufficient if in writing contained in a sealed envelope deposited in US Mails and if intended for:

LESSOR:

Housing Authority of Clackamas County  
PO Box 1510  
Oregon City, OR 97045

LESSEE:

Cascadia Behavioral Health  
847 19th Avenue  
Portland, OR 97232

Any such notice shall be deemed conclusively to have been delivered to the addressee thereof forty-eight (48) hours after the deposit thereof in said US Mails.

**28. HEIRS AND ASSIGNS**

All rights, remedies and liabilities herein given to or imposed upon either of the parties hereto shall extend to, inure to the benefit of and bind, as the circumstances may require, the heirs, executors, administrators, successors and, so far as this LEASE is assignable by the term hereof, to the assigns of such parties.

In construing this LEASE, it is understood that the LESSOR or the LESSEE may be more than one person; that if the context so requires, the singular pronoun shall be taken to mean and include the plural, the masculine, the feminine and the neuter, and that generally all grammatical

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changes shall be made, assumed and implied to make the provisions hereof apply equally to corporations and to individuals.

### **29. NON-WAIVER OF GOVERNMENTAL RIGHTS.**

Subject to the terms and conditions of this Lease, LESSOR 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.

### **30. RECORDATION OF LEASE.**

LESSOR 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. LESSOR will pay the recording costs.

### **31. 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 LESSOR 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 LESSOR 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.

### **32. 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 including, but not limited to, execution of any additional documents that may be required by LESSOR's state or federal funding sources.

### **33. FORCE MAJEURE.**

Neither LESSOR nor LESSEE shall be held responsible for delay or default caused by events outside the LESSOR or LESSEE's reasonable control including, but not limited to, fire, terrorism, riot, acts of God, or war. However, both parties shall make all reasonable efforts to remove or eliminate such a cause of delay or default and shall upon the cessation of the cause, diligently pursue performance of its obligations under this Lease.

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### **34. TAXES**

- 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 based on or otherwise in connection with the use, occupancy, or operations of the Premises, or with respect to services or utilities in connection with the use, occupancy, or operations of the Premises. Taxes will include, but not be limited to, state and local real-property 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.
- 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. Evidence of Payment. Upon written request by LESSOR, LESSEE shall provide LESSOR with evidence reasonably satisfactory to LESSOR that all Taxes required to be paid by LESSEE have been paid.
- d. Property Tax Exemption. LESSEE is responsible for filing the application for a property tax exemption under applicable Oregon law. In the event, the LESSEE fails to file the tax property tax exemption with the Clackamas County Department of Assessment and Taxation by the required deadline and the Premises loses its tax exempt status, LESSEE will be responsible for payment of any taxes or late filing fees assessed against the Premises.

### **35. TERMINATION**

- a. Non-default Termination: This Lease may be terminated for the following non-default reasons: (1) by mutual agreement of the parties; or (2) upon ninety (90) day's written notice to LESSEE, LESSOR may terminate this Lease for convenience, if LESSOR fails to receive expenditure authority sufficient to allow LESSOR, in the exercise of its reasonable administrative discretion, to continue to perform under this Lease, or 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, LESSOR may immediately terminate this Lease upon written notice to LESSEE and exercise any remedy provided herein.

IN WITNESS WHEREOF, the respective parties have executed this instrument, any corporation signature being by authority of its Board of Directors.

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**LESSEE:**  
**CASCADIA BEHAVIORAL HEALTH**

**LESSOR:**  
**HOUSING AUTHORITY OF CLACKAMAS  
COUNTY**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

By: \_\_\_\_\_  
Its: \_\_\_\_\_

By: Jill C. Smith  
Its: Executive Director

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**OREGON NOTARY ACKNOWLEDGMENT (LESSOR)**

State of OREGON

County of \_\_\_\_\_

This record was acknowledged before me on (date) \_\_\_\_\_, 20\_\_\_\_\_

by (name(s) of individual(s)) \_\_\_\_\_ as

(type of authority) \_\_\_\_\_ of (name of party on whose

behalf record was executed) \_\_\_\_\_.

\_\_\_\_\_  
Notary Public – State of Oregon

Official Stamp

Document Description

This certificate is attached to page \_\_\_\_ of a \_\_\_\_\_ (title or type of document),

dated \_\_\_\_\_, 20\_\_\_\_, consisting of \_\_\_\_\_ pages.

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**OREGON NOTARY ACKNOWLEDGMENT (LESSOR)**

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County of \_\_\_\_\_

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**ATTACHMENT A**  
**Summary of Responsibilities**  
**Repairs and Replacements**

	Lessor (HA)	Lessor-if Funding	Lessee (CH)/Lessee
Roof			
Major Repair/Replacement	<b>X</b>		
Minor Repair	<b>X</b>		
Exterior Walls / Siding <sup>(1)</sup>			
Major Repair/Replacement	<b>X</b>		
Minor Repair	<b>X</b>		
Heating/Vent/Coding			
Major Repair/Replacement	<b>X</b>		
Minor Repair	<b>X</b>		
Foundations			
Major Repair/Replacement		<b>X</b>	
Minor Repair	<b>X</b>		
Interior Walls <sup>(1)</sup>			
Major Repair/Replacement		<b>X</b>	
Minor Repair	<b>X</b>		
Interior Redecorating/Remodeling			<b>X</b>
Garage Door			
Major Repair/Replacement	<b>X</b>		
Minor Repair			<b>X</b>
Plumbing <sup>(1)</sup>			
Major Repair/Replacement	<b>X</b>		
Minor Repair (concealed)	<b>X</b>		
Minor Repair (exposed)			<b>X</b>
(1) Maintenance/repair of the building interior/exterior will be examined to determined responsibility i.e. normal wear and tear (HACC), accidental wear and tear due to program needs (lessee), or resident-caused (Lessee).			

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Electrical			
Major Repair	X		
Minor Repair (concealed)	X		
Minor Repair (exposed)			X
Landscaping			
Major Repair/Replacement		X	
Minor Repair			X
Floor Covering			
Major Repair/Replacement		X	X
Minor Repair	X		
Appliances			
Stove (Repair/Replacement) <sup>(2)</sup>			
Refrigerators (Repair/Replacement) <sup>(2)</sup>			
Dishwashers (repair/Replacement) <sup>(2)</sup>			
<sup>(2)</sup> Maintenance/repair on appliances that have been upgraded for program specific requirements/specifications will be repaired or replaced up to the standard appliance amounts allowed by HACCC. Any additional or exceeding costs will be the responsibility of the lessee/lessee.			
Garbage Disposal			X
Clothes Washer & Dryer			X
Code/Standards of Design		X	
Routine Minor Maintenance (light bulbs, furnace filters)			X
Broken Glass			X
Interior Doors			
Major Repair/Replacement			X
Minor Repair			X
Exterior Doors			
Major Repair/Replacement			X
Minor Repair			X
Routine Yard Maintenance			X

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2020-2023 LEASE - 18980 Leland Road

Gutters – Cleaning			<b>X</b>
Cleaning Sidewalks			<b>X</b>
Client Caused Damage			<b>X</b>
Upgrades			<b>X</b>
Donated Equipment			<b>X</b>
Emergencies	<b>X</b>		



# LEASE

THIS LEASE is made and entered into by and between **HOUSING AUTHORITY OF CLACKAMAS COUNTY**, hereinafter called the LESSOR, and **CASCADIA BEHAVIORAL HEALTHCARE, INC.** hereinafter called the LESSEE.

The parties agree as follows:

## **1. DESCRIPTION OF PREMISES; PURPOSE OF LEASE**

LESSEE hereby leases a residence, more specifically described below, from the Housing Authority of Clackamas County (hereinafter called "LESSOR"). The property is known as:

304 Pearl Street  
Oregon City, Clackamas County, Oregon, 97045

together with any and all rights, privileges, easements, and appurtenances, as well as any and all fixtures, rights, privileges, easements, and appurtenances that may now or exist in the future (collectively, the "Premises"). The parties agree that LESSOR is leasing the Premises for the specific purpose of providing a facility in which the LESSEE will operate a residential program, as described in Section 3, below.

## **2. RENT**

LESSEE shall pay to LESSOR rent for the Premises in the amount of \$1,256.00 per calendar month during the period commencing July 1, 2020 and ending on June 30, 2022. The lease payments are due on the first day of each month starting July 1, 2020. LESSEE shall pay directly to the LESSOR at P.O. Box 1510, Oregon City, Oregon 97045. LESSEE acknowledges that rents received after the 10th of the month will be subject to a \$25.00 late charge.

Rents shall increase annually by the amount of the increase in residents' Social Security Income (SSI) payments attributed to housing costs by the Oregon Department of Human Services, Seniors and People with Disabilities. Any increase so determined shall occur at the time the information is made available to the LESSOR, but shall not in any event be effective before the effective date of such increase in the SSI payment. LESSOR shall immediately notify LESSEE when any such notice is received.

## **3. USE OF PREMISES**

- a. The LESSEE shall use the leased premises during the term of this LEASE as follows:  
Operation of a residential facility for persons with developmental disabilities, plus any necessary support staff. LESSEE shall use the leased premises for no other purpose whatsoever without LESSOR's written consent.
- b. The LESSEE will not make any unlawful, improper or offensive use of said premises; LESSEE will not suffer any strip or waste thereof; LESSEE will not permit any objectionable noise or odor to escape or to be emitted from said Premises or do anything or permit anything to be done upon or about said Premises in any way tending to create a nuisance; LESSEE will not sell or permit to be sold any spirituous, vinous or malt liquors on said Premises; nor will LESSEE sell or permit to be sold any controlled substance on or about said Premises.

## **ORGANIZATION**

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- c. The LESSEE will not allow the leased Premises at any time to fall into such a state of disrepair or disorder as to increase the fire hazard thereon; LESSEE shall not install any power machinery on said Premises except with written consent of the LESSOR; LESSEE shall not store gasoline or other highly combustible materials on said Premises at any time; LESSEE will not use said Premises in such a way or for such a purpose that the fire insurance rate on the building in which said Premises are located is thereby increased or that would prevent the LESSOR from taking advantage of any rulings of any agency of the state in which said leased Premises are situated or its successors, which would allow the LESSOR to obtain reduced premium rates for longterm fire insurance policies.

### **4. UTILITIES**

The LESSEE shall pay for all heat, light, water, power, sewer and other services or utilities used at the Premises during the term of this LEASE.

### **5. REPAIRS AND IMPROVEMENTS**

Responsibility of all repairs and maintenance (other than routine) will be examined on a case by case basis to determine responsibility using the following guidelines and Attachment A. Maintenance/repair on appliances that have been upgraded or purchased for program specific requirements/specifications will be repaired or replaced for a cost not to exceed the repair or replacement cost of a standard appliance provided by the LESSOR. Maintenance/repair of the building interior/exterior will be examined to determine responsibility, i.e., normal wear and tear (LESSOR), accelerated wear and tear due to program needs (LESSEE), or resident-caused (LESSEE). LESSOR's obligations are contingent upon the availability of sufficient funds, as determined by LESSOR in its sole discretion.

- a. LESSOR has responsibility for repairs and maintenance as funds are available for the following:

- (1) Structural Major Repair/Replacement

Maintenance items related to the structure of the building to include: roof, exterior walls (repair and paint), siding, plumbing, and electrical systems, heating system, gutters, downspouts, foundation.

- (2) Non-structural Major Repair/Maintenance/Replacement

Maintenance of items that deteriorate due to normal use for a special needs house would include the total cost of repair/replacement of standard kitchen stoves, and refrigerators provided by LESSOR. Upgraded kitchen stoves or refrigerators will be repaired/replaced up to limitations set by the LESSOR.

If an item other than a stove or refrigerator needs to be replaced before its agreed upon life due to excessive or hard use by the LESSEE, the replacement costs will be split between LESSOR and LESSEE.

## ORGANIZATION

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Example: Carpet's life is set at 5 years, but wears out in 4 years. LESSOR pays 80% and LESSEE pays 20% of replacement cost.

(3) Standards of Design

These items of repair/maintenance/new installation or replacement are items that do not meet applicable building code or design requirements for the LESSEE's program. These are primarily health and safety issues.

Examples: asbestos, sprinkler system, fire alarm system.

LESSOR will work with LESSEE on needed major repairs and replacements to the extent possible with available funding.

In cases of emergency, which present an immediate threat to health and safety, LESSOR will provide repairs such that the immediate threat to health and safety is removed within 48 hours unless there has been a major disaster requiring LESSOR to respond to multiple sites of emergency.

b. LESSOR shall make repairs and provide maintenance as follows:

(1) Minor Repairs/Routine Maintenance, i.e. Items behind the wall (concealed) that require repair due to normal wear and tear.

Example: replace a part on the furnace.

(2) Repairs necessitated by vandalism, burglary or attempted burglary committed by individuals who are not agents, employers or invitees of the lessee or tenants or employees of LESSEE.

(3) Non-routine repairs to landscaping and tree pruning.

Except in cases of emergency, LESSOR will give at least 24-hours notice of proposed entry and repair. Whenever possible, this notice will be given to LESSEE's house manager. LESSEE shall report needed repairs according to a process agreed upon by LESSOR and LESSEE.

c. LESSEE shall be responsible for maintaining the Premises in a neat condition, free of trash and debris, in good order and repair. LESSEE agrees to be responsible for the following and maintain all of the following in good condition and repair, less reasonable wear and tear:

(1) Minor Repairs/Routine Maintenance/Appliance Repair and Replacement

Reference the Attachment A for specific examples.

LESSEE is responsible for repairs and maintenance to the Premises including the replacement of all glass which may be broken or cracked during the term of the lease

## **ORGANIZATION**

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with glass of as good or better quality, and replacement and repair of interior and exterior doors except the garage door, the full cost of repair and replacement of dishwashers and disposals. The cost of kitchen stove and refrigerator repair and replacement will be determined by the LESSOR as described in paragraph 2. LESSEE is also responsible for routine maintenance of the grounds of the leased Premises, including mowing the grass, weeding, edging of beds, washing exterior windows and ensuring the gutters are cleaned as necessary.

(2) Resident-Caused Damage

Any repairs necessitated by the acts or omissions of the LESSEE, or officers, agents, employees, clients, residents, or invitees of the LESSEE, including any repairs which would otherwise be required of LESSOR pursuant to subparagraphs a. and b. above, excluding daily wear and tear.

(3) Improvements

Improvements would be any elective change made to the home to improve the quality of life of the residents. Improvements would include upgrades, interior or exterior redecorating or remodeling, and interior painting.

Other examples: replacing a window air conditioner unit to central air, converting a storage room to a bathroom, appliance upgrades.

(4) Donated Equipment

The LESSEE and the LESSEE's vendor are responsible for all donated equipment.

The LESSEE will not be held responsible for repairs which result from original construction or substantial remodeling prior to LESSEE taking possession, or for substandard or nonworkman like work done by contractors hired by LESSOR.

A summary of the LESSOR's responsibilities, and of the LESSEE's responsibilities which the LESSEE agrees to be responsible for, as described above, is attached to this lease as Attachment A, and by this reference is incorporated herein.

### **6. LESSOR'S RIGHT OF ENTRY**

The LESSOR, or its authorized agents or representatives may enter the leased Premises at any reasonable time for the purpose of examining into the condition thereof, or any other lawful purpose. The LESSOR agrees to give the LESSEE 24 hours' notice thereof except in case of emergency, in which case no advance notice shall be required.

### **7. LOCKS AND KEYS**

The LESSEE, or its authorized agents or representatives, shall insure that all interior and exterior locks are maintained to allow LESSOR entry at all times with keys mastered to the LESSOR's specifications at the residence. Exceptions to this requirement will be considered on a case by case basis and must be approved by LESSOR prior to any lock changes.

### **8. RIGHT OF ASSIGNMENT**

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The LESSEE will not assign, transfer, pledge, hypothecate, surrender or dispose of this LEASE, or any interest herein, sublet, or permit any other person or persons whomsoever to occupy the leased Premises without the written consent of the LESSOR being first obtained in writing; this LEASE is personal to said LESSEE; LESSEE's interests, in whole or in part, cannot be sold, assigned, transferred, seized or taken by operation at law, or under or by virtue of any execution or legal process, attachment or proceedings instituted against the LESSEE, or under or by virtue of any bankruptcy or insolvency proceedings had in regard to the LESSEE, or in any other manner, except as above mentioned.

### **9. LIENS**

The LESSEE will not permit any lien of any kind, type or description to be placed or imposed upon the building in which said leased Premises are situated, or any part thereof, or the real estate on which it stands.

### **10. ICE. SNOW. DEBRIS**

If the Premises herein leased is located at street level, then at all times LESSEE shall keep the sidewalks in front of the leased Premises free and clear of ice, snow, rubbish, debris and obstruction; and if the LESSEE occupies the entire building, LESSEE will not permit rubbish, debris, ice or snow to accumulate on the roof of said building so as to stop up or obstruct gutters or downspouts or cause damage to said roof, and LESSEE will save harmless and protect the LESSOR against any injury whether to LESSOR, LESSEE or to LESSOR's property or to any other person or property caused by LESSEE's failure in that regard.

### **11. OVERLOADING OF FLOORS**

The LESSEE will not overload the floors of said Premises in such a way as to cause any undue or serious stress or strain upon the building in which said leased Premises are located, or any part thereof, and the LESSOR shall have the right, at any time, to call upon any competent engineer or architect whom the LESSOR may choose, to decide whether or not the floors of said Premises, or any part thereof, are being overloaded so as to cause any undue or serious stress or strain on said building, or any part thereof, and the decision of said engineer or architect shall be final and binding upon the LESSOR, and the LESSEE; and in the event that the engineer or architect so called upon shall decide that in his opinion the stress or strain is such as to endanger or injure said building, or any part thereof, then and in that event the LESSEE agrees immediately to relieve said stress or strain either by reinforcing the building or by lightening the load which causes such stress or strain in a manner satisfactory to the LESSOR.

### **12. ADVERTISING SIGNS**

The LESSEE will not use the outside walls of said Premises, or allow signs or devices of any kind to be attached thereto or suspended therefrom, for advertising or displaying the name or business of the LESSEE or for any purpose whatsoever without the written consent of the LESSOR; however, the LESSEE may make use of the windows of said leased Premises to display LESSEE's name and business when the workmanship of such signs shall be of good quality and permanent nature; provided further that the LESSEE may not suspend or place within said windows or paint thereon any banners, signs, signboards or other devices in violation of this section, or in violation of any applicable law or ordinance.

### **13. FIXTURES**

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All partitions, plumbing, electrical wiring, additions to or improvements upon the Premises, whether installed by the LESSOR or LESSEE, shall be and become a part of the Premises as soon as installed and the property of the LESSOR unless otherwise herein provided.

### **14. LIGHT AND AIR**

This LEASE does not grant any rights of access to light and air over the property.

### **15. INSURANCE**

LESSEE shall procure and maintain, for the duration of the lease, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the LESSEE's operations and use of the leased Premises. The cost of such insurance shall be borne by the LESSEE.

#### **MINIMUM SCOPE OF INSURANCE**

Coverage shall be at least as broad as:

- a. Insurance Services Office Commercial General Liability coverage.
- b. Insurance Services Office Additional Insured.
- c. Worker's Compensation insurance as required by state law and Employer's Liability Insurance (for LESSEEs with employees).
- d. Professional Errors and Omissions Liability insurance.
- e. Property insurance against all risks of loss to any tenant improvements, betterments, and LESSEE-owned business personal property.

#### **MINIMUM LIMITS OF INSURANCE LESSEE**

shall maintain limits no less than:

- a. General Liability: \$1,000,000 per occurrence, \$2,000,000 aggregate (including coverages for discrimination, fair housing and ADA violations, and sexual molestation).
- b. Workers' Compensation (statutory) and Employer's Liability: \$1,000,000 per accident for Bodily Injury or Disease.
- c. Professional Errors and Omissions Liability: not less than \$1,000,000 per occurrence, \$2,000,000 annual aggregate
- d. Property Insurance: full replacement cost with no co-insurance penalty provision.

**NOTE:** These limits can be attained by individual policies or by combining primary and umbrella policies.

#### **DEDUCTIBLES AND SELF-INSURED RETENTIONS**

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Any deductibles or self-insured retentions must be declared to and approved by the LESSOR. At the option of the LESSOR, either the insurer shall reduce or eliminate such deductibles or selfinsured retentions as respects the LESSOR, its officers, officials, employees and volunteers; or the LESSEE shall provide a financial guarantee satisfactory to the LESSOR guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

## **OTHER INSURANCE PROVISIONS**

The General Liability is to contain, or be endorsed to contain, the following provisions:

- a. The Housing Authority of Clackamas County, its officers, officials, employees and volunteers are to be covered as additional insured with respect to liability arising out of maintenance or use of that part of the Premises leased to the LESSEE.
- b. The LESSEE's insurance coverage shall be primary insurance as respects the Housing Authority of Clackamas County, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the Housing Authority of Clackamas County, its officers, officials, employees, or volunteers shall be excess of the LESSEE's insurance.
- c. Each insurance policy required by these specifications shall be endorsed to state that coverage shall not be cancelled or materially changed, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the Housing Authority of Clackamas County.
- d. Maintenance of the proper insurance for the duration of the contract is a material element of the contract. Material changes in the required coverage or cancellation of the coverage shall constitute a material breach of the contract by the LESSEE.

## **ACCEPTABILITY OF INSURERS**

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than B+:VI. LESSEEs must provide written verification of their insurer's rating.

Use of the leased premise must be preapproved by LESSOR. LESSEE shall indemnify the LESSOR for any claims resulting from the conduct of the LESSEE's subcontractors and/or failure to be properly insured.

## **16. EMINENT DOMAIN**

In case of the condemnation or purchase of all or any substantial part of the said leased Premises by any public or private corporation with the power of condemnation this LEASE may be terminated, effective on the date possession is taken, by either party hereto on written notice to the other and in that case the LESSEE shall not be liable for any rent after the termination date. LESSEE shall not be entitled to and hereby expressly waives any right to any part of the condemnation award or purchase price.

## **17. FOR SALE AND FOR RENT SIGNS**

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During the period of 90 days prior to the date above fixed for the termination of said LEASE, the LESSEE agrees that there may be posted on said Premises or in the windows thereof signs of moderate size notifying the public that the Premises are "for sale" or "for lease."

### **18. DELIVERING UP PREMISES ON TERMINATION**

At the expiration of said term or upon any sooner termination thereof, the LESSEE will quit and deliver up said leased Premises and all future erections or additions to or upon the same, broomclean, to the LESSOR, peaceably, quietly, and in as good order and condition, reasonable use and wear thereof, damage by fire, unavoidable casualty and the elements alone excepted, as the same are now in or hereafter may be put in by the LESSOR.

### **19. INDEMNIFICATION**

To the fullest extent permitted by law, LESSEE shall indemnify, defend and hold harmless LESSOR, and its agents, affiliates, employees, managers, officers, other contractors, heirs and assigns (hereinafter "Indemnified Parties") from and against any and all liability, claims, damage, costs, expenses, awards, fines, judgments, and attorney's fees (including, without limitation, expert witness fees and other litigation expenses) of every nature arising out of or in connection with LESSEE's performance of work hereunder, or work of its agents, employees, subcontractors and/or independent contractors, or their failure to comply with any of its obligations contained in this lease agreement, whether or not caused in whole or part by Indemnified Parties' active or passive negligence, intentional act or omission. Such obligation shall not be construed to negate, abridge or reduce other rights or obligations of indemnity that would otherwise exist as to the parties.

The indemnification obligations of LESSEE under this LEASE shall not be limited by the amounts or types of insurance (or the deductibles or self-insured retention amounts of such insurance) which LESSEE is required to carry under this Agreement. Indemnified Parties' right to indemnification from LESSEE under this section shall be independent of Indemnified Parties' rights under the insurance to be provided by LESSEE under this Agreement.

LESSEE's duty to defend the Indemnified Parties is entirely separate from, independent of, and free standing from LESSEE's duty to indemnify the Indemnified Parties, including, without limitation, the defense of the Indemnified Parties against claims for which the Indemnified Parties (or any of them) may be strictly liable and applies whether the issue of LESSEE's liability, breach of this LEASE or other obligation, or LESSEE's responsibility has been determined and whether the Indemnified Parties (or any of them) have paid any sums or incurred any detriment, arising out of or resulting directly or indirectly from LESSEE's performance under this LEASE. Such defense obligation shall arise immediately upon presentation of a claim by any person which arises out of or is connected to this LEASE by LESSEE or any of its agents and written notice of such claim being tendered to LESSEE.

### **20. PUBLIC CONTRACTING**

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 for the program conducted by the LESSEE on the leased Premises. In the event funds are not made available to LESSEE's program in or on the leased Premises, the LESSOR may end this lease



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agreement upon thirty (30) days' written notice to LESSEE and be subject to no legal or equitable remedies for the termination.

### **21. PETS**

No pets shall be kept on the leased Premises at any time unless approved in advance in writing by the LESSOR.

In the event LESSEE discovers any condition in or on the leased Premises which renders the Premises uninhabitable or dangerous for continued occupancy, LESSEE shall immediately notify LESSOR.

### **22. DANGEROUS CONDITIONS**

In the event LESSEE discovers any condition in or on the leased Premises which renders the Premises uninhabitable or dangerous for continued occupancy, LESSEE shall immediately notify LESSOR.

### **23. ATTACHMENT, BANKRUPTCY, DEFAULT**

PROVIDED, ALWAYS, and these presents are upon these conditions, that (1) if the LESSEE shall be in arrears in the payment of rent for a period of ten days after the same becomes due, or (2) if the LESSEE shall fail or neglect to do, keep, perform or observe any of the covenants and agreements contained herein on LESSEE's part to be done, kept, performed and observed and such default shall continue for ten days or more after written notice of such failure or neglect shall be given to LESSEE, or (3) if the LESSEE shall be declared bankrupt or insolvent according to law, or (4) if any assignment of LESSEE's property shall be made for the benefit of creditors, or (5) if on the expiration of this LEASE, LESSEE fails to surrender possession of said leased Premises, then and in either or any of said cases or events, each of which constitutes an event of default, the LESSOR may terminate this LEASE and lawfully, at its option immediately or at any time thereafter, without demand or notice, may enter into and upon said leased Premises and every part thereof and repossess the same as of LESSOR's former estate, and expel said LESSEE and those claiming by, through and under LESSEE and remove LESSEE's effects at LESSEE's expense, forcibly if necessary and store the same, all without being deemed guilty of trespass and without prejudice to any remedy which otherwise might be used for arrears of rent or preceding breach of covenant. Upon the occurrence of an event of default described above, LESSOR may exercise any one or more of the remedies set forth in this Lease or any other remedy available under applicable law, whether in equity, under contract, or at law.

Neither the termination of this LEASE by forfeiture nor the taking or recovery of possession of the Premises shall deprive LESSOR of any other action, right, or remedy against LESSEE for possession, rent or damages, nor shall any omission by LESSOR to enforce any forfeiture, right or remedy to which LESSEE may be entitled be deemed a waiver by LESSOR of the right to enforce the performance of all terms and conditions of this LEASE by LESSEE.

In the event of any re-entry by LESSOR, LESSOR may re-lease the Premises to any tenant tenants who provide housing and support services to persons who are served by or case managed by Clackamas County Social Services, Developmental Disability Program. LESSOR shall apply the rent received from any new tenant first to the cost of retaking and resubletting the Premises, including any costs incurred to obtain a new tenant, and then to any arrears of rent and future rent payable under this LEASE and any other damages to which LESSOR may be entitled hereunder.

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Any property which LESSEE leaves on the Premises after abandonment or expiration of this LEASE, or for more than ten days after any termination of the lease by LESSOR shall be deemed to have been abandoned, and LESSOR may remove and sell said property at public or private sale as LESSOR sees fit, without being liable for any prosecution therefore or for damages by reason thereof, and the net proceeds of said sale shall be applied toward the expenses as aforesaid, and the balance of such amounts, if any, shall be held for and paid to the LESSEE.

**24. HOLDING OVER**

In the event the LESSEE for any reason shall hold over after the expiration of this LEASE, such holding over shall not be deemed to operate as a renewal or extension of this LEASE, but shall only create a tenancy from month to month which may be terminated at will at any time by the LESSOR.

**25. NO ATTORNEY FEES AND COSTS**

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.

**26. WAIVER**

LESSOR and LESSEE agree that failure by either party to insist upon strict performance of the terms, covenants, agreements and conditions of this Lease shall not constitute or be construed as a waiver or relinquishment of either party's right thereafter to enforce any such term, covenant, agreement or condition, but the same shall continue in full force and effect.

**27. NOTICES**

Any notice required by the terms of the LEASE to be given shall be sufficient if in writing contained in a sealed envelope deposited in US Mails and if intended for:

LESSOR:	LESSEE:
Housing Authority of Clackamas County	Cascadia Behavioral Health
PO Box 1510	847 19th Avenue
Oregon City, OR 97045	Portland, OR 97232

Any such notice shall be deemed conclusively to have been delivered to the addressee thereof forty-eight (48) hours after the deposit thereof in said US Mails.

**28. HEIRS AND ASSIGNS**

All rights, remedies and liabilities herein given to or imposed upon either of the parties hereto shall extend to, inure to the benefit of and bind, as the circumstances may require, the heirs, executors, administrators, successors and, so far as this LEASE is assignable by the term hereof, to the assigns of such parties.

In construing this LEASE, it is understood that the LESSOR or the LESSEE may be more than one person; that if the context so requires, the singular pronoun shall be taken to mean and include the plural, the masculine, the feminine and the neuter, and that generally all grammatical

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changes shall be made, assumed and implied to make the provisions hereof apply equally to corporations and to individuals.

### **29. NON-WAIVER OF GOVERNMENTAL RIGHTS.**

Subject to the terms and conditions of this Lease, LESSOR 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.

### **30. RECORDATION OF LEASE.**

LESSOR 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. LESSOR will pay the recording costs.

### **31. 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 LESSOR 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 LESSOR 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.

### **32. 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 including, but not limited to, execution of any additional documents that may be required by LESSOR's state or federal funding sources.

### **33. FORCE MAJEURE.**

Neither LESSOR nor LESSEE shall be held responsible for delay or default caused by events outside the LESSOR or LESSEE's reasonable control including, but not limited to, fire, terrorism, riot, acts of God, or war. However, both parties shall make all reasonable efforts to remove or eliminate such a cause of delay or default and shall upon the cessation of the cause, diligently pursue performance of its obligations under this Lease.

## **ORGANIZATION**

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### **34. TAXES**

- 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 based on or otherwise in connection with the use, occupancy, or operations of the Premises, or with respect to services or utilities in connection with the use, occupancy, or operations of the Premises. Taxes will include, but not be limited to, state and local real-property 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.
- 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. Evidence of Payment. Upon written request by LESSOR, LESSEE shall provide LESSOR with evidence reasonably satisfactory to LESSOR that all Taxes required to be paid by LESSEE have been paid.
- d. Property Tax Exemption. LESSEE is responsible for filing the application for a property tax exemption under applicable Oregon law. In the event, the LESSEE fails to file the tax property tax exemption with the Clackamas County Department of Assessment and Taxation by the required deadline and the Premises loses its tax exempt status, LESSEE will be responsible for payment of any taxes or late filing fees assessed against the Premises.

### **35. TERMINATION**

- a. Non-default Termination: This Lease may be terminated for the following non-default reasons: (1) by mutual agreement of the parties; or (2) upon ninety (90) day's written notice to LESSEE, LESSOR may terminate this Lease for convenience, if LESSOR fails to receive expenditure authority sufficient to allow LESSOR, in the exercise of its reasonable administrative discretion, to continue to perform under this Lease, or 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, LESSOR may immediately terminate this Lease upon written notice to LESSEE and exercise any remedy provided herein.

IN WITNESS WHEREOF, the respective parties have executed this instrument, any corporation signature being by authority of its Board of Directors.

**ORGANIZATION**

2020-2023 LEASE - 304 Pearl Street

**LESSEE:**  
**CASCADIA BEHAVIORAL HEALTH**

**LESSOR:**  
**HOUSING AUTHORITY OF CLACKAMAS  
COUNTY**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

By: \_\_\_\_\_  
Its: \_\_\_\_\_

By: Jill C. Smith  
Its: Executive Director

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**OREGON NOTARY ACKNOWLEDGMENT (LESSOR)**

State of OREGON

County of \_\_\_\_\_

This record was acknowledged before me on (date) \_\_\_\_\_, 20\_\_\_\_\_

by (name(s) of individual(s)) \_\_\_\_\_ as

(type of authority) \_\_\_\_\_ of (name of party on whose

behalf record was executed) \_\_\_\_\_.

\_\_\_\_\_  
Notary Public – State of Oregon

Official Stamp

Document Description

This certificate is attached to page \_\_\_\_ of a \_\_\_\_\_ (title or type of document),

dated \_\_\_\_\_, 20\_\_\_\_, consisting of \_\_\_\_\_ pages.

**ORGANIZATION**

2020-2023 LEASE - 304 Pearl Street

**LESSEE:**  
**CASCADIA BEHAVIORAL HEALTH**

**LESSOR:**  
**HOUSING AUTHORITY OF CLACKAMAS  
COUNTY**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

By: \_\_\_\_\_  
Its: \_\_\_\_\_

By: Jill C. Smith  
Its: Executive Director

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**OREGON NOTARY ACKNOWLEDGMENT (LESSOR)**

State of OREGON

County of \_\_\_\_\_

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by (name(s) of individual(s)) \_\_\_\_\_ as

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Document Description

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**ORGANIZATION**

2020-2023 LEASE - 304 Pearl Street

**OREGON NOTARY ACKNOWLEDGMENT (LESSEE)**

State of OREGON

County of \_\_\_\_\_

This record was acknowledged before me on (date) \_\_\_\_\_, 20\_\_\_\_\_

by (name(s) of individual(s)) \_\_\_\_\_ as

(type of authority) \_\_\_\_\_ of (name of party on whose

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**ORGANIZATION**

2020-2023 LEASE - 304 Pearl Street

**ATTACHMENT A  
Summary of Responsibilities  
Repairs and Replacements**

	Lessor (HA)	Lessor-if Funding	Lessee (CH)/Lessee
Roof			
Major Repair/Replacement	<b>X</b>		
Minor Repair	<b>X</b>		
Exterior Walls / Siding <sup>(1)</sup>			
Major Repair/Replacement	<b>X</b>		
Minor Repair	<b>X</b>		
Heating/Vent/Coding			
Major Repair/Replacement	<b>X</b>		
Minor Repair	<b>X</b>		
Foundations			
Major Repair/Replacement		<b>X</b>	
Minor Repair	<b>X</b>		
Interior Walls <sup>(1)</sup>			
Major Repair/Replacement		<b>X</b>	
Minor Repair	<b>X</b>		
Interior Redecorating/Remodeling			<b>X</b>
Garage Door			
Major Repair/Replacement	<b>X</b>		
Minor Repair			<b>X</b>
Plumbing <sup>(1)</sup>			
Major Repair/Replacement	<b>X</b>		
Minor Repair (concealed)	<b>X</b>		
Minor Repair (exposed)			<b>X</b>
(1) Maintenance/repair of the building interior/exterior will be examined to determine responsibility i.e. normal wear and tear (HACC), accidental wear and tear due to program needs (lessee), or resident-caused (Lessee).			



**ORGANIZATION**

2020-2023 LEASE - 304 Pearl Street

Electrical			
Major Repair	X		
Minor Repair (concealed)	X		
Minor Repair (exposed)			X
Landscaping			
Major Repair/Replacement		X	
Minor Repair			X
Floor Covering			
Major Repair/Replacement		X	X
Minor Repair	X		
Appliances			
Stove (Repair/Replacement) <sup>(2)</sup>			
Refrigerators (Repair/Replacement) <sup>(2)</sup>			
Dishwashers (repair/Replacement) <sup>(2)</sup>			
<sup>(2)</sup> Maintenance/repair on appliances that have been upgraded for program specific requirements/specifications will be repaired or replaced up to the standard appliance amounts allowed by HACC. Any additional or exceeding costs will be the responsibility of the lessee/lessee.			
Garbage Disposal			X
Clothes Washer & Dryer			X
Code/Standards of Design		X	
Routine Minor Maintenance (light bulbs, furnace filters)			X
Broken Glass			X
Interior Doors			
Major Repair/Replacement			X
Minor Repair			X
Exterior Doors			
Major Repair/Replacement			X

**ORGANIZATION**

2020-2023 LEASE - 304 Pearl Street

Minor Repair			X
Routine Yard Maintenance			X
Gutters – Cleaning			X
Cleaning Sidewalks			X
Client Caused Damage			X
Upgrades			X
Donated Equipment			X
Emergencies	X		

# LEASE

THIS LEASE is made and entered into by and between **HOUSING AUTHORITY OF CLACKAMAS COUNTY**, hereinafter called the LESSOR, and **COLUMBIACARE SERVICES, INC.**, hereinafter called the LESSEE.

The parties agree as follows:

## **1. DESCRIPTION OF PREMISES; PURPOSE OF LEASE**

LESSEE hereby leases a residence, more specifically described below, from the Housing Authority of Clackamas County (hereinafter called "LESSOR"). The property is known as:

11458 SE McEachron Avenue  
Milwaukie, Clackamas County, Oregon, 97222

together with any and all rights, privileges, easements, and appurtenances, as well as any and all fixtures, rights, privileges, easements, and appurtenances that may now or exist in the future (collectively, the "Premises"). The parties agree that LESSOR is leasing the Premises for the specific purpose of providing a facility in which the LESSEE will operate a residential program, as described in Section 3, below.

## **2. RENT**

LESSEE shall pay to LESSOR rent for the Premises in the amount of \$1009.00 per calendar month during the period commencing July 1, 2020 and ending on June 30, 2022. The lease payments are due on the first day of each month starting July 1, 2020. LESSEE shall pay directly to the LESSOR at P.O. Box 1510, Oregon City, Oregon 97045. LESSEE acknowledges that rents received after the 10th of the month will be subject to a \$25.00 late charge.

Rents shall increase annually by the amount of the increase in residents' Social Security Income (SSI) payments attributed to housing costs by the Oregon Department of Human Services, Seniors and People with Disabilities. Any increase so determined shall occur at the time the information is made available to the LESSOR, but shall not in any event be effective before the effective date of such increase in the SSI payment. LESSOR shall immediately notify LESSEE when any such notice is received.

## **3. USE OF PREMISES**

- a. The LESSEE shall use the leased premises during the term of this LEASE as follows:  
Operation of a residential facility for persons with developmental disabilities, plus any necessary support staff. LESSEE shall use the leased premises for no other purpose whatsoever without LESSOR's written consent.
- b. The LESSEE will not make any unlawful, improper or offensive use of said premises; LESSEE will not suffer any strip or waste thereof; LESSEE will not permit any objectionable noise or odor to escape or to be emitted from said Premises or do anything or permit anything to be done upon or about said Premises in any way tending to create a nuisance; LESSEE will not sell or permit to be sold any spirituous, vinous or malt liquors on said Premises; nor will LESSEE sell or permit to be sold any controlled substance on or about said Premises.

## **ORGANIZATION**

2020-2023 LEASE - 11458 SE McEachron Avenue

- c. The LESSEE will not allow the leased Premises at any time to fall into such a state of disrepair or disorder as to increase the fire hazard thereon; LESSEE shall not install any power machinery on said Premises except with written consent of the LESSOR; LESSEE shall not store gasoline or other highly combustible materials on said Premises at any time; LESSEE will not use said Premises in such a way or for such a purpose that the fire insurance rate on the building in which said Premises are located is thereby increased or that would prevent the LESSOR from taking advantage of any rulings of any agency of the state in which said leased Premises are situated or its successors, which would allow the LESSOR to obtain reduced premium rates for long term fire insurance policies.

### **4. UTILITIES**

The LESSEE shall pay for all heat, light, water, power, sewer and other services or utilities used at the Premises during the term of this LEASE.

### **5. REPAIRS AND IMPROVEMENTS**

Responsibility of all repairs and maintenance (other than routine) will be examined on a case by case basis to determine responsibility using the following guidelines and Attachment A.

Maintenance/repair on appliances that have been upgraded or purchased for program specific requirements/specifications will be repaired or replaced for a cost not to exceed the repair or replacement cost of a standard appliance provided by the LESSOR. Maintenance/repair of the building interior/exterior will be examined to determine responsibility, i.e., normal wear and tear (LESSOR), accelerated wear and tear due to program needs (LESSEE), or resident-caused (LESSEE). LESSOR's obligations are contingent upon the availability of sufficient funds, as determined by LESSOR in its sole discretion.

- a. LESSOR has responsibility for repairs and maintenance as funds are available for the following:

- (1) Structural Major Repair/Replacement

Maintenance items related to the structure of the building to include: roof, exterior walls (repair and paint), siding, plumbing, and electrical systems, heating system, gutters, downspouts, foundation.

- (2) Non-structural Major Repair/Maintenance/Replacement

Maintenance of items that deteriorate due to normal use for a special needs house would include the total cost of repair/replacement of standard kitchen stoves, and refrigerators provided by LESSOR. Upgraded kitchen stoves or refrigerators will be repaired/replaced up to limitations set by the LESSOR.

If an item other than a stove or refrigerator needs to be replaced before its agreed upon life due to excessive or hard use by the LESSEE, the replacement costs will be split between LESSOR and LESSEE.

Example: Carpet's life is set at 5 years, but wears out in 4 years. LESSOR pays 80% and LESSEE pays 20% of replacement cost.

## ORGANIZATION

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(3) Standards of Design

These items of repair/maintenance/new installation or replacement are items that do not meet applicable building code or design requirements for the LESSEE's program. These are primarily health and safety issues.

Examples: asbestos, sprinkler system, fire alarm system.

LESSOR will work with LESSEE on needed major repairs and replacements to the extent possible with available funding.

In cases of emergency, which present an immediate threat to health and safety, LESSOR will provide repairs such that the immediate threat to health and safety is removed within 48 hours unless there has been a major disaster requiring LESSOR to respond to multiple sites of emergency.

b. LESSOR shall make repairs and provide maintenance as follows:

(1) Minor Repairs/Routine Maintenance, i.e. Items behind the wall (concealed) that require repair due to normal wear and tear.

Example: replace a part on the furnace.

(2) Repairs necessitated by vandalism, burglary or attempted burglary committed by individuals who are not agents, employers or invitees of the lessee or tenants or employees of LESSEE.

(3) Non-routine repairs to landscaping and tree pruning.

Except in cases of emergency, LESSOR will give at least 24-hours notice of proposed entry and repair. Whenever possible, this notice will be given to LESSEE's house manager. LESSEE shall report needed repairs according to a process agreed upon by LESSOR and LESSEE.

c. LESSEE shall be responsible for maintaining the Premises in a neat condition, free of trash and debris, in good order and repair. LESSEE agrees to be responsible for the following and maintain all of the following in good condition and repair, less reasonable wear and tear:

(1) Minor Repairs/Routine Maintenance/Appliance Repair and Replacement

Reference the Attachment A for specific examples.

LESSEE is responsible for repairs and maintenance to the Premises including the replacement of all glass which may be broken or cracked during the term of the lease with glass of as good or better quality, and replacement and repair of interior and exterior doors except the garage door, the full cost of repair and replacement of

## **ORGANIZATION**

2020-2023 LEASE - 11458 SE McEachron Avenue

dishwashers and disposals. The cost of kitchen stove and refrigerator repair and replacement will be determined by the LESSOR as described in paragraph 2. LESSEE is also responsible for routine maintenance of the grounds of the leased Premises, including mowing the grass, weeding, edging of beds, washing exterior windows and ensuring the gutters are cleaned as necessary.

(2) Resident-Caused Damage

Any repairs necessitated by the acts or omissions of the LESSEE, or officers, agents, employees, clients, residents, or invitees of the LESSEE, including any repairs which would otherwise be required of LESSOR pursuant to subparagraphs a. and b. above, excluding daily wear and tear.

(3) Improvements

Improvements would be any elective change made to the home to improve the quality of life of the residents. Improvements would include upgrades, interior or exterior redecorating or remodeling, and interior painting.

Other examples: replacing a window air conditioner unit to central air, converting a storage room to a bathroom, appliance upgrades.

(4) Donated Equipment

The LESSEE and the LESSEE's vendor are responsible for all donated equipment.

The LESSEE will not be held responsible for repairs which result from original construction or substantial remodeling prior to LESSEE taking possession, or for substandard or nonworkman like work done by contractors hired by LESSOR.

A summary of the LESSOR's responsibilities, and of the LESSEE's responsibilities which the LESSEE agrees to be responsible for, as described above, is attached to this lease as Attachment A, and by this reference is incorporated herein.

**6. LESSOR'S RIGHT OF ENTRY**

The LESSOR, or its authorized agents or representatives may enter the leased Premises at any reasonable time for the purpose of examining into the condition thereof, or any other lawful purpose. The LESSOR agrees to give the LESSEE 24 hours' notice thereof except in case of emergency, in which case no advance notice shall be required.

**7. LOCKS AND KEYS**

The LESSEE, or its authorized agents or representatives, shall insure that all interior and exterior locks are maintained to allow LESSOR entry at all times with keys mastered to the LESSOR's specifications at the residence. Exceptions to this requirement will be considered on a case by case basis and must be approved by LESSOR prior to any lock changes.

**8. RIGHT OF ASSIGNMENT**

The LESSEE will not assign, transfer, pledge, hypothecate, surrender or dispose of this LEASE, or any interest herein, sublet, or permit any other person or persons whomsoever to occupy the

## **ORGANIZATION**

2020-2023 LEASE - 11458 SE McEachron Avenue

leased Premises without the written consent of the LESSOR being first obtained in writing; this LEASE is personal to said LESSEE; LESSEE's interests, in whole or in part, cannot be sold, assigned, transferred, seized or taken by operation at law, or under or by virtue of any execution or legal process, attachment or proceedings instituted against the LESSEE, or under or by virtue of any bankruptcy or insolvency proceedings had in regard to the LESSEE, or in any other manner, except as above mentioned.

### **9. LIENS**

The LESSEE will not permit any lien of any kind, type or description to be placed or imposed upon the building in which said leased Premises are situated, or any part thereof, or the real estate on which it stands.

### **10. ICE. SNOW. DEBRIS**

If the Premises herein leased is located at street level, then at all times LESSEE shall keep the sidewalks in front of the leased Premises free and clear of ice, snow, rubbish, debris and obstruction; and if the LESSEE occupies the entire building, LESSEE will not permit rubbish, debris, ice or snow to accumulate on the roof of said building so as to stop up or obstruct gutters or downspouts or cause damage to said roof, and LESSEE will save harmless and protect the LESSOR against any injury whether to LESSOR, LESSEE or to LESSOR's property or to any other person or property caused by LESSEE's failure in that regard.

### **11. OVERLOADING OF FLOORS**

The LESSEE will not overload the floors of said Premises in such a way as to cause any undue or serious stress or strain upon the building in which said leased Premises are located, or any part thereof, and the LESSOR shall have the right, at any time, to call upon any competent engineer or architect whom the LESSOR may choose, to decide whether or not the floors of said Premises, or any part thereof, are being overloaded so as to cause any undue or serious stress or strain on said building, or any part thereof, and the decision of said engineer or architect shall be final and binding upon the LESSOR, and the LESSEE; and in the event that the engineer or architect so called upon shall decide that in his opinion the stress or strain is such as to endanger or injure said building, or any part thereof, then and in that event the LESSEE agrees immediately to relieve said stress or strain either by reinforcing the building or by lightening the load which causes such stress or strain in a manner satisfactory to the LESSOR.

### **12. ADVERTISING SIGNS**

The LESSEE will not use the outside walls of said Premises, or allow signs or devices of any kind to be attached thereto or suspended therefrom, for advertising or displaying the name or business of the LESSEE or for any purpose whatsoever without the written consent of the LESSOR; however, the LESSEE may make use of the windows of said leased Premises to display LESSEE's name and business when the workmanship of such signs shall be of good quality and permanent nature; provided further that the LESSEE may not suspend or place within said windows or paint thereon any banners, signs, signboards or other devices in violation of this section, or in violation of any applicable law or ordinance.

### **13. FIXTURES**

## **ORGANIZATION**

2020-2023 LEASE - 11458 SE McEachron Avenue

All partitions, plumbing, electrical wiring, additions to or improvements upon the Premises, whether installed by the LESSOR or LESSEE, shall be and become a part of the Premises as soon as installed and the property of the LESSOR unless otherwise herein provided.

### **14. LIGHT AND AIR**

This LEASE does not grant any rights of access to light and air over the property.

### **15. INSURANCE**

LESSEE shall procure and maintain, for the duration of the lease, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the LESSEE's operations and use of the leased Premises. The cost of such insurance shall be borne by the LESSEE.

#### **MINIMUM SCOPE OF INSURANCE**

Coverage shall be at least as broad as:

- a. Insurance Services Office Commercial General Liability coverage.
- b. Insurance Services Office Additional Insured.
- c. Worker's Compensation insurance as required by state law and Employer's Liability Insurance (for LESSEEs with employees).
- d. Professional Errors and Omissions Liability insurance.
- e. Property insurance against all risks of loss to any tenant improvements, betterments, and LESSEE-owned business personal property.

#### **MINIMUM LIMITS OF INSURANCE LESSEE**

shall maintain limits no less than:

- a. General Liability: \$1,000,000 per occurrence, \$2,000,000 aggregate (including coverages for discrimination, fair housing and ADA violations, and sexual molestation).
- b. Workers' Compensation (statutory) and Employer's Liability: \$1,000,000 per accident for Bodily Injury or Disease.
- c. Professional Errors and Omissions Liability: not less than \$1,000,000 per occurrence, \$2,000,000 annual aggregate
- d. Property Insurance: full replacement cost with no co-insurance penalty provision.

**NOTE:** These limits can be attained by individual policies or by combining primary and umbrella policies.

#### **DEDUCTIBLES AND SELF-INSURED RETENTIONS**



## **ORGANIZATION**

2020-2023 LEASE - 11458 SE McEachron Avenue

Any deductibles or self-insured retentions must be declared to and approved by the LESSOR. At the option of the LESSOR, either the insurer shall reduce or eliminate such deductibles or selfinsured retentions as respects the LESSOR, its officers, officials, employees and volunteers; or the LESSEE shall provide a financial guarantee satisfactory to the LESSOR guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

## **OTHER INSURANCE PROVISIONS**

The General Liability is to contain, or be endorsed to contain, the following provisions:

- a. The Housing Authority of Clackamas County, its officers, officials, employees and volunteers are to be covered as additional insured with respect to liability arising out of maintenance or use of that part of the Premises leased to the LESSEE.
- b. The LESSEE's insurance coverage shall be primary insurance as respects the Housing Authority of Clackamas County, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the Housing Authority of Clackamas County, its officers, officials, employees, or volunteers shall be excess of the LESSEE's insurance.
- c. Each insurance policy required by these specifications shall be endorsed to state that coverage shall not be cancelled or materially changed, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the Housing Authority of Clackamas County.
- d. Maintenance of the proper insurance for the duration of the contract is a material element of the contract. Material changes in the required coverage or cancellation of the coverage shall constitute a material breach of the contract by the LESSEE.

### **ACCEPTABILITY OF INSURERS**

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than B+:VI. LESSEEs must provide written verification of their insurer's rating.

Use of the leased premise must be preapproved by LESSOR. LESSEE shall indemnify the LESSOR for any claims resulting from the conduct of the LESSEE's subcontractors and/or failure to be properly insured.

## **16. EMINENT DOMAIN**

In case of the condemnation or purchase of all or any substantial part of the said leased Premises by any public or private corporation with the power of condemnation this LEASE may be terminated, effective on the date possession is taken, by either party hereto on written notice to the other and in that case the LESSEE shall not be liable for any rent after the termination date. LESSEE shall not be entitled to and hereby expressly waives any right to any part of the condemnation award or purchase price.

## **17. FOR SALE AND FOR RENT SIGNS**

## **ORGANIZATION**

2020-2023 LEASE - 11458 SE McEachron Avenue

During the period of 90 days prior to the date above fixed for the termination of said LEASE, the LESSEE agrees that there may be posted on said Premises or in the windows thereof signs of moderate size notifying the public that the Premises are "for sale" or "for lease."

### **18. DELIVERING UP PREMISES ON TERMINATION**

At the expiration of said term or upon any sooner termination thereof, the LESSEE will quit and deliver up said leased Premises and all future erections or additions to or upon the same, broomclean, to the LESSOR, peaceably, quietly, and in as good order and condition, reasonable use and wear thereof, damage by fire, unavoidable casualty and the elements alone excepted, as the same are now in or hereafter may be put in by the LESSOR.

### **19. INDEMNIFICATION**

To the fullest extent permitted by law, LESSEE shall indemnify, defend and hold harmless LESSOR, and its agents, affiliates, employees, managers, officers, other contractors, heirs and assigns (hereinafter "Indemnified Parties") from and against any and all liability, claims, damage, costs, expenses, awards, fines, judgments, and attorney's fees (including, without limitation, expert witness fees and other litigation expenses) of every nature arising out of or in connection with LESSEE's performance of work hereunder, or work of its agents, employees, subcontractors and/or independent contractors, or their failure to comply with any of its obligations contained in this lease agreement, whether or not caused in whole or part by Indemnified Parties' active or passive negligence, intentional act or omission. Such obligation shall not be construed to negate, abridge or reduce other rights or obligations of indemnity that would otherwise exist as to the parties.

The indemnification obligations of LESSEE under this LEASE shall not be limited by the amounts or types of insurance (or the deductibles or self-insured retention amounts of such insurance) which LESSEE is required to carry under this Agreement. Indemnified Parties' right to indemnification from LESSEE under this section shall be independent of Indemnified Parties' rights under the insurance to be provided by LESSEE under this Agreement.

LESSEE's duty to defend the Indemnified Parties is entirely separate from, independent of, and free standing from LESSEE's duty to indemnify the Indemnified Parties, including, without limitation, the defense of the Indemnified Parties against claims for which the Indemnified Parties (or any of them) may be strictly liable and applies whether the issue of LESSEE's liability, breach of this LEASE or other obligation, or LESSEE's responsibility has been determined and whether the Indemnified Parties (or any of them) have paid any sums or incurred any detriment, arising out of or resulting directly or indirectly from LESSEE's performance under this LEASE. Such defense obligation shall arise immediately upon presentation of a claim by any person which arises out of or is connected to this LEASE by LESSEE or any of its agents and written notice of such claim being tendered to LESSEE.

### **20. PUBLIC CONTRACTING**

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 for the program conducted by the LESSEE on the leased Premises. In the event funds are not made available to LESSEE's program in or on the leased Premises, the LESSOR may end this lease

## **ORGANIZATION**

2020-2023 LEASE - 11458 SE McEachron Avenue

agreement upon thirty (30) days' written notice to LESSEE and be subject to no legal or equitable remedies for the termination.

### **21. PETS**

No pets shall be kept on the leased Premises at any time unless approved in advance in writing by the LESSOR.

In the event LESSEE discovers any condition in or on the leased Premises which renders the Premises uninhabitable or dangerous for continued occupancy, LESSEE shall immediately notify LESSOR.

### **22. DANGEROUS CONDITIONS**

In the event LESSEE discovers any condition in or on the leased Premises which renders the Premises uninhabitable or dangerous for continued occupancy, LESSEE shall immediately notify LESSOR.

### **23. ATTACHMENT, BANKRUPTCY, DEFAULT**

PROVIDED, ALWAYS, and these presents are upon these conditions, that (1) if the LESSEE shall be in arrears in the payment of rent for a period of ten days after the same becomes due, or (2) if the LESSEE shall fail or neglect to do, keep, perform or observe any of the covenants and agreements contained herein on LESSEE's part to be done, kept, performed and observed and such default shall continue for ten days or more after written notice of such failure or neglect shall be given to LESSEE, or (3) if the LESSEE shall be declared bankrupt or insolvent according to law, or (4) if any assignment of LESSEE's property shall be made for the benefit of creditors, or (5) if on the expiration of this LEASE, LESSEE fails to surrender possession of said leased Premises, then and in either or any of said cases or events, each of which constitutes an event of default, the LESSOR may terminate this LEASE and lawfully, at its option immediately or at any time thereafter, without demand or notice, may enter into and upon said leased Premises and every part thereof and repossess the same as of LESSOR's former estate, and expel said LESSEE and those claiming by, through and under LESSEE and remove LESSEE's effects at LESSEE's expense, forcibly if necessary and store the same, all without being deemed guilty of trespass and without prejudice to any remedy which otherwise might be used for arrears of rent or preceding breach of covenant. Upon the occurrence of an event of default described above, LESSOR may exercise any one or more of the remedies set forth in this Lease or any other remedy available under applicable law, whether in equity, under contract, or at law.

Neither the termination of this LEASE by forfeiture nor the taking or recovery of possession of the Premises shall deprive LESSOR of any other action, right, or remedy against LESSEE for possession, rent or damages, nor shall any omission by LESSOR to enforce any forfeiture, right or remedy to which LESSEE may be entitled be deemed a waiver by LESSOR of the right to enforce the performance of all terms and conditions of this LEASE by LESSEE.

In the event of any re-entry by LESSOR, LESSOR may re-lease the Premises to any tenant tenants who provide housing and support services to persons who are served by or case managed by Clackamas County Social Services, Developmental Disability Program. LESSOR shall apply the rent received from any new tenant first to the cost of retaking and resubletting the Premises, including any costs incurred to obtain a new tenant, and then to any arrears of rent and future rent payable under this LEASE and any other damages to which LESSOR may be entitled hereunder.

**ORGANIZATION**

2020-2023 LEASE - 11458 SE McEachron Avenue

Any property which LESSEE leaves on the Premises after abandonment or expiration of this LEASE, or for more than ten days after any termination of the lease by LESSOR shall be deemed to have been abandoned, and LESSOR may remove and sell said property at public or private sale as LESSOR sees fit, without being liable for any prosecution therefore or for damages by reason thereof, and the net proceeds of said sale shall be applied toward the expenses as aforesaid, and the balance of such amounts, if any, shall be held for and paid to the LESSEE.

**24. HOLDING OVER**

In the event the LESSEE for any reason shall hold over after the expiration of this LEASE, such holding over shall not be deemed to operate as a renewal or extension of this LEASE, but shall only create a tenancy from month to month which may be terminated at will at any time by the LESSOR.

**25. NO ATTORNEY FEES AND COSTS**

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.

**26. WAIVER**

LESSOR and LESSEE agree that failure by either party to insist upon strict performance of the terms, covenants, agreements and conditions of this Lease shall not constitute or be construed as a waiver or relinquishment of either party's right thereafter to enforce any such term, covenant, agreement or condition, but the same shall continue in full force and effect.

**27. NOTICES**

Any notice required by the terms of the LEASE to be given shall be sufficient if in writing contained in a sealed envelope deposited in US Mails and if intended for:

LESSOR:  
Housing Authority of Clackamas County  
PO Box 1510  
Oregon City, OR 97045

LESSEE:  
ColumbiaCare Services, Inc.  
3587 Heathrow Way  
Medford, OR 97504

Any such notice shall be deemed conclusively to have been delivered to the addressee thereof forty-eight (48) hours after the deposit thereof in said US Mails.

**28. HEIRS AND ASSIGNS**

All rights, remedies and liabilities herein given to or imposed upon either of the parties hereto shall extend to, inure to the benefit of and bind, as the circumstances may require, the heirs, executors, administrators, successors and, so far as this LEASE is assignable by the term hereof, to the assigns of such parties.

In construing this LEASE, it is understood that the LESSOR or the LESSEE may be more than one person; that if the context so requires, the singular pronoun shall be taken to mean and include the plural, the masculine, the feminine and the neuter, and that generally all grammatical changes shall be made, assumed and implied to make the provisions hereof apply equally to corporations and to individuals.

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### **29. NON-WAIVER OF GOVERNMENTAL RIGHTS.**

Subject to the terms and conditions of this Lease, LESSOR 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.

### **30. RECORDATION OF LEASE.**

LESSOR 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. LESSOR will pay the recording costs.

### **31. 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 LESSOR 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 LESSOR 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.

### **32. 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 including, but not limited to, execution of any additional documents that may be required by LESSOR's state or federal funding sources.

### **33. FORCE MAJEURE.**

Neither LESSOR nor LESSEE shall be held responsible for delay or default caused by events outside the LESSOR or LESSEE's reasonable control including, but not limited to, fire, terrorism, riot, acts of God, or war. However, both parties shall make all reasonable efforts to remove or eliminate such a cause of delay or default and shall upon the cessation of the cause, diligently pursue performance of its obligations under this Lease.

### **34. TAXES**

- 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 based on or otherwise in connection with

## **ORGANIZATION**

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the use, occupancy, or operations of the Premises, or with respect to services or utilities in connection with the use, occupancy, or operations of the Premises. Taxes will include, but not be limited to, state and local real-property 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.

- 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. **Evidence of Payment.** Upon written request by LESSOR, LESSEE shall provide LESSOR with evidence reasonably satisfactory to LESSOR that all Taxes required to be paid by LESSEE have been paid.
- d. **Property Tax Exemption.** LESSEE is responsible for filing the application for a property tax exemption under applicable Oregon law. In the event, the LESSEE fails to file the tax property tax exemption with the Clackamas County Department of Assessment and Taxation by the required deadline and the Premises loses its tax exempt status, LESSEE will be responsible for payment of any taxes or late filing fees assessed against the Premises.

## **35. TERMINATION**

- a. **Non-default Termination:** This Lease may be terminated for the following non-default reasons: (1) by mutual agreement of the parties; or (2) upon ninety (90) day's written notice to LESSEE, LESSOR may terminate this Lease for convenience, if LESSOR fails to receive expenditure authority sufficient to allow LESSOR, in the exercise of its reasonable administrative discretion, to continue to perform under this Lease, or 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, LESSOR may immediately terminate this Lease upon written notice to LESSEE and exercise any remedy provided herein.

IN WITNESS WHEREOF, the respective parties have executed this instrument, any corporation signature being by authority of its Board of Directors.

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**LESSEE:**  
**COLUMBIA CARE SERVICES, INC.**

**LESSOR:**  
**HOUSING AUTHORITY OF CLACKAMAS  
COUNTY**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

By: \_\_\_\_\_  
Its: \_\_\_\_\_

By: Jill C. Smith  
Its: Executive Director

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**OREGON NOTARY ACKNOWLEDGMENT (LESSOR)**

State of OREGON

County of \_\_\_\_\_

This record was acknowledged before me on (date) \_\_\_\_\_, 20\_\_\_\_\_

by (name(s) of individual(s)) \_\_\_\_\_ as

(type of authority) \_\_\_\_\_ of (name of party on whose

behalf record was executed) \_\_\_\_\_.

\_\_\_\_\_  
Notary Public – State of Oregon

Official Stamp

Document Description

This certificate is attached to page \_\_\_\_ of a \_\_\_\_\_ (title or type of document),

dated \_\_\_\_\_, 20\_\_\_\_, consisting of \_\_\_\_\_ pages.

**ORGANIZATION**

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**OREGON NOTARY ACKNOWLEDGMENT (LESSEE)**

State of OREGON

County of \_\_\_\_\_

This record was acknowledged before me on (date) \_\_\_\_\_, 20\_\_\_\_\_

by (name(s) of individual(s)) \_\_\_\_\_ as

(type of authority) \_\_\_\_\_ of (name of party on whose

behalf record was executed) \_\_\_\_\_.

\_\_\_\_\_  
Notary Public – State of Oregon

Official Stamp

Document Description

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dated \_\_\_\_\_, 20\_\_\_\_\_, consisting of \_\_\_\_\_ pages.



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**ATTACHMENT A**  
**Summary of Responsibilities**  
**Repairs and Replacements**

	Lessor (HA)	Lessor-if Funding	Lessee (CH)/Lessee
Roof			
Major Repair/Replacement	<b>X</b>		
Minor Repair	<b>X</b>		
Exterior Walls / Siding <sup>(1)</sup>			
Major Repair/Replacement	<b>X</b>		
Minor Repair	<b>X</b>		
Heating/Vent/Coding			
Major Repair/Replacement	<b>X</b>		
Minor Repair	<b>X</b>		
Foundations			
Major Repair/Replacement		<b>X</b>	
Minor Repair	<b>X</b>		
Interior Walls <sup>(1)</sup>			
Major Repair/Replacement		<b>X</b>	
Minor Repair	<b>X</b>		
Interior Redecorating/Remodeling			<b>X</b>
Garage Door			
Major Repair/Replacement	<b>X</b>		
Minor Repair			<b>X</b>
Plumbing <sup>(1)</sup>			
Major Repair/Replacement	<b>X</b>		
Minor Repair (concealed)	<b>X</b>		
Minor Repair (exposed)			<b>X</b>
(1) Maintenance/repair of the building interior/exterior will be examined to determine responsibility i.e. normal wear and tear (HACC), accidental wear and tear due to program needs (lessee), or resident-caused (Lessee).			

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Electrical			
Major Repair	X		
Minor Repair (concealed)	X		
Minor Repair (exposed)			X
Landscaping			
Major Repair/Replacement		X	
Minor Repair			X
Floor Covering			
Major Repair/Replacement		X	X
Minor Repair	X		
Appliances			
Stove (Repair/Replacement) <sup>(2)</sup>			
Refrigerators (Repair/Replacement) <sup>(2)</sup>			
Dishwashers (repair/Replacement) <sup>(2)</sup>			
<sup>(2)</sup> Maintenance/repair on appliances that have been upgraded for program specific requirements/specifications will be repaired or replaced up to the standard appliance amounts allowed by HACCC. Any additional or exceeding costs will be the responsibility of the lessee/lessee.			
Garbage Disposal			X
Clothes Washer & Dryer			X
Code/Standards of Design		X	
Routine Minor Maintenance (light bulbs, furnace filters)			X
Broken Glass			X
Interior Doors			
Major Repair/Replacement			X
Minor Repair			X
Exterior Doors			
Major Repair/Replacement			X

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Minor Repair			X
Routine Yard Maintenance			X
Gutters – Cleaning			X
Cleaning Sidewalks			X
Client Caused Damage			X
Upgrades			X
Donated Equipment			X
Emergencies	X		

# LEASE

THIS LEASE is made and entered into by and between HOUSING AUTHORITY OF CLACKAMAS COUNTY, hereinafter called the LESSOR, and **NORTHWEST MENTAL HEALTH MANAGEMENT SERVICES**, hereinafter called the LESSEE.

The parties agree as follows:

## **1. DESCRIPTION OF PREMISES; PURPOSE OF LEASE**

LESSEE hereby leases a residence, more specifically described below, from the Housing Authority of Clackamas County (hereinafter called "LESSOR"). The property is known as:

6662 SE Furnberg Street  
Milwaukie, Clackamas County, Oregon, 97222

together with any and all rights, privileges, easements, and appurtenances, as well as any and all fixtures, rights, privileges, easements, and appurtenances that may now or exist in the future (collectively, the "Premises"). The parties agree that LESSOR is leasing the Premises for the specific purpose of providing a facility in which the LESSEE will operate a residential program, as described in Section 3, below.

## **2. RENT**

LESSEE shall pay to LESSOR rent for the Premises in the amount of \$1,187.00 per calendar month during the period commencing July 1, 2020 and ending on June 30, 2022. The lease payments are due on the first day of each month starting July 1, 2020. LESSEE shall pay directly to the LESSOR at P.O. Box 1510, Oregon City, Oregon 97045. LESSEE acknowledges that rents received after the 10th of the month will be subject to a \$25.00 late charge.

Rents shall increase annually by the amount of the increase in residents' Social Security Income (SSI) payments attributed to housing costs by the Oregon Department of Human Services, Seniors and People with Disabilities. Any increase so determined shall occur at the time the information is made available to the LESSOR, but shall not in any event be effective before the effective date of such increase in the SSI payment. LESSOR shall immediately notify LESSEE when any such notice is received.

## **3. USE OF PREMISES**

- a. The LESSEE shall use the leased premises during the term of this LEASE as follows:  
Operation of a residential facility for persons with developmental disabilities, plus any necessary support staff. LESSEE shall use the leased premises for no other purpose whatsoever without LESSOR's written consent.
- b. The LESSEE will not make any unlawful, improper or offensive use of said premises; LESSEE will not suffer any strip or waste thereof; LESSEE will not permit any objectionable noise or odor to escape or to be emitted from said Premises or do anything or permit anything to be done upon or about said Premises in any way tending to create a nuisance; LESSEE will not sell or permit to be sold any spirituous, vinous or malt liquors on said Premises; nor will LESSEE sell or permit to be sold any controlled substance on or about said Premises.

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- c. The LESSEE will not allow the leased Premises at any time to fall into such a state of disrepair or disorder as to increase the fire hazard thereon; LESSEE shall not install any power machinery on said Premises except with written consent of the LESSOR; LESSEE shall not store gasoline or other highly combustible materials on said Premises at any time; LESSEE will not use said Premises in such a way or for such a purpose that the fire insurance rate on the building in which said Premises are located is thereby increased or that would prevent the LESSOR from taking advantage of any rulings of any agency of the state in which said leased Premises are situated or its successors, which would allow the LESSOR to obtain reduced premium rates for long-term fire insurance policies.

#### **4. UTILITIES**

The LESSEE shall pay for all heat, light, water, power, sewer and other services or utilities used at the Premises during the term of this LEASE.

#### **5. REPAIRS AND IMPROVEMENTS**

Responsibility of all repairs and maintenance (other than routine) will be examined on a case by case basis to determine responsibility using the following guidelines and Attachment A. Maintenance/repair on appliances that have been upgraded or purchased for program specific requirements/specifications will be repaired or replaced for a cost not to exceed the repair or replacement cost of a standard appliance provided by the LESSOR. Maintenance/repair of the building interior/exterior will be examined to determine responsibility, i.e., normal wear and tear (LESSOR), accelerated wear and tear due to program needs (LESSEE), or resident-caused (LESSEE). LESSOR's obligations are contingent upon the availability of sufficient funds, as determined by LESSOR in its sole discretion.

- a. LESSOR has responsibility for repairs and maintenance as funds are available for the following:

- (1) Structural Major Repair/Replacement

Maintenance items related to the structure of the building to include: roof, exterior walls (repair and paint), siding, plumbing, and electrical systems, heating system, gutters, downspouts, foundation.

- (2) Non-structural Major Repair/Maintenance/Replacement

Maintenance of items that deteriorate due to normal use for a special needs house would include the total cost of repair/replacement of standard kitchen stoves, and refrigerators provided by LESSOR. Upgraded kitchen stoves or refrigerators will be repaired/replaced up to limitations set by the LESSOR.

If an item other than a stove or refrigerator needs to be replaced before its agreed upon life due to excessive or hard use by the LESSEE, the replacement costs will be split between LESSOR and LESSEE.

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Example: Carpet's life is set at 5 years, but wears out in 4 years. LESSOR pays 80% and LESSEE pays 20% of replacement cost.

(3) Standards of Design

These items of repair/maintenance/new installation or replacement are items that do not meet applicable building code or design requirements for the LESSEE's program. These are primarily health and safety issues.

Examples: asbestos, sprinkler system, fire alarm system.

LESSOR will work with LESSEE on needed major repairs and replacements to the extent possible with available funding.

In cases of emergency, which present an immediate threat to health and safety, LESSOR will provide repairs such that the immediate threat to health and safety is removed within 48 hours unless there has been a major disaster requiring LESSOR to respond to multiple sites of emergency.

b. LESSOR shall make repairs and provide maintenance as follows:

(1) Minor Repairs/Routine Maintenance, i.e. Items behind the wall (concealed) that require repair due to normal wear and tear.

Example: replace a part on the furnace.

(2) Repairs necessitated by vandalism, burglary or attempted burglary committed by individuals who are not agents, employers or invitees of the lessee or tenants or employees of LESSEE.

(3) Non-routine repairs to landscaping and tree pruning.

Except in cases of emergency, LESSOR will give at least 24-hours notice of proposed entry and repair. Whenever possible, this notice will be given to LESSEE's house manager. LESSEE shall report needed repairs according to a process agreed upon by LESSOR and LESSEE.

c. LESSEE shall be responsible for maintaining the Premises in a neat condition, free of trash and debris, in good order and repair. LESSEE agrees to be responsible for the following and maintain all of the following in good condition and repair, less reasonable wear and tear:

(1) Minor Repairs/Routine Maintenance/Appliance Repair and Replacement

Reference the Attachment A for specific examples.

LESSEE is responsible for repairs and maintenance to the Premises including the replacement of all glass which may be broken or cracked during the term of the lease

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with glass of as good or better quality, and replacement and repair of interior and exterior doors except the garage door, the full cost of repair and replacement of dishwashers and disposals. The cost of kitchen stove and refrigerator repair and replacement will be determined by the LESSOR as described in paragraph 2. LESSEE is also responsible for routine maintenance of the grounds of the leased Premises, including mowing the grass, weeding, edging of beds, washing exterior windows and ensuring the gutters are cleaned as necessary.

(2) Resident-Caused Damage

Any repairs necessitated by the acts or omissions of the LESSEE, or officers, agents, employees, clients, residents, or invitees of the LESSEE, including any repairs which would otherwise be required of LESSOR pursuant to subparagraphs a. and b. above, excluding daily wear and tear.

(3) Improvements

Improvements would be any elective change made to the home to improve the quality of life of the residents. Improvements would include upgrades, interior or exterior redecorating or remodeling, and interior painting.

Other examples: replacing a window air conditioner unit to central air, converting a storage room to a bathroom, appliance upgrades.

(4) Donated Equipment

The LESSEE and the LESSEE's vendor are responsible for all donated equipment.

The LESSEE will not be held responsible for repairs which result from original construction or substantial remodeling prior to LESSEE taking possession, or for substandard or non-workman like work done by contractors hired by LESSOR.

A summary of the LESSOR's responsibilities, and of the LESSEE's responsibilities which the LESSEE agrees to be responsible for, as described above, is attached to this lease as Attachment A, and by this reference is incorporated herein.

### **6. LESSOR'S RIGHT OF ENTRY**

The LESSOR, or its authorized agents or representatives may enter the leased Premises at any reasonable time for the purpose of examining into the condition thereof, or any other lawful purpose. The LESSOR agrees to give the LESSEE 24 hours' notice thereof except in case of emergency, in which case no advance notice shall be required.

### **7. LOCKS AND KEYS**

The LESSEE, or its authorized agents or representatives, shall insure that all interior and exterior locks are maintained to allow LESSOR entry at all times with keys mastered to the LESSOR's specifications at the residence. Exceptions to this requirement will be considered on a case by case basis and must be approved by LESSOR prior to any lock changes.

### **8. RIGHT OF ASSIGNMENT**

The LESSEE will not assign, transfer, pledge, hypothecate, surrender or dispose of this LEASE, or any interest herein, sublet, or permit any other person or persons whomsoever to occupy the

## **ORGANIZATION**

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leased Premises without the written consent of the LESSOR being first obtained in writing; this LEASE is personal to said LESSEE; LESSEE's interests, in whole or in part, cannot be sold, assigned, transferred, seized or taken by operation at law, or under or by virtue of any execution or legal process, attachment or proceedings instituted against the LESSEE, or under or by virtue of any bankruptcy or insolvency proceedings had in regard to the LESSEE, or in any other manner, except as above mentioned.

### **9. LIENS**

The LESSEE will not permit any lien of any kind, type or description to be placed or imposed upon the building in which said leased Premises are situated, or any part thereof, or the real estate on which it stands.

### **10. ICE. SNOW. DEBRIS**

If the Premises herein leased is located at street level, then at all times LESSEE shall keep the sidewalks in front of the leased Premises free and clear of ice, snow, rubbish, debris and obstruction; and if the LESSEE occupies the entire building, LESSEE will not permit rubbish, debris, ice or snow to accumulate on the roof of said building so as to stop up or obstruct gutters or downspouts or cause damage to said roof, and LESSEE will save harmless and protect the LESSOR against any injury whether to LESSOR, LESSEE or to LESSOR's property or to any other person or property caused by LESSEE's failure in that regard.

### **11. OVERLOADING OF FLOORS**

The LESSEE will not overload the floors of said Premises in such a way as to cause any undue or serious stress or strain upon the building in which said leased Premises are located, or any part thereof, and the LESSOR shall have the right, at any time, to call upon any competent engineer or architect whom the LESSOR may choose, to decide whether or not the floors of said Premises, or any part thereof, are being overloaded so as to cause any undue or serious stress or strain on said building, or any part thereof, and the decision of said engineer or architect shall be final and binding upon the LESSOR, and the LESSEE; and in the event that the engineer or architect so called upon shall decide that in his opinion the stress or strain is such as to endanger or injure said building, or any part thereof, then and in that event the LESSEE agrees immediately to relieve said stress or strain either by reinforcing the building or by lightening the load which causes such stress or strain in a manner satisfactory to the LESSOR.

### **12. ADVERTISING SIGNS**

The LESSEE will not use the outside walls of said Premises, or allow signs or devices of any kind to be attached thereto or suspended therefrom, for advertising or displaying the name or business of the LESSEE or for any purpose whatsoever without the written consent of the LESSOR; however, the LESSEE may make use of the windows of said leased Premises to display LESSEE's name and business when the workmanship of such signs shall be of good quality and permanent nature; provided further that the LESSEE may not suspend or place within said windows or paint thereon any banners, signs, signboards or other devices in violation of this section, or in violation of any applicable law or ordinance.

### **13. FIXTURES**



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All partitions, plumbing, electrical wiring, additions to or improvements upon the Premises, whether installed by the LESSOR or LESSEE, shall be and become a part of the Premises as soon as installed and the property of the LESSOR unless otherwise herein provided.

### **14. LIGHT AND AIR**

This LEASE does not grant any rights of access to light and air over the property.

### **15. INSURANCE**

LESSEE shall procure and maintain, for the duration of the lease, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the LESSEE's operations and use of the leased Premises. The cost of such insurance shall be borne by the LESSEE.

#### **MINIMUM SCOPE OF INSURANCE**

Coverage shall be at least as broad as:

- a. Insurance Services Office Commercial General Liability coverage.
- b. Insurance Services Office Additional Insured.
- c. Worker's Compensation insurance as required by state law and Employer's Liability Insurance (for LESSEEs with employees).
- d. Professional Errors and Omissions Liability insurance.
- e. Property insurance against all risks of loss to any tenant improvements, betterments, and LESSEE-owned business personal property.

#### **MINIMUM LIMITS OF INSURANCE LESSEE**

shall maintain limits no less than:

- a. General Liability: \$1,000,000 per occurrence, \$2,000,000 aggregate (including coverages for discrimination, fair housing and ADA violations, and sexual molestation).
- b. Workers' Compensation (statutory) and Employer's Liability: \$1,000,000 per accident for Bodily Injury or Disease.
- c. Professional Errors and Omissions Liability: not less than \$1,000,000 per occurrence, \$2,000,000 annual aggregate
- d. Property Insurance: full replacement cost with no co-insurance penalty provision.

**NOTE:** These limits can be attained by individual policies or by combining primary and umbrella policies.

#### **DEDUCTIBLES AND SELF-INSURED RETENTIONS**

Any deductibles or self-insured retentions must be declared to and approved by the LESSOR. At the option of the LESSOR, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the LESSOR, its officers, officials, employees and volunteers; or the LESSEE shall

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provide a financial guarantee satisfactory to the LESSOR guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

## **OTHER INSURANCE PROVISIONS**

The General Liability is to contain, or be endorsed to contain, the following provisions:

- a. The Housing Authority of Clackamas County, its officers, officials, employees and volunteers are to be covered as additional insured with respect to liability arising out of maintenance or use of that part of the Premises leased to the LESSEE.
- b. The LESSEE's insurance coverage shall be primary insurance as respects the Housing Authority of Clackamas County, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the Housing Authority of Clackamas County, its officers, officials, employees, or volunteers shall be excess of the LESSEE's insurance.
- c. Each insurance policy required by these specifications shall be endorsed to state that coverage shall not be cancelled or materially changed, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the Housing Authority of Clackamas County.
- d. Maintenance of the proper insurance for the duration of the contract is a material element of the contract. Material changes in the required coverage or cancellation of the coverage shall constitute a material breach of the contract by the LESSEE.

## **ACCEPTABILITY OF INSURERS**

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than B+:VI. LESSEEs must provide written verification of their insurer's rating.

Use of the leased premise must be preapproved by LESSOR. LESSEE shall indemnify the LESSOR for any claims resulting from the conduct of the LESSEE's subcontractors and/or failure to be properly insured.

## **16. EMINENT DOMAIN**

In case of the condemnation or purchase of all or any substantial part of the said leased Premises by any public or private corporation with the power of condemnation this LEASE may be terminated, effective on the date possession is taken, by either party hereto on written notice to the other and in that case the LESSEE shall not be liable for any rent after the termination date. LESSEE shall not be entitled to and hereby expressly waives any right to any part of the condemnation award or purchase price.

## **17. FOR SALE AND FOR RENT SIGNS**

During the period of 90 days prior to the date above fixed for the termination of said LEASE, the LESSEE agrees that there may be posted on said Premises or in the windows thereof signs of moderate size notifying the public that the Premises are "for sale" or "for lease."

## **18. DELIVERING UP PREMISES ON TERMINATION**

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At the expiration of said term or upon any sooner termination thereof, the LESSEE will quit and deliver up said leased Premises and all future erections or additions to or upon the same, broom-clean, to the LESSOR, peaceably, quietly, and in as good order and condition, reasonable use and wear thereof, damage by fire, unavoidable casualty and the elements alone excepted, as the same are now in or hereafter may be put in by the LESSOR.

### **19. INDEMNIFICATION**

To the fullest extent permitted by law, LESSEE shall indemnify, defend and hold harmless LESSOR, and its agents, affiliates, employees, managers, officers, other contractors, heirs and assigns (hereinafter "Indemnified Parties") from and against any and all liability, claims, damage, costs, expenses, awards, fines, judgments, and attorney's fees (including, without limitation, expert witness fees and other litigation expenses) of every nature arising out of or in connection with LESSEE's performance of work hereunder, or work of its agents, employees, subcontractors and/or independent contractors, or their failure to comply with any of its obligations contained in this lease agreement, whether or not caused in whole or part by Indemnified Parties' active or passive negligence, intentional act or omission. Such obligation shall not be construed to negate, abridge or reduce other rights or obligations of indemnity that would otherwise exist as to the parties.

The indemnification obligations of LESSEE under this LEASE shall not be limited by the amounts or types of insurance (or the deductibles or self-insured retention amounts of such insurance) which LESSEE is required to carry under this Agreement. Indemnified Parties' right to indemnification from LESSEE under this section shall be independent of Indemnified Parties' rights under the insurance to be provided by LESSEE under this Agreement.

LESSEE's duty to defend the Indemnified Parties is entirely separate from, independent of, and free standing from LESSEE's duty to indemnify the Indemnified Parties, including, without limitation, the defense of the Indemnified Parties against claims for which the Indemnified Parties (or any of them) may be strictly liable and applies whether the issue of LESSEE's liability, breach of this LEASE or other obligation, or LESSEE's responsibility has been determined and whether the Indemnified Parties (or any of them) have paid any sums or incurred any detriment, arising out of or resulting directly or indirectly from LESSEE's performance under this LEASE. Such defense obligation shall arise immediately upon presentation of a claim by any person which arises out of or is connected to this LEASE by LESSEE or any of its agents and written notice of such claim being tendered to LESSEE.

### **20. PUBLIC CONTRACTING**

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 for the program conducted by the LESSEE on the leased Premises. In the event funds are not made available to LESSEE's program in or on the leased Premises, the LESSOR may end this lease agreement upon thirty (30) days' written notice to LESSEE and be subject to no legal or equitable remedies for the termination.

### **21. PETS**

## **ORGANIZATION**

2020-2023 LEASE - 6662 SE Furnberg Street

No pets shall be kept on the leased Premises at any time unless approved in advance in writing by the LESSOR.

In the event LESSEE discovers any condition in or on the leased Premises which renders the Premises uninhabitable or dangerous for continued occupancy, LESSEE shall immediately notify LESSOR.

### **22. DANGEROUS CONDITIONS**

In the event LESSEE discovers any condition in or on the leased Premises which renders the Premises uninhabitable or dangerous for continued occupancy, LESSEE shall immediately notify LESSOR.

### **23. ATTACHMENT, BANKRUPTCY, DEFAULT**

PROVIDED, ALWAYS, and these presents are upon these conditions, that (1) if the LESSEE shall be in arrears in the payment of rent for a period of ten days after the same becomes due, or (2) if the LESSEE shall fail or neglect to do, keep, perform or observe any of the covenants and agreements contained herein on LESSEE's part to be done, kept, performed and observed and such default shall continue for ten days or more after written notice of such failure or neglect shall be given to LESSEE, or (3) if the LESSEE shall be declared bankrupt or insolvent according to law, or (4) if any assignment of LESSEE's property shall be made for the benefit of creditors, or (5) if on the expiration of this LEASE, LESSEE fails to surrender possession of said leased Premises, then and in either or any of said cases or events, each of which constitutes an event of default, the LESSOR may terminate this LEASE and lawfully, at its option immediately or at any time thereafter, without demand or notice, may enter into and upon said leased Premises and every part thereof and repossess the same as of LESSOR's former estate, and expel said LESSEE and those claiming by, through and under LESSEE and remove LESSEE's effects at LESSEE's expense, forcibly if necessary and store the same, all without being deemed guilty of trespass and without prejudice to any remedy which otherwise might be used for arrears of rent or preceding breach of covenant. Upon the occurrence of an event of default described above, LESSOR may exercise any one or more of the remedies set forth in this Lease or any other remedy available under applicable law, whether in equity, under contract, or at law.

Neither the termination of this LEASE by forfeiture nor the taking or recovery of possession of the Premises shall deprive LESSOR of any other action, right, or remedy against LESSEE for possession, rent or damages, nor shall any omission by LESSOR to enforce any forfeiture, right or remedy to which LESSEE may be entitled be deemed a waiver by LESSOR of the right to enforce the performance of all terms and conditions of this LEASE by LESSEE.

In the event of any re-entry by LESSOR, LESSOR may re-lease the Premises to any tenant tenants who provide housing and support services to persons who are served by or case managed by Clackamas County Social Services, Developmental Disability Program. LESSOR shall apply the rent received from any new tenant first to the cost of retaking and resubletting the Premises, including any costs incurred to obtain a new tenant, and then to any arrears of rent and future rent payable under this LEASE and any other damages to which LESSOR may be entitled hereunder.

Any property which LESSEE leaves on the Premises after abandonment or expiration of this LEASE, or for more than ten days after any termination of the lease by LESSOR shall be deemed to have been abandoned, and LESSOR may remove and sell said property at public or private

**ORGANIZATION**

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sale as LESSOR sees fit, without being liable for any prosecution therefore or for damages by reason thereof, and the net proceeds of said sale shall be applied toward the expenses as aforesaid, and the balance of such amounts, if any, shall be held for and paid to the LESSEE.

**24. HOLDING OVER**

In the event the LESSEE for any reason shall hold over after the expiration of this LEASE, such holding over shall not be deemed to operate as a renewal or extension of this LEASE, but shall only create a tenancy from month to month which may be terminated at will at any time by the LESSOR.

**25. NO ATTORNEY FEES AND COSTS**

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.

**26. WAIVER**

LESSOR and LESSEE agree that failure by either party to insist upon strict performance of the terms, covenants, agreements and conditions of this Lease shall not constitute or be construed as a waiver or relinquishment of either party's right thereafter to enforce any such term, covenant, agreement or condition, but the same shall continue in full force and effect.

**27. NOTICES**

Any notice required by the terms of the LEASE to be given shall be sufficient if in writing contained in a sealed envelope deposited in US Mails and if intended for:

LESSOR:

Housing Authority of Clackamas County  
PO Box 1510  
Oregon City, OR 97045

LESSEE:

Northwest Mental Health Management Services, Inc.  
1020 Portland Avenue  
Gladstone, OR 97027

Any such notice shall be deemed conclusively to have been delivered to the addressee thereof forty-eight (48) hours after the deposit thereof in said US Mails.

**28. HEIRS AND ASSIGNS**

All rights, remedies and liabilities herein given to or imposed upon either of the parties hereto shall extend to, inure to the benefit of and bind, as the circumstances may require, the heirs, executors, administrators, successors and, so far as this LEASE is assignable by the term hereof, to the assigns of such parties.

In construing this LEASE, it is understood that the LESSOR or the LESSEE may be more than one person; that if the context so requires, the singular pronoun shall be taken to mean and include the plural, the masculine, the feminine and the neuter, and that generally all grammatical changes shall be made, assumed and implied to make the provisions hereof apply equally to corporations and to individuals.

## **ORGANIZATION**

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### **29. NON-WAIVER OF GOVERNMENTAL RIGHTS.**

Subject to the terms and conditions of this Lease, LESSOR 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.

### **30. RECORDATION OF LEASE.**

LESSOR 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. LESSOR will pay the recording costs.

### **31. 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 LESSOR 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 LESSOR 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.

### **32. 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 including, but not limited to, execution of any additional documents that may be required by LESSOR's state or federal funding sources.

### **33. FORCE MAJEURE.**

Neither LESSOR nor LESSEE shall be held responsible for delay or default caused by events outside the LESSOR or LESSEE's reasonable control including, but not limited to, fire, terrorism, riot, acts of God, or war. However, both parties shall make all reasonable efforts to remove or eliminate such a cause of delay or default and shall upon the cessation of the cause, diligently pursue performance of its obligations under this Lease.

### **34. TAXES**

## **ORGANIZATION**

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- 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 based on or otherwise in connection with the use, occupancy, or operations of the Premises, or with respect to services or utilities in connection with the use, occupancy, or operations of the Premises. Taxes will include, but not be limited to, state and local real-property 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.
- 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. Evidence of Payment. Upon written request by LESSOR, LESSEE shall provide LESSOR with evidence reasonably satisfactory to LESSOR that all Taxes required to be paid by LESSEE have been paid.
- d. Property Tax Exemption. LESSEE is responsible for filing the application for a property tax exemption under applicable Oregon law. In the event, the LESSEE fails to file the tax property tax exemption with the Clackamas County Department of Assessment and Taxation by the required deadline and the Premises loses its tax exempt status, LESSEE will be responsible for payment of any taxes or late filing fees assessed against the Premises.

## **35. TERMINATION**

- a. Non-default Termination: This Lease may be terminated for the following non-default reasons: (1) by mutual agreement of the parties; or (2) upon ninety (90) day's written notice to LESSEE, LESSOR may terminate this Lease for convenience, if LESSOR fails to receive expenditure authority sufficient to allow LESSOR, in the exercise of its reasonable administrative discretion, to continue to perform under this Lease, or 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, LESSOR may immediately terminate this Lease upon written notice to LESSEE and exercise any remedy provided herein.

IN WITNESS WHEREOF, the respective parties have executed this instrument, any corporation signature being by authority of its Board of Directors.

**ORGANIZATION**

2020-2023 LEASE - 6662 SE Furnberg Street

**LESSEE:**  
**NORTHWEST MENTAL HEALTH MANAGEMENT SERVICES, INC.**

**LESSOR:**  
**HOUSING AUTHORITY OF CLACKAMAS COUNTY**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

By: \_\_\_\_\_  
Its: \_\_\_\_\_

By: Jill C. Smith  
Its: Executive Director

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**OREGON NOTARY ACKNOWLEDGMENT (LESSOR)**

State of OREGON

County of \_\_\_\_\_

This record was acknowledged before me on (date) \_\_\_\_\_, 20\_\_\_\_\_

by (name(s) of individual(s)) \_\_\_\_\_ as

(type of authority) \_\_\_\_\_ of (name of party on whose

behalf record was executed) \_\_\_\_\_.

\_\_\_\_\_  
Notary Public – State of Oregon

Official Stamp

Document Description

This certificate is attached to page \_\_\_\_ of a \_\_\_\_\_ (title or type of document),

dated \_\_\_\_\_, 20\_\_\_\_, consisting of \_\_\_\_\_ pages.



**ORGANIZATION**

2020-2023 LEASE - 6662 SE Furnberg Street

**OREGON NOTARY ACKNOWLEDGMENT (LESSEE)**

State of OREGON

County of \_\_\_\_\_

This record was acknowledged before me on (date) \_\_\_\_\_, 20\_\_\_\_\_

by (name(s) of individual(s)) \_\_\_\_\_ as

(type of authority) \_\_\_\_\_ of (name of party on whose

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\_\_\_\_\_  
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dated \_\_\_\_\_, 20\_\_\_\_\_, consisting of \_\_\_\_\_ pages.

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**ATTACHMENT A  
Summary of Responsibilities  
Repairs and Replacements**

	Lessor (HA)	Lessor-if Funding	Lessee (CH)/Lessee
Roof			
Major Repair/Replacement	<b>X</b>		
Minor Repair	<b>X</b>		
Exterior Walls / Siding <sup>(1)</sup>			
Major Repair/Replacement	<b>X</b>		
Minor Repair	<b>X</b>		
Heating/Vent/Coding			
Major Repair/Replacement	<b>X</b>		
Minor Repair	<b>X</b>		
Foundations			
Major Repair/Replacement		<b>X</b>	
Minor Repair	<b>X</b>		
Interior Walls <sup>(1)</sup>			
Major Repair/Replacement		<b>X</b>	
Minor Repair	<b>X</b>		
Interior Redecorating/Remodeling			<b>X</b>
Garage Door			
Major Repair/Replacement	<b>X</b>		
Minor Repair			<b>X</b>
Plumbing <sup>(1)</sup>			
Major Repair/Replacement	<b>X</b>		
Minor Repair (concealed)	<b>X</b>		
Minor Repair (exposed)			<b>X</b>
(1) Maintenance/repair of the building interior/exterior will be examined to determined responsibility i.e. normal wear and tear (HACC), accidental wear and tear due to program needs (lessee), or resident-caused (Lessee).			

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Electrical			
Major Repair	X		
Minor Repair (concealed)	X		
Minor Repair (exposed)			X
Landscaping			
Major Repair/Replacement		X	
Minor Repair			X
Floor Covering			
Major Repair/Replacement		X	X
Minor Repair	X		
Appliances			
Stove (Repair/Replacement) <sup>(2)</sup>			
Refrigerators (Repair/Replacement) <sup>(2)</sup>			
Dishwashers (repair/Replacement) <sup>(2)</sup>			
<sup>(2)</sup> Maintenance/repair on appliances that have been upgraded for program specific requirements/specifications will be repaired or replaced up to the standard appliance amounts allowed by HACCC. Any additional or exceeding costs will be the responsibility of the lessee/lessee.			
Garbage Disposal			X
Clothes Washer & Dryer			X
Code/Standards of Design		X	
Routine Minor Maintenance (light bulbs, furnace filters)			X
Broken Glass			X
Interior Doors			
Major Repair/Replacement			X
Minor Repair			X
Exterior Doors			
Major Repair/Replacement			X
Minor Repair			X
Routine Yard Maintenance			X

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Gutters – Cleaning			<b>X</b>
Cleaning Sidewalks			<b>X</b>
Client Caused Damage			<b>X</b>
Upgrades			<b>X</b>
Donated Equipment			<b>X</b>
Emergencies	<b>X</b>		

# LEASE

THIS LEASE is made and entered into by and between **HOUSING AUTHORITY OF CLACKAMAS COUNTY**, hereinafter called the LESSOR, and **NORTHWEST MENTAL HEALTH MANAGEMENT SERVICES**, hereinafter called the LESSEE.

The parties agree as follows:

## **1. DESCRIPTION OF PREMISES; PURPOSE OF LEASE**

LESSEE hereby leases a residence, more specifically described below, from the Housing Authority of Clackamas County (hereinafter called "LESSOR"). The property is known as:

9054 SE 42<sup>nd</sup> Avenue  
Milwaukie, Clackamas County, Oregon, 97222

together with any and all rights, privileges, easements, and appurtenances, as well as any and all fixtures, rights, privileges, easements, and appurtenances that may now or exist in the future (collectively, the "Premises"). The parties agree that LESSOR is leasing the Premises for the specific purpose of providing a facility in which the LESSEE will operate a residential program, as described in Section 3, below.

## **2. RENT**

LESSEE shall pay to LESSOR rent for the Premises in the amount of \$1,187.00 per calendar month during the period commencing July 1, 2020 and ending on June 30, 2022. The lease payments are due on the first day of each month starting July 1, 2020. LESSEE shall pay directly to the LESSOR at P.O. Box 1510, Oregon City, Oregon 97045. LESSEE acknowledges that rents received after the 10th of the month will be subject to a \$25.00 late charge.

Rents shall increase annually by the amount of the increase in residents' Social Security Income (SSI) payments attributed to housing costs by the Oregon Department of Human Services, Seniors and People with Disabilities. Any increase so determined shall occur at the time the information is made available to the LESSOR, but shall not in any event be effective before the effective date of such increase in the SSI payment. LESSOR shall immediately notify LESSEE when any such notice is received.

## **3. USE OF PREMISES**

- a. The LESSEE shall use the leased premises during the term of this LEASE as follows:  
Operation of a residential facility for persons with developmental disabilities, plus any necessary support staff. LESSEE shall use the leased premises for no other purpose whatsoever without LESSOR's written consent.
- b. The LESSEE will not make any unlawful, improper or offensive use of said premises; LESSEE will not suffer any strip or waste thereof; LESSEE will not permit any objectionable noise or odor to escape or to be emitted from said Premises or do anything or permit anything to be done upon or about said Premises in any way tending to create a nuisance; LESSEE will not sell or permit to be sold any spirituous, vinous or malt liquors on said Premises; nor will LESSEE sell or permit to be sold any controlled substance on or about said Premises.

## **ORGANIZATION**

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- c. The LESSEE will not allow the leased Premises at any time to fall into such a state of disrepair or disorder as to increase the fire hazard thereon; LESSEE shall not install any power machinery on said Premises except with written consent of the LESSOR; LESSEE shall not store gasoline or other highly combustible materials on said Premises at any time; LESSEE will not use said Premises in such a way or for such a purpose that the fire insurance rate on the building in which said Premises are located is thereby increased or that would prevent the LESSOR from taking advantage of any rulings of any agency of the state in which said leased Premises are situated or its successors, which would allow the LESSOR to obtain reduced premium rates for long-term fire insurance policies.

### **4. UTILITIES**

The LESSEE shall pay for all heat, light, water, power, sewer and other services or utilities used at the Premises during the term of this LEASE.

### **5. REPAIRS AND IMPROVEMENTS**

Responsibility of all repairs and maintenance (other than routine) will be examined on a case by case basis to determine responsibility using the following guidelines and Attachment A. Maintenance/repair on appliances that have been upgraded or purchased for program specific requirements/specifications will be repaired or replaced for a cost not to exceed the repair or replacement cost of a standard appliance provided by the LESSOR. Maintenance/repair of the building interior/exterior will be examined to determine responsibility, i.e., normal wear and tear (LESSOR), accelerated wear and tear due to program needs (LESSEE), or resident-caused (LESSEE). LESSOR's obligations are contingent upon the availability of sufficient funds, as determined by LESSOR in its sole discretion.

- a. LESSOR has responsibility for repairs and maintenance as funds are available for the following:

- (1) Structural Major Repair/Replacement

Maintenance items related to the structure of the building to include: roof, exterior walls (repair and paint), siding, plumbing, and electrical systems, heating system, gutters, downspouts, foundation.

- (2) Non-structural Major Repair/Maintenance/Replacement

Maintenance of items that deteriorate due to normal use for a special needs house would include the total cost of repair/replacement of standard kitchen stoves, and refrigerators provided by LESSOR. Upgraded kitchen stoves or refrigerators will be repaired/replaced up to limitations set by the LESSOR.

If an item other than a stove or refrigerator needs to be replaced before its agreed upon life due to excessive or hard use by the LESSEE, the replacement costs will be split between LESSOR and LESSEE.

Example: Carpet's life is set at 5 years, but wears out in 4 years. LESSOR pays 80% and LESSEE pays 20% of replacement cost.

## ORGANIZATION

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(3) Standards of Design

These items of repair/maintenance/new installation or replacement are items that do not meet applicable building code or design requirements for the LESSEE's program. These are primarily health and safety issues.

Examples: asbestos, sprinkler system, fire alarm system.

LESSOR will work with LESSEE on needed major repairs and replacements to the extent possible with available funding.

In cases of emergency, which present an immediate threat to health and safety, LESSOR will provide repairs such that the immediate threat to health and safety is removed within 48 hours unless there has been a major disaster requiring LESSOR to respond to multiple sites of emergency.

b. LESSOR shall make repairs and provide maintenance as follows:

(1) Minor Repairs/Routine Maintenance, i.e. Items behind the wall (concealed) that require repair due to normal wear and tear.

Example: replace a part on the furnace.

(2) Repairs necessitated by vandalism, burglary or attempted burglary committed by individuals who are not agents, employers or invitees of the lessee or tenants or employees of LESSEE.

(3) Non-routine repairs to landscaping and tree pruning.  
Except in cases of emergency, LESSOR will give at least 24-hours notice of proposed entry and repair. Whenever possible, this notice will be given to LESSEE's house manager. LESSEE shall report needed repairs according to a process agreed upon by LESSOR and LESSEE.

c. LESSEE shall be responsible for maintaining the Premises in a neat condition, free of trash and debris, in good order and repair. LESSEE agrees to be responsible for the following and maintain all of the following in good condition and repair, less reasonable wear and tear:

(1) Minor Repairs/Routine Maintenance/Appliance Repair and Replacement  
Reference the Attachment A for specific examples.

LESSEE is responsible for repairs and maintenance to the Premises including the replacement of all glass which may be broken or cracked during the term of the lease with glass of as good or better quality, and replacement and repair of interior and exterior doors except the garage door, the full cost of repair and replacement of dishwashers and disposals. The cost of kitchen stove and refrigerator repair and replacement will be determined by the LESSOR as described in paragraph 2. LESSEE is also responsible for routine maintenance of the grounds of the leased Premises,

## **ORGANIZATION**

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including mowing the grass, weeding, edging of beds, washing exterior windows and ensuring the gutters are cleaned as necessary.

(2) Resident-Caused Damage

Any repairs necessitated by the acts or omissions of the LESSEE, or officers, agents, employees, clients, residents, or invitees of the LESSEE, including any repairs which would otherwise be required of LESSOR pursuant to subparagraphs a. and b. above, excluding daily wear and tear.

(3) Improvements

Improvements would be any elective change made to the home to improve the quality of life of the residents. Improvements would include upgrades, interior or exterior redecorating or remodeling, and interior painting.

Other examples: replacing a window air conditioner unit to central air, converting a storage room to a bathroom, appliance upgrades.

(4) Donated Equipment

The LESSEE and the LESSEE's vendor are responsible for all donated equipment.

The LESSEE will not be held responsible for repairs which result from original construction or substantial remodeling prior to LESSEE taking possession, or for substandard or non-workman like work done by contractors hired by LESSOR.

A summary of the LESSOR's responsibilities, and of the LESSEE's responsibilities which the LESSEE agrees to be responsible for, as described above, is attached to this lease as Attachment A, and by this reference is incorporated herein.

## **6. LESSOR'S RIGHT OF ENTRY**

The LESSOR, or its authorized agents or representatives may enter the leased Premises at any reasonable time for the purpose of examining into the condition thereof, or any other lawful purpose. The LESSOR agrees to give the LESSEE 24 hours' notice thereof except in case of emergency, in which case no advance notice shall be required.

## **7. LOCKS AND KEYS**

The LESSEE, or its authorized agents or representatives, shall insure that all interior and exterior locks are maintained to allow LESSOR entry at all times with keys mastered to the LESSOR's specifications at the residence. Exceptions to this requirement will be considered on a case by case basis and must be approved by LESSOR prior to any lock changes.

## **8. RIGHT OF ASSIGNMENT**

The LESSEE will not assign, transfer, pledge, hypothecate, surrender or dispose of this LEASE, or any interest herein, sublet, or permit any other person or persons whomsoever to occupy the leased Premises without the written consent of the LESSOR being first obtained in writing; this LEASE is personal to said LESSEE; LESSEE's interests, in whole or in part, cannot be sold, assigned, transferred, seized or taken by operation at law, or under or by virtue of any execution



## **ORGANIZATION**

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or legal process, attachment or proceedings instituted against the LESSEE, or under or by virtue of any bankruptcy or insolvency proceedings had in regard to the LESSEE, or in any other manner, except as above mentioned.

### **9. LIENS**

The LESSEE will not permit any lien of any kind, type or description to be placed or imposed upon the building in which said leased Premises are situated, or any part thereof, or the real estate on which it stands.

### **10. ICE. SNOW. DEBRIS**

If the Premises herein leased is located at street level, then at all times LESSEE shall keep the sidewalks in front of the leased Premises free and clear of ice, snow, rubbish, debris and obstruction; and if the LESSEE occupies the entire building, LESSEE will not permit rubbish, debris, ice or snow to accumulate on the roof of said building so as to stop up or obstruct gutters or downspouts or cause damage to said roof, and LESSEE will save harmless and protect the LESSOR against any injury whether to LESSOR, LESSEE or to LESSOR's property or to any other person or property caused by LESSEE's failure in that regard.

### **11. OVERLOADING OF FLOORS**

The LESSEE will not overload the floors of said Premises in such a way as to cause any undue or serious stress or strain upon the building in which said leased Premises are located, or any part thereof, and the LESSOR shall have the right, at any time, to call upon any competent engineer or architect whom the LESSOR may choose, to decide whether or not the floors of said Premises, or any part thereof, are being overloaded so as to cause any undue or serious stress or strain on said building, or any part thereof, and the decision of said engineer or architect shall be final and binding upon the LESSOR, and the LESSEE; and in the event that the engineer or architect so called upon shall decide that in his opinion the stress or strain is such as to endanger or injure said building, or any part thereof, then and in that event the LESSEE agrees immediately to relieve said stress or strain either by reinforcing the building or by lightening the load which causes such stress or strain in a manner satisfactory to the LESSOR.

### **12. ADVERTISING SIGNS**

The LESSEE will not use the outside walls of said Premises, or allow signs or devices of any kind to be attached thereto or suspended therefrom, for advertising or displaying the name or business of the LESSEE or for any purpose whatsoever without the written consent of the LESSOR; however, the LESSEE may make use of the windows of said leased Premises to display LESSEE's name and business when the workmanship of such signs shall be of good quality and permanent nature; provided further that the LESSEE may not suspend or place within said windows or paint thereon any banners, signs, signboards or other devices in violation of this section, or in violation of any applicable law or ordinance.

### **13. FIXTURES**

All partitions, plumbing, electrical wiring, additions to or improvements upon the Premises, whether installed by the LESSOR or LESSEE, shall be and become a part of the Premises as soon as installed and the property of the LESSOR unless otherwise herein provided.

### **14. LIGHT AND AIR**

## **ORGANIZATION**

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This LEASE does not grant any rights of access to light and air over the property.

### **15. INSURANCE**

LESSEE shall procure and maintain, for the duration of the lease, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the LESSEE's operations and use of the leased Premises. The cost of such insurance shall be borne by the LESSEE.

#### **MINIMUM SCOPE OF INSURANCE**

Coverage shall be at least as broad as:

- a. Insurance Services Office Commercial General Liability coverage.
- b. Insurance Services Office Additional Insured.
- c. Worker's Compensation insurance as required by state law and Employer's Liability Insurance (for LESSEEs with employees).
- d. Professional Errors and Omissions Liability insurance.
- e. Property insurance against all risks of loss to any tenant improvements, betterments, and LESSEE-owned business personal property.

#### **MINIMUM LIMITS OF INSURANCE LESSEE**

shall maintain limits no less than:

- a. General Liability: \$1,000,000 per occurrence, \$2,000,000 aggregate (including coverages for discrimination, fair housing and ADA violations, and sexual molestation).
- b. Workers' Compensation (statutory) and Employer's Liability: \$1,000,000 per accident for Bodily Injury or Disease.
- c. Professional Errors and Omissions Liability: not less than \$1,000,000 per occurrence, \$2,000,000 annual aggregate
- d. Property Insurance: full replacement cost with no co-insurance penalty provision.

**NOTE:** These limits can be attained by individual policies or by combining primary and umbrella policies.

#### **DEDUCTIBLES AND SELF-INSURED RETENTIONS**

Any deductibles or self-insured retentions must be declared to and approved by the LESSOR. At the option of the LESSOR, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the LESSOR, its officers, officials, employees and volunteers; or the LESSEE shall provide a financial guarantee satisfactory to the LESSOR guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

#### **OTHER INSURANCE PROVISIONS**

The General Liability is to contain, or be endorsed to contain, the following provisions:

## **ORGANIZATION**

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- a. The Housing Authority of Clackamas County, its officers, officials, employees and volunteers are to be covered as additional insured with respect to liability arising out of maintenance or use of that part of the Premises leased to the LESSEE.
- b. The LESSEE's insurance coverage shall be primary insurance as respects the Housing Authority of Clackamas County, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the Housing Authority of Clackamas County, its officers, officials, employees, or volunteers shall be excess of the LESSEE's insurance.
- c. Each insurance policy required by these specifications shall be endorsed to state that coverage shall not be cancelled or materially changed, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the Housing Authority of Clackamas County.
- d. Maintenance of the proper insurance for the duration of the contract is a material element of the contract. Material changes in the required coverage or cancellation of the coverage shall constitute a material breach of the contract by the LESSEE.

### **ACCEPTABILITY OF INSURERS**

Insurance is to be placed with insurers with a current A M. Best's rating of no less than B+:VI. LESSEEs must provide written verification of their insurer's rating.

Use of the leased premise must be preapproved by LESSOR. LESSEE shall indemnify the LESSOR for any claims resulting from the conduct of the LESSEE's subcontractors and/or failure to be properly insured.

### **16. EMINENT DOMAIN**

In case of the condemnation or purchase of all or any substantial part of the said leased Premises by any public or private corporation with the power of condemnation this LEASE may be terminated, effective on the date possession is taken, by either party hereto on written notice to the other and in that case the LESSEE shall not be liable for any rent after the termination date. LESSEE shall not be entitled to and hereby expressly waives any right to any part of the condemnation award or purchase price.

### **17. FOR SALE AND FOR RENT SIGNS**

During the period of 90 days prior to the date above fixed for the termination of said LEASE, the LESSEE agrees that there may be posted on said Premises or in the windows thereof signs of moderate size notifying the public that the Premises are "for sale" or "for lease."

### **18. DELIVERING UP PREMISES ON TERMINATION**

At the expiration of said term or upon any sooner termination thereof, the LESSEE will quit and deliver up said leased Premises and all future erections or additions to or upon the same, broom-clean, to the LESSOR, peaceably, quietly, and in as good order and condition, reasonable use and wear thereof, damage by fire, unavoidable casualty and the elements alone excepted, as the same are now in or hereafter may be put in by the LESSOR.

### **19. INDEMNIFICATION**

## **ORGANIZATION**

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To the fullest extent permitted by law, LESSEE shall indemnify, defend and hold harmless LESSOR, and its agents, affiliates, employees, managers, officers, other contractors, heirs and assigns (hereinafter "Indemnified Parties") from and against any and all liability, claims, damage, costs, expenses, awards, fines, judgments, and attorney's fees (including, without limitation, expert witness fees and other litigation expenses) of every nature arising out of or in connection with LESSEE's performance of work hereunder, or work of its agents, employees, subcontractors and/or independent contractors, or their failure to comply with any of its obligations contained in this lease agreement, whether or not caused in whole or part by Indemnified Parties' active or passive negligence, intentional act or omission. Such obligation shall not be construed to negate, abridge or reduce other rights or obligations of indemnity that would otherwise exist as to the parties.

The indemnification obligations of LESSEE under this LEASE shall not be limited by the amounts or types of insurance (or the deductibles or self-insured retention amounts of such insurance) which LESSEE is required to carry under this Agreement. Indemnified Parties' right to indemnification from LESSEE under this section shall be independent of Indemnified Parties' rights under the insurance to be provided by LESSEE under this Agreement.

LESSEE's duty to defend the Indemnified Parties is entirely separate from, independent of, and free standing from LESSEE's duty to indemnify the Indemnified Parties, including, without limitation, the defense of the Indemnified Parties against claims for which the Indemnified Parties (or any of them) may be strictly liable and applies whether the issue of LESSEE's liability, breach of this LEASE or other obligation, or LESSEE's responsibility has been determined and whether the Indemnified Parties (or any of them) have paid any sums or incurred any detriment, arising out of or resulting directly or indirectly from LESSEE's performance under this LEASE. Such defense obligation shall arise immediately upon presentation of a claim by any person which arises out of or is connected to this LEASE by LESSEE or any of its agents and written notice of such claim being tendered to LESSEE.

LESSEE shall be responsible for all damage to the Premises, injury to persons, and loss, expense, inconvenience, and delay which may be caused by, or result from, the conduct of work, or from any act, omission, or neglect of LESSEE, its subcontractors, agents, employees, guests, or invitees.

LESSOR shall have no liability to LESSEE for any injury, loss, or damage caused by third parties, or by any condition of the Premises. LESSOR shall have no liability for the failure or interruption of utilities.

### **20. PUBLIC CONTRACTING**

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 for the program conducted by the LESSEE on the leased Premises. In the event funds are not made available to LESSEE's program in or on the leased Premises, the LESSOR may end this lease agreement upon thirty (30) days' written notice to LESSEE and be subject to no legal or equitable remedies for the termination.

### **21. PETS**

No pets shall be kept on the leased Premises at any time unless approved in advance in writing by the LESSOR.

## **ORGANIZATION**

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In the event LESSEE discovers any condition in or on the leased Premises which renders the Premises uninhabitable or dangerous for continued occupancy, LESSEE shall immediately notify LESSOR.

### **22. DANGEROUS CONDITIONS**

In the event LESSEE discovers any condition in or on the leased Premises which renders the Premises uninhabitable or dangerous for continued occupancy, LESSEE shall immediately notify LESSOR.

### **23. ATTACHMENT, BANKRUPTCY, DEFAULT**

PROVIDED, ALWAYS, and these presents are upon these conditions, that (1) if the LESSEE shall be in arrears in the payment of rent for a period of ten days after the same becomes due, or (2) if the LESSEE shall fail or neglect to do, keep, perform or observe any of the covenants and agreements contained herein on LESSEE's part to be done, kept, performed and observed and such default shall continue for ten days or more after written notice of such failure or neglect shall be given to LESSEE, or (3) if the LESSEE shall be declared bankrupt or insolvent according to law, or (4) if any assignment of LESSEE's property shall be made for the benefit of creditors, or (5) if on the expiration of this LEASE, LESSEE fails to surrender possession of said leased Premises, then and in either or any of said cases or events, each of which constitutes an event of default, the LESSOR may terminate this LEASE and lawfully, at its option immediately or at any time thereafter, without demand or notice, may enter into and upon said leased Premises and every part thereof and repossess the same as of LESSOR's former estate, and expel said LESSEE and those claiming by, through and under LESSEE and remove LESSEE's effects at LESSEE's expense, forcibly if necessary and store the same, all without being deemed guilty of trespass and without prejudice to any remedy which otherwise might be used for arrears of rent or preceding breach of covenant. Upon the occurrence of an event of default described above, LESSOR may exercise any one or more of the remedies set forth in this Lease or any other remedy available under applicable law, whether in equity, under contract, or at law.

Neither the termination of this LEASE by forfeiture nor the taking or recovery of possession of the Premises shall deprive LESSOR of any other action, right, or remedy against LESSEE for possession, rent or damages, nor shall any omission by LESSOR to enforce any forfeiture, right or remedy to which LESSEE may be entitled be deemed a waiver by LESSOR of the right to enforce the performance of all terms and conditions of this LEASE by LESSEE.

In the event of any re-entry by LESSOR, LESSOR may re-lease the Premises to any tenant tenants who provide housing and support services to persons who are served by or case managed by Clackamas County Social Services, Developmental Disability Program. LESSOR shall apply the rent received from any new tenant first to the cost of retaking and resubletting the Premises, including any costs incurred to obtain a new tenant, and then to any arrears of rent and future rent payable under this LEASE and any other damages to which LESSOR may be entitled hereunder.

Any property which LESSEE leaves on the Premises after abandonment or expiration of this LEASE, or for more than ten days after any termination of the lease by LESSOR shall be deemed to have been abandoned, and LESSOR may remove and sell said property at public or private sale as LESSOR sees fit, without being liable for any prosecution therefore or for damages by reason thereof, and the net proceeds of said sale shall be applied toward the expenses as aforesaid, and the balance of such amounts, if any, shall be held for and paid to the LESSEE.

**ORGANIZATION**

2020-2023 LEASE - 9054 SE 42nd Avenue

**24. HOLDING OVER**

In the event the LESSEE for any reason shall hold over after the expiration of this LEASE, such holding over shall not be deemed to operate as a renewal or extension of this LEASE, but shall only create a tenancy from month to month which may be terminated at will at any time by the LESSOR.

**25. NO ATTORNEY FEES AND COSTS**

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.

**26. WAIVER**

LESSOR and LESSEE agree that failure by either party to insist upon strict performance of the terms, covenants, agreements and conditions of this Lease shall not constitute or be construed as a waiver or relinquishment of either party's right thereafter to enforce any such term, covenant, agreement or condition, but the same shall continue in full force and effect.

**27. NOTICES**

Any notice required by the terms of the LEASE to be given shall be sufficient if in writing contained in a sealed envelope deposited in US Mails and if intended for:

LESSOR:

Housing Authority of Clackamas County  
PO Box 1510  
Oregon City, OR 97045

LESSEE:

Northwest Mental Health Management  
Services, Inc.  
1020 Portland Avenue  
Gladstone, OR 97027

Any such notice shall be deemed conclusively to have been delivered to the addressee thereof forty-eight (48) hours after the deposit thereof in said US Mails.

**28. HEIRS AND ASSIGNS**

All rights, remedies and liabilities herein given to or imposed upon either of the parties hereto shall extend to, inure to the benefit of and bind, as the circumstances may require, the heirs, executors, administrators, successors and, so far as this LEASE is assignable by the term hereof, to the assigns of such parties.

In construing this LEASE, it is understood that the LESSOR or the LESSEE may be more than one person; that if the context so requires, the singular pronoun shall be taken to mean and include the plural, the masculine, the feminine and the neuter, and that generally all grammatical changes shall be made, assumed and implied to make the provisions hereof apply equally to corporations and to individuals.

**29. NON-WAIVER OF GOVERNMENTAL RIGHTS.**

## **ORGANIZATION**

2020-2023 LEASE - 9054 SE 42nd Avenue

Subject to the terms and conditions of this Lease, LESSOR 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.

### **30. RECORDATION OF LEASE.**

LESSOR 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. LESSOR will pay the recording costs.

### **31. 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 LESSOR 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 LESSOR 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.

### **32. 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 including, but not limited to, execution of any additional documents that may be required by LESSOR's state or federal funding sources.

### **33. FORCE MAJEURE.**

Neither LESSOR nor LESSEE shall be held responsible for delay or default caused by events outside the LESSOR or LESSEE's reasonable control including, but not limited to, fire, terrorism, riot, acts of God, or war. However, both parties shall make all reasonable efforts to remove or eliminate such a cause of delay or default and shall upon the cessation of the cause, diligently pursue performance of its obligations under this Lease.

### **34. TAXES**

- 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

## **ORGANIZATION**

2020-2023 LEASE - 9054 SE 42nd Avenue

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 based on or otherwise in connection with the use, occupancy, or operations of the Premises, or with respect to services or utilities in connection with the use, occupancy, or operations of the Premises. Taxes will include, but not be limited to, state and local real-property 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.

- 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. Evidence of Payment. Upon written request by LESSOR, LESSEE shall provide LESSOR with evidence reasonably satisfactory to LESSOR that all Taxes required to be paid by LESSEE have been paid.
- d. Property Tax Exemption. LESSEE is responsible for filing the application for a property tax exemption under applicable Oregon law. In the event, the LESSEE fails to file the tax property tax exemption with the Clackamas County Department of Assessment and Taxation by the required deadline and the Premises loses its tax exempt status, LESSEE will be responsible for payment of any taxes or late filing fees assessed against the Premises.

## **35. TERMINATION**

- a. Non-default Termination: This Lease may be terminated for the following non-default reasons: (1) by mutual agreement of the parties; or (2) upon ninety (90) day's written notice to LESSEE, LESSOR may terminate this Lease for convenience, if LESSOR fails to receive expenditure authority sufficient to allow LESSOR, in the exercise of its reasonable administrative discretion, to continue to perform under this Lease, or 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, LESSOR may immediately terminate this Lease upon written notice to LESSEE and exercise any remedy provided herein.

IN WITNESS WHEREOF, the respective parties have executed this instrument, any corporation signature being by authority of its Board of Directors.



**ORGANIZATION**

2020-2023 LEASE - 9054 SE 42nd Avenue

**LESSEE:**  
**NORTHWEST MENTAL HEALTH MANAGEMENT SERVICES, INC.**

**LESSOR:**  
**HOUSING AUTHORITY OF CLACKAMAS COUNTY**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

By: \_\_\_\_\_  
Its: \_\_\_\_\_

By: Jill C. Smith  
Its: Executive Director

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**OREGON NOTARY ACKNOWLEDGMENT (LESSOR)**

State of OREGON

County of \_\_\_\_\_

This record was acknowledged before me on (date) \_\_\_\_\_, 20\_\_\_\_\_

by (name(s) of individual(s)) \_\_\_\_\_ as

(type of authority) \_\_\_\_\_ of (name of party on whose

behalf record was executed) \_\_\_\_\_.

\_\_\_\_\_  
Notary Public – State of Oregon

Official Stamp

Document Description

This certificate is attached to page \_\_\_\_ of a \_\_\_\_\_ (title or type of document),

dated \_\_\_\_\_, 20\_\_\_\_\_, consisting of \_\_\_\_\_ pages.

**ORGANIZATION**

2020-2023 LEASE - 9054 SE 42nd Avenue

**OREGON NOTARY ACKNOWLEDGMENT (LESSEE)**

State of OREGON

County of \_\_\_\_\_

This record was acknowledged before me on (date) \_\_\_\_\_, 20\_\_\_\_\_

by (name(s) of individual(s)) \_\_\_\_\_ as

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\_\_\_\_\_  
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**ORGANIZATION**

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**ATTACHMENT A  
Summary of Responsibilities  
Repairs and Replacements**

	Lessor (HA)	Lessor-if Funding	Lessee (CH)/Lessee
Roof			
Major Repair/Replacement	<b>X</b>		
Minor Repair	<b>X</b>		
Exterior Walls / Siding <sup>(1)</sup>			
Major Repair/Replacement	<b>X</b>		
Minor Repair	<b>X</b>		
Heating/Vent/Coding			
Major Repair/Replacement	<b>X</b>		
Minor Repair	<b>X</b>		
Foundations			
Major Repair/Replacement		<b>X</b>	
Minor Repair	<b>X</b>		
Interior Walls <sup>(1)</sup>			
Major Repair/Replacement		<b>X</b>	
Minor Repair	<b>X</b>		
Interior Redecorating/Remodeling			<b>X</b>
Garage Door			
Major Repair/Replacement	<b>X</b>		
Minor Repair			<b>X</b>
Plumbing <sup>(1)</sup>			
Major Repair/Replacement	<b>X</b>		
Minor Repair (concealed)	<b>X</b>		
Minor Repair (exposed)			<b>X</b>
(1) Maintenance/repair of the building interior/exterior will be examined to determine responsibility i.e. normal wear and tear (HACC), accidental wear and tear due to program needs (lessee), or resident-caused (Lessee).			

**ORGANIZATION**

2020-2023 LEASE - 9054 SE 42nd Avenue

Electrical			
Major Repair	X		
Minor Repair (concealed)	X		
Minor Repair (exposed)			X
Landscaping			
Major Repair/Replacement		X	
Minor Repair			X
Floor Covering			
Major Repair/Replacement		X	X
Minor Repair	X		
Appliances			
Stove (Repair/Replacement) <sup>(2)</sup>			
Refrigerators (Repair/Replacement) <sup>(2)</sup>			
Dishwashers (repair/Replacement) <sup>(2)</sup>			
<sup>(2)</sup> Maintenance/repair on appliances that have been upgraded for program specific requirements/specifications will be repaired or replaced up to the standard appliance amounts allowed by HAC. Any additional or exceeding costs will be the responsibility of the lessee/lessee.			
Garbage Disposal			X
Clothes Washer & Dryer			X
Code/Standards of Design		X	
Routine Minor Maintenance (light bulbs, furnace filters)			X
Broken Glass			X
Interior Doors			
Major Repair/Replacement			X
Minor Repair			X
Exterior Doors			
Major Repair/Replacement			X
Minor Repair			X

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Routine Yard Maintenance			<b>X</b>
Gutters – Cleaning			<b>X</b>
Cleaning Sidewalks			<b>X</b>
Client Caused Damage			<b>X</b>
Upgrades			<b>X</b>
Donated Equipment			<b>X</b>
Emergencies	<b>X</b>		

# LEASE

THIS LEASE is made and entered into by and between **HOUSING AUTHORITY OF CLACKAMAS COUNTY**, hereinafter called the LESSOR, and **NORTHWEST MENTAL HEALTH MANAGEMENT SERVICES**, hereinafter called the LESSEE.

The parties agree as follows:

## **1. DESCRIPTION OF PREMISES; PURPOSE OF LEASE**

LESSEE hereby leases a residence, more specifically described below, from the Housing Authority of Clackamas County (hereinafter called "LESSOR"). The property is known as:

13538 Gaffney Lane  
Oregon City, Clackamas County, Oregon, 97045

together with any and all rights, privileges, easements, and appurtenances, as well as any and all fixtures, rights, privileges, easements, and appurtenances that may now or exist in the future (collectively, the "Premises"). The parties agree that LESSOR is leasing the Premises for the specific purpose of providing a facility in which the LESSEE will operate a residential program, as described in Section 3, below.

## **2. RENT**

LESSEE shall pay to LESSOR rent for the Premises in the amount of \$949.00 per calendar month during the period commencing July 1, 2020 and ending on June 30, 2022. The lease payments are due on the first day of each month starting July 1, 2020. LESSEE shall pay directly to the LESSOR at P.O. Box 1510, Oregon City, Oregon 97045. LESSEE acknowledges that rents received after the 10th of the month will be subject to a \$25.00 late charge.

Rents shall increase annually by the amount of the increase in residents' Social Security Income (SSI) payments attributed to housing costs by the Oregon Department of Human Services, Seniors and People with Disabilities. Any increase so determined shall occur at the time the information is made available to the LESSOR, but shall not in any event be effective before the effective date of such increase in the SSI payment. LESSOR shall immediately notify LESSEE when any such notice is received.

## **3. USE OF PREMISES**

- a. The LESSEE shall use the leased premises during the term of this LEASE as follows:  
Operation of a residential facility for persons with developmental disabilities, plus any necessary support staff. LESSEE shall use the leased premises for no other purpose whatsoever without LESSOR's written consent.
- b. The LESSEE will not make any unlawful, improper or offensive use of said premises; LESSEE will not suffer any strip or waste thereof; LESSEE will not permit any objectionable noise or odor to escape or to be emitted from said Premises or do anything or permit anything to be done upon or about said Premises in any way tending to create a nuisance; LESSEE will not sell or permit to be sold any spirituous, vinous or malt liquors on said Premises; nor will LESSEE sell or permit to be sold any controlled substance on or about said Premises.

## **ORGANIZATION**

2020-2023 LEASE - 13538 Gaffney Lane

- c. The LESSEE will not allow the leased Premises at any time to fall into such a state of disrepair or disorder as to increase the fire hazard thereon; LESSEE shall not install any power machinery on said Premises except with written consent of the LESSOR; LESSEE shall not store gasoline or other highly combustible materials on said Premises at any time; LESSEE will not use said Premises in such a way or for such a purpose that the fire insurance rate on the building in which said Premises are located is thereby increased or that would prevent the LESSOR from taking advantage of any rulings of any agency of the state in which said leased Premises are situated or its successors, which would allow the LESSOR to obtain reduced premium rates for long-term fire insurance policies.

### **4. UTILITIES**

The LESSEE shall pay for all heat, light, water, power, sewer and other services or utilities used at the Premises during the term of this LEASE.

### **5. REPAIRS AND IMPROVEMENTS**

Responsibility of all repairs and maintenance (other than routine) will be examined on a case by case basis to determine responsibility using the following guidelines and Attachment A. Maintenance/repair on appliances that have been upgraded or purchased for program specific requirements/specifications will be repaired or replaced for a cost not to exceed the repair or replacement cost of a standard appliance provided by the LESSOR. Maintenance/repair of the building interior/exterior will be examined to determine responsibility, i.e., normal wear and tear (LESSOR), accelerated wear and tear due to program needs (LESSEE), or resident-caused (LESSEE). LESSOR's obligations are contingent upon the availability of sufficient funds, as determined by LESSOR in its sole discretion.

- a. LESSOR has responsibility for repairs and maintenance as funds are available for the following:

- (1) Structural Major Repair/Replacement

Maintenance items related to the structure of the building to include: roof, exterior walls (repair and paint), siding, plumbing, and electrical systems, heating system, gutters, downspouts, foundation.

- (2) Non-structural Major Repair/Maintenance/Replacement

Maintenance of items that deteriorate due to normal use for a special needs house would include the total cost of repair/replacement of standard kitchen stoves, and refrigerators provided by LESSOR. Upgraded kitchen stoves or refrigerators will be repaired/replaced up to limitations set by the LESSOR.

If an item other than a stove or refrigerator needs to be replaced before its agreed upon life due to excessive or hard use by the LESSEE, the replacement costs will be split between LESSOR and LESSEE.

## ORGANIZATION

2020-2023 LEASE - 13538 Gaffney Lane

Example: Carpet's life is set at 5 years, but wears out in 4 years. LESSOR pays 80% and LESSEE pays 20% of replacement cost.

### (3) Standards of Design

These items of repair/maintenance/new installation or replacement are items that do not meet applicable building code or design requirements for the LESSEE's program. These are primarily health and safety issues.

Examples: asbestos, sprinkler system, fire alarm system.

LESSOR will work with LESSEE on needed major repairs and replacements to the extent possible with available funding.

In cases of emergency, which present an immediate threat to health and safety, LESSOR will provide repairs such that the immediate threat to health and safety is removed within 48 hours unless there has been a major disaster requiring LESSOR to respond to multiple sites of emergency.

#### b. LESSOR shall make repairs and provide maintenance as follows:

- (1) Minor Repairs/Routine Maintenance, i.e. Items behind the wall (concealed) that require repair due to normal wear and tear.

Example: replace a part on the furnace.

- (2) Repairs necessitated by vandalism, burglary or attempted burglary committed by individuals who are not agents, employers or invitees of the lessee or tenants or employees of LESSEE.

- (3) Non-routine repairs to landscaping and tree pruning.  
Except in cases of emergency, LESSOR will give at least 24-hours notice of proposed entry and repair. Whenever possible, this notice will be given to LESSEE's house manager. LESSEE shall report needed repairs according to a process agreed upon by LESSOR and LESSEE.

#### c. LESSEE shall be responsible for maintaining the Premises in a neat condition, free of trash and debris, in good order and repair. LESSEE agrees to be responsible for the following and maintain all of the following in good condition and repair, less reasonable wear and tear:

- (1) Minor Repairs/Routine Maintenance/Appliance Repair and Replacement

Reference the Attachment A for specific examples.

LESSEE is responsible for repairs and maintenance to the Premises including the replacement of all glass which may be broken or cracked during the term of the lease with glass of as good or better quality, and replacement and repair of interior and exterior doors except the garage door, the full cost of repair and replacement of



## **ORGANIZATION**

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dishwashers and disposals. The cost of kitchen stove and refrigerator repair and replacement will be determined by the LESSOR as described in paragraph 2. LESSEE is also responsible for routine maintenance of the grounds of the leased Premises, including mowing the grass, weeding, edging of beds, washing exterior windows and ensuring the gutters are cleaned as necessary.

(2) Resident-Caused Damage

Any repairs necessitated by the acts or omissions of the LESSEE, or officers, agents, employees, clients, residents, or invitees of the LESSEE, including any repairs which would otherwise be required of LESSOR pursuant to subparagraphs a. and b. above, excluding daily wear and tear.

(3) Improvements

Improvements would be any elective change made to the home to improve the quality of life of the residents. Improvements would include upgrades, interior or exterior redecorating or remodeling, and interior painting.

Other examples: replacing a window air conditioner unit to central air, converting a storage room to a bathroom, appliance upgrades.

(4) Donated Equipment

The LESSEE and the LESSEE's vendor are responsible for all donated equipment.

The LESSEE will not be held responsible for repairs which result from original construction or substantial remodeling prior to LESSEE taking possession, or for substandard or non-workman like work done by contractors hired by LESSOR.

A summary of the LESSOR's responsibilities, and of the LESSEE's responsibilities which the LESSEE agrees to be responsible for, as described above, is attached to this lease as Attachment A, and by this reference is incorporated herein.

**6. LESSOR'S RIGHT OF ENTRY**

The LESSOR, or its authorized agents or representatives may enter the leased Premises at any reasonable time for the purpose of examining into the condition thereof, or any other lawful purpose. The LESSOR agrees to give the LESSEE 24 hours' notice thereof except in case of emergency, in which case no advance notice shall be required.

**7. LOCKS AND KEYS**

The LESSEE, or its authorized agents or representatives, shall insure that all interior and exterior locks are maintained to allow LESSOR entry at all times with keys mastered to the LESSOR's specifications at the residence. Exceptions to this requirement will be considered on a case by case basis and must be approved by LESSOR prior to any lock changes.

**8. RIGHT OF ASSIGNMENT**

The LESSEE will not assign, transfer, pledge, hypothecate, surrender or dispose of this LEASE, or any interest herein, sublet, or permit any other person or persons whomsoever to occupy the leased Premises without the written consent of the LESSOR being first obtained in writing; this LEASE is personal to said LESSEE; LESSEE's interests, in whole or in part, cannot be sold,

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assigned, transferred, seized or taken by operation at law, or under or by virtue of any execution or legal process, attachment or proceedings instituted against the LESSEE, or under or by virtue of any bankruptcy or insolvency proceedings had in regard to the LESSEE, or in any other manner, except as above mentioned.

### **9. LIENS**

The LESSEE will not permit any lien of any kind, type or description to be placed or imposed upon the building in which said leased Premises are situated, or any part thereof, or the real estate on which it stands.

### **10. ICE. SNOW. DEBRIS**

If the Premises herein leased is located at street level, then at all times LESSEE shall keep the sidewalks in front of the leased Premises free and clear of ice, snow, rubbish, debris and obstruction; and if the LESSEE occupies the entire building, LESSEE will not permit rubbish, debris, ice or snow to accumulate on the roof of said building so as to stop up or obstruct gutters or downspouts or cause damage to said roof, and LESSEE will save harmless and protect the LESSOR against any injury whether to LESSOR, LESSEE or to LESSOR's property or to any other person or property caused by LESSEE's failure in that regard.

### **11. OVERLOADING OF FLOORS**

The LESSEE will not overload the floors of said Premises in such a way as to cause any undue or serious stress or strain upon the building in which said leased Premises are located, or any part thereof, and the LESSOR shall have the right, at any time, to call upon any competent engineer or architect whom the LESSOR may choose, to decide whether or not the floors of said Premises, or any part thereof, are being overloaded so as to cause any undue or serious stress or strain on said building, or any part thereof, and the decision of said engineer or architect shall be final and binding upon the LESSOR, and the LESSEE; and in the event that the engineer or architect so called upon shall decide that in his opinion the stress or strain is such as to endanger or injure said building, or any part thereof, then and in that event the LESSEE agrees immediately to relieve said stress or strain either by reinforcing the building or by lightening the load which causes such stress or strain in a manner satisfactory to the LESSOR.

### **12. ADVERTISING SIGNS**

The LESSEE will not use the outside walls of said Premises, or allow signs or devices of any kind to be attached thereto or suspended therefrom, for advertising or displaying the name or business of the LESSEE or for any purpose whatsoever without the written consent of the LESSOR; however, the LESSEE may make use of the windows of said leased Premises to display LESSEE's name and business when the workmanship of such signs shall be of good quality and permanent nature; provided further that the LESSEE may not suspend or place within said windows or paint thereon any banners, signs, signboards or other devices in violation of this section, or in violation of any applicable law or ordinance.

### **13. FIXTURES**

All partitions, plumbing, electrical wiring, additions to or improvements upon the Premises, whether installed by the LESSOR or LESSEE, shall be and become a part of the Premises as soon as installed and the property of the LESSOR unless otherwise herein provided.

## **ORGANIZATION**

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### **14. LIGHT AND AIR**

This LEASE does not grant any rights of access to light and air over the property.

### **15. INSURANCE**

LESSEE shall procure and maintain, for the duration of the lease, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the LESSEE's operations and use of the leased Premises. The cost of such insurance shall be borne by the LESSEE.

#### **MINIMUM SCOPE OF INSURANCE**

Coverage shall be at least as broad as:

- a. Insurance Services Office Commercial General Liability coverage.
- b. Insurance Services Office Additional Insured.
- c. Worker's Compensation insurance as required by state law and Employer's Liability Insurance (for LESSEEs with employees).
- d. Professional Errors and Omissions Liability insurance.
- e. Property insurance against all risks of loss to any tenant improvements, betterments, and LESSEE-owned business personal property.

#### **MINIMUM LIMITS OF INSURANCE LESSEE**

shall maintain limits no less than:

- a. General Liability: \$1,000,000 per occurrence, \$2,000,000 aggregate (including coverages for discrimination, fair housing and ADA violations, and sexual molestation).
- b. Workers' Compensation (statutory) and Employer's Liability: \$1,000,000 per accident for Bodily Injury or Disease.
- c. Professional Errors and Omissions Liability: not less than \$1,000,000 per occurrence, \$2,000,000 annual aggregate
- d. Property Insurance: full replacement cost with no co-insurance penalty provision.

**NOTE:** These limits can be attained by individual policies or by combining primary and umbrella policies.

#### **DEDUCTIBLES AND SELF-INSURED RETENTIONS**

Any deductibles or self-insured retentions must be declared to and approved by the LESSOR. At the option of the LESSOR, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the LESSOR, its officers, officials, employees and volunteers; or the LESSEE shall provide a financial guarantee satisfactory to the LESSOR guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

#### **OTHER INSURANCE PROVISIONS**

## **ORGANIZATION**

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The General Liability is to contain, or be endorsed to contain, the following provisions:

- a. The Housing Authority of Clackamas County, its officers, officials, employees and volunteers are to be covered as additional insured with respect to liability arising out of maintenance or use of that part of the Premises leased to the LESSEE.
- b. The LESSEE's insurance coverage shall be primary insurance as respects the Housing Authority of Clackamas County, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the Housing Authority of Clackamas County, its officers, officials, employees, or volunteers shall be excess of the LESSEE's insurance.
- c. Each insurance policy required by these specifications shall be endorsed to state that coverage shall not be cancelled or materially changed, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the Housing Authority of Clackamas County.
- d. Maintenance of the proper insurance for the duration of the contract is a material element of the contract. Material changes in the required coverage or cancellation of the coverage shall constitute a material breach of the contract by the LESSEE.

### **ACCEPTABILITY OF INSURERS**

Insurance is to be placed with insurers with a current A M. Best's rating of no less than B+:VI. LESSEEs must provide written verification of their insurer's rating.

Use of the leased premise must be preapproved by LESSOR. LESSEE shall indemnify the LESSOR for any claims resulting from the conduct of the LESSEE's subcontractors and/or failure to be properly insured.

### **16. EMINENT DOMAIN**

In case of the condemnation or purchase of all or any substantial part of the said leased Premises by any public or private corporation with the power of condemnation this LEASE may be terminated, effective on the date possession is taken, by either party hereto on written notice to the other and in that case the LESSEE shall not be liable for any rent after the termination date. LESSEE shall not be entitled to and hereby expressly waives any right to any part of the condemnation award or purchase price.

### **17. FOR SALE AND FOR RENT SIGNS**

During the period of 90 days prior to the date above fixed for the termination of said LEASE, the LESSEE agrees that there may be posted on said Premises or in the windows thereof signs of moderate size notifying the public that the Premises are "for sale" or "for lease."

### **18. DELIVERING UP PREMISES ON TERMINATION**

At the expiration of said term or upon any sooner termination thereof, the LESSEE will quit and deliver up said leased Premises and all future erections or additions to or upon the same, broom-clean, to the LESSOR, peaceably, quietly, and in as good order and condition, reasonable use and wear thereof, damage by fire, unavoidable casualty and the elements alone excepted, as the same are now in or hereafter may be put in by the LESSOR.

### **19. INDEMNIFICATION**

## **ORGANIZATION**

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To the fullest extent permitted by law, LESSEE shall indemnify, defend and hold harmless LESSOR, and its agents, affiliates, employees, managers, officers, other contractors, heirs and assigns (hereinafter "Indemnified Parties") from and against any and all liability, claims, damage, costs, expenses, awards, fines, judgments, and attorney's fees (including, without limitation, expert witness fees and other litigation expenses) of every nature arising out of or in connection with LESSEE's performance of work hereunder, or work of its agents, employees, subcontractors and/or independent contractors, or their failure to comply with any of its obligations contained in this lease agreement, whether or not caused in whole or part by Indemnified Parties' active or passive negligence, intentional act or omission. Such obligation shall not be construed to negate, abridge or reduce other rights or obligations of indemnity that would otherwise exist as to the parties.

The indemnification obligations of LESSEE under this LEASE shall not be limited by the amounts or types of insurance (or the deductibles or self-insured retention amounts of such insurance) which LESSEE is required to carry under this Agreement. Indemnified Parties' right to indemnification from LESSEE under this section shall be independent of Indemnified Parties' rights under the insurance to be provided by LESSEE under this Agreement.

LESSEE's duty to defend the Indemnified Parties is entirely separate from, independent of, and free standing from LESSEE's duty to indemnify the Indemnified Parties, including, without limitation, the defense of the Indemnified Parties against claims for which the Indemnified Parties (or any of them) may be strictly liable and applies whether the issue of LESSEE's liability, breach of this LEASE or other obligation, or LESSEE's responsibility has been determined and whether the Indemnified Parties (or any of them) have paid any sums or incurred any detriment, arising out of or resulting directly or indirectly from LESSEE's performance under this LEASE. Such defense obligation shall arise immediately upon presentation of a claim by any person which arises out of or is connected to this LEASE by LESSEE or any of its agents and written notice of such claim being tendered to LESSEE.

### **20. PUBLIC CONTRACTING**

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 for the program conducted by the LESSEE on the leased Premises. In the event funds are not made available to LESSEE's program in or on the leased Premises, the LESSOR may end this lease agreement upon thirty (30) days' written notice to LESSEE and be subject to no legal or equitable remedies for the termination.

### **21. PETS**

No pets shall be kept on the leased Premises at any time unless approved in advance in writing by the LESSOR.

In the event LESSEE discovers any condition in or on the leased Premises which renders the Premises uninhabitable or dangerous for continued occupancy, LESSEE shall immediately notify LESSOR.

### **22. DANGEROUS CONDITIONS**

In the event LESSEE discovers any condition in or on the leased Premises which renders the

## **ORGANIZATION**

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Premises uninhabitable or dangerous for continued occupancy, LESSEE shall immediately notify LESSOR.

### **23. ATTACHMENT, BANKRUPTCY, DEFAULT**

PROVIDED, ALWAYS, and these presents are upon these conditions, that (1) if the LESSEE shall be in arrears in the payment of rent for a period of ten days after the same becomes due, or (2) if the LESSEE shall fail or neglect to do, keep, perform or observe any of the covenants and agreements contained herein on LESSEE's part to be done, kept, performed and observed and such default shall continue for ten days or more after written notice of such failure or neglect shall be given to LESSEE, or (3) if the LESSEE shall be declared bankrupt or insolvent according to law, or (4) if any assignment of LESSEE's property shall be made for the benefit of creditors, or (5) if on the expiration of this LEASE, LESSEE fails to surrender possession of said leased Premises, then and in either or any of said cases or events, each of which constitutes an event of default, the LESSOR may terminate this LEASE and lawfully, at its option immediately or at any time thereafter, without demand or notice, may enter into and upon said leased Premises and every part thereof and repossess the same as of LESSOR's former estate, and expel said LESSEE and those claiming by, through and under LESSEE and remove LESSEE's effects at LESSEE's expense, forcibly if necessary and store the same, all without being deemed guilty of trespass and without prejudice to any remedy which otherwise might be used for arrears of rent or preceding breach of covenant. Upon the occurrence of an event of default described above, LESSOR may exercise any one or more of the remedies set forth in this Lease or any other remedy available under applicable law, whether in equity, under contract, or at law.

Neither the termination of this LEASE by forfeiture nor the taking or recovery of possession of the Premises shall deprive LESSOR of any other action, right, or remedy against LESSEE for possession, rent or damages, nor shall any omission by LESSOR to enforce any forfeiture, right or remedy to which LESSEE may be entitled be deemed a waiver by LESSOR of the right to enforce the performance of all terms and conditions of this LEASE by LESSEE.

In the event of any re-entry by LESSOR, LESSOR may re-lease the Premises to any tenant tenants who provide housing and support services to persons who are served by or case managed by Clackamas County Social Services, Developmental Disability Program. LESSOR shall apply the rent received from any new tenant first to the cost of retaking and resubletting the Premises, including any costs incurred to obtain a new tenant, and then to any arrears of rent and future rent payable under this LEASE and any other damages to which LESSOR may be entitled hereunder.

Any property which LESSEE leaves on the Premises after abandonment or expiration of this LEASE, or for more than ten days after any termination of the lease by LESSOR shall be deemed to have been abandoned, and LESSOR may remove and sell said property at public or private sale as LESSOR sees fit, without being liable for any prosecution therefore or for damages by reason thereof, and the net proceeds of said sale shall be applied toward the expenses as aforesaid, and the balance of such amounts, if any, shall be held for and paid to the LESSEE.

### **24. HOLDING OVER**

In the event the LESSEE for any reason shall hold over after the expiration of this LEASE, such holding over shall not be deemed to operate as a renewal or extension of this LEASE, but shall

**ORGANIZATION**

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only create a tenancy from month to month which may be terminated at will at any time by the LESSOR.

**25. NO ATTORNEY FEES AND COSTS**

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.

**26. WAIVER**

LESSOR and LESSEE agree that failure by either party to insist upon strict performance of the terms, covenants, agreements and conditions of this Lease shall not constitute or be construed as a waiver or relinquishment of either party's right thereafter to enforce any such term, covenant, agreement or condition, but the same shall continue in full force and effect.

**27. NOTICES**

Any notice required by the terms of the LEASE to be given shall be sufficient if in writing contained in a sealed envelope deposited in US Mails and if intended for:

LESSOR:

Housing Authority of Clackamas County  
PO Box 1510  
Oregon City, OR 97045

LESSEE:

Northwest Mental Health Management Services, Inc.  
1020 Portland Avenue  
Gladstone, OR 97027

Any such notice shall be deemed conclusively to have been delivered to the addressee thereof forty-eight (48) hours after the deposit thereof in said US Mails.

**28. HEIRS AND ASSIGNS**

All rights, remedies and liabilities herein given to or imposed upon either of the parties hereto shall extend to, inure to the benefit of and bind, as the circumstances may require, the heirs, executors, administrators, successors and, so far as this LEASE is assignable by the term hereof, to the assigns of such parties.

In construing this LEASE, it is understood that the LESSOR or the LESSEE may be more than one person; that if the context so requires, the singular pronoun shall be taken to mean and include the plural, the masculine, the feminine and the neuter, and that generally all grammatical changes shall be made, assumed and implied to make the provisions hereof apply equally to corporations and to individuals.

**29. NON-WAIVER OF GOVERNMENTAL RIGHTS.**

Subject to the terms and conditions of this Lease, LESSOR 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.

## **ORGANIZATION**

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### **30. RECORDATION OF LEASE.**

LESSOR 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. LESSOR will pay the recording costs.

### **31. 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 LESSOR 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 LESSOR 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.

### **32. 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 including, but not limited to, execution of any additional documents that may be required by LESSOR's state or federal funding sources.

### **33. FORCE MAJEURE.**

Neither LESSOR nor LESSEE shall be held responsible for delay or default caused by events outside the LESSOR or LESSEE's reasonable control including, but not limited to, fire, terrorism, riot, acts of God, or war. However, both parties shall make all reasonable efforts to remove or eliminate such a cause of delay or default and shall upon the cessation of the cause, diligently pursue performance of its obligations under this Lease.

### **34. TAXES**

- 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 based on or otherwise in connection with the use, occupancy, or operations of the Premises, or with respect to services or utilities in connection with the use, occupancy, or operations of the Premises. Taxes will include, but not be limited to, state and local real-property taxes, levies, and assessments, and any tax, fee, or



## **ORGANIZATION**

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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.

- 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. Evidence of Payment. Upon written request by LESSOR, LESSEE shall provide LESSOR with evidence reasonably satisfactory to LESSOR that all Taxes required to be paid by LESSEE have been paid.
- d. Property Tax Exemption. LESSEE is responsible for filing the application for a property tax exemption under applicable Oregon law. In the event, the LESSEE fails to file the tax property tax exemption with the Clackamas County Department of Assessment and Taxation by the required deadline and the Premises loses its tax exempt status, LESSEE will be responsible for payment of any taxes or late filing fees assessed against the Premises.

## **35. TERMINATION**

- a. Non-default Termination: This Lease may be terminated for the following non-default reasons: (1) by mutual agreement of the parties; or (2) upon ninety (90) day's written notice to LESSEE, LESSOR may terminate this Lease for convenience, if LESSOR fails to receive expenditure authority sufficient to allow LESSOR, in the exercise of its reasonable administrative discretion, to continue to perform under this Lease, or 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, LESSOR may immediately terminate this Lease upon written notice to LESSEE and exercise any remedy provided herein.

IN WITNESS WHEREOF, the respective parties have executed this instrument, any corporation signature being by authority of its Board of Directors.

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**LESSEE:**  
**NORTHWEST MENTAL HEALTH MANAGEMENT SERVICES, INC.**

**LESSOR:**  
**HOUSING AUTHORITY OF CLACKAMAS COUNTY**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

By: \_\_\_\_\_  
Its: \_\_\_\_\_

By: Jill C. Smith  
Its: Executive Director

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**OREGON NOTARY ACKNOWLEDGMENT (LESSOR)**

State of OREGON

County of \_\_\_\_\_

This record was acknowledged before me on (date) \_\_\_\_\_, 20\_\_\_\_\_

by (name(s) of individual(s)) \_\_\_\_\_ as

(type of authority) \_\_\_\_\_ of (name of party on whose

behalf record was executed) \_\_\_\_\_.

\_\_\_\_\_  
Notary Public – State of Oregon

Official Stamp

Document Description

This certificate is attached to page \_\_\_\_ of a \_\_\_\_\_ (title or type of document),

dated \_\_\_\_\_, 20\_\_\_\_, consisting of \_\_\_\_\_ pages.

**ORGANIZATION**

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**OREGON NOTARY ACKNOWLEDGMENT (LESSEE)**

State of OREGON

County of \_\_\_\_\_

This record was acknowledged before me on (date) \_\_\_\_\_, 20\_\_\_\_\_

by (name(s) of individual(s)) \_\_\_\_\_ as

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**ATTACHMENT A**  
**Summary of Responsibilities**  
**Repairs and Replacements**

	Lessor (HA)	Lessor-if Funding	Lessee (CH)/Lessee
Roof			
Major Repair/Replacement	<b>X</b>		
Minor Repair	<b>X</b>		
Exterior Walls / Siding <sup>(1)</sup>			
Major Repair/Replacement	<b>X</b>		
Minor Repair	<b>X</b>		
Heating/Vent/Coding			
Major Repair/Replacement	<b>X</b>		
Minor Repair	<b>X</b>		
Foundations			
Major Repair/Replacement		<b>X</b>	
Minor Repair	<b>X</b>		
Interior Walls <sup>(1)</sup>			
Major Repair/Replacement		<b>X</b>	
Minor Repair	<b>X</b>		
Interior Redecorating/Remodeling			<b>X</b>
Garage Door			
Major Repair/Replacement	<b>X</b>		
Minor Repair			<b>X</b>
Plumbing <sup>(1)</sup>			
Major Repair/Replacement	<b>X</b>		
Minor Repair (concealed)	<b>X</b>		
Minor Repair (exposed)			<b>X</b>
(1) Maintenance/repair of the building interior/exterior will be examined to determined responsibility i.e. normal wear and tear (HACC), accidental wear and tear due to program needs (lessee), or resident-caused (Lessee).			

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Electrical			
Major Repair	X		
Minor Repair (concealed)	X		
Minor Repair (exposed)			X
Landscaping			
Major Repair/Replacement		X	
Minor Repair			X
Floor Covering			
Major Repair/Replacement		X	X
Minor Repair	X		
Appliances			
Stove (Repair/Replacement) <sup>(2)</sup>			
Refrigerators (Repair/Replacement) <sup>(2)</sup>			
Dishwashers (repair/Replacement) <sup>(2)</sup>			
<sup>(2)</sup> Maintenance/repair on appliances that have been upgraded for program specific requirements/specifications will be repaired or replaced up to the standard appliance amounts allowed by HACCC. Any additional or exceeding costs will be the responsibility of the lessee/lessee.			
Garbage Disposal			X
Clothes Washer & Dryer			X
Code/Standards of Design		X	
Routine Minor Maintenance (light bulbs, furnace filters)			X
Broken Glass			X
Interior Doors			
Major Repair/Replacement			X
Minor Repair			X
Exterior Doors			
Major Repair/Replacement			X
Minor Repair			X
Routine Yard Maintenance			X

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Gutters – Cleaning			<b>X</b>
Cleaning Sidewalks			<b>X</b>
Client Caused Damage			<b>X</b>
Upgrades			<b>X</b>
Donated Equipment			<b>X</b>
Emergencies	<b>X</b>		

# LEASE

THIS LEASE is made and entered into by and between **HOUSING AUTHORITY OF CLACKAMAS COUNTY**, hereinafter called the LESSOR, and **NORTHWEST MENTAL HEALTH MANAGEMENT SERVICES**, hereinafter called the LESSEE.

The parties agree as follows:

## **1. DESCRIPTION OF PREMISES; PURPOSE OF LEASE**

LESSEE hereby leases a residence, more specifically described below, from the Housing Authority of Clackamas County (hereinafter called "LESSOR"). The property is known as:

376 Warner Parrott Road  
Oregon City, Clackamas County, Oregon, 97045

together with any and all rights, privileges, easements, and appurtenances, as well as any and all fixtures, rights, privileges, easements, and appurtenances that may now or exist in the future (collectively, the "Premises"). The parties agree that LESSOR is leasing the Premises for the specific purpose of providing a facility in which the LESSEE will operate a residential program, as described in Section 3, below.

## **2. RENT**

LESSEE shall pay to LESSOR rent for the Premises in the amount of \$949.00 per calendar month during the period commencing July 1, 2020 and ending on June 30, 2022. The lease payments are due on the first day of each month starting July 1, 2020. LESSEE shall pay directly to the LESSOR at P.O. Box 1510, Oregon City, Oregon 97045. LESSEE acknowledges that rents received after the 10th of the month will be subject to a \$25.00 late charge.

Rents shall increase annually by the amount of the increase in residents' Social Security Income (SSI) payments attributed to housing costs by the Oregon Department of Human Services, Seniors and People with Disabilities. Any increase so determined shall occur at the time the information is made available to the LESSOR, but shall not in any event be effective before the effective date of such increase in the SSI payment. LESSOR shall immediately notify LESSEE when any such notice is received.

## **3. USE OF PREMISES**

- a. The LESSEE shall use the leased premises during the term of this LEASE as follows:  
Operation of a residential facility for persons with developmental disabilities, plus any necessary support staff. LESSEE shall use the leased premises for no other purpose whatsoever without LESSOR's written consent.
- b. The LESSEE will not make any unlawful, improper or offensive use of said premises; LESSEE will not suffer any strip or waste thereof; LESSEE will not permit any objectionable noise or odor to escape or to be emitted from said Premises or do anything or permit anything to be done upon or about said Premises in any way tending to create a nuisance; LESSEE will not sell or permit to be sold any spirituous, vinous or malt liquors on said Premises; nor will LESSEE sell or permit to be sold any controlled substance on or about said Premises.

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- c. The LESSEE will not allow the leased Premises at any time to fall into such a state of disrepair or disorder as to increase the fire hazard thereon; LESSEE shall not install any power machinery on said Premises except with written consent of the LESSOR; LESSEE shall not store gasoline or other highly combustible materials on said Premises at any time; LESSEE will not use said Premises in such a way or for such a purpose that the fire insurance rate on the building in which said Premises are located is thereby increased or that would prevent the LESSOR from taking advantage of any rulings of any agency of the state in which said leased Premises are situated or its successors, which would allow the LESSOR to obtain reduced premium rates for longterm fire insurance policies.

### **4. UTILITIES**

The LESSEE shall pay for all heat, light, water, power, sewer and other services or utilities used at the Premises during the term of this LEASE.

### **5. REPAIRS AND IMPROVEMENTS**

Responsibility of all repairs and maintenance (other than routine) will be examined on a case by case basis to determine responsibility using the following guidelines and Attachment A. Maintenance/repair on appliances that have been upgraded or purchased for program specific requirements/specifications will be repaired or replaced for a cost not to exceed the repair or replacement cost of a standard appliance provided by the LESSOR. Maintenance/repair of the building interior/exterior will be examined to determine responsibility, i.e., normal wear and tear (LESSOR), accelerated wear and tear due to program needs (LESSEE), or resident-caused (LESSEE). LESSOR's obligations are contingent upon the availability of sufficient funds, as determined by LESSOR in its sole discretion.

- a. LESSOR has responsibility for repairs and maintenance as funds are available for the following:

- (1) Structural Major Repair/Replacement

Maintenance items related to the structure of the building to include: roof, exterior walls (repair and paint), siding, plumbing, and electrical systems, heating system, gutters, downspouts, foundation.

- (2) Non-structural Major Repair/Maintenance/Replacement

Maintenance of items that deteriorate due to normal use for a special needs house would include the total cost of repair/replacement of standard kitchen stoves, and refrigerators provided by LESSOR. Upgraded kitchen stoves or refrigerators will be repaired/replaced up to limitations set by the LESSOR.

If an item other than a stove or refrigerator needs to be replaced before its agreed upon life due to excessive or hard use by the LESSEE, the replacement costs will be split between LESSOR and LESSEE.



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Example: Carpet's life is set at 5 years, but wears out in 4 years. LESSOR pays 80% and LESSEE pays 20% of replacement cost.

(3) Standards of Design

These items of repair/maintenance/new installation or replacement are items that do not meet applicable building code or design requirements for the LESSEE's program. These are primarily health and safety issues.

Examples: asbestos, sprinkler system, fire alarm system.

LESSOR will work with LESSEE on needed major repairs and replacements to the extent possible with available funding.

In cases of emergency, which present an immediate threat to health and safety, LESSOR will provide repairs such that the immediate threat to health and safety is removed within 48 hours unless there has been a major disaster requiring LESSOR to respond to multiple sites of emergency.

b. LESSOR shall make repairs and provide maintenance as follows:

(1) Minor Repairs/Routine Maintenance, i.e. Items behind the wall (concealed) that require repair due to normal wear and tear.

Example: replace a part on the furnace.

(2) Repairs necessitated by vandalism, burglary or attempted burglary committed by individuals who are not agents, employers or invitees of the lessee or tenants or employees of LESSEE.

(3) Non-routine repairs to landscaping and tree pruning.

Except in cases of emergency, LESSOR will give at least 24-hours notice of proposed entry and repair. Whenever possible, this notice will be given to LESSEE's house manager. LESSEE shall report needed repairs according to a process agreed upon by LESSOR and LESSEE.

c. LESSEE shall be responsible for maintaining the Premises in a neat condition, free of trash and debris, in good order and repair. LESSEE agrees to be responsible for the following and maintain all of the following in good condition and repair, less reasonable wear and tear:

(1) Minor Repairs/Routine Maintenance/Appliance Repair and Replacement

Reference the Attachment A for specific examples.

LESSEE is responsible for repairs and maintenance to the Premises including the replacement of all glass which may be broken or cracked during the term of the lease

## **ORGANIZATION**

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with glass of as good or better quality, and replacement and repair of interior and exterior doors except the garage door, the full cost of repair and replacement of dishwashers and disposals. The cost of kitchen stove and refrigerator repair and replacement will be determined by the LESSOR as described in paragraph 2. LESSEE is also responsible for routine maintenance of the grounds of the leased Premises, including mowing the grass, weeding, edging of beds, washing exterior windows and ensuring the gutters are cleaned as necessary.

(2) Resident-Caused Damage

Any repairs necessitated by the acts or omissions of the LESSEE, or officers, agents, employees, clients, residents, or invitees of the LESSEE, including any repairs which would otherwise be required of LESSOR pursuant to subparagraphs a. and b. above, excluding daily wear and tear.

(3) Improvements

Improvements would be any elective change made to the home to improve the quality of life of the residents. Improvements would include upgrades, interior or exterior redecorating or remodeling, and interior painting.

Other examples: replacing a window air conditioner unit to central air, converting a storage room to a bathroom, appliance upgrades.

(4) Donated Equipment

The LESSEE and the LESSEE's vendor are responsible for all donated equipment.

The LESSEE will not be held responsible for repairs which result from original construction or substantial remodeling prior to LESSEE taking possession, or for substandard or nonworkman like work done by contractors hired by LESSOR.

A summary of the LESSOR's responsibilities, and of the LESSEE's responsibilities which the LESSEE agrees to be responsible for, as described above, is attached to this lease as Attachment A, and by this reference is incorporated herein.

## **6. LESSOR'S RIGHT OF ENTRY**

The LESSOR, or its authorized agents or representatives may enter the leased Premises at any reasonable time for the purpose of examining into the condition thereof, or any other lawful purpose. The LESSOR agrees to give the LESSEE 24 hours' notice thereof except in case of emergency, in which case no advance notice shall be required.

## **7. LOCKS AND KEYS**

The LESSEE, or its authorized agents or representatives, shall insure that all interior and exterior locks are maintained to allow LESSOR entry at all times with keys mastered to the LESSOR's specifications at the residence. Exceptions to this requirement will be considered on a case by case basis and must be approved by LESSOR prior to any lock changes.

## **8. RIGHT OF ASSIGNMENT**

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The LESSEE will not assign, transfer, pledge, hypothecate, surrender or dispose of this LEASE, or any interest herein, sublet, or permit any other person or persons whomsoever to occupy the leased Premises without the written consent of the LESSOR being first obtained in writing; this LEASE is personal to said LESSEE; LESSEE's interests, in whole or in part, cannot be sold, assigned, transferred, seized or taken by operation at law, or under or by virtue of any execution or legal process, attachment or proceedings instituted against the LESSEE, or under or by virtue of any bankruptcy or insolvency proceedings had in regard to the LESSEE, or in any other manner, except as above mentioned.

### **9. LIENS**

The LESSEE will not permit any lien of any kind, type or description to be placed or imposed upon the building in which said leased Premises are situated, or any part thereof, or the real estate on which it stands.

### **10. ICE. SNOW. DEBRIS**

If the Premises herein leased is located at street level, then at all times LESSEE shall keep the sidewalks in front of the leased Premises free and clear of ice, snow, rubbish, debris and obstruction; and if the LESSEE occupies the entire building, LESSEE will not permit rubbish, debris, ice or snow to accumulate on the roof of said building so as to stop up or obstruct gutters or downspouts or cause damage to said roof, and LESSEE will save harmless and protect the LESSOR against any injury whether to LESSOR, LESSEE or to LESSOR's property or to any other person or property caused by LESSEE's failure in that regard.

### **11. OVERLOADING OF FLOORS**

The LESSEE will not overload the floors of said Premises in such a way as to cause any undue or serious stress or strain upon the building in which said leased Premises are located, or any part thereof, and the LESSOR shall have the right, at any time, to call upon any competent engineer or architect whom the LESSOR may choose, to decide whether or not the floors of said Premises, or any part thereof, are being overloaded so as to cause any undue or serious stress or strain on said building, or any part thereof, and the decision of said engineer or architect shall be final and binding upon the LESSOR, and the LESSEE; and in the event that the engineer or architect so called upon shall decide that in his opinion the stress or strain is such as to endanger or injure said building, or any part thereof, then and in that event the LESSEE agrees immediately to relieve said stress or strain either by reinforcing the building or by lightening the load which causes such stress or strain in a manner satisfactory to the LESSOR.

### **12. ADVERTISING SIGNS**

The LESSEE will not use the outside walls of said Premises, or allow signs or devices of any kind to be attached thereto or suspended therefrom, for advertising or displaying the name or business of the LESSEE or for any purpose whatsoever without the written consent of the LESSOR; however, the LESSEE may make use of the windows of said leased Premises to display LESSEE's name and business when the workmanship of such signs shall be of good quality and permanent nature; provided further that the LESSEE may not suspend or place within said windows or paint thereon any banners, signs, signboards or other devices in violation of this section, or in violation of any applicable law or ordinance.

### **13. FIXTURES**

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All partitions, plumbing, electrical wiring, additions to or improvements upon the Premises, whether installed by the LESSOR or LESSEE, shall be and become a part of the Premises as soon as installed and the property of the LESSOR unless otherwise herein provided.

### **14. LIGHT AND AIR**

This LEASE does not grant any rights of access to light and air over the property.

### **15. INSURANCE**

LESSEE shall procure and maintain, for the duration of the lease, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the LESSEE's operations and use of the leased Premises. The cost of such insurance shall be borne by the LESSEE.

#### **MINIMUM SCOPE OF INSURANCE**

Coverage shall be at least as broad as:

- a. Insurance Services Office Commercial General Liability coverage.
- b. Insurance Services Office Additional Insured.
- c. Worker's Compensation insurance as required by state law and Employer's Liability Insurance (for LESSEEs with employees).
- d. Professional Errors and Omissions Liability insurance.
- e. Property insurance against all risks of loss to any tenant improvements, betterments, and LESSEE-owned business personal property.

#### **MINIMUM LIMITS OF INSURANCE LESSEE**

shall maintain limits no less than:

- a. General Liability: \$1,000,000 per occurrence, \$2,000,000 aggregate (including coverages for discrimination, fair housing and ADA violations, and sexual molestation).
- b. Workers' Compensation (statutory) and Employer's Liability: \$1,000,000 per accident for Bodily Injury or Disease.
- c. Professional Errors and Omissions Liability: not less than \$1,000,000 per occurrence, \$2,000,000 annual aggregate
- d. Property Insurance: full replacement cost with no co-insurance penalty provision.

**NOTE:** These limits can be attained by individual policies or by combining primary and umbrella policies.

#### **DEDUCTIBLES AND SELF-INSURED RETENTIONS**

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Any deductibles or self-insured retentions must be declared to and approved by the LESSOR. At the option of the LESSOR, either the insurer shall reduce or eliminate such deductibles or selfinsured retentions as respects the LESSOR, its officers, officials, employees and volunteers; or the LESSEE shall provide a financial guarantee satisfactory to the LESSOR guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

## **OTHER INSURANCE PROVISIONS**

The General Liability is to contain, or be endorsed to contain, the following provisions:

- a. The Housing Authority of Clackamas County, its officers, officials, employees and volunteers are to be covered as additional insured with respect to liability arising out of maintenance or use of that part of the Premises leased to the LESSEE.
- b. The LESSEE's insurance coverage shall be primary insurance as respects the Housing Authority of Clackamas County, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the Housing Authority of Clackamas County, its officers, officials, employees, or volunteers shall be excess of the LESSEE's insurance.
- c. Each insurance policy required by these specifications shall be endorsed to state that coverage shall not be cancelled or materially changed, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the Housing Authority of Clackamas County.
- d. Maintenance of the proper insurance for the duration of the contract is a material element of the contract. Material changes in the required coverage or cancellation of the coverage shall constitute a material breach of the contract by the LESSEE.

### **ACCEPTABILITY OF INSURERS**

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than B+:VI. LESSEEs must provide written verification of their insurer's rating.

Use of the leased premise must be preapproved by LESSOR. LESSEE shall indemnify the LESSOR for any claims resulting from the conduct of the LESSEE's subcontractors and/or failure to be properly insured.

## **16. EMINENT DOMAIN**

In case of the condemnation or purchase of all or any substantial part of the said leased Premises by any public or private corporation with the power of condemnation this LEASE may be terminated, effective on the date possession is taken, by either party hereto on written notice to the other and in that case the LESSEE shall not be liable for any rent after the termination date. LESSEE shall not be entitled to and hereby expressly waives any right to any part of the condemnation award or purchase price.

## **17. FOR SALE AND FOR RENT SIGNS**

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During the period of 90 days prior to the date above fixed for the termination of said LEASE, the LESSEE agrees that there may be posted on said Premises or in the windows thereof signs of moderate size notifying the public that the Premises are "for sale" or "for lease."

### **18. DELIVERING UP PREMISES ON TERMINATION**

At the expiration of said term or upon any sooner termination thereof, the LESSEE will quit and deliver up said leased Premises and all future erections or additions to or upon the same, broomclean, to the LESSOR, peaceably, quietly, and in as good order and condition, reasonable use and wear thereof, damage by fire, unavoidable casualty and the elements alone excepted, as the same are now in or hereafter may be put in by the LESSOR.

### **19. INDEMNIFICATION**

To the fullest extent permitted by law, LESSEE shall indemnify, defend and hold harmless LESSOR, and its agents, affiliates, employees, managers, officers, other contractors, heirs and assigns (hereinafter "Indemnified Parties") from and against any and all liability, claims, damage, costs, expenses, awards, fines, judgments, and attorney's fees (including, without limitation, expert witness fees and other litigation expenses) of every nature arising out of or in connection with LESSEE's performance of work hereunder, or work of its agents, employees, subcontractors and/or independent contractors, or their failure to comply with any of its obligations contained in this lease agreement, whether or not caused in whole or part by Indemnified Parties' active or passive negligence, intentional act or omission. Such obligation shall not be construed to negate, abridge or reduce other rights or obligations of indemnity that would otherwise exist as to the parties.

The indemnification obligations of LESSEE under this LEASE shall not be limited by the amounts or types of insurance (or the deductibles or self-insured retention amounts of such insurance) which LESSEE is required to carry under this Agreement. Indemnified Parties' right to indemnification from LESSEE under this section shall be independent of Indemnified Parties' rights under the insurance to be provided by LESSEE under this Agreement.

LESSEE's duty to defend the Indemnified Parties is entirely separate from, independent of, and free standing from LESSEE's duty to indemnify the Indemnified Parties, including, without limitation, the defense of the Indemnified Parties against claims for which the Indemnified Parties (or any of them) may be strictly liable and applies whether the issue of LESSEE's liability, breach of this LEASE or other obligation, or LESSEE's responsibility has been determined and whether the Indemnified Parties (or any of them) have paid any sums or incurred any detriment, arising out of or resulting directly or indirectly from LESSEE's performance under this LEASE. Such defense obligation shall arise immediately upon presentation of a claim by any person which arises out of or is connected to this LEASE by LESSEE or any of its agents and written notice of such claim being tendered to LESSEE.

### **20. PUBLIC CONTRACTING**

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 for the program conducted by the LESSEE on the leased Premises. In the event funds are not made available to LESSEE's program in or on the leased Premises, the LESSOR may end this lease

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agreement upon thirty (30) days' written notice to LESSEE and be subject to no legal or equitable remedies for the termination.

### **21. PETS**

No pets shall be kept on the leased Premises at any time unless approved in advance in writing by the LESSOR.

In the event LESSEE discovers any condition in or on the leased Premises which renders the Premises uninhabitable or dangerous for continued occupancy, LESSEE shall immediately notify LESSOR.

### **22. DANGEROUS CONDITIONS**

In the event LESSEE discovers any condition in or on the leased Premises which renders the Premises uninhabitable or dangerous for continued occupancy, LESSEE shall immediately notify LESSOR.

### **23. ATTACHMENT, BANKRUPTCY, DEFAULT**

PROVIDED, ALWAYS, and these presents are upon these conditions, that (1) if the LESSEE shall be in arrears in the payment of rent for a period of ten days after the same becomes due, or (2) if the LESSEE shall fail or neglect to do, keep, perform or observe any of the covenants and agreements contained herein on LESSEE's part to be done, kept, performed and observed and such default shall continue for ten days or more after written notice of such failure or neglect shall be given to LESSEE, or (3) if the LESSEE shall be declared bankrupt or insolvent according to law, or (4) if any assignment of LESSEE's property shall be made for the benefit of creditors, or (5) if on the expiration of this LEASE, LESSEE fails to surrender possession of said leased Premises, then and in either or any of said cases or events, each of which constitutes an event of default, the LESSOR may terminate this LEASE and lawfully, at its option immediately or at any time thereafter, without demand or notice, may enter into and upon said leased Premises and every part thereof and repossess the same as of LESSOR's former estate, and expel said LESSEE and those claiming by, through and under LESSEE and remove LESSEE's effects at LESSEE's expense, forcibly if necessary and store the same, all without being deemed guilty of trespass and without prejudice to any remedy which otherwise might be used for arrears of rent or preceding breach of covenant. Upon the occurrence of an event of default described above, LESSOR may exercise any one or more of the remedies set forth in this Lease or any other remedy available under applicable law, whether in equity, under contract, or at law.

Neither the termination of this LEASE by forfeiture nor the taking or recovery of possession of the Premises shall deprive LESSOR of any other action, right, or remedy against LESSEE for possession, rent or damages, nor shall any omission by LESSOR to enforce any forfeiture, right or remedy to which LESSEE may be entitled be deemed a waiver by LESSOR of the right to enforce the performance of all terms and conditions of this LEASE by LESSEE.

In the event of any re-entry by LESSOR, LESSOR may re-lease the Premises to any tenant tenants who provide housing and support services to persons who are served by or case managed by Clackamas County Social Services, Developmental Disability Program. LESSOR shall apply the rent received from any new tenant first to the cost of retaking and resubletting the Premises, including any costs incurred to obtain a new tenant, and then to any arrears of rent and future rent payable under this LEASE and any other damages to which LESSOR may be entitled hereunder.

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Any property which LESSEE leaves on the Premises after abandonment or expiration of this LEASE, or for more than ten days after any termination of the lease by LESSOR shall be deemed to have been abandoned, and LESSOR may remove and sell said property at public or private sale as LESSOR sees fit, without being liable for any prosecution therefore or for damages by reason thereof, and the net proceeds of said sale shall be applied toward the expenses as aforesaid, and the balance of such amounts, if any, shall be held for and paid to the LESSEE.

**24. HOLDING OVER**

In the event the LESSEE for any reason shall hold over after the expiration of this LEASE, such holding over shall not be deemed to operate as a renewal or extension of this LEASE, but shall only create a tenancy from month to month which may be terminated at will at any time by the LESSOR.

**25. NO ATTORNEY FEES AND COSTS**

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.

**26. WAIVER**

LESSOR and LESSEE agree that failure by either party to insist upon strict performance of the terms, covenants, agreements and conditions of this Lease shall not constitute or be construed as a waiver or relinquishment of either party's right thereafter to enforce any such term, covenant, agreement or condition, but the same shall continue in full force and effect.

**27. NOTICES**

Any notice required by the terms of the LEASE to be given shall be sufficient if in writing contained in a sealed envelope deposited in US Mails and if intended for:

LESSOR:

Housing Authority of Clackamas County  
PO Box 1510  
Oregon City, OR 97045

LESSEE:

Northwest Mental Health Management  
Services, Inc.  
1020 Portland Avenue  
Gladstone, OR 97027

Any such notice shall be deemed conclusively to have been delivered to the addressee thereof forty-eight (48) hours after the deposit thereof in said US Mails.

**28. HEIRS AND ASSIGNS**

All rights, remedies and liabilities herein given to or imposed upon either of the parties hereto shall extend to, inure to the benefit of and bind, as the circumstances may require, the heirs, executors, administrators, successors and, so far as this LEASE is assignable by the term hereof, to the assigns of such parties.

In construing this LEASE, it is understood that the LESSOR or the LESSEE may be more than one person; that if the context so requires, the singular pronoun shall be taken to mean and include



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the plural, the masculine, the feminine and the neuter, and that generally all grammatical changes shall be made, assumed and implied to make the provisions hereof apply equally to corporations and to individuals.

### **29. NON-WAIVER OF GOVERNMENTAL RIGHTS.**

Subject to the terms and conditions of this Lease, LESSOR 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.

### **30. RECORDATION OF LEASE.**

LESSOR 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. LESSOR will pay the recording costs.

### **31. 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 LESSOR 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 LESSOR 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.

### **32. 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 including, but not limited to, execution of any additional documents that may be required by LESSOR's state or federal funding sources.

### **33. FORCE MAJEURE.**

Neither LESSOR nor LESSEE shall be held responsible for delay or default caused by events outside the LESSOR or LESSEE's reasonable control including, but not limited to, fire, terrorism, riot, acts of God, or war. However, both parties shall make all reasonable efforts to remove or eliminate such a cause of delay or default and shall upon the cessation of the cause, diligently pursue performance of its obligations under this Lease.

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### **34. TAXES**

- 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 based on or otherwise in connection with the use, occupancy, or operations of the Premises, or with respect to services or utilities in connection with the use, occupancy, or operations of the Premises. Taxes will include, but not be limited to, state and local real-property 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.
- 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. Evidence of Payment. Upon written request by LESSOR, LESSEE shall provide LESSOR with evidence reasonably satisfactory to LESSOR that all Taxes required to be paid by LESSEE have been paid.
- d. Property Tax Exemption. LESSEE is responsible for filing the application for a property tax exemption under applicable Oregon law. In the event, the LESSEE fails to file the tax property tax exemption with the Clackamas County Department of Assessment and Taxation by the required deadline and the Premises loses its tax exempt status, LESSEE will be responsible for payment of any taxes or late filing fees assessed against the Premises.

### **35. TERMINATION**

- a. Non-default Termination: This Lease may be terminated for the following non-default reasons: (1) by mutual agreement of the parties; or (2) upon ninety (90) day's written notice to LESSEE, LESSOR may terminate this Lease for convenience, if LESSOR fails to receive expenditure authority sufficient to allow LESSOR, in the exercise of its reasonable administrative discretion, to continue to perform under this Lease, or 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, LESSOR may immediately terminate this Lease upon written notice to LESSEE and exercise any remedy provided herein.

IN WITNESS WHEREOF, the respective parties have executed this instrument, any corporation signature being by authority of its Board of Directors.

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**LESSEE:**  
**NORTHWEST MENTAL HEALTH MANAGEMENT SERVICES, INC.**

**LESSOR:**  
**HOUSING AUTHORITY OF CLACKAMAS COUNTY**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

By: \_\_\_\_\_  
Its: \_\_\_\_\_

By: Jill C. Smith  
Its: Executive Director

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**OREGON NOTARY ACKNOWLEDGMENT (LESSOR)**

State of OREGON

County of \_\_\_\_\_

This record was acknowledged before me on (date) \_\_\_\_\_, 20\_\_\_\_\_

by (name(s) of individual(s)) \_\_\_\_\_ as

(type of authority) \_\_\_\_\_ of (name of party on whose

behalf record was executed) \_\_\_\_\_.

\_\_\_\_\_  
Notary Public – State of Oregon

Official Stamp

Document Description

This certificate is attached to page \_\_\_\_ of a \_\_\_\_\_ (title or type of document),

dated \_\_\_\_\_, 20\_\_\_\_, consisting of \_\_\_\_\_ pages.

**ORGANIZATION**

2020-2023 LEASE - 376 Warner Parrott Road

**OREGON NOTARY ACKNOWLEDGMENT (LESSEE)**

State of OREGON

County of \_\_\_\_\_

This record was acknowledged before me on (date) \_\_\_\_\_, 20\_\_\_\_\_

by (name(s) of individual(s)) \_\_\_\_\_ as

(type of authority) \_\_\_\_\_ of (name of party on whose

behalf record was executed) \_\_\_\_\_.

\_\_\_\_\_  
Notary Public – State of Oregon

Official Stamp

Document Description

This certificate is attached to page \_\_\_\_ of a \_\_\_\_\_ (title or type of document),

dated \_\_\_\_\_, 20\_\_\_\_\_, consisting of \_\_\_\_\_ pages.

**ORGANIZATION**

2020-2023 LEASE - 376 Warner Parrott Road

**ATTACHMENT A**  
**Summary of Responsibilities**  
**Repairs and Replacements**

	Lessor (HA)	Lessor-if Funding	Lessee (CH)/Lessee
Roof			
Major Repair/Replacement	<b>X</b>		
Minor Repair	<b>X</b>		
Exterior Walls / Siding <sup>(1)</sup>			
Major Repair/Replacement	<b>X</b>		
Minor Repair	<b>X</b>		
Heating/Vent/Coding			
Major Repair/Replacement	<b>X</b>		
Minor Repair	<b>X</b>		
Foundations			
Major Repair/Replacement		<b>X</b>	
Minor Repair	<b>X</b>		
Interior Walls <sup>(1)</sup>			
Major Repair/Replacement		<b>X</b>	
Minor Repair	<b>X</b>		
Interior Redecorating/Remodeling			<b>X</b>
Garage Door			
Major Repair/Replacement	<b>X</b>		
Minor Repair			<b>X</b>
Plumbing <sup>(1)</sup>			
Major Repair/Replacement	<b>X</b>		
Minor Repair (concealed)	<b>X</b>		
Minor Repair (exposed)			<b>X</b>
(1) Maintenance/repair of the building interior/exterior will be examined to determined responsibility i.e. normal wear and tear (HACC), accidental wear and tear due to program needs (lessee), or resident-caused (Lessee).			

**ORGANIZATION**

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Electrical			
Major Repair	X		
Minor Repair (concealed)	X		
Minor Repair (exposed)			X
Landscaping			
Major Repair/Replacement		X	
Minor Repair			X
Floor Covering			
Major Repair/Replacement		X	X
Minor Repair	X		
Appliances			
Stove (Repair/Replacement) <sup>(2)</sup>			
Refrigerators (Repair/Replacement) <sup>(2)</sup>			
Dishwashers (repair/Replacement) <sup>(2)</sup>			
<sup>(2)</sup> Maintenance/repair on appliances that have been upgraded for program specific requirements/specifications will be repaired or replaced up to the standard appliance amounts allowed by HACCC. Any additional or exceeding costs will be the responsibility of the lessee/lessee.			
Garbage Disposal			X
Clothes Washer & Dryer			X
Code/Standards of Design		X	
Routine Minor Maintenance (light bulbs, furnace filters)			X
Broken Glass			X
Interior Doors			
Major Repair/Replacement			X
Minor Repair			X
Exterior Doors			
Major Repair/Replacement			X
Minor Repair			X
Routine Yard Maintenance			X

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Gutters – Cleaning			<b>X</b>
Cleaning Sidewalks			<b>X</b>
Client Caused Damage			<b>X</b>
Upgrades			<b>X</b>
Donated Equipment			<b>X</b>
Emergencies	<b>X</b>		

# LEASE

THIS LEASE is made and entered into by and between **HOUSING AUTHORITY OF CLACKAMAS COUNTY**, hereinafter called the LESSOR, and **NORTHWEST MENTAL HEALTH MANAGEMENT SERVICES**, hereinafter called the LESSEE.

The parties agree as follows:

## **1. DESCRIPTION OF PREMISES; PURPOSE OF LEASE**

LESSEE hereby leases a residence, more specifically described below, from the Housing Authority of Clackamas County (hereinafter called "LESSOR"). The property is known as:

2885 Maple Street  
Milwaukie, Clackamas County, Oregon, 97267

together with any and all rights, privileges, easements, and appurtenances, as well as any and all fixtures, rights, privileges, easements, and appurtenances that may now or exist in the future (collectively, the "Premises"). The parties agree that LESSOR is leasing the Premises for the specific purpose of providing a facility in which the LESSEE will operate a residential program, as described in Section 3, below.

## **2. RENT**

LESSEE shall pay to LESSOR rent for the Premises in the amount of \$1,187.00 per calendar month during the period commencing July 1, 2020 and ending on June 30, 2022. The lease payments are due on the first day of each month starting July 1, 2020. LESSEE shall pay directly to the LESSOR at P.O. Box 1510, Oregon City, Oregon 97045. LESSEE acknowledges that rents received after the 10th of the month will be subject to a \$25.00 late charge.

Rents shall increase annually by the amount of the increase in residents' Social Security Income (SSI) payments attributed to housing costs by the Oregon Department of Human Services, Seniors and People with Disabilities. Any increase so determined shall occur at the time the information is made available to the LESSOR, but shall not in any event be effective before the effective date of such increase in the SSI payment. LESSOR shall immediately notify LESSEE when any such notice is received.

## **3. USE OF PREMISES**

- a. The LESSEE shall use the leased premises during the term of this LEASE as follows:  
Operation of a residential facility for persons with developmental disabilities, plus any necessary support staff. LESSEE shall use the leased premises for no other purpose whatsoever without LESSOR's written consent.
- b. The LESSEE will not make any unlawful, improper or offensive use of said premises; LESSEE will not suffer any strip or waste thereof; LESSEE will not permit any objectionable noise or odor to escape or to be emitted from said Premises or do anything or permit anything to be done upon or about said Premises in any way tending to create a nuisance; LESSEE will not sell or permit to be sold any spirituous, vinous or malt liquors on said Premises; nor will LESSEE sell or permit to be sold any controlled substance on or about said Premises.



## **ORGANIZATION**

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- c. The LESSEE will not allow the leased Premises at any time to fall into such a state of disrepair or disorder as to increase the fire hazard thereon; LESSEE shall not install any power machinery on said Premises except with written consent of the LESSOR; LESSEE shall not store gasoline or other highly combustible materials on said Premises at any time; LESSEE will not use said Premises in such a way or for such a purpose that the fire insurance rate on the building in which said Premises are located is thereby increased or that would prevent the LESSOR from taking advantage of any rulings of any agency of the state in which said leased Premises are situated or its successors, which would allow the LESSOR to obtain reduced premium rates for longterm fire insurance policies.

#### **4. UTILITIES**

The LESSEE shall pay for all heat, light, water, power, sewer and other services or utilities used at the Premises during the term of this LEASE.

#### **5. REPAIRS AND IMPROVEMENTS**

Responsibility of all repairs and maintenance (other than routine) will be examined on a case by case basis to determine responsibility using the following guidelines and Attachment A. Maintenance/repair on appliances that have been upgraded or purchased for program specific requirements/specifications will be repaired or replaced for a cost not to exceed the repair or replacement cost of a standard appliance provided by the LESSOR. Maintenance/repair of the building interior/exterior will be examined to determine responsibility, i.e., normal wear and tear (LESSOR), accelerated wear and tear due to program needs (LESSEE), or resident-caused (LESSEE). LESSOR's obligations are contingent upon the availability of sufficient funds, as determined by LESSOR in its sole discretion.

- a. LESSOR has responsibility for repairs and maintenance as funds are available for the following:

- (1) Structural Major Repair/Replacement

Maintenance items related to the structure of the building to include: roof, exterior walls (repair and paint), siding, plumbing, and electrical systems, heating system, gutters, downspouts, foundation.

- (2) Non-structural Major Repair/Maintenance/Replacement

Maintenance of items that deteriorate due to normal use for a special needs house would include the total cost of repair/replacement of standard kitchen stoves, and refrigerators provided by LESSOR. Upgraded kitchen stoves or refrigerators will be repaired/replaced up to limitations set by the LESSOR.

If an item other than a stove or refrigerator needs to be replaced before its agreed upon life due to excessive or hard use by the LESSEE, the replacement costs will be split between LESSOR and LESSEE.

## ORGANIZATION

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Example: Carpet's life is set at 5 years, but wears out in 4 years. LESSOR pays 80% and LESSEE pays 20% of replacement cost.

(3) Standards of Design

These items of repair/maintenance/new installation or replacement are items that do not meet applicable building code or design requirements for the LESSEE's program. These are primarily health and safety issues.

Examples: asbestos, sprinkler system, fire alarm system.

LESSOR will work with LESSEE on needed major repairs and replacements to the extent possible with available funding.

In cases of emergency, which present an immediate threat to health and safety, LESSOR will provide repairs such that the immediate threat to health and safety is removed within 48 hours unless there has been a major disaster requiring LESSOR to respond to multiple sites of emergency.

b. LESSOR shall make repairs and provide maintenance as follows:

(1) Minor Repairs/Routine Maintenance, i.e. Items behind the wall (concealed) that require repair due to normal wear and tear.

Example: replace a part on the furnace.

(2) Repairs necessitated by vandalism, burglary or attempted burglary committed by individuals who are not agents, employers or invitees of the lessee or tenants or employees of LESSEE.

(3) Non-routine repairs to landscaping and tree pruning.

Except in cases of emergency, LESSOR will give at least 24-hours notice of proposed entry and repair. Whenever possible, this notice will be given to LESSEE's house manager. LESSEE shall report needed repairs according to a process agreed upon by LESSOR and LESSEE.

c. LESSEE shall be responsible for maintaining the Premises in a neat condition, free of trash and debris, in good order and repair. LESSEE agrees to be responsible for the following and maintain all of the following in good condition and repair, less reasonable wear and tear:

(1) Minor Repairs/Routine Maintenance/Appliance Repair and Replacement

Reference the Attachment A for specific examples.

LESSEE is responsible for repairs and maintenance to the Premises including the replacement of all glass which may be broken or cracked during the term of the lease

## **ORGANIZATION**

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with glass of as good or better quality, and replacement and repair of interior and exterior doors except the garage door, the full cost of repair and replacement of dishwashers and disposals. The cost of kitchen stove and refrigerator repair and replacement will be determined by the LESSOR as described in paragraph 2. LESSEE is also responsible for routine maintenance of the grounds of the leased Premises, including mowing the grass, weeding, edging of beds, washing exterior windows and ensuring the gutters are cleaned as necessary.

(2) Resident-Caused Damage

Any repairs necessitated by the acts or omissions of the LESSEE, or officers, agents, employees, clients, residents, or invitees of the LESSEE, including any repairs which would otherwise be required of LESSOR pursuant to subparagraphs a. and b. above, excluding daily wear and tear.

(3) Improvements

Improvements would be any elective change made to the home to improve the quality of life of the residents. Improvements would include upgrades, interior or exterior redecorating or remodeling, and interior painting.

Other examples: replacing a window air conditioner unit to central air, converting a storage room to a bathroom, appliance upgrades.

(4) Donated Equipment

The LESSEE and the LESSEE's vendor are responsible for all donated equipment.

The LESSEE will not be held responsible for repairs which result from original construction or substantial remodeling prior to LESSEE taking possession, or for substandard or nonworkman like work done by contractors hired by LESSOR.

A summary of the LESSOR's responsibilities, and of the LESSEE's responsibilities which the LESSEE agrees to be responsible for, as described above, is attached to this lease as Attachment A, and by this reference is incorporated herein.

## **6. LESSOR'S RIGHT OF ENTRY**

The LESSOR, or its authorized agents or representatives may enter the leased Premises at any reasonable time for the purpose of examining into the condition thereof, or any other lawful purpose. The LESSOR agrees to give the LESSEE 24 hours' notice thereof except in case of emergency, in which case no advance notice shall be required.

## **7. LOCKS AND KEYS**

The LESSEE, or its authorized agents or representatives, shall insure that all interior and exterior locks are maintained to allow LESSOR entry at all times with keys mastered to the LESSOR's specifications at the residence. Exceptions to this requirement will be considered on a case by case basis and must be approved by LESSOR prior to any lock changes.

## **8. RIGHT OF ASSIGNMENT**

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The LESSEE will not assign, transfer, pledge, hypothecate, surrender or dispose of this LEASE, or any interest herein, sublet, or permit any other person or persons whomsoever to occupy the leased Premises without the written consent of the LESSOR being first obtained in writing; this LEASE is personal to said LESSEE; LESSEE's interests, in whole or in part, cannot be sold, assigned, transferred, seized or taken by operation at law, or under or by virtue of any execution or legal process, attachment or proceedings instituted against the LESSEE, or under or by virtue of any bankruptcy or insolvency proceedings had in regard to the LESSEE, or in any other manner, except as above mentioned.

### **9. LIENS**

The LESSEE will not permit any lien of any kind, type or description to be placed or imposed upon the building in which said leased Premises are situated, or any part thereof, or the real estate on which it stands.

### **10. ICE. SNOW. DEBRIS**

If the Premises herein leased is located at street level, then at all times LESSEE shall keep the sidewalks in front of the leased Premises free and clear of ice, snow, rubbish, debris and obstruction; and if the LESSEE occupies the entire building, LESSEE will not permit rubbish, debris, ice or snow to accumulate on the roof of said building so as to stop up or obstruct gutters or downspouts or cause damage to said roof, and LESSEE will save harmless and protect the LESSOR against any injury whether to LESSOR, LESSEE or to LESSOR's property or to any other person or property caused by LESSEE's failure in that regard.

### **11. OVERLOADING OF FLOORS**

The LESSEE will not overload the floors of said Premises in such a way as to cause any undue or serious stress or strain upon the building in which said leased Premises are located, or any part thereof, and the LESSOR shall have the right, at any time, to call upon any competent engineer or architect whom the LESSOR may choose, to decide whether or not the floors of said Premises, or any part thereof, are being overloaded so as to cause any undue or serious stress or strain on said building, or any part thereof, and the decision of said engineer or architect shall be final and binding upon the LESSOR, and the LESSEE; and in the event that the engineer or architect so called upon shall decide that in his opinion the stress or strain is such as to endanger or injure said building, or any part thereof, then and in that event the LESSEE agrees immediately to relieve said stress or strain either by reinforcing the building or by lightening the load which causes such stress or strain in a manner satisfactory to the LESSOR.

### **12. ADVERTISING SIGNS**

The LESSEE will not use the outside walls of said Premises, or allow signs or devices of any kind to be attached thereto or suspended therefrom, for advertising or displaying the name or business of the LESSEE or for any purpose whatsoever without the written consent of the LESSOR; however, the LESSEE may make use of the windows of said leased Premises to display LESSEE's name and business when the workmanship of such signs shall be of good quality and permanent nature; provided further that the LESSEE may not suspend or place within said windows or paint thereon any banners, signs, signboards or other devices in violation of this section, or in violation of any applicable law or ordinance.

### **13. FIXTURES**

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All partitions, plumbing, electrical wiring, additions to or improvements upon the Premises, whether installed by the LESSOR or LESSEE, shall be and become a part of the Premises as soon as installed and the property of the LESSOR unless otherwise herein provided.

### **14. LIGHT AND AIR**

This LEASE does not grant any rights of access to light and air over the property.

### **15. INSURANCE**

LESSEE shall procure and maintain, for the duration of the lease, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the LESSEE's operations and use of the leased Premises. The cost of such insurance shall be borne by the LESSEE.

#### **MINIMUM SCOPE OF INSURANCE**

Coverage shall be at least as broad as:

- a. Insurance Services Office Commercial General Liability coverage.
- b. Insurance Services Office Additional Insured.
- c. Worker's Compensation insurance as required by state law and Employer's Liability Insurance (for LESSEEs with employees).
- d. Professional Errors and Omissions Liability insurance.
- e. Property insurance against all risks of loss to any tenant improvements, betterments, and LESSEE-owned business personal property.

#### **MINIMUM LIMITS OF INSURANCE LESSEE**

shall maintain limits no less than:

- a. General Liability: \$1,000,000 per occurrence, \$2,000,000 aggregate (including coverages for discrimination, fair housing and ADA violations, and sexual molestation).
- b. Workers' Compensation (statutory) and Employer's Liability: \$1,000,000 per accident for Bodily Injury or Disease.
- c. Professional Errors and Omissions Liability: not less than \$1,000,000 per occurrence, \$2,000,000 annual aggregate
- d. Property Insurance: full replacement cost with no co-insurance penalty provision.

**NOTE:** These limits can be attained by individual policies or by combining primary and umbrella policies.

#### **DEDUCTIBLES AND SELF-INSURED RETENTIONS**

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Any deductibles or self-insured retentions must be declared to and approved by the LESSOR. At the option of the LESSOR, either the insurer shall reduce or eliminate such deductibles or selfinsured retentions as respects the LESSOR, its officers, officials, employees and volunteers; or the LESSEE shall provide a financial guarantee satisfactory to the LESSOR guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

## **OTHER INSURANCE PROVISIONS**

The General Liability is to contain, or be endorsed to contain, the following provisions:

- a. The Housing Authority of Clackamas County, its officers, officials, employees and volunteers are to be covered as additional insured with respect to liability arising out of maintenance or use of that part of the Premises leased to the LESSEE.
- b. The LESSEE's insurance coverage shall be primary insurance as respects the Housing Authority of Clackamas County, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the Housing Authority of Clackamas County, its officers, officials, employees, or volunteers shall be excess of the LESSEE's insurance.
- c. Each insurance policy required by these specifications shall be endorsed to state that coverage shall not be cancelled or materially changed, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the Housing Authority of Clackamas County.
- d. Maintenance of the proper insurance for the duration of the contract is a material element of the contract. Material changes in the required coverage or cancellation of the coverage shall constitute a material breach of the contract by the LESSEE.

### **ACCEPTABILITY OF INSURERS**

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than B+:VI. LESSEEs must provide written verification of their insurer's rating.

Use of the leased premise must be preapproved by LESSOR. LESSEE shall indemnify the LESSOR for any claims resulting from the conduct of the LESSEE's subcontractors and/or failure to be properly insured.

## **16. EMINENT DOMAIN**

In case of the condemnation or purchase of all or any substantial part of the said leased Premises by any public or private corporation with the power of condemnation this LEASE may be terminated, effective on the date possession is taken, by either party hereto on written notice to the other and in that case the LESSEE shall not be liable for any rent after the termination date. LESSEE shall not be entitled to and hereby expressly waives any right to any part of the condemnation award or purchase price.

## **17. FOR SALE AND FOR RENT SIGNS**

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During the period of 90 days prior to the date above fixed for the termination of said LEASE, the LESSEE agrees that there may be posted on said Premises or in the windows thereof signs of moderate size notifying the public that the Premises are "for sale" or "for lease."

### **18. DELIVERING UP PREMISES ON TERMINATION**

At the expiration of said term or upon any sooner termination thereof, the LESSEE will quit and deliver up said leased Premises and all future erections or additions to or upon the same, broomclean, to the LESSOR, peaceably, quietly, and in as good order and condition, reasonable use and wear thereof, damage by fire, unavoidable casualty and the elements alone excepted, as the same are now in or hereafter may be put in by the LESSOR.

### **19. INDEMNIFICATION**

To the fullest extent permitted by law, LESSEE shall indemnify, defend and hold harmless LESSOR, and its agents, affiliates, employees, managers, officers, other contractors, heirs and assigns (hereinafter "Indemnified Parties") from and against any and all liability, claims, damage, costs, expenses, awards, fines, judgments, and attorney's fees (including, without limitation, expert witness fees and other litigation expenses) of every nature arising out of or in connection with LESSEE's performance of work hereunder, or work of its agents, employees, subcontractors and/or independent contractors, or their failure to comply with any of its obligations contained in this lease agreement, whether or not caused in whole or part by Indemnified Parties' active or passive negligence, intentional act or omission. Such obligation shall not be construed to negate, abridge or reduce other rights or obligations of indemnity that would otherwise exist as to the parties.

The indemnification obligations of LESSEE under this LEASE shall not be limited by the amounts or types of insurance (or the deductibles or self-insured retention amounts of such insurance) which LESSEE is required to carry under this Agreement. Indemnified Parties' right to indemnification from LESSEE under this section shall be independent of Indemnified Parties' rights under the insurance to be provided by LESSEE under this Agreement.

LESSEE's duty to defend the Indemnified Parties is entirely separate from, independent of, and free standing from LESSEE's duty to indemnify the Indemnified Parties, including, without limitation, the defense of the Indemnified Parties against claims for which the Indemnified Parties (or any of them) may be strictly liable and applies whether the issue of LESSEE's liability, breach of this LEASE or other obligation, or LESSEE's responsibility has been determined and whether the Indemnified Parties (or any of them) have paid any sums or incurred any detriment, arising out of or resulting directly or indirectly from LESSEE's performance under this LEASE. Such defense obligation shall arise immediately upon presentation of a claim by any person which arises out of or is connected to this LEASE by LESSEE or any of its agents and written notice of such claim being tendered to LESSEE.

### **20. PUBLIC CONTRACTING**

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 for the program conducted by the LESSEE on the leased Premises. In the event funds are not made available to LESSEE's program in or on the leased Premises, the LESSOR may end this lease

## **ORGANIZATION**

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agreement upon thirty (30) days' written notice to LESSEE and be subject to no legal or equitable remedies for the termination.

### **21. PETS**

No pets shall be kept on the leased Premises at any time unless approved in advance in writing by the LESSOR.

In the event LESSEE discovers any condition in or on the leased Premises which renders the Premises uninhabitable or dangerous for continued occupancy, LESSEE shall immediately notify LESSOR.

### **22. DANGEROUS CONDITIONS**

In the event LESSEE discovers any condition in or on the leased Premises which renders the Premises uninhabitable or dangerous for continued occupancy, LESSEE shall immediately notify LESSOR.

### **23. ATTACHMENT, BANKRUPTCY, DEFAULT**

PROVIDED, ALWAYS, and these presents are upon these conditions, that (1) if the LESSEE shall be in arrears in the payment of rent for a period of ten days after the same becomes due, or (2) if the LESSEE shall fail or neglect to do, keep, perform or observe any of the covenants and agreements contained herein on LESSEE's part to be done, kept, performed and observed and such default shall continue for ten days or more after written notice of such failure or neglect shall be given to LESSEE, or (3) if the LESSEE shall be declared bankrupt or insolvent according to law, or (4) if any assignment of LESSEE's property shall be made for the benefit of creditors, or (5) if on the expiration of this LEASE, LESSEE fails to surrender possession of said leased Premises, then and in either or any of said cases or events, each of which constitutes an event of default, the LESSOR may terminate this LEASE and lawfully, at its option immediately or at any time thereafter, without demand or notice, may enter into and upon said leased Premises and every part thereof and repossess the same as of LESSOR's former estate, and expel said LESSEE and those claiming by, through and under LESSEE and remove LESSEE's effects at LESSEE's expense, forcibly if necessary and store the same, all without being deemed guilty of trespass and without prejudice to any remedy which otherwise might be used for arrears of rent or preceding breach of covenant. Upon the occurrence of an event of default described above, LESSOR may exercise any one or more of the remedies set forth in this Lease or any other remedy available under applicable law, whether in equity, under contract, or at law.

Neither the termination of this LEASE by forfeiture nor the taking or recovery of possession of the Premises shall deprive LESSOR of any other action, right, or remedy against LESSEE for possession, rent or damages, nor shall any omission by LESSOR to enforce any forfeiture, right or remedy to which LESSEE may be entitled be deemed a waiver by LESSOR of the right to enforce the performance of all terms and conditions of this LEASE by LESSEE.

In the event of any re-entry by LESSOR, LESSOR may re-lease the Premises to any tenant tenants who provide housing and support services to persons who are served by or case managed by Clackamas County Social Services, Developmental Disability Program. LESSOR shall apply the rent received from any new tenant first to the cost of retaking and resubletting the Premises, including any costs incurred to obtain a new tenant, and then to any arrears of rent and future rent payable under this LEASE and any other damages to which LESSOR may be entitled hereunder.



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Any property which LESSEE leaves on the Premises after abandonment or expiration of this LEASE, or for more than ten days after any termination of the lease by LESSOR shall be deemed to have been abandoned, and LESSOR may remove and sell said property at public or private sale as LESSOR sees fit, without being liable for any prosecution therefore or for damages by reason thereof, and the net proceeds of said sale shall be applied toward the expenses as aforesaid, and the balance of such amounts, if any, shall be held for and paid to the LESSEE.

**24. HOLDING OVER**

In the event the LESSEE for any reason shall hold over after the expiration of this LEASE, such holding over shall not be deemed to operate as a renewal or extension of this LEASE, but shall only create a tenancy from month to month which may be terminated at will at any time by the LESSOR.

**25. NO ATTORNEY FEES AND COSTS**

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.

**26. WAIVER**

LESSOR and LESSEE agree that failure by either party to insist upon strict performance of the terms, covenants, agreements and conditions of this Lease shall not constitute or be construed as a waiver or relinquishment of either party's right thereafter to enforce any such term, covenant, agreement or condition, but the same shall continue in full force and effect.

**27. NOTICES**

Any notice required by the terms of the LEASE to be given shall be sufficient if in writing contained in a sealed envelope deposited in US Mails and if intended for:

LESSOR:

Housing Authority of Clackamas County  
PO Box 1510  
Oregon City, OR 97045

LESSEE:

Northwest Mental Health Management  
Services, Inc.  
1020 Portland Avenue  
Gladstone, OR 97027

Any such notice shall be deemed conclusively to have been delivered to the addressee thereof forty-eight (48) hours after the deposit thereof in said US Mails.

**28. HEIRS AND ASSIGNS**

All rights, remedies and liabilities herein given to or imposed upon either of the parties hereto shall extend to, inure to the benefit of and bind, as the circumstances may require, the heirs, executors, administrators, successors and, so far as this LEASE is assignable by the term hereof, to the assigns of such parties.

In construing this LEASE, it is understood that the LESSOR or the LESSEE may be more than one person; that if the context so requires, the singular pronoun shall be taken to mean and include

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the plural, the masculine, the feminine and the neuter, and that generally all grammatical changes shall be made, assumed and implied to make the provisions hereof apply equally to corporations and to individuals.

### **29. NON-WAIVER OF GOVERNMENTAL RIGHTS.**

Subject to the terms and conditions of this Lease, LESSOR 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.

### **30. RECORDATION OF LEASE.**

LESSOR 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. LESSOR will pay the recording costs.

### **31. 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 LESSOR 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 LESSOR 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.

### **32. 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 including, but not limited to, execution of any additional documents that may be required by LESSOR's state or federal funding sources.

### **33. FORCE MAJEURE.**

Neither LESSOR nor LESSEE shall be held responsible for delay or default caused by events outside the LESSOR or LESSEE's reasonable control including, but not limited to, fire, terrorism, riot, acts of God, or war. However, both parties shall make all reasonable efforts to remove or eliminate such a cause of delay or default and shall upon the cessation of the cause, diligently pursue performance of its obligations under this Lease.

## **ORGANIZATION**

2020-2023 LEASE - 2885 Maple Street

### **34. TAXES**

- 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 based on or otherwise in connection with the use, occupancy, or operations of the Premises, or with respect to services or utilities in connection with the use, occupancy, or operations of the Premises. Taxes will include, but not be limited to, state and local real-property 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.
- 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. Evidence of Payment. Upon written request by LESSOR, LESSEE shall provide LESSOR with evidence reasonably satisfactory to LESSOR that all Taxes required to be paid by LESSEE have been paid.
- d. Property Tax Exemption. LESSEE is responsible for filing the application for a property tax exemption under applicable Oregon law. In the event, the LESSEE fails to file the tax property tax exemption with the Clackamas County Department of Assessment and Taxation by the required deadline and the Premises loses its tax exempt status, LESSEE will be responsible for payment of any taxes or late filing fees assessed against the Premises.

### **35. TERMINATION**

- a. Non-default Termination: This Lease may be terminated for the following non-default reasons: (1) by mutual agreement of the parties; or (2) upon ninety (90) day's written notice to LESSEE, LESSOR may terminate this Lease for convenience, if LESSOR fails to receive expenditure authority sufficient to allow LESSOR, in the exercise of its reasonable administrative discretion, to continue to perform under this Lease, or 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, LESSOR may immediately terminate this Lease upon written notice to LESSEE and exercise any remedy provided herein.

IN WITNESS WHEREOF, the respective parties have executed this instrument, any corporation signature being by authority of its Board of Directors.

**ORGANIZATION**

2020-2023 LEASE - 2885 Maple Street

**LESSEE:**  
**NORTHWEST MENTAL HEALTH MANAGEMENT SERVICES, INC.**

**LESSOR:**  
**HOUSING AUTHORITY OF CLACKAMAS COUNTY**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

By: \_\_\_\_\_  
Its: \_\_\_\_\_

By: Jill C. Smith  
Its: Executive Director

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**OREGON NOTARY ACKNOWLEDGMENT (LESSOR)**

State of OREGON

County of \_\_\_\_\_

This record was acknowledged before me on (date) \_\_\_\_\_, 20\_\_\_\_\_

by (name(s) of individual(s)) \_\_\_\_\_ as

(type of authority) \_\_\_\_\_ of (name of party on whose

behalf record was executed) \_\_\_\_\_.

\_\_\_\_\_  
Notary Public – State of Oregon

Official Stamp

Document Description

This certificate is attached to page \_\_\_\_ of a \_\_\_\_\_ (title or type of document),

dated \_\_\_\_\_, 20\_\_\_\_, consisting of \_\_\_\_\_ pages.

**ORGANIZATION**

2020-2023 LEASE - 2885 Maple Street

**OREGON NOTARY ACKNOWLEDGMENT (LESSEE)**

State of OREGON

County of \_\_\_\_\_

This record was acknowledged before me on (date) \_\_\_\_\_, 20\_\_\_\_\_

by (name(s) of individual(s)) \_\_\_\_\_ as

(type of authority) \_\_\_\_\_ of (name of party on whose

behalf record was executed) \_\_\_\_\_.

\_\_\_\_\_  
Notary Public – State of Oregon

Official Stamp

Document Description

This certificate is attached to page \_\_\_\_ of a \_\_\_\_\_ (title or type of document),

dated \_\_\_\_\_, 20\_\_\_\_, consisting of \_\_\_\_\_ pages.

**ORGANIZATION**

2020-2023 LEASE - 2885 Maple Street

**ATTACHMENT A**  
**Summary of Responsibilities**  
**Repairs and Replacements**

	Lessor (HA)	Lessor-if Funding	Lessee (CH)/Lessee
Roof			
Major Repair/Replacement	<b>X</b>		
Minor Repair	<b>X</b>		
Exterior Walls / Siding <sup>(1)</sup>			
Major Repair/Replacement	<b>X</b>		
Minor Repair	<b>X</b>		
Heating/Vent/Coding			
Major Repair/Replacement	<b>X</b>		
Minor Repair	<b>X</b>		
Foundations			
Major Repair/Replacement		<b>X</b>	
Minor Repair	<b>X</b>		
Interior Walls <sup>(1)</sup>			
Major Repair/Replacement		<b>X</b>	
Minor Repair	<b>X</b>		
Interior Redecorating/Remodeling			<b>X</b>
Garage Door			
Major Repair/Replacement	<b>X</b>		
Minor Repair			<b>X</b>
Plumbing <sup>(1)</sup>			
Major Repair/Replacement	<b>X</b>		
Minor Repair (concealed)	<b>X</b>		
Minor Repair (exposed)			<b>X</b>
(1) Maintenance/repair of the building interior/exterior will be examined to determined responsibility i.e. normal wear and tear (HACC), accidental wear and tear due to program needs (lessee), or resident-caused (Lessee).			

**ORGANIZATION**

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Electrical			
Major Repair	X		
Minor Repair (concealed)	X		
Minor Repair (exposed)			X
Landscaping			
Major Repair/Replacement		X	
Minor Repair			X
Floor Covering			
Major Repair/Replacement		X	X
Minor Repair	X		
Appliances			
Stove (Repair/Replacement) <sup>(2)</sup>			
Refrigerators (Repair/Replacement) <sup>(2)</sup>			
Dishwashers (repair/Replacement) <sup>(2)</sup>			
<sup>(2)</sup> Maintenance/repair on appliances that have been upgraded for program specific requirements/specifications will be repaired or replaced up to the standard appliance amounts allowed by HACCC. Any additional or exceeding costs will be the responsibility of the lessee/lessee.			
Garbage Disposal			X
Clothes Washer & Dryer			X
Code/Standards of Design		X	
Routine Minor Maintenance (light bulbs, furnace filters)			X
Broken Glass			X
Interior Doors			
Major Repair/Replacement			X
Minor Repair			X
Exterior Doors			
Major Repair/Replacement			X
Minor Repair			X
Routine Yard Maintenance			X

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Gutters – Cleaning			<b>X</b>
Cleaning Sidewalks			<b>X</b>
Client Caused Damage			<b>X</b>
Upgrades			<b>X</b>
Donated Equipment			<b>X</b>
Emergencies	<b>X</b>		



# LEASE

THIS LEASE is made and entered into by and between **HOUSING AUTHORITY OF CLACKAMAS COUNTY**, hereinafter called the LESSOR, and **NORTHWEST MENTAL HEALTH MANAGEMENT SERVICES**, hereinafter called the LESSEE.

The parties agree as follows:

## **1. DESCRIPTION OF PREMISES; PURPOSE OF LEASE**

LESSEE hereby leases a residence, more specifically described below, from the Housing Authority of Clackamas County (hereinafter called "LESSOR"). The property is known as:

15323, 15325, 15327 SE Risley Court  
Milwaukie, Clackamas County, Oregon, 97267

together with any and all rights, privileges, easements, and appurtenances, as well as any and all fixtures, rights, privileges, easements, and appurtenances that may now or exist in the future (collectively, the "Premises"). The parties agree that LESSOR is leasing the Premises for the specific purpose of providing a facility in which the LESSEE will operate a residential program, as described in Section 3, below.

## **2. RENT**

LESSEE shall pay to LESSOR rent for the Premises in the amount of \$1,187.00 per calendar month during the period commencing July 1, 2020 and ending on June 30, 2022. The lease payments are due on the first day of each month starting July 1, 2020. LESSEE shall pay directly to the LESSOR at P.O. Box 1510, Oregon City, Oregon 97045. LESSEE acknowledges that rents received after the 10th of the month will be subject to a \$25.00 late charge.

Rents shall increase annually by the amount of the increase in residents' Social Security Income (SSI) payments attributed to housing costs by the Oregon Department of Human Services, Seniors and People with Disabilities. Any increase so determined shall occur at the time the information is made available to the LESSOR, but shall not in any event be effective before the effective date of such increase in the SSI payment. LESSOR shall immediately notify LESSEE when any such notice is received.

## **3. USE OF PREMISES**

- a. The LESSEE shall use the leased premises during the term of this LEASE as follows:  
Operation of a residential facility for persons with developmental disabilities, plus any necessary support staff. LESSEE shall use the leased premises for no other purpose whatsoever without LESSOR's written consent.
- b. The LESSEE will not make any unlawful, improper or offensive use of said premises; LESSEE will not suffer any strip or waste thereof; LESSEE will not permit any objectionable noise or odor to escape or to be emitted from said Premises or do anything or permit anything to be done upon or about said Premises in any way tending to create a nuisance; LESSEE will not sell or permit to be sold any spirituous, vinous or malt liquors on said Premises; nor will LESSEE sell or permit to be sold any controlled substance on or about said Premises.

## **ORGANIZATION**

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- c. The LESSEE will not allow the leased Premises at any time to fall into such a state of disrepair or disorder as to increase the fire hazard thereon; LESSEE shall not install any power machinery on said Premises except with written consent of the LESSOR; LESSEE shall not store gasoline or other highly combustible materials on said Premises at any time; LESSEE will not use said Premises in such a way or for such a purpose that the fire insurance rate on the building in which said Premises are located is thereby increased or that would prevent the LESSOR from taking advantage of any rulings of any agency of the state in which said leased Premises are situated or its successors, which would allow the LESSOR to obtain reduced premium rates for longterm fire insurance policies.

#### **4. UTILITIES**

The LESSEE shall pay for all heat, light, water, power, sewer and other services or utilities used at the Premises during the term of this LEASE.

#### **5. REPAIRS AND IMPROVEMENTS**

Responsibility of all repairs and maintenance (other than routine) will be examined on a case by case basis to determine responsibility using the following guidelines and Attachment A. Maintenance/repair on appliances that have been upgraded or purchased for program specific requirements/specifications will be repaired or replaced for a cost not to exceed the repair or replacement cost of a standard appliance provided by the LESSOR. Maintenance/repair of the building interior/exterior will be examined to determine responsibility, i.e., normal wear and tear (LESSOR), accelerated wear and tear due to program needs (LESSEE), or resident-caused (LESSEE). LESSOR's obligations are contingent upon the availability of sufficient funds, as determined by LESSOR in its sole discretion.

- a. LESSOR has responsibility for repairs and maintenance as funds are available for the following:

- (1) Structural Major Repair/Replacement

Maintenance items related to the structure of the building to include: roof, exterior walls (repair and paint), siding, plumbing, and electrical systems, heating system, gutters, downspouts, foundation.

- (2) Non-structural Major Repair/Maintenance/Replacement

Maintenance of items that deteriorate due to normal use for a special needs house would include the total cost of repair/replacement of standard kitchen stoves, and refrigerators provided by LESSOR. Upgraded kitchen stoves or refrigerators will be repaired/replaced up to limitations set by the LESSOR.

If an item other than a stove or refrigerator needs to be replaced before its agreed upon life due to excessive or hard use by the LESSEE, the replacement costs will be split between LESSOR and LESSEE.

## ORGANIZATION

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Example: Carpet's life is set at 5 years, but wears out in 4 years. LESSOR pays 80% and LESSEE pays 20% of replacement cost.

#### (3) Standards of Design

These items of repair/maintenance/new installation or replacement are items that do not meet applicable building code or design requirements for the LESSEE's program. These are primarily health and safety issues.

Examples: asbestos, sprinkler system, fire alarm system.

LESSOR will work with LESSEE on needed major repairs and replacements to the extent possible with available funding.

In cases of emergency, which present an immediate threat to health and safety, LESSOR will provide repairs such that the immediate threat to health and safety is removed within 48 hours unless there has been a major disaster requiring LESSOR to respond to multiple sites of emergency.

#### b. LESSOR shall make repairs and provide maintenance as follows:

##### (1) Minor Repairs/Routine Maintenance, i.e. Items behind the wall (concealed) that require repair due to normal wear and tear.

Example: replace a part on the furnace.

##### (2) Repairs necessitated by vandalism, burglary or attempted burglary committed by individuals who are not agents, employers or invitees of the lessee or tenants or employees of LESSEE.

##### (3) Non-routine repairs to landscaping and tree pruning.

Except in cases of emergency, LESSOR will give at least 24-hours notice of proposed entry and repair. Whenever possible, this notice will be given to LESSEE's house manager. LESSEE shall report needed repairs according to a process agreed upon by LESSOR and LESSEE.

#### c. LESSEE shall be responsible for maintaining the Premises in a neat condition, free of trash and debris, in good order and repair. LESSEE agrees to be responsible for the following and maintain all of the following in good condition and repair, less reasonable wear and tear:

##### (1) Minor Repairs/Routine Maintenance/Appliance Repair and Replacement

Reference the Attachment A for specific examples.

LESSEE is responsible for repairs and maintenance to the Premises including the replacement of all glass which may be broken or cracked during the term of the lease

## **ORGANIZATION**

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with glass of as good or better quality, and replacement and repair of interior and exterior doors except the garage door, the full cost of repair and replacement of dishwashers and disposals. The cost of kitchen stove and refrigerator repair and replacement will be determined by the LESSOR as described in paragraph 2. LESSEE is also responsible for routine maintenance of the grounds of the leased Premises, including mowing the grass, weeding, edging of beds, washing exterior windows and ensuring the gutters are cleaned as necessary.

(2) Resident-Caused Damage

Any repairs necessitated by the acts or omissions of the LESSEE, or officers, agents, employees, clients, residents, or invitees of the LESSEE, including any repairs which would otherwise be required of LESSOR pursuant to subparagraphs a. and b. above, excluding daily wear and tear.

(3) Improvements

Improvements would be any elective change made to the home to improve the quality of life of the residents. Improvements would include upgrades, interior or exterior redecorating or remodeling, and interior painting.

Other examples: replacing a window air conditioner unit to central air, converting a storage room to a bathroom, appliance upgrades.

(4) Donated Equipment

The LESSEE and the LESSEE's vendor are responsible for all donated equipment.

The LESSEE will not be held responsible for repairs which result from original construction or substantial remodeling prior to LESSEE taking possession, or for substandard or nonworkman like work done by contractors hired by LESSOR.

A summary of the LESSOR's responsibilities, and of the LESSEE's responsibilities which the LESSEE agrees to be responsible for, as described above, is attached to this lease as Attachment A, and by this reference is incorporated herein.

**6. LESSOR'S RIGHT OF ENTRY**

The LESSOR, or its authorized agents or representatives may enter the leased Premises at any reasonable time for the purpose of examining into the condition thereof, or any other lawful purpose. The LESSOR agrees to give the LESSEE 24 hours' notice thereof except in case of emergency, in which case no advance notice shall be required.

**7. LOCKS AND KEYS**

The LESSEE, or its authorized agents or representatives, shall insure that all interior and exterior locks are maintained to allow LESSOR entry at all times with keys mastered to the LESSOR's specifications at the residence. Exceptions to this requirement will be considered on a case by case basis and must be approved by LESSOR prior to any lock changes.

**8. RIGHT OF ASSIGNMENT**

## **ORGANIZATION**

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The LESSEE will not assign, transfer, pledge, hypothecate, surrender or dispose of this LEASE, or any interest herein, sublet, or permit any other person or persons whomsoever to occupy the leased Premises without the written consent of the LESSOR being first obtained in writing; this LEASE is personal to said LESSEE; LESSEE's interests, in whole or in part, cannot be sold, assigned, transferred, seized or taken by operation at law, or under or by virtue of any execution or legal process, attachment or proceedings instituted against the LESSEE, or under or by virtue of any bankruptcy or insolvency proceedings had in regard to the LESSEE, or in any other manner, except as above mentioned.

### **9. LIENS**

The LESSEE will not permit any lien of any kind, type or description to be placed or imposed upon the building in which said leased Premises are situated, or any part thereof, or the real estate on which it stands.

### **10. ICE. SNOW. DEBRIS**

If the Premises herein leased is located at street level, then at all times LESSEE shall keep the sidewalks in front of the leased Premises free and clear of ice, snow, rubbish, debris and obstruction; and if the LESSEE occupies the entire building, LESSEE will not permit rubbish, debris, ice or snow to accumulate on the roof of said building so as to stop up or obstruct gutters or downspouts or cause damage to said roof, and LESSEE will save harmless and protect the LESSOR against any injury whether to LESSOR, LESSEE or to LESSOR's property or to any other person or property caused by LESSEE's failure in that regard.

### **11. OVERLOADING OF FLOORS**

The LESSEE will not overload the floors of said Premises in such a way as to cause any undue or serious stress or strain upon the building in which said leased Premises are located, or any part thereof, and the LESSOR shall have the right, at any time, to call upon any competent engineer or architect whom the LESSOR may choose, to decide whether or not the floors of said Premises, or any part thereof, are being overloaded so as to cause any undue or serious stress or strain on said building, or any part thereof, and the decision of said engineer or architect shall be final and binding upon the LESSOR, and the LESSEE; and in the event that the engineer or architect so called upon shall decide that in his opinion the stress or strain is such as to endanger or injure said building, or any part thereof, then and in that event the LESSEE agrees immediately to relieve said stress or strain either by reinforcing the building or by lightening the load which causes such stress or strain in a manner satisfactory to the LESSOR.

### **12. ADVERTISING SIGNS**

The LESSEE will not use the outside walls of said Premises, or allow signs or devices of any kind to be attached thereto or suspended therefrom, for advertising or displaying the name or business of the LESSEE or for any purpose whatsoever without the written consent of the LESSOR; however, the LESSEE may make use of the windows of said leased Premises to display LESSEE's name and business when the workmanship of such signs shall be of good quality and permanent nature; provided further that the LESSEE may not suspend or place within said windows or paint thereon any banners, signs, signboards or other devices in violation of this section, or in violation of any applicable law or ordinance.

### **13. FIXTURES**

## **ORGANIZATION**

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All partitions, plumbing, electrical wiring, additions to or improvements upon the Premises, whether installed by the LESSOR or LESSEE, shall be and become a part of the Premises as soon as installed and the property of the LESSOR unless otherwise herein provided.

### **14. LIGHT AND AIR**

This LEASE does not grant any rights of access to light and air over the property.

### **15. INSURANCE**

LESSEE shall procure and maintain, for the duration of the lease, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the LESSEE's operations and use of the leased Premises. The cost of such insurance shall be borne by the LESSEE.

#### **MINIMUM SCOPE OF INSURANCE**

Coverage shall be at least as broad as:

- a. Insurance Services Office Commercial General Liability coverage.
- b. Insurance Services Office Additional Insured.
- c. Worker's Compensation insurance as required by state law and Employer's Liability Insurance (for LESSEEs with employees).
- d. Professional Errors and Omissions Liability insurance.
- e. Property insurance against all risks of loss to any tenant improvements, betterments, and LESSEE-owned business personal property.

#### **MINIMUM LIMITS OF INSURANCE LESSEE**

shall maintain limits no less than:

- a. General Liability: \$1,000,000 per occurrence, \$2,000,000 aggregate (including coverages for discrimination, fair housing and ADA violations, and sexual molestation).
- b. Workers' Compensation (statutory) and Employer's Liability: \$1,000,000 per accident for Bodily Injury or Disease.
- c. Professional Errors and Omissions Liability: not less than \$1,000,000 per occurrence, \$2,000,000 annual aggregate
- d. Property Insurance: full replacement cost with no co-insurance penalty provision.

**NOTE:** These limits can be attained by individual policies or by combining primary and umbrella policies.

#### **DEDUCTIBLES AND SELF-INSURED RETENTIONS**

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Any deductibles or self-insured retentions must be declared to and approved by the LESSOR. At the option of the LESSOR, either the insurer shall reduce or eliminate such deductibles or selfinsured retentions as respects the LESSOR, its officers, officials, employees and volunteers; or the LESSEE shall provide a financial guarantee satisfactory to the LESSOR guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

## **OTHER INSURANCE PROVISIONS**

The General Liability is to contain, or be endorsed to contain, the following provisions:

- a. The Housing Authority of Clackamas County, its officers, officials, employees and volunteers are to be covered as additional insured with respect to liability arising out of maintenance or use of that part of the Premises leased to the LESSEE.
- b. The LESSEE's insurance coverage shall be primary insurance as respects the Housing Authority of Clackamas County, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the Housing Authority of Clackamas County, its officers, officials, employees, or volunteers shall be excess of the LESSEE's insurance.
- c. Each insurance policy required by these specifications shall be endorsed to state that coverage shall not be cancelled or materially changed, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the Housing Authority of Clackamas County.
- d. Maintenance of the proper insurance for the duration of the contract is a material element of the contract. Material changes in the required coverage or cancellation of the coverage shall constitute a material breach of the contract by the LESSEE.

### **ACCEPTABILITY OF INSURERS**

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than B+:VI. LESSEEs must provide written verification of their insurer's rating.

Use of the leased premise must be preapproved by LESSOR. LESSEE shall indemnify the LESSOR for any claims resulting from the conduct of the LESSEE's subcontractors and/or failure to be properly insured.

## **16. EMINENT DOMAIN**

In case of the condemnation or purchase of all or any substantial part of the said leased Premises by any public or private corporation with the power of condemnation this LEASE may be terminated, effective on the date possession is taken, by either party hereto on written notice to the other and in that case the LESSEE shall not be liable for any rent after the termination date. LESSEE shall not be entitled to and hereby expressly waives any right to any part of the condemnation award or purchase price.

## **17. FOR SALE AND FOR RENT SIGNS**

## **ORGANIZATION**

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During the period of 90 days prior to the date above fixed for the termination of said LEASE, the LESSEE agrees that there may be posted on said Premises or in the windows thereof signs of moderate size notifying the public that the Premises are "for sale" or "for lease."

### **18. DELIVERING UP PREMISES ON TERMINATION**

At the expiration of said term or upon any sooner termination thereof, the LESSEE will quit and deliver up said leased Premises and all future erections or additions to or upon the same, broomclean, to the LESSOR, peaceably, quietly, and in as good order and condition, reasonable use and wear thereof, damage by fire, unavoidable casualty and the elements alone excepted, as the same are now in or hereafter may be put in by the LESSOR.

### **19. INDEMNIFICATION**

To the fullest extent permitted by law, LESSEE shall indemnify, defend and hold harmless LESSOR, and its agents, affiliates, employees, managers, officers, other contractors, heirs and assigns (hereinafter "Indemnified Parties") from and against any and all liability, claims, damage, costs, expenses, awards, fines, judgments, and attorney's fees (including, without limitation, expert witness fees and other litigation expenses) of every nature arising out of or in connection with LESSEE's performance of work hereunder, or work of its agents, employees, subcontractors and/or independent contractors, or their failure to comply with any of its obligations contained in this lease agreement, whether or not caused in whole or part by Indemnified Parties' active or passive negligence, intentional act or omission. Such obligation shall not be construed to negate, abridge or reduce other rights or obligations of indemnity that would otherwise exist as to the parties.

The indemnification obligations of LESSEE under this LEASE shall not be limited by the amounts or types of insurance (or the deductibles or self-insured retention amounts of such insurance) which LESSEE is required to carry under this Agreement. Indemnified Parties' right to indemnification from LESSEE under this section shall be independent of Indemnified Parties' rights under the insurance to be provided by LESSEE under this Agreement.

LESSEE's duty to defend the Indemnified Parties is entirely separate from, independent of, and free standing from LESSEE's duty to indemnify the Indemnified Parties, including, without limitation, the defense of the Indemnified Parties against claims for which the Indemnified Parties (or any of them) may be strictly liable and applies whether the issue of LESSEE's liability, breach of this LEASE or other obligation, or LESSEE's responsibility has been determined and whether the Indemnified Parties (or any of them) have paid any sums or incurred any detriment, arising out of or resulting directly or indirectly from LESSEE's performance under this LEASE. Such defense obligation shall arise immediately upon presentation of a claim by any person which arises out of or is connected to this LEASE by LESSEE or any of its agents and written notice of such claim being tendered to LESSEE.

### **20. PUBLIC CONTRACTING**

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 for the program conducted by the LESSEE on the leased Premises. In the event funds are not made available to LESSEE's program in or on the leased Premises, the LESSOR may end this lease



## **ORGANIZATION**

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agreement upon thirty (30) days' written notice to LESSEE and be subject to no legal or equitable remedies for the termination.

### **21. PETS**

No pets shall be kept on the leased Premises at any time unless approved in advance in writing by the LESSOR.

In the event LESSEE discovers any condition in or on the leased Premises which renders the Premises uninhabitable or dangerous for continued occupancy, LESSEE shall immediately notify LESSOR.

### **22. DANGEROUS CONDITIONS**

In the event LESSEE discovers any condition in or on the leased Premises which renders the Premises uninhabitable or dangerous for continued occupancy, LESSEE shall immediately notify LESSOR.

### **23. ATTACHMENT, BANKRUPTCY, DEFAULT**

PROVIDED, ALWAYS, and these presents are upon these conditions, that (1) if the LESSEE shall be in arrears in the payment of rent for a period of ten days after the same becomes due, or (2) if the LESSEE shall fail or neglect to do, keep, perform or observe any of the covenants and agreements contained herein on LESSEE's part to be done, kept, performed and observed and such default shall continue for ten days or more after written notice of such failure or neglect shall be given to LESSEE, or (3) if the LESSEE shall be declared bankrupt or insolvent according to law, or (4) if any assignment of LESSEE's property shall be made for the benefit of creditors, or (5) if on the expiration of this LEASE, LESSEE fails to surrender possession of said leased Premises, then and in either or any of said cases or events, each of which constitutes an event of default, the LESSOR may terminate this LEASE and lawfully, at its option immediately or at any time thereafter, without demand or notice, may enter into and upon said leased Premises and every part thereof and repossess the same as of LESSOR's former estate, and expel said LESSEE and those claiming by, through and under LESSEE and remove LESSEE's effects at LESSEE's expense, forcibly if necessary and store the same, all without being deemed guilty of trespass and without prejudice to any remedy which otherwise might be used for arrears of rent or preceding breach of covenant. Upon the occurrence of an event of default described above, LESSOR may exercise any one or more of the remedies set forth in this Lease or any other remedy available under applicable law, whether in equity, under contract, or at law.

Neither the termination of this LEASE by forfeiture nor the taking or recovery of possession of the Premises shall deprive LESSOR of any other action, right, or remedy against LESSEE for possession, rent or damages, nor shall any omission by LESSOR to enforce any forfeiture, right or remedy to which LESSEE may be entitled be deemed a waiver by LESSOR of the right to enforce the performance of all terms and conditions of this LEASE by LESSEE.

In the event of any re-entry by LESSOR, LESSOR may re-lease the Premises to any tenant tenants who provide housing and support services to persons who are served by or case managed by Clackamas County Social Services, Developmental Disability Program. LESSOR shall apply the rent received from any new tenant first to the cost of retaking and resubletting the Premises, including any costs incurred to obtain a new tenant, and then to any arrears of rent and future rent payable under this LEASE and any other damages to which LESSOR may be entitled hereunder.

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Any property which LESSEE leaves on the Premises after abandonment or expiration of this LEASE, or for more than ten days after any termination of the lease by LESSOR shall be deemed to have been abandoned, and LESSOR may remove and sell said property at public or private sale as LESSOR sees fit, without being liable for any prosecution therefore or for damages by reason thereof, and the net proceeds of said sale shall be applied toward the expenses as aforesaid, and the balance of such amounts, if any, shall be held for and paid to the LESSEE.

**24. HOLDING OVER**

In the event the LESSEE for any reason shall hold over after the expiration of this LEASE, such holding over shall not be deemed to operate as a renewal or extension of this LEASE, but shall only create a tenancy from month to month which may be terminated at will at any time by the LESSOR.

**25. NO ATTORNEY FEES AND COSTS**

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.

**26. WAIVER**

LESSOR and LESSEE agree that failure by either party to insist upon strict performance of the terms, covenants, agreements and conditions of this Lease shall not constitute or be construed as a waiver or relinquishment of either party's right thereafter to enforce any such term, covenant, agreement or condition, but the same shall continue in full force and effect.

**27. NOTICES**

Any notice required by the terms of the LEASE to be given shall be sufficient if in writing contained in a sealed envelope deposited in US Mails and if intended for:

LESSOR:

Housing Authority of Clackamas County  
PO Box 1510  
Oregon City, OR 97045

LESSEE:

Northwest Mental Health Management  
Services, Inc.  
1020 Portland Avenue  
Gladstone, OR 97027

Any such notice shall be deemed conclusively to have been delivered to the addressee thereof forty-eight (48) hours after the deposit thereof in said US Mails.

**28. HEIRS AND ASSIGNS**

All rights, remedies and liabilities herein given to or imposed upon either of the parties hereto shall extend to, inure to the benefit of and bind, as the circumstances may require, the heirs, executors, administrators, successors and, so far as this LEASE is assignable by the term hereof, to the assigns of such parties.

In construing this LEASE, it is understood that the LESSOR or the LESSEE may be more than one person; that if the context so requires, the singular pronoun shall be taken to mean and include

## **ORGANIZATION**

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the plural, the masculine, the feminine and the neuter, and that generally all grammatical changes shall be made, assumed and implied to make the provisions hereof apply equally to corporations and to individuals.

### **29. NON-WAIVER OF GOVERNMENTAL RIGHTS.**

Subject to the terms and conditions of this Lease, LESSOR 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.

### **30. RECORDATION OF LEASE.**

LESSOR 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. LESSOR will pay the recording costs.

### **31. 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 LESSOR 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 LESSOR 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.

### **32. 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 including, but not limited to, execution of any additional documents that may be required by LESSOR's state or federal funding sources.

### **33. FORCE MAJEURE.**

Neither LESSOR nor LESSEE shall be held responsible for delay or default caused by events outside the LESSOR or LESSEE's reasonable control including, but not limited to, fire, terrorism, riot, acts of God, or war. However, both parties shall make all reasonable efforts to remove or eliminate such a cause of delay or default and shall upon the cessation of the cause, diligently pursue performance of its obligations under this Lease.

## **ORGANIZATION**

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### **34. TAXES**

- 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 based on or otherwise in connection with the use, occupancy, or operations of the Premises, or with respect to services or utilities in connection with the use, occupancy, or operations of the Premises. Taxes will include, but not be limited to, state and local real-property 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.
- 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. Evidence of Payment. Upon written request by LESSOR, LESSEE shall provide LESSOR with evidence reasonably satisfactory to LESSOR that all Taxes required to be paid by LESSEE have been paid.
- d. Property Tax Exemption. LESSEE is responsible for filing the application for a property tax exemption under applicable Oregon law. In the event, the LESSEE fails to file the tax property tax exemption with the Clackamas County Department of Assessment and Taxation by the required deadline and the Premises loses its tax exempt status, LESSEE will be responsible for payment of any taxes or late filing fees assessed against the Premises.

### **35. TERMINATION**

- a. Non-default Termination: This Lease may be terminated for the following non-default reasons: (1) by mutual agreement of the parties; or (2) upon ninety (90) day's written notice to LESSEE, LESSOR may terminate this Lease for convenience, if LESSOR fails to receive expenditure authority sufficient to allow LESSOR, in the exercise of its reasonable administrative discretion, to continue to perform under this Lease, or 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, LESSOR may immediately terminate this Lease upon written notice to LESSEE and exercise any remedy provided herein.

IN WITNESS WHEREOF, the respective parties have executed this instrument, any corporation signature being by authority of its Board of Directors.

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**LESSEE:**  
**NORTHWEST MENTAL HEALTH MANAGEMENT SERVICES, INC.**

**LESSOR:**  
**HOUSING AUTHORITY OF CLACKAMAS COUNTY**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

By: \_\_\_\_\_  
Its: \_\_\_\_\_

By: Jill C. Smith  
Its: Executive Director

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**OREGON NOTARY ACKNOWLEDGMENT (LESSOR)**

State of OREGON

County of \_\_\_\_\_

This record was acknowledged before me on (date) \_\_\_\_\_, 20\_\_\_\_\_

by (name(s) of individual(s)) \_\_\_\_\_ as

(type of authority) \_\_\_\_\_ of (name of party on whose

behalf record was executed) \_\_\_\_\_.

\_\_\_\_\_  
Notary Public – State of Oregon

Official Stamp

Document Description

This certificate is attached to page \_\_\_\_ of a \_\_\_\_\_ (title or type of document),

dated \_\_\_\_\_, 20\_\_\_\_\_, consisting of \_\_\_\_\_ pages.

**ORGANIZATION**

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**OREGON NOTARY ACKNOWLEDGMENT (LESSEE)**

State of OREGON

County of \_\_\_\_\_

This record was acknowledged before me on (date) \_\_\_\_\_, 20\_\_\_\_\_

by (name(s) of individual(s)) \_\_\_\_\_ as

(type of authority) \_\_\_\_\_ of (name of party on whose

behalf record was executed) \_\_\_\_\_.

\_\_\_\_\_  
Notary Public – State of Oregon

Official Stamp

Document Description

This certificate is attached to page \_\_\_\_ of a \_\_\_\_\_ (title or type of document),

dated \_\_\_\_\_, 20\_\_\_\_, consisting of \_\_\_\_\_ pages.

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**ATTACHMENT A**  
**Summary of Responsibilities**  
**Repairs and Replacements**

	Lessor (HA)	Lessor-if Funding	Lessee (CH)/Lessee
Roof			
Major Repair/Replacement	<b>X</b>		
Minor Repair	<b>X</b>		
Exterior Walls / Siding <sup>(1)</sup>			
Major Repair/Replacement	<b>X</b>		
Minor Repair	<b>X</b>		
Heating/Vent/Coding			
Major Repair/Replacement	<b>X</b>		
Minor Repair	<b>X</b>		
Foundations			
Major Repair/Replacement		<b>X</b>	
Minor Repair	<b>X</b>		
Interior Walls <sup>(1)</sup>			
Major Repair/Replacement		<b>X</b>	
Minor Repair	<b>X</b>		
Interior Redecorating/Remodeling			<b>X</b>
Garage Door			
Major Repair/Replacement	<b>X</b>		
Minor Repair			<b>X</b>
Plumbing <sup>(1)</sup>			
Major Repair/Replacement	<b>X</b>		
Minor Repair (concealed)	<b>X</b>		
Minor Repair (exposed)			<b>X</b>
(1) Maintenance/repair of the building interior/exterior will be examined to determined responsibility i.e. normal wear and tear (HACC), accidental wear and tear due to program needs (lessee), or resident-caused (Lessee).			

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Electrical			
Major Repair	X		
Minor Repair (concealed)	X		
Minor Repair (exposed)			X
Landscaping			
Major Repair/Replacement		X	
Minor Repair			X
Floor Covering			
Major Repair/Replacement		X	X
Minor Repair	X		
Appliances			
Stove (Repair/Replacement) <sup>(2)</sup>			
Refrigerators (Repair/Replacement) <sup>(2)</sup>			
Dishwashers (repair/Replacement) <sup>(2)</sup>			
<sup>(2)</sup> Maintenance/repair on appliances that have been upgraded for program specific requirements/specifications will be repaired or replaced up to the standard appliance amounts allowed by HACCC. Any additional or exceeding costs will be the responsibility of the lessee/lessee.			
Garbage Disposal			X
Clothes Washer & Dryer			X
Code/Standards of Design		X	
Routine Minor Maintenance (light bulbs, furnace filters)			X
Broken Glass			X
Interior Doors			
Major Repair/Replacement			X
Minor Repair			X
Exterior Doors			
Major Repair/Replacement			X
Minor Repair			X
Routine Yard Maintenance			X



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Gutters – Cleaning			<b>X</b>
Cleaning Sidewalks			<b>X</b>
Client Caused Damage			<b>X</b>
Upgrades			<b>X</b>
Donated Equipment			<b>X</b>
Emergencies	<b>X</b>		

# LEASE

THIS LEASE is made and entered into by and between **HOUSING AUTHORITY OF CLACKAMAS COUNTY**, hereinafter called the LESSOR, and **NORTHWEST MENTAL HEALTH MANAGEMENT SERVICES**, hereinafter called the LESSEE.

The parties agree as follows:

## **1. DESCRIPTION OF PREMISES; PURPOSE OF LEASE**

LESSEE hereby leases a residence, more specifically described below, from the Housing Authority of Clackamas County (hereinafter called "LESSOR"). The property is known as:

3050 Lazy River Drive  
West Linn, Clackamas County, Oregon, 97068

together with any and all rights, privileges, easements, and appurtenances, as well as any and all fixtures, rights, privileges, easements, and appurtenances that may now or exist in the future (collectively, the "Premises"). The parties agree that LESSOR is leasing the Premises for the specific purpose of providing a facility in which the LESSEE will operate a residential program, as described in Section 3, below.

## **2. RENT**

LESSEE shall pay to LESSOR rent for the Premises in the amount of \$1,187.00 per calendar month during the period commencing July 1, 2020 and ending on June 30, 2022. The lease payments are due on the first day of each month starting July 1, 2020. LESSEE shall pay directly to the LESSOR at P.O. Box 1510, Oregon City, Oregon 97045. LESSEE acknowledges that rents received after the 10th of the month will be subject to a \$25.00 late charge.

Rents shall increase annually by the amount of the increase in residents' Social Security Income (SSI) payments attributed to housing costs by the Oregon Department of Human Services, Seniors and People with Disabilities. Any increase so determined shall occur at the time the information is made available to the LESSOR, but shall not in any event be effective before the effective date of such increase in the SSI payment. LESSOR shall immediately notify LESSEE when any such notice is received.

## **3. USE OF PREMISES**

- a. The LESSEE shall use the leased premises during the term of this LEASE as follows:  
Operation of a residential facility for persons with developmental disabilities, plus any necessary support staff. LESSEE shall use the leased premises for no other purpose whatsoever without LESSOR's written consent.
- b. The LESSEE will not make any unlawful, improper or offensive use of said premises; LESSEE will not suffer any strip or waste thereof; LESSEE will not permit any objectionable noise or odor to escape or to be emitted from said Premises or do anything or permit anything to be done upon or about said Premises in any way tending to create a nuisance; LESSEE will not sell or permit to be sold any spirituous, vinous or malt liquors on said Premises; nor will LESSEE sell or permit to be sold any controlled substance on or about said Premises.

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- c. The LESSEE will not allow the leased Premises at any time to fall into such a state of disrepair or disorder as to increase the fire hazard thereon; LESSEE shall not install any power machinery on said Premises except with written consent of the LESSOR; LESSEE shall not store gasoline or other highly combustible materials on said Premises at any time; LESSEE will not use said Premises in such a way or for such a purpose that the fire insurance rate on the building in which said Premises are located is thereby increased or that would prevent the LESSOR from taking advantage of any rulings of any agency of the state in which said leased Premises are situated or its successors, which would allow the LESSOR to obtain reduced premium rates for longterm fire insurance policies.

#### **4. UTILITIES**

The LESSEE shall pay for all heat, light, water, power, sewer and other services or utilities used at the Premises during the term of this LEASE.

#### **5. REPAIRS AND IMPROVEMENTS**

Responsibility of all repairs and maintenance (other than routine) will be examined on a case by case basis to determine responsibility using the following guidelines and Attachment A. Maintenance/repair on appliances that have been upgraded or purchased for program specific requirements/specifications will be repaired or replaced for a cost not to exceed the repair or replacement cost of a standard appliance provided by the LESSOR. Maintenance/repair of the building interior/exterior will be examined to determine responsibility, i.e., normal wear and tear (LESSOR), accelerated wear and tear due to program needs (LESSEE), or resident-caused (LESSEE). LESSOR's obligations are contingent upon the availability of sufficient funds, as determined by LESSOR in its sole discretion.

- a. LESSOR has responsibility for repairs and maintenance as funds are available for the following:

- (1) Structural Major Repair/Replacement

Maintenance items related to the structure of the building to include: roof, exterior walls (repair and paint), siding, plumbing, and electrical systems, heating system, gutters, downspouts, foundation.

- (2) Non-structural Major Repair/Maintenance/Replacement

Maintenance of items that deteriorate due to normal use for a special needs house would include the total cost of repair/replacement of standard kitchen stoves, and refrigerators provided by LESSOR. Upgraded kitchen stoves or refrigerators will be repaired/replaced up to limitations set by the LESSOR.

If an item other than a stove or refrigerator needs to be replaced before its agreed upon life due to excessive or hard use by the LESSEE, the replacement costs will be split between LESSOR and LESSEE.

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Example: Carpet's life is set at 5 years, but wears out in 4 years. LESSOR pays 80% and LESSEE pays 20% of replacement cost.

(3) Standards of Design

These items of repair/maintenance/new installation or replacement are items that do not meet applicable building code or design requirements for the LESSEE's program. These are primarily health and safety issues.

Examples: asbestos, sprinkler system, fire alarm system.

LESSOR will work with LESSEE on needed major repairs and replacements to the extent possible with available funding.

In cases of emergency, which present an immediate threat to health and safety, LESSOR will provide repairs such that the immediate threat to health and safety is removed within 48 hours unless there has been a major disaster requiring LESSOR to respond to multiple sites of emergency.

b. LESSOR shall make repairs and provide maintenance as follows:

(1) Minor Repairs/Routine Maintenance, i.e. Items behind the wall (concealed) that require repair due to normal wear and tear.

Example: replace a part on the furnace.

(2) Repairs necessitated by vandalism, burglary or attempted burglary committed by individuals who are not agents, employers or invitees of the lessee or tenants or employees of LESSEE.

(3) Non-routine repairs to landscaping and tree pruning.

Except in cases of emergency, LESSOR will give at least 24-hours notice of proposed entry and repair. Whenever possible, this notice will be given to LESSEE's house manager. LESSEE shall report needed repairs according to a process agreed upon by LESSOR and LESSEE.

c. LESSEE shall be responsible for maintaining the Premises in a neat condition, free of trash and debris, in good order and repair. LESSEE agrees to be responsible for the following and maintain all of the following in good condition and repair, less reasonable wear and tear:

(1) Minor Repairs/Routine Maintenance/Appliance Repair and Replacement

Reference the Attachment A for specific examples.

LESSEE is responsible for repairs and maintenance to the Premises including the replacement of all glass which may be broken or cracked during the term of the lease

## **ORGANIZATION**

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with glass of as good or better quality, and replacement and repair of interior and exterior doors except the garage door, the full cost of repair and replacement of dishwashers and disposals. The cost of kitchen stove and refrigerator repair and replacement will be determined by the LESSOR as described in paragraph 2. LESSEE is also responsible for routine maintenance of the grounds of the leased Premises, including mowing the grass, weeding, edging of beds, washing exterior windows and ensuring the gutters are cleaned as necessary.

(2) Resident-Caused Damage

Any repairs necessitated by the acts or omissions of the LESSEE, or officers, agents, employees, clients, residents, or invitees of the LESSEE, including any repairs which would otherwise be required of LESSOR pursuant to subparagraphs a. and b. above, excluding daily wear and tear.

(3) Improvements

Improvements would be any elective change made to the home to improve the quality of life of the residents. Improvements would include upgrades, interior or exterior redecorating or remodeling, and interior painting.

Other examples: replacing a window air conditioner unit to central air, converting a storage room to a bathroom, appliance upgrades.

(4) Donated Equipment

The LESSEE and the LESSEE's vendor are responsible for all donated equipment.

The LESSEE will not be held responsible for repairs which result from original construction or substantial remodeling prior to LESSEE taking possession, or for substandard or nonworkman like work done by contractors hired by LESSOR.

A summary of the LESSOR's responsibilities, and of the LESSEE's responsibilities which the LESSEE agrees to be responsible for, as described above, is attached to this lease as Attachment A, and by this reference is incorporated herein.

### **6. LESSOR'S RIGHT OF ENTRY**

The LESSOR, or its authorized agents or representatives may enter the leased Premises at any reasonable time for the purpose of examining into the condition thereof, or any other lawful purpose. The LESSOR agrees to give the LESSEE 24 hours' notice thereof except in case of emergency, in which case no advance notice shall be required.

### **7. LOCKS AND KEYS**

The LESSEE, or its authorized agents or representatives, shall insure that all interior and exterior locks are maintained to allow LESSOR entry at all times with keys mastered to the LESSOR's specifications at the residence. Exceptions to this requirement will be considered on a case by case basis and must be approved by LESSOR prior to any lock changes.

### **8. RIGHT OF ASSIGNMENT**

The LESSEE will not assign, transfer, pledge, hypothecate, surrender or dispose of this LEASE, or any interest herein, sublet, or permit any other person or persons whomsoever to occupy the

## **ORGANIZATION**

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leased Premises without the written consent of the LESSOR being first obtained in writing; this LEASE is personal to said LESSEE; LESSEE's interests, in whole or in part, cannot be sold, assigned, transferred, seized or taken by operation at law, or under or by virtue of any execution or legal process, attachment or proceedings instituted against the LESSEE, or under or by virtue of any bankruptcy or insolvency proceedings had in regard to the LESSEE, or in any other manner, except as above mentioned.

### **9. LIENS**

The LESSEE will not permit any lien of any kind, type or description to be placed or imposed upon the building in which said leased Premises are situated, or any part thereof, or the real estate on which it stands.

### **10. ICE. SNOW. DEBRIS**

If the Premises herein leased is located at street level, then at all times LESSEE shall keep the sidewalks in front of the leased Premises free and clear of ice, snow, rubbish, debris and obstruction; and if the LESSEE occupies the entire building, LESSEE will not permit rubbish, debris, ice or snow to accumulate on the roof of said building so as to stop up or obstruct gutters or downspouts or cause damage to said roof, and LESSEE will save harmless and protect the LESSOR against any injury whether to LESSOR, LESSEE or to LESSOR's property or to any other person or property caused by LESSEE's failure in that regard.

### **11. OVERLOADING OF FLOORS**

The LESSEE will not overload the floors of said Premises in such a way as to cause any undue or serious stress or strain upon the building in which said leased Premises are located, or any part thereof, and the LESSOR shall have the right, at any time, to call upon any competent engineer or architect whom the LESSOR may choose, to decide whether or not the floors of said Premises, or any part thereof, are being overloaded so as to cause any undue or serious stress or strain on said building, or any part thereof, and the decision of said engineer or architect shall be final and binding upon the LESSOR, and the LESSEE; and in the event that the engineer or architect so called upon shall decide that in his opinion the stress or strain is such as to endanger or injure said building, or any part thereof, then and in that event the LESSEE agrees immediately to relieve said stress or strain either by reinforcing the building or by lightening the load which causes such stress or strain in a manner satisfactory to the LESSOR.

### **12. ADVERTISING SIGNS**

The LESSEE will not use the outside walls of said Premises, or allow signs or devices of any kind to be attached thereto or suspended therefrom, for advertising or displaying the name or business of the LESSEE or for any purpose whatsoever without the written consent of the LESSOR; however, the LESSEE may make use of the windows of said leased Premises to display LESSEE's name and business when the workmanship of such signs shall be of good quality and permanent nature; provided further that the LESSEE may not suspend or place within said windows or paint thereon any banners, signs, signboards or other devices in violation of this section, or in violation of any applicable law or ordinance.

### **13. FIXTURES**

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All partitions, plumbing, electrical wiring, additions to or improvements upon the Premises, whether installed by the LESSOR or LESSEE, shall be and become a part of the Premises as soon as installed and the property of the LESSOR unless otherwise herein provided.

### **14. LIGHT AND AIR**

This LEASE does not grant any rights of access to light and air over the property.

### **15. INSURANCE**

LESSEE shall procure and maintain, for the duration of the lease, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the LESSEE's operations and use of the leased Premises. The cost of such insurance shall be borne by the LESSEE.

#### **MINIMUM SCOPE OF INSURANCE**

Coverage shall be at least as broad as:

- a. Insurance Services Office Commercial General Liability coverage.
- b. Insurance Services Office Additional Insured.
- c. Worker's Compensation insurance as required by state law and Employer's Liability Insurance (for LESSEEs with employees).
- d. Professional Errors and Omissions Liability insurance.
- e. Property insurance against all risks of loss to any tenant improvements, betterments, and LESSEE-owned business personal property.

#### **MINIMUM LIMITS OF INSURANCE LESSEE**

shall maintain limits no less than:

- a. General Liability: \$1,000,000 per occurrence, \$2,000,000 aggregate (including coverages for discrimination, fair housing and ADA violations, and sexual molestation).
- b. Workers' Compensation (statutory) and Employer's Liability: \$1,000,000 per accident for Bodily Injury or Disease.
- c. Professional Errors and Omissions Liability: not less than \$1,000,000 per occurrence, \$2,000,000 annual aggregate
- d. Property Insurance: full replacement cost with no co-insurance penalty provision.

**NOTE:** These limits can be attained by individual policies or by combining primary and umbrella policies.

#### **DEDUCTIBLES AND SELF-INSURED RETENTIONS**

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Any deductibles or self-insured retentions must be declared to and approved by the LESSOR. At the option of the LESSOR, either the insurer shall reduce or eliminate such deductibles or selfinsured retentions as respects the LESSOR, its officers, officials, employees and volunteers; or the LESSEE shall provide a financial guarantee satisfactory to the LESSOR guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

## **OTHER INSURANCE PROVISIONS**

The General Liability is to contain, or be endorsed to contain, the following provisions:

- a. The Housing Authority of Clackamas County, its officers, officials, employees and volunteers are to be covered as additional insured with respect to liability arising out of maintenance or use of that part of the Premises leased to the LESSEE.
- b. The LESSEE's insurance coverage shall be primary insurance as respects the Housing Authority of Clackamas County, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the Housing Authority of Clackamas County, its officers, officials, employees, or volunteers shall be excess of the LESSEE's insurance.
- c. Each insurance policy required by these specifications shall be endorsed to state that coverage shall not be cancelled or materially changed, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the Housing Authority of Clackamas County.
- d. Maintenance of the proper insurance for the duration of the contract is a material element of the contract. Material changes in the required coverage or cancellation of the coverage shall constitute a material breach of the contract by the LESSEE.

### **ACCEPTABILITY OF INSURERS**

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than B+:VI. LESSEEs must provide written verification of their insurer's rating.

Use of the leased premise must be preapproved by LESSOR. LESSEE shall indemnify the LESSOR for any claims resulting from the conduct of the LESSEE's subcontractors and/or failure to be properly insured.

## **16. EMINENT DOMAIN**

In case of the condemnation or purchase of all or any substantial part of the said leased Premises by any public or private corporation with the power of condemnation this LEASE may be terminated, effective on the date possession is taken, by either party hereto on written notice to the other and in that case the LESSEE shall not be liable for any rent after the termination date. LESSEE shall not be entitled to and hereby expressly waives any right to any part of the condemnation award or purchase price.

## **17. FOR SALE AND FOR RENT SIGNS**



## **ORGANIZATION**

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During the period of 90 days prior to the date above fixed for the termination of said LEASE, the LESSEE agrees that there may be posted on said Premises or in the windows thereof signs of moderate size notifying the public that the Premises are "for sale" or "for lease."

### **18. DELIVERING UP PREMISES ON TERMINATION**

At the expiration of said term or upon any sooner termination thereof, the LESSEE will quit and deliver up said leased Premises and all future erections or additions to or upon the same, broomclean, to the LESSOR, peaceably, quietly, and in as good order and condition, reasonable use and wear thereof, damage by fire, unavoidable casualty and the elements alone excepted, as the same are now in or hereafter may be put in by the LESSOR.

### **19. INDEMNIFICATION**

To the fullest extent permitted by law, LESSEE shall indemnify, defend and hold harmless LESSOR, and its agents, affiliates, employees, managers, officers, other contractors, heirs and assigns (hereinafter "Indemnified Parties") from and against any and all liability, claims, damage, costs, expenses, awards, fines, judgments, and attorney's fees (including, without limitation, expert witness fees and other litigation expenses) of every nature arising out of or in connection with LESSEE's performance of work hereunder, or work of its agents, employees, subcontractors and/or independent contractors, or their failure to comply with any of its obligations contained in this lease agreement, whether or not caused in whole or part by Indemnified Parties' active or passive negligence, intentional act or omission. Such obligation shall not be construed to negate, abridge or reduce other rights or obligations of indemnity that would otherwise exist as to the parties.

The indemnification obligations of LESSEE under this LEASE shall not be limited by the amounts or types of insurance (or the deductibles or self-insured retention amounts of such insurance) which LESSEE is required to carry under this Agreement. Indemnified Parties' right to indemnification from LESSEE under this section shall be independent of Indemnified Parties' rights under the insurance to be provided by LESSEE under this Agreement.

LESSEE's duty to defend the Indemnified Parties is entirely separate from, independent of, and free standing from LESSEE's duty to indemnify the Indemnified Parties, including, without limitation, the defense of the Indemnified Parties against claims for which the Indemnified Parties (or any of them) may be strictly liable and applies whether the issue of LESSEE's liability, breach of this LEASE or other obligation, or LESSEE's responsibility has been determined and whether the Indemnified Parties (or any of them) have paid any sums or incurred any detriment, arising out of or resulting directly or indirectly from LESSEE's performance under this LEASE. Such defense obligation shall arise immediately upon presentation of a claim by any person which arises out of or is connected to this LEASE by LESSEE or any of its agents and written notice of such claim being tendered to LESSEE.

### **20. PUBLIC CONTRACTING**

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 for the program conducted by the LESSEE on the leased Premises. In the event funds are not made available to LESSEE's program in or on the leased Premises, the LESSOR may end this lease

## **ORGANIZATION**

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agreement upon thirty (30) days' written notice to LESSEE and be subject to no legal or equitable remedies for the termination.

### **21. PETS**

No pets shall be kept on the leased Premises at any time unless approved in advance in writing by the LESSOR.

In the event LESSEE discovers any condition in or on the leased Premises which renders the Premises uninhabitable or dangerous for continued occupancy, LESSEE shall immediately notify LESSOR.

### **22. DANGEROUS CONDITIONS**

In the event LESSEE discovers any condition in or on the leased Premises which renders the Premises uninhabitable or dangerous for continued occupancy, LESSEE shall immediately notify LESSOR.

### **23. ATTACHMENT, BANKRUPTCY, DEFAULT**

PROVIDED, ALWAYS, and these presents are upon these conditions, that (1) if the LESSEE shall be in arrears in the payment of rent for a period of ten days after the same becomes due, or (2) if the LESSEE shall fail or neglect to do, keep, perform or observe any of the covenants and agreements contained herein on LESSEE's part to be done, kept, performed and observed and such default shall continue for ten days or more after written notice of such failure or neglect shall be given to LESSEE, or (3) if the LESSEE shall be declared bankrupt or insolvent according to law, or (4) if any assignment of LESSEE's property shall be made for the benefit of creditors, or (5) if on the expiration of this LEASE, LESSEE fails to surrender possession of said leased Premises, then and in either or any of said cases or events, each of which constitutes an event of default, the LESSOR may terminate this LEASE and lawfully, at its option immediately or at any time thereafter, without demand or notice, may enter into and upon said leased Premises and every part thereof and repossess the same as of LESSOR's former estate, and expel said LESSEE and those claiming by, through and under LESSEE and remove LESSEE's effects at LESSEE's expense, forcibly if necessary and store the same, all without being deemed guilty of trespass and without prejudice to any remedy which otherwise might be used for arrears of rent or preceding breach of covenant. Upon the occurrence of an event of default described above, LESSOR may exercise any one or more of the remedies set forth in this Lease or any other remedy available under applicable law, whether in equity, under contract, or at law.

Neither the termination of this LEASE by forfeiture nor the taking or recovery of possession of the Premises shall deprive LESSOR of any other action, right, or remedy against LESSEE for possession, rent or damages, nor shall any omission by LESSOR to enforce any forfeiture, right or remedy to which LESSEE may be entitled be deemed a waiver by LESSOR of the right to enforce the performance of all terms and conditions of this LEASE by LESSEE.

In the event of any re-entry by LESSOR, LESSOR may re-lease the Premises to any tenant tenants who provide housing and support services to persons who are served by or case managed by Clackamas County Social Services, Developmental Disability Program. LESSOR shall apply the rent received from any new tenant first to the cost of retaking and resubletting the Premises, including any costs incurred to obtain a new tenant, and then to any arrears of rent and future rent payable under this LEASE and any other damages to which LESSOR may be entitled hereunder.

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Any property which LESSEE leaves on the Premises after abandonment or expiration of this LEASE, or for more than ten days after any termination of the lease by LESSOR shall be deemed to have been abandoned, and LESSOR may remove and sell said property at public or private sale as LESSOR sees fit, without being liable for any prosecution therefore or for damages by reason thereof, and the net proceeds of said sale shall be applied toward the expenses as aforesaid, and the balance of such amounts, if any, shall be held for and paid to the LESSEE.

**24. HOLDING OVER**

In the event the LESSEE for any reason shall hold over after the expiration of this LEASE, such holding over shall not be deemed to operate as a renewal or extension of this LEASE, but shall only create a tenancy from month to month which may be terminated at will at any time by the LESSOR.

**25. NO ATTORNEY FEES AND COSTS**

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.

**26. WAIVER**

LESSOR and LESSEE agree that failure by either party to insist upon strict performance of the terms, covenants, agreements and conditions of this Lease shall not constitute or be construed as a waiver or relinquishment of either party's right thereafter to enforce any such term, covenant, agreement or condition, but the same shall continue in full force and effect.

**27. NOTICES**

Any notice required by the terms of the LEASE to be given shall be sufficient if in writing contained in a sealed envelope deposited in US Mails and if intended for:

LESSOR:

Housing Authority of Clackamas County  
PO Box 1510  
Oregon City, OR 97045

LESSEE:

Northwest Mental Health Management  
Services, Inc.  
1020 Portland Avenue  
Gladstone, OR 97027

Any such notice shall be deemed conclusively to have been delivered to the addressee thereof forty-eight (48) hours after the deposit thereof in said US Mails.

**28. HEIRS AND ASSIGNS**

All rights, remedies and liabilities herein given to or imposed upon either of the parties hereto shall extend to, inure to the benefit of and bind, as the circumstances may require, the heirs, executors, administrators, successors and, so far as this LEASE is assignable by the term hereof, to the assigns of such parties.

In construing this LEASE, it is understood that the LESSOR or the LESSEE may be more than one person; that if the context so requires, the singular pronoun shall be taken to mean and include

## **ORGANIZATION**

2020-2023 LEASE - 3050 Lazy River Drive

the plural, the masculine, the feminine and the neuter, and that generally all grammatical changes shall be made, assumed and implied to make the provisions hereof apply equally to corporations and to individuals.

### **29. NON-WAIVER OF GOVERNMENTAL RIGHTS.**

Subject to the terms and conditions of this Lease, LESSOR 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.

### **30. RECORDATION OF LEASE.**

LESSOR 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. LESSOR will pay the recording costs.

### **31. 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 LESSOR 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 LESSOR 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.

### **32. 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 including, but not limited to, execution of any additional documents that may be required by LESSOR's state or federal funding sources.

### **33. FORCE MAJEURE.**

Neither LESSOR nor LESSEE shall be held responsible for delay or default caused by events outside the LESSOR or LESSEE's reasonable control including, but not limited to, fire, terrorism, riot, acts of God, or war. However, both parties shall make all reasonable efforts to remove or eliminate such a cause of delay or default and shall upon the cessation of the cause, diligently pursue performance of its obligations under this Lease.

## **ORGANIZATION**

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### **34. TAXES**

- 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 based on or otherwise in connection with the use, occupancy, or operations of the Premises, or with respect to services or utilities in connection with the use, occupancy, or operations of the Premises. Taxes will include, but not be limited to, state and local real-property 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.
- 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. Evidence of Payment. Upon written request by LESSOR, LESSEE shall provide LESSOR with evidence reasonably satisfactory to LESSOR that all Taxes required to be paid by LESSEE have been paid.
- d. Property Tax Exemption. LESSEE is responsible for filing the application for a property tax exemption under applicable Oregon law. In the event, the LESSEE fails to file the tax property tax exemption with the Clackamas County Department of Assessment and Taxation by the required deadline and the Premises loses its tax exempt status, LESSEE will be responsible for payment of any taxes or late filing fees assessed against the Premises.

### **35. TERMINATION**

- a. Non-default Termination: This Lease may be terminated for the following non-default reasons: (1) by mutual agreement of the parties; or (2) upon ninety (90) day's written notice to LESSEE, LESSOR may terminate this Lease for convenience, if LESSOR fails to receive expenditure authority sufficient to allow LESSOR, in the exercise of its reasonable administrative discretion, to continue to perform under this Lease, or 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, LESSOR may immediately terminate this Lease upon written notice to LESSEE and exercise any remedy provided herein.

IN WITNESS WHEREOF, the respective parties have executed this instrument, any corporation signature being by authority of its Board of Directors.

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2020-2023 LEASE - 3050 Lazy River Drive

**LESSEE:**  
**NORTHWEST MENTAL HEALTH MANAGEMENT SERVICES, INC.**

**LESSOR:**  
**HOUSING AUTHORITY OF CLACKAMAS COUNTY**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

By: \_\_\_\_\_  
Its: \_\_\_\_\_

By: Jill C. Smith  
Its: Executive Director

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**OREGON NOTARY ACKNOWLEDGMENT (LESSOR)**

State of OREGON

County of \_\_\_\_\_

This record was acknowledged before me on (date) \_\_\_\_\_, 20\_\_\_\_\_

by (name(s) of individual(s)) \_\_\_\_\_ as

(type of authority) \_\_\_\_\_ of (name of party on whose

behalf record was executed) \_\_\_\_\_.

\_\_\_\_\_  
Notary Public – State of Oregon

Official Stamp

Document Description

This certificate is attached to page \_\_\_\_ of a \_\_\_\_\_ (title or type of document),

dated \_\_\_\_\_, 20\_\_\_\_, consisting of \_\_\_\_\_ pages.

**ORGANIZATION**

2020-2023 LEASE - 3050 Lazy River Drive

**OREGON NOTARY ACKNOWLEDGMENT (LESSOR)**

State of OREGON

County of \_\_\_\_\_

This record was acknowledged before me on (date) \_\_\_\_\_, 20\_\_\_\_\_

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**ATTACHMENT A**  
**Summary of Responsibilities**  
**Repairs and Replacements**

	Lessor (HA)	Lessor-if Funding	Lessee (CH)/Lessee
Roof			
Major Repair/Replacement	<b>X</b>		
Minor Repair	<b>X</b>		
Exterior Walls / Siding <sup>(1)</sup>			
Major Repair/Replacement	<b>X</b>		
Minor Repair	<b>X</b>		
Heating/Vent/Coding			
Major Repair/Replacement	<b>X</b>		
Minor Repair	<b>X</b>		
Foundations			
Major Repair/Replacement		<b>X</b>	
Minor Repair	<b>X</b>		
Interior Walls <sup>(1)</sup>			
Major Repair/Replacement		<b>X</b>	
Minor Repair	<b>X</b>		
Interior Redecorating/Remodeling			<b>X</b>
Garage Door			
Major Repair/Replacement	<b>X</b>		
Minor Repair			<b>X</b>
Plumbing <sup>(1)</sup>			
Major Repair/Replacement	<b>X</b>		
Minor Repair (concealed)	<b>X</b>		
Minor Repair (exposed)			<b>X</b>
(1) Maintenance/repair of the building interior/exterior will be examined to determined responsibility i.e. normal wear and tear (HACC), accidental wear and tear due to program needs (lessee), or resident-caused (Lessee).			



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Electrical			
Major Repair	X		
Minor Repair (concealed)	X		
Minor Repair (exposed)			X
Landscaping			
Major Repair/Replacement		X	
Minor Repair			X
Floor Covering			
Major Repair/Replacement		X	X
Minor Repair	X		
Appliances			
Stove (Repair/Replacement) <sup>(2)</sup>			
Refrigerators (Repair/Replacement) <sup>(2)</sup>			
Dishwashers (repair/Replacement) <sup>(2)</sup>			
<sup>(2)</sup> Maintenance/repair on appliances that have been upgraded for program specific requirements/specifications will be repaired or replaced up to the standard appliance amounts allowed by HACCC. Any additional or exceeding costs will be the responsibility of the lessee/lessee.			
Garbage Disposal			X
Clothes Washer & Dryer			X
Code/Standards of Design		X	
Routine Minor Maintenance (light bulbs, furnace filters)			X
Broken Glass			X
Interior Doors			
Major Repair/Replacement			X
Minor Repair			X
Exterior Doors			
Major Repair/Replacement			X
Minor Repair			X
Routine Yard Maintenance			X

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Gutters – Cleaning			<b>X</b>
Cleaning Sidewalks			<b>X</b>
Client Caused Damage			<b>X</b>
Upgrades			<b>X</b>
Donated Equipment			<b>X</b>
Emergencies	<b>X</b>		

# LEASE

THIS LEASE is made and entered into by and between HOUSING AUTHORITY OF CLACKAMAS COUNTY, hereinafter called the LESSOR, and **NORTHWEST FAMILY SERVICES, INCORPORATED**, hereinafter called the LESSEE.

The parties agree as follows:

## 1. **DESCRIPTION OF PREMISES; PURPOSE OF LEASE**

LESSEE hereby leases a residence, more specifically described below, from the Housing Authority of Clackamas County (hereinafter called "LESSOR"). The property is known as:

**5230 SE Roethe Road  
Milwaukie, Clackamas County, Oregon,**

together with any and all rights, privileges, easements, and appurtenances, as well as any and all fixtures, rights, privileges, easements, and appurtenances that may now or exist in the future (collectively, the "Premises"). The parties agree that LESSOR has leased the Premises for the specific purpose of providing a facility in which the LESSEE will operate a residential program called Casa Esperanza, as described in Section 3, below.

## 2. **RENT AND TERM**

The term of this lease shall be two years. For the first year, July 1, 2020 to June 30, 2020, LESSEE shall pay to LESSOR rent for the Premises on the 1st day of the month in the amount of \$1,158.00 per calendar month during the period commencing July 1, 2020 and ending June 30, 2021. For the second year July 1, 2021 to June 30, 2022 the monthly rent due to the LESSOR shall be \$1,194.00. The lease payments are due on the first day of each month. LESSEE shall pay directly to the LESSOR at P.O. Box 1510, Oregon City, Oregon 97045. LESSEE acknowledges that rents received after the 10th of the month will be subject to a \$25.00 late charge.

## 3. **USE OF PREMISES**

a. The LESSEE shall use the leased Premises during the term of this LEASE as follows:

Operation of a residential facility for persons experiencing domestic violence, plus any necessary support staff. LESSEE shall use the leased Premises for no other purpose whatsoever without LESSOR's written consent.

b. The LESSEE will not make any unlawful, improper or offensive use of said Premises; LESSEE will not permit any objectionable noise or odor to escape or to be emitted from said Premises or do anything or permit anything to be done upon or about said Premises in any way tending to create a nuisance; LESSEE will not sell or permit to be sold any spirituous, vinous or malt liquors on said Premises; nor will LESSEE sell or permit to be sold any controlled substance on or about said Premises.

c. The LESSEE will not allow the leased Premises at any time to fall into such a state of disrepair or disorder as to increase the fire hazard thereon; LESSEE shall not install any power

**NORTHWEST FAMILY SERVICES, INCORPORATED**

2020-2022 LEASE – Unit #305001 5230 SE Roethe Road

machinery on said Premises except with written consent of the LESSOR; LESSEE shall not store gasoline or other highly combustible materials on said Premises at any time; LESSEE will not use said Premises in such a way or for such a purpose that the fire insurance rate on the building in which said Premises are located is thereby increased or that would prevent the LESSOR from taking advantage of any rulings of any agency of the state in which said leased Premises are situated or its successors, which would allow the LESSOR to obtain reduced premium rates for long-term fire insurance policies.

- d. LESSEE shall comply at LESSEE's own expense with all laws and regulations of any municipal, county, state, federal or other public authority respecting the use of said leased Premises.
- e. The LESSEE shall regularly occupy and use the leased Premises for the conduct of LESSEE's business, and shall not abandon or vacate the Premises without written approval of the LESSOR.
- f. **Hazardous Substances.** LESSEE shall not cause or permit any Hazardous Substance to be spilled, leaked, disposed of, or otherwise released on or under the Premises. LESSEE may use or otherwise handle on the Premises only those Hazardous Substances typically used or sold in the prudent and safe operation of the business. LESSEE may store such Hazardous Substances on the Premises only in quantities necessary to satisfy LESSEE's reasonably anticipated needs. LESSEE shall comply with all Environmental Laws and exercise the highest degree of care in the use, handling, and storage of Hazardous Substances and shall take all practicable measures to minimize the quantity and toxicity of Hazardous Substances used, handled, or stored on the Premises. On the expiration or termination of this Lease, LESSEE shall remove all Hazardous Substances from the Premises. The term *Environmental Law* shall mean any federal, state, or local statute, regulation, or ordinance or any judicial or other governmental order pertaining to the protection of health, safety, or the environment. The term *Hazardous Substance* shall mean any hazardous, toxic, infectious, or radioactive substance, waste, and material as defined or listed by any Environmental Law and shall include, without limitation, petroleum oil and its fractions.

**4. UTILITIES**

The LESSEE shall pay for all heat, light, water, power, sewer and other services or utilities used in the leased Premises during the term of this LEASE.

**5. REPAIRS AND IMPROVEMENTS**

Responsibility of all repairs and maintenance (other than routine) will be examined on a case by case basis to determine responsibility using the following guidelines and Attachment A.

Maintenance/repair on appliances that have been upgraded or purchased for program specific requirements/specifications will be repaired or replaced for a cost not to exceed the repair or replacement cost of a standard appliance provided by the LESSOR. Maintenance/repair of the building interior/exterior will be examined to determine responsibility, i.e., normal wear and tear (LESSOR), accelerated wear and tear due to program needs (LESSEE), or resident-caused (LESSEE). LESSOR's obligations are contingent upon the availability of sufficient funds, as determined by LESSOR in its sole discretion.

- a. LESSOR has responsibility for repairs and maintenance as funds are available for the following:

(1) Structural Major Repair/Replacement

Maintenance items related to the structure of the building to include: roof, exterior walls (repair and paint), siding, plumbing, and electrical systems, heating system, gutters, downspouts, foundation.

(2) Non-structural Major Repair/Maintenance/Replacement

Maintenance of items that deteriorate due to normal use for a special needs house would include the total cost of repair/replacement of standard kitchen stoves, and refrigerators provided by LESSOR. Upgraded kitchen stoves or refrigerators will be repaired/replaced up to limitations set by the LESSOR.

If an item other than a stove or refrigerator needs to be replaced before its Expected Useful Life (EUL) due to excessive or hard use by the LESSEE, the replacement cost born by the LESSOR will be pro-rated.

Example: Carpet's EUL is set at 5 years, but wears out in 4 years. LESSOR pays 80% and LESSEE pays 20% of replacement cost including materials and labor. EUL will be based on the Manufacturer's estimated useful life of the material, fixture or building system component.

(3) Standards of Design

These items of repair/maintenance/new installation or replacement are items that do not meet applicable building code or design requirements for the LESSEE's program. These are primarily health and safety issues.

Examples: asbestos, sprinkler system, fire alarm system.

LESSOR will work with LESSEE on needed major repairs and replacements to the extent possible with available funding.

In cases of emergency, which present an immediate threat to health and safety, LESSOR will provide repairs such that the immediate threat to health and safety is removed within 48 hours unless there has been a major disaster requiring LESSOR to respond to multiple sites of emergency.

- b. LESSOR shall make repairs and provide maintenance as follows:

(1) Minor Repairs/Routine Maintenance, i.e. Items behind the wall (concealed) that require repair due to normal wear and tear.

Example: replace a part on the furnace.

(2) Repairs necessitated by vandalism, burglary or attempted burglary committed by individuals who are not agents, employers or invitees of the lessee or tenants or employees of LESSEE.

(3) Non-routine repairs to landscaping and tree pruning.

Except in cases of emergency, LESSOR will give at least 24-hours notice of proposed entry and repair. Whenever possible, this notice will be given to LESSEE's house manager. LESSEE shall report needed repairs according to a process agreed upon by LESSOR and LESSEE.

- c. LESSEE shall be responsible for maintaining the Premises in a neat condition, free of trash and debris, in good order and repair. LESSEE agrees to be responsible for the following and maintain all of the following in good condition and repair, less reasonable wear and tear:

(1) Minor Repairs/Routine Maintenance/Appliance Repair and Replacement

Reference the Attachment A for specific examples.

LESSEE is responsible for repairs and maintenance to the Premises including the replacement of all glass which may be broken or cracked during the term of the lease with glass of as good or better quality, and replacement and repair of interior and exterior doors except the garage door, the full cost of repair and replacement of dishwashers and disposals. The cost of kitchen stove and refrigerator repair and replacement will be determined by the LESSOR as described in section 5(a)(2) above. LESSEE is also responsible for routine maintenance of the grounds of the leased Premises, including mowing the grass, weeding, edging of beds, washing exterior windows and ensuring the gutters are cleaned as necessary.

(2) Resident-Caused Damage

Any repairs necessitated by the acts or omissions of the LESSEE, or officers, agents, employees, residents, clients or invitees of the LESSEE, including any repairs which would otherwise be required of LESSOR pursuant to subparagraphs a. and b. above, excluding daily wear and tear.

(3) Improvements

Improvements would be any elective change made to the home to improve the quality of life of the residents. Improvements would include upgrades, interior or exterior redecorating or remodeling, and interior painting. LESSEE shall obtain written permission from LESSOR for any LESSEE improvements on the property.

Other examples: replacing a window air conditioner unit to central air, converting a storage room to a bathroom, appliance upgrades.

(4) Donated Equipment

The LESSEE and the LESSEE's vendor are responsible for all donated equipment.

The LESSEE will not be held responsible for repairs which result from original construction or substantial remodeling prior to LESSEE taking possession, or for substandard or non-workmanlike work done by contractors hired by LESSOR.

A summary of the LESSOR's responsibilities, and of the LESSEE's responsibilities which the LESSEE agrees to be responsible for, as described above, is attached to this lease as Attachment A, and by this reference is incorporated herein.

**6. LESSOR'S RIGHT OF ENTRY**

The LESSOR, or his authorized agents or representatives may enter the leased Premises at any time for the purpose of examining the condition thereof, or any other lawful purpose. The LESSOR agrees to give the LESSEE 24 hours' notice thereof except in case of emergency, in which case no advance notice shall be required.

**7. LOCKS AND KEYS**

The LESSEE, or his authorized agents or representatives, shall ensure that all interior and exterior locks are maintained to allow LESSOR entry at all times with keys mastered to the LESSOR's specifications at the residence. Exceptions to this requirement will be considered on a case by case basis and must be approved by LESSOR in writing prior to any lock changes.

**8. RIGHT OF ASSIGNMENT**

The LESSEE will not assign, transfer, pledge, hypothecate, surrender or dispose of this LEASE, or any interest herein, sublet, or permit any other person or persons whomsoever to occupy the leased Premises without the written consent of the LESSOR and LESSEE being first obtained in writing; this LEASE is personal to said LESSEE; LESSEE's interests, in whole or in part, cannot be sold, assigned, transferred, seized or taken by operation at law, or under or by virtue of any execution or legal process, attachment or proceedings instituted against the LESSEE, or under or by virtue of any bankruptcy or insolvency proceedings had in regard to the LESSEE, or in any other manner, except as above mentioned.

**9. LIENS**

The LESSEE will not permit any lien of any kind, type or description to be placed or imposed upon the building in which said leased Premises are situated, or any part thereof, or the real estate on which it stands.

**10. ICE, SNOW, DEBRIS**

If the Premises herein leased is located at street level, then at all times LESSEE shall keep the sidewalks in front of the leased Premises free and clear of ice, snow, rubbish, debris and obstruction; and if the LESSEE occupies the entire building, LESSEE will not permit rubbish, debris, ice or snow to accumulate on the roof of said building so as to stop up or obstruct gutters or downspouts or cause damage to said roof, and will save harmless and protect the LESSOR and the LESSEE against any injury whether to LESSOR, LESSEE or to LESSOR's property or to any other person or property caused by LESSEE's failure in that regard.

**11. OVERLOADING OF FLOORS**

The LESSEE will not overload the floors of said Premises in such a way as to cause any undue or serious stress or strain upon the building in which said leased Premises are located, or any part thereof, and the LESSOR shall have the right, at any time, to call upon any competent engineer or

architect whom the LESSOR may choose, to decide whether or not the floors of said Premises, or any part thereof, are being overloaded so as to cause any undue or serious stress or strain on said building, or any part thereof, and the decision of said engineer or architect shall be final and binding upon the LESSOR, and the LESSEE; and in the event that the engineer or architect so called upon shall decide that in his opinion the stress or strain is such as to endanger or injure said building, or any part thereof, then and in that event the LESSEE agrees immediately to relieve said stress or strain either by reinforcing the building or by lightening the load which causes such stress or strain in a manner satisfactory to the LESSOR.

**12. ADVERTISING SIGNS**

The LESSEE will not use the outside walls of said Premises, or allow signs or devices of any kind to be attached thereto or suspended therefrom, for advertising or displaying the name or business of the LESSEE or for any purpose whatsoever without the written consent of the LESSOR; however, the LESSEE may make use of the windows of said leased Premises to display LESSEE's name and business when the workmanship of such signs shall be of good quality and permanent nature; provided further that the LESSEE may not suspend or place within said windows or paint thereon any banners, signs, signboards or other devices in violation of this section, or in violation of any applicable law or ordinance.

**13. FIXTURES**

All partitions, plumbing, electrical wiring, additions to or improvements upon said leased Premises, whether installed by the LESSOR, or LESSEE, shall be and become a part of the building as soon as installed and the property of the LESSOR unless otherwise herein provided.

**14. LIGHT AND AIR**

This LEASE does not grant any rights of access to light and air over the property.

**15. INSURANCE**

LESSEE shall procure and maintain, for the duration of the lease, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the LESSEE's operations and use of the leased Premises. The cost of such insurance shall be borne by the LESSEE.

**MINIMUM SCOPE OF INSURANCE**

Coverage shall be at least as broad as:

- a. Insurance Services Office Commercial General Liability coverage.
- b. Insurance Services Office Additional Insured.
- c. Worker's Compensation insurance as required by state law and Employer's Liability Insurance (*for LESSEEs with employees*).
- d. Professional Errors and Omissions Liability insurance.



- e. Property insurance against all risks of loss to any tenant improvements, betterments, and LESSEE-owned business personal property.

**MINIMUM LIMITS OF INSURANCE**

LESSEE shall maintain limits no less than:

- a. General Liability: \$1,000,000 per occurrence, \$2,000,000 aggregate (*including coverages for discrimination, fair housing and ADA violations, and sexual molestation*).
- b. Automobile Liability: \$1,000,000 per accident for Bodily Injury and Property Damage
- c. Workers' Compensation (*statutory*) and Employer's Liability: \$1,000,000 per accident for Bodily Injury or Disease.
- d.. Professional Errors and Omissions Liability: not less than \$1,000,000 per occurrence, \$2,000,000 annual aggregate

**DEDUCTIBLES AND SELF-INSURED RETENTIONS**

Any deductibles or self-insured retentions must be declared to and approved by the LESSOR. At the option of the LESSOR, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the LESSOR, its officers, officials, employees and volunteers; or the LESSEE shall provide a financial guarantee satisfactory to the LESSOR guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

**OTHER INSURANCE PROVISIONS**

The General Liability is to contain, or be endorsed to contain, the following provisions:

- a. The Housing Authority of Clackamas County, its officers, officials, employees and volunteers are to be covered as additional insured with respect to liability arising out of maintenance or use of that part of the Premises leased to the LESSEE.
- b. The LESSEE's insurance coverage shall be primary insurance as respects the Housing Authority of Clackamas County, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the Housing Authority of Clackamas County, its officers, officials, employees, or volunteers shall be excess of the LESSEE's insurance.
- c. Each insurance policy required by these specifications shall be endorsed to state that coverage shall not be cancelled or materially changed, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the Housing Authority of Clackamas County.
- d. Maintenance of the proper insurance for the duration of the contract is a material element of the contract. Material changes in the required coverage or cancellation of the coverage shall constitute a material breach of the contract by the LESSEE.

**ACCEPTABILITY OF INSURERS**

Insurance is to be placed with insurers with a current A. M. Best's rating of no less than B+:VI. LESSEEs must provide written verification of their insurer's rating.

Use of the leased premise must be preapproved by LESSOR. LESSEE shall indemnify the LESSOR for any claims resulting from the conduct of the LESSEE's subcontractors and/or failure to be properly insured.

#### VERIFICATION OF COVERAGE

LESSEE shall furnish the Authority with original certificates and amendatory endorsements effecting coverage required by these specifications. The endorsements should conform fully to the requirements. All certificates and endorsements are to be received and approved by the Authority in sufficient time before the lease commences to permit LESSEE to remedy any deficiencies. The Authority reserves the right to complete, certified copies of all insurance policies, including endorsements effecting the coverage required by these specifications at any time.

#### SUB-CONTRACTORS

Use of lease Premises by subcontractors must be pre-approved by the LESSOR. LESSEE shall require that all subcontractors occupying the space or performing services of leased Premises provide documentation confirming that such subcontractors' insurance conforms to all the above specifications.

Notwithstanding this provision. LESSEE shall indemnify the LESSOR for any claims resulting from the conduct of the LESSEE's sub-contractors and/or failure to be properly insured.

### 16. **EMINENT DOMAIN**

In case of the condemnation or purchase of all or any substantial part of the said leased Premises by any public or private corporation with the power of condemnation this LEASE may be terminated, effective on the date possession is taken, by either party hereto on written notice to the other and in that case the LESSEE shall not be liable for any rent after the termination date. LESSEE shall not be entitled to and hereby expressly waives any right to any part of the condemnation award or purchase price.

### 17. **FOR SALE AND FOR RENT SIGNS**

During the period of 90 days prior to the date above fixed for the termination of said LEASE, the LESSEE agrees that there may be posted on said Premises or in the windows thereof signs of moderate size notifying the public that the Premises are "for sale" or "for lease."

### 18. **DELIVERING UP PREMISES ON TERMINATION**

At the expiration of said term or upon any sooner termination thereof, the LESSEE will quit and deliver up said leased Premises and all future erections or additions to or upon the same, broom-clean, to the LESSOR, peaceably, quietly, and in as good order and condition, reasonable use and wear thereof, damage by fire, unavoidable casualty and the elements alone excepted, as the same are now in or hereafter may be put in by the LESSOR

### 19. **INDEMNIFICATION**

To the fullest extent permitted by law, LESSEE shall indemnify, defend and hold harmless LESSOR, and its agents, affiliates, employees, managers, officers, other contractors, heirs and assigns (hereinafter "Indemnified Parties") from and against any and all liability, claims, damage, costs, expenses, awards, fines, judgments, and attorney's fees (including, without limitation, expert witness fees and other litigation expenses) of every nature arising out of or in connection with LESSEE's performance of work hereunder, or work of its agents, employees, subcontractors and/or independent contractors, or their failure to comply with any of its obligations contained in this lease agreement, whether or not caused in whole or part by Indemnified Parties' active or passive negligence, intentional act or omission. Such obligation shall not be construed to negate, abridge or reduce other rights or obligations of indemnity that would otherwise exist as to the parties.

The indemnification obligations of LESSEE under this LEASE shall not be limited by the amounts or types of insurance (or the deductibles or self-insured retention amounts of such insurance) which LESSEE is required to carry under this Agreement. Indemnified Parties' right to indemnification from LESSEE under this section shall be independent of Indemnified Parties' rights under the insurance to be provided by LESSEE under this Agreement.

LESSEE's duty to defend the Indemnified Parties is entirely separate from, independent of, and free standing from LESSEE's duty to indemnify the Indemnified Parties, including, without limitation, the defense of the Indemnified Parties against claims for which the Indemnified Parties (or any of them) may be strictly liable and applies whether the issue of LESSEE's liability, breach of this LEASE or other obligation, or LESSEE's responsibility has been determined and whether the Indemnified Parties (or any of them) have paid any sums or incurred any detriment, arising out of or resulting directly or indirectly from LESSEE's performance under this LEASE. Such defense obligation shall arise immediately upon presentation of a claim by any person which arises out of or is connected to this LEASE by LESSEE or any of its agents and written notice of such claim being tendered to LESSEE.

LESSEE shall be responsible for all damage to the Premises, injury to persons, and loss, expense, inconvenience, and delay which may be caused by, or result from, the conduct of work, or from any act, omission, or neglect of LESSEE, its subcontractors, agents, employees, guests, or invitees.

LESSOR shall have no liability to LESSEE for any injury, loss, or damage caused by third parties, or by any condition of the Premises. LESSOR shall have no liability for the failure or interruption of utilities.

**20. PUBLIC CONTRACTING**

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 for the program conducted by the LESSEE on the leased Premises.

**21. PETS**

No pets shall be kept on the leased Premises at any time unless approved in advance in writing by the LESSOR.

**22. DANGEROUS CONDITIONS**

In the event LESSEE discovers any condition in or on the leased Premises which renders the Premises uninhabitable or dangerous for continued occupancy, LESSEE shall immediately notify LESSOR.

**23. ATTACHMENT, BANKRUPTCY, DEFAULT**

PROVIDED, ALWAYS, and these presents are upon these conditions, that (1) if the LESSEE shall be in arrears in the payment of rent for a period of ten days after the same becomes due, or (2) if the LESSEE shall fail or neglect to do, keep, perform or observe any of the covenants and agreements contained herein on LESSEE's part to be done, kept, performed and observed and such default shall continue for ten days or more after written notice of such failure or neglect shall be given to LESSEE, or (3) if the LESSEE shall be declared bankrupt or insolvent according to law, or (4) if any assignment of LESSEE's property shall be made for the benefit of creditors, or (5) if on the expiration of this LEASE, LESSEE fails to surrender possession of said leased Premises, then and in either or any of said cases or events, each of which constitutes an event of default, the LESSOR may terminate this LEASE and lawfully, at its option immediately or at any time thereafter, without demand or notice, may enter into and upon said leased Premises and every part thereof and repossess the same as of LESSOR's former estate, and expel said LESSEE and those claiming by, through and under LESSEE and remove LESSEE's effects at LESSEE's expense, forcibly if necessary and store the same, all without being deemed guilty of trespass and without prejudice to any remedy which otherwise might be used for arrears of rent or preceding breach of covenant. Upon the occurrence of an event of default described above, LESSOR may exercise any one or more of the remedies set forth in this Lease or any other remedy available under applicable law, whether in equity, under contract, or at law.

Neither the termination of this LEASE by forfeiture nor the taking or recovery of possession of the Premises shall deprive LESSOR of any other action, right, or remedy against LESSEE for possession, rent or damages, nor shall any omission by LESSOR to enforce any forfeiture, right or remedy to which LESSEE may be entitled be deemed a waiver by LESSOR of the right to enforce the performance of all terms and conditions of this LEASE by LESSEE.

**24. HOLDING OVER**

There shall be no holdover permitted upon termination of this Lease.

**25. WAIVER**

Lessor and Lessee agree that failure by either party to insist upon strict performance of the terms, covenants, agreements and conditions of this Lease shall not constitute or be construed as a waiver or relinquishment of either party's right thereafter to enforce any such term, covenant, agreement or condition, but the same shall continue in full force and effect.

**27. NOTICES**

Any notice required by the terms of the LEASE to be given shall be sufficient if in writing contained in a sealed envelope deposited in US Mails and if intended for:

LESSOR:

Housing Authority of Clackamas County  
PO Box 1510  
Oregon City, OR 97045

LESSEE:

Northwest Family Services, Incorporated  
6200 SE King Road  
Portland, Oregon 97222

Any such notice shall be deemed conclusively to have been delivered to the addressee thereof forty-eight (48) hours after the deposit thereof in said US Mails.

**28. HEIRS AND ASSIGNS**

All rights, remedies and liabilities herein given to or imposed upon either of the parties hereto shall extend to, inure to the benefit of and bind, as the circumstances may require, the heirs, executors, administrators, successors and, so far as this LEASE is assignable by the term hereof, to the assigns of such parties.

In construing this LEASE, it is understood that the LESSOR or the LESSEE may be more than one person; that if the context so requires, the singular pronoun shall be taken to mean and include the plural, the masculine, the feminine and the neuter, and that generally all grammatical changes shall be made, assumed and implied to make the provisions hereof apply equally to corporations and to individuals.

**29. AS-IS**

LESSEE accepts the Premises in its “as is” condition without any warranty or representation by Lessor as to the condition, fitness for any particular purpose, or habitability of the Premises. LESSEE acknowledges that LESSOR has no obligation to make any change or improvement to the Premises or to pay any cost, expend any funds or suffer any liability to make any change or improvement. All work done by Lessee within, on, under or adjacent to the Premises will be performed in a good and workmanlike manner in compliance with all governmental requirements. It is LESSEE’s sole and exclusive responsibility to perform all work necessary or required by any governmental entity, to permit LESSEE to occupy the Premises. LESSEE agrees to indemnify, defend and hold LESSOR harmless against any loss, liability, claim or damage resulting from work on the Premises.

**30. APPLICABLE LAW AND VENUE**

This Lease shall be governed and construed in accordance with the laws of the State of Oregon without regard to principles of conflicts of law. Any claim, action, or suit between LESSOR 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 must 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.

**31. NO ATTORNEY FEES AND COSTS**

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.

**32. NON-WAIVER OF GOVERNMENTAL RIGHTS.**

Subject to the terms and conditions of this Lease, LESSOR 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.

**33. RECORDATION OF LEASE.**

LESSOR 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. LESSOR will pay the recording costs.

**34. 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 LESSOR 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 LESSOR 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.

**35. 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 including, but not limited to, execution of any additional documents that may be required by LESSOR's state or federal funding sources.

**36. FORCE MAJEURE.**

Neither LESSOR nor LESSEE shall be held responsible for delay or default caused by events outside the LESSOR or LESSEE's reasonable control including, but not limited to, fire, terrorism, riot, acts of God, or war. However, both parties shall make all reasonable efforts to remove or eliminate such a cause of delay or default and shall upon the cessation of the cause, diligently pursue performance of its obligations under this Lease.

**37. TAXES**

- 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 based on or otherwise in connection with the use, occupancy, or operations of the Premises, or with respect to services or utilities in connection with the use, occupancy, or operations of the Premises. Taxes will include, but not be limited to, state and local real-property 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.

**NORTHWEST FAMILY SERVICES, INCORPORATED**

2020-2022 LEASE – Unit #305001 5230 SE Roethe Road

- 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. Evidence of Payment. Upon written request by LESSOR, LESSEE shall provide LESSOR with evidence reasonably satisfactory to LESSOR that all Taxes required to be paid by LESSEE have been paid.
- d. Property Tax Exemption. LESSEE is responsible for filing the application for a property tax exemption under applicable Oregon law. In the event, the LESSEE fails to file the tax property tax exemption with the Clackamas County Department of Assessment and Taxation by the required deadline and the Premises loses its tax exempt status, LESSEE will be responsible for payment of any taxes or late filing fees assessed against the Premises.

**38. TERMINATION**

- a. Non-default Termination: This Lease may be terminated for the following non-default reasons: (1) by mutual agreement of the parties; or (2) upon ninety (90) day's written notice to LESSEE, LESSOR may terminate this Lease for convenience, if LESSOR fails to receive expenditure authority sufficient to allow LESSOR, in the exercise of its reasonable administrative discretion, to continue to perform under this Lease, or 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, LESSOR may immediately terminate this Lease upon written notice to LESSEE and exercise any remedy provided herein.

**39. ENTIRE AGREEMENT**

This Lease contains the entire agreement of LESSOR and LESSEE, and all prior written and oral agreements and representations between the parties are void. LESSOR and LESSEE agree that there are no implied covenants or other agreements between the parties except as expressly set forth in this Lease. Neither LESSOR nor LESSEE is relying on any representations of the other party except those expressly set forth herein.

IN WITNESS WHEREOF, the respective parties have executed this instrument, any corporation signature being by authority of its Board of Directors.

**LESSEE:**  
**NORTHWEST FAMILY SERVICES**

**LESSOR:**  
**HOUSING AUTHORITY OF CLACKAMAS INC.**  
**COUNTY**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

By: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

Its: Executive Director

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**OREGON NOTARY ACKNOWLEDGMENT (LESSOR)**

State of OREGON  
County of \_\_\_\_\_

This record was acknowledged before me on (date) \_\_\_\_\_,  
20\_\_\_\_\_

by (name(s) of individual(s)) \_\_\_\_\_  
as

(type of authority) \_\_\_\_\_ of (name of party on whose  
behalf record was executed)  
\_\_\_\_\_.

\_\_\_\_\_  
Notary Public – State of Oregon

Official Stamp

Document Description

This certificate is attached to page \_\_\_\_ of a \_\_\_\_\_ (title or type of document),  
dated \_\_\_\_\_, 20\_\_\_\_\_, consisting of \_\_\_\_\_ pages.



**OREGON NOTARY ACKNOWLEDGMENT (LESSOR)**

State of OREGON  
County of \_\_\_\_\_

This record was acknowledged before me on (date) \_\_\_\_\_,  
20\_\_\_\_\_

by (name(s) of individual(s)) \_\_\_\_\_  
as

(type of authority) \_\_\_\_\_ of (name of party on whose  
behalf record was executed)

\_\_\_\_\_.

\_\_\_\_\_  
Notary Public – State of Oregon

Official Stamp

Document Description

This certificate is attached to page \_\_\_\_ of a \_\_\_\_\_ (title or type of document),  
dated \_\_\_\_\_, 20\_\_\_\_, consisting of \_\_\_\_\_ pages.

**ATTACHMENT A**  
**Summary of Responsibilities**  
**Repairs and Replacements**

	<u>Lessor (HA)</u>	<u>Lessor-If Funding</u>	<u>Lessee(CH)/ Lessee</u>
Roof			
Major Repair/Replacement	X		
Minor Repair	X		
Exterior Walls / Siding (1)			
Major Repair/Replacement	X		
Minor Repair	X		
Heating/Vent/Cooling			
Major Repair/Replacement	X		
Minor Repair	X		
Gutters, Downspouts			
Major Repair/Replacement		X	
Minor Repair	X		
Foundations			
Major Repair/Replacement	X		
Minor Repair	X		
Interior Walls (1)			
Major Repair/Replacement		X	
Minor Repair	X		
Interior Redecorating/Remodeling			X
Garage Door			
Major Repair/Replacement	X		
Minor Repair			X
Plumbing (1)			
Major Repair/Replacement	X		
Minor Repair (concealed)	X		
Minor Repair (exposed)			X
(1) Maintenance/repair of the building interior/exterior will be examined to determine responsibility, i.e., normal wear and tear (HACC), accelerated wear and tear due to program needs (lessee), or resident-caused (Lessee).			

**NORTHWEST FAMILY SERVICES, INCORPORATED**  
 2020-2022 LEASE – Unit #305001 5230 SE Roethe Road

	<u>Lessor (HA)</u>	<u>Lessor-If Funding</u>	<u>Lessee (CH)/ Lessee</u>
<b>Electrical</b>			
Major Repair/Replacement	X		
Minor Repair (concealed)	X		
Minor Repair (exposed)			X
<b>Landscaping</b>			
Major Repair/Replacement		X	
Minor Repair			X
<b>Floor Covering</b>			
Major Repair/Replacement*		X	X
Minor Repair	X		
<b>Appliances</b>			
Stove (Repair/Replacement) (2)			
Refrigerators (Repair/Replacement) (2)			
Dishwashers (Repair/Replacement) (2)			
Garbage Disposal			X
Clothes Washer & Dryer			X
(2) Maintenance/repair on appliances that have been upgraded for program specific requirements/specifications will be repaired or replaced up to the standard appliance amounts allowed by HACCC. Any additional or exceeding costs will be the responsibility of the lessee/lessee.			
Code/Standards of Design		X	
Routine Minor Maintenance (light bulbs, furnace filters)			X
Broken Glass			X
<b>Interior Doors</b>			
Major Repair/Replacement			X
Minor Repair			X
<b>Exterior Doors</b>			
Major Repair/Replacement			X
Minor Repair			X

**NORTHWEST FAMILY SERVICES, INCORPORATED**  
 2020-2022 LEASE – Unit #305001 5230 SE Roethe Road

	<u>Lessor (HA)</u>	<u>Lessor-If Funding</u>	<u>Lessee (CH)/ Lessee</u>
Routine Yard Maintenance			X
Gutters - Cleaning			X
Janitorial			X
Cleaning Sidewalks			X
Client Caused Damage			X
Upgrades			X
Donated Equipment			X
Emergencies	X		

# LEASE

THIS LEASE is made and entered into by and between **HOUSING AUTHORITY OF CLACKAMAS COUNTY**, hereinafter called the LESSOR, and **THE INN, HOME FOR BOYS**, hereinafter called the LESSEE.

The parties agree as follows:

## **1. DESCRIPTION OF PREMISES; PURPOSE OF LEASE**

LESSEE hereby leases a residence, more specifically described below, from the Housing Authority of Clackamas County (hereinafter called "LESSOR"). The property is known as:

144 Molalla Avenue  
Oregon City, Clackamas County, Oregon, 97045

together with any and all rights, privileges, easements, and appurtenances, as well as any and all fixtures, rights, privileges, easements, and appurtenances that may now or exist in the future (collectively, the "Premises"). The parties agree that LESSOR is leasing the Premises for the specific purpose of providing a facility in which the LESSEE will operate a residential program, as described in Section 3, below.

## **2. RENT**

This term of this lease shall be two years. For the first year, LESSEE shall pay to LESSOR rent for the Premises in the amount of \$1,282.00 per calendar month during the period commencing July 1, 2020 and ending on June 30, 2021. For the second year beginning July 1, 2021 and ending June 30, 2022 the monthly rent shall be \$1,320.00. The lease payments are due on the first day of each month starting July 1, 2020. LESSEE shall pay directly to the LESSOR at P.O. Box 1510, Oregon City, Oregon 97045. LESSEE acknowledges that rents received after the 10th of the month will be subject to a \$25.00 late charge.

## **3. USE OF PREMISES**

- a. The LESSEE shall use the leased premises during the term of this LEASE as follows: Operation of a residential facility for Foster Youth, plus any necessary support staff. LESSEE shall use the leased premises for no other purpose whatsoever without LESSOR's written consent.
- b. The LESSEE will not make any unlawful, improper or offensive use of said premises; LESSEE will not suffer any strip or waste thereof; LESSEE will not permit any objectionable noise or odor to escape or to be emitted from said Premises or do anything or permit anything to be done upon or about said Premises in any way tending to create a nuisance; LESSEE will not sell or permit to be sold any spirituous, vinous or malt liquors on said Premises; nor will LESSEE sell or permit to be sold any controlled substance on or about said Premises.
- c. The LESSEE will not allow the leased Premises at any time to fall into such a state of disrepair or disorder as to increase the fire hazard thereon; LESSEE shall not install any power machinery on said Premises except with written consent of the LESSOR; LESSEE shall not store gasoline or other highly combustible materials on said Premises at any time; LESSEE will not use said Premises in such a way or for such a purpose that the fire

## **ORGANIZATION**

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insurance rate on the building in which said Premises are located is thereby increased or that would prevent the LESSOR from taking advantage of any rulings of any agency of the state in which said leased Premises are situated or its successors, which would allow the LESSOR to obtain reduced premium rates for long term fire insurance policies.

### **4. UTILITIES**

The LESSEE shall pay for all heat, light, water, power, sewer and other services or utilities used at the Premises during the term of this LEASE.

### **5. REPAIRS AND IMPROVEMENTS**

Responsibility of all repairs and maintenance (other than routine) will be examined on a case by case basis to determine responsibility using the following guidelines and Attachment A. Maintenance/repair on appliances that have been upgraded or purchased for program specific requirements/specifications will be repaired or replaced for a cost not to exceed the repair or replacement cost of a standard appliance provided by the LESSOR. Maintenance/repair of the building interior/exterior will be examined to determine responsibility, i.e., normal wear and tear (LESSOR), accelerated wear and tear due to program needs (LESSEE), or resident-caused (LESSEE). LESSOR's obligations are contingent upon the availability of sufficient funds, as determined by LESSOR in its sole discretion.

a. LESSOR has responsibility for repairs and maintenance as funds are available for the following:

(1) Structural Major Repair/Replacement

Maintenance items related to the structure of the building to include: roof, exterior walls (repair and paint), siding, plumbing, and electrical systems, heating system, gutters, downspouts, foundation.

(2) Non-structural Major Repair/Maintenance/Replacement

Maintenance of items that deteriorate due to normal use for a special needs house would include the total cost of repair/replacement of standard kitchen stoves, and refrigerators provided by LESSOR. Upgraded kitchen stoves or refrigerators will be repaired/replaced up to limitations set by the LESSOR.

If an item other than a stove or refrigerator needs to be replaced before its agreed upon life due to excessive or hard use by the LESSEE, the replacement costs will be split between LESSOR and LESSEE.

Example: Carpet's life is set at 5 years, but wears out in 4 years. LESSOR pays 80% and LESSEE pays 20% of replacement cost.

(3) Standards of Design

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These items of repair/maintenance/new installation or replacement are items that do not meet applicable building code or design requirements for the LESSEE's program. These are primarily health and safety issues.

Examples: asbestos, sprinkler system, fire alarm system.

LESSOR will work with LESSEE on needed major repairs and replacements to the extent possible with available funding.

In cases of emergency, which present an immediate threat to health and safety, LESSOR will provide repairs such that the immediate threat to health and safety is removed within 48 hours unless there has been a major disaster requiring LESSOR to respond to multiple sites of emergency.

- b. LESSOR shall make repairs and provide maintenance as follows:
- (1) Minor Repairs/Routine Maintenance, i.e. Items behind the wall (concealed) that require repair due to normal wear and tear.

Example: replace a part on the furnace.

- (2) Repairs necessitated by vandalism, burglary or attempted burglary committed by individuals who are not agents, employers or invitees of the lessee or tenants or employees of LESSEE.
- (3) Non-routine repairs to landscaping and tree pruning.

Except in cases of emergency, LESSOR will give at least 24-hours notice of proposed entry and repair. Whenever possible, this notice will be given to LESSEE's house manager. LESSEE shall report needed repairs according to a process agreed upon by LESSOR and LESSEE.

- c. LESSEE shall be responsible for maintaining the Premises in a neat condition, free of trash and debris, in good order and repair. LESSEE agrees to be responsible for the following and maintain all of the following in good condition and repair, less reasonable wear and tear:
- (1) Minor Repairs/Routine Maintenance/Appliance Repair and Replacement

Reference the Attachment A for specific examples.

LESSEE is responsible for repairs and maintenance to the Premises including the replacement of all glass which may be broken or cracked during the term of the lease with glass of as good or better quality, and replacement and repair of interior and exterior doors except the garage door, the full cost of repair and replacement of dishwashers and disposals. The cost of kitchen stove and refrigerator repair and replacement will be determined by the LESSOR as described in paragraph 2. LESSEE is also responsible for routine maintenance of the grounds of the leased Premises,

## **ORGANIZATION**

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including mowing the grass, weeding, edging of beds, washing exterior windows and ensuring the gutters are cleaned as necessary.

(2) Resident-Caused Damage

Any repairs necessitated by the acts or omissions of the LESSEE, or officers, agents, employees, clients, residents, or invitees of the LESSEE, including any repairs which would otherwise be required of LESSOR pursuant to subparagraphs a. and b. above, excluding daily wear and tear.

(3) Improvements

Improvements would be any elective change made to the home to improve the quality of life of the residents. Improvements would include upgrades, interior or exterior redecorating or remodeling, and interior painting.

Other examples: replacing a window air conditioner unit to central air, converting a storage room to a bathroom, appliance upgrades.

(4) Donated Equipment

The LESSEE and the LESSEE's vendor are responsible for all donated equipment.

The LESSEE will not be held responsible for repairs which result from original construction or substantial remodeling prior to LESSEE taking possession, or for substandard or nonworkman like work done by contractors hired by LESSOR.

A summary of the LESSOR's responsibilities, and of the LESSEE's responsibilities which the LESSEE agrees to be responsible for, as described above, is attached to this lease as Attachment A, and by this reference is incorporated herein.

**6. LESSOR'S RIGHT OF ENTRY**

The LESSOR, or its authorized agents or representatives may enter the leased Premises at any reasonable time for the purpose of examining into the condition thereof, or any other lawful purpose. The LESSOR agrees to give the LESSEE 24 hours' notice thereof except in case of emergency, in which case no advance notice shall be required.

**7. LOCKS AND KEYS**

The LESSEE, or its authorized agents or representatives, shall insure that all interior and exterior locks are maintained to allow LESSOR entry at all times with keys mastered to the LESSOR's specifications at the residence. Exceptions to this requirement will be considered on a case by case basis and must be approved by LESSOR prior to any lock changes.

**8. RIGHT OF ASSIGNMENT**

The LESSEE will not assign, transfer, pledge, hypothecate, surrender or dispose of this LEASE, or any interest herein, sublet, or permit any other person or persons whomsoever to occupy the leased Premises without the written consent of the LESSOR being first obtained in writing; this LEASE is personal to said LESSEE; LESSEE's interests, in whole or in part, cannot be sold, assigned, transferred, seized or taken by operation at law, or under or by virtue of any execution



## **ORGANIZATION**

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or legal process, attachment or proceedings instituted against the LESSEE, or under or by virtue of any bankruptcy or insolvency proceedings had in regard to the LESSEE, or in any other manner, except as above mentioned.

### **9. LIENS**

The LESSEE will not permit any lien of any kind, type or description to be placed or imposed upon the building in which said leased Premises are situated, or any part thereof, or the real estate on which it stands.

### **10. ICE. SNOW. DEBRIS**

If the Premises herein leased is located at street level, then at all times LESSEE shall keep the sidewalks in front of the leased Premises free and clear of ice, snow, rubbish, debris and obstruction; and if the LESSEE occupies the entire building, LESSEE will not permit rubbish, debris, ice or snow to accumulate on the roof of said building so as to stop up or obstruct gutters or downspouts or cause damage to said roof, and LESSEE will save harmless and protect the LESSOR against any injury whether to LESSOR, LESSEE or to LESSOR's property or to any other person or property caused by LESSEE's failure in that regard.

### **11. OVERLOADING OF FLOORS**

The LESSEE will not overload the floors of said Premises in such a way as to cause any undue or serious stress or strain upon the building in which said leased Premises are located, or any part thereof, and the LESSOR shall have the right, at any time, to call upon any competent engineer or architect whom the LESSOR may choose, to decide whether or not the floors of said Premises, or any part thereof, are being overloaded so as to cause any undue or serious stress or strain on said building, or any part thereof, and the decision of said engineer or architect shall be final and binding upon the LESSOR, and the LESSEE; and in the event that the engineer or architect so called upon shall decide that in his opinion the stress or strain is such as to endanger or injure said building, or any part thereof, then and in that event the LESSEE agrees immediately to relieve said stress or strain either by reinforcing the building or by lightening the load which causes such stress or strain in a manner satisfactory to the LESSOR.

### **12. ADVERTISING SIGNS**

The LESSEE will not use the outside walls of said Premises, or allow signs or devices of any kind to be attached thereto or suspended therefrom, for advertising or displaying the name or business of the LESSEE or for any purpose whatsoever without the written consent of the LESSOR; however, the LESSEE may make use of the windows of said leased Premises to display LESSEE's name and business when the workmanship of such signs shall be of good quality and permanent nature; provided further that the LESSEE may not suspend or place within said windows or paint thereon any banners, signs, signboards or other devices in violation of this section, or in violation of any applicable law or ordinance.

### **13. FIXTURES**

All partitions, plumbing, electrical wiring, additions to or improvements upon the Premises, whether installed by the LESSOR or LESSEE, shall be and become a part of the Premises as soon as installed and the property of the LESSOR unless otherwise herein provided.

### **14. LIGHT AND AIR**

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This LEASE does not grant any rights of access to light and air over the property.

### **15. INSURANCE**

LESSEE shall procure and maintain, for the duration of the lease, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the LESSEE's operations and use of the leased Premises. The cost of such insurance shall be borne by the LESSEE.

#### **MINIMUM SCOPE OF INSURANCE**

Coverage shall be at least as broad as:

- a. Insurance Services Office Commercial General Liability coverage.
- b. Insurance Services Office Additional Insured.
- c. Worker's Compensation insurance as required by state law and Employer's Liability Insurance (for LESSEEs with employees).
- d. Professional Errors and Omissions Liability insurance.
- e. Property insurance against all risks of loss to any tenant improvements, betterments, and LESSEE-owned business personal property.

#### **MINIMUM LIMITS OF INSURANCE LESSEE**

shall maintain limits no less than:

- a. General Liability: \$1,000,000 per occurrence, \$2,000,000 aggregate (including coverages for discrimination, fair housing and ADA violations, and sexual molestation).
- b. Workers' Compensation (statutory) and Employer's Liability: \$1,000,000 per accident for Bodily Injury or Disease.
- c. Professional Errors and Omissions Liability: not less than \$1,000,000 per occurrence, \$2,000,000 annual aggregate
- d. Property Insurance: full replacement cost with no co-insurance penalty provision.

**NOTE:** These limits can be attained by individual policies or by combining primary and umbrella policies.

#### **DEDUCTIBLES AND SELF-INSURED RETENTIONS**

Any deductibles or self-insured retentions must be declared to and approved by the LESSOR. At the option of the LESSOR, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the LESSOR, its officers, officials, employees and volunteers; or the LESSEE shall provide a financial guarantee satisfactory to the LESSOR guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

## **ORGANIZATION**

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## **OTHER INSURANCE PROVISIONS**

The General Liability is to contain, or be endorsed to contain, the following provisions:

- a. The Housing Authority of Clackamas County, its officers, officials, employees and volunteers are to be covered as additional insured with respect to liability arising out of maintenance or use of that part of the Premises leased to the LESSEE.
- b. The LESSEE's insurance coverage shall be primary insurance as respects the Housing Authority of Clackamas County, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the Housing Authority of Clackamas County, its officers, officials, employees, or volunteers shall be excess of the LESSEE's insurance.
- c. Each insurance policy required by these specifications shall be endorsed to state that coverage shall not be cancelled or materially changed, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the Housing Authority of Clackamas County.
- d. Maintenance of the proper insurance for the duration of the contract is a material element of the contract. Material changes in the required coverage or cancellation of the coverage shall constitute a material breach of the contract by the LESSEE.

### **ACCEPTABILITY OF INSURERS**

Insurance is to be placed with insurers with a current A M. Best's rating of no less than B+VI. LESSEEs must provide written verification of their insurer's rating.

Use of the leased premise must be preapproved by LESSOR. LESSEE shall indemnify the LESSOR for any claims resulting from the conduct of the LESSEE's subcontractors and/or failure to be properly insured.

## **16. EMINENT DOMAIN**

In case of the condemnation or purchase of all or any substantial part of the said leased Premises by any public or private corporation with the power of condemnation this LEASE may be terminated, effective on the date possession is taken, by either party hereto on written notice to the other and in that case the LESSEE shall not be liable for any rent after the termination date. LESSEE shall not be entitled to and hereby expressly waives any right to any part of the condemnation award or purchase price.

## **17. FOR SALE AND FOR RENT SIGNS**

During the period of 90 days prior to the date above fixed for the termination of said LEASE, the LESSEE agrees that there may be posted on said Premises or in the windows thereof signs of moderate size notifying the public that the Premises are "for sale" or "for lease."

## **18. DELIVERING UP PREMISES ON TERMINATION**

At the expiration of said term or upon any sooner termination thereof, the LESSEE will quit and deliver up said leased Premises and all future erections or additions to or upon the same, broomclean, to the LESSOR, peaceably, quietly, and in as good order and condition, reasonable

## **ORGANIZATION**

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use and wear thereof, damage by fire, unavoidable casualty and the elements alone excepted, as the same are now in or hereafter may be put in by the LESSOR.

### **19. INDEMNIFICATION**

To the fullest extent permitted by law, LESSEE shall indemnify, defend and hold harmless LESSOR, and its agents, affiliates, employees, managers, officers, other contractors, heirs and assigns (hereinafter "Indemnified Parties") from and against any and all liability, claims, damage, costs, expenses, awards, fines, judgments, and attorney's fees (including, without limitation, expert witness fees and other litigation expenses) of every nature arising out of or in connection with LESSEE's performance of work hereunder, or work of its agents, employees, subcontractors and/or independent contractors, or their failure to comply with any of its obligations contained in this lease agreement, whether or not caused in whole or part by Indemnified Parties' active or passive negligence, intentional act or omission. Such obligation shall not be construed to negate, abridge or reduce other rights or obligations of indemnity that would otherwise exist as to the parties.

The indemnification obligations of LESSEE under this LEASE shall not be limited by the amounts or types of insurance (or the deductibles or self-insured retention amounts of such insurance) which LESSEE is required to carry under this Agreement. Indemnified Parties' right to indemnification from LESSEE under this section shall be independent of Indemnified Parties' rights under the insurance to be provided by LESSEE under this Agreement.

LESSEE's duty to defend the Indemnified Parties is entirely separate from, independent of, and free standing from LESSEE's duty to indemnify the Indemnified Parties, including, without limitation, the defense of the Indemnified Parties against claims for which the Indemnified Parties (or any of them) may be strictly liable and applies whether the issue of LESSEE's liability, breach of this LEASE or other obligation, or LESSEE's responsibility has been determined and whether the Indemnified Parties (or any of them) have paid any sums or incurred any detriment, arising out of or resulting directly or indirectly from LESSEE's performance under this LEASE. Such defense obligation shall arise immediately upon presentation of a claim by any person which arises out of or is connected to this LEASE by LESSEE or any of its agents and written notice of such claim being tendered to LESSEE.

### **20. PUBLIC CONTRACTING**

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 for the program conducted by the LESSEE on the leased Premises. In the event funds are not made available to LESSEE's program in or on the leased Premises, the LESSOR may end this lease agreement upon thirty (30) days' written notice to LESSEE and be subject to no legal or equitable remedies for the termination.

### **21. PETS**

No pets shall be kept on the leased Premises at any time unless approved in advance in writing by the LESSOR.

## **ORGANIZATION**

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In the event LESSEE discovers any condition in or on the leased Premises which renders the Premises uninhabitable or dangerous for continued occupancy, LESSEE shall immediately notify LESSOR.

### **22. DANGEROUS CONDITIONS**

In the event LESSEE discovers any condition in or on the leased Premises which renders the Premises uninhabitable or dangerous for continued occupancy, LESSEE shall immediately notify LESSOR.

### **23. ATTACHMENT, BANKRUPTCY, DEFAULT**

PROVIDED, ALWAYS, and these presents are upon these conditions, that (1) if the LESSEE shall be in arrears in the payment of rent for a period of ten days after the same becomes due, or (2) if the LESSEE shall fail or neglect to do, keep, perform or observe any of the covenants and agreements contained herein on LESSEE's part to be done, kept, performed and observed and such default shall continue for ten days or more after written notice of such failure or neglect shall be given to LESSEE, or (3) if the LESSEE shall be declared bankrupt or insolvent according to law, or (4) if any assignment of LESSEE's property shall be made for the benefit of creditors, or (5) if on the expiration of this LEASE, LESSEE fails to surrender possession of said leased Premises, then and in either or any of said cases or events, each of which constitutes an event of default, the LESSOR may terminate this LEASE and lawfully, at its option immediately or at any time thereafter, without demand or notice, may enter into and upon said leased Premises and every part thereof and repossess the same as of LESSOR's former estate, and expel said LESSEE and those claiming by, through and under LESSEE and remove LESSEE's effects at LESSEE's expense, forcibly if necessary and store the same, all without being deemed guilty of trespass and without prejudice to any remedy which otherwise might be used for arrears of rent or preceding breach of covenant. Upon the occurrence of an event of default described above, LESSOR may exercise any one or more of the remedies set forth in this Lease or any other remedy available under applicable law, whether in equity, under contract, or at law.

Neither the termination of this LEASE by forfeiture nor the taking or recovery of possession of the Premises shall deprive LESSOR of any other action, right, or remedy against LESSEE for possession, rent or damages, nor shall any omission by LESSOR to enforce any forfeiture, right or remedy to which LESSEE may be entitled be deemed a waiver by LESSOR of the right to enforce the performance of all terms and conditions of this LEASE by LESSEE.

In the event of any re-entry by LESSOR, LESSOR may re-lease the Premises to any tenant tenants who provide housing and support services to persons who are served by or case managed by Clackamas County Social Services, Developmental Disability Program. LESSOR shall apply the rent received from any new tenant first to the cost of retaking and resubletting the Premises, including any costs incurred to obtain a new tenant, and then to any arrears of rent and future rent payable under this LEASE and any other damages to which LESSOR may be entitled hereunder.

Any property which LESSEE leaves on the Premises after abandonment or expiration of this LEASE, or for more than ten days after any termination of the lease by LESSOR shall be deemed to have been abandoned, and LESSOR may remove and sell said property at public or private sale as LESSOR sees fit, without being liable for any prosecution therefore or for damages by reason thereof, and the net proceeds of said sale shall be applied toward the expenses as aforesaid, and the balance of such amounts, if any, shall be held for and paid to the LESSEE.

**ORGANIZATION**

2020-2022 LEASE - 144 Molalla Avenue

**24. HOLDING OVER**

In the event the LESSEE for any reason shall hold over after the expiration of this LEASE, such holding over shall not be deemed to operate as a renewal or extension of this LEASE, but shall only create a tenancy from month to month which may be terminated at will at any time by the LESSOR.

**25. NO ATTORNEY FEES AND COSTS**

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.

**26. WAIVER**

LESSOR and LESSEE agree that failure by either party to insist upon strict performance of the terms, covenants, agreements and conditions of this Lease shall not constitute or be construed as a waiver or relinquishment of either party's right thereafter to enforce any such term, covenant, agreement or condition, but the same shall continue in full force and effect.

**27. NOTICES**

Any notice required by the terms of the LEASE to be given shall be sufficient if in writing contained in a sealed envelope deposited in US Mails and if intended for:

LESSOR:

Housing Authority of Clackamas County  
PO Box 1510  
Oregon City, OR 97045

LESSEE:

The Inn, Home for Boys  
8940 SE 72nd Ave.  
Portland, OR 97206

Any such notice shall be deemed conclusively to have been delivered to the addressee thereof forty-eight (48) hours after the deposit thereof in said US Mails.

**28. HEIRS AND ASSIGNS**

All rights, remedies and liabilities herein given to or imposed upon either of the parties hereto shall extend to, inure to the benefit of and bind, as the circumstances may require, the heirs, executors, administrators, successors and, so far as this LEASE is assignable by the term hereof, to the assigns of such parties.

In construing this LEASE, it is understood that the LESSOR or the LESSEE may be more than one person; that if the context so requires, the singular pronoun shall be taken to mean and include the plural, the masculine, the feminine and the neuter, and that generally all grammatical changes shall be made, assumed and implied to make the provisions hereof apply equally to corporations and to individuals.

**29. NON-WAIVER OF GOVERNMENTAL RIGHTS.**

Subject to the terms and conditions of this Lease, LESSOR is specifically not obligating itself with respect to any discretionary action relating to the Premises including, but not limited to,

## **ORGANIZATION**

2020-2022 LEASE - 144 Molalla Avenue

condemnation, comprehensive planning, rezoning, variances, environmental clearances or any other governmental approvals that are or may be required.

### **30. RECORDATION OF LEASE.**

LESSOR 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. LESSOR will pay the recording costs.

### **31. 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 LESSOR 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 LESSOR 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.

### **32. 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 including, but not limited to, execution of any additional documents that may be required by LESSOR's state or federal funding sources.

### **33. FORCE MAJEURE.**

Neither LESSOR nor LESSEE shall be held responsible for delay or default caused by events outside the LESSOR or LESSEE's reasonable control including, but not limited to, fire, terrorism, riot, acts of God, or war. However, both parties shall make all reasonable efforts to remove or eliminate such a cause of delay or default and shall upon the cessation of the cause, diligently pursue performance of its obligations under this Lease.

### **34. TAXES**

- 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

## **ORGANIZATION**

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Premises, or based on or otherwise in connection with the use, occupancy, or operations of the Premises, or with respect to services or utilities in connection with the use, occupancy, or operations of the Premises. Taxes will include, but not be limited to, state and local real-property 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.

- 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. Evidence of Payment. Upon written request by LESSOR, LESSEE shall provide LESSOR with evidence reasonably satisfactory to LESSOR that all Taxes required to be paid by LESSEE have been paid.
- d. Property Tax Exemption. LESSEE is responsible for filing the application for a property tax exemption under applicable Oregon law. In the event, the LESSEE fails to file the tax property tax exemption with the Clackamas County Department of Assessment and Taxation by the required deadline and the Premises loses its tax exempt status, LESSEE will be responsible for payment of any taxes or late filing fees assessed against the Premises.

## **35. TERMINATION**

- a. Non-default Termination: This Lease may be terminated for the following non-default reasons: (1) by mutual agreement of the parties; or (2) upon ninety (90) day's written notice to LESSEE, LESSOR may terminate this Lease for convenience, if LESSOR fails to receive expenditure authority sufficient to allow LESSOR, in the exercise of its reasonable administrative discretion, to continue to perform under this Lease, or 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, LESSOR may immediately terminate this Lease upon written notice to LESSEE and exercise any remedy provided herein.



**ORGANIZATION**

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IN WITNESS WHEREOF, the respective parties have executed this instrument, any corporation signature being by authority of its Board of Directors.

**LESSEE:**  
**THE INN, HOME FOR BOYS**

**LESSOR:**  
**HOUSING AUTHORITY OF CLACKAMAS  
COUNTY**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

By: \_\_\_\_\_

By: Jill C. Smith

Its: \_\_\_\_\_

Its: Executive Director

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**OREGON NOTARY ACKNOWLEDGMENT (LESSOR)**

State of OREGON

County of \_\_\_\_\_

This record was acknowledged before me on (date) \_\_\_\_\_, 20\_\_\_\_\_

by (name(s) of individual(s)) \_\_\_\_\_ as

(type of authority) \_\_\_\_\_ of (name of party on whose

behalf record was executed) \_\_\_\_\_.

\_\_\_\_\_  
Notary Public – State of Oregon

Official Stamp

Document Description

This certificate is attached to page \_\_\_\_ of a \_\_\_\_\_ (title or type of document),

dated \_\_\_\_\_, 20\_\_\_\_\_, consisting of \_\_\_\_\_ pages.

**ORGANIZATION**

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**OREGON NOTARY ACKNOWLEDGMENT (LESSEE)**

State of OREGON

County of \_\_\_\_\_

This record was acknowledged before me on (date) \_\_\_\_\_, 20\_\_\_\_\_

by (name(s) of individual(s)) \_\_\_\_\_ as

(type of authority) \_\_\_\_\_ of (name of party on whose

behalf record was executed) \_\_\_\_\_.

\_\_\_\_\_  
Notary Public – State of Oregon

Official Stamp

Document Description

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dated \_\_\_\_\_, 20\_\_\_\_\_, consisting of \_\_\_\_\_ pages.

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**ATTACHMENT A**  
**Summary of Responsibilities**  
**Repairs and Replacements**

	Lessor (HA)	Lessor-if Funding	Lessee (CH)/Lessee
Roof			
Major Repair/Replacement	<b>X</b>		
Minor Repair	<b>X</b>		
Exterior Walls / Siding <sup>(1)</sup>			
Major Repair/Replacement	<b>X</b>		
Minor Repair	<b>X</b>		
Heating/Vent/Coding			
Major Repair/Replacement	<b>X</b>		
Minor Repair	<b>X</b>		
Foundations			
Major Repair/Replacement		<b>X</b>	
Minor Repair	<b>X</b>		
Interior Walls <sup>(1)</sup>			
Major Repair/Replacement		<b>X</b>	
Minor Repair	<b>X</b>		
Interior Redecorating/Remodeling			<b>X</b>
Garage Door			
Major Repair/Replacement	<b>X</b>		
Minor Repair			<b>X</b>
Plumbing <sup>(1)</sup>			
Major Repair/Replacement	<b>X</b>		
Minor Repair (concealed)	<b>X</b>		
Minor Repair (exposed)			<b>X</b>
(1) Maintenance/repair of the building interior/exterior will be examined to determined responsibility i.e. normal wear and tear (HACC), accidental wear and tear due to program needs (lessee), or resident-caused (Lessee).			

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Electrical			
Major Repair	X		
Minor Repair (concealed)	X		
Minor Repair (exposed)			X
Landscaping			
Major Repair/Replacement		X	
Minor Repair			X
Floor Covering			
Major Repair/Replacement		X	X
Minor Repair	X		
Appliances			
Stove (Repair/Replacement) <sup>(2)</sup>			
Refrigerators (Repair/Replacement) <sup>(2)</sup>			
Dishwashers (repair/Replacement) <sup>(2)</sup>			
<sup>(2)</sup> Maintenance/repair on appliances that have been upgraded for program specific requirements/specifications will be repaired or replaced up to the standard appliance amounts allowed by HACCC. Any additional or exceeding costs will be the responsibility of the lessee/lessee.			
Garbage Disposal			X
Clothes Washer & Dryer			X
Code/Standards of Design		X	
Routine Minor Maintenance (light bulbs, furnace filters)			X
Broken Glass			X
Interior Doors			
Major Repair/Replacement			X
Minor Repair			X
Exterior Doors			
Major Repair/Replacement			X
Minor Repair			X
Routine Yard Maintenance			X

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Gutters – Cleaning			<b>X</b>
Cleaning Sidewalks			<b>X</b>
Client Caused Damage			<b>X</b>
Upgrades			<b>X</b>
Donated Equipment			<b>X</b>
Emergencies	<b>X</b>		

# LEASE

THIS LEASE is made and entered into by and between **HOUSING AUTHORITY OF CLACKAMAS COUNTY**, hereinafter called the LESSOR, and **Central City Concern**, hereinafter called the LESSEE.

The parties agree as follows:

## **1. DESCRIPTION OF PREMISES; PURPOSE OF LEASE**

LESSEE hereby leases a residence, more specifically described below, from the Housing Authority of Clackamas County (hereinafter called "LESSOR"). The property is known as:

146 Molalla Avenue  
Oregon City, Clackamas County, Oregon, 97045

together with any and all rights, privileges, easements, and appurtenances, as well as any and all fixtures, rights, privileges, easements, and appurtenances that may now or exist in the future (collectively, the "Premises"). The parties agree that LESSOR is leasing the Premises for the specific purpose of providing a facility in which the LESSEE will operate a residential program, as described in Section 3, below.

## **2. RENT**

This term of this lease shall be for one year. For the first year, LESSEE shall pay to LESSOR rent for the Premises in the amount of \$500.00 per calendar month during the period commencing July 1, 2020 and ending on June 30, 2021. The lease payments are due on the first day of each month starting July 1, 2020. LESSEE shall pay directly to the LESSOR at P.O. Box 1510, Oregon City, Oregon 97045. LESSEE acknowledges that rents received after the 10th of the month will be subject to a \$25.00 late charge.

## **3. USE OF PREMISES**

- a. The LESSEE shall use the leased premises during the term of this LEASE as follows: Operation of an office for the Law Enforcement Assistance Diversion (LEAD) program, plus any necessary support staff. LESSEE shall use the leased premises for no other purpose whatsoever without LESSOR's written consent.
- b. The LESSEE will not make any unlawful, improper or offensive use of said premises; LESSEE will not suffer any strip or waste thereof; LESSEE will not permit any objectionable noise or odor to escape or to be emitted from said Premises or do anything or permit anything to be done upon or about said Premises in any way tending to create a nuisance; LESSEE will not sell or permit to be sold any spirituous, vinous or malt liquors on said Premises; nor will LESSEE sell or permit to be sold any controlled substance on or about said Premises.
- c. The LESSEE will not allow the leased Premises at any time to fall into such a state of disrepair or disorder as to increase the fire hazard thereon; LESSEE shall not install any power machinery on said Premises except with written consent of the LESSOR; LESSEE shall not store gasoline or other highly combustible materials on said Premises at any time; LESSEE will not use said Premises in such a way or for such a purpose that the fire insurance rate on the building in which said Premises are located is thereby increased or

## **ORGANIZATION**

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that would prevent the LESSOR from taking advantage of any rulings of any agency of the state in which said leased Premises are situated or its successors, which would allow the LESSOR to obtain reduced premium rates for long term fire insurance policies.

### **4. UTILITIES**

The LESSEE shall pay for all heat, light, water, power, sewer and other services or utilities used at the Premises during the term of this LEASE.

### **5. REPAIRS AND IMPROVEMENTS**

Responsibility of all repairs and maintenance (other than routine) will be examined on a case by case basis to determine responsibility using the following guidelines and Attachment A. Maintenance/repair on appliances that have been upgraded or purchased for program specific requirements/specifications will be repaired or replaced for a cost not to exceed the repair or replacement cost of a standard appliance provided by the LESSOR. Maintenance/repair of the building interior/exterior will be examined to determine responsibility, i.e., normal wear and tear (LESSOR), accelerated wear and tear due to program needs (LESSEE), or resident-caused (LESSEE). LESSOR's obligations are contingent upon the availability of sufficient funds, as determined by LESSOR in its sole discretion.

a. LESSOR has responsibility for repairs and maintenance as funds are available for the following:

(1) Structural Major Repair/Replacement

Maintenance items related to the structure of the building to include: roof, exterior walls (repair and paint), siding, plumbing, and electrical systems, heating system, gutters, downspouts, foundation.

(2) Non-structural Major Repair/Maintenance/Replacement

Maintenance of items that deteriorate due to normal use for a special needs house would include the total cost of repair/replacement of standard kitchen stoves, and refrigerators provided by LESSOR. Upgraded kitchen stoves or refrigerators will be repaired/replaced up to limitations set by the LESSOR.

If an item other than a stove or refrigerator needs to be replaced before its agreed upon life due to excessive or hard use by the LESSEE, the replacement costs will be split between LESSOR and LESSEE.

Example: Carpet's life is set at 5 years, but wears out in 4 years. LESSOR pays 80% and LESSEE pays 20% of replacement cost.

(3) Standards of Design

These items of repair/maintenance/new installation or replacement are items that do not meet applicable building code or design requirements for the LESSEE's program. These are primarily health and safety issues.

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Examples: asbestos, sprinkler system, fire alarm system.

LESSOR will work with LESSEE on needed major repairs and replacements to the extent possible with available funding.

In cases of emergency, which present an immediate threat to health and safety, LESSOR will provide repairs such that the immediate threat to health and safety is removed within 48 hours unless there has been a major disaster requiring LESSOR to respond to multiple sites of emergency.

- b. LESSOR shall make repairs and provide maintenance as follows:
- (1) Minor Repairs/Routine Maintenance, i.e. Items behind the wall (concealed) that require repair due to normal wear and tear.

Example: replace a part on the furnace.

- (2) Repairs necessitated by vandalism, burglary or attempted burglary committed by individuals who are not agents, employers or invitees of the lessee or tenants or employees of LESSEE.
- (3) Non-routine repairs to landscaping and tree pruning.

Except in cases of emergency, LESSOR will give at least 24-hours notice of proposed entry and repair. Whenever possible, this notice will be given to LESSEE's house manager. LESSEE shall report needed repairs according to a process agreed upon by LESSOR and LESSEE.

- c. LESSEE shall be responsible for maintaining the Premises in a neat condition, free of trash and debris, in good order and repair. LESSEE agrees to be responsible for the following and maintain all of the following in good condition and repair, less reasonable wear and tear:

- (1) Minor Repairs/Routine Maintenance/Appliance Repair and Replacement

Reference the Attachment A for specific examples.

LESSEE is responsible for repairs and maintenance to the Premises including the replacement of all glass which may be broken or cracked during the term of the lease with glass of as good or better quality, and replacement and repair of interior and exterior doors except the garage door, the full cost of repair and replacement of dishwashers and disposals. The cost of kitchen stove and refrigerator repair and replacement will be determined by the LESSOR as described in paragraph 2. LESSEE is also responsible for routine maintenance of the grounds of the leased Premises, including mowing the grass, weeding, edging of beds, washing exterior windows and ensuring the gutters are cleaned as necessary.



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(2) Resident-Caused Damage

Any repairs necessitated by the acts or omissions of the LESSEE, or officers, agents, employees, clients, residents, or invitees of the LESSEE, including any repairs which would otherwise be required of LESSOR pursuant to subparagraphs a. and b. above, excluding daily wear and tear.

(3) Improvements

Improvements would be any elective change made to the home to improve the quality of life of the residents. Improvements would include upgrades, interior or exterior redecorating or remodeling, and interior painting.

Other examples: replacing a window air conditioner unit to central air, converting a storage room to a bathroom, appliance upgrades.

(4) Donated Equipment

The LESSEE and the LESSEE's vendor are responsible for all donated equipment.

The LESSEE will not be held responsible for repairs which result from original construction or substantial remodeling prior to LESSEE taking possession, or for substandard or nonworkman like work done by contractors hired by LESSOR.

A summary of the LESSOR's responsibilities, and of the LESSEE's responsibilities which the LESSEE agrees to be responsible for, as described above, is attached to this lease as Attachment A, and by this reference is incorporated herein.

### **6. LESSOR'S RIGHT OF ENTRY**

The LESSOR, or its authorized agents or representatives may enter the leased Premises at any reasonable time for the purpose of examining into the condition thereof, or any other lawful purpose. The LESSOR agrees to give the LESSEE 24 hours' notice thereof except in case of emergency, in which case no advance notice shall be required.

### **7. LOCKS AND KEYS**

The LESSEE, or its authorized agents or representatives, shall insure that all interior and exterior locks are maintained to allow LESSOR entry at all times with keys mastered to the LESSOR's specifications at the residence. Exceptions to this requirement will be considered on a case by case basis and must be approved by LESSOR prior to any lock changes.

### **8. RIGHT OF ASSIGNMENT**

The LESSEE will not assign, transfer, pledge, hypothecate, surrender or dispose of this LEASE, or any interest herein, sublet, or permit any other person or persons whomsoever to occupy the leased Premises without the written consent of the LESSOR being first obtained in writing; this LEASE is personal to said LESSEE; LESSEE's interests, in whole or in part, cannot be sold, assigned, transferred, seized or taken by operation at law, or under or by virtue of any execution or legal process, attachment or proceedings instituted against the LESSEE, or under or by virtue of any bankruptcy or insolvency proceedings had in regard to the LESSEE, or in any other manner, except as above mentioned.

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### **9. LIENS**

The LESSEE will not permit any lien of any kind, type or description to be placed or imposed upon the building in which said leased Premises are situated, or any part thereof, or the real estate on which it stands.

### **10. ICE. SNOW. DEBRIS**

If the Premises herein leased is located at street level, then at all times LESSEE shall keep the sidewalks in front of the leased Premises free and clear of ice, snow, rubbish, debris and obstruction; and if the LESSEE occupies the entire building, LESSEE will not permit rubbish, debris, ice or snow to accumulate on the roof of said building so as to stop up or obstruct gutters or downspouts or cause damage to said roof, and LESSEE will save harmless and protect the LESSOR against any injury whether to LESSOR, LESSEE or to LESSOR's property or to any other person or property caused by LESSEE's failure in that regard.

### **11. OVERLOADING OF FLOORS**

The LESSEE will not overload the floors of said Premises in such a way as to cause any undue or serious stress or strain upon the building in which said leased Premises are located, or any part thereof, and the LESSOR shall have the right, at any time, to call upon any competent engineer or architect whom the LESSOR may choose, to decide whether or not the floors of said Premises, or any part thereof, are being overloaded so as to cause any undue or serious stress or strain on said building, or any part thereof, and the decision of said engineer or architect shall be final and binding upon the LESSOR, and the LESSEE; and in the event that the engineer or architect so called upon shall decide that in his opinion the stress or strain is such as to endanger or injure said building, or any part thereof, then and in that event the LESSEE agrees immediately to relieve said stress or strain either by reinforcing the building or by lightening the load which causes such stress or strain in a manner satisfactory to the LESSOR.

### **12. ADVERTISING SIGNS**

The LESSEE will not use the outside walls of said Premises, or allow signs or devices of any kind to be attached thereto or suspended therefrom, for advertising or displaying the name or business of the LESSEE or for any purpose whatsoever without the written consent of the LESSOR; however, the LESSEE may make use of the windows of said leased Premises to display LESSEE's name and business when the workmanship of such signs shall be of good quality and permanent nature; provided further that the LESSEE may not suspend or place within said windows or paint thereon any banners, signs, signboards or other devices in violation of this section, or in violation of any applicable law or ordinance.

### **13. FIXTURES**

All partitions, plumbing, electrical wiring, additions to or improvements upon the Premises, whether installed by the LESSOR or LESSEE, shall be and become a part of the Premises as soon as installed and the property of the LESSOR unless otherwise herein provided.

### **14. LIGHT AND AIR**

This LEASE does not grant any rights of access to light and air over the property.

### **15. INSURANCE**

## **ORGANIZATION**

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LESSEE shall procure and maintain, for the duration of the lease, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the LESSEE's operations and use of the leased Premises. The cost of such insurance shall be borne by the LESSEE.

### **MINIMUM SCOPE OF INSURANCE**

Coverage shall be at least as broad as:

- a. Insurance Services Office Commercial General Liability coverage.
- b. Insurance Services Office Additional Insured.
- c. Worker's Compensation insurance as required by state law and Employer's Liability Insurance (for LESSEEs with employees).
- d. Professional Errors and Omissions Liability insurance.
- e. Property insurance against all risks of loss to any tenant improvements, betterments, and LESSEE-owned business personal property.

### **MINIMUM LIMITS OF INSURANCE LESSEE**

shall maintain limits no less than:

- a. General Liability: \$1,000,000 per occurrence, \$2,000,000 aggregate (including coverages for discrimination, fair housing and ADA violations, and sexual molestation).
- b. Workers' Compensation (statutory) and Employer's Liability: \$1,000,000 per accident for Bodily Injury or Disease.
- c. Professional Errors and Omissions Liability: not less than \$1,000,000 per occurrence, \$2,000,000 annual aggregate
- d. Property Insurance: full replacement cost with no co-insurance penalty provision.

**NOTE:** These limits can be attained by individual policies or by combining primary and umbrella policies.

### **DEDUCTIBLES AND SELF-INSURED RETENTIONS**

Any deductibles or self-insured retentions must be declared to and approved by the LESSOR. At the option of the LESSOR, either the insurer shall reduce or eliminate such deductibles or selfinsured retentions as respects the LESSOR, its officers, officials, employees and volunteers; or the LESSEE shall provide a financial guarantee satisfactory to the LESSOR guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

### **OTHER INSURANCE PROVISIONS**

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The General Liability is to contain, or be endorsed to contain, the following provisions:

- a. The Housing Authority of Clackamas County, its officers, officials, employees and volunteers are to be covered as additional insured with respect to liability arising out of maintenance or use of that part of the Premises leased to the LESSEE.
- b. The LESSEE's insurance coverage shall be primary insurance as respects the Housing Authority of Clackamas County, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the Housing Authority of Clackamas County, its officers, officials, employees, or volunteers shall be excess of the LESSEE's insurance.
- c. Each insurance policy required by these specifications shall be endorsed to state that coverage shall not be cancelled or materially changed, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the Housing Authority of Clackamas County.
- d. Maintenance of the proper insurance for the duration of the contract is a material element of the contract. Material changes in the required coverage or cancellation of the coverage shall constitute a material breach of the contract by the LESSEE.

### **ACCEPTABILITY OF INSURERS**

Insurance is to be placed with insurers with a current A M. Best's rating of no less than B+:VI. LESSEEs must provide written verification of their insurer's rating.

Use of the leased premise must be preapproved by LESSOR. LESSEE shall indemnify the LESSOR for any claims resulting from the conduct of the LESSEE's subcontractors and/or failure to be properly insured.

### **16. EMINENT DOMAIN**

In case of the condemnation or purchase of all or any substantial part of the said leased Premises by any public or private corporation with the power of condemnation this LEASE may be terminated, effective on the date possession is taken, by either party hereto on written notice to the other and in that case the LESSEE shall not be liable for any rent after the termination date. LESSEE shall not be entitled to and hereby expressly waives any right to any part of the condemnation award or purchase price.

### **17. FOR SALE AND FOR RENT SIGNS**

During the period of 90 days prior to the date above fixed for the termination of said LEASE, the LESSEE agrees that there may be posted on said Premises or in the windows thereof signs of moderate size notifying the public that the Premises are "for sale" or "for lease."

### **18. DELIVERING UP PREMISES ON TERMINATION**

At the expiration of said term or upon any sooner termination thereof, the LESSEE will quit and deliver up said leased Premises and all future erections or additions to or upon the same, broomclean, to the LESSOR, peaceably, quietly, and in as good order and condition, reasonable use and wear thereof, damage by fire, unavoidable casualty and the elements alone excepted, as the same are now in or hereafter may be put in by the LESSOR.

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### **19. INDEMNIFICATION**

To the fullest extent permitted by law, LESSEE shall indemnify, defend and hold harmless LESSOR, and its agents, affiliates, employees, managers, officers, other contractors, heirs and assigns (hereinafter "Indemnified Parties") from and against any and all liability, claims, damage, costs, expenses, awards, fines, judgments, and attorney's fees (including, without limitation, expert witness fees and other litigation expenses) of every nature arising out of or in connection with LESSEE's performance of work hereunder, or work of its agents, employees, subcontractors and/or independent contractors, or their failure to comply with any of its obligations contained in this lease agreement, whether or not caused in whole or part by Indemnified Parties' active or passive negligence, intentional act or omission. Such obligation shall not be construed to negate, abridge or reduce other rights or obligations of indemnity that would otherwise exist as to the parties.

The indemnification obligations of LESSEE under this LEASE shall not be limited by the amounts or types of insurance (or the deductibles or self-insured retention amounts of such insurance) which LESSEE is required to carry under this Agreement. Indemnified Parties' right to indemnification from LESSEE under this section shall be independent of Indemnified Parties' rights under the insurance to be provided by LESSEE under this Agreement.

LESSEE's duty to defend the Indemnified Parties is entirely separate from, independent of, and free standing from LESSEE's duty to indemnify the Indemnified Parties, including, without limitation, the defense of the Indemnified Parties against claims for which the Indemnified Parties (or any of them) may be strictly liable and applies whether the issue of LESSEE's liability, breach of this LEASE or other obligation, or LESSEE's responsibility has been determined and whether the Indemnified Parties (or any of them) have paid any sums or incurred any detriment, arising out of or resulting directly or indirectly from LESSEE's performance under this LEASE. Such defense obligation shall arise immediately upon presentation of a claim by any person which arises out of or is connected to this LEASE by LESSEE or any of its agents and written notice of such claim being tendered to LESSEE.

LESSEE shall be responsible for all damage to the Premises, injury to persons, and loss, expense, inconvenience, and delay which may be caused by, or result from, the conduct of work, or from any act, omission, or neglect of LESSEE, its subcontractors, agents, employees, guests, or invitees.

LESSOR shall have no liability to LESSEE for any injury, loss, or damage caused by third parties, or by any condition of the Premises. LESSOR shall have no liability for the failure or interruption of utilities.

### **20. PUBLIC CONTRACTING**

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 for the program conducted by the LESSEE on the leased Premises. In the event funds are not made available to LESSEE's program in or on the leased Premises, the LESSOR may end this lease agreement upon thirty (30) days' written notice to LESSEE and be subject to no legal or equitable remedies for the termination.

### **21. PETS**

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No pets shall be kept on the leased Premises at any time unless approved in advance in writing by the LESSOR.

In the event LESSEE discovers any condition in or on the leased Premises which renders the Premises uninhabitable or dangerous for continued occupancy, LESSEE shall immediately notify LESSOR.

### **22. DANGEROUS CONDITIONS**

In the event LESSEE discovers any condition in or on the leased Premises which renders the Premises uninhabitable or dangerous for continued occupancy, LESSEE shall immediately notify LESSOR.

### **23. ATTACHMENT, BANKRUPTCY, DEFAULT**

PROVIDED, ALWAYS, and these presents are upon these conditions, that (1) if the LESSEE shall be in arrears in the payment of rent for a period of ten days after the same becomes due, or (2) if the LESSEE shall fail or neglect to do, keep, perform or observe any of the covenants and agreements contained herein on LESSEE's part to be done, kept, performed and observed and such default shall continue for ten days or more after written notice of such failure or neglect shall be given to LESSEE, or (3) if the LESSEE shall be declared bankrupt or insolvent according to law, or (4) if any assignment of LESSEE's property shall be made for the benefit of creditors, or (5) if on the expiration of this LEASE, LESSEE fails to surrender possession of said leased Premises, then and in either or any of said cases or events, each of which constitutes an event of default, the LESSOR may terminate this LEASE and lawfully, at its option immediately or at any time thereafter, without demand or notice, may enter into and upon said leased Premises and every part thereof and repossess the same as of LESSOR's former estate, and expel said LESSEE and those claiming by, through and under LESSEE and remove LESSEE's effects at LESSEE's expense, forcibly if necessary and store the same, all without being deemed guilty of trespass and without prejudice to any remedy which otherwise might be used for arrears of rent or preceding breach of covenant. Upon the occurrence of an event of default described above, LESSOR may exercise any one or more of the remedies set forth in this Lease or any other remedy available under applicable law, whether in equity, under contract, or at law.

Neither the termination of this LEASE by forfeiture nor the taking or recovery of possession of the Premises shall deprive LESSOR of any other action, right, or remedy against LESSEE for possession, rent or damages, nor shall any omission by LESSOR to enforce any forfeiture, right or remedy to which LESSEE may be entitled be deemed a waiver by LESSOR of the right to enforce the performance of all terms and conditions of this LEASE by LESSEE.

In the event of any re-entry by LESSOR, LESSOR may re-lease the Premises to any tenant tenants who provide housing and support services to persons who are served by or case managed by Clackamas County Social Services, Developmental Disability Program. LESSOR shall apply the rent received from any new tenant first to the cost of retaking and resubletting the Premises, including any costs incurred to obtain a new tenant, and then to any arrears of rent and future rent payable under this LEASE and any other damages to which LESSOR may be entitled hereunder.

Any property which LESSEE leaves on the Premises after abandonment or expiration of this LEASE, or for more than ten days after any termination of the lease by LESSOR shall be deemed to have been abandoned, and LESSOR may remove and sell said property at public or private

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sale as LESSOR sees fit, without being liable for any prosecution therefore or for damages by reason thereof, and the net proceeds of said sale shall be applied toward the expenses as aforesaid, and the balance of such amounts, if any, shall be held for and paid to the LESSEE.

**24. HOLDING OVER**

In the event the LESSEE for any reason shall hold over after the expiration of this LEASE, such holding over shall not be deemed to operate as a renewal or extension of this LEASE, but shall only create a tenancy from month to month which may be terminated at will at any time by the LESSOR.

**25. NO ATTORNEY FEES AND COSTS**

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.

**26. WAIVER**

LESSOR and LESSEE agree that failure by either party to insist upon strict performance of the terms, covenants, agreements and conditions of this Lease shall not constitute or be construed as a waiver or relinquishment of either party's right thereafter to enforce any such term, covenant, agreement or condition, but the same shall continue in full force and effect.

**27. NOTICES**

Any notice required by the terms of the LEASE to be given shall be sufficient if in writing contained in a sealed envelope deposited in US Mails and if intended for:

LESSOR:

Housing Authority of Clackamas County  
PO Box 1510  
Oregon City, OR 97045

LESSEE:

Central City Concern  
232 NW 6th Avenue,  
Portland, OR 97209

Any such notice shall be deemed conclusively to have been delivered to the addressee thereof forty-eight (48) hours after the deposit thereof in said US Mails.

**28. HEIRS AND ASSIGNS**

All rights, remedies and liabilities herein given to or imposed upon either of the parties hereto shall extend to, inure to the benefit of and bind, as the circumstances may require, the heirs, executors, administrators, successors and, so far as this LEASE is assignable by the term hereof, to the assigns of such parties.

In construing this LEASE, it is understood that the LESSOR or the LESSEE may be more than one person; that if the context so requires, the singular pronoun shall be taken to mean and include the plural, the masculine, the feminine and the neuter, and that generally all grammatical changes shall be made, assumed and implied to make the provisions hereof apply equally to corporations and to individuals.

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### **29. NON-WAIVER OF GOVERNMENTAL RIGHTS.**

Subject to the terms and conditions of this Lease, LESSOR 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.

### **30. RECORDATION OF LEASE.**

LESSOR 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. LESSOR will pay the recording costs.

### **31. 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 LESSOR 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 LESSOR 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.

### **32. 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 including, but not limited to, execution of any additional documents that may be required by LESSOR's state or federal funding sources.

### **33. FORCE MAJEURE.**

Neither LESSOR nor LESSEE shall be held responsible for delay or default caused by events outside the LESSOR or LESSEE's reasonable control including, but not limited to, fire, terrorism, riot, acts of God, or war. However, both parties shall make all reasonable efforts to remove or eliminate such a cause of delay or default and shall upon the cessation of the cause, diligently pursue performance of its obligations under this Lease.

### **34. TAXES**



## **ORGANIZATION**

2020-2021 LEASE - 146 Molalla Avenue

- 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 based on or otherwise in connection with the use, occupancy, or operations of the Premises, or with respect to services or utilities in connection with the use, occupancy, or operations of the Premises. Taxes will include, but not be limited to, state and local real-property 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.
- 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. Evidence of Payment. Upon written request by LESSOR, LESSEE shall provide LESSOR with evidence reasonably satisfactory to LESSOR that all Taxes required to be paid by LESSEE have been paid.
- d. Property Tax Exemption. LESSEE is responsible for filing the application for a property tax exemption under applicable Oregon law. In the event, the LESSEE fails to file the tax property tax exemption with the Clackamas County Department of Assessment and Taxation by the required deadline and the Premises loses its tax exempt status, LESSEE will be responsible for payment of any taxes or late filing fees assessed against the Premises.

## **35. TERMINATION**

- a. Non-default Termination: This Lease may be terminated for the following non-default reasons: (1) by mutual agreement of the parties; or (2) upon ninety (90) day's written notice to LESSEE, LESSOR may terminate this Lease for convenience, if LESSOR fails to receive expenditure authority sufficient to allow LESSOR, in the exercise of its reasonable administrative discretion, to continue to perform under this Lease, or 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, LESSOR may immediately terminate this Lease upon written notice to LESSEE and exercise any remedy provided herein

IN WITNESS WHEREOF, the respective parties have executed this instrument, any corporation signature being by authority of its Board of Directors.

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**LESSEE:  
CENTRAL CITY CONCERN**

**LESSOR:  
HOUSING AUTHORITY OF CLACKAMAS  
COUNTY**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

By: \_\_\_\_\_  
Its: \_\_\_\_\_

By: Jill C. Smith  
Its: Executive Director

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**OREGON NOTARY ACKNOWLEDGMENT (LLESSOR)**

State of OREGON

County of \_\_\_\_\_

This record was acknowledged before me on (date) \_\_\_\_\_, 20\_\_\_\_\_

by (name(s) of individual(s)) \_\_\_\_\_ as

(type of authority) \_\_\_\_\_ of (name of party on whose

behalf record was executed) \_\_\_\_\_.

\_\_\_\_\_  
Notary Public – State of Oregon

Official Stamp

Document Description

This certificate is attached to page \_\_\_\_ of a \_\_\_\_\_ (title or type of document),

dated \_\_\_\_\_, 20\_\_\_\_\_, consisting of \_\_\_\_\_ pages.

**ORGANIZATION**

2020-2021 LEASE - 146 Molalla Avenue

**OREGON NOTARY ACKNOWLEDGMENT (LESSEE)**

State of OREGON

County of \_\_\_\_\_

This record was acknowledged before me on (date) \_\_\_\_\_, 20\_\_\_\_\_

by (name(s) of individual(s)) \_\_\_\_\_ as

(type of authority) \_\_\_\_\_ of (name of party on whose

behalf record was executed) \_\_\_\_\_.

\_\_\_\_\_  
Notary Public – State of Oregon

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**ORGANIZATION**

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**ATTACHMENT A**  
**Summary of Responsibilities**  
**Repairs and Replacements**

	Lessor (HA)	Lessor-if Funding	Lessee (CH)/Lessee
Roof			
Major Repair/Replacement	<b>X</b>		
Minor Repair	<b>X</b>		
Exterior Walls / Siding <sup>(1)</sup>			
Major Repair/Replacement	<b>X</b>		
Minor Repair	<b>X</b>		
Heating/Vent/Coding			
Major Repair/Replacement	<b>X</b>		
Minor Repair	<b>X</b>		
Foundations			
Major Repair/Replacement		<b>X</b>	
Minor Repair	<b>X</b>		
Interior Walls <sup>(1)</sup>			
Major Repair/Replacement		<b>X</b>	
Minor Repair	<b>X</b>		
Interior Redecorating/Remodeling			<b>X</b>
Garage Door			
Major Repair/Replacement	<b>X</b>		
Minor Repair			<b>X</b>
Plumbing <sup>(1)</sup>			
Major Repair/Replacement	<b>X</b>		
Minor Repair (concealed)	<b>X</b>		
Minor Repair (exposed)			<b>X</b>
(1) Maintenance/repair of the building interior/exterior will be examined to determined responsibility i.e. normal wear and tear (HACC), accidental wear and tear due to program needs (lessee), or resident-caused (Lessee).			

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Electrical			
Major Repair	X		
Minor Repair (concealed)	X		
Minor Repair (exposed)			X
Landscaping			
Major Repair/Replacement		X	
Minor Repair			X
Floor Covering			
Major Repair/Replacement		X	X
Minor Repair	X		
Appliances			
Stove (Repair/Replacement) <sup>(2)</sup>			
Refrigerators (Repair/Replacement) <sup>(2)</sup>			
Dishwashers (repair/Replacement) <sup>(2)</sup>			
<sup>(2)</sup> Maintenance/repair on appliances that have been upgraded for program specific requirements/specifications will be repaired or replaced up to the standard appliance amounts allowed by HACCC. Any additional or exceeding costs will be the responsibility of the lessee/lessee.			
Garbage Disposal			X
Clothes Washer & Dryer			X
Code/Standards of Design		X	
Routine Minor Maintenance (light bulbs, furnace filters)			X
Broken Glass			X
Interior Doors			
Major Repair/Replacement			X
Minor Repair			X
Exterior Doors			
Major Repair/Replacement			X
Minor Repair			X
Routine Yard Maintenance			X

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Gutters – Cleaning			<b>X</b>
Cleaning Sidewalks			<b>X</b>
Client Caused Damage			<b>X</b>
Upgrades			<b>X</b>
Donated Equipment			<b>X</b>
Emergencies	<b>X</b>		